



ENL COMMERCIAL LIMITED - ABRIDGED AUDITED FINANCIAL STATEMENTS

A summary of the financial statements of the Group and the Company for the year ended June 30, 2011 together with the comparative figures for the year ended June 30, 2010 is given below.

1. CONDENSED AUDITED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	June 30, 2011 Rs'000	June 30, 2010 Rs'000	June 30, 2011 Rs'000	June 30, 2010 Rs'000
ASSETS				
Non-current assets				
Property, plant and equipment	622,483	402,795	-	-
Investments and others	197,694	937,677	877,683	1,626,570
	820,177	1,340,472	877,683	1,626,570
Current assets	1,032,425	595,782	75,160	70,978
Non-current assets classified as held for sale	679,872	-	679,872	-
Total assets	2,532,474	1,936,254	1,632,715	1,697,548
EQUITY AND LIABILITIES				
Equity and reserves				
Equity holders' interests	1,056,312	1,104,448	1,369,762	1,478,419
Non-controlling interests	17,389	80	-	-
Total equity and reserves	1,073,701	1,104,528	1,369,762	1,478,419
Non-current liabilities	478,757	157,409	134,714	33,921
Current liabilities	980,016	674,317	128,239	185,208
Total equity and liabilities	2,532,474	1,936,254	1,632,715	1,697,548

2. CONDENSED AUDITED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	Year ended June 30, 2011 Rs'000	Year ended June 30, 2010 Rs'000	Year ended June 30, 2011 Rs'000	Year ended June 30, 2010 Rs'000
Turnover	2,648,251	1,366,791	51,871	45,122
Operating profit	131,036	67,016	39,804	35,007
Fair value gain	-	1,490	-	1,490
Share of results of associated companies	(3,938)	(4,760)	-	-
Finance costs	(74,016)	(29,045)	(17,272)	(11,784)
Profit before exceptional items	53,083	34,701	22,532	24,713
Exceptional items:				
Fair value gain on business combination net of goodwill	41,160	-	-	-
Profit on disposal of subsidiaries/investments	6,030	2,159	7,940	2,159
Change in fair value of financial liabilities	155	-	-	-
Provision for guarantee	-	(2,939)	-	-
Profit before taxation	100,428	33,921	30,472	26,872
Income tax expense	(10,165)	(7,422)	(96)	(72)
Profit after taxation	90,263	26,499	30,376	26,800
Other comprehensive income				
Fair value movement on available for sale financial assets	(163,696)	(36,999)	(104,769)	14,829
Revaluation of properties net of deferred tax	55,882	-	-	-
Release to income on disposal of investments	-	-	(8,009)	-
Share of comprehensive income of associates	2,689	5,349	-	-
Other comprehensive income for the year	(105,125)	(31,650)	(112,778)	14,829
Total comprehensive income for the year	(14,862)	(5,151)	(82,402)	41,629
Profit after taxation attributable to:				
Equity holders of the company	84,993	26,566	30,376	26,800
Non-controlling interests	5,270	(67)	-	-
	90,263	26,499	30,376	26,800
Total comprehensive income attributable to:				
Equity holders of the company	(21,975)	(5,084)	(82,402)	41,629
Non-controlling interests	7,113	(67)	-	-
	(14,862)	(5,151)	(82,402)	41,629
Earnings and dividend per share				
Earnings attributable to equity holders of the company (Rs'000)	84,993	26,566	30,376	26,800
Number of shares in issue ('000)	29,173	29,173	29,173	29,173
Dividends per share (Re)	0.90	0.80	0.90	0.80
Earnings per share (Rs)	2.91	0.91	1.04	0.92
Net asset value per share (Rs)	36.21	37.86	46.95	50.68

COMMENTS ON RESULTS

The Group purchased a controlling stake in Cogir Limitée and Platinax Austral Limitée during the year under review. These companies, which were previously associates, contributed positively to Group's turnover.

The increase in the Group's operating profits is explained on the one hand by the positive contribution of the new subsidiaries mentioned above and also by the better performance of the other subsidiaries, particularly Axxess and Grewals.

The increase in finance charges is due to the consolidation of Cogir and Platinax Austral and also the additional finance charges incurred by Axxess resulting from the loan contracted to purchase its premises which were previously rented.

The fair value gain on business combinations arises from the acquisition of the controlling stakes in Cogir and Platinax Austral which were accounted for under IFRS 3 'Business Combinations'.

Developments

The Group is contemplating the disposal of its non-core investments (the Transaction) for cash with the aim of giving fresh impetus to the Group's core activities. The cash will be used to repay the debts of ENL Commercial Limited and will also enable the Company to fund adequately its existing subsidiaries and invest in new ventures which complement its line of activities. The Directors believe that the proposed transaction will be beneficial to shareholders both in terms of higher dividends and long term value creation.

The sale price of the shares being disposed have been based on market prices and, in this context, the investments being sold have been marked to market, resulting in a negative fair value movement in the statement of comprehensive income.

The investments subject to the Transaction have been re-classified as 'Non-current assets held for sale' in accordance with IFRS 5.

Shareholders have been convened to a special meeting to vote on the proposed Transaction which the Directors are confident will be approved.

Outlook

The cash which is anticipated to be received from the proposed Transaction will have an immediate positive effect on earnings. Moreover, the existing subsidiaries are expected to continue to perform well and the new subsidiaries purchased, namely Charabia Ltd and L'Epongerie Limitée, should contribute to Group's turnover and profits. The results for the coming year are thus expected to be better.

3. CONDENSED AUDITED STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Year ended June 30, 2011 Rs'000	Year ended June 30, 2010 Rs'000	Year ended June 30, 2011 Rs'000	Year ended June 30, 2010 Rs'000
Net cash flows from operating activities	83,513	80,583	20,900	34,908
Net cash flows from investing activities	(197,303)	(80,433)	(24,011)	(60,007)
Net cash flows from financing activities	213,292	(77,743)	37,086	8,064
Net movement in cash and cash equivalents	99,502	(77,593)	33,975	(17,035)
Opening cash and cash equivalents	(188,414)	(110,821)	(62,371)	(45,336)
Closing cash and cash equivalents	(88,912)	(188,414)	(28,396)	(62,371)

4. SEGMENTAL INFORMATION

	THE GROUP	
	Year ended June 30, 2011 Rs'000	Year ended June 30, 2010 Rs'000
REVENUE		
Investment and management	16,459	21,134
Commercial	1,523,708	1,292,847
Industry	1,108,084	52,810
	2,648,251	1,366,791
SEGMENT RESULTS AFTER TAXATION		
Investment and management	31,893	(2,794)
Commercial	25,701	24,435
Industry	32,669	4,858
	90,263	26,499

5. CONDENSED AUDITED STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Share capital Rs'000	Associated companies Rs'000	Fair value and other reserves Rs'000	Retained earnings Rs'000	Total Rs'000	Non-controlling interests Rs'000	Total Rs'000
At July 1, 2009	177,960	(7,029)	316,399	645,540	1,132,870	147	1,133,017
Total comprehensive income for the year	-	(6,311)	(36,999)	38,226	(5,084)	(67)	(5,151)
Dividends	-	-	-	(23,338)	(23,338)	-	(23,338)
At June 30, 2010	177,960	(13,340)	279,400	660,428	1,104,448	80	1,104,528
At July 1, 2010	177,960	(13,340)	279,400	660,428	1,104,448	80	1,104,528
Transfer	-	-	(1,000)	1,000	-	257	257
Transfer to retained earnings on business combinations	-	30,107	-	(30,107)	-	-	-
Effect of change in ownership interest not resulting in loss of control	-	-	1,704	(1,610)	94	(94)	-
Acquisition of subsidiaries	-	-	-	-	-	6,015	6,015
Issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	4,400	4,400
Transfer to retained earnings on disposal of subsidiaries	-	-	(8,645)	8,645	-	0	-
Total comprehensive income for the year	-	(4,425)	(109,657)	92,107	(21,975)	7,113	(14,862)
Dividends	-	-	-	(26,255)	(26,255)	-	(26,255)
Dividends paid by subsidiaries and associates to non-controlling shareholders	-	-	-	-	-	(382)	(382)
At June 30, 2011	177,960	12,342	161,802	704,208	1,056,312	17,389	1,073,701

THE COMPANY	Share capital Rs'000	Fair value and other reserves Rs'000	Retained earnings Rs'000	Total Rs'000
At July 1, 2009	177,960	604,218	677,950	1,460,128
Total comprehensive income for the year	-	14,829	26,800	41,629
Dividends	-	-	(23,338)	(23,338)
At June 30, 2010	177,960	619,047	681,412	1,478,419
At July 1, 2010	177,960	619,047	681,412	1,478,419
Total comprehensive income for the year	-	(112,778)	30,376	(82,402)
Dividends	-	-	(26,255)	(26,255)
At June 30, 2011	177,960	506,269	685,533	1,369,762

Notes

Copies of the full financial statements are available to the public, free of charge, at the Registered Office of the Company at 7th Floor, Swan Group Centre, Intendance Street, Port Louis.

Copies of the statement of direct and indirect interests of the senior officers of the Company pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 are available free of charge to the public upon request to the Company Secretary at the Registered Office of the Company at 7th Floor, Swan Group Centre, Intendance Street, Port Louis.

By order of the Board

ENL Limited
Company Secretary

September 30, 2011

The above abridged audited financial statements are issued pursuant to Listing Rule 12.14 and section 88 of the Securities Act 2005.

The Board of Directors of ENL Commercial Limited accepts full responsibility for the accuracy of the information contained in these abridged audited financial statements.