



MAHAWELI REACH HOTELS LIMITED
SUMMERIZED PROFIT & LOSS ACCOUNT
 (All figures in Rs: '000)

	APR. SEP. 2006	APR. SEP. 2005	APR. JUN. 2006	APR. JUN. 2005
	Rs:	Rs:	Rs:	Rs:
Revenue	112,301	90,659	48,303	33,696
Cost of Sales	(40,269)	(33,266)	(20,002)	(14,414)
Gross Profit	72,032	57,393	28,301	19,282
Other Operating Income				
Selling & Distribution Cost	(7,110)	(8,598)	(3,714)	(3,961)
Administration cost	(19,905)	(17,129)	(10,783)	(8,206)
Other Costs	(26,019)	(20,956)	(13,046)	(10,692)
Gross Profit From Operations	18,998	10,710	758	(3,577)
Finance Cost & Depreciation	(15,543)	(16,186)	(7,338)	(6,470)
Profit on Sales of Fixed assets	791	-	791	-
Profit / Loss before Taxation	4,246	(5,476)	(5,789)	(10,047)
Taxation	-	-	-	(1,017)
Profit / Loss after Taxation	4,246	(5,476)	(5,789)	(11,064)
Retained Loss Brought Forward**	(194,219)	(182,926)	(194,219)	(182,926)
Retained Loss Carried Forward	(189,973)	(188,402)	(200,008)	(193,990)

The above figures are provisional & subject to audit

Mrs. L.R. Panabokke
Director

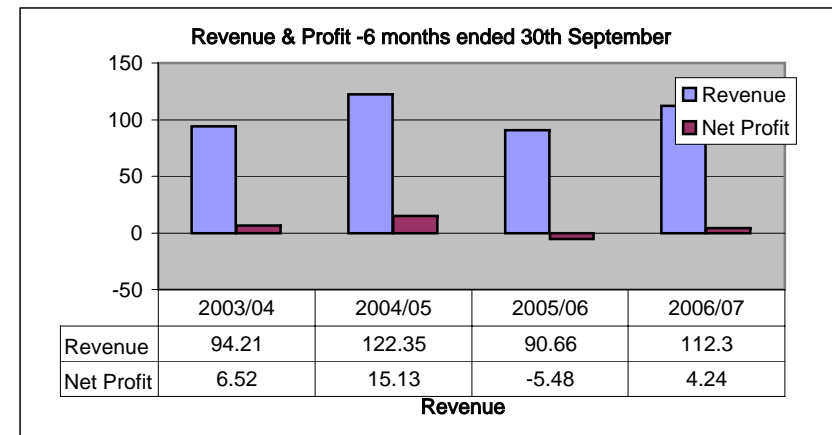
Jayantha A Panabokke
Director



MAHAWELI REACH HOTELS LTD.
SUMMERIZED BALANCE SHEET
 (All figures in Rs: '000)

Audited

	9/30/06	9/30/05
	Rs:	Rs:
ASSETS		
Non Current Assets		
Property, Plant & Equipment	500,796	463,671
Capital Work in Progress	7,755	10,281
Current Assets		
Stocks	10,580	9,968
Trade & Other Receivable	55,306	45,135
Loans & Advances	11,804	7,028
Bank Balance	5,625	6,197
TOTAL ASSETS	591,866	542,280
EQUITY AND LIABILITIES		
Capital & Reserves		
Share Capital	470,781	470,781
Capital Reserves	121,494	123,976
Revenue Reserves	(189,973)	(188,402)
Deferred Revenue Income/Expenditure	161	322
Non Current Liabilities		
Provision for liabilities & Charges	12,936	11,741
Long Term Liabilities (secured)	117,114	79,010
Current Liabilities		
Trade & Other Payable	33,744	32,668
Accruals	10,757	4,833
Bank Overdrafts	14,852	7,351
TOTAL EQUITY AND LIABILITIES	591,866	542,280





MAHAWELI REACH HOTELS LIMITED
CASH FLOW STATEMENTS
6 Months Ended 30th September 2006/2005

	30.09.2006	30.09.2005
	Rs: 000	Rs: 000
For the 6 Months ended 30th September		
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation	4,246	(5,476)
Adjustment for :		
Prior Year Adjustment	(3,811)	-
Depreciation of property plant & equipment	9,000	9,000
Profit on sale of Fixed Assets	(791)	-
Interest cost	6,543	3,979
Deffered Income	-	-
Movement in Provisions and Accruals	2,994	1,185
Operating profit before working capital change	18,181	8,688
(Increase)/Decrease in accounts receivables & others	6,259	(10,210)
(Increase)/(Decrease) in accounts payables	4,441	(2,646)
Interest paid	(6,543)	(3,979)
Gratuity paid	-	-
Tax paid	-	-
Net cash flow from operating activities	22,338	(8,147)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	(18,924)	(9,399)
Capital work in progress	-	(93)
Proceeds from disposal of Fixed Assets	791	-
Net cash flow from investing activities	(18,133)	(9,492)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Loans/Finance Leases	-	27,886
Repayment of Long Term Loans/Finance Leases	(12,580)	(230)
Net cash flow from financing activities	(12,580)	27,656
Net Increase/(decrease) in cash and cash equivalents during the period	(8,375)	10,017
Cash & cash equivalents at the beginning of the period	(852)	(11,170)
Cash & cash equivalents at the end of the period	(9,227)	(1,153)
End of the period		
Cash at banks and in hand	5,625	6,197
Bank overdraft	(14,852)	(7,350)