

STATEMENTS OF FINANCIAL POSITION

	GROUP	
	As at 30 September 2011 Rs'000	Audited As at 31 December 2010 Rs'000
ASSETS		
Non-current assets	1,738,718	1,626,038
Current assets	1,752,205	1,583,219
Total assets	3,490,923	3,209,257
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	1,858,610	1,825,103
Non controlling interests	329,584	315,690
Total equity	2,188,194	2,140,793
Non-current liabilities	228,496	248,810
Current liabilities	1,074,233	819,654
Total equity and liabilities	3,490,923	3,209,257
Net assets per share (Rs)	165.07	162.10
Number of ordinary shares	11,259,388	11,259,388

STATEMENTS OF CASH FLOWS

	GROUP	
	Nine months to 30 September 2011 Rs'000	Nine months to 30 September 2010 Rs'000
Operating activities		
Net cash used in operating activities	(177,009)	(92,053)
Investing activities		
Net cash from/(used in) investing activities	53,314	(54,741)
Financing activities		
Net cash from financing activities	30,279	98,587
Decrease in cash and cash equivalents	(93,416)	(48,207)
Movement in cash and cash equivalents		
At 1 January	177,422	115,517
Decrease	(93,416)	(48,207)
Effect of Foreign Exchange difference	(5,878)	(4,612)
At 30 September	78,128	62,698

STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Revaluation, Fair Value and Other Reserves	Retained Earnings	Total
	Rs'000	Rs'000	Rs'000	Rs'000
GROUP				
Balance at 1 January 2011	112,594	363,091	1,349,418	1,825,103
Total comprehensive income for the period	-	(3,485)	38,533	35,048
Change in shareholding in subsidiary	-	309	(1,850)	(1,541)
Balance at 30 September 2011	112,594	359,915	1,386,101	1,858,610
Balance at 1 January 2010	112,594	272,887	1,239,366	1,624,847
Total comprehensive income for the period	-	(8,926)	77,738	68,812
Change in shareholding in subsidiary	-	-	256	256
Balance at 30 September 2010	112,594	263,961	1,317,360	1,693,915

INCOME STATEMENTS

	GROUP			
	Three months to 30 September 2011 Rs'000	Three months to 30 September 2010 Rs'000	Nine months to 30 September 2011 Rs'000	Nine months to 30 September 2010 Rs'000
Revenue	925,699	826,511	2,431,691	2,200,368
Profit before finance costs	39,052	71,440	65,042	94,727
Finance costs	(11,726)	(9,949)	(32,093)	(34,995)
Share of result of associates	2,091	14,642	43,464	51,265
Profit before tax	29,417	76,133	76,413	110,997
Income tax	(7,837)	(6,800)	(17,507)	(11,201)
Profit for the period	21,580	69,333	58,906	99,796
Attributable to:				
Owners of the parent	16,839	56,056	38,533	77,738
Non controlling interests	4,741	13,277	20,373	22,058
	21,580	69,333	58,906	99,796
Basic earnings per share(Rs)	1.50	4.98	3.42	6.90

STATEMENTS OF COMPREHENSIVE INCOME

	Three months to 30 September 2011	Three months to 30 September 2010	Nine months to 30 September 2011	Nine months to 30 September 2010
Profit for the period	21,580	69,333	58,906	99,796
Other comprehensive income for the period net of tax	(11,803)	(1,486)	(7,791)	(9,418)
Total comprehensive income for the period	9,777	67,847	51,115	90,378

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

The reportable segments are strategic business units that offer different products and services.

	Commercial	Engineering & Manufacturing	Services	Corporate Services	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Nine months ended 30 September 2011					
Total segment revenues	2,247,890	393,194	128,950	155,712	2,925,746
Inter-segment revenues	(325,969)	(11,860)	(19,681)	(136,545)	(494,055)
Revenues from external customers	1,921,921	381,334	109,269	19,167	2,431,691
Segment profit/(loss)	67,529	(1,215)	(12,360)	11,088	65,042
Finance costs					(32,093)
Share of profit of associates					43,464
Profit before tax					76,413
Total assets					
30 September 2011	1,899,356	479,637	181,382	930,548	3,490,923
31 December 2010	1,620,573	459,218	202,233	927,233	3,209,257
Nine months ended 30 September 2010					
Total segment revenues	1,747,033	381,363	145,067	150,627	2,424,090
Inter-segment revenues	(76,316)	(12,962)	(15,814)	(118,630)	(223,722)
Revenues from external customers	1,670,717	368,401	129,253	31,997	2,200,368
Segment profit	49,689	13,798	9,717	21,523	94,727
Finance costs					(34,995)
Share of profit of associates					51,265
Profit before tax					110,997
Total assets					
30 September 2010	1,451,012	604,573	143,588	734,256	2,933,429
31 December 2009	1,540,847	560,625	140,204	599,619	2,841,295

The quarterly condensed financial statements have been prepared using the same accounting policies as for the statutory financial statements for the year ended 31 December 2010, except for the adoption of published Standards that are now effective.

- Review of activities and of the results:
The Group's revenue increased by 12% for the third quarter and 11% for the nine months ended 30 September 2011 compared to the respective corresponding periods in 2010. More than 50% of this growth comes from our acquisition program and the balance from improved revenues in most of our Strategic Business Units. The Group's profit before finance costs for the quarter and nine months ended 30 September 2011 decreased by 45% and 31% respectively. The year to date shortfall of Rs30M is due, to lower operating margin and to lower investment and interest income. The Group continues to invest in its regional expansion and acquisition programs.
- Prospects of improving on past revenue growth rates remain. Management will continue to closely monitor the current economic evolutions.
- Taxation has been provided at the appropriate rate in each country where we operate.
- Copies of these unaudited quarterly financial statements and of the directors' and senior officers' interests are available free of charge from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell Street, Port Louis.
This quarterly report is issued pursuant to Listing Rule 12.20 and Securities Act 2005.

The Board of Directors of Harel Mallac & Co Ltd accepts full responsibility for the accuracy of the information contained in this report.

HM Secretaries Ltd
Company Secretary
9 November 2011