

ASIA CAPITAL LIMITED

CASH FLOW STATEMENTS

	GROUP Quarter Ended		COMPANY Quarter Ended	
	30th June. 07 Rs'000 Unaudited	30th June. 06 Rs'000 Unaudited	30th June. 07 Rs'000 Unaudited	30th June. 06 Rs'000 Unaudited
Net cash generated from/(used in) operating activities	(218,975)	197,900	(173,800)	161,066
Net cash generated from/(used in) investing activities	(5,090)	(32,634)	(6,162)	(26,069)
Net cash generated from/(used in) financing activities	108,755	(17,922)	125,371	(11,654)
Net increase/(decrease) in cash & cash equivalents	(115,310)	147,434	(54,591)	123,343
Cash and cash equivalents at the beginning of the period	(149,201)	(140,984)	(200,621)	(124,601)
	(264,511)	6,450	(255,212)	(1,258)
Cash and cash equivalents				
Cash at bank and in hand	76,246	62,373	737	10,714
Bank overdraft	(340,757)	(55,923)	(255,949)	(11,972)
	(264,511)	6,450	(255,212)	(1,258)

ASIA CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

	30th June 2007 Rs.	30th June 2006 Rs.
1. Market price		
Highest for the quarter	15.25	16.00
Lowest for the quarter	11.25	10.50
Last traded price	13.50	12.25
2. The figures given as at 30.06.2007 are provisional and subject to audit.		
3. There have been no events subsequent to the interim period which require disclosure in the Financial Statements.		
4. Comparative figures have been restated and / or reclassified in conformity with current classification and presentation where necessary.		
5. The interim Income Statements and the Balance Sheets of the Company and the Group have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 March 2006.		

FINANCIAL STATEMENTS

QUARTER ENDED 30TH JUNE 2007

ASIA
CAPITAL
LIMITED



ASIA CAPITAL LIMITED

INCOME STATEMENTS

	GROUP			COMPANY		
	Quarter ended 30th Jun.07 Rs'000	Quarter ended 30th Jun. 2006 Rs'000	Variance %	Quarter ended 30th Jun.07 Rs'000	Quarter ended 30th Jun. 2006 Rs'000	Variance %
	Unaudited	Unaudited	+/(+)	Unaudited	Unaudited	+/(+)
Revenue	66,131	83,165	(20)	2,739	27,928	(90)
Cost of sales	(22,775)	(21,915)	(4)	-	(11,557)	100
Gross profit	43,355	61,250	(29)	2,739	16,371	(83)
Other operating income	16,846	5,854	188	1,033	1,038	-
Administrative expenses	(61,822)	(44,913)	(38)	(20,225)	(13,400)	(51)
Selling expenses	(8,351)	(16,463)	49	(5,473)	(13,280)	59
Other operating expenses	(18,792)	(11,262)	(67)	(4,062)	(2,630)	(54)
Profit/(loss) from operations	(28,764)	(5,534)	(420)	(25,988)	(11,901)	(118)
Finance cost	(26,227)	(12,076)	(117)	(25,463)	(11,809)	(116)
Share of Associate companies' profit before taxation	3,250	2,933	11	-	-	-
Profit/(loss) before Goodwill Amortization	(51,741)	(14,677)	(253)	(51,451)	(23,710)	(117)
Amortization of Goodwill	-	(1,975)	-	-	-	-
Profit/(loss) before taxation	(51,741)	(16,652)	(211)	(51,451)	(23,710)	(117)
Economic service charges / VAT	(1,171)	-	-	(1,090)	-	-
Income tax expenses	(3,275)	(5,394)	39	-	-	-
Profit/(loss) after taxation	(56,187)	(22,046)	(155)	(52,541)	(23,710)	(122)
Minority interest	-	-	-	-	-	-
Net Profit/(loss)	(56,187)	(22,046)	(155)	(52,541)	(23,710)	(122)
Earnings Per Share	(0.51)	(0.20)		(0.48)	(0.22)	

ASIA CAPITAL LIMITED

BALANCE SHEETS

	GROUP		COMPANY	
	As at 30-Jun-07 Rs.'000	As at 31-Mar-07 Rs.'000	As at 30-Jun-07 Rs.'000	As at 31-Mar-07 Rs.'000
	Unaudited	Unaudited	Unaudited	Unaudited
ASSETS				
Non Current Assets				
Goodwill	150,088	150,088	-	-
Property, Plant & Equipment	87,835	94,383	46,368	49,954
Investment Properties	14,145	14,523	-	-
Long term investments	988,318	988,582	1,249,278	1,239,651
ESOP Loan	17,491	17,491	17,491	17,491
Long term deposits	26,040	39,460	20,762	20,762
	<u>1,283,917</u>	<u>1,304,527</u>	<u>1,333,899</u>	<u>1,327,858</u>
Current Assets				
Short term investments	448,491	403,571	448,491	421,071
Short term lendings	8,111	135,645	7,451	7,500
Inventories	42,525	42,525	-	-
Trade and other receivables	1,464,859	1,165,737	294,601	82,600
Amounts due from related parties	2,280	2,060	72,249	125,348
Cash and cash equivalents	76,246	113,556	737	1,717
	<u>2,042,512</u>	<u>1,863,094</u>	<u>823,529</u>	<u>638,236</u>
Total Assets	<u>3,326,429</u>	<u>3,167,621</u>	<u>2,157,428</u>	<u>1,966,094</u>
EQUITY AND LIABILITIES				
Capital and Reserves				
Issued capital	1,100,000	1,100,000	1,100,000	1,100,000
Capital redemption reserve fund	13,800	13,800	-	-
Share premium	14,558	14,558	14,558	14,558
Capital reserves	2,500	2,500	-	-
Exchange equalisation reserve	78,316	78,316	-	-
Accumulated profits/(losses)	115,019	171,206	(51,325)	1,216
Shareholders' Fund	1,324,193	1,380,380	1,063,233	1,115,774
Minority Interest	785	785	-	-
	<u>1,324,978</u>	<u>1,381,165</u>	<u>1,063,233</u>	<u>1,115,774</u>
Non-Current Liabilities & Deferred Income				
Debentures	14,629	14,629	-	-
Deferred liabilities	12,001	12,001	10,759	10,759
Retirement Benefit Obligations	11,151	10,792	4,900	4,073
Non-Interest bearing borrowings	54,162	54,162	-	-
	<u>91,943</u>	<u>91,584</u>	<u>15,659</u>	<u>14,832</u>
Current Liabilities				
Interest bearing borrowings -current portion	727,505	581,925	800,185	608,326
Trade and other payables	841,246	850,190	19,166	14,824
Amounts due to related parties	-	-	3,236	-
Bank overdrafts	340,757	262,757	255,949	202,338
	<u>1,909,508</u>	<u>1,694,872</u>	<u>1,078,536</u>	<u>835,488</u>
Total Equity and Liabilities	<u>3,326,429</u>	<u>3,167,621</u>	<u>2,157,428</u>	<u>1,966,094</u>
Net Assets per Share (Rs.)	12.04	12.55	9.67	10.14

Notes on page 5 form an integral part of these Financial Statements

Asanga C. Seneviratne
Chief Executive Officer

13th August 2007

ASIA CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY

GROUP	Share Capital	Capital Redemption Reserve Fund	Share Premium	Capital Reserve	Exchange Equalisation Reserve	Accumulated Profit	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2006	1,100,000	13,800	14,558	2,500	78,316	89,701	1,298,875
Net profit/ (loss) for the period	-	-	-	-	-	(22,046)	(22,046)
Transferred to Exchange Equalisation Reserve	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-
Balance as at 30th June 2006	<u>1,100,000</u>	<u>13,800</u>	<u>14,558</u>	<u>2,500</u>	<u>78,316</u>	<u>67,655</u>	<u>1,276,829</u>
Net profit/ (loss) for the period	-	-	-	-	-	103,586	103,586
Transferred to Exchange Equalisation Reserve	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	(35)	(35)
Balance as at 31st March 2007	<u>1,100,000</u>	<u>13,800</u>	<u>14,558</u>	<u>2,500</u>	<u>78,316</u>	<u>171,206</u>	<u>1,380,380</u>
Net profit/(loss) for the Quarter	-	-	-	-	-	(56,187)	(56,187)
Balance as at 30th June 2006	<u>1,100,000</u>	<u>13,800</u>	<u>14,558</u>	<u>2,500</u>	<u>78,316</u>	<u>115,019</u>	<u>1,324,193</u>
COMPANY							
Balance as at 01st April 2006	1,100,000	-	14,558	-	-	61,701	1,176,259
Net profit/ (loss) for the Quarter	-	-	-	-	-	(23,710)	(23,710)
Dividend Paid	-	-	-	-	-	-	-
Balance as at 30th June 2006	<u>1,100,000</u>	<u>-</u>	<u>14,558</u>	<u>-</u>	<u>-</u>	<u>37,991</u>	<u>1,152,549</u>
Net profit/ (loss) for the period	-	-	-	-	-	(36,740)	(36,740)
Dividend Paid	-	-	-	-	-	(35)	(35)
Balance as at 31st March 2007	<u>1,100,000</u>	<u>-</u>	<u>14,558</u>	<u>-</u>	<u>-</u>	<u>1,216</u>	<u>1,115,774</u>
Net profit/ (loss) for the Quarter	-	-	-	-	-	(52,541)	(52,541)
Balance as at 30th June 2007	<u>1,100,000</u>	<u>-</u>	<u>14,558</u>	<u>-</u>	<u>-</u>	<u>(51,325)</u>	<u>1,063,233</u>