

**CIEL TEXTILE LIMITED AND ITS SUBSIDIARIES**  
**AUDITED ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2009**

**INCOME STATEMENTS FOR THE YEAR ENDED JUNE 30, 2009**

	THE GROUP		THE COMPANY	
	30-Jun-09 AUDITED	30-Jun-08 AUDITED	30-Jun-09 AUDITED	30-Jun-08 AUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
<b>Turnover</b>	<b>6,862,813</b>	6,523,232	<b>41,436</b>	55,994
<b>Profit before Depreciation and Amortisation</b>	<b>433,457</b>	422,272	<b>63,476</b>	89,981
Other Operating Income	-	19,296	<b>86,344</b>	-
Depreciation and Amortisation	<b>(221,493)</b>	(211,016)	<b>(4,446)</b>	(5,099)
<b>Operating Profit</b>	<b>211,964</b>	230,552	<b>145,374</b>	84,882
Interest Income	<b>6,122</b>	21,148	<b>524</b>	5,095
Finance Costs	<b>(106,091)</b>	(132,348)	<b>(20,571)</b>	(33,586)
Share of (Loss) / Profit of Associates	<b>(14,669)</b>	10,062	-	-
<b>Profit before Taxation</b>	<b>97,326</b>	129,414	<b>125,327</b>	56,391
Taxation	<b>(35,427)</b>	(2,678)	<b>(1,040)</b>	(119)
<b>Profit for the year</b>	<b>61,899</b>	126,736	<b>124,287</b>	56,272
<b>Attributable to :</b>				
Equity Holders of the Parent	<b>37,641</b>	114,422		
Minority Interests	<b>24,258</b>	12,314		
	<b>61,899</b>	126,736		
<b>Earnings per Share</b>				
Earnings attributable to Equity Holders (Rs '000)	<b>37,641</b>	114,422		
Number of Shares in issue during the year ('000)	<b>101,808</b>	101,808		
Basic and Diluted Earnings per Share (Rs/Cs)	<b>0.37</b>	1.12		

**BALANCE SHEETS AS AT JUNE 30, 2009**

	THE GROUP		THE COMPANY	
	30-Jun-09 AUDITED	30-Jun-08 AUDITED Restated	30-Jun-09 AUDITED	30-Jun-08 AUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
<b>ASSETS EMPLOYED</b>				
<b>Non Current Assets</b>				
Property, Plant and Equipment	<b>2,024,005</b>	2,094,849	<b>92,529</b>	117,416
Investments and Others	<b>102,689</b>	128,480	<b>1,123,526</b>	1,122,062
	<b>2,126,694</b>	2,223,329	<b>1,216,055</b>	1,239,478
<b>Current Assets</b>	<b>3,583,529</b>	3,796,868	<b>136,529</b>	826,218
	<b>5,710,223</b>	6,020,197	<b>1,352,584</b>	2,065,696
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Share Capital	<b>685,865</b>	685,865	<b>685,865</b>	685,865
Revaluation and Other Reserves	<b>485,749</b>	492,014	<b>107,277</b>	109,797
Retained Earnings	<b>972,204</b>	990,593	<b>86,920</b>	302
<b>Shareholders' Interests</b>	<b>2,143,818</b>	2,168,472	<b>880,062</b>	795,964
Minority Interests	<b>132,389</b>	106,857	-	-
Redeemable Preference Share Capital	<b>448,937</b>	448,937	-	-
<b>Total Equity</b>	<b>2,725,144</b>	2,724,266	<b>880,062</b>	795,964
<b>Non Current Liabilities</b>	<b>282,313</b>	302,226	<b>30,321</b>	30,907
<b>Current Liabilities</b>	<b>2,702,766</b>	2,993,705	<b>442,201</b>	1,238,825
	<b>5,710,223</b>	6,020,197	<b>1,352,584</b>	2,065,696

**CASH FLOW STATEMENTS FOR THE YEAR ENDED JUNE 30, 2009**

	THE GROUP		THE COMPANY	
	30-Jun-09 AUDITED	30-Jun-08 AUDITED	30-Jun-09 AUDITED	30-Jun-08 AUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
Net Cash from Operating Activities	<b>349,575</b>	190,152	<b>54,739</b>	123,413
Net Cash (used in)/generated from Investing Activities	<b>(135,288)</b>	(131,529)	<b>83,933</b>	78
Net Cash used in Financing Activities	<b>(184,623)</b>	(176,429)	<b>(137,122)</b>	(143,845)
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>29,664</b>	(117,806)	<b>1,550</b>	(20,354)
Opening Cash and Cash Equivalents	<b>(477,971)</b>	(360,165)	<b>(4,393)</b>	15,961
<b>Closing Cash and Cash Equivalents</b>	<b>(448,307)</b>	(477,971)	<b>(2,843)</b>	(4,393)

**STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2009**

	THE GROUP						
	Share Capital	Revaluation and Other Reserves	Retained Earnings	Sub Total	Minority Interests	Redeemable Preference Share Capital (Restated)	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 01, 2008	685,865	492,014	990,593	2,168,472	106,857	448,937	2,724,266
Profit for the year	-	-	37,641	37,641	24,258	-	61,899
Movements for the year	-	(6,265)	5,516	(749)	3,993	-	3,244
Ordinary Dividend	-	-	(37,669)	(37,669)	-	-	(37,669)
Preference Dividend	-	-	(23,877)	(23,877)	(2,719)	-	(26,596)
<b>At June 30, 2009</b>	<b>685,865</b>	<b>485,749</b>	<b>972,204</b>	<b>2,143,818</b>	<b>132,389</b>	<b>448,937</b>	<b>2,725,144</b>
At July 01, 2007	685,865	451,838	998,183	2,135,886	78,531	448,937	2,663,354
Profit for the year	-	-	114,422	114,422	12,314	-	126,736
Movements for the year	-	40,176	(63,818)	(23,642)	16,012	-	(7,630)
Ordinary Dividend	-	-	(50,904)	(50,904)	-	-	(50,904)
Preference Dividend	-	-	(7,290)	(7,290)	-	-	(7,290)
<b>At June 30, 2008</b>	<b>685,865</b>	<b>492,014</b>	<b>990,593</b>	<b>2,168,472</b>	<b>106,857</b>	<b>448,937</b>	<b>2,724,266</b>

	THE COMPANY			
	Share Capital	Revaluation and Other Reserves	Retained Earnings	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At July 01, 2008	685,865	109,797	302	795,964
Profit for the year	-	(2,520)	124,287	121,767
Ordinary Dividend	-	-	(37,669)	(37,669)
<b>At June 30, 2009</b>	<b>685,865</b>	<b>107,277</b>	<b>86,920</b>	<b>880,062</b>
At July 01, 2007	685,865	109,797	24	795,686
Profit for the year	-	-	56,272	56,272
Ordinary Dividend	-	-	(50,904)	(50,904)
Preference Dividend	-	-	(5,090)	(5,090)
<b>At June 30, 2008</b>	<b>685,865</b>	<b>109,797</b>	<b>302</b>	<b>795,964</b>

**Comments on abridged audited financial statements for the year ended 30th June 2009**

**Results**

Our last quarter results have been better than anticipated due primarily to favorable exchange rates prevailing. The results for the year show a decrease in Profit before Tax of 24.8 % due primarily to price and margin reductions resulting from a very soft market and aggressive international competition. Our international operations have been the major contributors to this year's profitability, whilst local operations have made a loss despite aggressive cost cutting initiatives.

Profit after tax for the financial year to June 30, 2009 stood at Rs 61.9m (June 30, 2008 Rs 126.7m). Taxation for the current year includes a non recurrent deferred tax charge of Rs 26m.

Profit attributable to equity holders of the Company was Rs 37.6m for year ended June 30, 2009 (June 30, 2008 Rs 114.4m).

**Outlook**

A good order book and early fruits of our aggressive cost reduction projects will contribute to improved first quarter results over the previous year. Whilst markets remain soft and pressure on prices remains high, we expect that greater operational effectiveness will help us to achieve better results for the first semester. There are however risks that forward results be negatively impacted by unfavourable foreign exchange rates movements and/or the materialisation of political risks in Madagascar.

**By order of the Board**

**CIEL Corporate Services Ltd**  
**Secretaries**

**September 25, 2009**

The annual financial statements are issued pursuant to DEM rule 18 and the Securities Act 2005.

The Board of Directors of CIEL Textile Limited accepts full responsibility for the accuracy of the information contained in this report.

Copies of the Audited Financial Statements are available, free of charge, upon request from the Company Secretary, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène.

The statement of direct and indirect interests of Insiders, pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, is available free of charge, upon request from the Company Secretary, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène.