



CAUDAN DEVELOPMENT LIMITED
ABRIDGED AUDITED FINANCIAL STATEMENTS

30TH JUNE 2009

STATEMENTS OF FINANCIAL POSITION

| | THE GROUP | | THE COMPANY | |
|---|------------------|------------------|------------------|------------------|
| | 2009 | 2008 | 2009 | 2008 |
| | MRs 000 | MRs 000 | MRs 000 | MRs 000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Investment property | 3,633,001 | 3,182,427 | 3,177,188 | 2,558,972 |
| Prepaid operating leases | 499 | 505 | 499 | 505 |
| Property, plant and equipment | 133,866 | 595,430 | 101,915 | 567,516 |
| Intangible assets | 3,566 | 4,210 | - | - |
| Investments in subsidiaries | - | - | 4,347 | 4,347 |
| Investments in associate | 23,922 | 22,671 | - | - |
| Available-for-sale financial assets | 57,500 | 52,350 | 57,500 | 52,350 |
| | <u>3,852,354</u> | <u>3,857,593</u> | <u>3,341,449</u> | <u>3,183,690</u> |
| Current assets | <u>140,050</u> | <u>80,823</u> | <u>263,979</u> | <u>257,621</u> |
| Total assets | <u>3,992,404</u> | <u>3,938,416</u> | <u>3,605,428</u> | <u>3,441,311</u> |
| EQUITY | | | | |
| Capital and reserves attributable to equity holders of the company | | | | |
| Share capital | 819,520 | 819,520 | 819,520 | 819,520 |
| Share premium | 2,862 | 2,862 | 2,862 | 2,862 |
| Fair value reserve | 17,500 | 12,350 | 17,500 | 12,350 |
| Retained earnings | 1,960,268 | 1,907,710 | 1,458,811 | 1,452,888 |
| Total equity | <u>2,800,150</u> | <u>2,742,442</u> | <u>2,298,693</u> | <u>2,287,620</u> |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| Borrowings | 664,583 | 586,053 | 664,583 | 586,053 |
| Deferred income tax liabilities | 228,294 | 220,500 | 200,215 | 195,947 |
| Retirement benefit obligations | 4,778 | 2,703 | 2,496 | 1,306 |
| | <u>897,655</u> | <u>809,256</u> | <u>867,294</u> | <u>783,306</u> |
| Current liabilities | <u>294,599</u> | <u>386,718</u> | <u>439,441</u> | <u>370,385</u> |
| Total liabilities | <u>1,192,254</u> | <u>1,195,974</u> | <u>1,306,735</u> | <u>1,153,691</u> |
| Total equity and liabilities | <u>3,992,404</u> | <u>3,938,416</u> | <u>3,605,428</u> | <u>3,441,311</u> |
| | MRs | MRs | MRs | MRs |
| Net assets per share | <u>3.42</u> | <u>3.35</u> | <u>2.80</u> | <u>2.79</u> |
| Number of shares: | No. 000 | No. 000 | No. 000 | No. 000 |
| In issue | <u>819,520</u> | <u>819,520</u> | <u>819,520</u> | <u>819,520</u> |

STATEMENTS OF COMPREHENSIVE INCOME

| | 2009 | 2008 | 2009 | 2008 |
|--|-----------------|-----------------|-----------------|-----------------|
| | MRs 000 | MRs 000 | MRs 000 | MRs 000 |
| Revenue | 393,357 | 311,380 | 163,341 | 129,182 |
| Net gain from fair value adjustment on investment property | 34,138 | 751,877 | 14,031 | 629,766 |
| Operating expenses | (259,580) | (197,060) | (61,885) | (51,335) |
| Dividend income | 3,900 | 3,900 | 3,900 | 3,900 |
| Operating profit | <u>171,815</u> | <u>870,097</u> | <u>119,387</u> | <u>711,513</u> |
| Finance income | 4,996 | 459 | 14,452 | 13,177 |
| Finance costs | (66,479) | (24,799) | (66,150) | (24,787) |
| Finance costs - net | <u>(61,483)</u> | <u>(24,340)</u> | <u>(51,698)</u> | <u>(11,610)</u> |
| Share of profit of associate | 10,737 | 13,303 | - | - |
| Profit before income tax | 121,069 | 859,060 | 67,689 | 699,903 |
| Income tax expense | (19,340) | (105,785) | (12,595) | (96,183) |
| Profit for the year | <u>101,729</u> | <u>753,275</u> | <u>55,094</u> | <u>603,720</u> |
| Other comprehensive income: | | | | |
| Fair value gains on available-for-sale financial assets | 5,150 | 14,600 | 5,150 | 14,600 |
| Total comprehensive income for the year | <u>106,879</u> | <u>767,875</u> | <u>60,244</u> | <u>618,320</u> |
| | MRe | MRe | | |
| Earnings per share | <u>0.12</u> | <u>0.92</u> | | |
| Earnings per share - excluding fair value adjustments | <u>0.09</u> | <u>0.12</u> | | |
| Dividend per share | <u>0.06</u> | <u>0.06</u> | | |
| Number of shares: | No. 000 | No. 000 | | |
| In issue and ranking for dividends | <u>819,520</u> | <u>819,520</u> | | |

Notes

- The abridged financial statements are derived from financial statements which are audited and have been prepared in accordance and comply with International Financial Reporting Standards (IFRS).

- IAS 1 (Revised 2007), 'Presentation of financial statements' and IFRS 8, 'Operating segments' (both effective from 1st January 2009) were early adopted in 2009. These standards only impact on the presentation and disclosure aspect and there is no impact on earnings per share.

- Investment property
The group's land & buildings have been revalued at their fair value on 30th June 2009 by Messrs Alan Tinkler, Ramlackhan & Co, Chartered Valuers. In the case of Le Caudan Waterfront, the value determined by the valuer has been adjusted downwards to reflect its current economic conditions. Values in respect of all other land and buildings have been reflected in full in the financial statements. The surplus on valuation of investment property recognised in the income statements amounted to MRs 34.1m at group level and MRs 14m at company level. Following the completion of the Dias Pier building (Le Caudan Waterfront Phase II), the building in progress previously included in property, plant and equipment has been transferred to investment property.

- Adjusted profit excluding fair value adjustments decreased from MRs 100.8m to MRs 72.7m, reflecting the difficult economic conditions which prevailed throughout 2009. Our results have been adversely impacted mainly by retail casualties during the year and the increase in finance costs, unmatched by rental revenue pending full occupancy of the Dias Pier building.

It is helpful to consider the adjusted earnings excluding the fair value adjustment:

| | THE GROUP | | THE COMPANY | |
|--|---------------|----------------|---------------|---------------|
| | 2009 | 2008 | 2009 | 2008 |
| | MRs 000 | MRs 000 | MRs 000 | MRs 000 |
| - Earnings attributable to shareholders excluding fair value adjustments are as follows: | | | | |
| Profit for the year | 101,729 | 753,275 | 55,094 | 603,720 |
| Net gain from fair value adjustment on investment property | (34,138) | (751,877) | (14,031) | (629,766) |
| Deferred tax thereon | 5,120 | 99,439 | 2,104 | 94,465 |
| Earnings excluding fair value adjustments | <u>72,711</u> | <u>100,837</u> | <u>43,167</u> | <u>68,419</u> |

By order of the board
Jocelyne Martin
Secretary
16th September 2009

These abridged financial statements are issued pursuant to listing rule 12.14 and section 88 of 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 upon request from the secretary, free of charge, at Caudan Development Ltd, 8th Floor, Dias Pier Building, Le Caudan Waterfront, Port Louis.

The Board of Directors of Caudan Development Limited accepts full responsibility for the accuracy of the information contained in these abridged financial statements.

Copies of the abridged and full audited financial statements are available upon request from the secretary, free of charge, at Caudan Development Limited, 8th Floor, Dias Pier Building, Le Caudan Waterfront, Port Louis.

STATEMENTS OF CHANGES IN EQUITY

| Attributable to equity holders of the company | Share Capital | Share Premium | Fair value Reserve | Retained Earnings | Total Equity |
|---|----------------|---------------|--------------------|-------------------|------------------|
| | MRs 000 | MRs 000 | MRs 000 | MRs 000 | MRs 000 |
| The Group | | | | | |
| At 1st July 2007 | 819,520 | 2,862 | (2,250) | 1,203,606 | 2,023,738 |
| Total comprehensive income for the year | - | - | 14,600 | 753,275 | 767,875 |
| Dividend proposed | - | - | - | (49,171) | (49,171) |
| At 30th June 2008 | <u>819,520</u> | <u>2,862</u> | <u>12,350</u> | <u>1,907,710</u> | <u>2,742,442</u> |
| At 1st July 2008 | 819,520 | 2,862 | 12,350 | 1,907,710 | 2,742,442 |
| Total comprehensive income for the year | - | - | 5,150 | 101,729 | 106,879 |
| Dividend proposed | - | - | - | (49,171) | (49,171) |
| At 30th June 2009 | <u>819,520</u> | <u>2,862</u> | <u>17,500</u> | <u>1,960,268</u> | <u>2,800,150</u> |
| The Company | | | | | |
| At 1st July 2007 | 819,520 | 2,862 | (2,250) | 898,339 | 1,718,471 |
| Total comprehensive income for the year | - | - | 14,600 | 603,720 | 618,320 |
| Dividend proposed | - | - | - | (49,171) | (49,171) |
| At 30th June 2008 | <u>819,520</u> | <u>2,862</u> | <u>12,350</u> | <u>1,452,888</u> | <u>2,287,620</u> |
| At 1st July 2008 | 819,520 | 2,862 | 12,350 | 1,452,888 | 2,287,620 |
| Total comprehensive income for the year | - | - | 5,150 | 55,094 | 60,244 |
| Dividend proposed | - | - | - | (49,171) | (49,171) |
| At 30th June 2009 | <u>819,520</u> | <u>2,862</u> | <u>17,500</u> | <u>1,458,811</u> | <u>2,298,693</u> |

STATEMENTS OF CASH FLOWS

| | THE GROUP | | THE COMPANY | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2009 | 2008 | 2009 | 2008 |
| | MRs 000 | MRs 000 | MRs 000 | MRs 000 |
| Net cash generated from/(used in) operating activities | 26,055 | 36,577 | (9,921) | 11,803 |
| Net cash (used in)/generated from investing activities | (32,675) | (398,952) | 8,739 | (373,391) |
| Net cash (used in)/generated from financing activities | (4,331) | 327,262 | (10,269) | 326,861 |
| Net decrease in cash and cash equivalents | <u>(10,951)</u> | <u>(35,113)</u> | <u>(11,451)</u> | <u>(34,727)</u> |
| Cash and cash equivalents at beginning of the year | <u>(54,854)</u> | <u>(19,741)</u> | <u>(54,950)</u> | <u>(20,223)</u> |
| Cash and cash equivalents at end of the year | <u>(65,805)</u> | <u>(54,854)</u> | <u>(66,401)</u> | <u>(54,950)</u> |
| Analysis of cash and cash equivalents | | | | |
| Cash and cash equivalents | 1,357 | 376 | 761 | 210 |
| Bank overdrafts | (67,162) | (55,230) | (67,162) | (55,160) |
| | <u>(65,805)</u> | <u>(54,854)</u> | <u>(66,401)</u> | <u>(54,950)</u> |

Notes (continued)

| | THE GROUP | | THE COMPANY | |
|---|-----------------|------------------|-----------------|-----------------|
| | 2009 | 2008 | 2009 | 2008 |
| | MRs 000 | MRs 000 | MRs 000 | MRs 000 |
| - Income tax expense | | | | |
| Based on the profit for the year, as adjusted for tax purposes at 15% | (3,410) | (1,775) | - | - |
| Alternative minimum tax | (3,727) | (4,917) | (3,727) | (4,917) |
| (Under)/overprovision of tax in previous year | (4,409) | 3,543 | (4,600) | 3,543 |
| Deferred income tax movement for the year | <u>(7,794)</u> | <u>(102,636)</u> | <u>(4,268)</u> | <u>(94,809)</u> |
| Charge for the year | <u>(19,340)</u> | <u>(105,785)</u> | <u>(12,595)</u> | <u>(96,183)</u> |
| - Group Segment Information | | | | |
| | Property | Security | Eliminations | Total |
| | MRs 000 | MRs 000 | MRs 000 | MRs 000 |
| 2009 | | | | |
| External sales | 223,903 | 169,454 | - | 393,357 |
| Intersegment sales | 277 | 14,228 | (14,505) | - |
| Total revenue | <u>224,180</u> | <u>183,682</u> | <u>(14,505)</u> | <u>393,357</u> |
| Operating profit | 121,692 | 12,085 | - | 133,777 |
| Other income | 3,900 | - | - | 3,900 |
| Net gain from fair value adjustment on investment property | 34,138 | - | - | 34,138 |
| Segment result | <u>159,730</u> | <u>12,085</u> | <u>-</u> | <u>171,815</u> |
| 2008 | | | | |
| External sales | 184,522 | 126,858 | - | 311,380 |
| Intersegment sales | - | 12,572 | (12,572) | - |
| Total revenue | <u>184,522</u> | <u>139,430</u> | <u>(12,572)</u> | <u>311,380</u> |
| Operating profit | 104,432 | 9,888 | - | 114,320 |
| Other income | 3,900 | - | - | 3,900 |
| Net gain from fair value adjustment on investment property | 751,877 | - | - | 751,877 |
| Segment result | <u>860,209</u> | <u>9,888</u> | <u>-</u> | <u>870,097</u> |

- These abridged financial statements were approved by the Board of Directors on the 16th September 2009.