

**CIEL TEXTILE LIMITED AND ITS SUBSIDIARIES**
**UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2009**
**CONDENSED INCOME STATEMENTS**

	THE GROUP			
	Half Year ended 31-Dec-09 UNAUDITED	Half Year ended 31-Dec-08 UNAUDITED	Quarter ended 31-Dec-09 UNAUDITED	Quarter ended 31-Dec-08 UNAUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
<b>Revenue</b>	<b>3,833,046</b>	3,409,624	<b>1,731,195</b>	1,513,770
<b>Profit before Finance Costs</b>	<b>157,765</b>	54,919	<b>85,742</b>	26,370
Interest Income	1,739	1,511	1,401	1,033
Finance Costs	(48,386)	(53,802)	(21,850)	(23,867)
Share of results of Associates	2,947	(4,159)	1,277	(2,595)
<b>Profit / (Loss) before Taxation</b>	<b>114,065</b>	(1,531)	<b>66,570</b>	941
Taxation	(15,299)	(5,539)	(10,827)	(2,781)
<b>Profit / (Loss) for the period</b>	<b>98,766</b>	(7,070)	<b>55,743</b>	(1,840)
<b>Attributable to:-</b>				
Owners of the Parent	77,058	(18,263)	36,849	(8,587)
Non Controlling Interests	21,708	11,193	18,894	6,747
	<b>98,766</b>	(7,070)	<b>55,743</b>	(1,840)
<b>Earnings per Share</b>				
Earnings/(Loss) attributable to Owners of the Parent (Rs '000)	77,058	(18,263)	36,849	(8,587)
Number of Shares used in calculation ('000)	101,808	101,808	101,808	101,808
Earnings/(Loss) per Share (Rs/Cs)	0.76	(0.18)	0.36	(0.08)

	THE COMPANY			
	Half Year ended 31-Dec-09 UNAUDITED	Half Year ended 31-Dec-08 UNAUDITED	Quarter ended 31-Dec-09 UNAUDITED	Quarter ended 31-Dec-08 UNAUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
<b>Revenue</b>	-	41,436	-	41,436
<b>(Loss) / Profit before Finance Costs</b>	<b>(620)</b>	42,123	<b>(543)</b>	42,415
Interest Income	66	419	56	141
Finance costs	(179)	(68)	(31)	(41)
<b>(Loss) / Profit Before Taxation</b>	<b>(733)</b>	42,474	<b>(518)</b>	42,515
Taxation	-	(852)	-	(776)
<b>(Loss) / Profit for the period</b>	<b>(733)</b>	41,622	<b>(518)</b>	41,739

**CONDENSED STATEMENTS OF COMPREHENSIVE INCOME**

	THE GROUP			
	Half Year ended 31-Dec-09 UNAUDITED	Half Year ended 31-Dec-08 UNAUDITED	Quarter ended 31-Dec-09 UNAUDITED	Quarter ended 31-Dec-08 UNAUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
<b>Profit / (Loss) for the period</b>	<b>98,766</b>	(7,070)	<b>55,743</b>	(1,840)
<b>Other Comprehensive (Expense) / Income:</b>				
Currency Translation Differences	(15,827)	1,820	1,943	-
<b>Total Comprehensive (Expense) / Income for the period</b>	<b>82,939</b>	(5,250)	<b>57,686</b>	(1,840)
<b>Total Comprehensive (Expense) / Income attributable to:</b>				
Owners of the Parent	62,956	(16,661)	39,592	(8,587)
Non Controlling Interests	19,983	11,411	18,094	6,747
	<b>82,939</b>	(5,250)	<b>57,686</b>	(1,840)

**SEGMENTAL REPORTING - GEOGRAPHICAL SEGMENTS**

	THE GROUP			
	Half Year ended 31-Dec-09 UNAUDITED	Half Year ended 31-Dec-08 UNAUDITED	Quarter ended 31-Dec-09 UNAUDITED	Quarter ended 31-Dec-08 UNAUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
<b>Revenue</b>				
Local Operations	1,697,852	1,584,554	748,199	749,628
International Operations	2,135,194	1,825,070	982,996	764,142
	<b>3,833,046</b>	3,409,624	<b>1,731,195</b>	1,513,770
<b>Profit / (Loss) for the period</b>				
Local Operations	382	(82,346)	(5,994)	(49,987)
International Operations	98,384	75,276	61,737	48,147
	<b>98,766</b>	(7,070)	<b>55,743</b>	(1,840)

**CONDENSED STATEMENTS OF FINANCIAL POSITION**

	THE GROUP		THE COMPANY	
	31-Dec-09 UNAUDITED	30-Jun-09 AUDITED	31-Dec-09 UNAUDITED	30-Jun-09 AUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
<b>ASSETS EMPLOYED</b>				
<b>Non Current Assets</b>				
Property, plant and equipment	2,004,036	2,024,005	91,337	92,529
Investments and Others	94,502	102,689	1,105,103	1,123,526
	<b>2,098,538</b>	2,126,694	<b>1,196,440</b>	1,216,055
<b>Current Assets</b>	<b>3,576,228</b>	3,583,529	<b>120,900</b>	136,529
<b>Total Assets</b>	<b>5,674,766</b>	5,710,223	<b>1,317,340</b>	1,352,584
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Share Capital	685,865	685,865	685,865	685,865
Revaluation and Other Reserves	459,167	485,749	94,797	107,277
Retained Earnings	1,049,262	972,204	86,187	86,920
<b>Owners' Interests</b>	<b>2,194,294</b>	2,143,818	<b>866,849</b>	880,062
Non Controlling Interests	185,685	132,389	-	-
Redeemable Preference Share Capital	448,937	448,937	-	-
<b>Total Equity</b>	<b>2,828,916</b>	2,725,144	<b>866,849</b>	880,062
<b>Non Current Liabilities</b>	<b>338,724</b>	282,313	<b>30,321</b>	30,321
<b>Current Liabilities</b>	<b>2,507,126</b>	2,702,766	<b>420,170</b>	442,201
<b>Total Equity and Liabilities</b>	<b>5,674,766</b>	5,710,223	<b>1,317,340</b>	1,352,584

**CONDENSED STATEMENTS OF CASH FLOWS**

	THE GROUP		THE COMPANY	
	Half Year ended 31-Dec-09 UNAUDITED	Half Year ended 31-Dec-08 UNAUDITED	Half Year ended 31-Dec-09 UNAUDITED	Half Year ended 31-Dec-08 UNAUDITED
	Rs'000	Rs'000	Rs'000	Rs'000
Net Cash generated from Operating Activities	127,924	110,061	923	43,759
Net Cash used in Investing Activities	(83,460)	(62,518)	-	-
Net Cash used in Financing Activities	(141,361)	(133,800)	-	(42,288)
<b>(Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(96,897)</b>	(86,257)	<b>923</b>	1,471
Opening Cash and Cash Equivalents	(448,307)	(477,971)	(2,843)	(4,393)
<b>Closing Cash and Cash Equivalents</b>	<b>(545,204)</b>	(564,228)	<b>(1,920)</b>	(2,922)

**CONDENSED STATEMENTS OF CHANGES IN EQUITY**

	THE GROUP						
	Share Capital	Revaluation and Other Reserves	Retained Earnings	Sub Total	Non Controlling Interests	Redeemable Preference Share Capital	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 01, 2009	685,865	485,749	972,204	2,143,818	132,389	448,937	2,725,144
Issue of Shares	-	-	-	-	33,313	-	33,313
Disposal of Investments	-	(12,480)	-	(12,480)	-	-	(12,480)
Total Comprehensive (Expense) / Income for the period	-	(14,102)	77,058	62,956	19,983	-	82,939
<b>At December 31, 2009</b>	<b>685,865</b>	<b>459,167</b>	<b>1,049,262</b>	<b>2,194,294</b>	<b>185,685</b>	<b>448,937</b>	<b>2,828,916</b>
At July 01, 2008	685,865	492,014	990,593	2,168,472	106,857	448,937	2,724,266
Dividends paid	-	-	(41,436)	(41,436)	-	-	(41,436)
Total Comprehensive (Expense) / Income for the period	-	-	(16,661)	(16,661)	11,411	-	(5,250)
<b>At December 31, 2008</b>	<b>685,865</b>	<b>492,014</b>	<b>932,496</b>	<b>2,110,375</b>	<b>118,268</b>	<b>448,937</b>	<b>2,677,580</b>

	THE COMPANY			
	Share Capital	Revaluation and Other Reserves	Retained Earnings	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At July 01, 2009	685,865	107,277	86,920	880,062
Disposal of Investments	-	(12,480)	-	(12,480)
Total Comprehensive Expense for the period	-	-	(733)	(733)
<b>At December 31, 2009</b>	<b>685,865</b>	<b>94,797</b>	<b>86,187</b>	<b>866,849</b>
At July 01, 2008	685,865	109,797	302	795,964
Dividends paid	-	-	(41,436)	(41,436)
Total Comprehensive Income for the period	-	-	41,622	41,622
<b>At December 31, 2008</b>	<b>685,865</b>	<b>109,797</b>	<b>488</b>	<b>796,150</b>

**Comments on condensed unaudited financial statements for the half year ended 31st December 2009**
**Results**

Half year results are slightly above expectations and have improved compared to last year. International operations continue to be the main drivers of profitability. Local operations are at a breakeven point due to difficult market conditions mitigated by cost reduction initiatives.

**Outlook**

Markets remain soft and unstable whilst margins remain under pressure. Political risks in Madagascar still prevail and could impact adversely on operations if the situation worsens. The Mauritian rupee has appreciated by 10% against our basket of export currencies since July 2009 and this situation will impact materially our profitability on the local front. We therefore expect a reduced profitability for the second semester.

**By order of the Board**

**CIEL Corporate Services Ltd**  
Secretaries

February 10, 2010

The condensed quarterly financial statements of CIEL Textile Limited are unaudited and have been prepared using the same accounting policies as the audited financial statements for the year ended June 30, 2009.

Copies of the quarterly report are available, free of charge, at the registered office of the Company, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène.

These condensed quarterly financial statements are issued pursuant to DEM rule 17 and the Securities Act 2005.

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, at the registered office of the Company.

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