

CIEL INVESTMENT LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED DECEMBER 31, 2009

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	Unaudited 31-Dec-09	Audited 31-Mar-09	Unaudited 31-Dec-09	Audited 31-Mar-09
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS				
Investments in subsidiaries	-	-	944,793	981,477
Investments in joint ventures	805,300	745,107	1,001,642	1,040,713
Investments in associated companies	2,775,126	3,199,114	2,861,553	2,379,140
Investment in other equities	274,042	187,596	461,975	299,659
Investment properties	705,000	718,936	40,200	40,200
Deposits on investments	179,488	300,656	295,488	407,544
Other non current assets	644,524	597,868	18,210	7,800
Current assets	138,848	189,942	46,690	77,608
Total assets	5,522,328	5,939,219	5,670,551	5,234,141
EQUITY AND LIABILITIES				
Capital and reserves				
Owners' interests	4,649,054	5,532,486	5,091,101	5,093,399
Non controlling interest	2,861	2,803	-	-
Total equity	4,651,915	5,535,289	5,091,101	5,093,399
Non current liabilities	238,110	214,750	-	-
Current liabilities	632,303	189,180	579,451	140,742
Total equity and liabilities	5,222,328	5,939,219	5,670,551	5,234,141
Net asset value per share	Rs 5.14	4.59	5.63	4.23
No. of ord shares (000) for NAV Calc	903,613	1,204,873	903,613	1,204,873

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Unaudited 9 Months 31-Dec-09	Unaudited 9 Months 31-Dec-08	Unaudited 9 Months 31-Dec-09	Unaudited 9 Months 31-Dec-08
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash (used in)/from operating activities	(25,991)	(70,840)	10,914	11,804
Net cash from/(used in) investing activities	830,048	(426,413)	642,725	(226,189)
Net cash (used in)/from financing activities	(1,152,618)	42,913	(1,173,470)	(84,341)
(Decrease)/Increase in cash and cash equivalents	(348,561)	(454,340)	(519,831)	(298,726)
Movement in cash and cash equivalents				
At April 1	41,661	476,408	101	298,836
Increase / (decrease)	(348,561)	(454,340)	(519,831)	(298,726)
At December 31	(306,900)	22,068	(519,730)	110
Cash and cash equivalents being :	Rs'000	Rs'000	Rs'000	Rs'000
Cash at call	(122,908)	-	(284,663)	-
Cash at bank and in hand	52,642	24,470	1,555	110
	(70,266)	24,470	(283,108)	110
Less : Bank overdraft	(236,634)	(2,402)	(236,622)	-
	(306,900)	22,068	(519,730)	110

STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Share Capital	Treasury Shares	Revaluation, fair value and others reserves	Retained Earnings		Minority Interest	Total
				Rs'000	Rs'000		
				Rs'000	Rs'000		
Balance at April 1, 2009	2,174,237	-	550,097	2,808,152	5,332,486	2,803	5,535,289
Total comprehensive income for the period	-	-	80,474	230,445	310,919	1,204	312,123
Dividends	-	-	-	(78,316)	(78,316)	(1,146)	(79,462)
Share buy back cancelled	(255,883)	-	-	(270,147)	(526,030)	-	(526,030)
Share buy back	-	(590,005)	-	-	(590,005)	-	(590,005)
Balance as at December 31, 2009	1,918,354	(590,005)	630,571	2,690,134	4,649,054	2,861	4,651,915
Balance at April 1, 2008	2,174,237	-	819,826	2,412,055	5,406,118	2,141	5,408,259
Total comprehensive income for the period	-	-	(404,145)	148,606	(255,539)	(1,370)	(256,909)
Dividends	-	-	-	(36,147)	(36,147)	-	(36,147)
Balance as at December 31, 2008	2,174,237	-	415,681	2,524,514	5,114,432	771	5,115,203
THE COMPANY	Share Capital	Treasury Shares	Retained Earnings	Other Reserve	Total		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000		
Balance at April 1, 2009	2,174,237	-	870,369	2,048,793	5,093,399		
Share buy back cancelled	(255,883)	-	(270,147)	-	(526,030)		
Share buy back	-	(590,005)	-	-	(590,005)		
Total comprehensive income for the period	-	-	1,119,838	72,215	1,192,053		
Dividends	-	-	(78,316)	-	(78,316)		
Balance as at December 31, 2009	1,918,354	(590,005)	1,641,744	2,121,008	5,091,101		
Balance at April 1, 2008	2,174,237	-	757,328	4,669,283	7,600,848		
Total comprehensive income for the period	-	-	76,206	(2,170,628)	(2,094,422)		
Dividends	-	-	(36,147)	-	(36,147)		
Balance as at December 31, 2008	2,174,237	-	797,387	2,498,655	5,470,279		

CONDENSED INCOME STATEMENTS

	THE GROUP				THE COMPANY			
	Unaudited 9 Months 31-Dec-09	Unaudited 9 Months 31-Dec-08 Restated	Unaudited Quarter 31-Dec-09	Unaudited Quarter 31-Dec-08 Restated	Unaudited 9 Months 31-Dec-09	Unaudited 9 Months 31-Dec-08	Unaudited Quarter 31-Dec-09	Unaudited Quarter 31-Dec-08
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	174,320	228,521	57,044	60,367	129,684	190,334	64,082	79,850
Expenditure	(138,513)	(147,213)	(53,815)	(52,058)	(25,845)	(38,973)	(11,595)	(7,960)
Finance costs	(29,226)	(9,166)	(6,557)	(4,024)	(23,574)	(12,605)	(9,016)	(4,722)
Share of results of joint ventures net of tax	22,480	(80,207)	19,287	(12,263)	-	-	-	-
Share of results of associates net of tax	413,201	165,915	293,785	(45,367)	-	-	-	-
Profit before exceptional items	442,262	157,850	309,744	(53,345)	80,265	138,756	43,471	67,168
Exceptional items	(205,376)	384	(205,376)	(4,359)	1,041,690	(58,858)	1,055,264	(19,749)
Profit/(Loss) before taxation	236,886	158,234	104,368	(57,704)	1,121,955	79,898	1,098,735	47,419
Income tax	(5,237)	(10,998)	(2,096)	(1,381)	(2,117)	(3,692)	(1,075)	(1,273)
Profit/(Loss) for the period	231,649	147,236	102,272	(59,085)	1,119,838	76,206	1,097,660	46,146
Profit/(Loss) attributable to :								
Owners of the Parent	230,445	148,606	102,036	(59,607)	1,119,838	76,206	1,097,660	46,146
Non controlling interests	1,204	(1,370)	236	522	-	-	-	-
	231,649	147,236	102,272	(59,085)	1,119,838	76,206	1,097,660	46,146
Earnings per share - basic	Cts 0.20	0.12	0.09	(0.05)	0.95	0.06	0.97	0.04
Weighted average no. of ord shares (000) for EPS Calc	1,179,677	1,204,873	1,129,558	1,204,873	1,179,677	1,204,873	1,129,558	1,204,873
Dividend per share	Cts 0.07	0.03	0.02	0.03				

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP				THE COMPANY			
	Unaudited 9 Months 31-Dec-09	Unaudited 9 Months 31-Dec-08 Restated	Unaudited Quarter 31-Dec-09	Unaudited Quarter 31-Dec-08 Restated	Unaudited 9 Months 31-Dec-09	Unaudited 9 Months 31-Dec-08	Unaudited Quarter 31-Dec-09	Unaudited Quarter 31-Dec-08
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Profit/(Loss) for the period	231,649	147,236	102,272	(59,085)	1,119,838	76,206	1,097,660	46,146
Other comprehensive income								
Revaluation and other reserves	(7,055)	(62,431)	(66)	16,687	(12,203)	29,717	(2,842)	23,688
Fair value of financial assets	87,529	(341,714)	18,598	(279,476)	84,418	(2,200,345)	(928,478)	(892,946)
Other comprehensive income for the period	80,474	(404,145)	18,532	(262,789)	72,215	(2,170,628)	(931,320)	(869,258)
Total comprehensive income for the period	312,123	(256,909)	120,804	(321,874)	1,192,053	(2,094,422)	166,340	(823,112)
Total comprehensive income attributable to:								
Owners of the Parent	310,919	(255,539)	120,568	(322,396)	1,192,053	(2,094,422)	166,340	(823,112)
Non controlling interests	1,204	(1,370)	236	522	-	-	-	-
	312,123	(256,909)	120,804	(321,874)	1,192,053	(2,094,422)	166,340	(823,112)

Financial Highlights

The main highlight of the last quarter was the conclusion of the transaction with CIDL, one of the company's main shareholders; this included a buy-back of CIDL's 25% stake in the company at a discounted price of Rs3.70 per share and the subsequent disposal of the company's stake in IBL. Ahead of this disposal, IBL unbundled its shares in Sun Resorts Limited (SRL) which resulted in CIL increasing its stake in the latter from 15% to 24.9%. In line with SEM regulations, an official announcement was made on the 3rd December 2009 to explain the transaction to the stakeholders.

The value of the Company's total assets as at 31/12/2009 reflected the transactions mentioned above and reached Rs5.7bn; an 8% increase compared to the value as at 31/3/2009. The Net Assets were at Rs5.1bn, in line with the value as at 31/3/2009 but below the 30/9/2009 peak of close to Rs6bn. Over and above changes in market prices of listed stocks, the main differences are due to the disposal of the stake in IBL and the additional shares in SRL. However, as a result of the share buy-back at a significant discount to Net Assets Value, the Net Assets Value per share has risen to Rs5.63 from Rs5.03 as at 30/9/2009 and Rs4.23 as at 31/3/2009.

As regards the Income Statement, the above changes in the portfolio have had meaningful impacts. In particular, the company's results are boosted by a profit of Rs1,055m due to the dividend in specie of the SRL shares (Rs668m) and the subsequent disposal of the IBL shares (Rs387m). On a group basis, the impact of this transaction is also positive by a net amount of some Rs93m on profit after tax and exceptional items. In both company and group accounts, the earnings per share show significant progression.

These important changes overshadow the improved performance of the rest of the portfolio; that is the encouraging performance of Bank One which is above expectations and the reduced losses at Anahita The Resort despite the challenging environment.

By order of the Board

CIEL Corporate Services Ltd
Secretaries

February 10, 2010

The abridged quarterly financial statements of CIEL Investment Limited are unaudited and have been prepared using the same accounting policies as the audited financial statements for the year ended March 31, 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 abridged 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 Investment Limited accepts full responsibility for the accuracy of the information contained in this report.