Contents

GML

Think Green

As part of its ongoing programme to help protect the environment and within the context of the GML "Think Green" initiative, GML companies have once again chosen to use Cocoon paper for their Annual Reports.

Cocoon paper is made from 100% recycled pulp, certified FSC (Forest Stewardship Council).

FSC is an international, non-governmental, non-profit making organisation created in 1993. It encourages socially, ecologically and economically responsible forestry management initiatives.

By using **Cocoon offset,** rather than a non-recycled paper, the environmental impact was reduced by:

Source:
Carbon footprint data is calculated by the Edinburgh Centre for Carbon Management in partnership with the Carbon-Neutral Company. Calculations are based on a comparison between recycled paper versus virgin fibre paper produced at the same mill, and on the latest European BREF data (virgin fibre paper) available. Results are obtained according to technical information and subject to change.

Vision, Mission and Values

VISION

To be the Group that goes beyond boundaries to create value.

MISSION

We promote synergies, innovation and efficiency,
through our diversity and entrepreneurship, for the benefit of all.

VALUES

Passion
Ethics
Customer Focus
Creativity
Teamwork

Organisational Structure

HEAD OFFICE

Commerce
- BrandActiv
- HealthActiv

Engineering
- Blychem
- CMH
- Manser Saxon
- Scomat
- ServEquip

Financial Services
- **Global Business**
  - DTOS
  - Knights & Johns
- **Insurance**
  - Mauritian Eagle Group

Corporate Finance
- Corporate Finance
- Group Accounts & Consolidation
- Taxation
- Treasury
- IBL Fidelity Card

Corporate Services
- Business Development
- Communication & CSR
- Human Resources
- Information Technology
- Legal & Secretarial
- Property Management, Projects & Services

Logistics, Aviation & Shipping
- **Logistics**
  - IOL
  - Logidis
  - Somatrans
  - UPS
- **Aviation**
  - Ground2Air
  - GSA/Travel Agency
- **Shipping**
  - Ship Owning & Management
  - Shipping Agencies

Retail
- Winner's

Seafood & Marine
- **Seafood**
  - Froid des Mascareignes
  - Marine Biotechnology
  - Thon des Mascareignes
- **Marine**
  - CNOI (Chantier Naval de l'Océan Indien)
- **Major Associated Companies**
  - IBL Biotechnology
  - Mer des Mascareignes
  - Princes Tuna

Chairman's Statement

Chairman's Statement

Dear Shareholder,

It is a great pleasure to present you the IBL Annual Report 2012.

The year under review has shown a growth in turnover of 11%, to Rs17.5 Billion. Group profits from operations have increased by 4%, from Rs977M to Rs1018M.

Our share of associates has shown a decrease, from Rs111M to Rs98M. Chantier Naval de l'Océan Indien has become a subsidiary company whereby Ireland Blyth Limited owns 60% (and the management of CNOI 40%). It is now consolidated as a subsidiary for the first time and not as an associated company.

The Group profit attributable to the shareholders amounted to Rs455M, which is 10% less than the corresponding period last year.

The earnings per share in 2012 were Rs6.37 compared to Rs7.05 in 2011.

The Seafood Hub operations had a reduced EBIT (earnings before interest and tax) from Rs344M to Rs336M due to the prevailing market conditions. Cervonic has started production and sale of Omega oil and efforts are being deployed to increase the quality of the finished products.

The other sectors of the Group performed satisfactorily, but overall the results are lower than the previous year due to more difficult trading conditions, particularly in the Engineering Sector.

Sector performances are reviewed in more detail in the Executives' reports.

The senior management of the Group has developed a new Vision, Mission and Values, which has been endorsed by the Board.

The Group has the vision to go "beyond boundaries to create value" and has started to carve a foothold in Africa, namely in Uganda.

Furthermore, the Group is investing in the field of biotechnology (seafood) with a view to exporting our know-how to other countries.

We are proud to celebrate our 40th anniversary and this event will coincide with the launching of a new logo for the Group.

The new financial year has started reasonably well, but it remains difficult to predict 2013.

My acknowledgement goes to my fellow Directors for their advice and support during the year.

I would like also to thank the management and staff for their hard work and dedication during the year.

Thierry Lagesse
Chairman


IBL
Brings value to life

Corporate Governance Report

Corporate Governance Report

Ireland Blyth Limited was incorporated in 1972 and admitted on the Official List of the Stock Exchange of Mauritius in 1994.

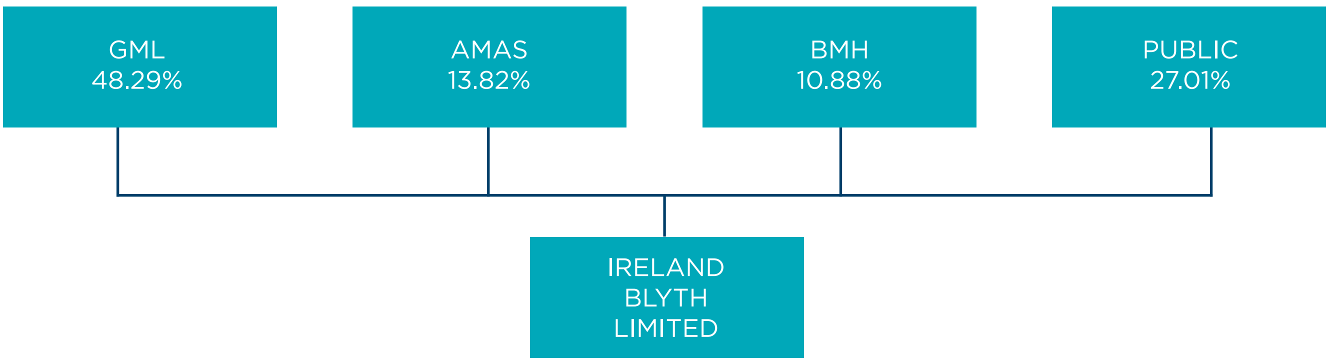
The Ireland Blyth Limited Group (IBL Group) is engaged in a wide range of activities, from financial services, fish storage and processing to mechanical and electrical engineering, logistics, aviation, shipping operations, the distribution of consumer goods and durables and a chain of supermarkets. These activities are organized into six main sectors, namely:

- Commerce
- Engineering
- Logistics, Aviation & Shipping
- Financial Services
- Retail
- Seafood & Marine

IBL Group is committed to high standards of corporate governance with the Board being accountable to the shareholders for good governance. The Board of Directors recognizes that the Report on Corporate Governance (the Code) is regarded as best practice and therefore uses its best endeavours to ensure compliance with the provisions set out in the Code, throughout the Group.

SHAREHOLDING

The share capital of the Company consists of 71,438,333 ordinary shares of nominal value Rs10 each.



The list of subsidiaries of Ireland Blyth is found on pages 103 to 105 of the Annual Report.

The shareholders holding more than 5% of the ordinary shares of the Company at 30 June 2012 were:

GML INVESTISSEMENT LTEE (GML)	48.29%
THE ANGLO MAURITIUS ASSURANCE SOCIETY LTD (AMAS)	13.82%
BELLE MARE HOLDING LTD (BMH)	10.88%

COMMON DIRECTORS

The names of the common Directors within the holding structure are:

	GML	AMAS	BMH
Arnaud Lagesse	A		
J. Cyril Lagesse	•		
Thierry Lagesse	•		
Jean Ribet			•
Louis Rivalland		•	•

A= *Alternate Director*

DIVIDEND POLICY

Subject to the satisfaction of the solvency test and to the Company's requirements in relation to working capital and capital expenditure, the Board would declare and pay dividends equal to at least thirty percent (30%) of IBL's Group Attributable Earnings excluding exceptional items in each of its financial years to be paid in two instalments (interim in December and final in June).

BOARD, DIRECTORS AND COMMITTEES

The Board consists of 11 Directors, 2 of whom are Executives.

The role of the Chairman and that of the Chief Executive are separate. The Chairman has no executive or management responsibilities and acts as Chairman of meetings of the Board and of shareholders.

The role of the Board is to set the Company's strategic targets and strategic decisions are made at that level. The Board ensures that the necessary financial and human resources are in place for the Company to meet its objectives and review management performance. The Board also sets the Company's values and standards and ensures that its obligations to its stakeholders are understood and met.

DIRECTORS' PROFILES

Nicolas Maigrot
Chief Executive Officer

Nicolas Maigrot joined Ireland Blyth Limited (IBL) in September 2010 as Deputy CEO and was appointed CEO of the IBL Group on 1st January 2011. He holds a BSc in Management Sciences from the London School of Economics and has a wide experience in the manufacturing field, specifically the textile industry, both locally and internationally. Nicolas Maigrot is a Director of Mauritian Eagle Insurance Company Limited. He does not hold any other directorship in listed companies in Mauritius.

Christian de Juniac, MBA
Independent Non-Executive Director

Christian de Juniac is of French nationality. He has spent most of his working life in international surroundings. He studied at Cambridge in UK followed by an MBA at Harvard University. He is a Barrister-at-Law and was with Boston Consulting Group for 28 years, based mostly in the United States, England, Holland and Switzerland. Christian de Juniac knows IBL well, having been responsible for the Boston Consulting Group team (BCG) which set up a new strategy for our Group in 2006. During his career at BCG, Christian de Juniac specialized in financial services and mass distribution. Mr de Juniac holds no other directorships in listed companies in Mauritius.

Bertrand Hardy
Independent Non-Executive Director

Chairperson of Rentacolor (Mauritius) Ltd. Mr Hardy does not hold any other directorship in listed companies.

Corporate Governance Report

DIRECTORS' PROFILES (CONT'D)

Jason Harel
Independent Non-Executive Director

Jason Harel qualified as both a Chartered Accountant and Barrister-at-Law in England and Wales. He was an associate within the Banking and Finance department of Denton Wilde Sapte in London from 2000 to 2005 specializing in structure trade and project finance in addition to workout transaction. Prior to this he completed his pupilage with the UK leading tax chambers, Gray's Inn Tax Chambers and trained as a Chartered Accountant with Kingston Smith in London. Upon his return to Mauritius, Jason Harel is a co-founder and partner of BLC Chambers which is today ranked by both Global Chambers and International Financial Law Review as being a 1st tier business law practice in Mauritius. He has worked on a number of large banking, real estate and M&A transactions in Mauritius and elsewhere. Mr Harel does not hold any other directorship in listed companies.

Arnaud Lagesse
Non-Executive Director

Arnaud Lagesse, born in 1968, holds a "Maîtrise de Gestion" from the University of Aix-Marseille III, France and is a graduate of "Institute Supérieur de Gestion", France. He also completed an Executive Education Program at INSEAD, Fontainebleau, France, and an Advanced Management Program (AMP180) at Harvard Business School, Boston, USA.

He joined GML in 1995 as the Finance and Administrative Director before becoming its Chief Executive Officer in August 2005. He also participated in the National Corporate Governance Committee as a member of the Board of Directors' subcommittee. He is a member of the Board of Directors of several of the country's major companies and is the Chairman of Lux Island Resorts Ltd, Mauritius Stationery Manufacturers Limited, Robert Le Maire Limited and AfrAsia Bank Limited, amongst others. Arnaud Lagesse sits on the boards of 10 companies listed on the Stock Exchange of Mauritius. He is an ex-President of the Mauritius Chamber of Agriculture, the Mauritius Sugar Producers' Association and the Sugar Industry Pension Fund. Arnaud Lagesse is also a member of the Audit Committees of various companies.

J. Cyril Lagesse
Non-Executive Director

Chairperson of the Company on a number of occasions. Cyril Lagesse is a well-known entrepreneur. He took over his father's business in 1969 (Mon Loisir S.E.) and set up the "Compagnie d'Investissement et de Developpement Ltée" in the early 1970's, to take advantage of the diverse investment opportunities that arose while Mauritius moved towards greater industrialisation. Since then, the Mon Loisir Group has grown in size and is now the major shareholder of several of the country's most prestigious companies, 6 of which are listed on the Stock Exchange of Mauritius.

Thierry Lagesse
Non-Executive Chairman

Thierry Lagesse holds a "Maîtrise en Sciences et Gestion" from the University of Paris Dauphine. He is the Founder and Executive Chairman of the Palmar group of Companies, an international textile and garment manufacturing group. He is also the promoter of both Companhia de Sena, a sugar processing and refining factory in Mozambique and Parabole Reunion SA, a Direct to Home Satellite TV company in the media and communication fields across the islands of the Indian Ocean. Thierry Lagesse chairs GML, the latter being the holding company of IBL.

He is the Chairman of Altéo Limited, Phoenix Beverages Ltd, Phoenix Investment Company Limited, The United Basalt Products Ltd, Union Flacq Ltd and Deep River Beau Champ Ltd and a Director of several other companies, 9 of which are listed on the Stock Exchange of Mauritius.

Gaetan Lan Hun Kuen, FCA
Executive Director

Joined IBL in 1977 as Financial Controller of Shipping and became Group Financial Controller in 1986. Chief Executive Officer of Mauritian Eagle Insurance Company Limited for the period 2001 to 2004 and Head of Finance for the IBL Group from 2005 to date. Chairman of The Stock Exchange of Mauritius Ltd, Director of Mauritian Eagle Insurance Company Limited and Central Depository & Settlement Ltd, Gaetan Lan is the Chief Finance Officer of IBL. Mr Lan does not hold any other directorship in listed companies.

Jean Ribet, B. Com, CA (SA)
Non-Executive Director

Group Chief Executive Officer of Constance. Jean Ribet is a member of the South African Institute of Chartered Accountants and holds a Bachelor of Commerce degree. He worked with Arthur Young Chartered Accountants and Fairheads Trust Company Limited in South Africa before joining the Constance Group as Group Financial Controller in 1991. He was appointed Group Chief Executive Officer in 2004. He was President of the Mauritius Chamber of Agriculture for the period 2007-2008. He is a Director of 5 listed companies in Mauritius.

Louis Rivalland, B.Sc. (Hons.) (SA), F.I.A. (UK), F.A.S. (SA)
Non-Executive Director

Group Chief Executive, Swan Group and The Anglo-Mauritius Assurance Society Ltd. Louis Rivalland holds a Bachelor's degree in Actuarial Science and Statistics and is a Fellow of the Institute of Actuaries of the United Kingdom. Previously President of the Joint Economic Council, a member of the Financial Services Consultative Council and former President of the Insurers' Association of Mauritius. He is a Director of several companies, 12 of which are listed on the Stock Exchange of Mauritius.

Michel Guy Rivalland
Non-Executive Director

Chief Executive Officer of AXYS Group. Michel Guy Rivalland is a graduate in Economics. He joined AXYS in 1999 and became a Director and shareholder in 2002. AXYS operates in the offshore, asset management, stockbroking, investment and asset financing sector. Michel Guy Rivalland is also the co-founder and Executive Chairman of the Island Fertilizers Group, the largest fertilizer operator in the region. Mr Michel Guy Rivalland is a Director of 3 other listed companies.

Corporate Governance Report

DIRECTORS' INTERESTS IN SHARES

At 30 June 2012, the Directors' Interests in the shares of the Company were:

	No. of shares held at 30 June 2012	
	Direct	Indirect
DE JUNIAC Christian	Nil	Nil
HARDY Bertrand	175,481	Nil
HAREL Jason	Nil	Nil
LAGESSE Arnaud	Nil	Nil
LAGESSE J Cyril	14,773	1,000
LAGESSE Thierry	3,300	Nil
LAN HUN KUEN Gaetan	5,410	Nil
MAIGROT Nicolas	Nil	Nil
RIBET Jean	Nil	279,910
RIVALLAND Louis	4,400	Nil
RIVALLAND Michel Guy	Nil	Nil

The Directors are fully aware and follow the principles of the Model Code of Securities Transactions by Directors, as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules.

No Director dealt in Company shares during the period under review.

PROFILE OF SENIOR MANAGEMENT TEAM

Danny Ah Chong
General Manager – Logistics, Aviation & Shipping

Danny Ah Chong graduated at the University of Cape Town with a BSc in Mathematics and Computer Science and completed an MBA at the University of Toronto.

Before joining IBL 17 years ago, he worked as a Sales and Systems Engineer with Happy World Computers and as a Business Analyst with Esso Petroleum Canada. He has held various managerial positions within various sectors of IBL, namely Domestic Appliances, Logidis, Somatrans SDV, among others. This resulted in exposure to a wide field of activities.

Today Danny Ah Chong is in charge of the Logistics, Aviation & Shipping Sector, which comprises some 35 companies and departments both locally and regionally.

André Chung Shui
Managing Director – Mauritian Eagle Insurance

André Chung Shui was appointed Managing Director of Mauritian Eagle Insurance Company Limited on 1 July 2011. He is a Chartered Accountant of the Institute of Chartered Accountants in England & Wales and is a Graduate of the London School of Economics. Before joining the Group, André Chung Shui was with the Happy World Group. He is a Director of the Stock Exchange of Mauritius Ltd.

François Desmarais, Sc. Po, PMD
Chief Operating Officer – Property Management, Projects & Services

François Desmarais joined the Company in 1979 as Coordinator of the Commercial Division and subsequently became the Executive Director in charge of the Commercial Division. He was appointed Senior Executive of Large Projects, Services & Property Management. Since January 2007, he is dedicated to the development of the Group's properties.

Gaetan Lan Hun Kuen, FCA
Chief Finance Officer

Gaetan Lan Hun Kuen joined in 1977 as Financial Controller of Shipping and became Group Financial Controller in 1986. Chief Executive Officer of Mauritian Eagle Insurance Company Limited for the period 2001 to 2004 and Head of Finance for the IBL Group from 2005 to date. Director of Mauritian Eagle Insurance Company Limited and Central Depository & Settlement Ltd. He is the Chairman of The Stock Exchange of Mauritius Ltd.

Nicolas Maigrot
Chief Executive Officer

Nicolas Maigrot joined the Group in September 2010 as Deputy CEO and was appointed CEO of the IBL Group on 1st January 2011. He holds a BSc in Management Sciences from the London School of Economics and has a wide experience in the manufacturing field, specifically the textile industry, both locally and internationally. He is a Director of Mauritian Eagle Insurance Company Limited.

Fabrizio Merlo, B.Com, MBA
Chief Operating Officer - Engineering & Commerce

Fabrizio Merlo joined in 1997 as Managing Director of Manser Saxon Contracting Ltd. In 2005, he became Senior Executive for Contracting and Agriculture & Construction. He has been responsible for Scomat Limitée since 2006 and was the COO of Logistics, Engineering & Commerce Sector from January 2007. As from January 2011, Mr Merlo is the COO of the Commerce Sector and the Engineering Sector.

PROFILE OF SENIOR MANAGEMENT TEAM (CONT'D)

Nicolas Merven, Diplôme Universitaire de Technologie
Chief Operating Officer – Retail

Nicolas Merven joined in 1994 as Manager to launch the Winner's chain of supermarkets. For 10 years, he was the Senior Executive of the Food and Distribution Business Unit. Since January 2007, Nicolas Merven has been responsible for the implementation of an important development plan for the chain of supermarkets which now comprises 19 units.

Simon-Pierre Rey, BA (Hons.) Econ., ACA
Chief Operating Officer – Corporate Services

Simon-Pierre Rey joined in 1986 as Financial Controller – Tourism and was Finance Director of the Group from 1989 to 2005. Cumulated the position of Company Secretary from 1997 to 2005. As from January 2007, Simon-Pierre Rey is responsible for Legal & Secretarial, Human Resources, Communication and IT. He is a Director of Mauritian Eagle Insurance Company Limited.

Patrice Robert
General Manager - Seafood

Patrice Robert has a Bachelor in Engineering from the University of Portsmouth and an MBA from the University of Chicago Graduate School of Business. He worked for 10 years in Singapore. He was a consultant in Supply Chain and Strategy with Accenture, then took employment with DHL and in his last position was Vice President for the service parts logistics business unit. In 2008, he returned to Mauritius and was appointed General Manager at Thon des Mascareignes. In early 2011, Patrice Robert was appointed General Manager for the Seafood Sector.

Jean-Luc Wilain
Chief Operating Officer – Business Development

Jean-Luc Wilain graduated from the Ecole Nationale Supérieur des Mines and obtained a diploma in Advanced Management Programme from l'Ecole de Management, Lyon, France. Before joining IBL in May 2011, he worked in several countries in various fields, namely re-engineering, IT, sales and marketing as well as manufacturing. He has the responsibility of developing strategies for the Group, as well as implementing new projects.

Jimmy Wong Yuen Tien, FCA
Managing Director - DTOS

Jimmy Wong Yuen Tien is a Fellow of the Institute of Chartered Accountants in England & Wales. He has been working in the Global Business industry in Mauritius for the past eighteen years. He joined IBL in 2003 as a Director of DTOS Ltd. He was appointed Managing Director of DTOS Ltd in January 2005. He is a member of the Society of Trust and Estate Practitioners.

RELATED PARTY TRANSACTIONS

Please refer to Note 31 of the Financial Statements of the Company.

BOARD ATTENDANCE

The Board meets regularly and at such ad hoc times as may be required.

Members of Senior Management are invited to attend Board Meetings to facilitate communication between the Executive Management and Non-Executive Board Members.

	Category	Board Meeting	Audit & Risk Committee	Corporate Governance Committee
No. of Meetings from July 2011 to June 2012		4	4	4
DE JUNIAC, Christian	Independent Non-Executive	4		4
HARDY, Bertrand	Independent Non- Executive	4	4	
HAREL, Jason	Independent Non- Executive	3	3	
LAGESSE, Arnaud	Non-Executive	4		4
LAGESSE, J Cyril	Non-Executive	4		
LAGESSE, Thierry	Non-Executive Chairman	4		4
LAN HUN KUEN, Gaetan	Executive	4		
MAIGROT, Nicolas	Chief Executive	4		
RIBET, Jean	Non-Executive	4	3	3
RIVALLAND, Louis	Non-Executive	4	3	
RIVALLAND, Michel Guy	Non-Executive	3		

NON-EXECUTIVE DIRECTORS' REMUNERATION

The table below shows the Non-Executive Directors' remuneration:

Fixed remuneration	Rs13,000	per month per Director
Attendance fee for Board/ Corporate Governance/Audit	Rs20,000	per attendance per Director
Chairman of the above Committees	Rs40,000	per attendance

Corporate Governance Report

DIRECTORS' REMUNERATION AND BENEFITS

	Year ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000
Emoluments paid by the Company and related corporations to:		
• Directors of Ireland Blyth Limited		
Executive	30,564	32,577
Non-Executive	4,034	3,600
• Directors of subsidiary companies (excluding those who are also Directors of Ireland Blyth Limited)		
Executive	122,392	114,817
Non-Executive	1,524	1,065

The Directors' remuneration is disclosed by category in view of the confidentiality and sensitivity of the information.

BOARD COMMITTEES

Audit & Risk Committee

The members of the Audit & Risk Committee are Messrs Jason Harel (Chairman), Bertrand Hardy, Jean Ribet and Louis Rivalland.

The principal function of the Audit & Risk Management Committee is to oversee the financial reporting process. The activities of the Audit Committee include regular reviews and monitoring of the effectiveness of the Company's financial reporting and internal control policies and risk management systems, the effectiveness of the internal audit function, the independence of the external audit process and assessment of the external auditor's performance, the remuneration of external auditors, and to ensure compliance with laws and regulations relevant to financial reporting and with our internal code of business conduct. During year ended 30 June 2012, the Committee met four times.

The members of the Committee have scrutinized and communicated their views on all Financial Reports prior to publication, the Audited Financial Statements, as well as reports from the Internal and External Auditors.

Corporate Governance Committee (including Remuneration)

The members of the Corporate Governance Committee are Messrs Christian de Juniac (Chairman), Arnaud Lagesse, Thierry Lagesse and Jean Ribet.

The main function of the Corporate Governance Committee is to provide guidance to the Board on aspects of corporate governance and for recommending the adoption of policies and best practices as appropriate for the Company.

The Committee meets on a quarterly basis. During year ended June 2012, the Committee met four times. The Chief Executive attends the meetings of this Committee by invitation.

REMUNERATION PHILOSOPHY

The Corporate Governance Committee is also responsible for remuneration and nomination matters. The remuneration philosophy is to ensure that Senior Management are appropriately rewarded for their individual and joint contribution to the Group's results, whilst also having due regard to market conditions, the interest of the shareholders and to the financial and commercial wellbeing of the Group.

The Company strongly believes that the achievements and merits of high performing employees should be recognized and rewarded. The Human Resources department is delegated with the responsibility of determining managers' and employees' remuneration and benefits. This is reviewed annually after taking into consideration market conditions and practices as well as the performances and responsibilities of the employees.

KEY RISK AREAS

The Directors have overall responsibility for risk management. The Group is exposed by the nature of its business to a variety of risks, notably:

Financial Risks

These are outlined in Note 32 of the Financial Statements.

Operational Risks

Operational risk is that of loss arising from a breakdown in systems, human resources or internal processes.

The Group maintains a comprehensive insurance cover for all its properties against material damages, breakdown, loss of business and public liability.

The Group's cover is reviewed annually in collaboration with a professional insurance adviser.

Business Continuation Plan - IT

A BCP Guide is in place. The aim of this Guide is to develop a structured and coherent framework in order to assist the organisation to recover as quickly and as effectively as possible from any unforeseen disaster or emergency with minimized business interruption and impact.

Corporate Governance Report

MATERIAL CLAUSES OF THE COMPANY'S CONSTITUTION

The Company adopted a new constitution in June 2009. There are no clauses of the constitution deemed material enough for special disclosure.

SHARE OPTION PLAN

The Company does not have an employee share option plan.

DIRECTORS' SERVICE CONTRACTS

There are no service contracts between the Company and its Directors.

SIGNIFICANT CONTRACTS

In May 2010, GML Investissement Ltée (GML), The Anglo-Mauritius Assurance Society Ltd (AMAS) and Belle Mare Holding Ltd (BMH) entered into a Shareholders' Agreement.

GML, AMAS and BMH held together at that date 72.99% of the Share Capital of the Company.

The objective of such an agreement is to provide stability to the Company and promote the continuity of its management and policies.

The agreement takes into account the interests of all shareholders under the Companies Act 2001 and the principles of good corporate governance.

It makes provision for the management of the Company and lays down procedures for the administration and constitution of the Board, Committees thereof, dividend policy and pre-emptive rights concerning disposal of shares.

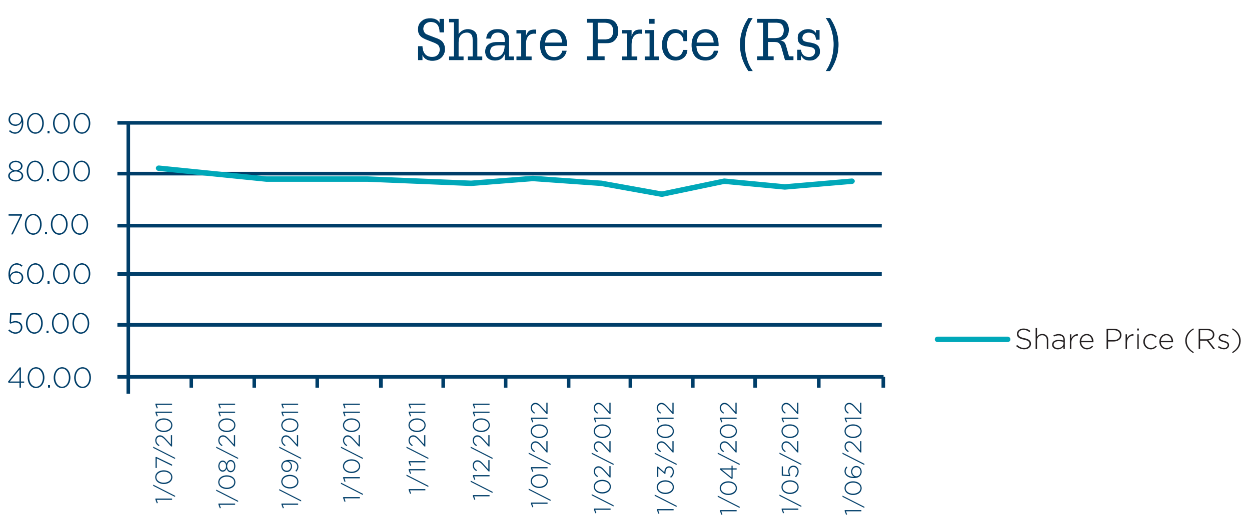
In February 2012, the Company entered into a management services agreement with GML Management Ltée (GMLM). The services provided include, inter alia, corporate and investment strategy, advisory support services bringing industry specific expertise. In return for these services, the Company pays Rs10M to GMLM.

No other contracts of significance subsisted during the period under review between the Company, its subsidiaries and any Director or controlling shareholder of the Company, either directly or indirectly.

SHAREHOLDERS' CALENDAR

Financial Year End	June
Annual Meeting of Shareholders	December 2012
Publication of Financial Statements:	
First Quarter ended 30 September	November
Second Quarter ended 31 December	February
Third Quarter ended 31 March	May
Dividends:	
Declaration	May & November
Payment	June & December

SHARE PRICE INFORMATION



Corporate Governance Report

SHAREHOLDING PROFILE

Ownership of ordinary share capital as at 30 June 2012 was as follows:

Number of Shareholders	Size of Shareholding	Number of Shares Owned	% Holding
6,828	1- 500 shares	933,492	1.31%
1,286	501 - 1000 shares	1,162,684	1.63%
1,740	1,001 - 5,000 shares	3,118,001	4.36%
157	5,001 - 10,000 shares	1,091,951	1.53%
185	10,001 - 50,000 shares	3,732,562	5.22%
26	50,001 - 100,000 shares	1,683,864	2.36%
29	100,001 + shares	59,715,779	83.59%
10,251		71,438,333	100.00%

Number of Shareholders	Type of Shareholding	Number of Shares Owned	% Holding
9,863	Individuals	10,122,106	14.7%
15	Insurance and Assurance Companies	11,042,062	15.46%
40	Pensions and Provident Funds	2,827,654	3.96%
53	Investment and Trust Companies	44,973,281	62.95%
280	Other Corporate Bodies	2,473,230	3.46%
10,251		71,438,333	100.00%

CODE OF ETHICS

The Company is committed to a policy for fair, honest dealing and integrity in the conduct of its business. This commitment, which is actively endorsed by the Board, is based on a fundamental belief that business should be conducted honestly, fairly and legally. The Company expects all employees to share its commitment to high moral, ethical and legal standards.

ENERGY MANAGEMENT AND SUSTAINABLE DEVELOPMENT

Sustainable Development

IBL has always attached considerable importance to all aspects of environmental protection. Environmental awareness is inculcated in our employees right from their induction programme when joining the Company. Our Environment Chart is here to remind us of our role and responsibility towards future generations through sustainable development.

During the past year, IBL has strengthened its commitment to the national project 'Maurice Ile Durable' by setting up the IBL Green Committee. Our main green initiative was the adoption of two acres of native forest at Pétrin where guava and pine trees were removed and replaced by endemic plants in collaboration with the National Parks and Conservation Service, Ministry of Agro-Industry and Food Safety.

Apart from the regular publication of an E-newsletter, " IBL Green News ", employees were further sensitized on energy-saving measures through the display of a sticker " Please Switch me Off " on every electrical or electronic piece of office equipment. They have also been encouraged to use air-conditioning systems to a minimum in offices.

Please switch me off!

The Company has already introduced the rainwater harvesting system in new building projects and this facility will be considered when existing buildings are refurbished.

HEALTH AND SAFETY POLICY

The Company believes in providing and maintaining a healthy and safe work environment for all employees. A health and safety policy has been designed to:

- Ensure that the occupational health and safety legal provisions are adhered to;
- Optimize work efficiency;
- Prevent accidents and eliminate work hazards;
- Promote and maintain safety standards;
- Create awareness.

CORPORATE SOCIAL RESPONSIBILITY

IBL Foundation contributes to national projects, particularly with regard to underprivileged children, with projects in the different areas of intervention defined as per CSR guidelines: socio-economic development including alleviation of poverty; sport & leisure; environment; education & training. We have responsibility for one of the EAP clusters (Eradication of Absolute Poverty), namely Anoska.

The IBL Foundation CSR Committee has also developed numerous micro projects focusing on education, health and sports for underprivileged children.

Corporate Governance Report

DONATIONS

	THE GROUP		THE COMPANY	
	Year Ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000	**Year Ended 30 June 2012 Rs'000**	Year ended 30 June 2011 Rs'000
• Political	-	110	-	-
• Others	17,119	16,467	5,890	5,248

Simon-Pierre Rey
Secretary

28 September 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors acknowledge their responsibilities for:

a. Adequate accounting records and maintenance of effective internal control systems;

b. The preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the cash flows for that period and which comply with International Financial Reporting Standards (IFRS);

c. The use of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

a. Adequate accounting records and an effective system of internal controls and risk management have been maintained;

b. Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

c. International Financial Reporting Standards have been adhered to. Any departure has been disclosed, explained and quantified;

d. The Code of Corporate Governance has been adhered to in all material aspects and reasons provided for non-compliance.

On behalf of the Board

Thierry Lagesse
Director

Nicolas Maigrot
Director

28 September 2012

Corporate Social Responsibility Report

Corporate Social Responsibility Report

This report covers IBL Foundation's last financial year, from July 2011 to June 2012.

IBL Foundation, established at the end of October 2009, with the motto **I**nitiatives for a **B**etter **L**ife, was officially launched on 18 November 2009. IBL Foundation acts as a private company limited by guarantee, with charitable objectives.

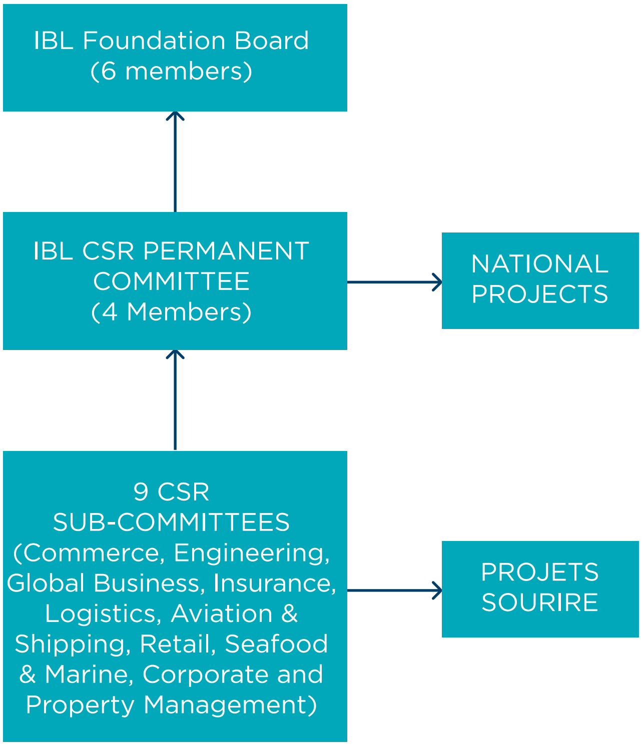
MISSION

*"As an organisation committed to social responsibility and charitable objectives, the **IBL Foundation** makes good use of its resources in a transparent way in order to give Mauritian children the opportunity to grow and develop within a safe and protected environment, as well as providing them with the necessary tools to face the economic challenges of tomorrow."*

IBL Foundation's main focus is vulnerable children.

ORGANISATIONAL STRUCTURE

In order to support our Mission, an organisational structure under the chairmanship of Nicolas Merven, COO of IBL Retail, has been put in place (see diagram below):



Each member of the IBL CSR Committee represents one of our principal activities and leads a CSR team.

IBL Foundation focuses on two main spheres of CSR:

1) The first, under the Permanent Committee's responsibility, deals with **large national projects** that reach a maximum of vulnerable children, on a middle to long-term basis.

2) The second, "Projet Sourire", encompasses more localised projects and is managed by IBL CSR Sub-Committees. "Projet Sourire" consists mostly of donations of materials and 'one-off' projects in regions where IBL is present or where our employees reside. One of the objectives of these projects is to encourage employees to become "CSR volunteers".

Our team goes into the field, meets the relevant NGOs or Corporate Partners and evaluates the specific needs of every project. All projects are closely monitored and followed-up.

REVIEW OF ACTIVITIES

From July 2011 to June 2012, IBL Foundation managed more than 50 national projects.

We continued to collaborate with NGO's like *APEIM, ANFEN* and some of its schools, *Association Mauricienne de la Lecture, CARITAS, Centre de Formation pour Educateurs, Junior Achievement Mascareignes, SOS Village, Ti'Diam, TIPA, SAFIRE, Mauritian Wildlife Foundation* for a children's awareness programme for the protection of the environment, and ZEP School Serge Coutet in Baie du Tombeau.

Around 10 new projects also obtained our support in 2011-2012: *Centre d'Écoute de Surinam, Trevor Huddleston Association for the Disabled in Rodrigues, SRL Cancer Trust, Muscular Dystrophy Association, Haemophilia Patients and Parents Support Group, Club Maurice, Forena* and *Centre Technique de Montfort.*

IBL Foundation is also active in the **Eradication of Absolute Poverty Programme (EAP)** in a joint venture with the National Empowerment Foundation at Anoska. A number of projects, in collaboration with local NGOs (*Ti Rayon Soleil, Commission Solidarité & Justice, SIDINA*), have been completed or are on-going:

- A life skills training programme in hairdressing, sewing and cooking for the women of the village. The programme is held at the "Centre de Formation" and takes place over several months. The women receive a diploma which can help them find employment;
- A health education programme for the women of the village;
- A literacy programme for those children identified as unable to read or write;
- An introduction to photography programme for young children. This culminated in an exhibition at Caudan and the publication of a book of their photos. A number of outings were organised, enabling the children to discover new areas of their country;
- A Street Football programme.

In partnership with the *Ombudsperson for Children's Office*, a DVD entitled "Paran Zordi Zour", was published and distributed to NGOs and schools in Mauritius and Rodrigues. This short film is about alternatives to violence in education. It is the successful outcome of a close collaboration between the Office of the *Ombudsperson for Children* and IBL Foundation which commissioned *Caméléon Production*.

In collaboration with the Municipality of Port Louis, IBL Foundation also financed the renovation of the old quarantine area of Roche Bois (9203 m^2) into a leisure park which also includes sporting facilities.

In a spirit of national solidarity, IBL Foundation contributed to *Club Maurice* for the training of young athletes for the *Jeux des Iles de l'Océan Indien*.

Corporate Social Responsibility Report

IBL's CSR investment in Mauritius during 2011-12, can be summarised as follows:

SUMMARY FOR 2011-2012

JANUARY 2011 TO JUNE 2012	
AMOUNT SPENT (administration costs not included)	Rs 13,179,097
AREA OF INTERVENTION	1) Socio-Economic Development = Rs 3,062,367 2) Education & Training = Rs 4,518,480 3) Leisure & Sports = Rs 1,094,675 4) Environment = Rs 615,000 5) Health = Rs 642,585 National Programmes: 1) ZEP Schools = Rs 396,863 2) Eradicate Absolute Poverty Programme (Anoska) = Rs 919,146 Corporate Programmes: Rs 1,929,981
NUMBER OF NATIONAL PROJECTS	55
NUMBER OF "PROJET SOURIRE"	71
NUMBER OF BENEFICIARIES (CHILDREN)	62,304

Note: For an overview of "Projet Sourire" and national projects, please refer to our website www.iblgroup.com/iblfoundation.

PROSPECTS

IBL Foundation will continue to focus on the well-being of Mauritian children, particularly the vulnerable. The 2012-2013 budget is around Rs8M.

However, as well as maintaining our financial support to those NGOs which we have supported for a number of years, we will continue to:

- Prioritise our input at Anoska;
- Support important food programmes such as those with Caritas in the regions of Roche Bois, Tranquebar, Pailles, Riche Terre, Bois Marchand, Sainte Croix, Cassis and l'Ecole ZEP Serge Coutet.

We also propose to set up a nursery programme for employees' children, a project now permitted under CSR guidelines. The project is currently being analysed, with implementation envisaged for January 2013.

APPRECIATION

We would like to convey our sincere thanks and appreciation to the IBL Foundation team for their continuous commitment, support, hard work and dedication to achieving IBL Foundation's mission. A special vote of thanks goes to the Tax Department for their help.

We would also like to thank all IBL volunteers who have worked with the Permanent Committee for their contribution during 2011-12. Their dedication to vulnerable children is remarkable. Thanks to their efforts, thousands of underprivileged children enjoyed a moment of happiness in 2011-12.

Nicolas Merven
Chairman
IBL Foundation

Cécile Henry
Senior Manager
Communication & CSR

Chief Executive's Review

Chief Executive's Review

Dear Shareholder,

I am pleased to present you the results of various sectors of the Group for the year ended 30 June 2012.

	Group Turnover		Group Profit from Operations	
	2012	2011	2012	2011
	Rs M		Rs M	
Commerce	2,851	2,633	194	186
Engineering	2,822	3,028	207	277
Financial Services	1,625	1,454	186	125
Logistics, Aviation & Shipping	690	644	88	79
Retail*	4,559	4,105	90	89
Seafood & Marine	4,960	3,925	336	344
Corporate Services & others	6	6	(83)	(123)
	17,513	15,795	1,018	977
Share of Associated Companies			98	112

*including properties where Winner's operates (IBL Properties).

During the year under review, there has not been any change in the Senior Management of the Group.

As far as the results are concerned, the Group turnover has exceeded the Rs17 Billion mark, which represents an 11% increase on the corresponding period last year. All sectors, except Engineering, have shown a growth in turnover, ranging from 7% in Logistics, Aviation, & Shipping to 26% in Seafood & Marine.

In terms of operating profits, there has been an increase of 4%, from Rs977M to Rs1018M. A detailed review of the operations and a financial overview is to be found in the Annual Report.

The Commerce Sector had a growth of 8% in turn-over and 4% in EBIT.

The Engineering Sector registered a drop of 7% in turnover and 25% in EBIT.

The Financial Services Sector showed a growth of 12% in turnover and a 49% growth in EBIT. This major growth in EBIT was due to provision for asset impairment in the last financial year.

The Logistics, Aviation & Shipping Sector had a 7% growth in turnover coupled with a 10% growth in EBIT.

The Retail Sector had an 11% growth in turnover and a stable EBIT. The 19th Winner's supermarket opened successfully in October 2011. Two new units are planned, one in St. Pierre (to replace the existing one) in Kendra Centre, which is due to open in October 2012 and the 20th unit at Boulet Rouge in the Flacq Shopping Mall, scheduled for November 2012.

In June 2012, Shophold (Mauritius) Ltd became a 49% shareholder in Winhold Ltd, the holding company of Pick and Buy Limited (Winner's supermarkets) and IBL Properties Limited (the property development arm of Winner's). This arose as a result of the redemption of preference shares and a further injection of capital.

As a result of the above transactions, Ireland Blyth Ltd will own 51% of Winhold Limited and retain the control and management of Pick and Buy Limited and IBL Properties Limited.

The Seafood & Marine Sector showed a 26% increase in turnover but a stable EBIT compared to last year.

The increase in turnover was due to the consolidation as a subsidiary (60%) of Chantier Naval de l'Océan Indien.

We have also invested in a joint venture in a biotechnology company with objectives to improve the quality of our fishmeal and fish oil and to use this platform to expand outside Mauritius.

Major efforts have been made to improve the productivity and efficiency of Thon des Mascareignes Ltée.

Senior management has elaborated a new Vision, Mission and Values which have been cascaded through the Group. These are to be found on page 4 of the Annual Report.

Together with the rebranding exercise and the 40th anniversary of IBL, we are ready to face the challenges that lie ahead of us, given the global economic instability which is affecting the domestic market.

We are looking at opportunities to go beyond boundaries and have concluded a joint venture in Uganda in a meat processing company.

My appreciation goes to all the volunteers who contribute to make IBL Foundation a success.

My thanks also go to the management and employees of the Group for their hard work during the past year.

Nicolas Maigrot
Chief Executive Officer

Chief Finance Officer's Review

Chief Finance Officer's Review

- **Gaetan Lan Hun Kuen** – *Chief Finance Officer*
  - **Derek Wong Wan Po** – *Group Finance Manager*
    - **Philippe Danré** – *Group Credit Controller*
    - **Djilani Hisaindee** – *Group Taxation Manager*
    - **Kersley Hong Lin** – *Head Office Accountant*
    - **Dany Wong Haw Hiang** – *Senior Manager Corporate Treasury*

Thanks to support from our customers, IBL posted satisfactory financial growth and profits for the financial year ended 30 June 2012. Although trading conditions remained difficult throughout the year, the Group's turnover peaked to an all-time high of Rs18 Billion, with profit from operations exceeding the Rs1 Billion mark for the first time.

Our financial strength and unrelenting focus on growth strategy have been critical components to the achievement of these results. The quality of our integrated accounting system and the disciplined adherence to our financial policies, supported by a highly skilled accounting workforce, have certainly been of assistance to management in their performance.

Through its diversification, the Group has managed to weather the prevailing challenging conditions and continued to show positive results for the benefit of its many stakeholders. Shareholders' Equity was up by 15 % to exceed Rs4 Billion and shares are constantly being traded at a premium in excess of 30 % over Net Asset Value.

One key indicator of our financial soundness is the debt to equity ratio which is followed very closely. The cash generated from the disposal of a minority stake in the retail chain of supermarkets, together with an effective monitoring of our fund requirement, contributed to the notable improvement of this indicator from 120% to 92% for this financial year.

Other avenues are being prospected to diversify our fund procurement channels to further strengthen our financial base which will contribute importantly to our future investments and business activities going forward.

The Group will continue to make strategic capital investments to drive growth while maintaining its financial soundness. In this respect, a footprint has already been set in Eastern Africa whilst other opportunities are being explored on the continent. Besides continually supporting our traditional business operations, investments have also been made in the development of innovative products which would be of contribution for the future.

Our success has been dependent on our ability to motivate and retain talented managers and professionals and in the recruitment of new ones, supported in their duties by dedicated teams sharing the same enthusiasm. Consequently we would like to thank all employees for their hard work, determination and commitment.

Gaetan Lan Hun Kuen
Chief Finance Officer

Corporate Services Review

MANAGEMENT TEAM

- **Simon-Pierre Rey** – *Chief Operating Officer*
  - **Doris Dardanne** – *Assistant Company Secretary Legal & Secretarial*
  - **Sylvette Godère** – *General Manager Human Resources*
  - **Sareeta Goundan** – *General Manager Information Technology*
  - **Cécile Henry** – *Senior Manager Communication & CSR*

The mission of Corporate Services is to provide professional services to internal customers within the Group in the fields of:

- Legal & Secretarial
- Human Resources
- Information Technology
- Communication & Corporate Social Responsibilities

Legal & Secretarial

All legal and secretarial duties for about 100 Group companies, including two quoted companies on the Stock Exchange of Mauritius, have been performed satisfactorily during the year under review.

Human Resources (HRCU)

The HRCU mission has remained the same as last year:

- To formulate and drive HR initiatives and objectives for the Group and to coordinate their implementation;
- To define and implement Group HR strategies, policies and procedures in line with local legislation and regulations;
- To ensure optimisation of our human capital and cohesion as a Group;
- To provide maximum service and support to the sectors and help management achieve its business objectives;
- To review, assess and streamline current HR practices for functionality and efficiency.

Please refer to the activities and projects contained in the report of Mrs Sylvette Godère, General Manager HR.

Information Technology (IT)

Similarly, IT's role has remained the same as last year:

- IT Strategic Planning;
- Technology Selection & Acquisition;
- IT Consultancy Services;
- Capacity Planning/Forecasting;
- Management of all IT Infrastructures, Data Centre, Disaster Recovery Centre, IT systems & IT Services;
- Systems Management, Administration & Support;
- Designing & Providing Turnkey Solutions;
- Technical Support & Training;
- Business Continuity Planning;
- Information Security Management;
- IT Procurement – Hardware, Software, Licences, Consumables;
- Systems Implementation;
- Network Management – LAN/WAN, Cabling infrastructures, Telephony Services;
- Provision of Web Services;
- Project Management.

For a more detailed review of activities and projects, please refer to Mrs Sareeta Goundan's report, General Manager IT.

Communication & CSR

The Communication & CSR department's objective is to enhance the corporate image of the Group and to develop, promote and implement a CSR strategy, through IBL Foundation, in accordance with the statutory CSR guidelines.

The unit has been active in the following projects:

- IBL branding
- 40 years' anniversary of IBL
- E-communication strategy and new website
- PR and media relations

For a more detailed review of these activities and prospects, please refer to Mrs Cécile Henry's report, Senior Manager, Communication & CSR.

APPRECIATION

I would like to place on record my sincere thanks to the management and staff of the unit for their hard work and dedication during the past year.

Simon-Pierre Rey
Chief Operating Officer

Corporate Services

Human Resources Corporate Unit

During this financial year, IBL continued to reinforce its traditional position as one of the **preferred employers** on the local labour market, as demonstrated in the Survey conducted this current year. Despite the uncertain prevailing economic environment, IBL is fully conscious of its key socio-economic role to take innovative measures for business sustainability and development, recruit the best talent and at the same time preserve the best interests of its large workforce, totalling 7,500 employees.

REVIEW OF ACTIVITIES

The Human Resources Corporate Unit reviewed its diverse roles during early 2012 to further consolidate its position and functions as a business partner to the six sectors of the Group, providing the right expertise, support and guidance to management and the operational HR Managers as well as upholding the IBL culture across the Group.

HR initiatives

In view of the above, and in line with new local legislation, a series of HR actions and initiatives was thus conducted across the Group during the past year, namely:

- In order to build a flexible workforce and to adapt to new business environments and work life balance exigencies, some sectors like Logistics, Aviation & Shipping, have started to implement the "**Working from Home**" model. In view of the positive results, this modern way of working will be encouraged for some positions and closely monitored.
- IBL sectors aligned themselves to government policy and recruited a number of disabled people who were revealed to be motivated individuals eager to contribute in their own way.

Learning & Development

A total of Rs14M was invested in Learning & Development during the past year, including Training & Development activities for employees as well as **scholarships** offered to children of employees.

The main highlights were as follows:

- Strategic Vision workshops for both IBL Senior Management team and Sectorial management teams were conducted in late 2011 and early 2012 to determine the new Group and Sectors strategic Vision, Mission and Values. Awareness sessions have been carried out in several sectors to cascade down the new strategy.
- To maintain business competitiveness, attendance in Sales, Marketing and Customer Service forums soared across the Group during first semester 2012, namely: Kotler Marketing Conference for Management & Sales people, tailor-made Customer Care courses and Optimising Sales training.
- A **management conference** run by internet expert Soudoplatoff was held in April to raise awareness of the importance of internet tools and to encourage IBL businesses to optimise this modern way of communication with internal and external customers and partners.
- Continuous learning for HR Managers remained one of HR priorities and several presentations were organized related to **HR development** and specific operational topics.
- A new learning initiative was undertaken in early 2012 with LADOM and Tetranergy, one of IBL's training partners, in collaboration with IBL Biotechnology which took onboard a 3-D technician from Reunion for a 6-month period.
- IBL awarded a tertiary educational scholarship to 10 children of its employees in 2011.

Safety & Health

Recently, the enforcing authority has been promulgating a series of new regulations on Employees' lodging accommodation, Scaffolds, Noise at Work and Safety of Lifts. Management of respective sectors or operations have been made aware of these stringent legal provisions to be considered for all new projects, while providing and maintaining a safe and healthy working environment for our employees at existing premises. Difficulties and constraints on their compliance and implementation at department or operation levels have been addressed through the network of Safety & Health Officers working for the Group.

Health Screening
With the high incidence of diabetes in Mauritius, free blood tests were conducted for employees, mainly those located at Riche Terre. A few hundred IBL workers have been screened against this non-communicable disease. Positive cases have been given proper advice and referred to public health institutions for appropriate medical treatment. We have since instituted a system of health records for each employee following their recruitment by the Company.

L'Ibéloise

Following the customer survey conducted in April 2011 by DCDM Marketing, which showed global average satisfaction, l'Ibéloise embarked on a series of measures to further improve its products and services, namely: a monthly lunch reservation, an Express menu card, more dietary food, variety in menus and a paperless booking system. The management is working on another option to be closer to IBL work sites.

PROSPECTS

Many opportunities and challenges face the HRCU for the 2012/2013 period, namely:

- PaperTrail, a modern **Document Management System** will be introduced and implemented throughout HR departments to enable easy filing and access to HR documents and employees' records.
- As one of IBL 40th Anniversary events, a national **Road Safety & Security Week** will be organised in November.
- In line with the new Group strategy to go beyond boundaries, IBL Training Services will implement a **Webschool** to enable more and more employees to become IT conversant and web users and contribute to modernising IBL's communications.
- Learning & Development will be pursued for HRMs with a **Job Evaluation Workshop** to be conducted with Hay.
- **New HRDC regulations**, with reduced training refund, will encourage all sectors to rethink training initiatives and plan more cost-effective training programmes.
- The building of a light structure for **L'Ibéloise** at Riche Terre is being planned for early 2013 to better cater for the needs of the increasing number of IBL employees who are now located in this area and further away from Caudan.
- L'Ibéloise will be a wi-fi free zone this year to encourage employees to meet during lunch time.
- One of the objectives of **IBL Green Committee** for the coming year will be to produce a dash-board on the annual consumption on Electricity, Water and Paper.

APPRECIATION

I would like to thank heartily all the employees of the Human Resource Corporate Unit and the Human Resource Managers for their undivided support and dedication during the past year.

Sylvette Godère
General Manager

CSR "PROJET SOURIRE"

On several occasions during the past year, **HRCU team members** provided social and moral guidance and support and donated materials to the children and responsible persons of the following associations: Scouts Mont Roche, Petits Lutins Pre-primary school, Garderie Bob L'Eponge, and the Accompagnement Scolaire Pailles.

Corporate Services

Information Technology

REVIEW OF ACTIVITIES

2012 has been both a challenging and demanding year for the IT department, which has continued to play its role as the IT service provider for the Group. While the hypercompetitive environment is forcing businesses to find ways to adapt and innovate to survive and be profitable, the IT department is being faced with service level pressures that necessitate cost reductions yet greater operational efficiency.

Our commitment to adhere to best practices and industry standards and our initiatives for continuous improvement, have been maintained in order to leverage technology not only to meet operational requirements but to add value to the businesses.

Following audits conducted by SGS, the certification of our **Information Security Management System (ISMS)** and **Quality Management System (QMS)**, have been maintained. They have validated the compliance of our organisation with the ISO 27001 and ISO 9001:2008 international standards.

Our **Business Continuity Plan (BCP)** has been subject to end-to-end testing, the results of which have been used as opportunities to further enhance our BCP. The success and effectiveness of the BCP remain in the continuous testing and updating of the plan.

In collaboration with business operations, a number of different initiatives and projects have been implemented during the year under review.

- **Treasury Management System (TMS)** – A phase 2 of the existing TMS system has been initiated, the objective of which has been to cater for and automate new Forex Activities in line with the requirements of the Treasury Department. TMS is a fully in-house developed software, to manage all Treasury Activities and is integrated with the Group's Financial System.

- **Time Attendance System** – Our in-house developed Time Attendance System integrated with Visual Pay (Payroll Software) has been implemented at CNOI. This system automates data extracts from biometric devices, computation and integration with Payroll Application.

- The **Quotation Management System** used by Somatrans has been upgraded with enhanced features and new reporting facilities.

- **INFOR Performance Management System**, implemented across the Group, provides financial reporting capabilities to automate the generation, formatting and distribution of book-quality financial statements and management reports. The Financial Consolidation module will enable the Group to decrease cycle time and improve accuracy by automating the loading, consolidation and validation of data from multiple operations. The application also features built-in calculations for the accurate handling of currency conversions, Group ownership and variances.

- **Websites** for Winner's, Blychem and IBL Maritime have been designed, developed and implemented in-house.

- **ONKEY Fleet Management System**, operational since August 2011, has provided IBL Transport with facilities to optimise the management of their fleet through better monitoring of the running costs. We have integrated a Fleet Reporting web tool which allows different operations to visualise online their expenses such as maintenance costs and fuel consumption. The elimination of paper documents and postage fees has helped IBL Transport to realise significant cost reduction while increasing efficiency.

- **Relocation of CMH from Cassis to Riche Terre** The new cabling and data infrastructure has been aligned with the set standards being applied since the upgrade of the Group's core network infrastructure. The network is now equipped with a Cisco Systems Solution. The Alcatel telephony system has been upgraded to the latest software release to cater for the operation's growing telephony needs.

- **Winner's House** – The relocation of Winner's Head Office to Winner's House, a four-storey building, has necessitated the setting up of a new cabling and networking infrastructure. The new network is a Cisco-based system which allows better manageability of the data/voice infrastructure.

- **IBL Corporate Website** is being re-designed using state of the art web technology and is targeted to be released in October 2012, in line with the 40 years' celebration activities of IBL and its re-branding activity.

PROSPECTS

The ability to adapt promptly to technological innovations and changes, while meeting customers' evolving demands and expectations, remains our key challenge and we will pursue our effort in this direction.

A number of projects have been earmarked for the new financial year and will be undertaken jointly by the business operations and IT.

- **Paper Trail Document Management System** This system will provide the IBL Group with a centralised document storage repository. The main objectives of this project are to reduce administrative costs, facilitate easy file search and documents retrieval;
- **Treasury Management System Phase 3;**
- **Re-design of Websites for Mauritian Eagle Insurance & DTOS;**
- **Biometric Time Attendance & Access Control System;**
- **Upgrade of Lotus Notes;**
- **Implementation of new workflows;**
- **Reconciliation System for Logidis;**
- **Virtual Desktop Infrastructure (VDI), project for Somatrans.**

Our employees remain our most valuable and critical asset. Our policy to invest in our human capital and carefully designed training plans will be maintained, in order to prepare them for new business challenges lying ahead as well as for their personal development.

APPRECIATION

I would like to convey my sincere and deepest thanks to each team member for their unconditional and continuous commitment, support, hard work and dedication in achieving the goals set for the department, despite difficult conditions.

Sareeta Goundan
General Manager

CSR "PROJET SOURIRE"

In line with IBL Group's Corporate Social Responsibility commitment, we have maintained our initiatives in CSR programmes focused on children:

1. Centre Eveil, Paroisse Saint Sacrement, Cassis – Provision of playground equipment for the kids.

2. Central Flacq F17 Basketball Club – Donation of equipment to junior players.

Corporate Services
Communication & CSR

REVIEW OF ACTIVITIES

As well as developing, implementing and promoting a CSR strategy through IBL Foundation in accordance with the statutory CSR guidelines (see CSR report p 30), the Communication & CSR Department's main task is to enhance the corporate image of the Group and to ensure the dissemination of information to its stakeholders - internally and externally.

2011-2012 was a very important year in terms of communication for IBL and the Department. The Group undertook a number of major projects which came to fruition between October and December 2012 and the Unit was also more active in media communications.

In addition to its on-going tasks, the Communication & CSR Department played an important role on a number of levels, guiding, co-ordinating and implementing these projects:

1) IBL Branding

In conjunction with Brand Union (an international agency specialising in branding) and Maurice Publicité, the Branding Committee, composed of a Senior Manager representative of each of the Activity Sectors of IBL, took part in an in-depth analysis of the future development of the IBL brand and the techniques required to implement the transition. The results of the study helped to identify our brand and graphic identity strategy for the middle to long term and enable us to support the on-going development of the IBL Group. We opted for a sub-brand strategy for most of the companies which IBL owns at more than 50%. This identity is reflected in all our communication tools across the Group as from end of October and concerns all our Activity Sectors. This exercise also included the development of Group graphic guidelines and building signage, giving a greater cohesion to the IBL brand in Mauritius and abroad, as per all major international brands.

2) 40 years of IBL

In October 2012, IBL started celebrations for its 40th anniversary. A committee was set up to organise the celebrations, which involved all our stakeholders, internal and external, over a period of three months. IBL unveiled its new graphic corporate identity to the Mauritian public during the celebrations.

3) E-communication Strategy and new Website

In the context of the branding exercise and the preparations for the 40th anniversary, the Communication & CSR Department developed an updated web communication strategy. This includes a new IBL website and an active presence in social media. Our strategy reflects the undeniable fact that the web and social media are the new reality in today's communication mix and are a vitally important way to reach a specific segment of our customer base.

4) Innovative branding and 40 years' advertising campaign

To launch our new corporate identity and to showcase this important IBL initiative, the Group chose to use a combination of both traditional and digital communication channels. This innovative concept "île sera une fois" involved the participation of the Mauritian public in the development of the communication campaign, making 2011-2012 the year that the IBL communication strategy was interactively developed with the public.

5) PR & Media relations

Following on from 2010-2011, we launched press releases in a more structured way, emitting communiqués to alert the media of events and projects which IBL is undertaking, thus ensuring regular contact with the media. Some events proved of particular interest to journalists and provoked a number of interviews, e.g. new investments, the Environment Week organised by the IBL Green Committee, the media gathering organised by the Communication & CSR Department to present our Business Units, various IBL Foundation projects (see CSR report p 30), etc. In general, this pro-active stance in relation to Public Relations ensured a much more positive and wide-ranging media coverage in 2011-2012.

The Communication & CSR Department also developed a PR & Media communication manual for the Business Units.

PROSPECTS

Promoting the strategic direction of the Group, and being at the forefront of communication in general, promises to make 2012-2013 a challenging year for the Department. As well as reinforcing internal and external communication at every level, the Communication & CSR Department will implement all projects defined in 2011-12 (see above) which will be finalised in December 2012.

The projected activities concerning the rebranding and the 40th Anniversary of IBL, details of which will be outlined in the 2013 Annual Report, will involve many participants, both internal and external. The Communication & CSR Department has a vital co-ordination role to play in the following months to ensure the success of these projects.

In addition, the Communication & CSR Department will continue to:

1) Enhance the corporate image of the Group and promote the IBL brand using strategic sponsorship

To enhance visibility with a targeted section of the public each week, IBL will continue to sponsor and assist in the development of the television programme "100% Challenge", including a special programme on the 40 years of IBL and manage other events including the IBL Challenge Horseracing Day, the "Sound of Music" show and the Road Safety programme on the MBC, to name but a few.

2) IBL new Corporate Identity

One of the tasks of the Communication & CSR Department is to verify that the IBL Graphic Guidelines are respected wherever the IBL logo is used. This role will be particularly important in 2012-13, with the new brand identity having been launched in October 2012.

To facilitate the application of the new Graphic Guidelines, and taking into account the changes which have taken place within the Group, a team of "Brand Champions" will help across the Business Units. The Department will keep a close check on the application of the guidelines and advise on their application where required.

3) Public Relations and interaction with media

In parallel with on-going public relations and interaction with the media, the Communication & CSR Department will also organise a training programme for the Senior Management of IBL, and other Managers who may be concerned, on the subject of communication during a crisis (Crisis Management).

4) Corporate Publications (Annual Report, "IBL News", etc.)

The Communication & CSR Department will produce six issues of "IBL News" in 2012-2013, maintaining a high quality level for each edition but also using a new visual presentation in line with the new brand identity. As previously, the publication of the Annual Report will come under the responsibility of the Department.

The Communication & CSR Department will also work on a new IBL brochure.

5) E-communication & social media

The Communication & CSR Department must ensure that the new IBL Website, the IBL Facebook page and the YouTube channel are updated on a regular basis and that they are used to maximum effect with up-to-date news, competitions and audio-visuals which will attract the Mauritian public and stimulate interest in what is happening at IBL.

6) Day-to-day communication services

The Communication & CSR Department will continue to deliver services to:

- Provide communication services (for events such as the management end-of-year cocktail, media briefings, internal communication, speeches, communiqués, etc.) and support to Activity Sectors, the Corporate Office, CEO & Senior Managers;
- Ensure constant and relevant flow of information to internal and external stakeholders.

APPRECIATION

2011-2012 was an eventful year for IBL corporate communication and CSR projects. I would like to thank the members of my team for their support and enthusiasm and for delivering quality work on a daily basis. I also want to thank all those who have participated in the management of all the projects described above and the Branding Committee, the 40 Years Committee and the dedicated editorial team of "IBL News" for their valuable contribution.

Cécile Henry
Senior Manager - Communication & CSR

Property Management, Projects & Services

MANAGEMENT TEAM

- **François Desmarais** – *Chief Operating Officer*
  - **Deon Jacobsz** – *Manager, Property*
    - **Lloyd Martin** – *Maintenance Manager*
  - **Rajen Venkatasamy** – *Finance Manager*
  - **Ben Payen** – *Manager, TradeMarks & Consulates*
    - **Danick Guého** - *Manager*

REVIEW OF ACTIVITIES

The year under review has been busy and productive in spite of some budgetary restrictions. Property Management has strived to maintain a high level of comfort and security in our places of work. Preventive maintenance and special emphasis on green initiatives have characterised our efforts this year. I am particularly pleased to report that 60% of our rental incomes are now generated by third party tenants in line with the Group's underlying philosophy to reduce cost centres and increase return on assets. The main projects undertaken were as follows:

- The construction of an extension to Scomat offices in Pailles, to accommodate office space, training room and stores.
- The renovation of office space to accommodate IBL Biotechnology and an extension of IT offices as well as preparing offices and warehousing to let to third parties within the IBL Business Zones. The installation of a new Disaster Recovery Centre (DRC) for IBL IT, within the IBL building in Cassis.
- We embarked on extensive civil and structural works to Dr Ferrière Street, including the renovation of the wooden building and housing of France Maritime Agency Ltée and Blychem.
- The remodeling of the IBL Gallery to accommodate future office space.
- The upgrading of existing parking and installation of a rainwater harvesting system for washing of vehicles, toilets and a new generator set to service existing tenants.
- In line with our Riche Terre Business Park masterplan, we continued with the upgrading of the grounds including the construction of a new parking area to accommodate 65 cars. A container park has also been added for convenience.
- Extensive civil works have been carried out within the Logidis compound to improve drainage and reduce the risk of flooding of the warehouses during heavy rainfall and cyclonic periods. Rainwater harvesting tanks and a new genset were installed.
- Replacement of the Main Chiller and associated piping works are underway at IBL House in order to reduce energy and to suit occupational comfort.
- The implementation of an upgraded remote fire detection system for all IBL buildings to allow for real time fire detection and the upgrading of fire escapes in order to meet the Occupational Safety and Health regulations.
- The successful relocation of Winner's Head Office to Winner's House which comes within the IBL Building Portfolio.

PROSPECTS

With regard to Property Management, we will focus our efforts on the following action plan:

- The continuation of the maintenance programme is our responsibility.
- In line with IBL commitment to improve our environment, we are continuously implementing energy saving devices.
- The on-going repairs, maintenance and improvement of IBL-owned properties for both commercial and in-house requirements.
- The cleaning of overgrown unused land and planting of trees and plants to improve site conditions.
- We have reworked the Bowen Court Project in Dr Ferrière Street on a scaled down option for the site which would include 200 parking bays, 7 floors of offices, 1000 m^2 of commercial and line shops, restaurants and shaded terrace areas integrating part of the existing stone buildings of 12,000 m^2. We are actively marketing the revised project to new stakeholders.
- The Aquarium Project has been completely revisited and a MOU has been signed by partners to build a new business hotel, under a reputable international brand. In the meantime, we are seeking necessary clearances in order to proceed.
- Property Management is actively assisting in the IBL rebranding exercise.

During the course of the year under review, we have consolidated our relationship with various strategic partners with whom we are positioning ourselves as key players for various projects. These include:

- Alstom Transport for the LRT/Metro Leger project.
- GDF Suez with whom we have submitted an expression of interest for an LNG Gas Terminal and Power Generation Facility of up to 300 MW capacity.
- GDF Suez Energie Services a major player in renewable energy and energy efficiency. In reply to a request for proposal from the CEB we are bidding, under a consortium agreement together with Alteo, for a two megawatts photovoltaic farm at Amaury. Should our bid be retained, we will then enter into a 20 year ESPA with the CEB to supply Electricity to the grid.
- Another project for which we have expressed our joint interest is the Sea Water Air Conditioning (SWAC), land-based oceanic industries (LBOI). GDF Suez Energie Services can make a valuable contribution to this project given their existing track record in free cooling technology.
- Also worth mentioning is our continued partnership with Degrémont, another subsidiary of the GDF Suez Group. Together with Rehm Grinaker, we have registered to prequalify for the Bagatelle Water Treatment Plant, a design build and turnkey project of 60,000m^3/day capacity for which construction works are due to start during the course of next year. Other Water Treatment Plants for which we will be tendering include Les Pailles, Grand Baie WWTP, the extension of La Nicolière and Rivière des Anguilles WTP.
- Lastly, with the water division of Suez Environment, we are keeping track of the recommendations of the Singapore Consultants appointed by Government to rationalise the water sector in Mauritius and move towards an integrated water management operator.

Property Management, Projects & Services

APPRECIATION

Thank you to all my colleagues for assisting me in a true team spirit, so that together we could provide the services expected from us. Thank you for being attentive to our customer needs, both internal and external. The economic environment in which we operate is still challenging. Creativity, passion and dedication will now be essential if we want to go the extra mile. I know I can rely on you all.

François Desmarais
Chief Operating Officer

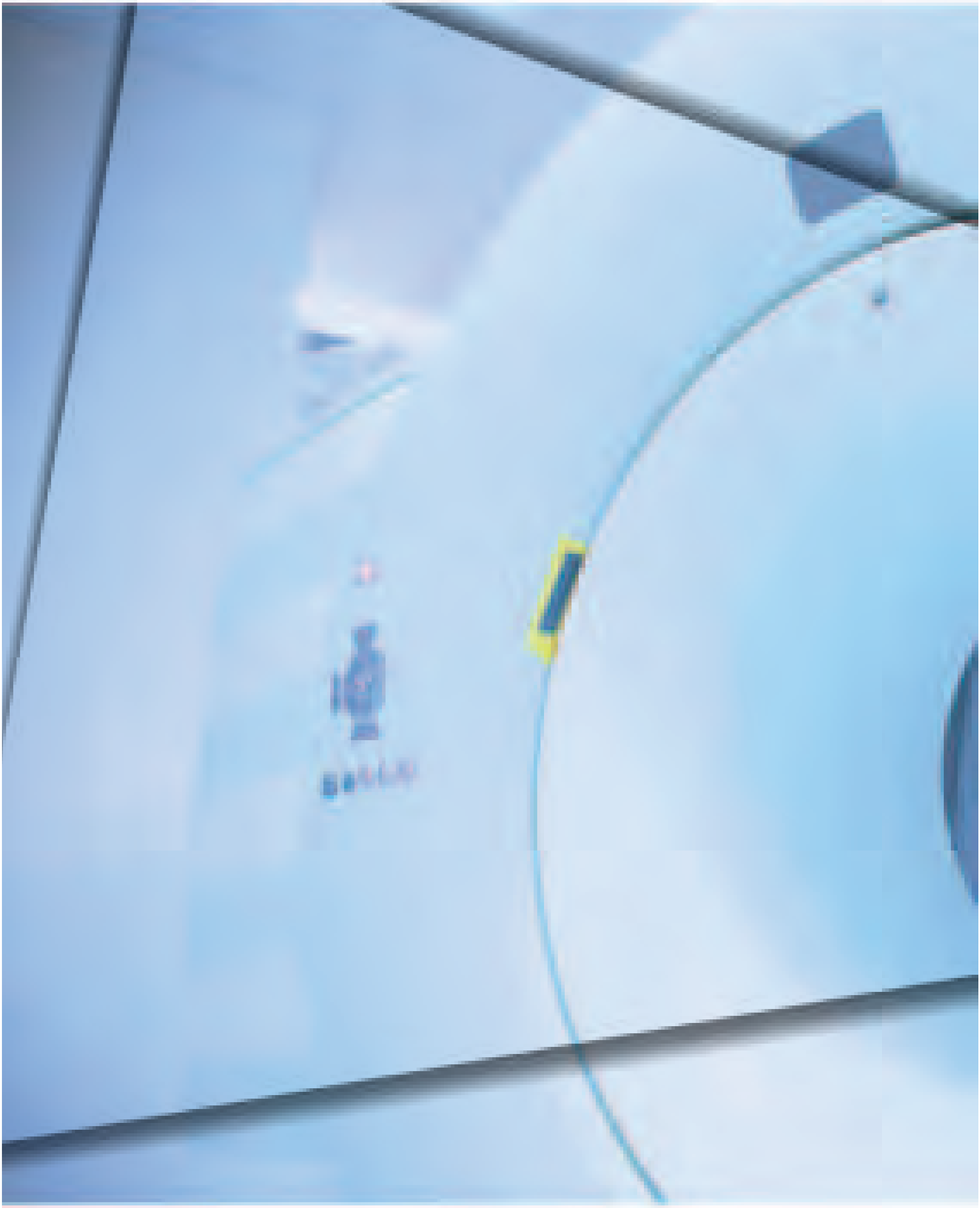
CSR "PROJET SOURIRE"

List of Actions in which we engaged:

- K. Tauckoor financial support for Medical Treatment abroad;
- SOS Rodrigues - Donation of foodstuff to needy children for Christmas;
- Laventure Technical School for disabled – Donation of Christmas gifts;
- Childhope – Donation of electric fan for children;
- W. Jathonia - Financial support for Medical Treatment abroad;
- Les Joyeux Compagnons – Donation of a tarpaulin;
- Mauritius Round Table - to set up a residence for the disabled;
- Foyer Namasté – Donation of a tumble dryer and groceries;
- Laventure Technical School for disabled – Renovation of school verandah;
- Centre d'Accueil de Terre Rouge.

Contribution towards IBL Foundation

- **Beau-Bassin Athletics Club, Cité Barkly, Beau-Bassin**
  Donation of school bags to 40 kids from needy families living in Cité Barkly.
- **Mouvement Social Quartier La Ferme, Cité La Ferme, Bambous**
  Donation of stationery to 228 kids living in difficult conditions at Cité La Ferme and the surrounding area.
- **Association SOS Pauvreté, Port Mathurin, Rodrigues**
  Donation of equipment and cattle for a rearing programme to enable some 15 teenage mothers in the Port Sud Est region to develop farming abilities and become self-employed.
- **Association SOS Pauvreté, Port Mathurin, Rodrigues**
  Provide Christmas gifts to 400 kids and foodstuff to 300 families in Soupir, Charlot, Fanal, Union, Le Chou, Port Sud Est, Tamarin, Anse Raffin, Anse Baleine and Cité Patate during the Christmas festivities. This was done with the financial support of CSR, IBL Property Department and managers and staff of IBL Property and Trademarks Departments. We would like to commend the great job done by various volunteers for this project.
- **André Bazerque Government School, Plaisance, Rose Hill**
  Gift vouchers from Winner's for commodities to 228 kids in a "ZEP" school in a deprived area.

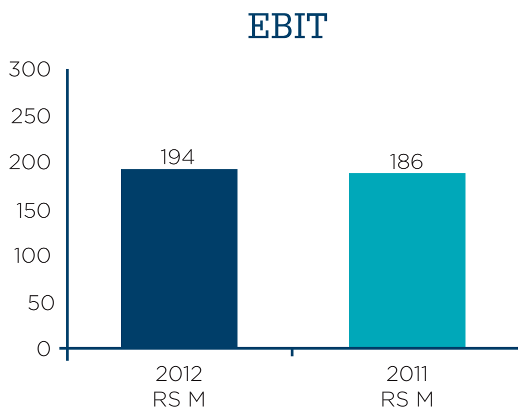


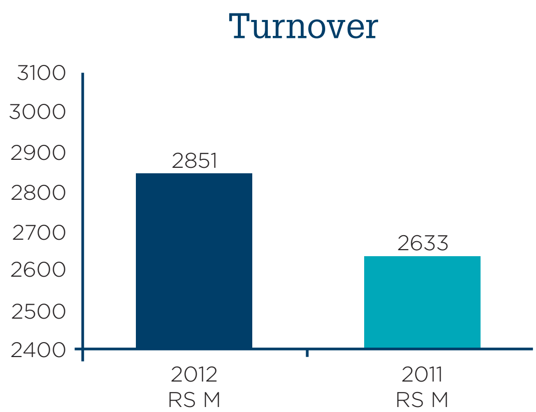
Commerce Sector

Commerce Sector

MANAGEMENT TEAM

- **Fabrizio Merlo** – *Chief Operating Officer*
  - **Vinod Gooroosawmy** – *General Manager Finance*
  - **Din Jheelan** - *General Manager - HealthActiv*
  - **Jean-Michel Rouillard** - *General Manager - BrandActiv*





REVIEW

The IBL Commerce Sector, which consists of HealthActiv (ex IBL Heathcare) and BrandActiv, has performed better than expected, despite challenging economic circumstances and an increasingly frugal consumer market. Growth in turnover remains a challenging task. Overall turnover increased by 8.3% and profit by 4.3%.

HealthActiv wholesale division had a strong performance, with a steady growth in sales despite fierce competition. The Company strengthened its partnership with local public health authorities through the successful completion of various projects during this past year.

The Medical Equipment division performed well, with both local and regional projects. These include maintenance contracts for Dialysis machines in private and public hospitals locally, the installation of fully automated microbiology equipment at Fortis-Clinique Darné, the comprehensive maintenance contract of the Diagnostic Imaging Centre of the Victoria Hospital in the Seychelles and the successful installation of a 16-slice CT scanner in Madagascar.

The Retail and the Overseas divisions experienced a difficult year and measures have already been implemented to boost future results.

BrandActiv achieved a growth in sales of 3.6%, an indication of the overall economic stagnation and the difficult trading conditions in the retail sector of the country. However, the company managed to increase its profit by 4.8%, through strict controls and improved management techniques.

PROSPECTS

Projections for the next year are difficult, given the lack of visibility in terms of economic recovery, but it seems likely that the same trend of economic prudence and increasingly difficult trading conditions will prevail.

Together with our suppliers and partners, this year we will further concentrate on innovation - both in products and services offered. We also hope to see the realisation of various projects, such as the introduction of new products.

Special efforts will be focused on the strengthening of HealthActiv regional presence, as this presents various development opportunities.

APPRECIATION

I would like to thank the management and all the staff of the Commerce Sector for their commitment to IBL and for their hard work.

Fabrizio Merlo
Chief Operating Officer
IBL Commerce Sector

CSR "PROJET SOURIRE"

BrandActiv and HealthActiv have both continued their collaboration with IBL Foundation, as well as with Caritas' "Service d'Écoute et de Développement" programme, through which emergency food relief has been operating in the surrounding regions of these two companies, namely Riche Terre and Cassis. With the assistance of social workers of Caritas and various "Forces Vives", families are further helped, over a period of approximately 3 months at a time, to promote their empowerment.

HealthActiv volunteers have also renewed their commitment to the Renganaden Seeneevassen primary school in Cassis and offer on-going support to children of this school.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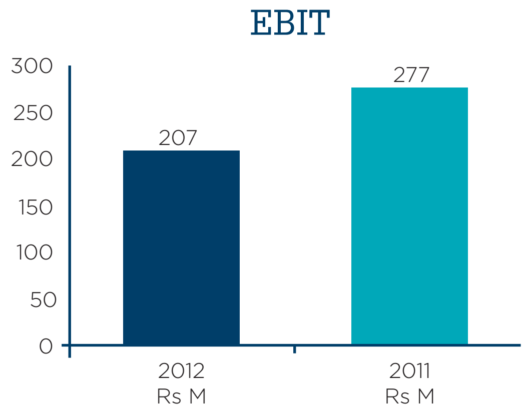
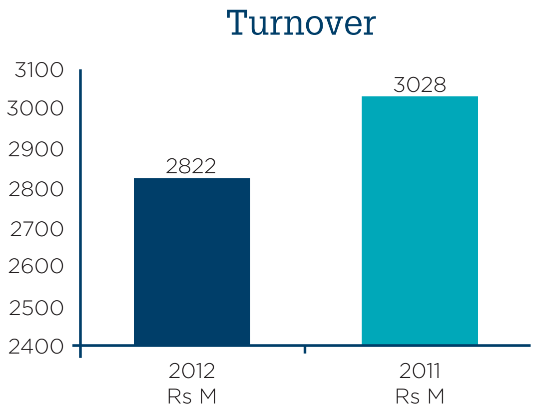
Engineering Sector

Engineering Sector

MANAGEMENT TEAM

- **Fabrizio Merlo** – *Chief Operating Officer*
  - **Vinod Gooroosawmy** – *General Manager Finance*
  - **Bruno Armansin** - *Manager - IBL Equipment Services (ServEquip)*
  - **Michel Dupont** - *General Manager - Construction and Material Handling*
  - **Eric Hardy** - *General Manager - Manser Saxon Contracting*
  - **Gerard Goupille** - *General Manager - Fit-Out*
  - **Himmunt Jugduth** - *General Manager - Blychem*
  - **Jocelyn Labour** - *General Manager - Scomat*





REVIEW OF ACTIVITIES

The past year was one of consolidation for some of the companies of the IBL Engineering Sector. The management focused its efforts on optimising structures and services in order to face the challenging economic conditions prevailing in the country and in the surrounding region in which the engineering companies are present.

This sector consists of 8 companies that operate in various related fields, namely the construction, engineering, earth moving, new technologies and agricultural sectors. Most of the companies suffered from a substantial reduction in turnover, from an overall Rs3,028M in 2011 to Rs2,822M this year. This fall is due to a general decrease in activity. This reduction in turnover was partly absorbed by closely monitored market trends, a tight reign on costs and re-engineered resources, to bring the overall profit of the sector to Rs207M.

Scomat met its budget for the financial year with a turnover of Rs645M, despite a substantial drop in turnover of 9.6%. The demand for IVECO trucks remained stable during the past year, while the market for heavy machinery dropped substantially, diminishing the number of awarded contracts. Amongst significant projects are the 8 IVECO trucks sold to Phoenix Beverages and the 3 x 1000 kVA generator sets sold to the Berjaya Hotel. The company also benefited from the increased sales of parts and service to Colas, for the airport and ring-road projects.

Manser Saxon's performance was satisfactory considering the difficult climate in the building sector and the tourism industry, which is a key sector serviced by Manser Saxon. Turnover increased by 3.4% and profit for this year amounted to Rs111M compared to last year's Rs97M. The reason for the increase in profit is mainly due to Manser Saxon Dubai's operation contributing a profit of Rs18M, compared to a loss of Rs13M last year.

Manser Saxon teams locally were active on various projects, the most complex being the Bagatelle Mall, the Cascavelle Shopping Mall and the Ambre Hotel refurbishment, in which most of the trades of Manser Saxon were involved.

Construction & Material Handling (CMH) now merged with IBL Electrical & Commercial Supplies were both negatively affected by an overall fall in demand due to a decreasing number of projects. Performance was further affected by the fact that a decision was taken to terminate the Bobcat agency with the IBL Group, for strategic reasons. In order to counteract the negative economic conditions prevailing, both the human resources and operational structures were re-engineered. These changes came at a certain cost, but are already allowing a better performance of these two companies for the future.

Blychem's turnover decreased by Rs71M, mainly because of a considerable shortfall in agricultural and irrigation activities. Blychem nevertheless achieved a turnover of Rs230M and profits of Rs34M, thanks to the management's attention to cost control and variances in market trends. Blychem also reinforced their product development strategy in order to register new products that will match new market demands.

The company most negatively affected is IBL Equipment Services. A good portion of this negative performance is linked to the unrecoverable costs attributable to the high cost of maintaining heavy equipment that the Company had to take on board. The Company has been re-engineered and has adequate structures to capitalise on market conditions.

PROSPECTS

The next financial year will remain challenging for all the companies in the Engineering Sector. We expect to continue with the consolidation of all our operations and will balance the negative economic trends with continued cost control of all expenses and capital expenditure, as well as a close monitoring of market trends to pro-actively adapt to these shifts. The priority will also be to focus on further upgrading the quality of all our services and reinforcing the partnerships we have with our customers.

Some of the engineering companies will further investigate regional and African opportunities, where the potential for development is stronger than locally.

APPRECIATION

I would like to extend my sincere thanks to the management and all employees of the Engineering Sector, for their continued contribution.

Fabrizio Merlo
Chief Operating Officer
IBL Engineering Sector

Engineering Sector

CSR "PROJET SOURIRE"

The Engineering companies are all fully committed to the work of the IBL Foundation and have contributed through various projects. Together with companies of the IBL Commerce Sector, they have also carried through with their on-going partnership with Caritas' "Service d'Écoute et de Développement" programme, through which emergency food relief support has been operating for the past six years in various suburbs of Port Louis. Over 200 families are helped monthly, with the support of field workers who monitor the empowerment of these families, with the help of committed Engineering companies' CSR members.

Furthermore, Scomat has rehabilitated 2 hectares of the native forest of Pétrin, by replanting endemic plants. Along with members of IBL's Green Committee and officers of the National Parks and Conservation Service (NPCS), Scomat volunteers have worked relentlessly at this rehabilitation project.

Manser Saxon's team, with the professional assistance of Blychem, Scomat and ServEquip, has rehabilitated a 5-acre plot of land in Roche Bois, to create a recreational and sports park that will be under the patronage of the Municipal Council of Port Louis and open to all inhabitants of the Roche Bois region.

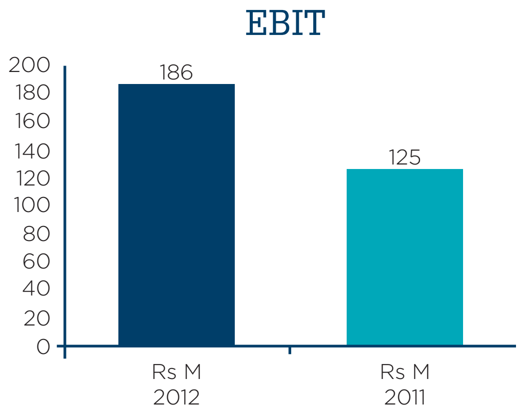

legrand

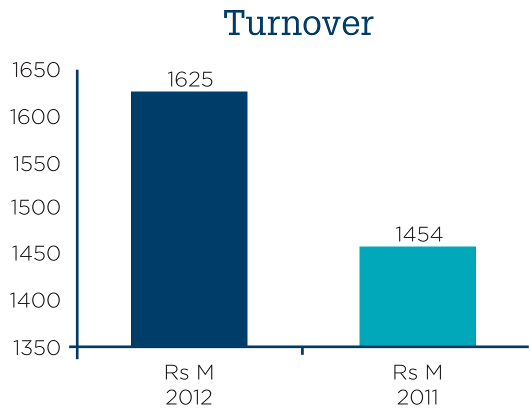
Financial Services Sector

Financial Services Sector

MANAGEMENT TEAM

- **Nicolas Maigrot**
  - **André Chung Shui** – *Managing Director – Mauritian Eagle Group*
    - **Alain Malliaté** – *Executive Director – Mauritian Eagle Insurance*
    - **Yves Meyepa** – *Executive Director – Mauritian Eagle Leasing*
    - **Philip Venpin** – *Executive Director – Mauritian Eagle Life*
  - **Jimmy Wong Yuen Tien** – *Managing Director – Global Business Group*
    - **Mervyn Chan** – *General Manager - KJM*





INSURANCE & LEASING

REVIEW OF ACTIVITIES

Overall

The Insurance and Leasing sector posted an increased turnover of Rs1,317M (LY: Rs1,185M) and an EBIT of Rs27.1M for the year (LY: -Rs23.2M). Turnover improved by 11% and EBIT moved from a negative to a positive position.

Short term insurance

Mauritian Eagle Insurance improved turnover and profitability during the year under review. But competition remains fierce in the sector, driving rates to uneconomical levels in some cases. On a like-for-like basis, gross insurance premiums increased by 13%. All departments posted growth. The Engineering department recorded the largest increase at 97%. The other departments posted increases over a wide range of 3-17%.

The claims ratio improved from 54.68% to 54.33%. The combined ratio also improved from 83.41% to 82.89%.

Long term insurance

The life fund stood at Rs597.5M (LY: Rs515.6M). Premium income for the year decreased by 11%. However, last year's turnover was exceptionally boosted by Rs91.7M, with some clients renewing their interest in the same product and other unit-linked products at expiry.

Associate in Seychelles

H Savy Insurance, an entity where we hold 20% of the issued share capital, performed satisfactorily during the year. We have consolidated Rs5.9M (LY: Rs6.4M) within the year's results and received dividends amounting to Rs1.1M during the year.

Leasing

The department recorded a profit of Rs0.4M (LY: loss of Rs44.8M). Last year's results included substantial write-offs and provisions to cover non-performing accounts. The leasing portfolio stood at Rs1.6 Billion (LY: Rs1.3 Billion) at the end of the year.

PROSPECTS

The short term Insurance sector continues to be very competitive. Last year witnessed further consolidation in the sector. Premiums rates remain under pressure as competitors fight for market share. Reinsurance capacities are adequate in the market and there has been no upward repricing of rates, except for areas hit by catastrophes. We keep a close watch on our costs as we work towards a targetted combined ratio.

We will continue to ensure that risks are adequately and competitively reinsured. Our efforts are irretrievably geared towards underwriting profits.

In the Leasing sector, there is a regular demand for new leases although we have witnessed a slowdown of late. We have tightened our credit approval procedures and the quality of our leasing portfolio has consequently improved.

APPRECIATION

We would like to thank the management and the staff for their continued hard work and dedication. We rely on their continued support and input as we move forward. Mr Mike Henry, Underwriting Manager, resigned from the Mauritian Eagle in January 2012 on health grounds. We would like to place on record our appreciation for his important contribution towards the progress of the Company and wish him well in his future endeavours.

GLOBAL BUSINESS

REVIEW OF ACTIVITIES

The year under review was marked by the opening of Representation Offices in Mumbai, Shanghai and Paris. Our enhanced presence will enable us to capitalise on the tremendous opportunities to offer a wider range of value-added services in these key markets.

The investment environment for one of our key markets, namely India, was extremely challenging this year. The proposed General Anti Avoidance Rules to be introduced in India, as well as talks of the India/ Mauritius tax treaty renegotiations, have created much uncertainty. This has resulted in substantially reduced activity.

The growing interest from major organisations for the establishment of their regional hub in Mauritius is extremely encouraging.

EBIT for the year ended 30 June 2012 for the Global Business group grew by 15% over 2011.

Financial Services Sector

PROSPECTS

Our focus in the coming year will be the extension of our range of services, by offering more value-added products to our traditional markets as well as new markets. We expect our Representation Offices to be fully operational in the coming year and this will be very important to our marketing efforts.

Although we foresee that global economic conditions will remain extremely challenging and the Indian market will continue to be uncertain, we believe that the focus on higher value-added services and the creation of substance in Mauritius will enable us to sustain reasonable growth.

APPRECIATION

I would like to thank the management and staff for their continued hard work and dedication.

Nicolas Maigrot
Chief Executive Officer

CSR "PROJET SOURIRE"

Mauritian Eagle has been very active with the following projects:

- Supply of musical instruments and stationery to "Groupe Zenfants Innocents" of Quatre Bornes;
- Supply of chairs and tables for the "Fraternité Nord-Sud";
- Supply of library furniture and books to the "Association des Amis de Don Bosco";
- Contribution to the Thalassemia Society;
- Contribution towards 3 projects with the "Commission Solidarité et Justice".

We wish to thank all staff involved in CSR activities and renew our commitment to contribute towards improving the lives of Mauritian children.

The DTOS Group takes part in the "Projet Sourire" of IBL Foundation. During the year, we have provided our continuous support to The Ranger Foundation that runs a school for physically impaired children. In addition to the donation of stationery, IT equipment and accessories during the year, Christmas gifts and light snacks were offered to the children during Christmas celebrations.

Logistics, Aviation & Shipping Sector

Logistics, Aviation & Shipping Sector

MANAGEMENT TEAM

- **Danny Ah Chong** - *General Manager*
    - **Dev Ramasawmy** – *Finance Manager*
    - **Hugues Wong** – *Human Resource Manager*
    - **Shoayb Peerbocus** – *Business Development Manager*

LOGISTICS

- **Naden Padayachi** – *Manager Logidis Ltd & IBL Transport*
- **Karl Desmarais** – *Manager Assets, Maintenance & Projects*
- **Robert Hungley** – *Manager IOL Ltd /IOL Express*
- **Lindley Anthony** – *Regional Manager ASC for UPS (Mauritius/Madagascar/Reunion)*
- **Avo Andriantsisosotra** – *Country Manager IBL Madagascar*

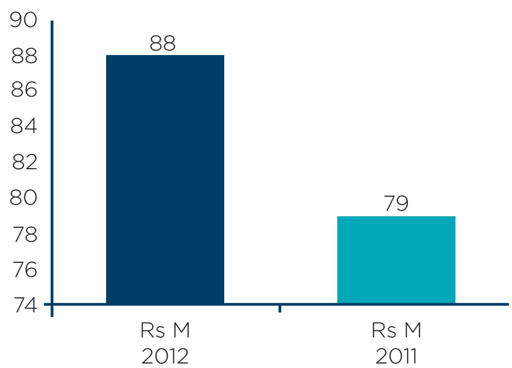
AVIATION

- **Pravin Jogoo** - *Manager GSA & Travel*
- **Josian Caetan** – *Country Manager IBL Comoros*
- **Philippe Hannelas** – *Manager Ground2Air*
- **Mario Heerah** – *Manager GSA Cargo*

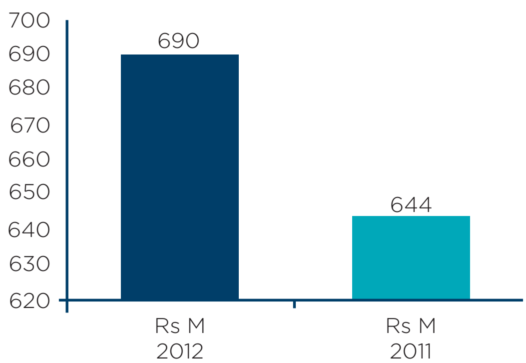
SHIPPING

- **Lindley Anthony** – *Manager IBL Shipping*
- **Mario Heerah** – *Manager Blyth Brothers*
- **Thierry Perrier** – *Manager Ship Owning & Management and IBL Fishing*

EBIT



Turnover



REVIEW OF ACTIVITIES

The Logistics, Aviation & Shipping Sector (LAS) sector consists of some 35 companies/departments engaged in the following activities:

Logistics

- Freight Forwarding
- Courier Services
- Warehousing
- Transport

Aviation

- Travel Agency
- GSA Passenger
- GSA Cargo
- Ground Handling

Shipping

- Ship Operation
- Liner Representation
- Fishing Agency
- Ship Owning & Management

We are also present in the region, with offices and representation in Madagascar, Reunion, Comoros, Seychelles and Mayotte.

The LAS Sector grew by 7.1% in 2012 to achieve an overall turnover of Rs690M. Growth was quite limited across our different companies in the sector, with some activities more affected by the slowdown in Europe. More emphasis has been placed on improving efficiency and controlling our costs. As a result, we were able to increase our Earnings Before Interest and Tax (EBIT) by 11.4 % over the year. EBIT improved to Rs88M in 2012 from Rs79M in 2011.

EBIT for Logistics was significantly better than the previous year. For Shipping, while satisfactory, EBIT was adversely affected by forex. Aviation is still being impacted by the poor performance of the aviation industry and running at a loss. Overall, despite a difficult economic environment, our operations both locally and regionally contributed satisfactorily to turnover and profits.

LOGISTICS

The turnover of our freight and courier segment increased by 5% compared to last year, whereas EBIT was higher with better control of costs. The segment remains very competitive, with a large number of players operating in a market with limited growth. Our agencies for UPS courier services posted satisfactory performances in Mauritius and Madagascar. Our UPS operation in Reunion, on the other hand, posted important losses again this year, but some corrective action is being taken to address the situation. We are confident that we will be able to improve the performance in our Reunion office this year.

Our Warehousing and Transport activities performed well, with growth in both turnover and profits. Average warehouse occupancy was above 85% throughout the year. We are continually optimising our efficiency and warehouse space utilization. The transport segment is expanding at an encouraging pace, with new large accounts being signed for the passenger transport segment. Our large fleet of contractors is also being equipped with GPS to achieve more efficiency in operations.

AVIATION

The industry remains very challenging, with most airlines affected by a surge in fuel costs.

Turnover was slightly up from last year, by 4.3%, but the bottom line remains in a loss situation. Our ground handling activities suffered the most from the downturn in the industry, with a lower number of flights handled. We do not foresee a marked improvement in that segment in the near future, unless there are arrivals of new airlines. Our aim this year is to improve our efficiency even more and identify cost cutting measures without affecting our level of service.

Logistics, Aviation & Shipping Sector

AVIATION (CONT'D)

While our GSA activities are still being affected by tight margins and lower commissions, our travel agency performed exceptionally well with a host of new services and products.

Our GSA cargo operation performed as expected, with profitability in the same range as last year.

SHIPPING

All our shipping activities had a satisfactory performance, with profitability slightly down from last year due to forex.

IBL Ship Owning and Management had lower profitability this year due to the special dry docking done on our reefer vessel in February 2012 which required a capital expenditure of Rs24M and an extra 16 days loss of charter hire.

Blyth Brothers (representation of MOL) managed to increase its turnover slightly, by 4%, although margins remain very tight. Profitability remains at the same level as last year.

Both IBL Shipping and IBL Fishing and Port Agency performed better than expected, with a larger number of vessels handled.

PROSPECTS

Unless there is deterioration in the economic environment due to the persistence of the European crisis, we foresee prospects for 2012/13 to be slightly better than the preceding year. The sector is expected to achieve improved profitability. Relying on our traditional business will not produce much growth. We are instead initiating new projects inside and outside of Mauritius to help us develop and grow the sector in a sustainable way.

Our dedicated Business Development Unit, created in 2012, is now well in place and is already involved in numerous projects that we wish to launch in this coming financial year. Feasibility studies are being done on projects in our Logistics, Aviation and Shipping sector and we hope to start some of them very soon.

APPRECIATION

I would like to extend my sincere thanks to all the employees of LAS for their hard work and dedication during the past year.

Our business will remain very challenging in this coming year, but I have no doubt that our staff will make the most of the opportunities that come their way to grow our business.

A special thanks to our 200+ overseas employees who represent IBL in their own country and help to develop our business regionally.

Danny Ah Chong
General Manager

CSR "PROJET SOURIRE"

"As promised in year 2011, we have fulfilled our commitment to the needy families of "SEEDS, Le Morne". As planned, our Health Day project was successfully completed with the support of IBL Foundation and other sponsors".

In October 2011, 158 children benefited from free medical checkups and dental care. Representatives of Family Planning and PILS also took part in the activity.

"The development of underprivileged children, both socially and academically, is one of our main concerns". In this context, the LAS committee gave their support to the Scout Groups of Quatre Bornes and Port Louis, where equipment and camping tents were provided.

The LAS committee has also extended its contribution to "La Colombe Shelter" & "La Valette" pre-primary schools especially for Christmas, when a party was organised. Gifts and school materials were distributed to more than 138 children. *"Our aim was to ensure that each child's dream came true on this special day".*

Furthermore, LAS supported 2 outings in September 2011 to the Crocodile Park for "Le Bambin & Candy" pre-primary school, with free transport and entry tickets offered. In May 2012, LAS also provided transport to "Mon Petit Cheri" pre-primary school for its outing.

"The welfare of underprivileged children is among our top priorities. For the financial year 2012/2013, with "Projets Sourire", we aim to organise a "Health Day" in various areas around the island for the children of vulnerable groups".


WINNERS

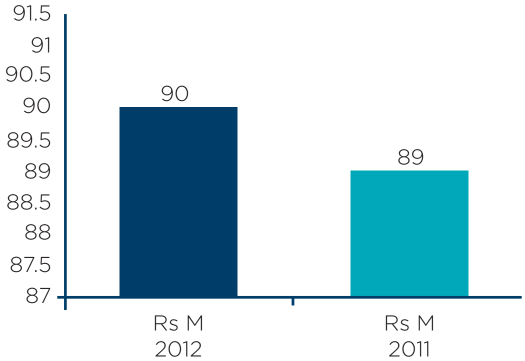
Retail Sector

Retail Sector

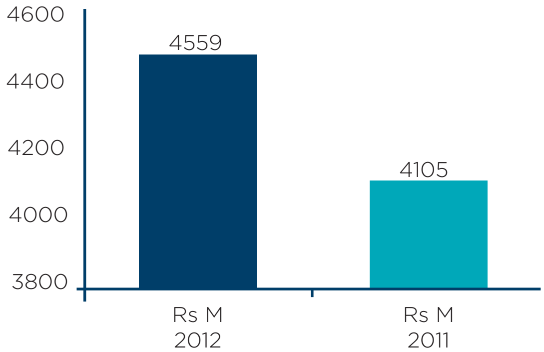
MANAGEMENT TEAM

- **Nicolas Merven** – *Chief Operating Officer*
    - **Jean Philippe Venpin** – *General Manager*
        - **Bernard Ah Ching** – *Marketing Manager*
        - **Shy Askoorum** – *IT Manager*
        - **Sanjeev Callar** – *Regional Manager*
        - **Mervyn Govind** – *Regional Manager*
        - **Sayad Jaunbocus** – *Compliance Manager*
        - **Shyam Ramlall** – *HR Manager*
        - **Sunil Ramsurrun** – *Regional Manager*
        - **Preetam Raumoo** – *Finance Manager*
        - **Shah Nawaz Shakhun** – *Operations Manager*

EBIT



Turnover



REVIEW OF ACTIVITIES

We are pleased to report that 2012 was a good year for the IBL Retail Sector, confirming that our proximity and customer-oriented strategy was appropriate, despite many new competitors entering the market during the 2nd half of 2011. We consolidated the Winner's chain while at the same time organising various promotional activities for our customers.

One new Winner's supermarket was opened in October 2011, at Péreybère, a beach and tourist area. The Retail Sector now consists of 19 Winner's supermarkets around the island, as well as a park of 15 strategically located commercial buildings.

According to a recent independent survey, Winner's is the most visited outlet in Mauritius. 47% of the respondents declared having visited Winner's during the 4 weeks preceeding the survey.

Total sales grew by 11.8% and have reached Rs4.5 Billion for 2012. The EBIT for the Retail Sector was Rs90M (+3.5%) which represents 1.97% on sales.

During 2012, we started refurbishment of our key supermarkets with a new design and we continued to improve the standard as well as the level and quality of service. We also continued the implementation of various initiatives related to our programme "Reaching New Heights", including the refurbishment of our snack corners with the new brand "Gourmand'Ile".

We pursued the programme "Green Together, Winners Forever" in line with the 'Maurice Ile Durable' concept. Winner's has implemented many initiatives in conservation and protection of the environment and we are the only chain to offer paper shopping bags as an alternative to plastic bags. We inaugurated a 29kwh photovoltaic electricity production unit at Coromandel as a pilot project. Winner's has the possibility to install a total capacity of 2,250kwh on its roofs, which could produce around 3,750,000 kwh per year. However, the price of the kilowatt must be reviewed to make the project financially viable.

As the leading chain of supermarkets of the island, we are playing our green role both internally and with the population at large. In recognition, Winner's was awarded the "Grand Prix du Développement Durable" by L'Eco Austral Magazine in November 2011.

We organised regular promotions for the benefit of our customers during the year and Winner's continued to attract a large number of regular customers and achieved good sales during these periods. In these times of intelligent buying and pressure on the household budget, these promotions were particularly relevant.

End of year 2011 saw the opening of two large commercial centres which attracted significant crowds. However, Winner's loyal customers continued to do their regular shopping at Winner's.

Winner's launched its website www.winners.mu in September 2011 for 24/7 proximity with its customers. Winner's is also present on social networks such as Facebook, Twitter and Youtube. More than 50,000 people have visited the website since its launch.

In June 2011, the Head Office was relocated to Winner's House, Port Louis, with spacious offices and a more accessible location.

Committed to proximity shopping, we have been actively looking at new sites and opportunities in strategic and growth areas. We will open a new modern supermarket in a regional commercial centre at St Pierre with 200 parking spaces, replacing the actual Winner's at St Pierre. Kendra Centre will open in October 2012 "Au Coeur de l'Ile".

PROSPECTS

On the competition front, end of year 2012 will be very challenging, with the opening of 2 new shopping centres in the North as well as 2 more individual supermarkets.

Winner's is the preferred and leading supermarket chain in Mauritius and we are confident that the existing loyalty between our customers and Winner's will continue to grow during 2013.

The 20th Winner's Supermarket will open in November 2012 at Boulet Rouge in the Flacq Shopping Mall, catering for the important growth in the region.

Economists have expressed concern on the possible impact of the European crisis and we are taking all measures to face these new conditions whilst increasing our market share.

Retail Sector

PROSPECTS (CONT'D)

We are confident that the IBL Retail Sector will further improve its competitiveness and will continue to support the population. We will do our utmost to ensure that the "Real Winners" are our Customers.

It is clear that 2013 will be very challenging and we count on the dedication and hard work of each team member to serve the Mauritian population.

In line with the Group strategy to go beyond boundaries, we are looking to explore some opportunities in East Africa in order to capitalise on Winner's know-how and expertise. However, we need to find the right projects before embarking on an African venture.

APPRECIATION

I would like to end by expressing my thanks to all our customers, our stakeholders and our teams for their continuous trust and support.

Nicolas Merven
Chief Operating Officer
IBL Retail

CSR "PROJET SOURIRE"

Winner's collaborates with many social organisations throughout the year to promote social and/or commercial activities. These activities encourage greater cooperation between Winner's, its customers and the population around the supermarkets.

The Winner's CSR Committee has collaborated with IBL Foundation on a number of "Projet Sourire". In December 2011, a national collection of Christmas toys and school materials for vulnerable children, "Noel de l'Espoir", was organised in all Winner's Supermarkets.

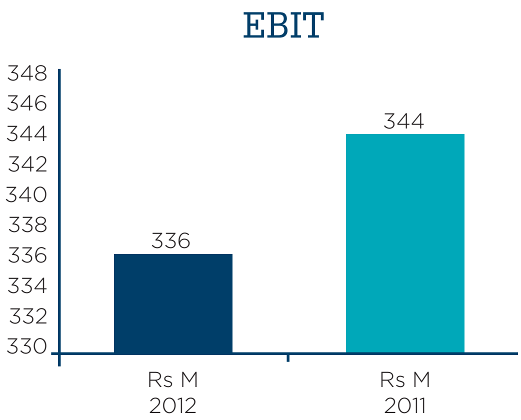

WINNER'S
HOUSE

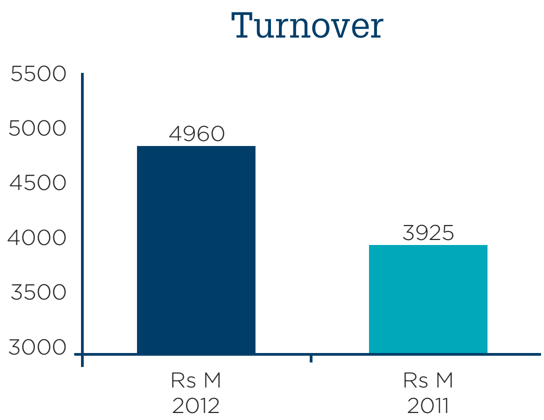

Seafood &
Marine Sector

Seafood & Marine Sector

MANAGEMENT TEAM

- **Nicolas Maigrot** – *Chief Executive Officer*
  - **Patrice Robert** – *General Manager*
    - **Terence Brown** – *General Manager – Marine Biotechnology Products*
    - **Maurice Rault** – *Managing Director – Froid des Mascareignes*
  - **Jean-Yves Ruellou** – *General Manager – Chantier Naval de l'Océan Indien*





MANAGEMENT TEAM

All senior positions in the management of the entities of the Seafood sector have been filled. We have welcomed Mr. Patrick Hill, Managing Director of Mer des Mascareignes. We are pursuing our initiatives to improve the quality of the management through ongoing training, coaching and better deployment of resources across the Sector.

REVIEW OF ACTIVITIES

Financial results in the Seafood sector have been lower than expected.

The integrated cluster of Thon des Mascareignes (TDM), Froid des Mascareignes (FDM), Indico Canning, Marine Biotechnology Products (MBP), Cervonic and Mer des Mascareignes (MDM - 50% shareholding) has delivered an EBIT of Rs250M for the year.

Thon des Mascareignes

The EURO has had negative impact on the results of Thon des Mascareignes. Nevertheless, the company has continued its improvements initiatives and is now processing 80T of fish daily in a value-added pouch format, with the balance sold as loins to the leading EU and US canners.

Demand for the products remains strong and markets are well diversified.

Froid des Mascareignes

We have noted a reduction in the number of purse seiners and long-liners fishing in the region due to the presence of pirates in the fishing zones. This resulted in less tonnage passing through FDM's quays. Despite that, through lean management and strict expense control, FDM has been able to increase its EBIT by 7.95%.

Indico Canning

Indico Canning has produced an average of 5,100 jars per day which totals 1.2 million jars for the year. This represents a growth of about 60% as compared to last year. We have grown our customer base in Spain and Italy mainly with sales increasing from Rs50M in 2010-2011 to Rs90M in 2011-2012.

Marine Biotechnology Products

MBP has delivered a lower EBIT last year. This is due to fish meal prices on the global market which have been lower this year as compared to last year.

Sales of fish meal for the financial year amounted to 13,681 metric tons which represent an increase of 3.9% over previous year. Export represents 72% of this total volume. We now export to 15 countries. Our black oil business is improving with better prices being reached thanks to increasing demand for the product.

We have brought a number of operational initiatives to the business such as a new bagging line.

Cervonic

Results at Cervonic have been disappointing for the year. The factory suffers from a lack of raw material and is producing a volume of oil which is significantly lower than the factory's capacity. Nevertheless the white oil produced is of excellent quality and is finding strong commercial interest in the market for baby foods and medical nutrition requirements.

Mer des Mascareignes

Mer des Mascareignes had another positive year. The volume of fish that was processed for the period nearly doubled to reach above 7000 metric tons. This rise in production was the result of two key factors. Firstly, the factory was reengineered to increase the production capacity to some 9000 metric tons annually and secondly, the supply of fish from the SAPMER fleet was also on the increase and regular.

Chantier Naval de l'Océan Indien

2011 was an important year for our shipyard, CNOI (Chantier Naval de l'Océan Indien), since it celebrated its 10th anniversary. During this time, more than 300 vessels have been dry-docked for repairs, either in the 130 metres dry-dock or on the ship elevator; more over 15 vessels of different types and sizes have been built by the team. Among our most regular clients, the French Navy, all the French trawlers and tuna purse-seiners of the region, the biggest Australian fishing fleet-owner, Spanish tuna purse-seiners and many others.

2011 was also a record year for CNOI as they achieved 520,000 production hours (the previous record stood at 400,000). Besides that, CNOI started one of its biggest challenges: the enlargement by 8 metres of the Austral Leader 2, a fishing vessel specialized in the capture of Patagonian toothfish in the Antarctic region. This operation was completed successfully in 2012 and has allowed its owner, Austral Fisheries, to increase its storage capacity by 30% and thus optimize their fishing campaigns.

Another major event in 2011 was the significant change in the ownership: IBL has taken over the majority with 60% of the shareholding.

This has impacted directly the financial year and CNOI has closed its accounts after six months, on 30 June 2012, like the remainder of the IBL Group.

Over the last 18 months, CNOI has achieved a turnover of 25 million Euros (18.2M€ in 2011 and 6.8M€ in 2012).

Seafood & Marine Sector

Chantier Naval de l'Océan Indien (cont'd)

The 300 employees of the shipyard have been working on 44 vessels that went in the dry-dock (23 in 2011 and 21 in 2012) and the 37 that were taken out of the water on our elevator (22 in 2011 and 15 in 2012).

The trade sector has sustained its growth with a turnover of 2M€ over the 18 months (1.3M€ in 2011 and 0.7M€ in 2012).

PROSPECTS

Thon des Mascareignes

Management improvement initiatives will continue and will bring bottom line improvement in year 2012-2013. Furthermore, pricing has been renegotiated for the year 2012-2013 on all large contracts taking into consideration the Euro-Rs current rates and inflation.

Indico Canning

Marketing efforts for our products of tuna in jars will continue. We are working towards running the plant on a second shift in the coming year and we are targeting to reach a production of 2 million jars per year in this coming financial year.

Froid des Mascareignes

Results for the coming year should be more or less stable with our largest customer TDM buying and producing approximately the same tonnages as last year.

However, high security and fuel costs are causing some customers and boat owners to move their vessels away from our region rendering fish scarcer and more expensive to buy.

On the other hand, some opportunities also exist. Japanese vessels have expressed an interest to use Port Louis as base port should they relocate from Cape Town. That could provide an opportunity for FDM and for Mauritius to attract them to operate here.

Marine Biotechnology Products

New investments have been made this year in the plant to increase the yield and the quality of our products. This should result in better prices for our products and we remain very positive as regards the prospects for the coming year.

Cervonic

Concerns remain as regards the ability of Cervonic to overcome its over-capacity situation. Nevertheless management is taking all actions to reduce losses as much as possible.

Mer des Mascareignes

By the end of 2012, SAPMER will have increased its tuna fleet to five units in operation with the order of another two purse seiners in 2013 combined with an increased storage capacity in Mauritius. The expected stable supply of frozen tuna will no doubt allow MDM to further improve production and continue to show positive results.

Chantier Naval de l'Océan Indien

CNOI has also decided to broaden its services and has now become the authorized distributor for Baudouin engines for the Indian Ocean area. CNOI has also signed a partnership agreement with ABB France for the maintenance of turbochargers, and another one with Hempel for the supply of marine paint.

APPRECIATION

My appreciation goes to all employees of all the Seafood & Marine Sector who have been working extremely hard during a year of global crisis that has brought a lot of uncertainty and challenges. I would like to thank Mr. Christopher Talbot for the excellent work he has accomplished at Mer des Mascareignes over the last few years and wish him the very best in his new challenges.

Nicolas Maigrot
Chief Executive Officer

Notice of Annual Meeting

Notice is hereby given that the 40th Annual Meeting of the Shareholders of the Company will be held at l'Ibéloise, 6th Floor, IBL House, Caudan, Port Louis on Friday 14 December 2012 at 10.00 hours to transact the following business:

To consider and if thought fit to approve the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

1. To receive and adopt the Company's and Group's Financial Statements for the year ended 30 June 2012 and the Directors' and Auditors' reports thereon.
2. To ratify the dividend paid in June 2012 as a final dividend for the year ended 30 June 2012.
3. To re-appoint Mr J. Cyril Lagesse as Director in compliance with Section 138(6) of the Companies Act 2001.
4. To re-elect as Directors of the Company by way of separate resolutions to hold office until the next Annual Meeting, the following persons:
   - 4.1 Mr Christian de Juniac
   - 4.2 Mr Bertrand Hardy
   - 4.3 Mr Jason Harel
   - 4.4 Mr Arnaud Lagesse
   - 4.5 Mr Thierry Lagesse
   - 4.6 Mr Gaetan Lan Hun Kuen
   - 4.7 Mr Nicolas Maigrot
   - 4.8 Mr Jean Ribet
   - 4.9 Mr Louis Rivalland
   - 4.10 Mr Michel Guy Rivalland
5. To take note of the automatic re-appointment of Messrs Deloitte as Auditors in accordance with Section 200 of the Companies Act 2001 and to authorise the Board of Directors to fix their remuneration.

By Order of the Board
Simon-Pierre Rey
Secretary
Port Louis, Mauritius

20 November 2012

A member entitled to attend and vote at the meeting may appoint any person, whether a member or not, to attend and vote in his stead.

Proxy forms must be lodged at the Registered Office of the Company not less than twenty-four hours before the meeting.

A proxy form is included in the Report sent to all shareholders and is also available at the Registered Office of the Company, IBL House, Caudan, Port Louis

Certificate from the Company Secretary

In terms of Section 166 (d) of the Companies Act 2001, 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.

Simon-Pierre Rey
Company Secretary

28 September 2012

Corporate Information

Directors	Christian de Juniac Bertrand Hardy Jason Harel Arnaud Lagesse Thierry Lagesse (Chairman) J. Cyril Lagesse Gaetan Lan Hun Kuen Nicolas Maigrot Jean Ribet Louis Rivalland Michel Guy Rivalland
Company Secretary	Simon-Pierre Rey
Registered Office	IBL House Caudan Port Louis
Share Registry & Transfer Agents	MCB Registry & Securities Ltd Raymond Lamusse Building Sir William Newton Street Port Louis
Auditors	Deloitte Chartered Accounts 7th Floor, Raffles Tower Cybercity, Ebène
Main Bankers	The Mauritius Commercial Bank Ltd Barclays Bank PLC Hong Kong and Shanghai Banking Corporation State Bank of Mauritius Ltd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Notes

Contents

FINANCIAL SUMMARY

Statements of Comprehensive Income (Group)

	Year ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000
Turnover	17,513,280	15,795,366
Profit from operations	1,018,703	977,453
Share of profits less losses of associates	98,049	111,469
Net finance costs	(449,664)	(426,711)
Profit before tax	667,088	662,211
Income tax expense	(95,023)	(86,353)
Profit for the year	572,065	575,858
Attributable to :-		
Owners of the parent	455,353	503,876
Non-controlling interests	116,712	71,982
	572,065	575,858
Earnings per share Rs	6.37	7.05

Statements of Financial Position (Group)

	30 June 2012 Rs'000	30 June 2011 Rs'000	30 June 2010 Rs'000
ASSETS			
Non-current assets	9,964,303	8,361,257	7,649,821
Current assets	7,456,558	6,479,109	6,030,519
Total assets	17,420,861	14,840,366	13,680,340
EQUITY AND LIABILITIES			
Share capital	714,383	714,383	714,383
Share premium	192,097	192,097	192,097
Reserves	3,184,111	2,653,333	2,477,952
Equity atributable to Owners of the parent	4,090,591	3,559,813	3,384,432
Non-controlling interests	1,526,027	590,711	506,756
Total Equity	5,616,618	4,150,524	3,891,188
Non-current liabilities	2,662,671	1,871,943	1,826,090
Current liabilities	8,553,969	8,302,313	7,377,759
Life assurance fund	587,603	515,586	585,303
Total equity and liabilities	17,420,861	14,840,366	13,680,340

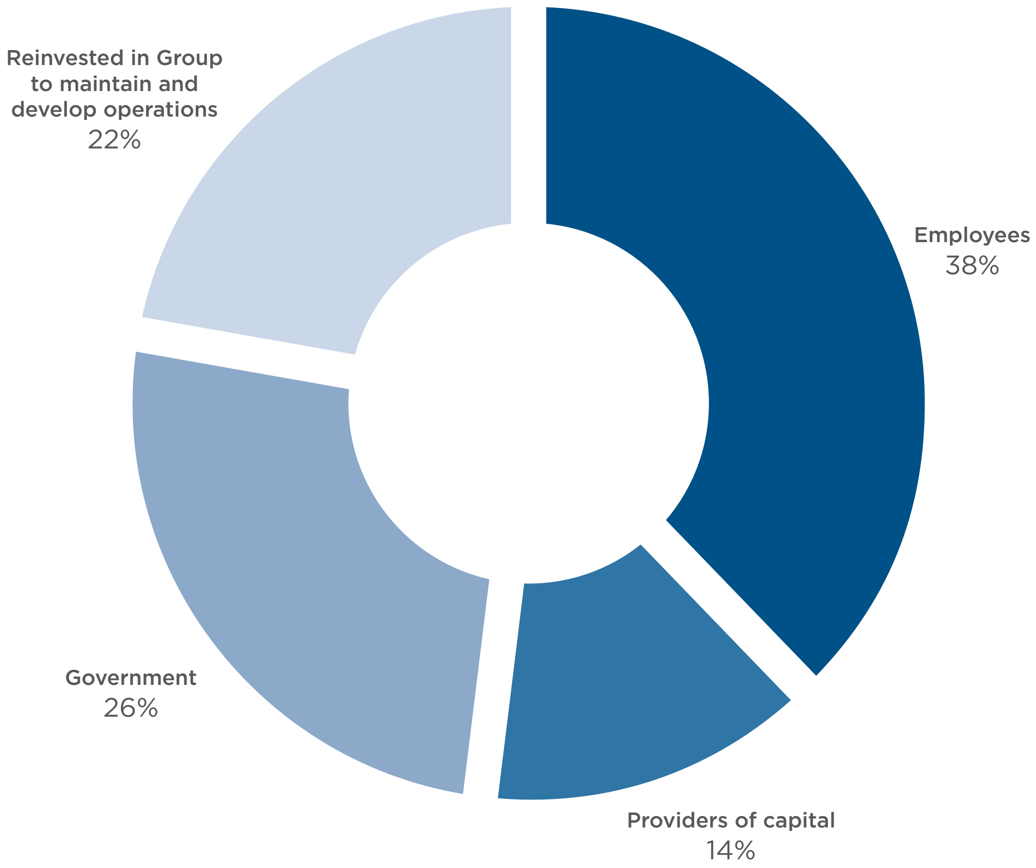
Financial Highlights

	2012	2011
Turnover (Rs million)	17,513	15,795
Profit before Tax (Rs million)	667	662
Earnings per Share (Rs)	6.37	7.05
Dividends per Share (Rs)	2.10	2.10
Net Assets Employed (Rs million)	8,867	6,538

Group Statistics

	2012	2011
Turnover per Employee (Rs million)	2.52	2.36
Net Assets per Share (Rs)	57.26	49.83
Earnings Per Share (Rs)	6.37	7.05
Profit before Tax (Rs million)	667	662

VALUE ADDED STATEMENT



VALUE ADDED STATEMENT

	2012 Rs'000	%	2011 Rs'000	%
Turnover including Value Added Tax	18,511,633		16,781,724	
Other Income	520,680		564,730	
	19,032,313		17,346,454	
Paid to suppliers for materials and services	14,588,356		13,443,111	
TOTAL WEALTH CREATED	4,443,957	100	3,903,343	100
Distributed as follows:				
EMPLOYEES				
Wages, salaries, bonuses, commissions, pensions & other benefits	1,671,151	38	1,327,521	34
PROVIDERS OF CAPITAL				
Dividends to Ordinary Shareholders	150,020	4	150,020	4
Banks & other financials institutions	462,362	10	435,425	11
	612,382	14	585,445	15
GOVERNMENT				
Income Tax	95,023	2	86,353	2
Value Added Tax	998,353	22	986,358	25
Duties, levies & licences	74,906	2	74,776	2
	1,168,282	26	1,147,487	29
REINVESTED IN GROUP TO MAINTAIN AND DEVELOP OPERATIONS				
Depreciation & amortisation	584,125	13	437,819	11
Retained Profit	408,017	9	405,071	11
	992,142	22	842,890	22
TOTAL WEALTH DISTRIBUTED AND RETAINED	4,443,957	100	3,903,343	100

OTHER STATUTORY DISCLOSURES
(Pursuant to Section 221 of the Companies Act 2001)

DIRECTORS

The Directors of the Company during the year ended 30 June 2012 were:

DE JUNIAC, Christian
HARDY, Bertrand
HAREL, Jason
LAGESSE, Arnaud
LAGESSE, J Cyril
LAGESSE, Thierry
LAN HUN KUEN, Gaetan
MAIGROT, Nicolas
RIBET, Jean
RIVALLAND, Louis
RIVALLAND, Michel Guy

The list of Directors of the subsidiaries during the year is on pages 103 to 105.

DIRECTORS' REMUNERATION AND BENEFITS

	Year ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000
Emoluments paid by the Company and related corporations to:		
• Directors of Ireland Blyth Limited		
- Executive	30,564	32,577
- Non-Executive	4,034	3,600
• Directors of subsidiaries (excluding those who are also Directors of Ireland Blyth Limited)		
- Executive	122,392	114,817
- Non-Executive	1,524	1,065

DIRECTORS' SERVICE CONTRACTS

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

SIGNIFICANT CONTRACTS

In May 2010, GML Investissement Ltée (GML), The Anglo-Mauritius Assurance Society Ltd (AMAS) and Belle Mare Holding Ltd (BMH) entered into a Shareholders' Agreement.

GML, AMAS and BMH held together at that date 72.99% of the Share Capital of the Company.

The objective of such an agreement is to provide stability to the Company and promote the continuity of its management and policies.

The agreement takes into account the interests of all shareholders under the Companies Act 2001 and the principles of good corporate governance.

It makes provision for the management of the Company and lays down procedures for the administration and constitution of the Board, Committees thereof, dividend policy and pre-emptive rights concerning disposal of shares.

In February 2012, the Company entered into management services agreements with GML Management Ltée (GMLM). The services provided include, inter alia, corporate and investment strategy, advisory support services bringing industry specifics expertise. In return for these services, the company pays Rs10M to GMLM.

OTHER STATUTORY DISCLOSURES
(Pursuant to Section 221 of the Companies Act 2001)

SUBSTANTIAL SHAREHOLDERS

Shareholders who held 5% or more of the nominal value of the share capital of the company as at 30 June 2012 are:

GML Investissement Ltée	48.29%
The Anglo Mauritius Assurance Society Ltd	13.82%
Belle Mare Holding Ltd	10.88%

DONATIONS

	THE GROUP		THE COMPANY	
	Year ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000	Year ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000
- Political	-	110	-	-
- Others	17,119	16,467	5,890	5,248

AUDITORS' REMUNERATION

	THE GROUP		THE COMPANY	
	Year ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000	Year ended 30 June 2012 Rs'000	Year ended 30 June 2011 Rs'000
Audit fees paid to:				
- Deloitte	6,436	6,157	1,192	1,135
- Other firms	1,457	1,443	-	-
Fees paid for other services provided for:				
- Deloitte	110	104	-	-
- Ernst & Young	2,300	2,250	2,000	2,250

IRELAND BLYTH LIMITED - SUBSIDIARIES

(List of Directors at 30 June 2012)

	Nicolas Maigrot	François Desmarais	Gaetan Lan Hun Kuen	Fabrizio Merlo	Nicolas Merven	Simon Pierre Rey	Danny Ah Chong	Avo Andriantsisosotra	Victor Manuel de Arroyabe	Gildas Breton	Marius Bosman	Josian Caetan	Mervyn Chan	Jean Vincent Chantreau	André Chung Shui	Daniel Delva	Antoine Domingue	Kepa Echevarria	Lindsay Edwards	Noel Julio François	Jean-Marc Grazzini	Philippe Guenel	Sylvette Godere	Robert Goupille	Vinod Gooroosawmy	Eric Hardy	Djilani Hisaindee	Ignacio Ibarra	Robert Ip	Gilbert Ithier	Din Jheelan	Subhash Lallah	Stephane Lozachmeur	Marie Joseph Malé	Alain Malliaté	Luc Merven	Yves Méyépa	Gabriel Ange Pinelli	Frank Piriou	Capt. P Ponambalum	Maurice Rault	Dev Ramasawmy	Patrice Robert	Jean-Yves Ruellou	Laura Ruiz	S. Suntah	Philip Venpin	Amit Verma	Derek Wong Wan Po	Jimmy Wong
Adam & Co Ltd	◄	◄	◄			◄																																												
Air Mascareignes Limitée	◄		◄																															◄																
Australair General Sales Agency Ltd	◄		◄																		◄																	◄												
Australair GSA Comores sarl												◄																																						
Australair GSA Mada sa								◄																																										
Blychem Ltd	◄		◄	◄		◄																			◄																									
Blyth Brothers & Co Ltd	◄	◄	◄			◄																																												
Blytronics Ltd	◄				◄	◄																																												
Cassis Ltd	◄		◄			◄																																												
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Cervonic Ltd	◄		◄							◄																							◄										◄							
Chantier Naval de l'Océan Indien Ltd	◄		◄			◄																																	◄					◄						
Construction & Material Handling Company Ltd	◄		◄	◄		◄																																												
DTOS Ltd	◄		◄			◄																																										◄		◄
DTOS International Ltd	◄		◄			◄																																												◄
DTOS Trustees Ltd	◄		◄			◄																																												◄
Equip and Rent Company Ltd	◄		◄			◄																																												
Equity Aviation Indian Ocean Ltd	◄		◄																																															
Fit-Out (Mauritius) Ltd				◄																				◄	◄	◄																								
Froid des Mascareignes Limited	◄		◄			◄												◄																						◄	◄		◄			◄				
Grapevine Ltd	◄					◄																																												
GSP Co Ltd				◄																						◄																								
IBL Aviation Comores SARL						◄																																												
IBL Biotechnology International Ltd	◄													◄																																				
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IBL Comores SARL																																										◄								
IBL Consumer Health Products Ltd	◄			◄		◄																									◄																			
IBL Entertainment Ltd	◄	◄				◄																																												
IBL Entertainment Holding Ltd	◄	◄				◄																																												
IBL Equipment Services Ltd	◄			◄																					◄																									
IBL Financial Services Holding Ltd	◄		◄			◄																																												
IBL Fishing Company Ltd	◄					◄																																												
IBL Forex Company Ltd	◄		◄																																															
IBL Foundation					◄														◄				◄				◄				◄																		◄	
IBL International Ltd	◄	◄			◄	◄																																												
IBL Madagasikara SA		◄																																																
IBL Properties Ltd	◄		◄		◄						◄																																							
IBL Regional Development Ltd	◄	◄	◄	◄		◄																																												
IBL Reunion SAS				◄		◄																																												
IBL Santé SARL																															◄																			
IBL Training Services Ltd	◄					◄																																												
IBL Travel Ltd	◄					◄																																												

A = Alternate Director

IRELAND BLYTH LIMITED- SUBSIDIARIES (CONT'D)

(List of Directors at 30 June 2012)

	Nicolas Maigrot	François Desmarais	Gaetan Lan Hun Kuen	Fabrizio Merlo	Nicolas Merven	Simon Pierre Rey	Danny Ah Chong	Avo Andriantsisostra	Victor Manuel de Arroyabe	Marius Bosman	Josian Caetan	Mervyn Chan	Jean Vincent Chantreau	André Chung Shui	Daniel Delva	Antoine Domingue	Kepa Echevarria	Lindsay Edwards	Noel Julio François	Jean-Marc Grazzini	Philippe Guenel	Sylvette Godere	Robert Goupille	Vinod Gooroosawmy	Eric Hardy	Djilani Hisaindee	Ignacio Ibarra	Robert Ip	Gilbert Ithier	Din Jheelan	Subhash Lallah	Stephane Lozachmeur	Marie Joseph Malé	Alain Malliaté	Luc Merven	Yves Méyépa	Gabriel Ange Pinelli	Frank Piriou	Capt. P Ponambalum	Maurice Rault	Dev Ramasawmy	Patrice Robert	Jean-Yves Ruellou	Laura Ruiz	S. Suntah	Philip Venpin	Amit Verma	Derek Wong Wan Po	Jimmy Wong	Natasha Wong
IBL Travel SARL						◄																																												
IBL Ugandan Holdings Limited	◄			◄																																														
I-Consult Ltd	◄					◄																																												
Indian Ocean Dredging Limited	◄			◄																																														
Indian Ocean Logistics Limited	◄			◄																																														
Indico Canning Ltd	◄		◄						◄								◄										A																	◄						
Instyle by MS Ltd	◄		◄	◄		◄																			◄																									
Interface Management Services Limited			◄									◄																																					◄	
Interface International Ltd												◄																																					◄	
Ireland Blyth (Seychelles) Ltd	◄					◄																																												
Ireland Fraser & Co Ltd	◄	◄	◄			◄																																												
Ireland Fraser (Madagascar) Ltd																																																		
I-Telecom Ltd	◄					◄																																												
Knights & Johns Management Ltd			◄									◄																																					◄	
Logidis Ltd	◄			◄		◄																																												
Mada Aviation SARL																		◄																																
Mad Courier SARL							◄																																											
Manser Saxon Aluminium Ltd	◄			◄		◄																																												
Manser Saxon Contracting Ltd	◄		◄	◄		◄																			◄																									
Manser Saxon Dubai LLC				◄																																														
Manser Saxon Interiors LLC				◄																																														
Manser Saxon Openings Ltd	◄			◄		◄																																												
Manser Saxon Plumbing Ltd	◄			◄		◄																																												
Marine Biotechnology Products Ltd	◄		◄																																															
Mauritian Eagle Insurance Company Ltd	◄		◄			◄								◄														◄	◄		◄			◄																
Mauritian Eagle Leasing Company Ltd	◄		◄			◄								◄		◄												◄	◄		◄					◄														◄
Mauritian Eagle Life Company Ltd			◄											◄														◄	◄		◄															◄				
Medical Trading Company Ltd	◄			◄																										◄																				
Medical Trading International Ltd	◄			◄		◄																								◄																				
New Cold Storage Co Ltd	◄		◄	◄		◄																																												
Pick and Buy Limited	◄		◄			◄				◄																																								
Pines Ltd	◄		◄			◄																																											◄	
Riche Terre Development Ltd	◄			◄		◄																																												
Saxon International Ltd				◄		◄																																												
Scomat Ltée	◄		◄	◄		◄																																												
Seafood Hub Ltd	◄		◄														◄										◄																							
Seaways Marine Supplies Ltd	◄		◄																																															
Société de Traitement et d'Assainissement des Mascareignes Ltée	◄	◄																																																
Société de Transit Aérien et Maritime SARL																																																		
Société Immobilière IBL Tana SARL								◄																																										
Société Mauricienne de Navigation Ltée	◄					◄																																												
Somatrans SDV Logistics Ltd	◄			◄		◄																																												

A = Alternate Director

	Nicolas Maigrot	François Desmarais	Gaetan Lan Hun Kuen	Fabrizio Merlo	Nicolas Merven	Simon Pierre Rey	Danny Ah Chong	Avo Andriantsisosotra	Victor Manuel de Arroyabe	Marius Bosman	Josian Caetan	Mervyn Chan	Jean Vincent Chantreau	André Chung Shui	Daniel Delva	Antoine Domingue	Kepa Echevarria	Lindsay Edwards	Noel Julio François	Jean-Marc Grazzini	Philippe Guenel	Sylvette Godere	Robert Goupille	Vinod Gooroosawmy	Eric Hardy	Djilani Hisaindee	Ignacio Ibarra	Robert Ip	Gilbert Ithier	Din Jheelan	Subhash Lallah	Stephane Lozachmeur	Marie Joseph Malé	Alain Malliaté	Luc Merven	Yves Méyépa	Gabriel Ange Pinelli	Frank Piriou	Capt. P Ponambalum	Maurice Rault	Dev Ramasawmy	Patrice Robert	Jean-Yves Ruellou	Laura Ruiz	S. Suntah	Philip Venpin	Amit Verma	Derek Wong Wan Po	Jimmy Wong	Natasha Wong
Somatrans SDV Ltd	◄			◄		◄									◄						A																													
Southern Seas Shipping Co Ltd	◄		◄			◄																																												
Thon des Mascareignes Limited	◄		◄														◄										A																							
Tornado Ltd	◄			◄		◄													◄																															
Tourism Services International Ltd	◄	◄		◄		◄																																												
Transfroid Limited	◄		◄			◄											◄																						◄	◄		◄			◄					
Volailles et Traditions Ltée	◄			◄																																														
Winhold Limited	◄		◄		◄					◄																									◄															

A = Alternate Director

Mauritian Eagle Insurance Company Ltd:	Mr Dylan Garnett resigned on 31 May 2012 Mr Gavin Munnoch resigned on 20 May 2012
Mauritian Eagle Life Company Ltd:	Mr Gavin Munnoch resigned on 20 May 2012
IBL Properties Ltd	Mr Simon Pierre Rey resigned on 18 July 2012
DTOS Ltd DTOS International Ltd DTOS Trustees Ltd Interface International Ltd Interface Management Services Limited Knights & Johns Management Ltd	Mr Eric Venpin resigned on 31 December 2011
Pick and Buy Ltd	Mr Simon Pierre Rey resigned on 13 July 2012 Mr Gaetan Lan was appointed as Director on 13 July 2012
Winhold Ltd	Mr Simon Pierre Rey resigned on 13 July 2012 Mr Marius Bosman was appointed as Director on 13 July 2012 Mr Luc Merven was apointed as Director on 13 July 2012
New companies incorporated during the financial year:	IBL Ugandan Holdings Limited incorporated on 15 June 2012. The company changed its name into IBL Ugandan Holdings 1 Limited on 25 July 2012 Volailles et Traditions Ltee incorporated on 8 February 2012

Independent Auditors' Report to the Shareholders of Ireland Blyth Limited

This report is made solely to the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's 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 shareholders 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 Ireland Blyth Limited (the "Company") and its Subsidiaries (collectively referred to as the "Group") on pages 107 to 163 which comprise the statements of financial position as at 30 June 2012 and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities 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 Mauritius Companies Act 2001 and the Financial Reporting Act 2004. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 auditor's judgment, 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 auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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 107 to 163 give a true and fair view of the financial position of the Group and of the Company as at 30 June 2012, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Report on other legal requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interests in, the Company other than in our capacities as auditors and arm's length dealings in the ordinary course of business;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

The Financial Reporting Act 2004

The Directors are responsible for preparing the Corporate Governance Report and making the disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius ("Code"). Our responsibility is to report on these disclosures.

In our opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the Code.

Deloitte

Chartered Accountants
28/9/2012

Jacques de Chasteigner Du Mée, ACA
Licensed by FRC

STATEMENTS OF FINANCIAL POSITION
AT 30 JUNE 2012

		THE GROUP			THE COMPANY		
	Notes	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
ASSETS							
Non-current assets							
Property, plant and equipment	5	7,298,306	5,578,740	5,228,598	1,357,012	1,206,368	1,280,975
Investment property	6	98,557	97,588	-	98,557	97,588	-
Intangible assets	7	563,592	553,792	556,290	11,474	5,449	5,228
Investments in subsidiaries	8	-	-	-	1,967,428	1,806,414	1,382,219
Investments in associates	9	556,198	919,409	852,752	320,047	374,527	368,042
Investments in securities	10	551,610	452,943	270,251	56,816	52,674	45,044
Finance lease receivables	11	896,040	758,785	741,930	-	-	-
		9,964,303	8,361,257	7,649,821	3,811,334	3,543,020	3,081,508
Current assets							
Inventories	12	2,848,733	2,505,158	2,214,093	780,241	459,457	435,551
Finance lease receivables	11	331,021	264,144	267,962	-	-	-
Trade and other receivables	13	3,726,888	3,287,828	3,131,003	2,021,327	2,588,056	3,153,615
Cash and bank balances	26(b)	549,916	421,979	417,461	25,852	89,003	56,669
		7,456,558	6,479,109	6,030,519	2,827,420	3,136,516	3,645,835
Total assets		17,420,861	14,840,366	13,680,340	6,638,754	6,679,536	6,727,343
EQUITY AND LIABILITIES							
Capital and reserves							
Share capital	14	714,383	714,383	714,383	714,383	714,383	714,383
Share premium		192,097	192,097	192,097	192,097	192,097	192,097
Retained earnings		1,481,033	1,276,751	1,077,275	837,025	639,826	618,046
Revaluation reserves		1,215,736	911,367	980,088	725,422	640,540	713,385
Translation and other reserves		487,342	465,215	420,589	38,969	38,969	38,969
Equity attributable to owners of the company		4,090,591	3,559,813	3,384,432	2,507,896	2,225,815	2,276,880
Non-controlling interests		1,526,027	590,711	506,756	-	-	-
Total equity		5,616,618	4,150,524	3,891,188	2,507,896	2,225,815	2,276,880
Insurance fund							
Life assurance fund		587,603	515,586	585,303	-	-	-
		6,204,221	4,666,110	4,476,491	2,507,896	2,225,815	2,276,880
Non-current liabilities							
Obligations under finance leases	15	19,240	20,097	58,401	9,560	7,514	9,044
Long-term loans	16	2,382,128	1,530,218	1,578,361	801,953	539,874	444,816
Deferred taxation	24	82,330	165,356	55,357	10,894	88,976	5,781
Retirement benefit obligations	17	178,973	156,272	133,971	119,771	104,941	92,341
		2,662,671	1,871,943	1,826,090	942,178	741,305	551,982
Current liabilities							
Bank overdrafts	18	1,999,664	2,532,875	2,254,546	1,340,667	2,032,264	1,930,151
Short-term loans	19	1,671,568	1,427,043	1,334,402	332,893	350,456	408,086
Obligations under finance leases	15	14,116	45,272	52,358	4,725	3,066	3,212
Trade and other payables	20	4,868,621	4,267,201	3,721,732	1,510,395	1,311,626	1,557,032
Tax liabilities	24	-	29,922	14,721	-	15,004	-
		8,553,969	8,302,313	7,377,759	3,188,680	3,712,416	3,898,481
Total liabilities		11,216,640	10,174,256	9,203,849	4,130,858	4,453,721	4,450,463
Total equity and liabilities		17,420,861	14,840,366	13,680,340	6,638,754	6,679,536	6,727,343

Approved by the Board of Directors and authorised for issue on 28 September 2012

Thierry Lagesse
Director

Nicolas Maigrot
Director

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Notes	THE GROUP 2012 Rs'000	THE GROUP 2011 Rs'000	THE COMPANY 2012 Rs'000	THE COMPANY 2011 Rs'000
Revenue	3(f), 21	17,513,280	15,795,366	3,270,824	2,087,968
Profit from operations	22	1,018,703	977,453	476,054	297,180
Share of profits less losses of associates	9	98,049	111,469	-	-
Net finance costs	23				
Finance costs		(462,362)	(435,425)	(283,366)	(307,289)
Finance income		12,698	8,714	160,682	200,710
		(449,664)	(426,711)	(122,684)	(106,579)
Profit before tax		667,088	662,211	353,370	190,601
Taxation	24	(95,023)	(86,353)	(6,151)	(18,801)
Profit for the year		572,065	575,858	347,219	171,800
Other comprehensive income					
Reclassification adjustments on disposal of available-for-sale investments		(12,918)	1,758	-	642
Exchange differences on translating foreign operations		(67,348)	(15,228)	-	-
(Loss)/Gain on available-for-sale financial assets	10	(13,653)	29,595	5,484	5,911
Reversal/(Deferred taxation) on revaluation of land and buildings net of deferred taxation		108,668	(88,630)	79,398	(79,398)
Share of revaluation surplus of associates		211,419	-	-	-
Other comprehensive income for the year, net of tax		226,168	(72,505)	84,882	(72,845)
Total comprehensive income for the year		798,233	503,353	432,101	98,955
Profit attributable to:-					
Owners of the Company		455,353	503,876	347,219	171,800
Non-controlling interests		116,712	71,982	-	-
		572,065	575,858	347,219	171,800
Total comprehensive income attributable to:-					
Owners of the Company		723,055	420,309	432,101	98,955
Non-controlling interests		75,178	83,044	-	-
		798,233	503,353	432,101	98,955
Earnings per share (Rs)	28	6.37	7.05		

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

(a) THE GROUP

	Note	Share capital	Share premium	Properties revaluation reserve	Investments revaluation reserve	Translation and other reserves	Retained earnings	Attributable to owners of the company	Non-controlling interests	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at 1 July 2010		714,383	192,097	941,804	38,284	420,589	1,077,275	**3,384,432**	506,756	3,891,188
Share of retained earnings of associates		-	-	-	-	59,472	(59,472)	**-**	-	-
Purchase of non-controlling interests		-	-	-	-	-	(94,908)	**(94,908)**	17,183	(77,725)
Capital from non-controlling shareholders		-	-	-	-	-	-	**-**	4,495	4,495
Profit for the year		-	-	-	-	-	503,876	**503,876**	71,982	575,858
Other comprehensive loss		-	-	(90,155)	21,434	(14,846)	-	**(83,567)**	11,062	(72,505)
Total comprehensive income for the year		-	-	(90,155)	21,434	(14,846)	503,876	**420,309**	83,044	503,353
Dividends	25	-	-	-	-	-	(150,020)	**(150,020)**	(20,767)	(170,787)
Balance at 30 June 2011		714,383	192,097	851,649	59,718	465,215	1,276,751	**3,559,813**	590,711	4,150,524
Balance at 1 July 2011		714,383	192,097	851,649	59,718	465,215	1,276,751	**3,559,813**	590,711	4,150,524
Share of retained earnings of associates		-	-	-	-	58,794	(58,794)	**-**	-	-
Purchase of non-controlling interests		-	-	-	-	-	(42,257)	**(42,257)**	523,918	481,661
Capital from non-controlling shareholders		-	-	-	-	-	-	**-**	350,248	350,248
Profit for the year		-	-	-	-	-	455,353	**455,353**	116,712	572,065
Other comprehensive income		-	-	319,478	(15,109)	(36,667)	-	**267,702**	(41,534)	226,168
Total comprehensive income for the year		-	-	319,478	(15,109)	(36,667)	455,353	**723,055**	75,178	798,233
Dividends	25	-	-	-	-	-	(150,020)	**(150,020)**	(14,028)	(164,048)
Balance at 30 June 2012		714,383	192,097	1,171,127	44,609	487,342	1,481,033	**4,090,591**	1,526,027	5,616,618

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

(b) THE COMPANY

	Note	Share capital Rs'000	Share premium Rs'000	Properties revaluation reserve Rs'000	Investments revaluation reserve Rs'000	Translation and other reserves Rs'000	Retained earnings Rs'000	Total Rs'000
Balance at 1 July 2010		714,383	192,097	694,269	19,116	38,969	618,046	2,276,880
Profit for the year		-	-	-	-	-	171,800	171,800
Other comprehensive income		-	-	(79,398)	6,553	-	-	(72,845)
Total comprehensive income for the year		-	-	(79,398)	6,553	-	171,800	98,955
Dividends	25	-	-	-	-	-	(150,020)	(150,020)
Balance at 30 June 2011		714,383	192,097	614,871	25,669	38,969	639,826	2,225,815
Balance at 1 July 2011		714,383	192,097	614,871	25,669	38,969	639,826	2,225,815
Profit for the year		-	-	-	-	-	347,219	347,219
Other comprehensive income		-	-	79,398	5,484	-	-	84,882
Total comprehensive income for the year		-	-	79,398	5,484	-	347,219	432,101
Dividends	25	-	-	-	-	-	(150,020)	(150,020)
Balance at 30 June 2012		714,383	192,097	694,269	31,153	38,969	837,025	2,507,896

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	Notes	THE GROUP 2012 Rs'000	THE GROUP 2011 Rs'000	THE COMPANY 2012 Rs'000	THE COMPANY 2011 Rs'000
CASH GENERATED FROM OPERATIONS	26(a)	1,484,902	991,511	(63,464)	363,979
Interest paid		(462,362)	(435,425)	(283,366)	(307,289)
Taxation paid	24(b)	(147,947)	(64,815)	(32,415)	-
Dividends paid to non-controlling shareholders		(14,028)	(20,767)	-	-
Dividends paid by holding company		(150,020)	(192,883)	(150,020)	(192,883)
Net cash generated from/(used in) operating activities		710,545	277,621	(529,265)	(136,193)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from disposal of investments		136,331	104,380	1,838	4,734
Proceeds from disposal of property, plant and equipment		80,603	64,752	21,167	8,601
Proceeds from disposal of computer software		-	348	-	348
Purchase of investments		(287,161)	(266,236)	(107,067)	(432,404)
Purchase of property, plant and equipment		(789,745)	(960,852)	(221,092)	(72,222)
Purchase of non-controlling interests		(47,137)	(77,725)	-	-
Additions to investment property	6	(969)	(974)	(969)	(974)
Decrease in amounts due from related companies		52,530	-	840,180	190,141
Purchase of computer software	7	(22,468)	(11,447)	(8,596)	(2,902)
Dividends received		35,038	53,708	384,794	94,720
Interest received		12,698	8,714	160,682	200,710
Investment in finance leases		(542,108)	(424,812)	-	-
Capital repayment on finance leases		308,650	312,758	-	-
Net cash outflow on acquisition of subsidiary	27(f)	(91,165)	-	-	-
Net cash inflow on disposal of subsidiary		-	7,500	-	-
Net cash (used in)/generated from investing activities		(1,154,903)	(1,189,886)	1,070,937	(9,248)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares to non-controlling shareholders		390,000	4,495	-	-
Net movement in deposit from customers		308,931	(47,229)	-	-
Loans received		1,146,265	817,895	551,300	496,808
Loans repaid		(795,416)	(722,654)	(314,154)	(454,298)
Increase/(decrease) in bills payable		104,453	638,245	(143,476)	36,637
Obligations under finance lease repaid		(48,727)	(52,298)	(6,896)	(3,485)
Net cash generated from financing activities		1,105,506	638,454	86,774	75,662
Net increase/(decrease) in cash and cash equivalents		661,148	(273,811)	628,446	(69,779)
Cash and cash equivalents at start of the year	26(b)	(2,110,896)	(1,837,085)	(1,943,261)	(1,873,482)
Cash and cash equivalents at end of the year	26(b)	(1,449,748)	(2,110,896)	(1,314,815)	(1,943,261)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1. GENERAL INFORMATION

Ireland Blyth Limited is a public company incorporated in Mauritius and listed on the Stock Exchange of Mauritius. Its registered office is situated at IBL House, Caudan, Port Louis, Mauritius.

The main activities of Ireland Blyth Limited and of its subsidiaries are carried out in six sectors of activities and supported by a corporate unit.

Sectors of activities:

- Commerce
- Engineering
- Financial Services
- Logistics, Aviation and Shipping
- Retail
- Seafood and Marine

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

In the current year, the Group and the Company have applied all of the new and revised IFRSs issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 July 2011.

2.1 New and revised IFRSs applied with no effect on financial statements

The following relevant new and revised Standards and Interpretations have been applied in these financial statements. Their application has not had any material impact on the amounts reported for the current and prior years in these financial statements but may affect the accounting for future transactions or arrangements.

IAS 1	Presentation of Financial Statements - Amendments resulting from May 2010 Annual Improvements to IFRSs
IAS 24	Related Party Disclosures - Revised definition of related parties
IAS 34	Interim Financial Reporting - Amendments resulting from May 2010 Annual Improvements to IFRSs
IFRS 7	Financial Instruments: Disclosures - Amendments resulting from May 2010 Annual Improvements to IFRS
IFRS 7	Financial Instruments: Disclosures - Amendments enhancing disclosures about transfers of financial assets

2.2 Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant Standards and Interpretations were in issue but effective on annual periods beginning on or after the respective dates as indicated.

IAS 1	Presentation of Financial Statements - Amendments to revise the way other comprehensive income is presented (effective 1 July 2012)
IAS 1	Presentation of Financial Statements - Amendments resulting from Annual Improvements 2009-2011 cycle (comparative information) (effective 1 January 2013)
IAS 12	Income Taxes - Limited scope amendment (recovery of underlying assets) (effective 1 January 2012)
IAS 16	Property, plant and Equipment – Amendments resulting from Annual Improvements 2009-2011 cycle (servicing equipment) (effective 1 January 2013)
IAS 19	Employee Benefits - Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects (effective 1 January 2013)
IAS 27	Consolidated and Separate Financial Statements - original issue (as amended in 2011) (effective 1 January 2013)
IAS 28	Investments in Associates and Joint Ventures - original issue (effective 1 January 2013)
IAS 32	Financial Instruments: Presentation - Amendments resulting from Annual Improvements 2009-2011 cycle (tax effect of equity distributions) (effective 1 January 2013)
IAS 32	Financial Instruments: Presentation - Amendments relating to the offsetting of assets and liabilities (effective 1 January 2014)

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONT'D)

2.2 Standards and Interpretations in issue but not yet effective (Cont'd)

IFRS 7	Financial Instruments: Disclosures - Amendments related to the offsetting of assets and liabilities (effective 1 January 2013)
IFRS 7	Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2015)
IFRS 9	Financial Instruments – Reissue to include requirements for the classification and measurement of financial liabilities and incorporate existing derecognition requirements (effective 1 January 2013)
IFRS 9	Financial Instruments – Classification and measurement of financial assets (effective 1 January 2013)
IFRS 9	Financial Instruments – Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2015)
IFRS 10	Consolidated Financial Statements - original issue (effective 1 January 2013)
IFRS 10	Consolidated Financial Statements – Amendments to transitional guidance (effective 1 January 2013)
IFRS 12	Disclosure of Interests in Other Entities - original issue (effective 1 January 2013)
IFRS 12	Disclosure of Interests in Other Entities - amendments to transitional guidance (effective 1 January 2013)
IFRS 13	Fair Value Measurement (effective 1 January 2013)

The Directors anticipate that the adoption of these Standards and Interpretations at the above effective dates in future periods will have no material impact on the financial statements of the Group and the separate financial statements of the Company.

3. ACCOUNTING POLICIES

The principal accounting policies adopted by the Group and the Company are as follows:-

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings, investment properties and certain available-for-sale investments, and are in accordance with International Financial Reporting Standards (IFRS).

(b) Basis of consolidation

The consolidated financial statements include the results of the Company and of its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date of their acquisition or up to the date of their disposal. Intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. ACCOUNTING POLICIES (CONT'D)

(b) Basis of consolidation (Cont'd)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(c) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3(2008) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date - and is subject to a maximum of one year.

3. ACCOUNTING POLICIES (CONT'D)

(d) Investments in subsidiaries

In the company's financial statements, investments in subsidiaries are stated at cost. The carrying amount is reduced if there is any indication of impairment in value.

(e) Investments in associates

Associates are those companies which are not subsidiaries or joint ventures, over which the Group exercises significant influence and in which it holds a long-term equity interest.

Investments in associates are accounted for at cost or fair value in the Company's accounts and under the equity method of accounting in the Group accounts. The Group's share of the associates' profit or loss for the year is recognised in the statement of comprehensive income and the Group's interest in the associate is carried in the statement of financial position at an amount that reflects its share of the net assets of the associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment on an annual basis as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in the statement of comprehensive income.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents sales of goods and services, commissions, gross insurance premiums and gross finance lease receivable.

Sales of goods are recognised upon delivery of products and customer acceptance and are net of value added tax and discounts.

Revenue from services are recognised when the services have been performed and are billable.

Commissions are recognised upon performance of services.

Insurance premiums from general insurance business are recognised on a pro-rata basis over the terms of the policy coverage. Life Insurance premiums are recognised on a received basis.

Gross income receivable under finance lease are accounted for in the year in which they are receivable.

Other operating income earned by the Group are recognised as follows:

Rental income - on an accruals basis
Dividend income - when the right to receive payment is established
Interest income - on a time proportion basis using the effective interest method.

3. ACCOUNTING POLICIES (CONT'D)

(g) Property, plant and equipment

Freehold land and buildings are stated at their revalued amounts. Revaluations are performed such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase is credited to properties revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in statement of comprehensive income, in which case the increase is credited to the statement of comprehensive income to the extent of the decrease previously charged. A decrease in carrying amount arising on revaluation is charged to statement of comprehensive income to the extent that it exceeds the balance, if any, held in properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to statement of comprehensive income. On the subsequent disposal or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained profits.

Buildings on leasehold land is carried at cost.

No depreciation is provided on freehold land.

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost or revalued amount of the assets to their estimated residual values on a straight line basis over their expected useful lives as follows:-

Building on freehold land	- 50 years
Building on leasehold land	- over period of lease
Plant and machinery	- 5 to 10 years
Shipping vessels	- 8 to 9 years
Furniture and fittings	- 5 years
Computer equipment	- 3 to 7 years
Motor vehicles	- 6 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

3. ACCOUNTING POLICIES (CONT'D)

(i) Intangible assets

- *Goodwill*

  Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

  If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

  Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

  On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

  The Group's policy for goodwill arising on the acquisition of an associate is described at 3(e) above.

- *Computer software*

  Computer software that is not considered to form an integral part of any hardware equipment is recorded as intangible assets. The software is capitalised at cost and amortised over its estimated useful lives of 3 to 7 years on a straight line basis.

(j) Inventories

Inventories are stated at the lower of cost (determined on a weighted average price basis) and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

(k) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3. ACCOUNTING POLICIES (CONT'D)

(k) Leasing (Cont'd)

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the date of acquisition. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the statement of comprehensive income over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged to statement of comprehensive income on a straight-line basis over the term of the relevant lease.

The Group as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to the accounting period so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(l) Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Mauritian rupees, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are retranslated into the entity's functional currency at the rates of exchange prevailing at the end of each reporting period.

Exchange differences arising on the settlement and the retranslation of monetary items are recognised in the statement of comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of foreign operations are expressed in Mauritian rupees using exchange rates prevailing at the end of each reporting period. Their results for the period are translated into Mauritian rupees at average exchange rates for the period. The exchange differences arising from translation of the foreign operations are taken to the Group's translation reserve.

(m) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3. ACCOUNTING POLICIES (CONT'D)

(m) Taxation (Cont'd)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years but it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all deductible temporary differences and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(n) Retirement benefit obligations

Defined benefit pension plan

The cost of providing benefits are actuarially determined using the projected unit credit method.

The present value of funded obligations is recognised in the statement of financial position as a non-current liability after adjusting for the fair value of plan assets, any unrecognised actuarial gains and losses and any unrecognised past service cost. The valuation of these obligations is carried out annually by a firm of consulting actuaries.

The current service cost and any recognised past service cost are included as an expense together with the associated interest cost, net of expected return on plan assets.

A portion of the actuarial gains and losses will be recognised as income or expense if the net cumulative unrecognised actuarial gains and losses at the end of the previous accounting period exceeded the greater of:

(i) 10% of the present value of the defined benefit obligation at that date; and

(ii) 10% of the fair value of plan assets at that date.

3. ACCOUNTING POLICIES (CONT'D)

(n) Retirement benefit obligations (Cont'd)

Other retirement benefits

The present value of other retirement benefits in respect of Employment Rights Act gratuities is recognised in the statement of financial position as a non-current liability. The rate used to discount the retirement benefits is assumed to be the same as that which reflects future salary increases.

State plan and defined contribution pension plan

Contributions to the National Pension Scheme and defined contribution pension plan are expensed to the statement of comprehensive income in the period in which they fall due.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(p) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

(q) Life assurance fund

The transfer of reserves to Life assurance fund for the future benefits of a subsidiary's policy holders is determined annually by actuarial valuation and is subject to provisions of the Insurance Act 2005.

(r) Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when the Group has become party to the contractual provisions of the financial instruments.

Except where stated separately, the carrying amounts of the group's financial instruments approximate their fair values. These instruments are measured as set out below:-

(i) Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(a) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as at FVTPL where the financial assets are either held for trading or are designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. ACCOUNTING POLICIES (CONT'D)

(r) Financial instruments (Cont'd)

(i) Financial assets (Cont'd)

(a) Financial assets at fair value through profit or loss (FVTPL) (Cont'd)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

(b) Held-to-maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

(c) Available-for-sale (AFS) financial assets

Listed shares held by the Group that are traded in an active market are classified as being AFS and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in equity in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest rate method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is included in profit or loss for the period.

Available-for-sale investments which do not have a quoted market price and whose fair value cannot be reliably measured, are carried at cost, less any impairment loss.

(d) Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

3. ACCOUNTING POLICIES (CONT'D)

(r) Financial instruments (Cont'd)

(i) Financial assets (Cont'd)

(e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

(f) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(ii) Financial liabilities

(a) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

(c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. ACCOUNTING POLICIES (CONT'D)

(r) Financial instruments (Cont'd)

(ii) Financial liabilities (Cont'd)

(c) Financial liabilities (Cont'd)

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability. Fair value is determined in the manner described in note 32.

(d) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(e) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

(iii) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For unlisted shares classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

3. ACCOUNTING POLICIES (CONT'D)

(r) Financial instruments (Cont'd)

(iii) Impairment of financial assets (Cont'd)

For all other financial assets, including redeemable notes classified as AFS and finance lease receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised through profit or loss are not reversed through statement of comprehensive income. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

(s) Construction contracts

Revenue and costs from construction contracts, the outcome of which can be reliably estimated, are recognised by the percentage of completion method. The stage of completion of a contract is determined by surveys of work performed. Revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable on contracts, the outcome of which is uncertain. Losses are recognised immediately on contracts where they are foreseen.

3. ACCOUNTING POLICIES (CONT'D)

(t) Impairment of tangible and intangible excluding goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(u) Related parties

For the purpose of these financial statements, parties are considered to be related to the Group if they have the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice versa, or where the Group is subject to common control or common significant influence. Related parties may be individual or other entities.

(v) Cash and cash equivalents

Cash comprises cash at bank and term deposits. Cash equivalents are short term, highly liquid investments that are readily covertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(w) Comparative figures

Comparative figures have been regrouped or restated, where necessary, to conform to the current year's presentation.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(a) Critical judgements in applying accounting policies (Cont'd)

Determination of functional currency of the group entities

As described in note 3, the determination of the functional currency of each group entity is critical since the way in which every transaction is recorded and whether exchange differences arise are dependent on the functional currency selected. In making this judgement, the Directors have considered the currencies in which revenue is received, the currency of the country whose competitive forces and regulations matter, the currencies in which labour, material and other costs are settled, the currencies in which the funds from financing activities are generated and the currency in which receipts from operating activities are usually retained. The Directors have determined that the functional currency of the Company as well as that of most subsidiaries is the Mauritian rupee, except for the following subsidiaries:

Subsidiary	*Functional currency*
Chantier Naval de l'Ocean Indien Ltd	Euro
DTOS Ltd	US Dollar
Equity Aviation Indian Ocean Ltd	US Dollar
IBL Comores s.a.r.l.	KMF
IBL Reunion s.a.s.	Euro
IBL Santé s.a.r.l.	Ariary
Interface International Ltd	US Dollar
Ireland Blyth (Seychelles) Ltd	SRs
Mada Logistics s.a.r.l.	Ariary
Société Madcourier s.a.r.l.	Ariary
Southern Seas Shipping Company Limited	US Dollar
Tourism Services International Ltd	Euro
Tuna Mascarene s.l.	Euro

(b) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the end of the reporting period was Rs519.2M (2011: Rs519.2M and 2010: Rs519.2M) for which details are provided in note 7.

Impairment of unquoted investments

Determining whether investments are impaired requires an estimation of the value in use of the investments. In considering the value in use, the Directors have taken into account management accounts and cash flow projections. The actual results could, however, differ from the estimates.

Provision for impairment of finance lease receivables

The calculation of specific provision for impairment of finance lease receivables requires management to estimate the recoverable amount of each impaired asset, which is the estimated future cash flows discounted at the original effective interest rate of the lease where cash flows for large credits include the realisable value of collateral securing the credit, the value of such collateral is based on the opinion of independent and qualified appraisers and/or management judgement.

The portfolio provision is estimated based upon historical patterns of losses in each component of the portfolio of leases as well as management estimate of the impact of current economic and other relevant conditions on the recoverability of the lease portfolio.

5. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP

	Freehold land and building Rs'000	Building on leasehold land Rs'000	Plant and machinery Rs'000	Furniture and fittings Rs'000	Computer equipment Rs'000	Motor vehicles Rs'000	Total Rs'000
Cost or valuation							
At 1 July 2010	2,255,304	891,874	2,485,693	763,827	297,908	556,859	7,251,465
Additions	128,181	91,637	559,978	127,405	59,181	53,547	1,019,929
Adjustments	13,999	2,464	(23)	(186)	99	(604)	15,749
Exchange differences	-	(1,859)	(25,313)	(5,559)	(1,939)	72	(34,598)
Reclassification	-	-	-	-	(205)	-	(205)
Transfer to Investment property	(96,614)	-	-	-	-	-	(96,614)
Assets scrapped	-	-	(15,794)	(133,761)	(8,556)	-	(158,111)
Write-off	-	-	(13,881)	-	-	-	(13,881)
Deconsolidation of subsidiary	-	-	(17,116)	(387)	(269)	(12,800)	(30,572)
Disposals	(4,011)	(5,909)	(43,337)	(2,520)	(10,822)	(82,000)	(148,599)
At 30 June 2011	2,296,859	978,207	2,930,207	748,819	335,397	515,074	7,804,563
Additions	124,737	28,921	395,505	110,313	39,292	107,691	806,459
Exchange differences	-	(78,325)	(9,500)	3,891	1,255	(3,116)	(85,795)
Reclassification	-	-	42,309	(1,130)	(89)	(41,224)	(134)
Assets scrapped	-	-	-	(10,178)	(3,327)	-	(13,505)
Acquisition of subsidiary	-	1,338,913	416,682	2,464	8,988	26,989	1,794,036
Disposals	(39,398)	-	(71,648)	(15,543)	(14,390)	(86,639)	(227,618)
At 30 June 2012	2,382,198	2,267,716	3,703,555	838,636	367,126	518,775	10,078,006

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) THE GROUP

	Freehold land and buildings Rs'000	Building on leasehold land Rs'000	Plant and machinery Rs'000	Furniture and fittings Rs'000	Computer equipment Rs'000	Motor vehicles Rs'000	Total Rs'000
Accumulated depreciation							
At 1 July 2010	9,806	60,433	892,813	540,725	232,524	286,566	2,022,867
Charge for the year	24,469	16,278	229,360	65,191	35,438	53,805	424,541
Impairment	-	-	45,978	-	-	23,398	69,376
Adjustments	-	2,464	-	(20)	17	(140)	2,321
Exchange differences	-	(124)	(12,312)	(1,773)	(1,382)	79	(15,512)
Reclassification	-	-	-	-	(205)	-	(205)
Assets scrapped	-	-	(15,794)	(133,761)	(8,556)	-	(158,111)
Write-off	-	-	(4,133)	-	-	-	(4,133)
Deconsolidation of subsidiary	-	-	(13,376)	(268)	(196)	(8,968)	(22,808)
Disposals	(552)	(103)	(19,347)	(1,589)	(10,120)	(60,802)	(92,513)
At 30 June 2011	33,723	78,948	1,103,189	468,505	247,520	293,938	2,225,823
Charge for the year	27,680	38,557	327,203	82,061	38,441	57,216	571,158
Impairment	-	-	14,578	-	-	-	14,578
Exchange differences	-	(577)	2,628	1,365	412	(2,023)	1,805
Reclassification	-	-	25,176	(30)	18	(25,164)	-
Assets scrapped	-	-	-	(10,178)	(3,327)	-	(13,505)
Acquisition of subsidiary	-	11,519	92,585	1,237	6,739	16,828	128,908
Disposals	-	-	(56,783)	(14,156)	(14,317)	(63,811)	(149,067)
At 30 June 2012	61,403	128,447	1,508,576	528,804	275,486	276,984	2,779,700
Carrying amount							
At 30 June 2012	2,320,795	2,139,269	2,194,979	309,832	91,640	241,791	7,298,306
At 30 June 2011	2,263,136	899,259	1,827,018	280,314	87,877	221,136	5,578,740
At 30 June 2010	2,245,498	831,441	1,592,880	223,102	65,384	270,293	5,228,598

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) THE GROUP (CONT'D)

(i) The adjustments arise on the translation of the financial statements of foreign subsidiaries to Mauritian rupees, reclassification of assets, and other adjustments.

(ii) The value of freehold land and buildings had been determined by the Directors based on a valuation carried out by an independent valuer, Gexim Real Estate Ltd in June 2010 and taking into account their assessment of current market condition. The surpluses of Rs551.9M and Rs308.2M arising on revaluation for the Group and the Company respectively were credited to other comprehensive income.

(iii) The carrying amount of assets held under finance leases is as follows:

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Plant and machinery	63,276	134,422	150,290	-	-	-
Motor vehicles	19,394	19,180	19,713	14,775	10,970	12,593
	82,670	153,602	170,003	14,775	10,970	12,593

(iv) The carrying amounts of all freehold land and buildings excluding the above revaluation, are as follows:

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Cost	1,975,868	1,890,531	1,862,975	985,145	844,603	916,330
Accumulated depreciation	(213,340)	(188,840)	(169,411)	(112,983)	(100,373)	(92,682)
Net book value	1,762,528	1,701,691	1,693,564	872,162	744,230	823,648

(v) Property, plant and equipment have been pledged as security for bank facilities granted to the Group (note 16).

(vi) The impairment losses have been included in operating expenses in the consolidated statement of comprehensive income (note 22 (b)).

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE COMPANY

	Freehold land and buildings Rs'000	Building on leasehold land Rs'000	Plant and machinery Rs'000	Furniture and fittings Rs'000	Computer equipment Rs'000	Motor vehicles Rs'000	Total Rs'000
Cost or valuation							
At 1 July 2010	1,136,505	50,679	87,063	302,033	103,417	91,548	1,771,245
Adjustments	-	-	-	(99)	99	-	-
Reclassification	-	-	-	-	72	-	72
Transfer to Investment property	(96,614)	-	-	-	-	-	(96,614)
Additions	28,897	803	1,772	21,123	11,555	9,881	74,031
Assets scrapped	-	-	(15,794)	(128,483)	(7,519)	-	(151,796)
Disposals	(4,011)	(2,436)	-	(1,628)	(1,913)	(21,728)	(31,716)
At 30 June 2011	1,064,777	49,046	73,041	192,946	105,711	79,701	1,565,222
Reclassification	-	-	1,153	(1,199)	46	-	-
Additions	159,700	2,105	22,677	24,786	7,320	15,105	231,693
Assets scrapped	-	-	-	(9,881)	(946)	-	(10,827)
Disposals	(19,155)	-	(192)	(125)	(107)	(9,304)	(28,883)
At 30 June 2012	1,205,322	51,151	96,679	206,527	112,024	85,502	1,757,205
Accumulated depreciation							
At 1 July 2010	4,620	11,877	44,228	277,469	77,917	74,159	490,270
Adjustments	-	-	-	(20)	20	-	-
Reclassification	-	-	-	-	71	-	71
Charge for the year	9,860	1,735	11,022	8,847	7,492	5,420	44,376
Assets scrapped	-	-	(15,794)	(128,483)	(7,519)	-	(151,796)
Disposals	(552)	-	-	(1,473)	(1,499)	(20,543)	(24,067)
At 30 June 2011	13,928	13,612	39,456	156,340	76,482	59,036	358,854
Reclassification	-	-	14	(32)	18	-	-
Charge for the year	13,046	2,009	12,667	15,142	8,925	7,839	59,628
Assets scrapped	-	-	-	(9,881)	(946)	-	(10,827)
Disposals	-	-	(192)	(64)	(107)	(7,099)	(7,462)
At 30 June 2012	26,974	15,621	51,945	161,505	84,372	59,776	400,193
Carrying amount							
At 30 June 2012	1,178,348	35,530	44,734	45,022	27,652	25,726	1,357,012
At 30 June 2011	1,050,849	35,434	33,585	36,606	29,229	20,665	1,206,368
At 30 June 2010	1,131,885	38,802	42,835	24,564	25,500	17,389	1,280,975

6. INVESTMENT PROPERTY

	THE GROUP AND THE COMPANY Rs'000
At 1 July 2010	-
Transfer from Property, plant & equipment	96,614
Additions	974
At 30 June 2011	97,588
Additions	969
At 30 June 2012	98,557
Rental income including common charges	15,081
Direct operating expenses generating rental income	1,215

7. INTANGIBLE ASSETS

THE GROUP	Goodwill Rs'000	Computer software Rs'000	Total Rs'000
Cost			
At 1 July 2010	543,516	153,002	696,518
Additions	-	11,447	11,447
Exchanges	-	(1,196)	(1,196)
Reclassification	-	205	205
Assets scrapped	-	(1,306)	(1,306)
Disposal	-	(502)	(502)
At 30 June 2011	543,516	161,650	705,166
Additions	-	22,468	22,468
Exchanges	-	790	790
Reclassification	-	134	134
Assets scrapped	-	(6,713)	(6,713)
Disposal	-	(1,508)	(1,508)
At 30 June 2012	543,516	176,821	720,337
Accumulated amortisation and impairment			
At 1 July 2010	24,365	115,863	140,228
Charge for the year	-	13,278	13,278
Exchanges	-	(877)	(877)
Reclassification	-	205	205
Assets scrapped	-	(1,306)	(1,306)
Disposal	-	(154)	(154)
At 30 June 2011	24,365	127,009	151,374
Charge for the year	-	12,967	12,967
Exchanges	-	617	617
Assets scrapped	-	(6,713)	(6,713)
Disposal	-	(1,500)	(1,500)
At 30 June 2012	24,365	132,380	156,745
Carrying amount			
At 30 June 2012	519,151	44,441	563,592
At 30 June 2011	519,151	34,641	553,792
At 30 June 2010	519,151	37,139	556,290

7. INTANGIBLE ASSETS (CONT'D)

THE COMPANY

	Computer software Rs'000
Cost	
At 1 July 2010	60,133
Additions	2,902
Reclassification	(72)
Assets scrapped	(206)
Disposal	(502)
At 30 June 2011	62,255
Additions	8,596
Assets scrapped	(4,301)
At 30 June 2012	66,550
Amortisation	
At 1 July 2010	54,905
Charge for the year	2,332
Reclassification	(71)
Assets scrapped	(206)
Disposal	(154)
At 30 June 2011	56,806
Charge for the year	2,571
Assets scrapped	(4,301)
At 30 June 2012	55,076
Carrying amount	
At 30 June 2012	11,474
At 30 June 2011	5,449
At 30 June 2010	5,228

7. INTANGIBLE ASSETS (CONT'D)

Goodwill has been allocated for impairment testing purposes to the following cash generating units (CGU's):

	THE GROUP		
	2012 Rs'000	2011 Rs'000	2010 Rs'000
Financial services	274,522	274,522	274,522
Seafood and marine	97,536	97,536	97,536
Engineering	80,342	80,342	80,342
Logistics, aviation and shipping	66,751	66,751	66,751
	519,151	519,151	519,151

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management. Cash flows are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate of the respective sector in which the CGU operates.

The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Key assumptions used for value-in-use calculations:

	Growth rate	Discount rate
Financial services	3%	3%
Others	5%	5%

The Directors believe that any reasonably possible change in key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

The Directors have reviewed the carrying amount of goodwill and computer software at the end of the reporting period and in their opinion, they have not been impaired.

8. INVESTMENTS IN SUBSIDIARIES

	THE COMPANY		
At Cost	2012 Rs'000	2011 Rs'000	2010 Rs'000
At 1 July	1,806,414	1,382,219	1,325,014
Additions	78,669	419,700	57,205
Transfer from Investments in associates	82,345	4,495	-
At 30 June	1,967,428	1,806,414	1,382,219
Investments are analysed as follows:-			
Quoted	800	800	800
Unquoted	1,966,628	1,805,614	1,381,419
	1,967,428	1,806,414	1,382,219

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Market values

At 30 June 2012, the market value of quoted investments of the Company amounted to Rs42.1M (30 June 2011: Rs39.4M and 30 June 2010: Rs 33.5M).

Details of subsidiaries

Details of subsidiaries are set out on pages 161 to 163.

9. INVESTMENTS IN ASSOCIATES

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
At 1 July	919,409	852,752	374,527	368,042
Additions	24,465	10,985	27,865	10,985
Disposals	-	(530)	-	(5)
Adjustment on winding-up	-	(1,305)	-	-
Transfer to investment in subsidiaries	(614,594)	(4,495)	(82,345)	(4,495)
Refund of Shareholders' loans	(52,530)	-	-	-
Share of revaluation surplus	211,419	-	-	-
Share of profits less losses	98,049	111,469	-	-
Dividend	(30,020)	(49,467)	-	-
At 30 June	556,198	919,409	320,047	374,527

Details of associates

Details of main associates are set out on page 163.

In the prior year, the Group held a 50% interest in Chantier Naval de l'Océan Indien Ltd and accounted for this investment as an associate using the equity method of accounting. On 1 July 2011, the Group acquired an additional 10% equity interest in the associate from the remaining shareholders for a consideration of Rs90.2M. Following the additional investment in the above entity, the Group has obtained control and the transaction has resulted in the recognition of a loss in the current year included in profit or loss calculated as follows:

	2012 Rs'000
Fair value of previously held interest	408,500
Less:Carrying amount of investment at date of loss of significant influence	(614,594)
Loss	(206,094)

The business combination has resulted in a negative goodwill of Rs'000 294,465 (refer to note 27 (e)).

9. INVESTMENTS IN ASSOCIATES (CONT'D)

Summarised financial information in respect of the Group's associates is set out below:-

	2012 Rs'000	2011 Rs'000	2010 Rs'000
Total assets	3,632,870	4,720,129	4,152,122
Total liabilities	(1,834,941)	(1,967,168)	(1,697,213)
Net assets	1,797,929	2,752,961	2,454,909
Group's share of associates' net assets	556,198	919,409	852,752
Total revenue	6,646,399	5,983,694	2,755,859
Total profit for the year	311,833	298,502	164,423
Group's share of associates' profit for the year	98,049	111,469	59,703

10. INVESTMENTS IN SECURITIES

	THE GROUP		THE COMPANY	
At fair value	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Available-for-sale investments				
At 1 July	452,943	270,251	52,674	45,044
Additions	262,696	255,251	533	1,719
Disposals	(150,376)	(102,154)	(1,875)	-
(Decrease)/increase in fair value	(13,653)	29,595	5,484	5,911
At 30 June	551,610	452,943	56,816	52,674

The fair value of the investments has been determined by reference to market prices at 29 June 2012 quoted on the Stock Exchange of Mauritius.

11. FINANCE LEASE RECEIVABLES

	THE GROUP		
	Minimum lease payments Rs'000	Unearned Finance income Rs'000	Present value of minimum lease payments Rs'000
30 June 2012			
Amounts receivable:			
- within one year	420,055	89,034	331,021
- in the second to fifth years inclusive	1,074,705	136,751	937,954
	1,494,760	225,785	1,268,975
Less: Allowance for credit losses			(41,914)
			1,227,061
Analysed as:			
Current finance lease receivables			331,021
Non-current finance lease receivables			896,040
			1,227,061
30 June 2011			
Amounts receivable:			
- within one year	342,314	78,170	264,144
- in the second to fifth years inclusive	925,168	127,398	797,770
	1,267,482	205,568	1,061,914
Less: Allowance for credit losses			(38,985)
			1,022,929
Analysed as:			
Current finance lease receivables			264,144
Non-current finance lease receivables			758,785
			1,022,929
30 June 2010			
Amounts receivable:			
- within one year	344,099	76,137	267,962
- in the second to fifth years inclusive	965,948	145,900	820,048
	1,310,047	222,037	1,088,010
Less: Allowance for credit losses			(78,118)
			1,009,892
Analysed as:			
Current finance lease receivables			267,962
Non-current finance lease receivables			741,930
			1,009,892

The average term of finance leases entered into is five to seven years. The average effective interest rate contracted is 9% p.a. (30 June 2011: 10% p.a. and 30 June 2010: 11% p.a).

Finance lease receivable balances are secured over the assets leased.

The fair value of the finance lease receivables at 30 June 2012 is estimated at Rs1,278M (30 June 2011: Rs1,058M and 30 June 2010: Rs1,048M) based on discounted estimated future cash flows at market rate.

The fair value of the collaterals of the finance lease receivables at 30 June 2012 is estimated at Rs1,398M (30 June 2011: Rs1,139M and 30 June 2010: Rs1,151M), based on the assets depreciated value.

There is no individual client which accounts for more than 10% of the total portfolio of the Group at the reporting date. The largest client currently accounts 5% (30 June 2011: 5% and 30 June 2010: 6%) of the total portfolio.

The lessee has the option to purchase the asset at the end of the lease period.

12. INVENTORIES

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Raw materials	717,550	634,964	620,507	-	-	-
Work-in-progress	10,319	1,892	8,945	-	-	-
Finished goods	2,120,864	1,868,302	1,584,641	780,241	459,457	435,551
	2,848,733	2,505,158	2,214,093	780,241	459,457	435,551
At cost	1,905,496	2,035,167	1,846,260	686,777	371,227	376,500
At net realisable value	943,237	469,991	367,833	93,464	88,230	59,051
	2,848,733	2,505,158	2,214,093	780,241	459,457	435,551

Inventories have been pledged as security for bank facilities granted to the Group (note 16).

13. TRADE AND OTHER RECEIVABLES

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Trade receivables	2,196,668	2,109,221	1,925,354	572,219	464,830	507,118
Allowance for doubtful debts	(89,100)	(82,525)	(71,398)	(27,989)	(18,650)	(20,986)
	2,107,568	2,026,696	1,853,956	544,230	446,180	486,132
Other receivables and prepayments	1,571,427	1,261,132	1,277,047	346,099	289,930	417,481
Amounts due by subsidiaries	-	-	-	1,118,422	1,851,946	2,250,002
Tax receivable	47,893	-	-	12,576	-	-
	3,726,888	3,287,828	3,131,003	2,021,327	2,588,056	3,153,615

Amounts due by subsidiaries bear interest at 8% p.a. at 30 June 2012 (8.75% p.a. at 30 June 2011 and 9.75% p.a. at 30 June 2010).

The average credit period on sales of goods is 2 months. Allowance for doubtful debts is normally determined by the Group as 1% of debts due for more than 1 year. No interest is charged on the trade receivables.

Before accepting any new customer, the Credit Control Department of each sector of activity assesses the credit quality of the customer and defines the terms and credit limits accordingly.

Ageing of past due but not impaired

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
60 - 90 days	227,301	233,104	131,311	233,104	41,775	17,217
90 - 120 days	100,649	101,317	68,458	101,317	8,814	6,459
Total	327,950	334,421	199,769	334,421	50,589	23,676

Movement in the allowance for doubtful debts:	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
At 1 July	82,525	71,398	18,650	20,986
Impairment losses recognised on receivables	28,957	33,164	13,901	4,317
Amounts written off as uncollectible	(13,078)	(15,829)	(9)	(2,018)
Amounts recovered during the year	(2,304)	(1,293)	(36)	(563)
Impairment losses reversed	(7,000)	(4,915)	(4,517)	(4,072)
At 30 June	89,100	82,525	27,989	18,650

13. TRADE AND OTHER RECEIVABLES (CONT'D)

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

14. SHARE CAPITAL

	THE GROUP AND THE COMPANY			
	30 June 2012, 30 June 2011 and 30 June 2010			
	Authorised		Issued and fully paid	
	Shares	Rs'000	Shares	Rs'000
Ordinary shares of Rs10 each	71,440,139	714,401	71,438,333	714,383

Fully paid ordinary shares which have a par value of Rs10 each, carry one vote per share and carry a right to dividends.

15. OBLIGATIONS UNDER FINANCE LEASES

THE GROUP

	Minimum lease payments			Present value of minimum lease payments		
	2012	2011	2010	2012	2011	2010
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Within one year	16,630	49,591	61,782	14,116	45,272	52,358
In the second to the fifth years inclusive	20,422	22,208	63,375	16,726	19,831	58,401
After five years	2,740	275	-	2,514	266	-
	23,162	22,483	63,375	19,240	20,097	58,401
	39,792	72,074	125,157	33,356	65,369	110,759
Less: Future finance charges	6,436	6,705	14,398	-	-	-
Present value of minimum lease payments	33,356	65,369	110,759	33,356	65,369	110,759

THE COMPANY

	Minimum lease payments			Present value of minimum lease payments		
	2012	2011	2010	2012	2011	2010
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Within one year	5,975	4,007	4,330	4,725	3,066	3,212
In the second to the fifth years inclusive	10,499	8,579	11,086	9,083	7,347	8,927
After five years	517	172	155	477	167	117
	11,016	8,751	11,241	9,560	7,514	9,044
	16,991	12,758	15,571	14,285	10,580	12,256
Less: Future finance charges	2,706	2,178	3,315	-	-	-
Present value of minimum lease payments	14,285	10,580	12,256	14,285	10,580	12,256

For the year ended 30 June 2012, the average effective borrowing rate was 10.6% (30 June 2011: 10.7% and 30 June 2010: 10.8%).

Leasing arrangements

Finance leases relate to motor vehicles and plant and machinery with lease terms of 3 to 5 years on average. The Group has options to purchase the assets for a nominal amount at the conclusion of the lease arrangements. The Group's obligations under finance leases are secured by the lessors' title to the leased assets.

Fair value

The fair value of the finance lease obligations approximate their carrying amounts at the reporting date.

16. LONG TERM LOANS

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Repayable by instalments:						
Within one year (see note 19)	835,849	744,923	757,541	332,893	350,456	408,086
In the second year	566,809	406,673	445,207	269,311	230,939	217,225
In the third to the fifth years inclusive	984,723	554,619	402,200	495,142	308,935	227,591
After five years	120,370	14,032	23,572	37,500	-	-
	1,671,902	975,324	870,979	801,953	539,874	444,816
Deposits repayable:						
In the second to the fifth years inclusive	710,226	554,894	707,382	-	-	-
After five years	-	-	-	-	-	-
	710,226	554,894	707,382	-	-	-
	2,382,128	1,530,218	1,578,361	801,953	539,874	444,816

The weighted average rate of interest (excluding Euro and USD loans) is 7.3% p.a. at 30 June 2012 (7.8% p.a. at 30 June 2011 and 8.6% p.a. at 30 June 2010).

Deposits repayable pertain to deposits from customers of a subsidiary engaged in providing deposit taking services and leasing facilities. The deposits bear interest at rates ranging from 4.95% to 13.75% p.a. at 30 June 2012 (5.15% to 13.75% p.a. at 30 June 2011 and 5.15% to 13.75% p.a. at 30 June 2010).

17. RETIREMENT BENEFIT OBLIGATIONS

Amounts recognised in the statements of financial position:

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Defined benefit plan (note (a))	119,771	104,941	92,341	119,771	104,941	92,341
Other retirement benefits (note (b))	59,202	51,331	41,630	-	-	-
	178,973	156,272	133,971	119,771	104,941	92,341

(a) Defined benefit plan

The Group operates a defined benefit plan for some of its employees and the plan is wholly funded. The assets of the funded plan are held independently and administered by The Anglo-Mauritius Assurance Society Ltd.

Amounts recognised in the statements of comprehensive income:

	THE GROUP AND THE COMPANY	
	2012 Rs'000	2011 Rs'000
Current service cost	17,486	16,749
Scheme expenses	719	1,829
Cost of insuring risk benefits	4,092	5,365
Interest cost	73,134	38,240
Expected return on plan assets	(65,487)	(27,886)
Actuarial loss	2,101	2,447
Past service cost	11,403	4,560
Net periodic pension cost included in staff costs	43,448	41,304
Actual return on plan assets	(21,379)	68,715

17. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined benefit plan (Cont'd)

Movements in liability recognised in the statements of financial position:

	THE GROUP AND THE COMPANY	
	2012 Rs'000	2011 Rs'000
At 1 July	104,941	92,341
Total expenses as per above	43,448	41,304
Employer contributions	(28,618)	(28,704)
At 30 June	119,771	104,941

Movements in the present value of the defined benefit obligations in the current year were as follows:

	THE GROUP AND THE COMPANY	
	2012 Rs'000	2011 Rs'000
At 1 July	810,149	746,521
Current service cost	17,486	16,749
Interest cost	73,134	38,240
Past service cost	11,403	4,560
Actuarial gain	(3,554)	44,222
Benefits paid	(41,862)	(40,143)
At 30 June	866,756	810,149

Movements in the present value of the plan assets in the current year were as follows:

	THE GROUP AND THE COMPANY	
	2012 Rs'000	2011 Rs'000
At 1 July	599,880	549,798
Expected return on plan assets	65,487	27,886
Actuarial (losses)/gains	(86,866)	40,829
Contributions from the employer	28,618	28,704
Benefits paid	(41,862)	(40,143)
Cost of insuring risk benefits	(4,092)	(5,365)
Scheme expenses	(719)	(1,829)
At 30 June	560,446	599,880

17. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined benefit plan (Cont'd)

The major categories of plan assets, and the expected rate of return at the reporting date for each category, is as follows:

	THE GROUP AND THE COMPANY					
	Expected rate of return at			Fair value of plan assets		
	2012	2011	2010	2012	2011	2010
	%	%	%	Rs'000	Rs'000	Rs'000
Local equities	13	13	13	229,782	245,951	225,417
Overseas equities	13	13	13	184,947	197,960	181,433
Fixed interest	10	10	10	145,717	155,969	142,948
Total market value of assets				560,446	599,880	549,798
Present value of plan liability				(866,756)	(810,149)	(746,521)
(Deficit)/surplus				(306,310)	(210,269)	(196,723)
Unrecognised actuarial loss				186,539	105,328	104,382
				(119,771)	(104,941)	(92,341)

The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held. The Directors' assessment of the expected returns is based on historical return trends and analysts' predictions of the market for the asset in the next twelve months.

The assets of the plan are invested in funds managed by Confident Asset Management (CAM) and IPRO. The asset value managed by each fund manager reflects the actual performance of the underlying assets.

The breakdown of the assets above correspond to the actual allocation of the monies managed by both CAM and IPRO.

In terms of the individual expected returns, the expected return on equities has been based on an equity risk premium above a risk free rate. The risk free rate has been measured in accordance to the yields on government bonds at the measurement date.

The fixed interest portfolio includes government bonds, debentures, mortgages and cash. The expected return for this asset class has been based on yields of government bonds at the measurement date.

The history of experience adjustments is as follows:-

	THE GROUP AND THE COMPANY				
	30 June 2012 Rs'000	30 June 2011 Rs'000	30 June 2010 Rs'000	31 December 2009 Rs'000	31 December 2008 Rs'000
Present value of defined benefit obligation	(866,756)	(810,149)	(746,521)	(708,012)	(636,821)
Fair value of plan assets	560,446	599,880	549,798	558,703	483,034
(Deficit)/surplus	(306,310)	(210,269)	(196,723)	(149,309)	(153,787)
Experience losses on plan liabilities	3,554	(44,222)	(18,329)	(41,928)	(27,073)
Experience gains/(losses) on plan assets	(86,866)	40,829	(25,369)	50,330	(156,482)

The Group expects to make a contribution of Rs32.5M to the defined benefit plans during the next financial year.

The principal actuarial assumptions used for accounting purposes were:

	THE GROUP AND THE COMPANY	
	2012	2011
Discount rate	9.5%	10.0%
Expected return on plan assets	9.5%	10.5%
Future long-term salary increases	8.0%	8.0%
Future guaranteed pension increase	0.0%	0.0%
Post retirement mortality tables	a(90)	a(90)
Retirement age	60 years	60 years

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2012

17. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined benefit plan (Cont'd)

Retirement benefit obligations have been based on the report dated 27 August 2012 submitted by The Anglo-Mauritius Assurance Society Ltd.

(b) Other retirement benefits

Other retirement benefits comprise of Employment Rights Act gratuities.

Amounts recognised in the statements of financial position:

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Present value of unfunded obligations	59,202	51,331	41,630	-	-	-

Amounts recognised in the statements of comprehensive income:

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Amount expensed	7,873	9,701	-	-

Movements in the liability recognised in the statements of financial position:

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
At 1 July	51,331	41,630	-	-
Total expense as above	7,871	9,701	-	-
At 30 June	59,202	51,331	-	-

(c) Defined contribution pension fund

	THE GROUP AND THE COMPANY	
	2012 Rs'000	2011 Rs'000
Contributions expensed	31,491	28,110

(d) State pension plan

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
National Pension Scheme contributions expensed	29,232	25,960	6,479	5,552

18. BANK OVERDRAFTS

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Secured	658,997	500,611	324,395	-	-	-
Unsecured	1,340,667	2,032,264	1,930,151	1,340,667	2,032,264	1,930,151
	1,999,664	2,532,875	2,254,546	1,340,667	2,032,264	1,930,151

The bank overdrafts of subsidiaries are secured by floating charges on their assets. The bank overdrafts are arranged at floating interest rates and the interest rates at 30 June 2012 are in note 32.

19. SHORT-TERM LOANS

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Loans repayable by instalments within one year (see note 16)	835,849	744,923	757,541	332,893	350,456	408,086
Deposits	835,719	682,120	576,861	-	-	-
	1,671,568	1,427,043	1,334,402	332,893	350,456	408,086

20. TRADE AND OTHER PAYABLES

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Bills payable	1,234,228	1,129,775	491,530	350,000	493,476	456,839
Trade payables	2,135,474	1,802,838	2,032,428	455,301	271,986	292,073
Other payables and accruals	1,498,919	1,334,588	1,154,911	332,575	280,301	292,004
Amount owed to subsidiaries	-	-	-	372,519	265,863	473,253
Dividend payable	-	-	42,863	-	-	42,863
	4,868,621	4,267,201	3,721,732	1,510,395	1,311,626	1,557,032

The average credit period of trade payables is 2 months. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

The amount owed to subsidiaries bear interest at 5.5% p.a. at 30 June 2012 (6.75% p.a. at 30 June 2011 and 7.75% p.a. at 30 June 2010).

21. REVENUE

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Revenue is analysed as follows:-				
Sale of goods	14,866,967	13,336,063	3,135,685	1,959,822
Rendering of services	2,266,525	2,103,864	21,946	33,877
Commissions	379,788	355,439	113,193	94,269
	17,513,280	15,795,366	3,270,824	2,087,968

22. PROFIT FROM OPERATIONS

Profit from operations is arrived at after:-

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
(a) Crediting:-				
Dividends from subsidiaries	-	-	354,174	54,148
Dividends from associates	-	-	28,919	38,905
Dividends from available-for-sale investments	5,018	4,241	1,701	1,667
Profit/(loss) on disposal of property, plant and equipment	2,044	8,666	(254)	952
Profit on disposal of subsidiary	-	3,028	-	-
Negative goodwill arising on acquisition of additional interest in an associate	294,465	-	-	-
Profit/(loss) on disposal of associate	-	470	-	470
Profit/(loss) on disposal of available-for-sale investments	1,083	(2,163)	(37)	3,092
Other operating income	303,997	311,993	331,197	317,694
Net foreign exchange gain	97,791	118,312	68,339	76,904
(b) Charging:-				
Cost of sales	13,662,205	12,402,341	2,674,425	1,581,702
Operating expenses				
- Administrative expenses	2,239,888	1,981,961	679,731	540,269
- Other operating expenses	1,090,788	878,158	224,653	162,649
- Loss on disposal of interest in former associate	206,094	-	-	-
Included in cost of sales are:-				
Cost of inventories expensed	10,278,799	9,608,939	2,468,692	1,532,423
Included in operating expenses are:-				
Depreciation and amortisation	584,145	437,819	62,199	46,708
Impairment losses recognised on receivables, net of reversals	21,957	28,249	9,384	245
Property, plant and equipment written off / impaired	14,578	79,124	-	-
Staff costs	1,671,151	1,327,521	457,698	367,285

23. NET FINANCE COSTS

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Interest payable on:-				
Bank loans	135,576	149,170	93,436	111,777
Bank overdrafts	301,171	259,672	154,942	166,317
Other loans	25,615	26,583	34,988	29,195
	462,362	435,425	283,366	307,289
Interest receivable on loans and receivables	(12,698)	(8,714)	(160,682)	(200,710)
	449,664	426,711	122,684	106,579

24. TAXATION

Income tax

Income tax is calculated at the rate of 15% (2011: 15%) on the profit for the year as adjusted for tax purposes.

24. TAXATION (CONT'D)

Income tax (Cont'd)

(a) Income tax expense/(income)

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Income tax provision	66,105	78,642	3,536	15,004
Deferred tax charge	23,993	7,596	1,316	3,797
Underprovision of income tax in previous years	3,348	115	1,299	-
Underprovision of deferred tax in previous years	1,577	-	-	-
	95,023	86,353	6,151	18,801

(b) Income tax liability

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
At 1 July	29,922	14,721	15,004	-
Payments	(147,947)	(64,815)	(32,415)	-
Tax provision for the year	66,105	78,642	3,536	15,004
Underprovision of tax in previous years	3,348	115	1,299	-
Exchange difference	679	1,259	-	-
At 30 June	(47,893)	29,922	(12,576)	15,004

(c) Tax reconciliation

	THE GROUP		THE COMPANY	
	2012 %	2011 %	2012 %	2011 %
Normal rate of tax applicable to the Group/Company	15.00	15.00	15.00	15.00
Tax effects of:				
- Depreciation on revaluation surplus and on non-qualifying property, plant and equipment	0.23	-	-	-
- Depreciation on assets not qualifying for capital allowances	0.24	0.20	0.44	0.75
- Income not considered as taxable income	(0.09)	-	-	-
- Expenses that are not deductible for tax purposes	1.69	2.38	1.24	1.18
- Expenses attributed to exempt income	0.74	0.47	-	-
- Income exempt from tax	(0.11)	-	(15.88)	(7.19)
- Share of profits of associates	(2.20)	(2.52)	-	-
- Under /(Over)provision of income tax	0.50	(0.27)	0.37	-
- Deferred tax previously not recognised	4.65	(2.36)	-	-
- Underprovision of deferred tax	0.24	0.56	0.24	-
- Loss /(profit) on disposal of non-qualifying assets	0.04	(0.08)	0.07	0.07
- Other adjustments	(3.59)	0.59	0.26	0.05
- Tax rate differential of subsidiaries and associates	(3.10)	(0.93)	-	-
	(0.76)	(1.96)	(13.26)	(5.14)
Effective rate of taxation	14.24	13.04	1.74	9.86

24. TAXATION (CONT'D)

(d) Deferred tax

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
At 1 July	165,356	55,357	88,976	5,781
Charge to the Statement of Comprehensive income	23,993	7,596	1,316	3,797
Deferred tax previously charged on revaluation of land reversed to other comprehensive income	(106,565)	-	(79,398)	-
Underprovision of deferred tax	1,577	-	-	-
Charge on surplus on revaluation of land and buildings debited to other comprehensive income	(2,191)	102,629	-	79,398
Exchange difference	160	(226)	-	-
At 30 June	82,330	165,356	10,894	88,976
Analysed as:				
- Accelerated capital allowances	120,044	104,440	5,693	2,153
- Unutilised tax losses	(50,619)	(64,817)	-	-
- Retirement benefit obligations	(25,660)	(21,589)	(17,966)	(15,741)
- Surplus on revaluation of buildings	38,565	147,322	23,167	102,564
	82,330	165,356	10,894	88,976

The deferred tax charge arises on revaluation of land due to the change in tax legislation.

25. DIVIDENDS

	THE GROUP AND THE COMPANY	
	2012 Rs'000	2011 Rs'000
Interim dividend of 60 cents per share (Year ended 30 June 2011: 60 cents) in respect of current year	42,863	42,863
Final dividend of Rs1.50 per share (Year ended 30 June 2011: Rs1.50 per share)in respect of current year	107,157	107,157
	150,020	150,020

On 9 November 2011, the Board approved an interim dividend of 60 cents per share in respect of the current year.

On 9 May 2012, the Board approved a final dividend of Rs1.50 per share in respect of the current year.

26. CASH FLOW INFORMATION

(a) Reconciliation of profit before taxation to cash generated from operations

	Notes	THE GROUP		THE COMPANY	
		2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Profit before taxation		667,088	662,211	353,370	190,601
Adjustments for:-					
Depreciation and amortisation		584,125	437,819	62,199	46,708
Share of profits less losses of associates		(98,049)	(111,469)	-	-
(Profit)/loss on disposal of property, plant and equipment		(2,044)	(8,666)	254	(952)
(Profit)/loss on sale of investments		(1,083)	(1,335)	37	(3,562)
Investment income		(5,018)	(4,241)	(384,794)	(94,720)
Interest expense		462,362	435,425	283,366	307,289
Exchange difference		123	1,693	7,370	(5,082)
Interest income		(12,698)	(8,714)	(160,682)	(200,710)
Net life insurance fund		74,227	(71,348)	-	-
Adjustment to opening balances		-	574	-	-
Consolidation of subsidiary		-	4,495	-	-
Loss on disposal of interest in former associate	9	206,094	-	-	-
Negative goodwill arising on acquisition of additional interest in an associate	27(e)	(294,465)	-	-	-
Property, plant & equipment written off/Impaired		14,578	79,124	-	-
Investments in associate written off		-	1,305	-	-
Operating profit before working capital changes		1,595,240	1,416,873	161,120	239,572
Increase/(decrease) in trade and other payables		430,016	28,082	250,419	(19,190)
(Increase)/decrease in trade and other receivables		(299,876)	(159,631)	(154,219)	167,503
Increase in inventories		(240,478)	(293,813)	(320,784)	(23,906)
Cash generated from operations		1,484,902	991,511	(63,464)	363,979

(b) Cash and cash equivalents are analysed as follows:-

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Cash resources	549,916	421,979	417,461	25,852	89,003	56,669
Bank overdrafts	(1,999,664)	(2,532,875)	(2,254,546)	(1,340,667)	(2,032,264)	(1,930,151)
	(1,449,748)	(2,110,896)	(1,837,085)	(1,314,815)	(1,943,261)	(1,873,482)

27. BUSINESS COMBINATIONS

(a) Subsidiary acquired

Name	Principal activity	Date of acquisition	Proportion of voting equity interests acquired (%)	Consideration transferred
				Rs'000
Chantier Naval de l'Océan Indien Ltd	Ship building & Repair	1 July 2011	10	90,233

(b) Consideration transferred

	Rs'000
Cash	90,233

(c) Assets acquired and liabilities recognised at the date of acquisition

	Rs'000
Non-current asset	
Property, plant and equipment	1,665,128
Current assets	
Inventory	103,097
Trade and other receivables	91,291
	194,388
Non-current liabilties	
Long term loans	335,460
Current liabilties	
Bank overdraft	932
Trade and other payables	92,580
Short term loans	108,548
	202,060
Net asset	1,321,996

The receivables acquired (which principally comprised trade receivables) in the transactions with a fair value of Rs'000 91,300 had gross contractual amounts of Rs'000 91,300. The Directors estimate that the gross contractual amounts are collectible.

(d) Non controlling interests

The non controlling interest (40% ownership interest) recognised at the acquisition date was measured by reference to the net book value as at that date and amounted to Rs528.8M.

(e) Goodwill on acquisition

	Rs'000
Fair value of consideration given	90,233
Non-controlling interest at book value	528,798
Fair value of previously held interest	408,500
Sub total	1,027,531
Less: fair value of identifiable net assets acquired	(1,321,996)
Negative goodwill arising on acquisition	(294,465)

(f) Net cash outflow on acquisition of the subsidiary

	Rs'000
Consideration paid in cash	90,233
Add: bank overdraft	932
	91,165

(g) Impact of acquisition on the results of the Group

Included in the profit for the year is Rs11.83M attributable to the additional business generated by the controlling interests acquired.

28. EARNINGS PER SHARE

Earnings per share is based on earnings attributable to ordinary shareholders of Rs455.4M (30 June 2011: Rs503.8M) and on 71,438,333 ordinary shares in issue during the year ended 30 June 2012 and year ended 30 June 2011.

29. SEGMENTAL INFORMATION - GROUP

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Group's reportable segments under IFRS 8 are:

- Commerce
- Engineering
- Financial Services
- Logistics, Aviation and Shipping
- Retail
- Seafood & Marine and
- Corporate Services & Others.

(i) Segment revenues and results

30 June 2012	Commerce Rs'000	Engineering Rs'000	Financial Services Rs'000	Logistics, Aviation & Shipping Rs'000	Retail Rs'000	Seafood & Marine Rs'000	Corporate services & Others Rs'000	Total Rs'000
Revenue	2,851,102	2,822,057	1,625,017	689,963	4,558,689	4,960,237	6,215	17,513,280
Results								
Segment result	194,064	206,917	186,226	87,808	89,774	336,226	(82,312)	1,018,703
Finance costs								(462,362)
Finance income								12,698
Share of profits less losses of associates								98,049
Profit before taxation								667,088
Taxation								(95,023)
Profit for the year								572,065

30 June 2011	Commerce Rs'000	Engineering Rs'000	Financial Services Rs'000	Logistics, Aviation & Shipping Rs'000	Retail Rs'000	Seafood & Marine Rs'000	Corporate services & Others Rs'000	Total Rs'000
Revenue	2,633,372	3,027,931	1,454,260	643,736	4,104,568	3,925,453	6,046	15,795,366
Results								
Segment result	186,256	277,035	125,063	79,444	89,191	344,103	(123,639)	977,453
Finance costs								(435,425)
Finance income								8,714
Share of profits less losses of associates								111,469
Profit before taxation								662,211
Taxation								(86,353)
Profit for the year								575,858

Revenue reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of finance costs, finance income, share of profits less losses of associates and income tax expense.

29. SEGMENTAL INFORMATION - GROUP (CONT'D)

(ii) Segment assets and liabilities

30 June 2012	Commerce Rs'000	Engineering Rs'000	Financial services Rs'000	Logistics, Aviation & Shipping Rs'000	Retail Rs'000	Seafood & Marine Rs'000	Corporate services & Others Rs'000	Total Rs'000
Assets								
Segment assets	1,240,384	2,177,357	3,733,138	861,991	1,554,296	5,754,660	1,494,944	16,816,770
Investments in associates								556,198
Tax assets								47,893
Consolidated total assets								17,420,861
Liabilities								
Segment liabilities	660,191	1,417,497	2,482,634	319,039	706,742	4,514,920	1,033,287	11,134,310
Deferred taxation								82,330
								11,216,640

30 June 2011	Commerce Rs'000	Engineering Rs'000	Financial services Rs'000	Logistics, Aviation & Shipping Rs'000	Retail Rs'000	Seafood & Marine Rs'000	Corporate services & Others Rs'000	Total Rs'000
Assets								
Segment assets	1,091,832	1,943,720	3,123,432	885,762	1,381,252	3,932,065	1,562,894	13,920,957
Investments in associates								919,409
Consolidated total assets								14,840,366
Liabilities								
Segment liabilities	587,922	1,187,676	1,980,852	362,922	950,047	3,833,816	1,075,743	9,978,978
Deferred taxation								165,356
Tax liabilities								29,922
								10,174,256

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than investments in associates. Goodwill is allocated to reportable segments as described in note 7. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- all liabilities are allocated to reportable segments other than current tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

(iii) Other segment information

(a) Additions to non-current assets and depreciation and amortisation

	Commerce Rs'000	Engineering Rs'000	Financial services Rs'000	Logistics, Aviation & Shipping Rs'000	Retail Rs'000	Seafood & Marine Rs'000	Corporate services & Others Rs'000	Total Rs'000
30 June 2012								
- Additions to non-current assets (including computer software)	14,397	54,874	213,172	46,652	225,598	191,411	83,792	829,896
- Depreciation and amortisation	16,082	51,314	116,780	57,120	83,018	206,537	53,294	584,145
- Impairment	-	14,578	-	-	-	-	-	14,578
30 June 2011								
- Additions to non-current assets (including computer software)	30,419	126,731	270,180	52,372	200,290	288,234	64,124	1,032,350
- Depreciation and amortisation	16,918	49,363	79,603	56,591	63,128	127,867	44,349	437,819
- Impairment	-	69,376	-	-	-	-	-	69,376

29. SEGMENTAL INFORMATION - GROUP (CONT'D)

(iii) Other segment information (Cont'd)

(b) Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services:

		2012 Rs'000	2011 Rs'000
Commerce	- Consumer Goods	1,956,375	1,882,112
Engineering	- Contracting & equipment	2,362,783	2,479,523
Financial Services	- Insurance and Leasing and Management Services	1,625,017	1,454,260
Logistics, Aviation & Shipping	- Freight Forwarding	295,666	268,947
Retail		4,558,689	4,104,568
Seafood & Marine	- Tuna Processing	3,764,791	3,396,214
Others		2,949,959	2,209,742
		17,513,280	15,795,366

(c) Information about major customers

The Group does not have any one single external customer to whom sales of goods and services amounted to 10% or more of the Group's total turnover.

(d) Geographical information

The Group's operations are located in Mauritius, Madagascar, Seychelles and Comoros.

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

	Sales revenue	
	2012 Rs'000	2011 Rs'000
Mauritius	12,994,522	12,047,332
Europe	3,693,844	3,292,641
USA	143,542	154,410
Madagascar, Comoros, Seychelles & Reunion	205,912	149,486
Dubai & others	475,460	151,497
	17,513,280	15,795,366

The following is an analysis of the carrying amount of non-current assets analysed by the geographical area in which the assets are located:

	Non-current assets	
	2012 Rs'000	2011 Rs'000
Mauritius	9,333,735	7,356,308
Madagascar, Comoros, Seychelles & Reunion	19,297	26,492
Dubai	55,073	59,048
	9,408,105	7,441,848

The non-current assets exclude investment in associates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2012

30. OPERATING LEASE ARRANGEMENTS

The Group as lessee

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Minimum lease payments under operating lease recognised as an expense in the year	54,553	42,493	10,280	10,189

At the end of the reporting period, the Group had outstanding commitments under operating leases, which fall due as follows:

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
- Within one year	58,703	36,494	10,601	9,758
- In the second to fifth years inclusive	173,399	77,665	30,376	27,571
- After five years	1,835,005	473,580	33,065	37,116
	2,067,107	587,739	74,042	74,445

Operating lease payments represent rentals payable by the Group for its leasehold properties (lease terms of between 1 to 70 years) and plant and equipment (lease terms of 6 years).

All operating lease contracts contain market renewal clauses in the event that the Group exercises its option to renew. The Group does not have an option to purchase the leased asset at the expiry of the lease period.

The Group as a lessor

The Group rents out the following assets under operating leases:-

	Cost Rs'000	Accumulated depreciation Rs'000	Net book value Rs'000
Plant and machinery	349,933	68,389	281,544
Motor vehicles	109,634	20,600	89,034
	459,567	88,989	370,578

Rental income earned during the year was Rs68,097,680 (30 June 2011: Rs36,393,225) and no direct operating expenses were incurred for both years.

The plant and equipment are expected to generate a yield ranging from 11.5% to 14% for plant and machinery and 9.5% to 14% for motor vehicles on an ongoing basis. At 30 June 2011, all of these plant and equipment held have committed tenants for the next 2 to 6 years.

At the end of the reporting period the Group had contracted with tenants for the following future minimum lease payments:

	2012 Rs'000	2011 Rs'000
- Within one year	90,059	61,062
- In the second to the fifth years inclusive	261,956	190,231
- After the fifth year	150	14
	352,165	251,307

Operating lease contracts contain market review clauses. The lease terms vary between 5 and 6 years with an option for renewal. There is no option for the Lessee to purchase the assets at the end of the lease.

31. RELATED PARTY TRANSACTIONS

The Directors regard GML Investissement Ltée, a company incorporated and domiciled in Mauritius, as the holding company.

During the year, the Group and the Company entered into the following trading transactions with related parties.

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
(i) Sales of goods and services				
Sales of goods:				
Subsidiaries	-	-	586,558	325,302
Associates	36,760	34,998	2,460	1,575
Ultimate holding company and its related companies	89,529	104,375	11,312	-
Sales of services:				
Subsidiaries (Corporate services)	-	-	243,793	260,320
Subsidiaries (Interest)	-	-	140,305	176,869
(ii) Purchases of goods and services				
Purchases of goods:				
Subsidiaries	-	-	198,890	183,875
Associates	66,882	52,518	-	-
Ultimate holding company and its related companies	133,350	44,729	75	15,614
Purchases of services:				
Subsidiaries	-	-	99,919	87,708
Ultimate holding company and its related companies	9,132	14,977	9,132	7,206
(iii) Dividend Income				
Subsidiaries	-	-	354,174	54,148
Associates	-	-	28,919	38,905
(iv) Compensation of key management personnel				
Key management personnel (including directors)				
Short-term benefits	171,283	164,393	171,283	164,393
Post-employment benefits	7,356	8,840	7,356	8,840
	178,639	173,233	178,639	173,233

	THE GROUP			THE COMPANY		
(iv) Outstanding balances	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Receivables from related parties Subsidiaries	-	-	-	1,118,422	1,851,946	2,250,002
Ultimate holding company and its related companies	181	2,639	-	-	-	-
Payables to related parties Subsidiaries	-	-	-	372,519	265,863	473,253
Ultimate holding company and its related companies	163	1,286	-	-	-	-
(v) Pension contributions to pension plans	60,108	56,813	24,269	60,108	56,813	24,269

Note

Amounts receivable from subsidiaries bear interest at 8% p.a. (2011: 8.75% p.a. and 2010: 9.75% p.a.), are unsecured and do not have any fixed terms of repayment.

32. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2011.

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

One of the Company's subsidiary is subject to externally imposed capital requirements.

Gearing ratio

The Group has a target gearing ratio of 100% determined as the proportion of net debt to equity.

The gearing ratio at the year end was as follows:

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Debt (i)	3,736,140	2,868,009	2,339,181	1,499,131	1,394,386	1,321,997
Cash and cash equivalents	1,449,748	2,110,896	1,837,085	1,314,815	1,943,261	1,873,482
Net debt	5,185,888	4,978,905	4,176,266	2,813,946	3,337,647	3,195,479
Equity	5,616,618	4,150,524	3,891,188	2,507,896	2,225,815	2,276,880
Net debt to equity ratio	0.9	1.2	1.1	1.1	1.5	1.4

(i) Debt is defined as long and short term borrowings excluding borrowings relating to the Group's leasing operations.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

Categories of financial instruments

	THE GROUP			THE COMPANY		
	2012 Rs'000	2011 Rs'000	2010 Rs'000	2012 Rs'000	2011 Rs'000	2010 Rs'000
Financial assets						
Loans and receivables (including cash and cash equivalents)	5,307,411	4,615,259	4,511,683	1,971,840	2,618,956	3,165,522
Available-for-sale financial assets	551,610	452,943	270,251	56,816	52,674	45,044
	5,859,021	5,068,202	4,781,934	2,028,656	2,671,630	3,210,566
Financial liabilities						
At amortised cost	10,824,442	9,798,637	8,970,534	3,976,106	4,221,906	4,324,340

Financial risk management

The Group operates a Corporate Treasury function which provides services to the sectors of activity within the Group. It also manages the Group's exposure to market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (Cont'd)

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group manages its exposure to interest rate and foreign currency risk by use of a proper mix in fixed and floating rate borrowings and use of natural hedging.

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The currency profile of the financial assets and financial liabilities is summarised as follows:-

	THE GROUP		THE COMPANY	
30 June 2012	Financial assets Rs'000	Financial liabilities Rs'000	Financial assets Rs'000	Financial liabilities Rs'000
Currency				
Mauritian rupee	4,108,314	8,225,014	1,596,234	3,346,973
United States dollar	561,698	860,895	159,380	479,677
Euro	1,024,731	1,596,864	259,644	95,657
Others	164,278	141,669	13,398	53,799
	5,859,021	10,824,442	2,028,656	3,976,106

	THE GROUP		THE COMPANY	
30 June 2011	Financial assets Rs'000	Financial liabilities Rs'000	Financial assets Rs'000	Financial liabilities Rs'000
Currency				
Mauritian rupee	3,648,505	8,477,420	2,462,627	3,945,085
United States dollar	541,456	446,593	61,231	141,265
Euro	741,660	626,333	134,215	76,078
Others	136,581	248,291	13,557	59,478
	5,068,202	9,798,637	2,671,630	4,221,906

	THE GROUP		THE COMPANY	
30 June 2010	Financial assets Rs'000	Financial liabilities Rs'000	Financial assets Rs'000	Financial liabilities Rs'000
Currency				
Mauritian rupee	3,496,205	7,500,015	2,990,528	4,094,387
United States dollar	495,315	409,310	26,837	56,149
Euro	570,578	792,488	182,034	103,324
Others	219,836	268,721	11,167	70,480
	4,781,934	8,970,534	3,210,566	4,324,340

The Group is mainly exposed to USD and Euro.

The following table details the Group's sensitivity to a 10% increase and decrease in the Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the relevant currency strengthens 10% against the Rupee. There would be an equal and opposite impact on the profit and other equity where the relevant currency weakens 10% against the Rupee, and the balances below would be negative.

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (Cont'd)

Foreign currency risk management (Cont'd)

US DOLLAR IMPACT

	THE GROUP 2012 Rs'000	THE GROUP 2011 Rs'000	THE COMPANY 2012 Rs'000	THE COMPANY 2011 Rs'000
Profit or (loss)	(14,892)	16,661	(32,030)	(8,003)
Other equity	6,780	1,023	-	-

EURO IMPACT

	THE GROUP 2012 Rs'000	THE GROUP 2011 Rs'000	THE COMPANY 2012 Rs'000	THE COMPANY 2011 Rs'000
Profit or (loss)	(15,338)	9,162	16,399	(2,931)
Other equity	125,042	3,655	-	-

The above is mainly attributable to:

(i) the exposure in relation to the net working capital in USD and Euro.

(ii) the translation of subsidiaries whose functional currencies are in USD and Euro.

Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates.

The interest rate profile of the Group at 30 June 2012 was:

Financial assets

	Amounts due by subsidiaries Interest rate % p.a.	Balances with banks Interest rate % p.a.	Mortgage and policy loans Interest rate % p.a.	Finance lease receivables Interest rate % p.a.
EURO	-	-	-	6.00%
MRs	8.00%	-	7.00% - 14.00%	8.00% - 13.50%

Financial liabilities

	Bank Overdrafts Floating Interest rates % p.a.	Deposits and loans Fixed interest rate % p.a.	Deposits and loans Floating interest rate % p.a.
GBP	LIBOR 1 Mth + 1.5%	-	-
EURO	LIBOR 1 Mth + 1.0% to 2.75%	-	LIBOR 1mth + 1.75% to 3%
USD	LIBOR 1 Mth + 1.0% to 2.75%	-	LIBOR 3mth + 1.25% to 3.5%
MRs	6.40% - 9.40%	4.95% - 13.75%	6.65% - 8.90%

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (Cont'd)

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 100 basis points higher, the effect on Profit would have been as follows:

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Loss	52,143	49,182	21,925	19,797

Other price risks

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

The sensitivity analysis below have been determined based on the exposure to equity price risks at the reporting date.

If equity prices had been 10% higher/lower:

- net profit for the year ended 30 June 2012 would have been unaffected as the equity investments are classified as available-for-sale; and

- other equity reserves would increase/decrease by Rs31,267,665 (2011: other equity reserves would increase/decrease by Rs30,815,140 and 2010: other equity reserves would increase/decrease by Rs22,065,048) for the Group as a result of the changes in fair value of available-for-sale financial assets.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar charateristics. The Group defines counterparties as having similar characteristics if they are related entities.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who monitors the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (Cont'd)

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	THE GROUP			
	Less than 1 year Rs'000	1-5 years Rs'000	5+ years Rs'000	Total Rs'000
30 June 2012				
Non-interest bearing	3,503,498	-	-	3,503,498
Obligation under finance leases	14,116	16,726	2,514	33,356
Variable interest rate instruments	4,092,286	1,551,532	120,370	5,764,188
Fixed interest rate instruments	813,174	710,226		1,523,400
	8,423,074	2,278,484	122,884	10,824,442
30 June 2011				
Non-interest bearing	3,113,357	-	-	3,113,357
Obligation under finance leases	45,272	19,831	266	65,369
Variable interest rate instruments	4,342,884	983,948	14,032	5,340,864
Fixed interest rate instruments	746,809	532,238	-	1,279,047
	8,248,322	1,536,017	14,298	9,798,637
30 June 2010				
Non-interest bearing	3,200,936	-	-	3,200,936
Obligation under finance leases	52,358	58,401	-	110,759
Variable interest rate instruments	3,468,369	899,907	23,572	4,391,848
Fixed interest rate instruments	612,109	654,882	-	1,266,991
	7,333,772	1,613,190	23,572	8,970,534

	THE COMPANY			
	Less than 1 year Rs'000	1-5 years Rs'000	5+ years Rs'000	Total Rs'000
30 June 2012				
Non-interest bearing	1,136,308	-	-	1,136,308
Obligation under finance leases	4,725	9,083	477	14,285
Variable interest rate instruments	2,023,560	801,953	-	2,825,513
	3,164,593	811,036	477	3,976,106
30 June 2011				
Non-interest bearing	795,256	-	-	795,256
Obligation under finance leases	3,066	7,347	167	10,580
Variable interest rate instruments	2,876,196	539,874	-	3,416,070
	3,674,518	547,221	167	4,221,906
30 June 2010				
Non-interest bearing	1,072,192	-	-	1,072,192
Obligation under finance leases	3,212	8,927	117	12,256
Variable interest rate instruments	2,795,076	444,816	-	3,239,892
	3,870,480	453,743	117	4,324,340

32. FINANCIAL INSTRUMENTS (CONT'D)

Fair value of financial instruments

Except where stated elsewhere, the carrying amounts of the Group's and the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Quoted price

Financial assets in this category include available-for-sale investments.

Fair value using discounted cash flow analysis

The financial statements do not include financial assets and financial liabilities measured at fair value using discounted cash flow analysis.

Fair value estimation

Under revised IFRS 7, the Group is required to classify fair value measurements of its financial assets and financial liabilities at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active makers for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table analyses within the fair value hierarchy of the Group's financial assets and financial liabilities (by class) measured at fair value at 30 June 2012:-

THE GROUP

	Available-for-sale investments	
Hierarchy levels	2012 Rs'000	2011 Rs'000
- Level 1	354,837	347,613
- Level 3	196,773	105,330
	551,610	452,943

THE COMPANY

	Available-for-sale investments	
Hierarchy levels	2012 Rs'000	2011 Rs'000
- Level 1	42,160	39,461
- Level 3	14,656	13,213
	56,816	52,674

A reconciliation of level 3 fair value measurements of financial assets is as per note 10

33. CAPITAL COMMITMENTS

	THE GROUP		THE COMPANY	
	2012 Rs'000	2011 Rs'000	2012 Rs'000	2011 Rs'000
Authorised but not contracted for	330,740	297,010	116,030	82,400

34. CONTINGENT LIABILITIES

There are contingent liabilities for bank guarantees given by the Company to third parties in the normal course of business amounting to Rs265M (2011: Rs241M and 2010: Rs176M). The Directors consider that no liabilities will arise as the probability for default in respect of the guarantees is remote.

35. CONSTRUCTION CONTRACTS

The Group is making the following disclosures in respect of construction contracts:

	2012 Rs'000	2011 Rs'000
(i) Contract revenue	679,816	941,670
(ii) In respect of construction contracts in progress at reporting date:		
(a) Retentions held by customers (included in trade and other receivables)	54,030	35,451
(b) Advances received from customers (included in trade and other payables)	90,812	103,139
(c) Net amount due for contract works:		
Amount due from customers (included in trade and other receivables)	314,553	221,890
Amount due to customers (included in trade and other payables)	(90,812)	(103,139)
	223,741	118,751
Contracts cost incurred plus recognised profits less recognised losses to date	679,816	941,670
Less: Progress billings	(456,075)	(822,919)
	223,741	118,751

36. (a) SUBSIDIARIES

	Class of shares held	Main activity	Ireland Blyth Limited % Holding	Other Group Companies Effective % Holding
Adam and Company Limited*	Ordinary	Commerce	100.00	-
Air Mascareignes Limitée	"	Investment	50.00	-
Alkore Chemicals (Mauritius) Ltd*	"	Chemicals	100.00	-
Australair General Sales Agency Ltd	"	GSA	-	50.00
Australair GSA Comores s.a.r.l.	"	GSA	-	50.00
Australair GSA Mada s.a.	"	GSA	-	50.00
Blyth Brothers and Company Limited*	"	Merchant	100.00	-
Blychem Limited	"	Chemicals	100.00	-
Blymetal Limited**	"	Manufacturing	100.00	-
Blytronics Limited*	"	Manufacturing	100.00	-
Calendula Limited**	"	Property	100.00	-
Cassis Limited*	"	Manufacturing	100.00	-
Cervonic Ltd	"	Manufacturing	-	82.17
Chantier Naval de l'Océan Indien Ltd	"	Ship building & Repair	60.00	-
Colonial Hotel Boutiques Limited**	"	Commerce	100.00	-
Construction & Material Handling Company Ltd	"	Handling equipment	100.00	-
DTOS Ltd	"	Global business services	-	100.00
DTOS International Ltd	"	Global business services	-	100.00
DTOS Trustees Ltd	"	Global business services	-	100.00
Egeria Fishing Co Ltd**	"	Fishing	100.00	-
Equip and Rent Company Ltd	"	Rental of equipment	100.00	-
Equity Aviation Indian Ocean Ltd	"	Ground Handling	100.00	
Equity Aviation Comores sarl	"	Ground Handling	-	100.00
Fish Meal Producers Limited*	"	Manufacturing	75.00	-
Fit-Out (Mauritius) Ltd	"	Manufacturing	-	60.40
Froid des Mascareignes Limited	"	Storage	-	59.50
Grapevine Limited **	"	IT Services	100.00	-
GSP Co Ltd **	"	Manufacturing	-	100.00
Hall Geneve Langlois Limited**	"	Commerce	100.00	-
IBL Aviation s.a.r.l.	"	Tourism	-	100.00
IBL Aviation Comores s.a.r.l.	"	Tourism	-	100.00
IBL Biotechnology (International) Ltd	"	Research & Dev	100.00	-
IBL Biotechnology Investment Holdings Ltd	"	Investment	100.00	-
IBL Comores s.a.r.l.	"	Tourism	100.00	-
IBL Comores GSA Anjouan s.a.r.l.	"	Tourism	-	100.00
IBL Consumer Health Products Ltd	"	Healthcare	100.00	-
IBL Entertainment Ltd*	"	Commerce	-	100.00
IBL Entertainment Holding Ltd*	"	Investment	100.00	-
IBL Equipment Services Ltd	"	Rental & servicing of equipment	100.00	-
IBL Financial Services Holding Ltd	"	Investment	100.00	-
IBL Fishing Company Ltd	"	Shipping	100.00	-
IBL Forex Company Ltd*	"	Foreign Exchange	100.00	-
IBL Foundation	-	CSR	100.00	-
IBL Impex Ltd**	Ordinary	Freeport	100.00	-
IBL International Ltd	"	Investment	100.00	-
IBL Madagasikara S.A.	"	Commerce	90.00	-
IBL Properties Ltd	"	Property	-	51.00
IBL Regional Development Ltd	"	Investment	100.00	-
IBL Reunion s.a.s.	"	Courier Services	-	100.00
IBL Santé s.a.r.l.	"	Healthcare	90.00	10.00
IBL Training Services Ltd*	"	Training	100.00	-
IBL Travel Limited	"	Travel agency	100.00	-
IBL Travel s.a.r.l.*	"	Travel agency	-	100.00
IBL Ugandan Holdings 1 Limited (previously known as IBL Ugandan Holdings Limited)	"	Investment	100.00	-
Indian Ocean Dredging Ltd**	"	Marine works	100.00	-
Industrie et Services de l'Océan Indien Limitée	"	Shipping	50.00	10.00

* companies are inactive
**companies are in process of de-registration

36. (a) SUBSIDIARIES (CONT'D)

	Class of shares held	Main activity	Ireland Blyth Limited % Holding	Other Group Companies Effective % Holding
Indian Ocean Logistics Ltd	Ordinary	Clearing & forwarding	100.00	-
Indico Canning Ltd	"	Manufacturing	-	57.80
Instyle by MS Ltd	"	Manufacturing	-	80.00
Interface International Ltd	"	Global business services	-	100.00
Interface Management Services Ltd	"	Global business services	-	100.00
I-Consult Limited	"	IT Services	100.00	-
Ireland Blyth (Engineering) Ltd**	"	Commerce	-	100.00
Ireland Blyth (Informatics) Ltd**	"	Commerce	-	100.00
Ireland Blyth (Seychelles) Ltd*	"	Investment	100.00	-
Ireland Fraser and Company Limited*	"	Commerce	100.00	-
Ireland Fraser (Madagascar) SARL*	"	Commerce	-	100.00
I-Telecom Ltd	"	IT Services	100.00	-
Island Coal Ltd**	"	Trading of coal	78.43	-
Knights & Johns Management Ltd	"	Global business services	-	100.00
Koho Boards Ltd**	"	Manufacturing	-	80.00
Logidis Limited	"	Warehousing	100.00	-
Logidis Services Ltd*	"	Freeport Services	100.00	-
Mad Courrier SARL	"	Courrier Services	-	92.50
Mada Aviation SARL	"	GSA	-	100.00
Manser Saxon Aluminium Ltd	"	Manufacturing	-	80.00
Manser Saxon Environment Ltd**	"	Construction	-	80.00
Manser Saxon Plumbing Ltd	"	Manufacturing	-	80.00
Manser Saxon Contracting Ltd	"	Manufacturing & Contracting	80.00	-
Manser Saxon Dubai LLC	"	Manufacturing	-	72.80
Manser Saxon Interiors LLC	"	Property	-	80.00
Manser Saxon Export Ltd**	"	Manufacturing	-	80.00
Manser Saxon Openings Ltd	"	Manufacturing	-	80.00
Manufacturing and Industrial Development Corporation Limited**	"	Investment	-	100.00
Marine Biotechnology Products Ltd	"	Manufacturing	-	85.00
Mauritian Eagle Insurance Company Limited	"	General Insurance	60.00	-
Mauritian Eagle Leasing Company Limited	"	Leasing & deposit taking	49.00	30.60
Mauritian Eagle Life Company Limited	"	Life Assurance	-	60.00
Medical Trading Company Ltd	"	Healthcare	100.00	-
Medical Trading International Ltd	"	Healthcare	100.00	-
New Cold Storage Company Limited	"	Distribution	100.00	-
Pick and Buy Limited	"	Supermarkets	-	51.00
Pines Ltd	"	Global business services	-	100.00
Plastic Recycling Co Ltd**	"	Manufacturing	100.00	-
Riche Terre Development Limited	"	Property	100.00	-
Riche Terre Electricals Ltd**	"	Manufacturing	-	80.00
Saxon International Ltd	"	Investment	-	80.00
Scomat Limitée	"	Industrial & Mechanical	100.00	-
Seafood Hub Ltd	"	Investment	85.00	-
Seaways Marine Supplies Ltd	"	Shipping	100.00	-
Société de Traitement et d'Assainissement des Mascareignes Ltée	"	Processing of Waste	100.00	-
Société de Transit Aérien et Maritime SARL*	"	Clearing & forwarding	-	85.50
Société Immobilière IBL Tana SARL	"	Property	-	100.00
Société Mauricienne d'Exploitation des Eaux Ltée**	"	Waste Water Treatment	-	80.00
Société Mauricienne de Navigation Limitée*	"	Service Provider	-	100.00
Somatrans SDV Ltd	"	Clearing & forwarding	75.00	-
Somatrans SDV Logistics Ltd	"	Clearing & forwarding	-	75.00

* companies are inactive
**companies are inactive and in process of de-registration

36. (a) SUBSIDIARIES (CONT'D)

	Class of shares held	Main activity	Ireland Blyth Limited % Holding	Other Group Companies Effective % Holding
Southern Seas Shipping Company Limited	Ordinary	Shipping	100.00	-
Star Cruise Ltd**	"	Investment	100.00	-
Strategic Supply Ltd**	"	Merchandising	100.00	-
Thon des Mascareignes Ltée	"	Manufacturing	-	85.00
Tornado Engineering Ltd **	"	Manufacturing	-	80.00
Tornado Limited	"	Manufacturing	-	80.00
Tourism Services International Limited	"	Tourism	100.00	-
Transfroid Limited	"	Clearing & forwarding	-	59.50
Trianon Development Ltd**	"	Investment	100.00	-
Tuna Mascarene S.l.	"	Trading	-	100.00
Volailles et Traditions Ltée	"	Manufacturing	100.00	-
Winhold Limited	"	Investment holding	51.00	-

NOTE:

All subsidiaries are incorporated in Mauritius except Ireland Blyth (Seychelles) Ltd, incorporated in the Seychelles, IBL Aviation s.a.r.l., IBL Madagasikara s.a., IBL Santé s.a.r.l., IBL Travel s.a.r.l., Mad Courrier s.a.r.l., Mada Aviation s.a.r.l., Ireland Fraser (Madagascar) s.a.r.l., Société de Transit Aérien et Maritime s.a.r.l. and Société Immobilière IBL Tana s.a.r.l., Australair GSA Mada s.a. incorporated in Madagascar, IBL Aviation Comores s.a.r.l., IBL Comores s.a.r.l., IBL Comores GSA Anjouan s.a.r.l., Equity Aviation Comores s.a.r.l., Australair GSA Comores sarl incorporated in the Comores, IBL Reunion s.a.s. incorporated in Reunion Island and Tuna Mascarene S.l., incorporated in Spain.

During the year, the group acquired the remaining non-controlling interests in Interface International Ltd, Interface Management Services Ltd and Knights & Johns Management Ltd such that they were wholly owned subsidiaries at year end.

On 27 June 2012 Winhold Ltd issued 390,000,000 new ordinary shares of Rs1 each which was not subscribed by the Company but fully taken up by Shophold (Mauritius) Ltd, an external investor. As a consequence, the Company's holding in Winhold Ltd diluted from 100% to 51% during the year.

The Company acquired an additional 10% non-controlling interest in Chantier Naval de l'Océan Indien Ltée and at 30 June 2012 was a subsidiary of the Company.

(b) ASSOCIATED COMPANIES

	Country of Incorporation	Class of shares held	Effective % Holding
Cie Thonière de l'Ocean Indien Ltée	Mauritius	Ordinary	50.00
Compagnie des Travaux Maritimes des Mascareignes Ltee	"	"	25.00
Fish Protein Producers Ltd*	"	"	50.00
H Savy Insurance Company Ltd***	Seychelles	"	12.00
IBL Biotechnology (Mauritius) Ltd	Mauritius	"	50.00
Mauritius Coal and Allied Services Co Ltd	"	"	49.00
Mer des Mascareignes Limitée	"	"	42.50
Princes Tuna (Mauritius) Ltd	"	"	29.33
Profilage Ocean Indien Ltée	"	"	20.00
Societe Australe de Participations Ltee	"	"	20.00
Scimat s.a.s.	Reunion	"	50.00
Trident Healthcare Limited	Mauritius	"	50.00
Trois Ilots Ltée	Mauritius	"	33.33

* companies are inactive
**companies are inactive and in process of de-registration
***Mauritian Eagle Insurance Co Ltd has a 20% equity stake in this company.

(c) OTHER INVESTMENTS

Details of those companies other than subsidiary and associate, in which Ireland Blyth Limited holds a 10% interest or more, are:-

	Class of shares held	% Holding
Nouvelle Clinique du Bon Pasteur	Ordinary	12.50

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PROXY FORM

I/We,..
of ....,
being a member of IRELAND BLYTH LIMITED do hereby appoint ....
of ....
or in his absence..
of..,
as my/our proxy, to vote for me/us and on my/our behalf at the Annual Meeting of the Shareholders to be held on Friday 14 December 2012 and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the Ordinary Resolutions as follows:

	For	Against	Abstain
1. To receive and adopt the Company's and Group's Financial Statements for the year ended 30 June 2012 and the Directors' and Auditors' reports thereon.			
2. To ratify the dividend paid in June 2012 as a final dividend for the year ended 30 June 2012.			
3. To reappoint Mr J. Cyril Lagesse as Director in compliance with Section 138(6) of the Companies Act 2001.			
4. To re-elect as Directors of the Company by way of separate resolutions to hold office until the next Annual Meeting, the following persons:			
4.1 Mr Christian de Juniac			
4.2 Mr Bertrand Hardy			
4.3 Mr Jason Harel			
4.4 Mr Arnaud Lagesse			
4.5 Mr Thierry Lagesse			
4.6 Mr Gaetan Lan Hun Kuen			
4.7 Mr Nicolas Maigrot			
4.8 Mr Jean Ribet			
4.9 Mr Louis Rivalland			
4.10 Mr Michel Guy Rivalland			
5. To take note of the automatic reappointment of Messrs Deloitte as Auditors in accordance with Section 200 of the Companies Act 2001 and to authorise the Board of Directors to fix their remuneration.			

Signed this.. day of 2012

....
Signature/s

Notes

1. A member of the Company entitled to attend and vote at this meeting may appoint a proxy of his own choice (whether a member or not) to attend and vote on his behalf.
2. Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy will exercise his discretion as to how he votes.
3. This form of proxy, duly signed, to be effective must reach the Company Secretary at the Registered Office of the Company, IBL House, Caudan, Port Louis, at least twenty-four hours before the day of the Meeting.