

FIRST CAPITAL HOLDINGS PLC

Interim Financial Statements

Nine Months ended 31 December 2009

FIRST CAPITAL HOLDINGS PLC
PROVISIONAL FINANCIAL STATEMENTS

INCOME STATEMENT

For the period	Group		Change %	Group		Change %
	October ~ December			April ~ December		
	2009	2008		2009	2008	
Income	776,011	653,000	19	2,369,119	1,806,261	31
Direct income	758,904	650,447	17	2,323,773	1,803,392	29
Direct expenses	(352,811)	(583,180)	(40)	(1,160,631)	(1,613,111)	(28)
Net operating income	406,093	67,267	504	1,163,142	190,281	511
Other income	17,107	2,553		45,346	2,869	
Less :						
Administrative expenses	(17,527)	(20,223)	(13)	(65,262)	(58,491)	12
Other overhead expenses	(3,048)	(8,007)		(21,215)	(17,838)	
Profits from operations	402,625	41,590		1,122,011	116,821	
Share of associate profit	10,664	-		10,664	-	
Taxation	(139,139)	(18,165)		(513,218)	(50,350)	
Profit/(loss) for the period	274,150	23,425	1,070	619,457	66,471	832
Attributable to:						
Equity holders of the parent	263,777	15,593		553,157	46,888	
Minority interest	10,373	7,832		66,300	19,583	
	274,150	23,425		619,457	66,471	
Earnings per share	7.82	0.46		16.39	1.39	

Note: All values are in rupees '000 unless otherwise stated.

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INCOME STATEMENT

For the period	Company		Change %	Company		Change %
	October - December			April - December		
	2009	2008		2009	2008	
Income	509	187	172	10,829	560	1834
Direct income	74	187	(60)	10,394	560	1756
Direct expenses	(1,858)	(6,444)	(71)	(20,457)	(6,444)	217
Net operating income/ (expense)	(1,783)	(6,257)	71	(10,062)	(5,884)	71
Other income	435	-		435	-	
Less :						
Personnel expenses	-	-		-	-	
Premises, equipment and establishment expenses	-	-		-	-	
Staff retirement benefit cost	-	-		-	-	
Other overhead expenses	(1,814)	(662)	174	(6,796)	(1,511)	350
Profit/(loss) before taxation	(3,162)	(6,919)	54	(16,424)	(7,395)	122
Taxation	(10)	-		(10)	-	
Profit/(loss) for the period	(3,172)	(6,919)	54	(16,434)	(7,395)	122
Earnings/ (loss) per share	(0.09)	(0.21)		(0.49)	(0.22)	

Note: All values are in rupees '000 unless otherwise stated.

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BALANCE SHEET

As at	Company			Group		
	31-Dec-09	31-Dec-08	31-Mar-2009 Audited	31-Dec-09	31-Dec-08	31-Mar-2009 Audited
ASSETS						
Cash at banks and in hand	1,773	341	677	16,237	11,349	5,673
Short term investments	980	7,096	310,977	9,927,151	10,768,321	10,636,431
Trade and other receivables	1,691	2,369	2,218	156,725	28,067	68,477
Group balances receivable	-	3,000	-	-	3,000	-
Investment securities	1,000	-	1,000	512,802	-	617,234
Assets held for sale	-	-	-	80,218	1,211,855	82,430
Tax receivables	5,684	5,684	5,684	5,684	5,684	5,684
Investment in venture capital	11,575	30,100	19,486	11,575	30,100	19,486
Investment in associate company	-	-	-	197,900	-	-
Investment in subsidiary company	398,046	219,484	219,484	-	-	-
Deferred tax asset	-	-	-	55,672	135,068	107,536
Property, plant & equipment	-	37	20	10,860	8,411	7,807
Intangible assets	-	-	-	563	-	803
Total assets	420,749	268,111	559,546	10,975,387	12,201,855	11,551,561
LIABILITIES						
Bank overdrafts	-	-	-	-	-	312
Securities sold under re-purchase agreements	-	-	-	9,238,131	11,508,599	9,501,917
Short term borrowings	-	-	309,745	-	-	1,143,299
Trade and other payables	2,964	8,256	3,257	3,405	111,469	121,467
Group balances payable	217,047	29,930	32,777	14,538	29,930	32,458
Other liabilities	3,405	-	-	104,878	-	-
Tax payables	17,680	206	17,680	558,170	74,467	145,256
Retirement benefit obligations	-	-	-	5,720	5,105	5,172
Total Liabilities	241,096	38,392	363,459	9,924,842	11,729,570	10,949,881
EQUITY						
Stated capital	227,500	387,480	387,480	227,500	387,480	387,480
Capital reserves	-	-	-	207,848	33,021	61,082
Retained earnings	(47,847)	(157,761)	(191,393)	567,355	(52,366)	5,088
Equity attributable to the equity holders of the parent	179,653	229,719	196,087	1,002,703	368,135	453,650
Minority interest	-	-	-	47,842	104,150	148,030
Total equity	179,653	229,719	196,087	1,050,545	472,285	601,680
Total equity & liabilities	420,749	268,111	559,546	10,975,387	12,201,855	11,551,561

Note: All values are in rupees '000 unless otherwise stated.

The above figures are subject to audit.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

(Sgd.)
Manjula Mathews (Ms)
Director

(Sgd.)
M.S. Jude Fernando
Director

January 21, 2010

FIRST CAPITAL HOLDINGS PLC
PROVISIONAL FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital	Capital Reserves	Retained Earnings	Total	Minority Interest	Total Equity
As at 1 April 2008	387,480	19,896	(86,129)	321,247	88,847	410,094
Profit/ (loss) for the period	-	-	46,888	46,888	19,583	66,471
Transfer to capital reserve	-	13,125	(13,125)	-	-	-
Balance transferred to parent due to acquisition	-	-	-	-	(4,280)	(4,280)
As at 31 December 2008	387,480	33,021	(52,366)	368,135	104,150	472,285
As at 1 April 2009	387,480	61,082	5,088	453,650	148,030	601,680
Capital reduction	(159,980)	-	159,980	-	-	-
Profit/ (loss) for the period	-	-	553,157	553,157	66,300	619,457
Balance transferred to parent due to acquisition	-	-	-	-	(166,488)	(166,488)
Transfer to capital reserve	-	146,766	(146,766)	-	-	-
Minority adjustment	-	-	(4,104)	(4,104)	-	(4,104)
As at 31 December 2009	227,500	207,848	567,355	1,002,703	47,842	1,050,545

STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated capital	Retained Earnings	Total Equity
As at 1 April 2008	387,480	(150,366)	237,114
Profit/ (loss) for the period	-	(7,395)	(7,395)
As at 31 December 2008	387,480	(157,761)	229,719
As at 1 April 2009	387,480	(191,393)	196,087
Capital reduction	(159,980)	159,980	-
Profit/ (loss) for the period	-	(16,434)	(16,434)
As at 31 December 2009	227,500	(47,847)	179,653

Note: All values are in rupees '000 unless otherwise stated.

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PROVISIONAL FINANCIAL STATEMENTS

CASH FLOW STATEMENT

For the period ended 31 December	Company		Group	
	2009	2008	2009	2008
Cash flows from operating activities				
Interest receipts and gains realized	10,253	560	2,315,321	1,788,348
Interest payments and other direct cost	(20,457)	(6,444)	(1,112,185)	(1,626,531)
Other receipts	-	-	39,933	4,182
Cash payments to employees and suppliers	(3,028)	(1,502)	(82,364)	(57,760)
Operating profit before changes in operating assets and liabilities	(13,232)	(7,386)	1,160,704	108,239
(Increase)/decrease in short term investments	309,996	-	730,609	686,345
(Increase) / decrease in debtors and advances	1,104	(560)	(88,248)	195,030
(Increase) / decrease in investment securities	-	-	104,431	(1,129,425)
Increase / (decrease) in trade and other payables	3,113	-	(13,184)	10,815
Increase / (decrease) in group balances payable	180,502	8,272	(17,920)	8,482
Increase / (decrease) in short term borrowings	(309,745)	-	(1,143,299)	-
Increase/ (decrease) in borrowings against re-purchase agreements	-	-	(308,433)	-
Cash generated from operations	171,738	326	424,660	(120,514)
Tax paid	(10)	-	(48,440)	(16,453)
Net cash flow from operating activities	171,728	326	376,220	(136,967)
Cash flow from investing activities				
Purchase of property, equipment and intangible assets	-	-	(7,321)	(2,367)
Investment in associate company	-	-	(197,900)	-
Investment in subsidiary company	(178,563)	(335)	(178,563)	(335)
Proceeds on disposal of subsidiaries	-	-	10,000	-
Proceeds on sale of venture capital investments	7,911	-	7,911	-
Lending to affiliated companies	-	-	-	153,571
Dividend receipts	-	-	197	-
Net cash used in investing activities	(170,652)	(335)	(365,676)	150,869
Cash flow from financing activities	-	-	-	-
Net cash flow from financing activities	-	-	-	-
Net cash inflow / (outflow) for the year	1,076	(9)	10,544	13,902
Cash and cash equivalents at the beginning of the year (Note A)	677	350	5,673	(2,553)
Cash and cash equivalents at the end of the year (Note B)	1,753	341	16,217	11,349
Note A				
Cash at bank and hand	677	350	5,673	(2,553)
Bank overdraft	-	-	-	-
	677	350	5,673	(2,553)
Note B				
Cash at bank and hand	1,753	341	16,217	11,349
Bank overdraft	-	-	-	-
	1,753	341	16,217	11,349

Note: All values are in rupees '000 unless otherwise stated.

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NOTES TO THE FINANCIAL STATEMENTS

1. Net assets per share

As at 31st December	2009 Rs.Cts	2008 Rs.Cts
Company	5.32	6.81
Group	29.71	10.91

2. Market price per share

For the period ended	31-Dec-09 Rs.Cts	31-Dec-08 Rs.Cts
Highest market price recorded	30.00	10.00
Lowest market price recorded	14.75	4.50
Closing market price recorded	27.00	5.00

3. The above figures are provisional and subject to audit. The same accounting policies as in the annual report for the year ended 31 March 2009 have been followed in the preparation of the above financial statements.

4. The presentation and classification of figures for the corresponding period of the previous year have been reclassified to be comparable with those of the current year where necessary.

5. The number of shares represented by stated capital as at 31 December 2009 is 33,750,000 shares.

6. There have been no material events subsequent to the balance sheet date which require disclosure in the interim financial statements.

7. In accordance with accounting policy, short term investments (dealing securities) are valued at the lower of cost or market value. The cost of short term investments as at 31 December 2009 is Rs. 9,927 Million compared to market value of Rs. 10,158 Million reflecting unrealized gains of Rs. 231 Million.

8. There has been no significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended March 31, 2009.

FIRST CAPITAL HOLDINGS PLC

List of twenty major shareholders

<u>Names of shareholders</u>	<u>No. of Shares as at 31 December 2009</u>	<u>Holding (%)</u>
1 PVIC Management Company Ltd.	24,658,995	73.06
2 First Capital Markets Ltd./Nextventures Ltd.	1,912,901	5.67
3 HSBC International Nominees Ltd - SSBT Deutsche Bank AG Singapore A/c 01	1,000,000	2.96
4 Waldock Mackenzie Ltd/ Mr D. Schaffter	956,700	2.83
5 Distilleries Company of Sri Lanka PLC	692,200	2.05
6 HSBC International Nominees Ltd - UBS AG Honkong	576,100	1.71
7 Janashakthi Insurance Co.Ltd. (Policy Holders)	461,000	1.37
8 Janashakthi Ltd. A/C No.2	300,000	0.89
9 Lanka Milk Foods (CWE) Limited	294,500	0.87
10 Mr Upali Chandrakumara Bandaranayake	100,000	0.30
11 Mr. Sathivel Aravind	100,000	0.30
12 Janashakthi Ltd.	88,401	0.26
13 Mr. Tensi Gamini Perera	69,612	0.21
14 Mr. Hans Anton Van Starrex	55,600	0.16
15 Mr. H. G. N. U. C Wijayaweera	54,900	0.16
16 Mr. R. E Rambukwelle	39,000	0.12
17 Mr. Asoka Jayasekara	36,700	0.11
18 Waldock Mackenzie Ltd/ Mr M. A. N Yoosufali	36,000	0.11
19 Dr. W. P Somasiri	35,500	0.11
20 Mr. M.M Fuad	33,625	0.10
	<u>31,501,734</u>	<u>93.35</u>

* There were no non-voting shares available as at 31December 2009

Directors' shareholding

<u>Name of the Director</u>	<u>No. of Shares as at 31 December 2009</u>
Ms. Manjula Mathews	Nil
Mr. Dinesh Schaffter	956,702
Mr. M. S. J. Fernando	Nil
Mr. N. E. Rodrigo	Nil

Public holding as a percentage of issued share capital is 24.10%