CD contents

Dear Shareholder

Caudan Development is pleased to present its annual report for the year ended June 30, 2009.

Like last year, we have decided to present our annual report in CD format, in keeping with international trends towards digital documents. We believe that this approach combines simplicity, rapidity and convenience. The shareholder can have access to all the information, in much the same way as previously, and if required print selected pages. Besides lowering production costs, the considerable reduction of paper consumption contributes to the protection of our environment.

This booklet includes the main reports and primary financial statements, the notice of meeting to the shareholders and the proxy form. The complete annual report can be found in digital pdf format on the attached CD.

Yours sincerely

René Leclézio
Managing Director

CAUDAN
DEVELOPMENT

corporate information

directors

The directors of the company during the year ended June 30th 2009 and at June 30th 2009

Jean-Pierre Montocchio, *Chairman*
Arnaud Dalais, *Deputy chairman*
Bertrand de Chazal
Hector Espitalier-Noël
Antoine Harel
René Leclézio
Jocelyne Martin
Iqbal Mallam-Hasham
Antoine Seeyave
Adolphe Vallet
Bernard Yen

audit committee

Bertrand de Chazal, *Chairman*
Hector Espitalier-Noël
Bernard Yen

corporate governance committee

Arnaud Dalais, *Chairman*
Bertrand de Chazal
René Leclézio
Jean-Pierre Montocchio

manager

Promotion and Development Ltd

company secretary

Jocelyne Martin

auditors

BDO DE Chazal Du Mée

registrar and transfer office

MCB Registry and Securities Limited
Raymond Lamusse Building
Sir William Newton Street
Port Louis
Mauritius

registered office

MCB Centre
11–15 Sir William Newton Street
Port Louis

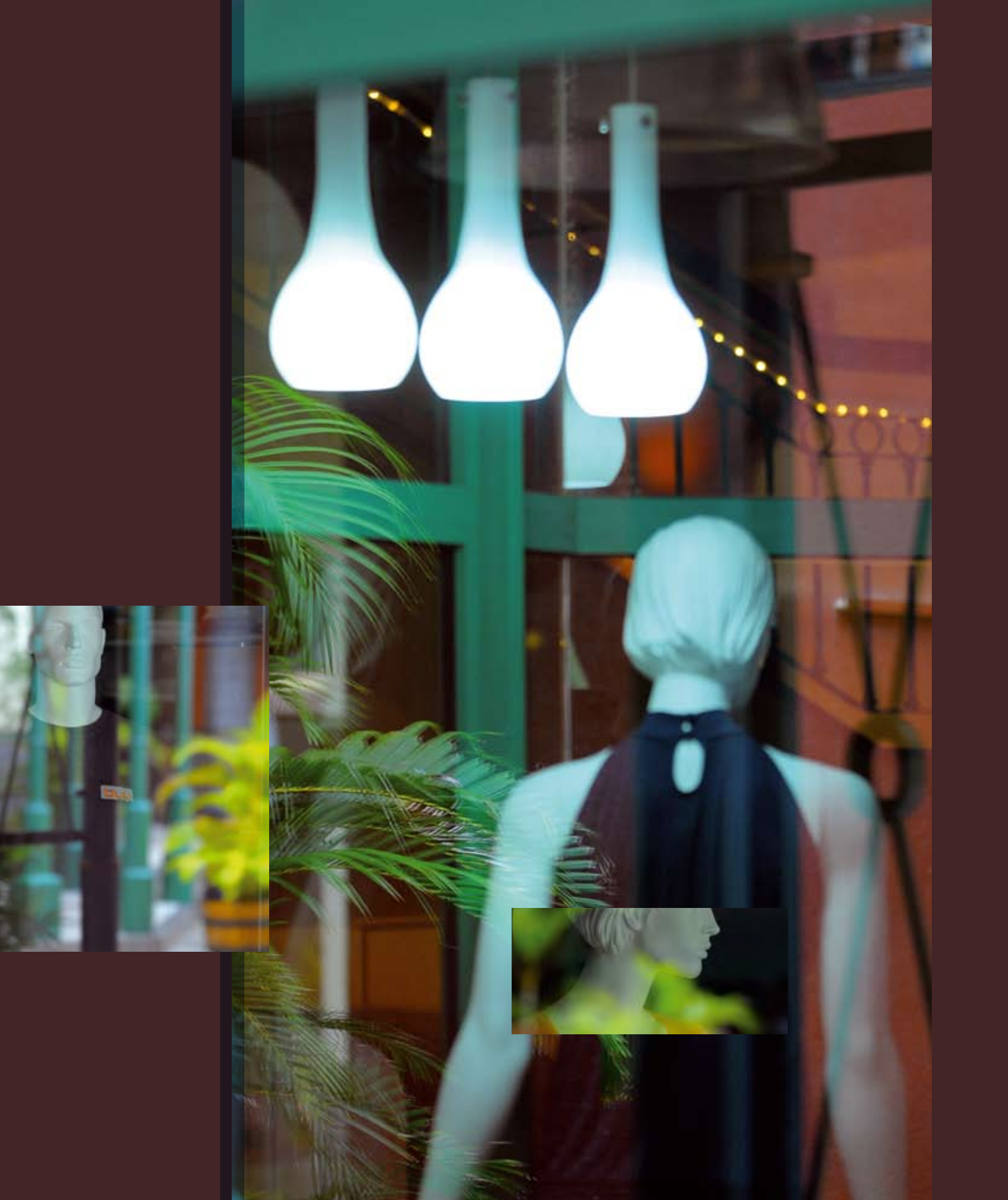
postal address

Dias Pier, Le Caudan Waterfront
Port Louis, Mauritius

Telephone +230 211 94 30
Fax +230 211 02 39
Email corporate@promotionanddevelopment.com

date of incorporation

February 17th 1989



chairman's statement

Dear Shareholder

Last year, we predicted that 2009 would be difficult but were nevertheless confident that the company would be able to face the challenges lying ahead. It is clear however that we had failed to anticipate the severity of the crisis and its consequences. Our Income Statement shows a 27.9% reduction in our adjusted underlying profit excluding fair value adjustment from last year's MRs100.8m to MRs72.7m. Given these difficult economic conditions which prevailed throughout the year, we however consider this performance to be satisfactory, with reasonable occupancy levels and a tremendous contribution from our non-property business.

strategy

Our objective is to achieve good growth in both capital and income. We aim to create value by developing and actively managing our property to meet the needs of our occupiers, our visitors and our shareholders. Our focus on improvements to customer service and amenities is relentless, aiming to provide the consumers with a pleasant hassle-free shopping trip – creating clean, safe and bright environments to welcome each member of the public. We continue to maintain our existing properties in a continued state of sound repair, making improvements thereto from time to time and simultaneously continue to elaborate our longer term development pipeline, so as to generate growth well into the future.

results

Our adjusted underlying profit before tax and fair value adjustment fell to MRs86.9m, down 18.9% compared to last year's MRs107.2m.

INCOME STATEMENT

Year ended June 30th	**2009**	08
MRs000		
Net rental income	**121,692**	104,432
Net security income	**12,085**	9,888
	133,777	114,320
Dividend - hotel	**3,900**	3,900
Share of profit - casino	**10,737**	13,303
Net profit before interest	**148,414**	131,523
Less		
Net Finance costs	**(61,483)**	(24,340)
Profit before tax and fair value adjustment	**86,931**	107,183

As depicted above, the decrease reflects additional income from increased activity of the group, more than offset however by the substantial increase in financial costs which remained unmatched by sufficient rental revenue during the period, pending full occupancy of the Dias Pier building.

Our underlying net asset value per share increased by a mere 2% from MRs3.35 to MRs3.42, giving a total return for the year including dividends of 3.9%. Looking back over the last five years our compound annual return of 15.40% in terms of increase in net assets per share plus dividends has represented a reasonable outcome for shareholders.

investment property

The investment property was valued at June 30th 2009 at MRs3.6bn, compared to MRs3.2bn last year.

MOVEMENT IN INVESTMENT PROPERTY

June 30th	2009	08
MRsm		
Opening balance	**3,182.4**	2,183.3
Phase 2 development	**624.2**	247.2
Disposals	**(207.7)**	-
Fair value gain	**34.1**	751.9
	3,633.0	3,182.4

Under IFRS, we include revaluation movements in our Income Statement which introduces a considerable degree of volatility into our reported profits. You will remember that our overall revaluation gain last year was a record uplift of MRs751.9m due mainly to the considerable enhancement in value of land following the construction of the Dias Pier building (Phase 2 development).

This year we requested Messrs Alan Tinkler, Ramlackhan & Co, Chartered Valuers to carry out a full valuation of the investment property held by the group as at 30th June 2009. The values determined by the valuer were incorporated in the accounts except, that in the case of Le Caudan Waterfront, we adopted a prudent approach and adjusted the values downwards to reflect the current economic conditions. This resulted in a subdued revaluation surplus of MRs34.1m.

As always, I remind you, that all gains on valuation are unrealized and have no impact on the cash flows of the business or its present strategic directions and draw your attention to the fluctuations which may arise on the future due to changes in market conditions.

Total amount capitalized over the two years in respect of Phase 2 amounts to MRs871.4m, representing the total capital cost incurred to date in respect of the building. Expenditure on property developments were partly balanced by funds generated from disposals amounting to MRs207.7m.

rental income

Gross rental income for the year was MRs223.9m, some 21.4% ahead of the MRs184.5m achieved in 2008 whilst net rental income increased from MRs104.4m to MRs121.7m during the year, reflecting principally the contribution of a full year's commercial rental in respect of the Phase 2 development against six months during 2008.

However the tough retail environment and ensuing retail casualties leading to vacant periods, the delay in the start up of renting of offices of Dias Pier, and the loss of office income following the sale of office units of Barkly Wharf have all had a negative impact on our net rental income growth.

Our retailers are continuing to face challenging conditions; the slowdown in the economic activity leading to a reduction in confidence both in the business sector and amongst consumers, the decline in tourist arrivals and rising costs of essential goods have affected consumers' ability and willingness to spend. This was reflected in lower consumer spending with the more difficult trading environment putting pressure on retailers' margins. Following problems encountered by several of our tenants, we experienced an increase in void periods, especially towards the end of the financial year. Last year's full occupancy at Le Caudan Waterfront dropped to a respectable 98% whilst the occupancy level achieved at our industrial buildings sites averaged 97% over the year. Void periods during the year have cost the group approx MRs3m in loss of rental income (MRs2.5m at LCW and MRs0.5m at industrial buildings) and a further MRs26m potential income per annum could be generated in respect of unlet offices at Dias Pier.

The current economic climate has meant that letting of offices of Dias Pier has been more difficult than originally envisaged. We experienced a downward trend in customer enquiries as companies delay relocation or expansion in the light of the current economic difficulties. Although, there is interest from potential occupiers to take space in the building, they are taking that much longer to determine their requirements. However Dias Pier offering high quality office space in one of the best city locations will continue to attract occupiers and we remain confident that letting of the remaining units will pick up rapidly once all secured tenants have moved in. At 30th June 2009, only 4,192 sq ft had been actually let. To date, we have let or confirmed leases in respect of 25,808 sq ft out of 58,471 sq ft of available lettable office space. Our focus remains the letting of the remaining offices so as to amortise the financial costs over a broader income base.

We achieved a like-for-like growth rental rate of 5.7% at Le Caudan Waterfront and 3.7% in respect of industrial buildings. Going forward, however rental values are expected to remain stable or to show modest increases.

In July 2008, our new pay on foot parking became operational, providing some 450 additional parking slots to the centre. This has had a positive impact both on the operational and financial front.

We want our customers to succeed and conscious of the difficulties that they have to face in these tough times, we do our utmost to work with them to develop a mutually beneficial way forward. We have also recently launched a new advertising campaign with a view to, improve our communication media techniques, promote Le Caudan Waterfront brand and generally consolidate our position as the main shopping centre.

security operations

I am pleased to report an increase in the profitability of our security business following the expansion in its activities and growth of client numbers. Our security company realized a net operating income of MRs12.1m, representing a 22.2% growth compared to 2008. The total people count stood at June 30, 2009 at 911, some 19% higher than in 2008. With in excess of 3,300 clients connected to our monitoring station and 115 guarding sites, all over the country, we have asserted our position as a main security services provider. We take pride in the very positive feedback we have received from many of our clients concerning the quality of our services and the value of our relationship with them. However we acknowledge the need to improve what we do and how we do it. We listen to our clients and continue to offer them comprehensive solutions for their security requirements. We constantly challenge ourselves to keep abreast of market and industry trends and endeavour at all times to respond to changes in our environments. We are continually looking to implement changes which will propel us to distinctiveness.

In keeping with our tradition of anticipating and positioning for change, I announced last year our intention to build adequate headquarters at St Pierre. I am pleased to report that the purchase of the 4 *arpents* of land was finalized in August 2008 at the cost of MRs31m; construction of the headquarters which started in March 2009 is well underway and the company should be in a position to relocate its activities before the end of the year. We have invested in new equipment and the latest technological developments to increase our efficiency and capacity. I am confident that the St Pierre headquarters will be a further step forward and will lead to substantial synergies, economies of scale and operating efficiencies which will result in improved service levels to clients. We will also be better positioned to launch further security-related products in the future.

indebtedness

At 30 June 2009, group borrowings amounted to MRs807m compared with MRs750.2m last year. Cash balances totaled MRs1.4m (2008: MRs0.4m) resulting in net debt amounting to MRs805.6m (MRs749.8m).

During the year, we arranged and disbursed a new twelve-year bank loan facility of MRs300m for the continued financing of the Phase 2 construction and repaid the loan advanced by our holding company.

The board of Caudan has taken measures to manage the Company's gearing including the sale of assets and disposed of some office units which generated proceeds of MRs207.7m

Interest cover based upon adjusted profit before tax and fair value adjustment for the year was 2.4 times (2008: 5.4 times).

dividends

In spite of the difficult year, the directors, confident of the long term future performance of the business, decided to maintain the same dividend as last year and declared an ordinary dividend of MRe0.06 per share, which was paid in August 2009.

prospects and outlook

The realities are such that our short term outlook for 2010 is bleak. It is still too early to form a view on the length and breadth of the turbulence now lying ahead of us. In the short term, the main area of uncertainty is associated with the business impact of any further downturn in the economic environment, which could lead to a weakening in the demand for our units by occupiers, increased vacancy and empty property costs, a potential reduction in property values and an increase in the group gearing level. There is also a potential for finance costs to increase should there be a rise in interest rates. It seems likely that at least in the short term, market activity will remain subdued until there is evidence of an improvement in business and consumer confidence. To date we have continued to experience good demand for our commercial, office and industrial units. The values of our property have held up well so far but we anticipate there could be some weakening and that rentals will remain under pressure with a general curtailment of the rates of increase.

Our key priorities include, inter alia, carefully managing the group's financial position and working closely with our customers in order to deliver good letting figures. Management has taken the appropriate measures to mitigate the ill effects of the difficult business conditions ahead. Within such an economic environment, we have engaged in a vital exercise of driving costs down for more efficiency whilst maintaining our standards and without damaging the business. We firmly believe that with our strategy, dedication and the strength of our prime property, the long term outlook remains positive. Our management team, well supported by very committed employees, remains totally focused on being the leading commercial and business space-provider and security service-provider in Mauritius. I have great confidence in the group's future.

In conclusion I would like to express my sincere appreciation to all those who contribute to the group's ongoing success, the management team and the personnel at large for their good work and continued efforts, the members of the Board for their unfailing support and the shareholders for their continued trust and confidence.

Yours sincerely

Jean-Pierre Montocchio *Chairman*

September 16th 2009

annual report

The directors have pleasure in submitting the annual report of Caudan Development Limited, together with the audited financial statements for the year ended June 30th 2009.

principal activities

The activities of the group continued throughout 2009 to be property development and investment and the provision of security services.

Caudan Development Limited specialises in the ownership, promotion and development of Le Caudan Waterfront, a mixed commercial project on the waterfront of Port Louis. Apart from the waterfront project, the company also rents out industrial buildings situated at Pailles, Riche Terre and Albion Dock.

Caudan, via a subsidiary, operates in the security business, and is involved in the sale of alarm equipment and the provision of security and property protection services.

results

The results for the year are set out in the income statements.

The published income statements include the revaluation surplus on investment property. The directors consider it helpful for shareholders to show an additional presentation of the income statements to that of the published income statements and to calculate an adjusted profit which

eliminates the distorting effect of exceptional items so as to provide a more meaningful measure of the underlying performance of the group's ongoing activities. Accordingly, the adjusted profit shown below has been arrived at, by making adjustments to exclude the accounting adjustments in respect of revaluation surplus on investment property.

	THE GROUP		THE COMPANY	
MRs000	**2009**	08	**2009**	08
Turnover	**393,357**	311,380	**163,341**	129,182
Operating expenses	**(259,580)**	(197,060)	**(61,885)**	(51,335)
Net profit from operations	**133,777**	114,320	**101,456**	77,847
Dividend income	**3,900**	3,900	**3,900**	3,900
	137,677	118,220	**105,356**	81,747
Net finance costs	**(61,483)**	(24,340)	**(51,698)**	(11,610)
Share of profit of associate	**10,737**	13,303	**-**	-
Adjusted profit before taxation	**86,931**	107,183	**53,658**	70,137
Taxation	**(14,220)**	(6,346)	**(10,491)**	(1,718)
Adjusted profit after taxation	**72,711**	100,837	**43,167**	68,419
Surplus on revaluation of property	**34,138**	751,877	**14,031**	629,766
Deferred tax thereon	**(5,120)**	(99,439)	**(2,104)**	(94,465)
Net surplus on revaluation of property	**29,018**	652,438	**11,927**	535,301
Reported profit per income statement	**101,729**	753,275	**55,094**	603,720

The table above shows that adjusted profit decreased by MRs28.1m, compared with the previous year to MRs72.7m. The group benefited from increased letting activity, with a full year's rental income in respect of the commercial units of the Phase 2 development compared to six months last year and an expansion of the security business by our subsidiary. These were however largely offset by a substantial increase in finance costs.

The chairman's statement on pages 5 to 8 provides further information relating to the performance of the group and its future prospects.

investment property

The group's investment property stood, at June 30th 2009, at MRs3,633m (2008: MRs3,182m). The group's land and buildings were revalued at their fair value on June 30th 2009 by Messrs Alan Tinkler, Ramlackhan & Co, Chartered Valuers. In the case of Le Caudan Waterfront, the value determined by the valuer was adjusted downwards whilst the values in respect of all other land and buildings were reflected in full in the financial statements. The surplus on valuation recognised in the income statements amounted to MRs34.1m (2008:MRs751.9m) at group level and MRs14.0m (2008: MRs629.8m) at company level.

Following the completion of the Dias Pier building, an amount of MRs623.8m (2008: MRs247.2m) was transferred to Investment Property in respect of the building in progress which was previously included in property, plant and equipment.

dividend

The directors have maintained a dividend of MRe0.06 per share, the same as last year. This represents a total distribution of MRs49.2 m, which was paid in August 2009.

directors

The directors of the company are listed on page 2 and the directors of the subsidiaries are stated in note 30 of the financial statements.

directors' service contracts

There are no service contracts between the company or its subsidiaries and the directors.

directors' remuneration

REMUNERATION AND BENEFITS RECEIVED AND RECEIVABLE

	THE COMPANY		SUBSIDIARIES	
MRs000	**2009**	08	**2009**	08
Full-time executive directors	**60**	60	**-**	-
Non-executive directors	**432**	415	**-**	-

statement of directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flow of the group and of the company. In preparing those financial statements, the directors are required to:

–select suitable accounting policies and then apply them consistently;

–make judgements and estimates that are reasonable and prudent;

–state whether International Financial Reporting Standards have been followed and complied with subject to any material departures disclosed and explained in the financial statements; and

–prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

auditors

FEES PAYABLE TO THE AUDITORS

	THE GROUP		THE COMPANY	
MRs000	**2009**	08	**2009**	08
BDO De Chazal du Mée				
Audit services	**500**	85	**210**	-
Other services	**47**	17	**17**	-
	547	102	**227**	-
Other firms				
Audit services	**-**	595	**-**	364
Other services	**-**	44	**-**	18
	-	629	**-**	382

Messrs BDO De Chazal du Mée were appointed auditors as from financial year 2009.

Approved by the board on September 16th 2009 and signed on its behalf by

Jean-Pierre Montocchio *Chairman*

René Leclézio *Managing Director*

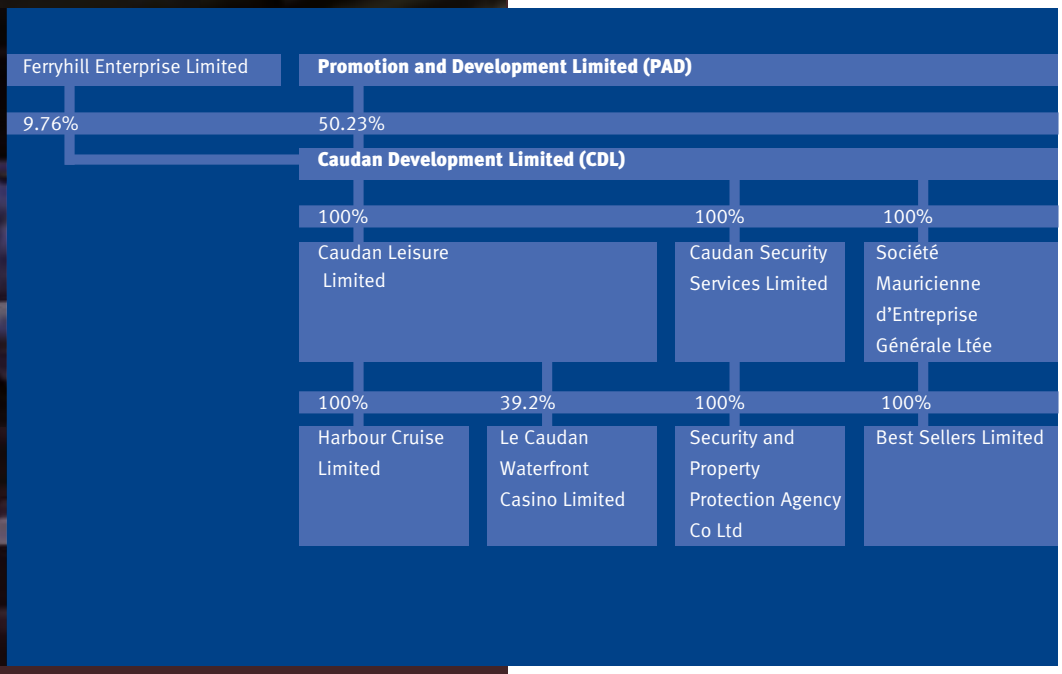
corporate governance report

compliance statement

The company is committed to the highest standard of business integrity, transparency and professionalism in all activities to ensure that the activities within the company are managed ethically and responsibly to enhance business value for all stakeholders. As an essential part of this commitment, the board strives to apply principles of good governance throughout the group.

group structure

The holding structure up to and including Promotion and Development Limited, the ultimate parent



major shareholders

SHAREHOLDERS HOLDING MORE THAN 5% OF THE SHARE CAPITAL OF THE COMPANY AT JUNE 30TH 2009

shareholder	number of shares	% held
Promotion and Development	411,632,609	50.23
Ferryhill Enterprises	80,000,000	9.76
Fincorp Investment	43,758,300	5.34

dividend policy

The company aims to supply its shareholders with ongoing returns in the form of stable dividends. Dividends are declared and paid once a year.

TREND OVER THE PAST YEARS

year	dividend per share cents
2009	6.0
2008	6.0
2007	5.0
2006	5.0
2005	5.0
2004	4.0

the board of directors

Composition

The company's articles provide that the board of the company shall consist of a minimum of 5 and a maximum of 14 directors.

At year end, the board consisted of two executive directors and nine non-executive directors including the chairman and deputy chairman. The non-executive directors come from diverse business background and possess the necessary knowledge, skills, objectivity, integrity, experience and commitment to make sound judgments on various key issues relevant to the business of the company independent of management.

All directors are expected to attend all meetings of the board, and of those committees on which they serve, and to devote sufficient time to the group's affairs to enable them to properly fulfill their duties as directors. However, on occasion, it may be necessary to convene meetings at short notice which may preclude directors from attending. The board met five times in the year to consider all aspects of the company's affairs and any further information which it requested from management.

The following table gives the record of attendance at the Caudan board and its committee meetings for the financial year 2009.

ATTENDANCE AT THE BOARD AND ITS COMMITTEE MEETINGS

2009	board of directors	sub-committees: corporate governance	sub-committees: audit
number of meetings held	5	1	4
meetings attended by members			
Jean-Pierre Montocchio	5	1	n/a
Arnaud Dalais	2	1	n/a
Bertrand de Chazal	4	1	4
Hector Espitalier-Noël	2	n/a	2
Antoine Harel	2	n/a	n/a
René Leclézio	5	1	n/a
Iqbal Mallam Hasham	2	n/a	n/a
Jocelyne Martin	4	n/a	n/a
Antoine Seeyave	4	n/a	n/a
Adolphe Vallet	3	n/a	n/a
Bernard Yen	5	n/a	4

In accordance with the articles of the company directors are subject to retirement and re-election by shareholders as follows: one third of the directors or if their number is not three or a multiple of three, the number nearest one third shall retire from office and be eligible for re-election. New directors are appointed to the board on recommendation of the nomination committee.

The board is accountable not only to the company's shareholders for the good conduct of the company's and its subsidiaries' affairs but is also responsible to its other stakeholders for the effective control and proper management of the Caudan group. The company's internal procedures are regularly reviewed and updated by the board and the various relevant board committees.

The board has a schedule of matters reserved to it and discusses and makes decisions relating to, but not limited to strategy and management, structure and capital, financial measures and performance, financial reporting and internal controls, contracts, communication, board membership and other appointments, remuneration, delegation of authority, corporate governance matters and policies, significant acquisitions and disposals of assets and development approvals. The board delegates authority to the board sub-committees and to executive management in respect of certain transactions within defined, limited parameters.

The executive directors meet with senior management on a monthly basis to discuss business, operational and other issues and keep the board regularly informed about the company, its subsidiaries, its activities, performance and its projects, particularly including any significant variances from a planned course of progress.

The company maintains directors' and officers liability insurance, which is reviewed annually.

directors' profiles

Jean-Pierre Montocchio

Notary public. Has participated in the National Committee on Corporate Governance. Director of various companies including The Mauritius Commercial Bank, Fincorp Investment, Promotion and Development, Rogers & Co and New Mauritius Hotels.

Bertrand de Chazal

Fellow member of the Institute of Chartered Accountants of England and Wales and *Commissaire aux Comptes*. Worked during his career with Touche Ross, Paris and West Africa; retired as senior financial analyst of the World Bank. Director of The Mauritius Commercial Bank, Promotion and Development and Golden Agri-Resources.

Arnaud Dalais

Chief Excecutive of CIEL Group of companies. Director of several public companies including Ireland Blyth, Swan Group, Sun Resorts, Promotion and Development. Has been Chairman of the Mauritius Chamber of Agriculture, the Mauritius Sugar Syndicate and the Joint Economic Council.

Hector Espitalier-Noël

Member of the Institute of Chartered Accountants of England and Wales. Worked for Coopers and Lybrand, London and De Chazal du Mée. Chief Executive Officer of Espitalier-Noël Group, Chairman of New Mauritius Hotels and member of the board of directors of several listed companies, including Rogers & Co, Promotion and Development, General Investment & Development Co, Liberty Investment Trust, Mon Desert Alma, Savannah SE and Swan Insurance Co.

Antoine Harel

Fellow member of the Institute of Chartered Accountants of England and Wales, Chairman of Compagnie d'Investissement et de Gestion de Portefeuilles, Compagnie Sucrière de Mont Choisy, Constantine and Produits Basaltique du Nord. Director of Promotion and Development.

René Leclézio

Degree in Chemical Engineering and MBA (London Business School). Worked as a manager at Lloyds Merchant Bank, London, before joining the parent company, Promotion and Development, as its General Manager in 1988. Director of several private and public companies including Promotion and Development, Liberty Investment Trust, Medine and Mauritius Freeport Development.

Iqbal Mallam-Hasham

DESS and MBA. Has a wide-ranging experience of the banking sector. Managing director of State Investment Corporation. Director of Sun Resorts, and the Mauritius Leasing Company.

Jocelyne Martin
BSc (Econ) (London School of Economics). Member of the Institute of Chartered Accountants of England and Wales. After several years of experience in UK, worked at De Chazal Du Mée before joining Promotion and Development as Group Financial Controller in 1995. She is also the Company Secretary. Director of Promotion and Development.

Antoine Seeyave
Chairman of Happy World Food and director of several companies.

Adolphe Vallet
Worked for the Mauritius Commercial Bank and Roger Fayd'herbe, before The Constance & La Gaieté SE. Director of several companies including Belle Mare Holding.

Bernard Yen
Fellow of the Institute of Actuaries. Is currently the managing director of Hewitt LY (Mauritius). Before settling in Mauritius, worked at William M Mercer and specialized in actuarial services in UK and Belgium. Has advised many organizations based in Africa. Director of Promotion and Development, Multipliant Management, MCB Capital Partners and Prokid.

Directors' interests in shares

INTERESTS OF THE DIRECTORS IN THE SHARE CAPITAL OF THE COMPANY AT JUNE 30TH 2009

ordinary shares	direct	indirect
Jean-Pierre Montocchio	-	131,000
Bertrand de Chazal	-	242,500
Arnaud Dalais	300,000	50,000
René Leclézio	-	125,000
Jocelyne Martin	65,000	-
Bernard Yen	60,000	-

None of the other directors had a direct or indirect interest in the equity of the company and its subsidiaries.

Directors' dealing in shares of the Company
With regards to directors' dealings in the shares of their own company, the directors confirm that they have followed the principles of the model code on securities transactions by directors as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules.

shareholders agreement affecting the governance of the company by the board

There was no such agreement during the year under review.

Related party transactions
For related party transactions, please refer to note 28 of the financial statements.

board committees

The board has established a number of committees, each of which has written terms of reference which deal clearly with their authorities and duties. The most important committees are listed below:

The corporate governance committee
The committee which incorporates the nomination and remuneration committee is chaired by Mr Arnaud Dalais, and comprises of Messrs Bertrand de Chazal, René Leclézio and Jean-Pierre Montocchio. The main objects and functions of the committee are to determine, agree and develop the company's general policy on corporate governance, advise and make recommendations to the board on all aspects thereof.

The audit committee
The audit committee monitors the adequacy of the financial information reported to shareholders, and monitors the group's internal financial controls. The audit committee reviews the draft interim and annual reports and associated results announcements prior to their submission to the board for approval.

The committee also provides a forum for communication between the board and the external auditors; in particular, it reviews their effectiveness, objectivity and independence and considers both the scope of their work and the fees paid to them for audit and non-audit services.

The committee currently comprises of Messrs Bertrand de Chazal, Chairman, Hector Espitalier Noel and Bernard Yen. The committee consists solely of non-executive directors. All members of the audit committee are financially literate. The chief executive and the group finance director are invited to attend all meetings. The audit committee chairman reports the outcome of the committee meetings to the board. The committee meets with external auditors in the absence of management at least once each year.

Internal control

The board has ultimate responsibility for the system of internal control across the group and for reviewing its effectiveness and for identifying, evaluating and managing the group's significant risks.

The group's system of internal control is designed to safeguard assets against unauthorized use or disposition, ensure the maintenance of proper accounting records, provide reliable financial information and ensure compliance with relevant legislation and regulations. Such a system however can provide only a reasonable rather than absolute assurance against material misstatement or loss.

There is a regular review process throughout the year of the effectiveness of the group's systems of internal controls, including financial operational and compliance controls and risk management. The risk management procedures involve the analysis, evaluation and management of the key risks to the group and include plans for the continuance of the company's business in the event of unforeseen interruption. The board considers that it has clear and robust procedures for monitoring the signing of all documents within the group and the approval of all transactions, no matter what their size, through formal board committees and formally delegated authority limits.

In view of its size and the nature of the business, the group does not have an internal audit function; The key elements of the group's systems of internal control are as follows:

–regular meetings of the Board and the respective committees whose overall objectives are set out above;

–A management structure that is designed to enable effective decision making with clearly defined responsibilities and limits of authority. The monthly meetings of the executive directors with the management team are an important part of this structure;

–The formulation of policies and approval procedures in a number of key areas;

–The measurement of the group's financial performance on a regular basis against budgets.

The audit committee also reacts on external auditor reports regarding any recommendations for improvements in controls or processes identified in the course of their work. The assistance of independent external advisers is sought from time to time to assess, review and consider the adequacy or otherwise of the system of internal control.

donations

The company did not make any political or charitable donations during the year under review.

corporate social responsibility

Caudan has always recognized its social responsibilities within the wider community in which it operates. Le Caudan Waterfront has always been actively involved in the support of social aid and the promotion of arts and culture, local craftsmanship and sports. Management continually strives to identify opportunities to work with the local community and national organizations, pre-eminent in their respective fields. Our contribution is pro-

vided by way of provision of free mall space and services, staff time and other support. As in previous years, Le Caudan Waterfront continued to host many social, cultural and artistic as well as sporting events. During the year the company also continued the patronage of the basket ball team of La Fraternité Mauricienne des Malades et Handicapés at Grande Riviere Nord d'Ouest.

Caudan creates environments in which people work and spend their leisure time. We place paramount importance on health and safety for our employees, occupiers and shoppers and upgrade our facilities whenever possible. The centre also provides free service and reserved parking facilities for the handicapped and has access ramps.

In the most, however, all major requests received by Caudan are channeled via our holding company. Three employees of Caudan have been called upon to sit on the corporate social responsibility committee which reviews and processes all such requests.

Signed on behalf of the board of directors

Jean-Pierre Montocchio *Chairman*

René Leclézio *Managing Director*

September 16th 2009

company secretary's certificate

I certify that to the best of my knowledge and belief the company has filed with the Registrar of Companies all such returns as are required of the company under the Companies Act 2001.

Jocelyne Martin
Company Secretary
September 16th 2009

independent auditors' report

This report is made solely to the members of Caudan Development Limited (the company), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

report on the financial statements

We have audited the financial statements of Caudan Development Limited and its subsidiaries (the group) and the company's separate financial statements on pages 22 to 63 which comprise the statements of financial position at June 30th, 2009, and the income statements, statements of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

opinion

In our opinion, the financial statements on pages 22 to 63 give a true and fair view of the financial position of the group and of the company at June 30th 2009 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

report on other legal and regulatory requirements companies act 2001

We have no relationship with or interests in the company or any of its subsidiaries other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

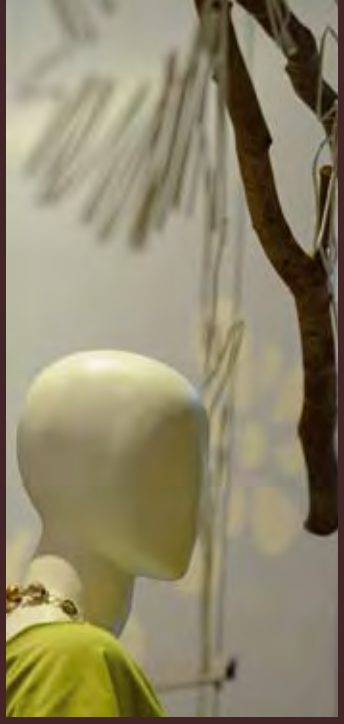
We have obtained all the information and explanations we have required.

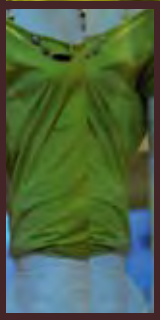
In our opinion, proper accounting records have been kept by the company as far as it appears from our examination of those records.

per Ameenah Ramdin FCCA

BDO De Chazal du Mée
Chartered accountants

September 17th 2009, Port-Louis, Mauritius





financial statements

statements of financial position

year ended June 30th 2009

MRs000	notes	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
ASSETS					
Non-current assets					
Investment property	2	**3,633,001**	3,182,427	**3,177,188**	2,558,972
Prepaid operating leases	3	**499**	505	**499**	505
Property, plant and equipment	4	**133,866**	595,430	**101,915**	567,516
Intangible assets	5	**3,566**	4,210	**-**	-
Investments in subsidiaries	6	**-**	-	**4,347**	4,347
Investments in associate	7	**23,922**	22,671	**-**	-
Available-for-sale financial assets	9	**57,500**	52,350	**57,500**	52,350
		3,852,354	3,857,593	**3,341,449**	3,183,690
Current assets					
Inventories	10	**14,851**	12,045	**2,209**	2,277
Trade and other receivables	11	**123,842**	68,402	**261,009**	255,134
Cash and cash equivalents		**1,357**	376	**761**	210
		140,050	80,823	**263,979**	257,621
Total assets		**3,992,404**	3,938,416	**3,605,428**	3,441,311
EQUITY					
Capital and reserves attributable to equity holders of the company					
Share capital	12	**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	13	**1,960,268**	1,907,710	**1,458,811**	1,452,888
Total equity		**2,800,150**	2,742,442	**2,298,693**	2,287,620
LIABILITIES					
Non-current liabilities					
Borrowings	14	**664,583**	586,053	**664,583**	586,053
Deferred income tax liabilities	15	**228,294**	220,500	**200,215**	195,947
Retirement benefit obligations	16	**4,778**	2,703	**2,496**	1,306
		897,655	809,256	**867,294**	783,306
Current liabilities					
Other payables	17	**101,294**	172,866	**254,210**	157,195
Current income tax liabilities		**1,735**	524	**-**	333
Borrowings	14	**142,399**	164,157	**136,060**	163,686
Dividend proposed	18	**49,171**	49,171	**49,171**	49,171
		294,599	386,718	**439,441**	370,385
Total liabilities		**1,192,254**	1,195,974	**1,306,735**	1,153,691
Total equity and liabilities		**3,992,404**	3,938,416	**3,605,428**	3,441,311

The notes on pages 27 to 63 form an integral part of these financial statements. The auditors' report is on page 19.

Jean-Pierre Montocchio *Chairman*

These financial statements have been approved for issue by the board of directors on September 16th 2009.

René Leclézio *Managing Director*

statements of comprehensive income

year ended June 30th 2009

MRs000	notes	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Revenue	1	**393,357**	311,380	**163,341**	129,182
Net gain from fair value adjustment on investment property	2	**34,138**	751,877	**14,031**	629,766
Operating expenses		**(259,580)**	(197,060)	**(61,885)**	(51,335)
Dividend income	19	**3,900**	3,900	**3,900**	3,900
Operating profit	20	**171,815**	870,097	**119,387**	711,513
Finance income	21	**4,996**	459	**14,452**	13,177
Finance costs	21	**(66,479)**	(24,799)	**(66,150)**	(24,787)
Finance costs – net	21	**(61,483)**	(24,340)	**(51,698)**	(11,610)
Share of profit of associate	7	**10,737**	13,303	**-**	-
Profit before income tax		**121,069**	859,060	**67,689**	699,903
Income tax expense	22	**(19,340)**	(105,785)	**(12,595)**	(96,183)
Profit for the year		**101,729**	753,275	**55,094**	603,720
Other comprehensive income					
Fair value gains on available-for-sale financial assets	9	**5,150**	14,600	**5,150**	14,600
Total comprehensive income for the year		**106,879**	767,875	**60,244**	618,320
Profit for the year attributable to					
Equity holders of the company		**101,729**	753,275	**55,094**	603,720
Total comprehensive income attributable to					
Equity holders of the company		**106,879**	767,875	**60,244**	618,320

		MRe	MRe
Earnings per share	23A	**0.12**	0.92
Adjusted earnings per share	23B	**0.09**	0.12

The notes on pages 27 to 63 form an integral part of these financial statements. The auditors' report is on page 19.

statements of changes in equity

year ended June 30th 2009

Attributable to equity holders of the company MRs000	notes	share capital	share premium	fair value reserve	retained earnings	total equity
						THE GROUP
At July 1st 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	18	-	-	-	(49,171)	(49,171)
At June 30th 2008		819,520	2,862	12,350	1,907,710	2,742,442
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	18	-	-	-	(49,171)	(49,171)
At June 30th 2009		**819,520**	**2,862**	**17,500**	**1,960,268**	**2,800,150**
						THE COMPANY
At July 1st 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	18	-	-	-	(49,171)	(49,171)
At June 30th 2008		819,520	2,862	12,350	1,452,888	2,287,620
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	18	-	-	-	(49,171)	(49,171)
At June 30th 2009		**819,520**	**2,862**	**17,500**	**1,458,811**	**2,298,693**

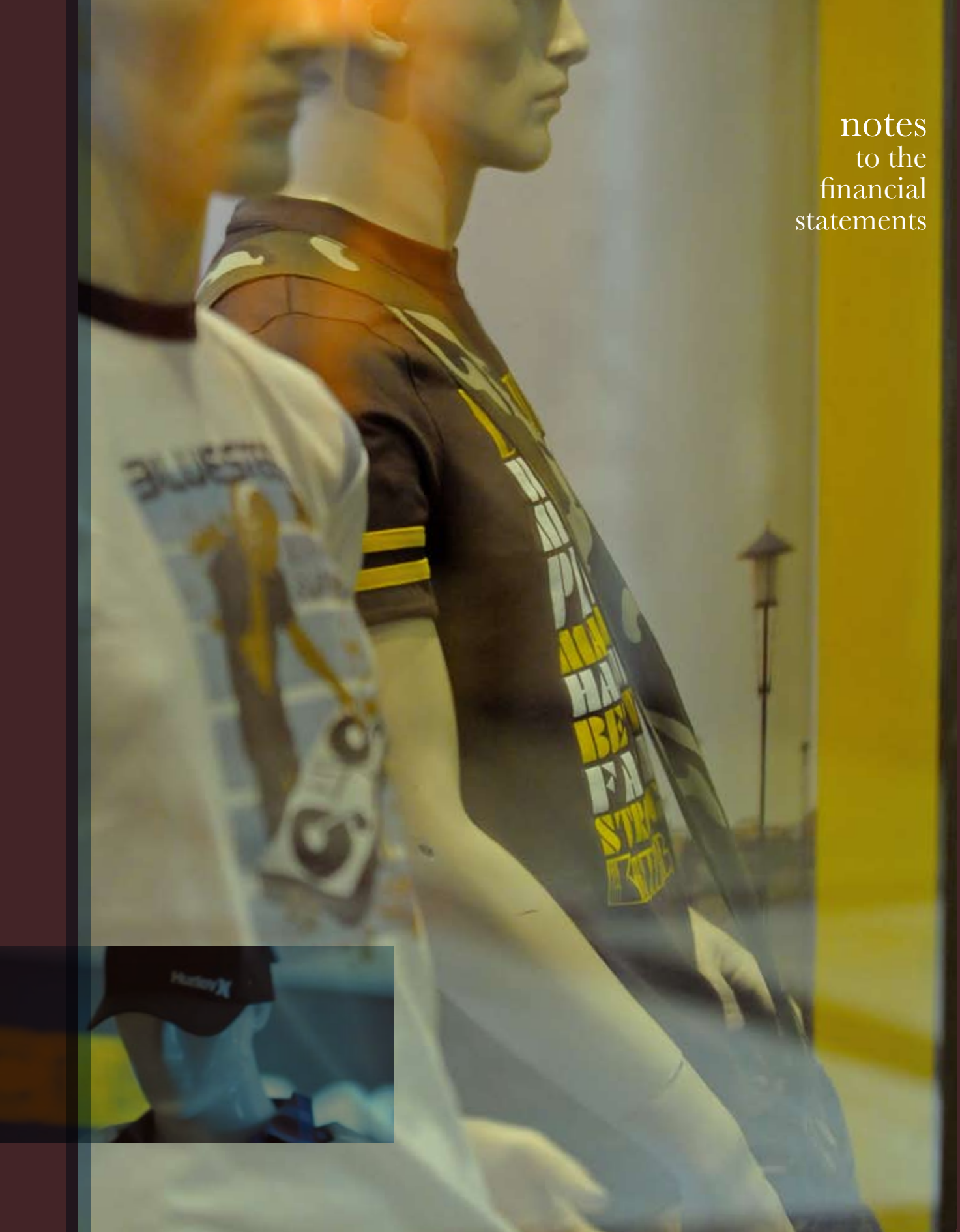
The notes on pages 27 to 63 form an integral part of these financial statements. The auditors' report is on page 19.

statements of cash flows year ended June 30th 2009

MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from tenants	**217,823**	182,611	**158,097**	126,608
Security fees received	**161,892**	115,074	**-**	-
Cash payments net of other operating receipts	**(245,275)**	(191,698)	**(61,309)**	(47,823)
Cash generated from operations	**134,440**	105,987	**96,788**	78,785
Interest paid	**(94,835)**	(57,038)	**(94,833)**	(57,026)
Income tax paid	**(13,550)**	(12,372)	**(11,876)**	(9,956)
Net cash generated from/(used in) operating activities	**26,055**	36,577	**(9,921)**	11,803
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	**(213,367)**	(412,033)	**(202,403)**	(399,533)
Purchase of intangible assets	**(132)**	-	**-**	-
Purchase of investment property	**(373)**	-	**(373)**	-
Amount paid by subsidiary companies	**-**	-	**35,773**	5,272
Proceeds from disposals of property, plant and equipment	**430**	135	**77**	105
Proceeds from disposals of investment property	**155,164**	-	**155,164**	-
Interest received	**128**	459	**9,584**	13,177
Dividends received	**22,029**	4,312	**7,800**	-
Other cash inflows	**3,446**	8,175	**3,117**	7,588
Net cash (used in)/generated from investing activities	**(32,675)**	(398,952)	**8,739**	(373,391)
CASH FLOWS FROM FINANCING ACTIVITIES				
Loan from bank	**300,000**	425,000	**300,000**	425,000
Repayments of bank borrowings	**(36,648)**	(31,313)	**(36,648)**	(31,313)
Loans received from parent	**298,989**	252,751	**292,759**	252,350
Loan repayments to parent	**(517,501)**	(271,800)	**(517,209)**	(271,800)
Loans received from related companies	**-**	6,600	**-**	6,600
Loan repayment to related companies	**-**	(13,000)	**-**	(13,000)
Dividends paid	**(49,171)**	(40,976)	**(49,171)**	(40,976)
Net cash (used in)/generated from financing activities	**(4,331)**	327,262	**(10,269)**	326,861
Net decrease in cash and cash equivalents	**(10,951)**	(35,113)	**(11,451)**	(34,727)
Cash and cash equivalents at beginning of the year	**(54,854)**	(19,741)	**(54,950)**	(20,223)
Cash and cash equivalents at end of the year	**(65,805)**	(54,854)	**(66,401)**	(54,950)
Analysis of cash and cash equivalents disclosed above				
Cash and cash equivalents	**1,357**	376	**761**	210
Bank overdrafts	**(67,162)**	(55,230)	**(67,162)**	(55,160)
	(65,805)	(54,854)	**(66,401)**	(54,950)

The notes on pages 27 to 63 form an integral part of these financial statements. The auditors' report is on page 19.

notes
to the financial statements



general information

Caudan Development Limited is a limited liability company incorporated and domiciled in Mauritius. The address of its registered office is MCB Centre, 9–15 Sir William Newton Street, Port Louis. The company is listed on the official market of the Stock Exchange of Mauritius. These consolidated financial statements have been approved for issue by the board of directors on September 16th, 2009 and will be submitted for consideration and approval at the forthcoming annual meeting of the shareholders of the company.

1 significant accounting policies

A summary of the principal accounting policies adopted in the preparation of these consolidated financial statements is set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of Caudan Development Limited comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). Where necessary, comparative figures have been amended to conform with changes in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

- investment properties are stated at fair value; and
- available-for-sale financial assets and relevant financial assets and financial liabilities are stated at their fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise their judgment in the process of applying the company's accounting policies. Critical accounting estimates and assumptions used that are significant to the financial statements and areas involving a higher degree of judgement or complexity are disclosed in note 1A.

Amendments to published standards and interpretations effective in the reporting period

Amendments to IAS 39 and IFRS 7
: Amendments to IAS 39 and IFRS 7 Reclassification of Financial Assets (effective July 1, 2008) permit an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss category in particular circumstances. The amendments also permit an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available for sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future.

IFRIC 12
: Service Concession Arrangements applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services.

IFRIC 13
: Customer Loyalty Programmes (effective July 1st, 2008) clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple element arrangement, and the consideration receivable from the customer is allocated between the components of the arrangement using fair values.

IFRIC 14, IAS19
: The limit on a defined benefit asset, minimum funding requirements and their interaction provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement.

These interpretations have no impact on the group's financial statements of the reporting period.

Amendments to published standards, standards and interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretation have been issued that are mandatory for accounting periods beginning on or after January 1st, 2009 or later periods, but which thecompany has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective

IAS 23 Borrowing costs (revised 2007).
IAS 27 Consolidated and separate financial statements (revised 2008).
IFRS 3 Business combinations (revised 2008).
Amendments to IAS 32 and IAS 1
Puttable financial instruments and obligations arising on liquidation.
Amendments to IAS 39
Eligible hedged items.
Amendments to IFRS 1 and IAS 27
Cost of an investment in a subsidiary.
Amendments to IFRS 2
Vesting conditions and cancellations.
Amendments to IFRS 2
Group cash-settled share-based payment transactions.
Amendments to IFRS 7
Improving disclosures about financial instruments.
Amendments to IFRIC 9 and IAS 39
Embedded derivatives.
IFRIC 15 Agreements for the construction of real estate.
IFRIC 16 Hedges of a net investment in a foreign operation (effective October 1st, 2008)
IFRIC 17 Distributions of non-cash assets to owners
IFRIC 18 Transfers of assets from customers.

Improvements to IFRSs (issued May 22nd 2008)

IAS 1 Presentation of financial statements
IAS 8 Accounting policies, changes in accounting estimates and errors
IAS 10 Events after the reporting period
IAS 18 Revenue
IAS 16 Property, plant and equipment
IAS 19 Employee benefits
IAS 20 Government grants and disclosure of government assistance
IAS 23 Borrowing costs
IAS 27 Consolidated and separate financial statements
IAS 28 Investments in associates
IAS 29 Financial reporting in hyperinflationary economies
IAS 31 Interests in joint ventures
IAS 34 Interim financial reporting
IAS 36 Impairment of assets
IAS 38 Intangible assets
IAS 39 Financial instruments: recognition and measurement
IAS 40 Investment property
IFRS 5 Non-current assets held for sale and discontinued operations
IFRS 7 Financial instruments: disclosures.

Improvements to IFRSs (issued April 16th 2009)

IFRS 2 Share-based payment
IFRS 5 Non-current assets held for sale and discontinued operations
IAS 7 Statement of cash flows
IAS 17 Leases
IAS 18 Revenue
IAS 36 Impairment of assets
IAS 38 Intangible assets
IAS 39 Financial instruments: recognition and measurement
IFRIC 9 Reassessment of embedded derivatives
IFRIC 16 Hedges of a net investment in a foreign operation.

The group is still evaluating the effect that these new or revised standards and interpretations on the presentation of its financial statements.

Standards early adopted by the company

IAS 1 (Revised 2007)
Presentation of Financial Statements (effective from January 1st 2009) was early adopted in 2009. The revised standard has resulted in the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity have been shown in the statement of comprehensive income. Comparatives for 2008 have been restated.

IFRS 8 Operating segments (effective from January 1st 2009). The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard has not resulted in the reporting of new segments.

Since the above change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

Investments in subsidiary companies

The consolidated financial statements include the financial statements of Caudan Development Ltd and enterprises controlled by the company (its subsidiaries), made up to June 30th each year. Control is achieved where the company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The consolidated financial statements have been prepared in accordance with the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date exchange plus costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the group's share of identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement in the year of acquisition.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those adopted by the group.

Separate financial statements of the company
In the company's financial statements, investments in subsidiaries are carried at cost.

Investments in associates

An associate is an entity over which the group has significant influence, through participation in the financial and operating policy decisions but not control.

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost and adjusted by post acquisition changes in the group's share of net assets of the associate. The group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The group's share of its associates' post acquisition profits or losses is recognised in the income statement, and its share of post acquisition movements in reserves is recognised in reserves.

The carrying amount of the investment is reduced to recognise any impairment in the value of the individual investments. When the group's share of losses exceeds its interest in an associate, the group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

Goodwill

Goodwill on consolidation represents the excess of the cost of acquisition over the fair value of the group's share of the net identifiable assets and liabilities of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill on acquisitions of associates is included in investment in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets

Computer software
Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (not exceeding five years). Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Costs that are directly associated with the production of identifiable and unique software controlled by the group and that will generate economic benefits exceeding costs beyond one year are recognized as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Customer list
Customer list acquired during the year with an indefinite useful life is not amortised but is tested annually for impairment, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

Investment property

Investment property, which is property held for long-term rental yields and/or capital appreciation, and is not occupied by the companies in the group, is stated at its fair value at the balance sheet date. Gains or losses arising from changes in fair value of investment property are included in the income statements for the period in which they arise.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the group uses alternative valuation methods such as discounted cash flow projections or recent prices on less active markets. The investment properties are valued annually on June 30th at fair value comprising the best estimate of market value by the directors. These valuations are reviewed periodically at least every five years by external independent valuers.

Prepaid operating leases

Land held under an operating lease (including land on which the investment property is located) is accounted for as an operating lease: where up front payments for operating leases of land are made, these up front payments are capitalised as non current assets and in subsequent periods are presented at amortised cost so as to record a constant annual charge to the income statement over the lease term. These non current assets are not revalued.

Property, plant and equipment

All plant and equipment, as well as property, which are occupied by the group companies are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on the straight line method to write off the cost of assets to their residual values over their estimated useful lives as follows:

Buildings	1%
Equipment, furniture and fittings	5–33$^{1}/_{3}$%
Motor vehicles	17%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with their carrying amount and are taken into account in determining profit for the period.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets.

All other borrowings costs are expensed in the period in which they are incurred.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Operating leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the leases.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the basis of either weighted average price or on a first-in, first-out (FIFO) method. Costs comprise direct costs. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs of completion and selling expenses.

Spares and accessories included under inventories consist of items which are regularly used for repairs, maintenance and new installations.

Financial instruments

Financial assets

Categories of financial assets

The group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the group provides money, goods and services directly to a debtor with no intention of trading the receivable. They are included in current assets when maturity is within twelve months of balance sheet date or non-current assets for maturities greater than twelve months.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the balance sheet date.

Initial recognition
Purchases and sales are recognised on a trade-date basis – the date on which the group commits to purchase or sell the asset. Investments are initially measured at fair value plus transaction costs.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at their fair values. Loans and receivables are carried at amortised costs using the effective interest method.

Subsequent recognition
The fair values of listed shares and shares quoted on the DEM market are based on their market prices on 30th June 2009 or if not quoted on that day, the last preceding market price.

Unrealised gains and losses are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the income statement for the period. On disposal, the profit and loss recognised in the income statement is the difference between the proceeds and the carrying amount of the asset.

Impairment of financial assets
The group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of financial assets classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is removed from equity and recognised in the income statement. Impairment losses for an investment in an equity instrument are not reversed through the income statement.

Long term receivables
Long term receivables with fixed maturity terms are measured at amortised cost using the effective interest rate method, less provision for impairment. The carrying amount of the asset is reduced by the difference between the asset's carrying amount and the present value of estimated cash flows discounted using the effective interest rate. The amount of the loss is recognized in the income statement. Long term receivables without fixed maturity terms are measured at cost. If there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value (PV) of estimated cash flows discounted at the current market rate of return of similar financial assets.

Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables.

The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the income statement.

Bank borrowings
Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after balance sheet date.

Trade payables
Trade payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

Share Capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from proceeds.

Cash and cash equivalents
Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Deferred income tax

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted by the balance sheet date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation on investments in properties and property, plant and equipment, provision for bad debts, retirement benefit obligations, and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Alternative Minimum Tax (AMT)

Alternative Minimum Tax (AMT) is provided for when the company has a tax liability of less than 7.5% of its book profit and pays a dividend. AMT is calculated as the lower of 10% of the dividend paid and 7.5% of the book profit

Retirement benefit obligations

Defined contribution plan
The company and its subsidiaries also operate a defined contribution retirement benefit plan for qualifying employees. Contributions are recognised as an employee benefit expense when they fall due. The subsidiaries have no further obligations once the contributions have been paid.

Severance allowance on retirement
The net present value of severance allowances payable under the Labour Act has been provided for in respect of those employees who are not covered or who are insufficiently covered by the above retirement benefit plans. The obligations arising under this item are not funded.

Foreign currencies

Functional and presentation currency
The consolidated financial statements are presented in Mauritian rupees, which is the company's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets are included in reserves in equity.

Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, which it is probable will result in economic benefits that can be reasonably estimated. Where the group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Turnover
Turnover consists of rental income, commissions and security income.

Revenue recognition

Rental and interest income are recognised on the accruals basis.

Security income is recognized in the year in which the services are rendered.

Dividend income is recognised on the ex-dividend date ('ex-date') except for the cumulative portion of dividends on preference shares which is accounted for on the accruals basis unless receipt is in doubt.

Dividends

Dividends are recorded in the financial statements in the period in which they are declared by the board of directors.

Segmental reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. All operating segments' operating results are reviewed regularly by the group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segmental reporting is shown in note 24.

Transfer pricing

The group has presently no policy in respect of transfer pricing.

Related parties

Related parties are individuals and enterprises where the individual or enterprise has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value and cash flow interest risk and price risk), credit risk and liquidity risk.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance.

Risk management is carried out by treasury department under policies approved by the board of directors.

Market risk

Price risk
The group is exposed to equity securities price risk because of investments held by the group in subsidiary companies, associated companies and classified as available-for-sale financial assets. The group is not exposed to commodity price risk.

Sensitivity analysis
The impact of increases/decreases in the fair value of investments on the group's and company's equity is shown below. The analysis is based on the assumption that the fair value had increased/decreased by 5%.

	THE GROUP AND THE COMPANY	
MRs000	**2009**	08
Available-for-sale financial assets	**2,875**	2,618

Credit risk

The group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the group's management based on prior experience and the current economic environment.

The group has no significant concentration of credit risk, with exposure spread over a large number of customers and tenants. The group has policies in place to ensure that properties are rented and services provided to customers with an appropriate credit history. Close monitoring is carried out on all trade receivables.

Liquidity risk

Prudent liquidity management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The group is exposed to calls on its available cash resources from maturing loans.

ANALYSIS OF THE GROUP'S FINANCIAL LIABILITIES INTO RELEVANT MATURITY GROUPINGS BASED ON THE REMAINING PERIOD AT THE BALANCE SHEET TO THE CONTRACTUAL MATURITY DATE

YEARS	less than 1	between 1 & 2	between 2 & 5	over 5
THE GROUP				MRs000
2009				at June 30th
Borrowings	**142,399**	**60,417**	**181,250**	**422,916**
Trade and other payables	**101,294**	**-**	**-**	**-**
2008				
Borrowings	164,157	196,470	106,250	283,333
Trade and other payables	172,866	-	-	-
THE COMPANY				MRS000
2009				at June 30th
Borrowings	**136,060**	**60,417**	**181,250**	**422,916**
Trade and other payables	**254,210**	**-**	**-**	**-**
2008				
Borrowings	163,686	196,470	106,250	283,333
Trade and other payables	157,195	-	-	-

Cash flow and fair value interest rate risk

As the group has no significant interest-bearing assets, the group's income and operating cash flows are substantially independent of changes in market interest rates. The group's interest-rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest-rate risk.

At June 30th, 2009, if interest rates on borrowings had been 50 basis points higher/lower during the year with all other variables held constant, post-tax profit for the year would have been MRs2.9m (2008: MRs1m) lower/higher for the group and the company, mainly as a result of higher/lower interest expense on floating rate borrowings.

Capital risk management

The group's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to maintain an optimal capital structure to reduce the cost of capital.

The group sets the amount of capital in proportion to risk. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistently with others in the industry, the group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt less cash and cash equivalents and adjusted capital comprises all components of equity.

THE DEBT-TO-ADJUSTED CAPITAL RATIOS

	THE GROUP		THE COMPANY	
at June 30th	**2009**	08	**2009**	08
MRs000				
Total debt	**739,820**	694,980	**733,481**	694,579
Cash and cash equivalents	**65,805**	54,854	**66,401**	54,950
Net debt	**805,625**	749,834	**799,882**	749,529
Total equity	**2,800,150**	2,742,442	**2,298,693**	2,287,620
Debt to adjusted capital ratio	**0.29**	0.27	**0.35**	0.33

Fair value estimation

The fair value of available-for-sale financial assets is based on quoted market prices at 30th June 2009.
The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

1A Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The fair value of available-for-sale financial assets and investment property may therefore increase or decrease, based on prevailing economic conditions.

Estimate of fair value of investment properties

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the group determines the amount within a range of reasonable fair value estimates. In making its judgment, the group considers information from a variety of sources including:

- current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
- recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of transactions that occurred at those prices; and
- discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cashflows.

2 investment property

THE GROUP MRs000	freehold Le Caudan Waterfront	long leasehold land & other buildings	long leasehold buildings	total
Fair value				
At July 1st 2007	1,968,407	85,441	129,477	2,183,325
Transfer from property, plant and equipment	247,225	-	-	247,225
Net gain from fair value adjustment on investment property	729,117	11,624	11,136	751,877
At June 30th 2008	2,944,749	97,065	140,613	3,182,427
At July 1st 2008	2,944,749	97,065	140,613	3,182,427
Additions	373	-	-	373
Transfer from property, plant and equipment	623,843	-	-	623,843
Disposals	(207,780)	-	-	(207,780)
Net gain/(loss) from fair value adjustment on investment property	35,538	435	(1,835)	34,138
At June 30th 2009	**3,396,723**	**97,500**	**138,778**	**3,633,001**

THE COMPANY				
Fair value				
At July 1st 2007	1,467,063	85,441	129,477	1,681,981
Transfer from property, plant and equipment	247,225	-	-	247,225
Net gain from fair value adjustment on investment property	607,006	11,624	11,136	629,766
At June 30th 2008	2,321,294	97,065	140,613	2,558,972
At July 1st 2008	2,321,294	97,065	140,613	2,558,972
Additions	188,122	-	-	188,122
Transfer from property, plant and equipment	623,843	-	-	623,843
Disposal	(207,780)	-	-	(207,780)
Net gain/(loss) from fair value adjustment on investment property	15,431	435	(1,835)	14,031
At June 30th 2009	**2,940,910**	**97,500**	**138,778**	**3,177,188**

The group's land and buildings have been revalued at their fair value on June 30th 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 the current economic conditions. Values in respect of all other land and buildings have been reflected in full in the financial statements.

Bank borrowings are secured by floating charges on the assets of the borrowing companies, including investment property (note 14).

Rental income from investment property amounted to MRs223.9million (2008: MRs184.5million) for the group and MRs163.3million (2008: MRs129.2million) for the company. Direct operating expenses arising on the income generating investment property in the year amounted to MRs87.6 million (2008: MRs66.8million) for the group and MRs61.2million (2008: MRs50.6million) for the company. No cost was incurred in respect of the non-income generating investment property.

3 prepaid operating leases

MRs000	GROUP AND COMPANY 2009	08
Cost		
At July 1st, and June 30th	**602**	602
Amortisation		
At July 1st	**97**	91
Charge for the year	**6**	6
At June 30th	**103**	97
Net book values		
At June 30th	**499**	505

4 property, plant and equipment

THE GROUP MRs000	buildings	buildings in progress	furniture and equipment	motor vehicles	total
Cost					
At July 1st 2007	39,942	251,225	40,805	17,683	349,655
Additions	-	517,867	8,779	7,830	534,476
Disposals	-	-	(661)	(2,046)	(2,707)
Transfer to investment property	-	(247,225)	-	-	(247,225)
At June 30th 2008	39,942	521,867	48,923	23,467	634,199
At July 1st 2008	39,942	521,867	48,923	23,467	634,199
Additions	-	159,698	7,861	4,368	171,927
Disposals	-	-	(294)	(2,546)	(2,840)
Transfer to investment property	-	(623,843)	-	-	(623,843)
At June 30th 2009	**39,942**	**57,722**	**56,490**	**25,289**	**179,443**
Depreciation					
At July 1st 2007	2,194	-	22,844	8,904	33,942
Charge for the year	407	-	4,516	1,721	6,644
Disposal adjustments	-	-	(601)	(1,216)	(1,817)
At June 30th 2008	2,601	-	26,759	9,409	38,769
At July 1st 2008	2,601	-	26,759	9,409	38,769
Charge for the year	407	-	5,314	3,335	9,056
Disposal adjustments	-	-	(249)	(1,999)	(2,248)
At June 30th 2009	**3,008**	**-**	**31,824**	**10,745**	**45,577**
Net book values					
At June 30th 2009	**36,934**	**57,722**	**24,666**	**14,544**	**133,866**
At June 30th 2008	37,341	521,867	22,164	14,058	595,430

4 property, plant and equipment *continued*

THE COMPANY MRs000	buildings	buildings in progress	furniture and equipment	motor vehicles	total
Cost					
At July 1st 2007	39,942	251,225	17,776	5,645	314,588
Additions	-	517,867	1,580	1,971	521,418
Disposals	-	-	(168)	(1,147)	(1,315)
Transfer to investment property	-	(247,225)	-	-	(247,225)
At June 30th 2008	39,942	521,867	19,188	6,469	587,466
At July 1st 2008	39,942	521,867	19,188	6,469	587,466
Additions	-	159,698	639	625	160,962
Disposals	-	-	(226)	(1,078)	(1,304)
Transfer to investment property	-	(623,843)	-	-	(623,843)
At June 30th 2009	**39,942**	**57,722**	**19,601**	**6,016**	**123,281**
Depreciation					
At July 1st 2007	2,194	-	12,953	3,538	18,685
Charge for the year	407	-	1,503	331	2,241
Disposal adjustments	-	-	(142)	(834)	(976)
At June 30th 2008	2,601	-	14,314	3,035	19,950
At July 1st 2008	2,601	-	14,314	3,035	19,950
Charge for the year	407	-	1,299	1,001	2,707
Disposal adjustments	-	-	(213)	(1,078)	(1,291)
At June 30th 2009	**3,008**	**-**	**15,400**	**2,958**	**21,366**
Net book values					
At June 30th 2009	**36,934**	**57,722**	**4,201**	**3,058**	**101,915**
At June 30th 2008	37,341	521,867	4,874	3,434	567,516

Borrowings costs of MRs15.9m (2008: MRs46.7m) , arising on financing specifically entered into for the construction of buildings were capitalised during the year and are included in 'Additions'.

A capitalisation rate of 8.375%-9.125% (2008: 10.50%-11.25%) was used representing the actual borrowing cost of the loan used to finance the projects.

5 intangible assets

THE GROUP MRs000	computer software	other	total
Cost			
At July 1st 2007	485	4,178	4,663
Additions	45	-	45
At June 30th 2008	530	4,178	4,708
At July 1st 2008	530	4,178	4,708
Additions	132	-	132
At June 30th 2009	**662**	**4,178**	**4,840**
Amortisation/impairment			
At July 1st 2007	159	264	423
Amortisation charge	75	-	75
At June 30th 2008	234	264	498
At July 1st 2008	234	264	498
Impairment	-	693	693
Amortisation charge	83	-	83
At June 30th 2009	**317**	**957**	**1,274**
Net book values			
At June 30th 2009	**345**	**3,221**	**3,566**
At June 30th 2008	296	3,914	4,210

Other intangible assets relate to consideration paid in respect of the acquisition of a customer list.

Amortisation and impairment charges are included in operating expenses in the income statement.

6 investments in subsidiaries

THE COMPANY MRs000	**2009**	08
Cost		
At July 1st and June 30th	**4,347**	4,347

Subsidiaries of Caudan Development Limited

	stated capital and nominal value of investment MRs 000	**direct holding** %	**indirect holding** %	**main business**
Best Sellers Limited	25	-	100	property
Caudan Leisure Limited	1,000	100	-	leisure & property
Caudan Security Services Limited	100	100	-	security
Harbour Cruise Limited	300	-	100	leisure
Security & Property Protection Agency Co Ltd	25	-	100	security
Société Mauricienne d'Entreprise Générale Ltée	3,000	100	-	investment

Société Mauricienne d'Entreprise Générale Ltée and Best Sellers Limited did not trade during the year.

All the subsidiaries are incorporated in the Republic of Mauritius. All shares held in the subsidiaries are ordinary shares.

None of the subsidiaries have debt securities.

7 investments in associate

THE GROUP MRs000	2009	08
Cost		
At July 1st and June 30th	**19,076**	19,076
Share of post acquisition reserves		
At July 1st	**3,595**	(653)
Share of profit for the year	**10,737**	13,303
Dividends received	**(9,486)**	(9,055)
At June 30th	**4,846**	3,595
Net book value		
At June 30th	**23,922**	22,671

Investments in associate at June 30th, 2009 include goodwill of MRs 9,025,344 (2008: MRs 9,025,344)

The associated company of Caudan Development Limited

%	class of shares	indirect holding 2009	08
Le Caudan Waterfront Casino Limited	ordinary	**39.2**	39.2

The associated company is incorporated in the Republic of Mauritius.

The group's share of the results of its associate, which is unlisted, and its share of the assets excluding goodwill are:

THE GROUP MRs000	total assets	total liabilities	revenues	profit
2009	**30,195**	**15,300**	**66,129**	**10,737**
2008	32,705	19,059	63,314	13,303

8 financial instruments by category

The accounting policies for financial instruments have been applied to the items below:

THE GROUP MRs000	loans and receivables	available-for-sale	total
2009			
Assets as per statements of financial position			
Available-for-sale financial assets	-	57,500	57,500
Trade and other receivables	50,071	-	50,071
Cash and cash equivalents	1,357	-	1,357
	51,428	**57,500**	**108,928**

MRs000	other financial liabilities	total
Liabilities as per statements of financial position		
Borrowings	806,982	806,982
Other payables	101,294	101,294
	908,276	**908,276**

MRs000	loans and receivables	available-for-sale	total
2008			
Assets as per statements of financial position			
Available-for-sale financial assets	-	52,350	52,350
Trade and other receivables	36,276	-	36,276
Cash and cash equivalents	376	-	376
	36,652	**52,350**	**89,002**

MRs000	other financial liabilities	total
Liabilities as per statements of financial position		
Borrowings	750,210	750,210
Other payables	172,866	172,866
	923,076	**923,076**

8 financial instruments by catagory *continued*

THE COMPANY MRs000	loans and receivables	available-for-sale	total
2009			
Assets as per statements of financial position			
Available-for-sale financial assets	-	57,500	57,500
Trade and other receivables	13,273	-	13,273
Cash and cash equivalents	761	-	761
	14,034	**57,500**	**71,534**

MRs000	other financial liabilities	total
Liabilities as per statements of financial position		
Borrowings	800,643	800,643
Other payables	254,210	254,210
	1,054,853	**1,054,853**

MRs000	loans and receivables	available-for-sale	total
2008			
Assets as per statements of financial position			
Available-for-sale financial assets	-	52,350	52,350
Trade and other receivables	8,668	-	8,668
Cash and cash equivalents	210	-	210
	8,878	**52,350**	**61,228**

MRs000	other financial liabilities	total
Liabilities as per statements of financial position		
Borrowings	749,739	749,739
Other payables	157,195	157,195
	906,934	**906,934**

9 available-for-sale financial assets

MRs000	GROUP AND COMPANY 2009	08
Quoted on the DEM		
At July 1st	**52,350**	37,750
Increase in fair value	**5,150**	14,600
At June 30th	**57,500**	52,350

The available-for-sale financial assets represents 10% of the ordinary share capital (2008: 10%) and 20% of the preference share capital (2008: 20%) of Tropical Paradise Ltd, a company incorporated in the Republic of Mauritius.

The fair value of the securities are based on quoted market prices.

10 inventories

MRs000	THE GROUP 2009	08	THE COMPANY 2009	08
Spares and accessories (at cost)	**2,208**	2,274	**2,208**	2,274
Consumables	**1,532**	634	**-**	-
Goods for resale (at cost)	**11,110**	9,134	**-**	-
Goods for resale (at net realisable value)	**1**	3	**1**	3
	14,851	12,045	**2,209**	2,277
Costs of inventories recognised as expense and included in				
cost of sales	**13,289**	12,330	**-**	-
operating expenses	**4,158**	3,038	**2,580**	1,931

11 trade and other receivables

A

MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Trade receivables	**50,071**	36,276	**13,273**	8,668
Less provision for impairment of receivables	**(6,144)**	(5,003)	**(2,039)**	(1,548)
Trade receivables - net	**43,927**	31,273	**11,234**	7,120
Prepayments	**3,496**	6,233	**1,548**	1,356
Payments made on account	**2,439**	6,304	**2,439**	6,304
Receivables from parent	**141**	-	**-**	-
Receivables from subsidiary less impairment	**-**	-	**72,928**	121,499
Loan to subsidiary company receivable at call	**-**	-	**100,000**	100,000
Other receivables	**73,839**	24,592	**72,860**	18,855
	123,842	68,402	**261,009**	255,134

The fair value of trade and other receivables equals their carrying amount.

B As at June 30th 2009, trade receivables of MRs 23.191 million (2008: MRs 18.319 million) for the group and MRs 4.672 million (2008: MRs 3.894 million) for the company were fully performing.

C Trade receivables past due but not impaired.
Trade receivables that are less than three months past due are not considered impaired. At June 30th 2009, trade receivables of MRs17.752 million (2008: 11.297 million) for the group and MRs 5.986 million (2008: MRs 2.949 million) for the company were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Up to 3 months	**12,888**	9,063	**4,627**	2,330
3 to 6 months	**4,505**	1,480	**1,103**	120
Over 6 months	**359**	754	**256**	499
	17,752	11,297	**5,986**	2,949

Fair value of collateral:

MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Up to 3 months	**3,581**	2,113	**2,670**	1,356
3 to 6 months	**854**	213	**814**	119
Over 6 months	**359**	288	**256**	239
	4,794	2,614	**3,740**	1,714

11 trade and other receivables *continued*

D Trade receivables individually impaired.
As of June 30th 2009, trade receivables of MRs 9.128 million (2008: 6.660 million) for the group and MRs 2.615 million (2008: MRs 1.825 million) for the company were impaired. The amount of the provision was MRs 6.144 million (2008: MRs 5.003 million) for the group and MRs 2.039 million (2008: MRs 1.548 million) for the company. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

	THE GROUP		THE COMPANY	
MRs000	**2009**	08	**2009**	08
3 to 6 months	**228**	40	**228**	37
Over 6 months	**8,900**	6,620	**2,387**	1,788
	9,128	6,660	**2,615**	1,825

Fair value of collateral:

	THE GROUP		THE COMPANY	
MRs000	**2009**	08	**2009**	08
3 to 6 months	**-**	-	**-**	-
Over 6 months	**811**	511	**579**	277
	811	511	**579**	277

Movements on the provision for impairment of trade receivables are as follows:

	THE GROUP		THE COMPANY	
MRs000	**2009**	08	**2009**	08
At July 1st	**5,003**	7,136	**1,548**	1,989
Provision for receivables impairment	**1,751**	1,219	**817**	445
Receivables written off during the year as uncollectible	**(283)**	(2,379)	**(96)**	-
Unused amounts reversed	**(327)**	(973)	**(230)**	(886)
At June 30th	**6,144**	5,003	**2,039**	1,548

The creation and release of provision for impaired receivables have been included in operating expenses in the income statement. Amounts are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above.

12 share capital

MRs000		**2009**	08
Authorised	1,000 million ordinary shares of MRe1 each	**1,000,000**	1,000,000
Issued and fully paid	819.52 million ordinary shares of MRe1 each	**819,520**	819,520

13 retained earnings

MRs000	note	the company	subsidiaries	associates	the group
At July 1st 2008		1,452,888	451,227	3,595	1,907,710
Profit attributable to shareholders		55,094	45,384	1,251	101,729
Dividend proposed	18	(49,171)	-	-	(49,171)
At June 30th 2009		**1,458,811**	**496,611**	**4,846**	**1,960,268**

14 borrowings

MRs000	notes	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Bank overdrafts	A	**67,162**	55,230	**67,162**	55,160
Bank loan	B	**733,481**	470,129	**733,481**	470,129
Loan from parent	C	**6,339**	224,851	**-**	224,450
		806,982	750,210	**800,643**	749,739
Current					
Bank overdrafts		**67,162**	55,230	**67,162**	55,160
Bank loan		**68,898**	36,526	**68,898**	36,526
Loan from parent payable at call		**6,339**	72,401	**-**	72,000
		142,399	164,157	**136,060**	163,686
Non-current					
Bank loan		**664,583**	433,603	**664,583**	433,603
Loan from parent		**-**	152,450	**-**	152,450
		664,583	586,053	**664,583**	586,053
Total borrowings		**806,982**	750,210	**800,643**	749,739

A Bank overdrafts

The bank overdrafts are secured by floating charges over the assets of the group.

14 borrowings *continued*

B Bank loan

Bank loans mature until September 2009 and 2021 and bear interest at 10.875%/9.125%/8.125% annually at June 30th 2009 (2008: 11.25%/13.00% annually).

Bank loans are secured by a floating charge over the assets of the group.

C Loan from parent

The unsecured loan from parent bears interest at 8.375%-10% annually at June 30th 2009 (2008:10.50% annually).

The exposure of the borrowings to interest rate changes at the balance sheet dates are as follows:

	THE GROUP		THE COMPANY	
MRs000	**2009**	08	**2009**	08
within one year	**142,399**	164,157	**136,060**	163,686
after one year and before two years	**60,417**	196,470	**60,417**	196,470
after two years and before three years	**60,417**	35,417	**60,417**	35,417
after three years and before five years	**120,833**	70,833	**120,833**	70,833
after five years	**422,916**	283,333	**422,916**	283,333
	806,982	750,210	**800,643**	749,739

15 deferred income tax liabilities

Deferred income taxes are calculated on all temporary differences under the liability method at 15%.

MRs000	note	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
The movement on the deferred income tax account					
At July 1st		**220,500**	117,864	**195,947**	101,138
Charge to statements of comprehensive income	22	**7,794**	102,636	**4,268**	94,809
At June 30th		**228,294**	220,500	**200,215**	195,947

Deferred income tax liabilities

THE GROUP MRs000	at July 1st 2008	charge/(credit) to income statement	at June 30th 2009
Accelerated capital allowances	12,283	2,924	**15,207**
Provisions	(1,238)	(386)	**(1,624)**
Tax losses carried forward	(136)	136	**-**
Fair value gains	209,591	5,120	**214,711**
	220,500	7,794	**228,294**
THE COMPANY			
Accelerated capital allowances	9,742	2,460	**12,202**
Provisions	(641)	(296)	**(937)**
Fair value gains	186,846	2,104	**188,950**
	195,947	4,268	**200,215**

16 retirement benefit obligations

MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Amounts recognised in the statements of financial position				
Other post retirement benefits	**4,778**	2,703	**2,496**	1,306

Other post retirement benefits

Amounts recognised in the statements of comprehensive income

MRs000	note	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Release in respect of leavers		**(16)**	(182)	**(8)**	(32)
Underprovision in respect to prior years		**2,091**	1,122	**1,198**	827
Total included in staff costs	20A	**2,075**	940	**1,190**	795

Movement in the liability recognised in the statements of financial position

At July 1st	**2,703**	1,763	**1,306**	511
Expense for the year	**2,075**	940	**1,190**	795
At June 30th	**4,778**	2,703	**2,496**	1,306

Other post retirement benefits comprise of severance allowances payable under Labour Act.

17 other payables

MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Amounts owed to parent	**3,555**	25,663	**3,107**	25,676
Amounts owed to subsidiaries	**-**	-	**178,317**	3,190
Social security and other taxes	**3,696**	2,187	**530**	310
Defined contribution plan	**383**	302	**123**	100
Other payables and accrued expenses	**93,660**	144,714	**72,133**	127,919
	101,294	172,866	**254,210**	157,195

Other payables are interest free and have settlement dates within one year.

18 dividend proposed

	2009 MRs000	08 MRs000
Final ordinary dividend of MRe0.06 per share	**49,171**	49,171

19 dividend income

	THE GROUP		THE COMPANY	
MRs000	**2009**	08	**2009**	08
Dividend income on available-for-sale financial assets	**3,900**	3,900	**3,900**	3,900
Dividend income received				
Ordinary shares	**1,500**	1,500	**1,500**	1,500
Cumulative preference shares	**2,400**	2,400	**2,400**	2,400
	3,900	3,900	**3,900**	3,900

20 operating profit

MRs000	notes	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Operating profit is arrived at after crediting					
Rental income		**223,903**	184,522	**163,341**	129,182
Sale of goods		**20,801**	20,420	**-**	-
Sale of services		**148,653**	106,438	**-**	-
Profit on disposal of property, plant and equipment		**-**	80	**77**	-
and after charging					
Depreciation on property, plant and equipment	4	**9,056**	6,644	**2,707**	2,241
Amortisation of prepaid operating leases	3	**6**	6	**6**	6
Loss on disposal of property, plant and equipment		**225**	208	**-**	208
Property, plant and equipment written off		**13**	27	**13**	27
Auditors' remuneration		**558**	680	**230**	364
Operating lease rentals - land		**2,458**	2,458	**2,458**	2,458
Bad and doubtful debts written off		**332**	2,984	**145**	413
Impairment charge/(credit) on receivables		**1,261**	(2,495)	**788**	(798)
Impairment loss on inventories		**2,865**	2,392	**1,415**	1,567
Repair & maintenance on property, plant and equipment		**2,111**	690	**-**	56
Staff costs	20A	**142,634**	105,684	**20,678**	18,439

A Analysis of staff costs

MRs000	note	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Wages and salaries		**129,667**	96,352	**17,656**	15,988
Social security costs		**6,316**	5,363	**802**	648
Pension costs					
Defined contribution plan		**4,576**	3,029	**1,030**	1,008
Other post retirement benefits	16	**2,075**	940	**1,190**	795
		142,634	105,684	**20,678**	18,439
The number of employees at the end of the year		**990**	**839**	**79**	**75**

21 finance income and costs

MRs000	note	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Finance costs					
Interest expense					
- bank overdrafts		**3,041**	1,754	**3,039**	1,751
- bank loan		**48,233**	39,724	**48,233**	39,724
- other loans at call		**31,124**	30,040	**30,795**	30,031
- foreign exchange gain		**(2)**	-	**-**	-
		82,396	71,518	**82,067**	71,506
Less interest capitalised	4	**(15,917)**	(46,719)	**(15,917)**	(46,719)
		66,479	24,799	**66,150**	24,787
Finance income					
Interest income		**(4,996)**	(459)	**(14,452)**	(13,177)
Net finance costs		**61,483**	24,340	**51,698**	11,610

22 income tax expense

MRs000	note	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
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	15	**(7,794)**	(102,636)	**(4,268)**	(94,809)
Charge for the year		**(19,340)**	(105,785)	**(12,595)**	(96,183)
Deferred income tax (charge)/credit					
Accelerated capital allowances		**(2,924)**	(1,156)	**(2,460)**	(299)
Provisions		**386**	(487)	**296**	(45)
Tax losses carried forward		**(136)**	(1,554)	**-**	-
Fair value gains		**(5,120)**	(99,439)	**(2,104)**	(94,465)
		(7,794)	(102,636)	**(4,268)**	(94,809)

Reconciliation between the effective rate of income tax of the group of 16.0% (2008: 12.3%) and the company of 18.6% (2008: 13.7%) and the applicable income tax rate of 15.0% for the group and company.

22 income tax expense *continued*

As a percentage of profit before income tax %	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Income tax rate	**15.0**	15.0	**15.0**	15.0
Impact of				
Results of associate taxed at different rates	**(1.3)**	(0.2)	**-**	-
Disallowable items	**0.4**	-	**0.2**	-
Other differences	**(1.6)**	(1.0)	**(2.9)**	(1.2)
Exempt income	**(0.5)**	(1.6)	**(0.9)**	(0.1)
Under/(Over) provision prior year	**3.7**	(0.4)	**6.7**	(0.5)
Alternative minimum tax	**0.3**	0.5	**0.5**	0.5
Average effective income tax rate	**16.0**	12.3	**18.6**	13.7

23 earnings per share

A Earnings per share is calculated on the basis of the group profit for the year and the number of shares in issue and ranking for dividends during the two years under review.

THE GROUP MRs000	2009	08
Profit attributable to equity holders of the company	**101,729**	753,275
Number of ordinary shares in issue	**819,520**	819,520

B Adjusted earnings per share is calculated on the basis of the group profit for the year excluding fair value adjustments and the number of shares in issue and ranking for dividends during the two years under review

Profit attributable to equity holders of the company	**101,729**	753,275
Net gain from fair value adjustment on investment property	**(34,138)**	(751,877)
Deferred income tax thereon	**5,120**	99,439
Earnings excluding fair value adjustments	**72,711**	100,837
Number of ordinary shares in issue	**819,520**	819,520

24 segment information

2009 MRs000	property	security	eliminations	total
Revenues				
External sales	223,903	169,454	-	393,357
Intersegment sales	277	14,228	(14,505)	-
Total revenue	224,180	183,682	(14,505)	393,357
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	159,730	12,085	-	171,815
Share of profit of associate				10,737
				182,552
Finance costs - net				(61,483)
Profit before income tax				121,069
Income tax expense				(19,340)
Profit attributable to equity holders of the company				101,729

2009 MRs000	property	security	total
Segment assets	3,890,731	77,751	3,968,482
Associate			23,922
			3,992,404
Segment liabilities	1,120,652	20,696	1,141,348
Current income tax liabilities	200	1,535	1,735
Dividend proposed			49,171
			1,192,254
Capital expenditure	161,670	10,762	172,432
Depreciation and amortisation	3,128	6,011	9,139
Impairment	-	693	693

All activities of the group are carried out in Mauritius.

Products and services from which reportable segments derive their revenues

In prior years, segment information reported externally was analysed on the basis of activities undertaken by each of the group's operating divisions and the same information was provided to management. The group's reportable segments under IFRS8 are as follows:

Property	rental income
Security	security and property protection services and sales of equipment

Factors that management used to identify the entity's reportable segments

Reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

24 segment information *continued*

2 0 0 8 MRs000	property	security	eliminations	total
Revenues				
External sales	184,522	126,858	-	311,380
Intersegment sales	-	12,572	(12,572)	-
Total revenue	184,522	139,430	(12,572)	311,380
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	860,209	9,888	-	870,097
Share of profit of associate				13,303
				883,400
Finance costs - net				(24,340)
Profit before income tax				859,060
Income tax expense				(105,785)
Profit attributable to equity holders of the company				753,275

2 0 0 8 MRs000	property	security	total
Segment assets	3,848,981	66,764	3,915,745
Associate			22,671
			3,938,416
Segment liabilities	1,134,989	11,290	1,146,279
Current income tax liabilities	333	191	524
Dividend proposed			49,171
			1,195,974
Capital expenditure	522,433	12,088	534,521
Depreciation	2,560	4,159	6,719

25 commitments

MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Capital				
Commitment in respect of future capital expenditure authorised by the directors and not provided in the financial statements	**23,180**	103,772	**23,180**	103,772

Operating leases MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Future minimum lease payments under non-cancellable operating leases				
Not later than 1 year			**2,908**	2,908
Later than 1 year and not later than 2 years			**2,702**	2,908
Later than 2 years and not later than 5 years			**1,350**	4,258
			6,960	10,074

The lease is in respect of land, at Le Caudan Waterfront which is for an initial period of twenty years expiring on June 30th 2014 and is renewable for four further periods of ten years, and at Riche Terre which is for an initial period of twenty years expiring on May 31st 2011 and is renewable for two period of twenty years and a third period of thirty nine years.

Rental income derived from industrial building at Riche Terre amounts to MRs 9.070 million (2008 - MRs 8.397 million).

Operating leases MRs000	THE GROUP 2009	THE GROUP 08	THE COMPANY 2009	THE COMPANY 08
Future minimum lease payments receivable under non-cancellable operating leases				
Not later than 1 year	**185,488**	171,195	**128,137**	114,949
Later than 1 year and not later than 5 years	**320,607**	339,873	**197,512**	181,869
Later than 5 years	**92,653**	159,440	**11,829**	5,748
	598,748	670,508	**337,478**	302,566

The leases have varying terms, escalation clauses and renewal rights.

26 parent and ultimate parent

The directors regard Promotion and Development Limited, which is incorporated in the Republic of Mauritius, as the parent, ultimate parent and ultimate controlling party.

27 three-year summary of published results and assets and liabilities

THE GROUP MRs000	**2009**	08	07
Statements of comprehensive income			
Turnover	**393,357**	311,380	225,014
Profit before income tax	**121,069**	859,060	72,708
Share of profit of associate	**10,737**	13,303	9,320
Income tax expense	**(19,340)**	(105,785)	(13,164)
Profit attributable to equity holders of the company	**101,729**	753,275	59,544
Rate of dividend (%)	**6.0**	6.0	5.0
Dividend per share (MRe)	**0.060**	0.060	0.050
Earnings per share (MRe)	**0.124**	0.919	0.073
Adjusted earnings per share (MRe)	**0.089**	0.123	0.073
Statements of financial position			
Non-current assets	**3,852,354**	3,857,593	2,559,962
Current assets	**140,050**	80,823	74,673
Total assets	**3,992,404**	3,938,416	2,634,635
Total equity	**2,800,150**	2,742,442	2,023,738
Non-current liabilities	**897,655**	809,256	164,925
Current liabilities	**294,599**	386,718	445,972
Total equity and liabilities	**3,992,404**	3,938,416	2,634,635

28 related party transactions

Transactions carried out by the group with related parties

2 0 0 9 MRs000	rental/other income	(sale)/purchase of investment property	operating expenses	management fees	interest expense	loan received	loan repaid to	emoluments and benefits
Parent	**321**	**(74,000)**	**2,458**	**10,262**	**31,124**	**298,989**	**517,501**	**-**
Associate	**17,992**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Associate of parent	**14,766**	**2,654**	**351**	**-**	**-**	**-**	**-**	**-**
Shareholders with significant influence	**2,681**	**-**	**370**	**-**	**51,274**	**300,000**	**36,648**	**-**
Enterprises in which directors/ key management personnel (and close families) have significant interest	**-**	**2,130**	**513**	**-**	**-**	**-**	**-**	**-**
Key management personnel and Directors	**203**	**-**	**-**	**-**	**-**	**-**	**-**	**23,456**

2 0 0 8								
Parent	2,426	-	2,458	17,314	29,509	252,751	271,800	-
Associate	16,854	-	-	-	-	-	-	-
Associate of parent	8,732	202	-	-	-	-	-	-
Shareholders with significant influence	2,013	-	572	-	41,479	425,000	31,313	-
Enterprises in which directors/ key management personnel (and close families) have significant interest	-	-	699	-	-	-	-	-
Key management personnel and Directors	353	-	-	-	-	-	-	22,867

Key management personnel compensation

MRs000	GROUP AND COMPANY **2 0 0 9**	0 8
Remuneration and other benefits relating to key management personnel, including directors		
Salaries and short term employee benefits	**20,274**	20,305
Post employments benefits	**3,182**	2,562
	23,456	22,867

28 related party transactions *continued*

Transactions carried out by the company with related parties

2 0 0 9 MRs000	rental/other income	(sale)/purchase of investment property	operating expenses	management fees	interest expense	loan received	loan repaid to	emoluments and benefits
Parent	**321**	**(74,000)**	**2,458**	**8,182**	**30,795**	**292,759**	**517,209**	**-**
Associate	**363**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Associate of parent	**1,468**	**2,654**	**351**	**-**	**-**	**-**	**-**	**-**
Subsidiary	**-**	**187,749**	**-**	**-**	**-**	**-**	**-**	**-**
Shareholders with significant influence	**2,681**	**-**	**189**	**-**	**51,272**	**300,000**	**36,648**	**-**
Enterprises in which directors/ key management personnel (and close families) have significant interest	**-**	**2,130**	**482**	**-**	**-**	**-**	**-**	**-**
Key management personnel and Directors	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**23,456**

2 0 0 8								
Parent	2,426	-	2,458	15,163	29,500	252,350	271,800	-
Associate	16,854	-	-	-	-	-	-	-
Associate of parent	1,341	202	-	-	-	-	-	-
Shareholders with significant influence	2,013	-	505	-	41,476	425,000	31,313	-
Enterprises in which directors/ key management personnel (and close families) have significant interest	-	-	699	-	-	-	-	-
Key management personnel and Directors	-	-	-	-	-	-	-	22,867

The related party transactions were carried out on normal commercial terms and at prevailing market prices.

There is a management service fee contract between the company and Promotion and Development Limited (PAD) which is the ultimate parent. The management fees paid to PAD are equivalent to 5% of the net income after operating costs, but before interest, depreciation and tax plus 2.5% of the cost of construction, excluding professional fees, government fees and interest.

The key management personnel compensation consists only of salaries and employment benefits.
None of the investments in associates have been impaired during the year.

28 related party transactions *continued*

Outstanding balances in respect of related party transactions at year end.

2 0 0 9 MRs000	**receivables from related companies**	**loan payable to related companies**	**payables to related companies**
Parent	**141**	**6,339**	**3,555**
Shareholders with significant influence	**12**	**733,481**	**-**
2 0 0 8			
Parent	13	224,450	25,663
Associate of parent	4,743	-	-
Shareholders with significant influence	-	470,129	-

29 currency

The financial statements are presented in thousands of Mauritian Rupees.

30 directors of subsidiaries

Directors of subsidiaries holding office at the end of the accounting period

Caudan Leisure Limited
René Leclézio
Jocelyne Martin

Caudan Security Services Limited & Security and Property Protection Agency Co Ltd
Philippe de Labauve d'Arifat
René Leclézio
Appanah Yerriah

Harbour Cruise Limited
Philippe de Labauve d'Arifat
René Leclézio

Société Mauricienne d'Entreprise Générale Ltée & Best Sellers Limited
Arnaud Dalais
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