

CAUDAN DEVELOPMENT LIMITED

ABRIDGED AUDITED FINANCIAL STATEMENTS

30 JUNE 2010

CAUDAN
DEVELOPMENT



STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	2010 MRs 000	2009 MRs 000	2010 MRs 000	2009 MRs 000
ASSETS				
Non-current assets				
Investment property	3,640,962	3,633,001	3,279,278	3,177,188
Prepaid operating leases	493	499	493	499
Property, plant and equipment	178,822	133,706	43,151	101,755
Intangible assets	3,755	3,726	116	160
Investments in subsidiaries	-	-	4,347	4,347
Investments in associate	19,926	23,922	-	-
Investments in available-for-sale financial assets	62,750	57,500	62,750	57,500
	<u>3,906,708</u>	<u>3,852,354</u>	<u>3,390,135</u>	<u>3,341,449</u>
Current assets	<u>101,865</u>	<u>140,050</u>	<u>229,063</u>	<u>263,979</u>
Total assets	<u><u>4,008,573</u></u>	<u><u>3,992,404</u></u>	<u><u>3,619,198</u></u>	<u><u>3,605,428</u></u>
EQUITY AND LIABILITIES				
Capital and reserves attributable to owners of the parent				
Share capital	819,520	819,520	819,520	819,520
Share premium	2,862	2,862	2,862	2,862
Fair value reserve	22,750	17,500	22,750	17,500
Retained earnings	1,960,710	1,960,268	1,452,933	1,458,811
Total equity	<u>2,805,842</u>	<u>2,800,150</u>	<u>2,298,065</u>	<u>2,298,693</u>
Liabilities				
Non-current liabilities				
Borrowings	604,166	664,583	604,166	664,583
Deferred tax liabilities	231,794	228,294	204,082	200,215
Retirement benefit obligations	7,863	4,778	4,029	2,496
	<u>843,823</u>	<u>897,655</u>	<u>812,277</u>	<u>867,294</u>
Current liabilities	<u>358,908</u>	<u>294,599</u>	<u>508,856</u>	<u>439,441</u>
Total liabilities	<u>1,202,731</u>	<u>1,192,254</u>	<u>1,321,133</u>	<u>1,306,735</u>
Total equity and liabilities	<u><u>4,008,573</u></u>	<u><u>3,992,404</u></u>	<u><u>3,619,198</u></u>	<u><u>3,605,428</u></u>
Net assets per share	MRs 3.42	MRs 3.42	MRs 2.80	MRs 2.80
Number of shares: In issue	No. 000 819,520	No. 000 819,520	No. 000 819,520	No. 000 819,520

STATEMENTS OF CHANGES IN EQUITY

Attributable to owners of the parent	Share Capital	Share Premium	Fair Value Reserve	Retained Earnings	Total Equity
	MRs000	MRs000	MRs000	MRs000	MRs000
THE GROUP					
At July 1st 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 June 30th 2009	<u>819,520</u>	<u>2,682</u>	<u>17,500</u>	<u>1,960,268</u>	<u>2,800,150</u>
At July 1st 2009	819,520	2,862	17,500	1,960,268	2,800,150
Total comprehensive income for the year	-	-	5,250	49,613	54,863
Dividend proposed	-	-	-	(49,171)	(49,171)
At June 30th 2010	<u>819,520</u>	<u>2,862</u>	<u>22,750</u>	<u>1,960,710</u>	<u>2,805,842</u>
THE COMPANY					
At July 1st 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 June 30th 2009	<u>819,520</u>	<u>2,862</u>	<u>17,500</u>	<u>1,458,811</u>	<u>2,298,693</u>
At July 1st 2009	819,520	2,862	17,500	1,458,811	2,298,693
Total comprehensive income for the year	-	-	5,250	43,293	48,543
Dividend proposed	-	-	-	(49,171)	(49,171)
At June 30th 2010	<u>819,520</u>	<u>2,862</u>	<u>22,750</u>	<u>1,452,933</u>	<u>2,298,065</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).
- Our results continued to be affected by the tough economic environment which prevailed throughout 2010, resulting in retail casualties and a sluggish office demand. Finance costs unmatched by sufficient rental revenue pending full occupancy of the Dias Pier building, continued to be a strain on the group. Notwithstanding these difficult conditions, the group's net asset value was maintained at MRs 3.42 per share.

- Adjusted earnings excluding fair value adjustment are as follows:

	THE GROUP		THE COMPANY	
	2010 MRs 000	2009 MRs 000	2010 MRs 000	2009 MRs 000
Profit for the year	49,613	101,729	43,293	55,094
Net gain from fair value adjustment on investment property	-	(34,138)	-	(14,031)
Deferred income tax thereon	-	5,120	-	2,104
Earnings excluding fair value adjustments	<u>49,613</u>	<u>72,711</u>	<u>43,293</u>	<u>43,167</u>

- The directors have reassessed the fair values of the investment properties at June 30th, 2010. Given that the economic and property market conditions are similar to that prevailing at June 30th, 2009, no revaluation adjustment to the carrying values of the investment properties has been reflected in this year's accounts.

STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	2010 MRs 000	2009 MRs 000	2010 MRs 000	2009 MRs 000
Revenue	425,257	393,357	181,838	163,341
Net gain from fair value adjustment on investment property	-	34,138	-	14,031
Operating expenses	(294,837)	(259,580)	(72,155)	(61,885)
Dividend income	1,200	3,900	1,200	3,900
Operating profit	<u>131,620</u>	<u>171,815</u>	<u>110,883</u>	<u>119,387</u>
Finance income	1,027	4,996	9,152	14,452
Finance costs	(69,305)	(66,479)	(69,152)	(66,150)
Finance costs - net	<u>(68,278)</u>	<u>(61,483)</u>	<u>(60,000)</u>	<u>(51,698)</u>
Share of (loss)/profit of associate	(3,996)	10,737	-	-
Profit before income tax	59,346	121,069	50,883	67,689
Income tax expense	(9,733)	(19,340)	(7,590)	(12,595)
Profit for the year attributable to owners of the parent	49,613	101,729	43,293	55,094
Other comprehensive income:				
Fair value gains on available-for-sale financial assets	5,250	5,150	5,250	5,150
Total comprehensive income for the year attributable to owners of the parent	<u>54,863</u>	<u>106,879</u>	<u>48,543</u>	<u>60,244</u>
Earnings per share	MRe 0.06	MRe 0.12		
Adjusted earnings per share	<u>0.06</u>	<u>0.09</u>		
Number of shares: In issue and ranking for dividends	No. 000 819,520	No. 000 819,520		

STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2010 MRs 000	2009 MRs 000	2010 MRs 000	2009 MRs 000
Net cash generated from/(used in) operating activities	55,143	26,183	53,485	(337)
Net cash used in investing activities	(30,165)	(32,803)	(34,241)	(845)
Net cash used in financing activities	(110,208)	(4,331)	(103,868)	(10,269)
Net decrease in cash and cash equivalents	<u>(85,230)</u>	<u>(10,951)</u>	<u>(84,624)</u>	<u>(11,451)</u>
Cash and cash equivalents at beginning of the year	(65,805)	(54,854)	(66,401)	(54,950)
Cash and cash equivalents at end of the year	<u>(151,035)</u>	<u>(65,805)</u>	<u>(151,025)</u>	<u>(66,401)</u>
Analysis of cash and cash equivalents				
Bank and cash balances	340	1,357	104	761
Bank overdrafts	(151,375)	(67,162)	(151,129)	(67,162)
	<u>(151,035)</u>	<u>(65,805)</u>	<u>(151,025)</u>	<u>(66,401)</u>

Segment reporting

	PROPERTY	SECURITY	Eliminations	Total
	MRs 000	MRs 000	MRs 000	MRs 000
JUNE 2010				
External sales	244,053	181,204	-	425,257
Intersegment sales	2,572	19,912	(22,484)	-
Total revenue	<u>246,625</u>	<u>201,116</u>	<u>(22,484)</u>	<u>425,257</u>
Operating profit	127,975	2,445	-	130,420
Dividend income	1,200	-	-	1,200
Segment result	<u>129,175</u>	<u>2,445</u>	<u>-</u>	<u>131,620</u>
JUNE 2009				
External sales	223,903	169,454	-	393,357
Intersegment sales	277	16,450	(16,727)	-
Total revenue	<u>224,180</u>	<u>185,904</u>	<u>(16,727)</u>	<u>393,357</u>
Operating profit	121,692	12,085	-	133,777
Dividend 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>

These abridged financial statements were approved for issue by the Board of Directors on 21st September 2010.

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 Limited, c/o Promotion and Development Limited, 8th Floor, Dias Pier Building, Le Caudan Waterfront, Port Louis.

By order of the board
Jocelyne Martin
Secretary
21st September 2010

These abridged financial statements are issued pursuant to listing rule 12.14 and section 88 of the Securities Act 2005.

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, c/o Promotion and Development Limited, 8th Floor, Dias Pier Building, Le Caudan Waterfront, Port Louis.