

DEEP RIVER-BEAU CHAMP LIMITED AND ITS SUBSIDIARIES
ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2008

ABRIDGED BALANCE SHEETS AS AT JUNE 30, 2008

	THE GROUP		THE COMPANY	
	Audited	Audited	Audited	Audited
	2008	Restated 2007	2008	2007
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS EMPLOYED				
Non-current assets				
Property, plant and equipment	4,089,333	3,576,091	1,325,676	1,281,266
Land-projects	11,484	13,300	-	-
Investment property	1,073	1,099	-	-
Intangible assets	-	1,039	33,400	33,400
Investment in subsidiary companies	-	-	420,790	420,790
Investment in associated companies	277,443	224,616	7,050	7,050
Investment in joint ventures	250,534	139,205	355,841	355,841
Investment in securities	69,660	78,783	52,194	60,301
Deposit on investment	90,924	-	90,924	-
Bearer biological assets	171,520	181,730	69,895	66,954
Deferred expenditure and other non current receivables	1,046,727	1,016,784	1,162,760	1,010,896
	6,008,698	5,232,647	3,518,530	3,236,498
Current assets	1,770,091	2,289,884	753,874	731,841
Total assets	7,778,789	7,522,531	4,272,404	3,968,339
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	93,600	93,600	93,600	93,600
Revaluation and other reserves	1,084,183	1,146,695	1,129,121	1,137,228
Retained earnings	1,959,901	1,688,111	2,164,984	2,179,889
Shareholders' interests	3,137,684	2,928,406	3,387,705	3,410,717
Loans	217,460	165,107	-	-
Minority interests	906,994	906,752	-	-
	4,262,138	4,000,265	3,387,705	3,410,717
Non current liabilities				
Borrowings	761,006	820,574	235,496	81,644
Deferred tax liabilities	394,602	411,106	-	-
Retirement benefit obligations	117,887	217,589	70,761	163,931
	1,273,495	1,449,269	306,257	245,575
Current liabilities	2,243,156	2,072,997	578,442	312,047
Total equity and liabilities	7,778,789	7,522,531	4,272,404	3,968,339

ABRIDGED PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	THE GROUP		THE COMPANY	
	Audited	Audited	Audited	Audited
	2008	Restated 2007	2008	2007
	Rs'000	Rs'000	Rs'000	Rs'000
TURNOVER				
	3,253,477	2,581,633	399,206	449,565
Profit before finance costs	469,985	606,672	94,421	195,427
Finance costs	(229,126)	(146,945)	(48,692)	(10,854)
Share of result of joint ventures	79,992	(20,038)	-	-
Share of result of associated companies	84,412	76,309	-	-
Profit before exceptional items	405,263	515,998	45,729	184,573
Exceptional items	40,684	-	7,509	-
Profit after exceptional items	445,947	515,998	53,238	184,573
Taxation	(56,616)	(96,490)	(2,623)	(11,132)
Profit for the year	389,331	419,508	50,615	173,441
Attributable to:				
Equity holders of the company	337,310	301,907	50,615	173,441
Minority interest	52,021	117,601	-	-
	389,331	419,508	50,615	173,441
DATA PER SHARE				
EARNINGS PER SHARE - Rs	37.79	33.78	5.31	19.23
NET ASSETS PER SHARE - Rs	355.46	331.76	383.79	386.40
DIVIDENDS PER SHARE - Rs	-	-	7.00	7.00
NUMBER OF SHARES USED IN CALCULATION ('000)	8,827	8,827	8,827	8,827

ABRIDGED CASH FLOW STATEMENTS FOR THE YEAR ENDED JUNE 30, 2008

	THE GROUP		THE COMPANY	
	Audited	Audited	Audited	Audited
	2008	Restated 2007	2008	2007
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash flow from operating activities	582,882	36,353	38,698	83,365
Net cash flow used in investing activities	(876,355)	(886,670)	(310,473)	(73,343)
Net cash flow from/(used in) financing activities	49,543	(111,249)	157,095	(108,507)
Net decrease in cash and cash equivalents	(243,930)	(961,566)	(114,680)	(98,485)
Cash and cash equivalents at July 1,	(1,113,975)	(152,409)	(76,331)	22,154
Cash and cash equivalents at June 30,	(1,357,905)	(1,113,975)	(191,011)	(76,331)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2008

THE GROUP	Attributable to equity holders of the company						
	Share Capital	Revaluation and other reserves	Retained Earnings	Total	Other Loans	Minority Interest	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2007	93,600	1,146,695	1,688,111	2,928,406	165,107	906,752	4,000,265
Fair value adjustment	-	(9,123)	-	(9,123)	-	-	(9,123)
Received during the year	-	-	-	-	52,353	-	52,353
Movement in reserves	-	(154)	-	(154)	-	-	(154)
Retained profit for the year	-	-	337,310	337,310	-	52,021	389,331
Dividends	-	-	(65,520)	(65,520)	-	(13,091)	(78,611)
Translation difference	-	(53,235)	-	(53,235)	-	(38,688)	(91,923)
Balance as at June 30, 2008	93,600	1,084,183	1,959,901	3,137,684	217,460	906,994	4,262,138
Balance at July 1, 2006	93,600	1,113,446	1,450,724	2,657,770	38,171	783,898	3,479,839
Fair value adjustment	-	34,299	-	34,299	-	-	34,299
Received during the year	-	-	-	-	63,825	-	63,825
Movement in reserves	-	(19,815)	1,000	(18,815)	-	(1,000)	(19,815)
Retained profit for the year	-	-	301,907	301,907	-	117,601	419,508
Dividends	-	-	(65,520)	(65,520)	-	(12,729)	(78,249)
Deconsolidation of joint venture	-	-	-	-	63,111	-	63,111
Translation difference	-	18,765	-	18,765	-	18,982	37,747
Balance as at June 30, 2007	93,600	1,146,695	1,688,111	2,928,406	165,107	906,752	4,000,265

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2008

THE COMPANY	Share Capital	Revaluation and other reserves	Retained Earnings	Total
	Rs'000	Rs'000	Rs'000	Rs'000
	Balance at July 1, 2007	93,600	1,137,228	2,179,889
Decrease in fair value of available-for-sale investments	-	(8,107)	-	(8,107)
Retained profit for the year	-	-	50,615	50,615
Dividends	-	-	(65,520)	(65,520)
Balance as at June 30, 2008	93,600	1,129,121	2,164,984	3,387,705
Balance at July 1, 2006	93,600	1,107,236	2,071,968	3,272,804
Increase in fair value of available-for-sale investments	-	29,992	-	29,992
Retained profit for the year	-	-	173,441	173,441
Dividends	-	-	(65,520)	(65,520)
Balance as at June 30, 2007	93,600	1,137,228	2,179,889	3,410,717

GENERAL INFORMATION

Group Financial Results

Group turnover for the year reached Rs 3,253M, up 26% on the previous year's figure of Rs 2,582M. The sale of villas under the Anahita Integrated Resort Scheme (IRS) accounted for the greater part of this increase. The rise in turnover occurred in a financial year where the higher sales achieved in the Tanzanian sugar operations (TPC Ltd) have been partially offset by the reduced turnover on the Mauritian sugar activities.

Profit after exceptional items stood at Rs 446M compared to Rs 516M in 2007. The reduced 2007 crop locally together with the negative impact of the 12% reduction in sugar prices for 2008 on the standing crop valuation were the main factors explaining this shortfall, this, in spite of the positive contribution from the Anahita IRS of Rs 74.1M.

Profit attributable stood higher at Rs 337M compared to Rs 302M in 2007, due mainly to the contribution from the joint venture companies of the group more specifically from the profit recognition on part of the sale of the Four Season Residences forming part of the Anahita Hotel project. The company's indebtedness increased by around Rs 300M during the year under review mainly due to the financing of the Voluntary Retirement Scheme in December 2007 and investments in the Anahita property development projects.

PROSPECTS

Mauritius - Sugar

The climatic conditions which prevailed during the 2008 intercrop have been conducive for a better crop than 2007. The cane tonnage harvested is estimated to be 19% higher than 2007 with a 22.5% increase in sugar produced from the estate canes.

The cane throughput at the mill is forecasted to be 40% higher than 2007 due again to the good climatic conditions but most of all from the additional 130,000 tonnes of canes to be received from Mon Desert Alma factory area following the closure of its milling activities. On the Revenue side, the increase in sugar production will be mitigated by the adverse impact of the 12% price reduction together with the current strong parity of the Rupee. The standing crop valuation at year end will also be severely impaired due to the 2009 sugar price reduction of 19%.

Significant increase in prices of fertilizers, fuel oil, transport cost and processing of canes will unfortunately mop up the greater part of the savings resulting from the retirement scheme so that an average profitability level can be expected for the local operations.

Mauritius - Energy

The rising trend in coal prices on the world market is greatly affecting the profitability level of the operations of Consolidated Energy Ltd. The company might well end up the financial year in a loss making situation due to an inappropriate price indexation formula in the current context of high prices and volatility level of coal.

Tanzania - Sugar

Prospects are looking good with an expected sugar production of 72,000 tonnes and a much enhanced profitability level compared to 2008.

Mauritius - Property

Anahita Resort

Anahita Estates Ltd villa sales will continue to yield positive results for the Group in spite of the world property market crisis which has led to a slow down in activities in the recent months.

Anahita Residences & Villas Ltd, the company managing the rental program of Anahita Residences, is slowly picking up after a start in the middle of the low tourism season.

Finally, the construction of the Four Seasons hotel is almost completed and the hotel is expected to start operations this coming October.

Property Development Project

Deep River-Beau Champ Limited is engaged into discussions with CIEL Investment Limited (CIL) to combine some of the company's property assets with Ferney Ltd, a wholly owned subsidiary of CIL, with a view to create a unique property development company.

September 05, 2008

By order of the Board
CIEL Corporate Services Ltd
 Secretaries