

EQUITY ONE PLC

INTERIM REPORT FOR THE NINE MONTHS ENDED 31ST DECEMBER 2015

A CARSON CUMBERBATCH COMPANY

## **EQUITY ONE PLC**

### **Review of performance for the Nine months ended 31st December 2015**

The Company registered an 8% year-on-year increase in rental revenue for the period under review, driven by a marginal increase in occupancy at the Dharmapala Mawatha property and rent revisions overall. Accordingly, the company's Year-to-Date revenue for the current financial year stood at Rs. 78.2 Mn.

But due to relatively higher direct cost, mainly led by expenses related to Depreciation and Repair & Maintenance, the Gross Profit reported by the company at Rs. 49.4 Mn for the period in review depicted only a marginal Year-on-Year growth of 1%.

However the standalone profit before tax reported for the nine months ended 31st December 2015 was up by 11% year-on-year, aided by increase in finance income, stemming from higher dividend receipts from subsidiaries.

At Group level, Equity One PLC reported consolidated Revenue of Rs. 173.9 Mn for the period under review, an increase of 12% against the nine months ended 31st December 2014 resulting from improved occupancy and rent revisions.

Group Administrative Expenses for the period under review increased to Rs. 14.0 Mn from Rs. 8.9 Mn in the comparable financial year, indicating a rise of 57%, mainly stemming from professional fees, and brokerage incurred to acquire new tenants.

Overall Group Net Profit for the period stood at Rs. 77.7 Mn, up by 11% compared to the nine months ended 31st December 2015.

The total Super Gain Tax applicable at Group level amounted to Rs. 15.71 Mn and was settled in its entirety during the period in review.

### **De-Listing of Equity One PLC**

On 2nd November 2015 the Board of Directors of Equity One PLC announced its decision to de-list the shares of the company from the official list of the Colombo Stock Exchange (CSE), subject to obtaining shareholder and regulatory approval, in light of the minimum public float rules stipulated by the Securities & Exchange Commission (SEC).

Accordingly, the special resolution to de-list the shares of Equity One PLC from the official list of the Colombo Stock Exchange was passed at the Extraordinary General Meeting of the Company, held on the 30th of November 2015, with more than seventy five percent of the shareholders present at the meeting voting in favour of the said resolution.

Upon obtaining shareholder approval, an application was made to the Securities & Exchange Commission of Sri Lanka on the 11th of December 2015 for approval of the same, which is pending as of 8th February 2016.

### **Carsons Management Services (Private) Limited Managers**

08th February 2016  
Colombo

**EQUITY ONE PLC**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP**

(All figures are in Sri Lankan Rupees Thousands)

|   | Three months ended |               |            | Nine months ended |                |            | 31.03.2015<br>(Audited) |
|---|--------------------|---------------|------------|-------------------|----------------|------------|-------------------------|
|   | 31st December      |               |            | 31st December     |                |            |                         |
|   | 2015               | 2014          | Change %   | 2015              | 2014           | Change %   |                         |
| Revenue   | 58,150             | 52,185        | 11         | 173,853           | 155,033        | 12         | 210,753                 |
| Direct cost   | (21,188)           | (16,736)      | 27         | (54,082)          | (46,458)       | 16         | (66,575)                |
|   | 36,962             | 35,449        | 4          | 119,771           | 108,575        | 10         | 144,178                 |
| Other income  | 142                | 144           | (1)        | 1,231             | 438            | 181        | 4,054                   |
| Net gains arising from changes in fair value of investment properties | -                  | -             | -          | -                 | -              | -          | 299,991                 |
|   | 37,104             | 35,593        | 4          | 121,002           | 109,013        | 11         | 448,223                 |
| Administrative and other operating expenses                           | (5,849)            | (4,037)       | 45         | (14,013)          | (8,946)        | 57         | (12,744)                |
| <b>Results from operating activities</b>                              | <b>31,255</b>      | <b>31,556</b> | <b>(1)</b> | <b>106,989</b>    | <b>100,067</b> | <b>7</b>   | <b>435,479</b>          |
| Finance income  | 228                | 111           | 105        | 938               | 750            | 25         | 1,021                   |
| Finance costs   | (1,060)            | (922)         | 15         | (3,224)           | (3,092)        | 4          | (4,266)                 |
| <b>Net finance expenses</b>   | <b>(832)</b>       | <b>(811)</b>  | <b>3</b>   | <b>(2,286)</b>    | <b>(2,342)</b> | <b>(2)</b> | <b>(3,245)</b>          |
| <b>Profit before taxation</b>   | <b>30,423</b>      | <b>30,745</b> | <b>(1)</b> | <b>104,703</b>    | <b>97,725</b>  | <b>7</b>   | <b>432,234</b>          |
| Current taxation  | (5,091)            | (3,051)       | 67         | (18,667)          | (16,241)       | 15         | (20,426)                |
| Deferred taxation   | (3,360)            | (7,910)       | (58)       | (8,305)           | (11,327)       | (27)       | (7,820)                 |
| <b>Profit for the period</b>  | <b>21,972</b>      | <b>19,784</b> | <b>11</b>  | <b>77,731</b>     | <b>70,157</b>  | <b>11</b>  | <b>403,988</b>          |
| <b>Profit attributable to:</b>  |                    |               |            |                   |                |            |                         |
| Equity holders of the parent  | 20,648             | 18,727        | 10         | 73,435            | 66,063         | 11         | 387,042                 |
| Non controlling interest  | 1,324              | 1,057         | 25         | 4,296             | 4,094          | 5          | 16,946                  |
|   | 21,972             | 19,784        | 11         | 77,731            | 70,157         | 11         | 403,988                 |
| <b>Other comprehensive income</b>                                     |                    |               |            |                   |                |            |                         |
| Actuarial loss from valuation of employee benefits                    | -                  | -             | -          | -                 | -              | -          | (107)                   |
| <b>Other comprehensive expenses for the period</b>                    | <b>-</b>           | <b>-</b>      | <b>-</b>   | <b>-</b>          | <b>-</b>       | <b>-</b>   | <b>(107)</b>            |
| <b>Total comprehensive income for the period</b>                      | <b>21,972</b>      | <b>19,784</b> | <b>11</b>  | <b>77,731</b>     | <b>70,157</b>  | <b>11</b>  | <b>403,881</b>          |
| <b>Total comprehensive income attributable to:</b>                    |                    |               |            |                   |                |            |                         |
| Equity holders of the parent  | 20,648             | 18,727        | 10         | 73,435            | 66,063         | 11         | 386,938                 |
| Non controlling interest  | 1,324              | 1,057         | 25         | 4,296             | 4,094          | 5          | 16,943                  |
|   | 21,972             | 19,784        | 11         | 77,731            | 70,157         | 11         | 403,881                 |
| <b>Earnings per share (Rs.)</b>                                       | <b>0.51</b>        | <b>0.46</b>   |            | <b>1.82</b>       | <b>1.64</b>    |            | <b>9.60</b>             |
| <b>Dividend per share (Rs.)</b>                                       | <b>-</b>           | <b>-</b>      |            | <b>-</b>          | <b>-</b>       |            | <b>0.15</b>             |

Change % represent the percentage change in current period's results compared to the comparative period of previous year.

Figures in brackets indicate deductions.

**EQUITY ONE PLC**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - COMPANY**

(All figures are in Sri Lankan Rupees Thousands)

|   | Three months ended |               |             | Nine months ended |               |            | 31.03.2015<br>(Audited) |
|---|--------------------|---------------|-------------|-------------------|---------------|------------|-------------------------|
|   | 31st December      |               |             | 31st December     |               |            |                         |
|   | 2015               | 2014          | Change %    | 2015              | 2014          | Change %   |                         |
| Revenue   | 27,020             | 24,716        | 9           | 78,210            | 72,291        | 8          | 97,548                  |
| Direct cost   | (12,256)           | (7,779)       | 58          | (28,830)          | (23,417)      | 23         | (34,861)                |
| Other income  | 25                 | -             | -           | 838               | -             | -          | 3,031                   |
| Net gains arising from changes in fair value of investment properties | -                  | -             | -           | -                 | -             | -          | 195,138                 |
| Administrative and other operating expenses                           | (3,481)            | (2,372)       | 47          | (7,924)           | (5,249)       | 51         | (7,029)                 |
| <b>Results from operating activities</b>                              | <b>11,308</b>      | <b>14,565</b> | <b>(22)</b> | <b>42,294</b>     | <b>43,625</b> | <b>(3)</b> | <b>253,827</b>          |
| Finance income  | 726                | 942           | (23)        | 17,314            | 10,477        | 65         | 11,510                  |
| Finance costs   | (448)              | (408)         | 10          | (1,127)           | (1,283)       | (12)       | (1,770)                 |
| <b>Net finance income</b>   | <b>278</b>         | <b>534</b>    | <b>(48)</b> | <b>16,187</b>     | <b>9,194</b>  | <b>76</b>  | <b>9,740</b>            |
| <b>Profit before taxation</b>   | <b>11,586</b>      | <b>15,099</b> | <b>(23)</b> | <b>58,481</b>     | <b>52,819</b> | <b>11</b>  | <b>263,567</b>          |
| Current taxation  | (3,441)            | (4,458)       | (23)        | (11,940)          | (12,521)      | (5)        | (15,957)                |
| Deferred taxation   | 174                | (1,638)       | (111)       | 3,171             | (3,417)       | (193)      | (3,053)                 |
| <b>Profit for the period</b>  | <b>8,319</b>       | <b>9,003</b>  | <b>(8)</b>  | <b>49,712</b>     | <b>36,881</b> | <b>35</b>  | <b>244,557</b>          |
| <b>Other comprehensive income</b>                                     |                    |               |             |                   |               |            |                         |
| Actuarial loss from valuation of employee benefits                    | -                  | -             | -           | -                 | -             | -          | (80)                    |
| <b>Other comprehensive expenses for the period</b>                    | <b>-</b>           | <b>-</b>      | <b>-</b>    | <b>-</b>          | <b>-</b>      | <b>-</b>   | <b>(80)</b>             |
| <b>Total comprehensive income for the period</b>                      | <b>8,319</b>       | <b>9,003</b>  | <b>(8)</b>  | <b>49,712</b>     | <b>36,881</b> | <b>35</b>  | <b>244,477</b>          |
| <b>Earnings per share (Rs.)</b>                                       | <b>0.21</b>        | <b>0.22</b>   |             | <b>1.23</b>       | <b>0.91</b>   |            | <b>6.07</b>             |
| <b>Dividend per share (Rs.)</b>                                       | <b>-</b>           | <b>-</b>      |             | <b>-</b>          | <b>-</b>      |            | <b>0.15</b>             |

Change % represent the percentage change in current period's results compared to the comparative period of previous year.

Figures in brackets indicate deductions.

**EQUITY ONE PLC**  
**STATEMENT OF FINANCIAL POSITION**

(All figures are in Sri Lankan Rupees Thousands)

| As at 31st December                                       | Group            |                  |                         | Company          |                  |                         |
|---|------------------|------------------|-------------------------|------------------|------------------|-------------------------|
|   | 2015             | 2014             | 31.03.2015<br>(Audited) | 2015             | 2014             | 31.03.2015<br>(Audited) |
| <b>ASSETS</b>   |                  |                  |                         |                  |                  |                         |
| <b>Non-current assets</b>                                 |                  |                  |                         |                  |                  |                         |
| Investment properties                                     | 2,746,557        | 2,425,527        | 2,732,297               | 1,454,320        | 1,240,388        | 1,440,115               |
| Property, plant and equipment                             | 8,142            | 507              | 710                     | 8,142            | 507              | 710                     |
| Investment in subsidiaries                                | -                | -                | -                       | 552,048          | 552,048          | 552,048                 |
| <b>Total non-current assets</b>                           | <b>2,754,699</b> | <b>2,426,034</b> | <b>2,733,007</b>        | <b>2,014,510</b> | <b>1,792,943</b> | <b>1,992,873</b>        |
| <b>Current assets</b>                                     |                  |                  |                         |                  |                  |                         |
| Trade and other receivables                               | 32,212           | 26,668           | 21,833                  | 37,234           | 55,855           | 54,216                  |
| Cash and cash equivalents                                 | 12,275           | 11,512           | 28,938                  | 1,532            | 3,552            | 10,428                  |
| <b>Total current assets</b>                               | <b>44,487</b>    | <b>38,180</b>    | <b>50,771</b>           | <b>38,766</b>    | <b>59,407</b>    | <b>64,644</b>           |
| <b>Total assets</b>                                       | <b>2,799,186</b> | <b>2,464,214</b> | <b>2,783,778</b>        | <b>2,053,276</b> | <b>1,852,350</b> | <b>2,057,517</b>        |
| <b>EQUITY AND LIABILITIES</b>                             |                  |                  |                         |                  |                  |                         |
| <b>Equity</b>   |                  |                  |                         |                  |                  |                         |
| Stated capital  | 1,085,584        | 1,085,584        | 1,085,584               | 1,085,584        | 1,085,584        | 1,085,584               |
| Capital reserves  | 13,236           | 13,236           | 13,236                  | 13,236           | 13,236           | 13,236                  |
| Revenue reserves  | 1,196,003        | 823,437          | 1,144,312               | 734,828          | 497,465          | 705,061                 |
| Total equity attributable to equity holders of the parent | 2,294,823        | 1,922,257        | 2,243,132               | 1,833,648        | 1,596,285        | 1,803,881               |
| Non controlling interest                                  | 96,006           | 79,499           | 92,348                  | -                | -                | -                       |
| <b>Total equity</b>                                       | <b>2,390,829</b> | <b>2,001,756</b> | <b>2,335,480</b>        | <b>1,833,648</b> | <b>1,596,285</b> | <b>1,803,881</b>        |
| <b>Non-current liabilities</b>                            |                  |                  |                         |                  |                  |                         |
| Refundable rental and other deposits                      | 63,265           | 51,741           | 55,943                  | 25,777           | 21,645           | 22,237                  |
| Deferred tax liabilities                                  | 160,646          | 155,848          | 152,341                 | 49,665           | 53,200           | 52,836                  |
| Employee benefits   | 3,693            | 5,250            | 5,237                   | 1,668            | 3,551            | 3,303                   |
| <b>Total non-current liabilities</b>                      | <b>227,604</b>   | <b>212,839</b>   | <b>213,521</b>          | <b>77,110</b>    | <b>78,396</b>    | <b>78,376</b>           |
| <b>Current liabilities</b>                                |                  |                  |                         |                  |                  |                         |
| Trade and other payables                                  | 163,448          | 233,861          | 218,951                 | 135,331          | 170,962          | 169,194                 |
| Deferred revenue  | 9,862            | 8,609            | 8,904                   | 3,101            | 1,444            | 1,297                   |
| Current tax liabilities                                   | 7,443            | 7,149            | 6,922                   | 4,086            | 5,263            | 4,769                   |
| <b>Total current liabilities</b>                          | <b>180,753</b>   | <b>249,619</b>   | <b>234,777</b>          | <b>142,518</b>   | <b>177,669</b>   | <b>175,260</b>          |
| <b>Total liabilities</b>                                  | <b>408,357</b>   | <b>462,458</b>   | <b>448,298</b>          | <b>219,628</b>   | <b>256,065</b>   | <b>253,636</b>          |
| <b>Total equity and liabilities</b>                       | <b>2,799,186</b> | <b>2,464,214</b> | <b>2,783,778</b>        | <b>2,053,276</b> | <b>1,852,350</b> | <b>2,057,517</b>        |
| Net assets per share (Rs.)                                | 56.91            | 47.67            | 55.63                   | 45.48            | 39.59            | 44.74                   |

The Statement of Financial Position as at 31st December 2015 and the related Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flow for the period then ended as disclosed in pages 2 to 7 have been drawn up from unaudited financial statements.

I certify that these financial statements are in compliance with the requirements of Companies Act No. 7 of 2007.

(Sgd.)

**V.R. Wijesinghe**

Financial Controller

Carsons Management Services (Private) Limited

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed on behalf of the managers,

Approved and signed on behalf of the board,

(Sgd.)

**A.P. Weeraratne**

Director

Carsons Management Services (Private) Limited

(Sgd.)

**D.C.R. Gunawardena**

Chairman

(Sgd.)

**K.C.N. Fernando**

Director

08th February 2016

Colombo

**EQUITY ONE PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
(All figures are in Sri Lankan Rupees Thousands)

**Group**

|   | Stated capital   | Capital reserves | Revenue reserves | Total equity attributable to equity holders of the parent | Non controlling interest | Total equity     |
|---|------------------|------------------|------------------|---|--------------------------|------------------|
| Balance as at 1st April 2014                                | 1,085,584        | 13,236           | 771,487          | 1,870,307   | 75,405                   | 1,945,712        |
| Profit for the year   | -                | -                | 387,042          | 387,042   | 16,946                   | 403,988          |
| Other comprehensive expense for the year                    | -                | -                | (104)            | (104)   | (3)                      | (107)            |
| Total comprehensive income for the year                     | -                | -                | 386,938          | 386,938   | 16,943                   | 403,881          |
| Dividends paid 2013/14                                      | -                | -                | (14,113)         | (14,113)  | -                        | (14,113)         |
| Balance as at 31st March 2015                               | 1,085,584        | 13,236           | 1,144,312        | 2,243,132   | 92,348                   | 2,335,480        |
| Balance as at 31st March 2015                               | 1,085,584        | 13,236           | 1,144,312        | 2,243,132   | 92,348                   | 2,335,480        |
| Super Gain Tax for the year of Assessment 2013/14 (Note 05) | -                | -                | (15,696)         | (15,696)  | (14)                     | (15,710)         |
| <b>Adjusted balance as at 1st April 2015</b>                | <b>1,085,584</b> | <b>13,236</b>    | <b>1,128,616</b> | <b>2,227,436</b>  | <b>92,334</b>            | <b>2,319,770</b> |
| Profit for the period                                       | -                | -                | 73,435           | 73,435  | 4,296                    | 77,731           |
| Other comprehensive income for the period                   | -                | -                | -                | -   | -                        | -                |
| Total comprehensive income for the period                   | -                | -                | 73,435           | 73,435  | 4,296                    | 77,731           |
| Dividends paid 2014/15                                      | -                | -                | (6,048)          | (6,048)   | (624)                    | (6,672)          |
| <b>Balance as at 31st December 2015 (Unaudited)</b>         | <b>1,085,584</b> | <b>13,236</b>    | <b>1,196,003</b> | <b>2,294,823</b>  | <b>96,006</b>            | <b>2,390,829</b> |
| Balance as at 1st April 2014                                | 1,085,584        | 13,236           | 771,487          | 1,870,307   | 75,405                   | 1,945,712        |
| Profit for the period                                       | -                | -                | 66,063           | 66,063  | 4,094                    | 70,157           |
| Other comprehensive income for the period                   | -                | -                | -                | -   | -                        | -                |
| Total comprehensive income for the period                   | -                | -                | 66,063           | 66,063  | 4,094                    | 70,157           |
| Dividends paid 2013/14                                      | -                | -                | (14,113)         | (14,113)  | -                        | (14,113)         |
| Balance as at 31st December 2014 (Unaudited)                | 1,085,584        | 13,236           | 823,437          | 1,922,257   | 79,499                   | 2,001,756        |

**Company**

|   | Stated capital   | Capital reserves | Revenue reserves | Total equity     |
|---|------------------|------------------|------------------|------------------|
| Balance as at 1st April 2014                                | 1,085,584        | 13,236           | 474,697          | 1,573,517        |
| Profit for the year   | -                | -                | 244,557          | 244,557          |
| Other comprehensive expense for the year                    | -                | -                | (80)             | (80)             |
| Total comprehensive income for the year                     | -                | -                | 244,477          | 244,477          |
| Dividends paid 2013/14                                      | -                | -                | (14,113)         | (14,113)         |
| Balance as at 31st March 2015                               | 1,085,584        | 13,236           | 705,061          | 1,803,881        |
| Balance as at 31st March 2015                               | 1,085,584        | 13,236           | 705,061          | 1,803,881        |
| Super Gain Tax for the year of Assessment 2013/14 (Note 05) | -                | -                | (13,897)         | (13,897)         |
| <b>Adjusted balance as at 1st April 2015</b>                | <b>1,085,584</b> | <b>13,236</b>    | <b>691,164</b>   | <b>1,789,984</b> |
| Profit for the period                                       | -                | -                | 49,712           | 49,712           |
| Other comprehensive income for the period                   | -                | -                | -                | -                |
| Total comprehensive income for the period                   | -                | -                | 49,712           | 49,712           |
| Dividends paid 2014/15                                      | -                | -                | (6,048)          | (6,048)          |
| <b>Balance as at 31st December 2015 (Unaudited)</b>         | <b>1,085,584</b> | <b>13,236</b>    | <b>734,828</b>   | <b>1,833,648</b> |
| Balance as at 1st April 2014                                | 1,085,584        | 13,236           | 474,697          | 1,573,517        |
| Profit for the period                                       | -                | -                | 36,881           | 36,881           |
| Other comprehensive income for the period                   | -                | -                | -                | -                |
| Total comprehensive income for the period                   | -                | -                | 36,881           | 36,881           |
| Dividends paid 2013/14                                      | -                | -                | (14,113)         | (14,113)         |
| Balance as at 31st December 2014 (Unaudited)                | 1,085,584        | 13,236           | 497,465          | 1,596,285        |

**EQUITY ONE PLC**  
**STATEMENT OF CASH FLOW**

(All figures are in Sri Lankan Rupees Thousands)

| For the Nine months ended 31st December                               | Group           |                 |                         | Company         |                 |                         |
|---|-----------------|-----------------|-------------------------|-----------------|-----------------|-------------------------|
|   | 2015            | 2014            | 31.03.2015<br>(Audited) | 2015            | 2014            | 31.03.2015<br>(Audited) |
| <b>Cash flows from operating activities</b>                           |                 |                 |                         |                 |                 |                         |
| Profit before taxation  | 104,703         | 97,725          | 432,234                 | 58,481          | 52,819          | 263,567                 |
| Adjustments for:  |                 |                 |                         |                 |                 |                         |
| Finance costs   | 3,224           | 3,092           | 4,266                   | 1,127           | 1,283           | 1,770                   |
| Interest income   | (938)           | (750)           | (1,021)                 | (2,638)         | (3,673)         | (4,706)                 |
| Dividend income   | -               | -               | -                       | (14,676)        | (6,804)         | (6,804)                 |
| Net gains arising from changes in fair value of investment properties | -               | -               | (299,991)               | -               | -               | (195,138)               |
| Profit on disposal of assets  | (788)           | -               | (25)                    | (788)           | -               | (25)                    |
| Depreciation on property, plant and equipment                         | 2,057           | 224             | 299                     | 2,057           | 224             | 299                     |
| Amortization of deferred revenue                                      | (2,715)         | (3,093)         | (4,301)                 | (1,125)         | (1,214)         | (1,674)                 |
| Provision for employee benefits                                       | 223             | 198             | 789                     | 132             | 136             | 519                     |
| <b>Operating profit before working capital changes</b>                | <b>105,766</b>  | <b>97,396</b>   | <b>132,250</b>          | <b>42,570</b>   | <b>42,771</b>   | <b>57,808</b>           |
| (Increase) / decrease in trade and other receivables                  | (10,379)        | (8,542)         | (3,707)                 | (5,447)         | (1,851)         | 695                     |
| Increase / (decrease) in trade and other payables                     | (35,003)        | 9,323           | (5,584)                 | (13,363)        | 30,342          | 29,241                  |
| <b>Operating profit after working capital changes</b>                 | <b>60,384</b>   | <b>98,177</b>   | <b>122,959</b>          | <b>23,760</b>   | <b>71,262</b>   | <b>87,744</b>           |
| Rental deposits received  | 17,227          | 1,941           | 5,888                   | 10,220          | 758             | 1,176                   |
| Rental deposits refunded  | (9,456)         | (3,397)         | (2,813)                 | (4,878)         | (41)            | (41)                    |
| <b>Cash generated from operations</b>                                 | <b>68,155</b>   | <b>96,721</b>   | <b>126,034</b>          | <b>29,102</b>   | <b>71,979</b>   | <b>88,879</b>           |
| Income tax paid   | (33,856)        | (16,776)        | (21,187)                | (26,520)        | (14,946)        | (18,876)                |
| Employee benefits paid  | (1,767)         | -               | (711)                   | (1,767)         | -               | (711)                   |
| <b>Net cash generated from operating activities</b>                   | <b>32,532</b>   | <b>79,945</b>   | <b>104,136</b>          | <b>815</b>      | <b>57,033</b>   | <b>69,292</b>           |
| <b>Cash flows from investing activities</b>                           |                 |                 |                         |                 |                 |                         |
| Additions to investment properties                                    | (14,260)        | (23,619)        | (30,399)                | (14,205)        | (14,041)        | (18,630)                |
| Purchase of property, plant and equipment                             | (9,489)         | -               | (278)                   | (9,489)         | -               | (278)                   |
| Net proceeds on sale of property, plant and equipment                 | 788             | -               | 25                      | 788             | -               | 25                      |
| Net amounts (advanced) / settled to related companies                 | -               | -               | -                       | 22,429          | 1,954           | 1,047                   |
| Interest received   | 938             | 750             | 1,021                   | 2,638           | 3,673           | 4,706                   |
| Dividend received   | -               | -               | -                       | 14,676          | 6,804           | 6,804                   |
| <b>Net cash generated from / (used in) investing activities</b>       | <b>(22,023)</b> | <b>(22,869)</b> | <b>(29,631)</b>         | <b>16,837</b>   | <b>(1,610)</b>  | <b>(6,326)</b>          |
| <b>Cash flows from financing activities</b>                           |                 |                 |                         |                 |                 |                         |
| Net amounts borrowed / (settled) on amounts due to related companies  | (20,500)        | (53,500)        | (53,500)                | (20,500)        | (53,500)        | (54,164)                |
| Dividend paid   | (6,672)         | (14,113)        | (14,116)                | (6,048)         | (14,113)        | (14,116)                |
| <b>Net cash (used in) / generated from financing activities</b>       | <b>(27,172)</b> | <b>(67,613)</b> | <b>(67,616)</b>         | <b>(26,548)</b> | <b>(67,613)</b> | <b>(68,280)</b>         |
| Net increase / (decrease) in cash and cash equivalents                | (16,663)        | (10,537)        | 6,889                   | (8,896)         | (12,190)        | (5,314)                 |
| Cash and cash equivalents at the beginning of the period              | 28,938          | 22,049          | 22,049                  | 10,428          | 15,742          | 15,742                  |
| <b>Cash and cash equivalents at the end of the period</b>             | <b>12,275</b>   | <b>11,512</b>   | <b>28,938</b>           | <b>1,532</b>    | <b>3,552</b>    | <b>10,428</b>           |

Figures in brackets indicate deductions.

**EQUITY ONE PLC**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

(All figures are in Sri Lankan Rupees Thousands)

**1. Basis of preparation of Interim Financial Statements**

The Interim Financial Statements of the Company and the Group have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st March 2015 and are in compliance with Sri Lanka Accounting Standard LKAS 34 - "Interim Financial Reporting". The provisions of the Companies Act No. 7 of 2007 have been considered in preparing these Interim Financial Statements.

**2. Events after the reporting period**

Subsequent to the reporting period, no circumstances have arisen which would require adjustments to or disclosure in the financial statements.

**3. Contingent liabilities and capital commitments**

|  | Group |      | Company |      |
|--|-------|------|---------|------|
|  | 2015  | 2014 | 2015    | 2014 |
| <b>(a) Capital commitments</b>   |       |      |         |      |
| Capital expenditure contracted for at the end of the reporting period but not yet incurred | 3,241 | -    | 3,241   | -    |

There were no other significant financial commitments for the Company and the Group other than those disclosed above as at the reporting date.

**4. Liabilities for Expenditure**

There were no liabilities for management fees or any similar expenditure not provided for in the interim financial statements.

**5. Comparative Figures**

Previous period's figures and phrases have been re-arranged wherever necessary to conform to the current period's presentation.

**Super Gain Tax**

As per the provisions in Finance Act, the Company and Group is liable for Super Gain tax amounting to Rs.13.9Mn and Rs.15.7Mn respectively. According to the Act, the super gain tax shall be deemed to be an expenditure in the financial statements relating to the year of assessment which commenced on 1st April 2013. The Act supersedes the requirements of the Sri Lanka Accounting Standards, hence the expense of Super gain tax is accounted in accordance with the requirements of the said Act as recommended by the Statement of Alternative Treatment (SoAT) on Accounting for Super Gain Tax issued by ICASL, dated 24th November 2015.

**6. Stated Capital**

The Stated Capital of the Company as at 31st December 2015 was Rs. 1,085.6 mn consists of 40,321,730 fully paid Ordinary Shares.

**7. Related party transactions**

| For the Nine months ended 31st December      | Group  |        | Company |        |
|--|--------|--------|---------|--------|
|  | 2015   | 2014   | 2015    | 2014   |
| <b>Transactions with the parent company</b>  |        |        |         |        |
| Settlements on short-term advances obtained  | 20,500 | 53,500 | 20,500  | 53,500 |
| <b>Transactions with subsidiaries</b>        |        |        |         |        |
| Short term advances obtained                 | -      | -      | 3,500   | 3,640  |
| Settlements on short-term advances obtained  | -      | -      | 9,513   | 6,804  |
| Interest on short-term advances provided     | -      | -      | 2,321   | 3,146  |
| Dividends received                           | -      | -      | 14,676  | 6,804  |
| <b>Transactions with affiliate companies</b> |        |        |         |        |
| Receiving of services                        | 2,702  | 2,535  | 1,457   | 1,378  |
| Rent received                                | 21,568 | 18,625 | 6,075   | 4,793  |



**EQUITY ONE PLC**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

(All figures are in Sri Lankan Rupees Thousands)

**08. Twenty major shareholders as at 31st December 2015 (Trading suspended on 02nd November 2015)**

| Name of Shareholders  | Number of Shares | %     |
|---|------------------|-------|
| 1 Carson Cumberbatch PLC A/C No.2                               | 38,818,252       | 96.27 |
| 2 Estate of Late Mr. M. Sri Mahadeva                            | 135,200          | 0.34  |
| 3 Mr. K.C. Vignarajah   | 125,618          | 0.31  |
| 4 Asha Financial Services Limited / Mr.C.N.Pakianathan          | 122,500          | 0.30  |
| 5 Mr. J.B. Hirdaramani  | 57,850           | 0.14  |
| 6 Mr. B.A. Mahipala   | 53,300           | 0.13  |
| 7 People's Leasing & Finance PLC / Hi Line Towers (Pvt) Limited | 50,000           | 0.12  |
| 8 Mr. S. Sivasundaram   | 35,586           | 0.09  |
| 9 Mr. D.K.A.K. Weeratunga                                       | 26,800           | 0.07  |
| 10 MBSL Insurance Company Limited                               | 26,664           | 0.07  |
| 11 Mrs. S. Vignarajah   | 25,199           | 0.06  |
| 12 Miss. J.A.R. Pakianathan                                     | 21,183           | 0.05  |
| 13 Merchant Bank of Sri Lanka PLC / C E Weerapperuma            | 20,814           | 0.05  |
| 14 Waldock Mackenzie Ltd / Mrs.K.D.C.Somalatha & Mr.K.Nandasiri | 17,786           | 0.04  |
| 15 Mr. J.J. Vedasinghe  | 17,779           | 0.04  |
| 16 Calton Hill Ltd  | 17,329           | 0.04  |
| 17 Mr. D.A. Edussuriya  | 15,000           | 0.04  |
| 18 Mrs. M.M. Sellamuttu   | 15,000           | 0.04  |
| 19 Ceylinco Investcorp (Private) Limited                        | 15,000           | 0.04  |
| 20 Mr. S.N.C.W.M.B.C. Kandedgedara                              | 14,500           | 0.04  |

**9. Public Holding**

Ordinary Shares of the Company held by the public as at 31st December 2015 are as follows;

|                               |       |
|-------------------------------|-------|
| Number of public shareholders | 725   |
| Percentage of public holding  | 3.72% |

**10. Directors Shareholding as at 31st December 2015**

|                                   | No. of Shares as at 31.12.15 |
|-----------------------------------|------------------------------|
| Mr. D.C.R. Gunawardena (Chairman) | -                            |
| Mr. S. Nagendra                   | 2,889                        |
| Mr. K.C.N. Fernando               | -                            |
| Mr. E.H. Wijenaike                | -                            |
| Mr A.P. Weeratunge                | -                            |
| Mr. S. Mahendrarajah              | -                            |
| Mr. P.D.D. Fernando               | -                            |

**INVESTOR INFORMATION**

**11. Share Valuation**

For the three months ended 31st December 2015

|  |       |
|--|-------|
| Market value per share (Rs.)                 | 42.20 |
| Highest price per share for the period (Rs.) | 46.70 |
| Lowest price per share for the period (Rs.)  | 40.00 |

## CORPORATE INFORMATION

|                                    |   |
|------------------------------------|---|
| <b>Name of the Company</b>         | Equity One PLC<br>(A Carson Cumberbatch Company)  |
| <b>Company Registration Number</b> | PQ 19   |
| <b>Legal Form</b>                  | A Public Quoted Company with limited liability  |
| <b>Directors</b>                   | D.C.R. Gunawardena (Chairman)<br>S. Nagendra<br>K.C.N. Fernando<br>E.H. Wijenaikie<br>A.P. Weeratunge<br>S. Mahendrarajah<br>P.D.D. Fernando            |
| <b>Bankers</b>                     | Citibank N.A<br>Standard Chartered Bank<br>Deutsche Bank AG, Colombo<br>Commercial Bank of Ceylon PLC   |
| <b>Auditors</b>                    | Messrs. KPMG<br>Chartered Accountants<br>32A, Sir Mohamed Macan Marker Mawatha<br>Colombo 03<br>Sri Lanka<br>Tel: +94 11 5426426<br>Fax: +94 11 2445872 |
| <b>Managers &amp; Secretaries</b>  | Carsons Management Services (Private) Limited<br>61, Janadhipathi Mawatha<br>Colombo 01<br>Sri Lanka<br>Tel : +94 11 2039 200<br>Fax: +94 11 2039 300   |
| <b>Registered Office</b>           | 61, Janadhipathi Mawatha<br>Colombo 01<br>Sri Lanka<br>Tel : +94 11 2039 200<br>Fax: +94 11 2039 300  |
| <b>Place of Business</b>           | 65C, Dharmapala Mawatha<br>Colombo 07<br>Sri Lanka<br>Tel : +94 11 2039 200<br>Fax: +94 11 2039 300   |