

OPERATING HIGHLIGHTS AND SIGNIFICANT EVENTS

April 2008

- JKH concluded the acquisition of a 44 per cent equity stake in Quattro Finance & Accounting Solutions (Pvt) Ltd (details were provided in the JKH 2007/08 Annual Report)
- Keells Food Products PLC invested in John Keells Foods India (Pvt) Ltd, to manufacture and market processed meats in India

July 2008

- Supreme Court delivered judgement in a fundamental rights application regarding the privatisation of Lanka Marine Services (Pvt) Ltd (LMS) and held that the land grant to LMS, the Common User Facilities Agreement and all agreements entered into between the Board of Investment of Sri Lanka and LMS are null and void
- JKH divested its stake in Associated Motorways PLC realising a significant capital gain for the group
- Sri Lanka's first ever Nature Field Centre at Rumassala, Galle, which is an initiative of the Central Environmental Authority (CEA) and JKH, was formally declared open

August 2008

- The Lanka Monthly Digest (LMD) ranked JKH as the 'most respected entity' for the fourth consecutive year

September 2008

- JKH acquired 4.22 per cent of South Asia Gateway Terminals Limited (SAGT) from the Asian Development Bank

- JKH announced an offer to repurchase its shares at Rs. 90 per share, on a pro rata basis of 1 share for every 25 shares

January 2009

- The group invested in Keells Food Products PLC by subscribing to a 7:10 rights issue
- JKH was ranked first in the top 10 list of Sri Lankan companies compiled by the Business Today magazine

February 2009

- JKH increased its stakes in Union Assurance PLC (UA), Ceylon Cold Stores PLC and John Keells PLC
- Subsequent to the purchase of the stake in UA, JKH announced that it will be making a mandatory offer for the remaining shares of UA not held by JKH under Section 31 of the Company Take-overs and Mergers Code

March 2009

- JKH acquired a further 4.22 per cent of South Asia Gateway Terminals Limited (SAGT) from the International Finance Corporation
- Fitch Ratings affirmed the national long term rating of John Keells Holdings PLC at 'AAA(lka)', the national long term rating on JKH's senior unsecured notes at 'AAA(lka)' and the outlook as stable

FINANCIAL ACHIEVEMENTS & GOALS

Indicator (%)	Achievement			
	Goal	2009	2008	2007
EBIT growth	>20	(2.5)	34.0	26.1
EPS growth (fully diluted)	>20	(5.3)	32.2	13.6
Cash EPS growth (fully diluted)	>20	(16.7)	27.1	12.8
Return on capital employed (ROCE)	18	12.0	13.9	13.8
Return on equity	20	10.7	12.5	11.7
Net debt to equity *	50	8.3	0.0	(4.7)

* Replaced debt to equity with net debt to equity as a more meaningful indicator for JKH

FINANCIAL HIGHLIGHTS

YEAR AT A GLANCE

Year ended 31 March		2008/09	2007/08	Chg. %	2006/07
Earnings highlights and ratios					
Group revenue	Rs. million	41,023	41,805	(2)	32,855
Group profit before interest and tax	Rs. million	7,996	8,197	(2)	6,115
Group profit before tax	Rs. million	6,301	6,579	(4)	4,801
Group profit after tax	Rs. million	4,974	5,525	(10)	3,949
Group profit attributable to shareholders	Rs. million	4,742	5,119	(7)	3,541
Dividends *	Rs. million	1,883	3,176	(41)	1,412
Diluted earnings per share	Rs.	7.58	8.00	(5)	6.05
Cash earnings per share	Rs.	7.95	9.54	(17)	7.51
Interest cover	No. of times	4.7	5.1	(7)	4.7
Return on equity (ROE)	%	10.7	12.5	(15)	11.7
Return on capital employed (ROCE)	%	12.0	13.9	(13)	13.8
Balance sheet highlights and ratios					
Total assets	Rs. million	92,216	70,950	30	65,178
Total debt	Rs. million	21,597	12,667	71	15,363
Net debt / (cash) **	Rs. million	4,197	20	20,570	(1,983)
Total shareholders' funds	Rs. million	45,582	43,397	5	38,470
No. of shares in issue	million	611	636	(4)	553
Net assets per share	Rs.	74.6	68.2	9	69.6
Debt / equity	%	42.7	26.3	62	36.4
Net debt / equity **	%	8.3	0.0	19,598	(4.7)
Debt / total assets	%	23.4	17.9	31	23.6
Market/shareholder information					
Market price of share as at 31 March (actual)	Rs.	62.75	119.75	(48)	155.00
Market price of share as at 31 March (diluted)	Rs.	62.75	118.77	(47)	153.73
Market capitalisation	Rs. million	38,362	76,160	(50)	97,945
Enterprise value **	Rs. million	42,560	76,181	(44)	95,962
Total shareholder return	%	(44.7)	(19.0)	(135)	38.5
Price earnings ratio (PER) (diluted)	No. of times	8.3	14.8	(44)	25.4
Dividend payout	%	42.0	81.0	(48)	62.8
Dividend per share	Rs	3.0	5.0	(40)	3.0
Dividend yield	%	4.7	4.8	(2)	2.3
Other					
Economic value generated	Rs. million	46,836	46,349	1	35,494
Economic value distributed	Rs. million	41,936	42,794	(2)	31,853
Employees	Rs. million	5,544	5,005	11	4,090
Government	Rs. million	2,781	2,453	13	2,328
Others	Rs. million	33,611	35,336	(5)	25,435
Economic value retained	Rs. million	4,900	3,555	38	3,580
Total employees (excluding associates)	Number	10,501	9,992	5	9,703

* Cash dividends paid during the year

** 'The Monarch' and 'The Emperor' customer advances have been excluded