

DIALOG AXIATA PLC

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2013**



Independent auditor's review report
To the Directors of Dialog Axiata PLC

1 We have reviewed the accompanying statements of financial position of Dialog Axiata PLC and its subsidiaries at 30 September 2013 and the related statements of comprehensive income and cash flows for the period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our review.

2 We conducted our review in accordance with the Sri Lanka Standard on Review Engagements 2400 applicable to review engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3 Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not presented fairly, in all material respects in accordance with Sri Lanka Accounting Standard LKAS 34, Interim Financial Reporting.

7 November 2013
COLOMBO

Renu L H Coopers
CHARTERED ACCOUNTANTS

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DIALOG AXIATA PLC**Statements of financial position**

(all amounts in Sri Lanka Rupees thousands)

	Group		Company	
	30 Sep 2013	31 Dec 2012	30 Sep 2013	31 Dec 2012
ASSETS				
Non - current assets				
Property, plant and equipment	63,296,316	59,063,675	47,202,271	44,744,236
Intangible assets	17,492,200	10,385,652	6,403,595	1,485,313
Investment in subsidiaries	-	-	18,826,010	17,826,010
Investment in associates	248,980	242,173	265,171	233,346
Available - for - sale financial asset	30,596	30,596	30,596	30,596
Amount due from related companies	1,273	5,091	13,194,997	9,559,729
	81,069,365	69,727,187	85,922,640	73,879,230
Current assets				
Inventories	339,773	284,048	266,687	213,178
Trade and other receivables	13,863,836	11,753,145	11,268,898	9,303,756
Cash and cash equivalents	1,937,818	8,647,069	938,846	7,767,439
	16,141,427	20,684,262	12,474,431	17,284,373
Total assets	97,210,792	90,411,449	98,397,071	91,163,603
EQUITY				
Capital and reserves attributable to equity holders				
Stated capital	28,103,913	28,103,913	28,103,913	28,103,913
Shares in ESOS Trust	(1,990,921)	(1,990,921)	(1,990,921)	(1,990,921)
Dividend reserve - ESOS Trust	383,754	331,425	383,754	331,425
Retained earnings	12,122,984	10,737,128	21,700,338	19,948,823
Total equity	38,619,730	37,181,545	48,197,084	46,393,240
LIABILITIES				
Non - current liabilities				
Borrowings	5,368,398	12,094,321	5,368,398	12,094,321
Retirement benefit obligation	687,915	587,030	567,480	481,385
Provision for other liabilities	773,418	813,874	635,540	663,367
Deferred tax liability	7,521	-	-	-
Deferred revenue	1,483,313	983,273	1,394,522	863,001
	8,320,565	14,478,498	7,965,940	14,102,074
Current liabilities				
Trade and other payables	28,172,437	25,894,779	20,595,380	18,113,467
Current income tax liabilities	584,115	24,052	574,676	15,535
Borrowings	21,513,945	12,832,575	21,063,991	12,539,287
	50,270,497	38,751,406	42,234,047	30,668,289
Total liabilities	58,591,062	53,229,904	50,199,987	44,770,363
Total equity and liabilities	97,210,792	90,411,449	98,397,071	91,163,603
Net asset per share (Rs.)	4.74	4.57	5.92	5.70

The notes on pages 8 to 12 form an integral part of these financial statements.

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007.

Signed

.....
Group Chief Financial Officer

Date: 07 November 2013

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the Board of Directors.

Signed

.....
Director

Date: 07 November 2013

Signed

.....
Director

Date: 07 November 2013

DIALOG AXIATA PLC**Statements of comprehensive income**

(all amounts in Sri Lanka Rupees thousands)

	Group		Company	
	Nine months ended 30 September		Nine months ended 30 September	
	2013	2012	2013	2012
Revenue	46,996,611	41,367,211	41,199,931	36,656,191
Direct costs	(27,047,772)	(23,615,508)	(23,018,399)	(20,427,857)
Gross profit	19,948,839	17,751,703	18,181,532	16,228,334
Distribution costs	(6,301,996)	(5,220,445)	(5,643,431)	(4,728,664)
Administrative costs	(7,349,666)	(6,501,909)	(5,990,045)	(5,403,500)
Other income	78,340	51,666	68,582	37,486
Operating profit	6,375,517	6,081,015	6,616,638	6,133,656
Finance income	105,157	243,388	99,909	207,318
Finance costs	(1,533,093)	(3,199,009)	(1,441,767)	(3,154,191)
Finance costs - net	(1,427,936)	(2,955,621)	(1,341,858)	(2,946,873)
Share of (loss)/profit from associates - net of tax	(25,018)	1,110	-	-
Profit before income tax	4,922,563	3,126,504	5,274,780	3,186,783
Taxation	(844,261)	1,966,240	(835,819)	1,972,933
Profit for the period	4,078,302	5,092,744	4,438,961	5,159,716
Other comprehensive income/(expense) for the period	-	-	-	-
Total comprehensive income for the period	4,078,302	5,092,744	4,438,961	5,159,716
Attributable to:				
Equity holders of the Company	4,078,302	5,092,744	4,438,961	5,159,716
Earnings per share attributable to the ordinary shareholders of the Company (expressed in Rs. per share)				
- Basic	0.511	0.638	0.556	0.646
- Diluted	0.511	0.638	0.556	0.646

The notes on pages 8 to 12 form an integral part of these financial statements.

DIALOG AXIATA PLC**Statements of comprehensive income****(all amounts in Sri Lanka Rupees thousands)**

	Group		Company	
	Three months ended 30 September	Three months ended 30 September	Three months ended 30 September	Three months ended 30 September
	2013	2012	2013	2012
Revenue	16,124,602	14,446,663	14,139,633	12,619,219
Direct costs	(9,314,998)	(8,367,381)	(7,855,100)	(7,119,921)
Gross profit	6,809,604	6,079,282	6,284,533	5,499,298
Distribution costs	(2,133,557)	(1,805,052)	(1,956,776)	(1,614,105)
Administrative costs	(2,460,409)	(2,112,950)	(1,924,275)	(1,743,049)
Other income	16,798	13,176	16,460	7,339
Operating profit	2,232,436	2,174,456	2,419,942	2,149,483
Finance income	6,377	43,452	5,293	40,783
Finance costs	(408,195)	250,333	(381,574)	241,652
Finance (costs)/income - net	(401,818)	293,785	(376,281)	282,435
Share of loss from associates - net of tax	(5,695)	(558)	-	-
Profit before income tax	1,824,923	2,467,683	2,043,661	2,431,918
Taxation	(291,476)	2,276,514	(283,784)	2,277,017
Profit for the period	1,533,447	4,744,197	1,759,877	4,708,935
Other comprehensive income/(expense) for the period	-	-	-	-
Total comprehensive income for the period	1,533,447	4,744,197	1,759,877	4,708,935
Attributable to:				
Equity holders of the Company	1,533,447	4,744,197	1,759,877	4,708,935
Earnings per share attributable to the ordinary shareholders of the Company (expressed in Rs. per share)				
- Basic	0.192	0.594	0.220	0.590
- Diluted	0.192	0.594	0.220	0.590

The notes on pages 8 to 12 form an integral part of these financial statements.

DIALOG AXIATA PLC**Consolidated statement of changes in equity****(all amounts in Sri Lanka Rupees thousands)****Attributable to equity holders of the Company**

	Stated Capital	Shares in ESOS Trust	Dividend reserve ESOS Trust	Retained earnings	Total
Balance at 1 January 2013	28,103,913	(1,990,921)	331,425	10,737,128	37,181,545
Profit for the period	-	-	-	4,078,302	4,078,302
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	4,078,302	4,078,302
Dividend received by ESOS Trust	-	-	52,329	-	52,329
Dividend to equity shareholders	-	-	-	(2,687,446)	(2,687,446)
Direct cost on share issue	-	-	-	(5,000)	(5,000)
Balance at 30 September 2013	28,103,913	(1,990,921)	383,754	12,122,984	38,619,730
Balance at 1 January 2012	28,103,913	(1,990,921)	291,781	6,789,148	33,193,921
Profit for the period	-	-	-	5,092,744	5,092,744
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	5,092,744	5,092,744
Direct cost on share issue	-	-	-	(37,500)	(37,500)
Dividend received by ESOS Trust	-	-	39,644	-	39,644
Dividend to equity shareholders	-	-	-	(2,035,945)	(2,035,945)
Balance at 30 September 2012	28,103,913	(1,990,921)	331,425	9,808,447	36,252,864

The notes on pages 8 to 12 form an integral part of these financial statements.

DIALOG AXIATA PLC**Company statement of changes in equity**

(all amounts in Sri Lanka Rupees thousands)

Attributable to equity holders of the Company

	Stated Capital	Shares in ESOS Trust	Dividend reserve ESOS Trust	Retained earnings	Total
Balance at 1 January 2013	28,103,913	(1,990,921)	331,425	19,948,823	46,393,240
Profit for the period	-	-	-	4,438,961	4,438,961
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	4,438,961	4,438,961
Dividend received by ESOS Trust	-	-	52,329	-	52,329
Dividend to equity shareholders	-	-	-	(2,687,446)	(2,687,446)
Balance at 30 September 2013	28,103,913	(1,990,921)	383,754	21,700,338	48,197,084
Balance at 1 January 2012	28,103,913	(1,990,921)	291,781	15,794,723	42,199,496
Profit for the period	-	-	-	5,159,716	5,159,716
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	5,159,716	5,159,716
Dividend received by ESOS Trust	-	-	39,644	-	39,644
Dividend to equity shareholders	-	-	-	(2,035,945)	(2,035,945)
Balance at 30 September 2012	28,103,913	(1,990,921)	331,425	18,918,494	45,362,911

The notes on pages 8 to 12 form an integral part of these financial statements.

DIALOG AXIATA PLC

Cash flow statements

(all amounts in Sri Lanka Rupees thousands)

	Group		Company	
	Nine months ended 30 September		Nine months ended 30 September	
	2013	2012	2013	2012
Cash flows from operating activities				
Cash generated from operations	12,094,576	15,590,977	12,196,422	15,344,933
Interest received	112,335	285,373	107,134	249,413
Telecommunication development charge refund received	1,248,397	-	1,223,734	-
Interest paid	(233,145)	(217,389)	(232,346)	(216,075)
Tax paid	(101,017)	(96,731)	(90,000)	(86,755)
Retirement benefit obligation paid	(23,223)	(68,612)	(20,417)	(15,061)
Net cash generated from operating activities	13,097,923	15,493,618	13,184,527	15,276,455
Cash flows from investing activities				
Purchases of property, plant and equipment	(13,130,143)	(10,365,003)	(9,353,111)	(7,671,185)
Purchases of intangible assets	(7,229,681)	(7,502)	(5,284,430)	(7,502)
Acquisition of subsidiary, net of cash acquired	-	(3,364,760)	-	-
Investment in associate	(31,825)	-	(31,825)	-
Amounts advanced to subsidiaries	-	-	(5,767,422)	(3,133,848)
Proceeds from sale of property, plant and equipment	57,711	37,699	48,205	24,602
Net cash used in investing activities	(20,333,938)	(13,699,566)	(20,388,583)	(10,787,933)
Cash flows from financing activities				
Repayment of borrowings	(5,062,847)	(2,854,575)	(5,062,847)	(2,854,575)
Repayment of finance leases	(5,129)	(7,492)	-	-
Proceeds from borrowings	5,781,445	-	5,781,445	-
Redemption of rated cumulative redeemable preference shares	-	(1,250,000)	-	(1,250,000)
Dividend paid to rated cumulative redeemable preference shareholders	-	(82,637)	-	(82,637)
Dividend paid to ordinary shareholders	(448,313)	(2,035,945)	(448,313)	(2,035,945)
Dividend received – ESOS Trust	52,329	39,643	52,329	39,643
Expenses on share issue	(5,000)	(37,500)	-	-
Net cash generated/(used) in financing activities	312,485	(6,228,506)	322,614	(6,183,514)
Net decrease in cash and cash equivalents	(6,923,530)	(4,434,454)	(6,881,442)	(1,694,992)
Movement in cash and cash equivalents				
At start of period	7,368,122	9,406,074	6,776,913	5,929,135
Decrease	(6,923,530)	(4,434,454)	(6,881,442)	(1,694,992)
Effect of exchange rate changes	(146,877)	(199,273)	(146,775)	(198,635)
At end of period	297,715	4,772,347	(251,304)	4,035,508

The notes on pages 8 to 12 form an integral part of these financial statements.

DIALOG AXIATA PLC

Notes to the condensed interim financial statements

(all amounts in the notes are in Sri Lanka Rupees thousands unless otherwise stated)

1 General information

Dialog Axiata PLC (the 'Company') and its subsidiaries (together 'the Group') provide communication services (mobile, fixed, broadband, international gateway services), telecommunication infrastructure services (tower infrastructure and transmission services), media (digital television services based on multiple media – satellite, cable, terrestrial) and digital services [(including but not limited to digital commerce (mobile and ecommerce), electronic payments (including mobile payment), digital health, education, navigation and enterprise services)].

Dialog Axiata PLC is a public limited liability company incorporated and domiciled in Sri Lanka and is listed on the Colombo Stock Exchange since 28 July 2005. The registered office of the Company is located at 475, Union Place, Colombo 2.

2 Basis of preparation

The condensed interim financial statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 *Interim Financial Reporting*. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

3 Segment information

Operating segments are presented in a manner consistent with the internal reporting provided to the chief operating decision makers.

- The segment results for the period ended 30 September 2013 are as follows:

	Mobile operations	Fixed broadband operations	Television operations	Elimination /adjustment	Group
Revenue from external customers	40,684,153	3,699,765	2,612,693	-	46,996,611
Inter - segment revenue	515,778	659,474	24,452	-	1,199,704
Total segmental revenue	41,199,931	4,359,239	2,637,145	-	48,196,315
Segment operating profit / (loss) for the period	6,616,638	(233,493)	29,246	(36,874)	6,375,517
Finance costs - net					(1,427,936)
Share of loss from associates - net of tax					(25,018)
Profit before income tax					4,922,563
Taxation					(844,261)
Profit for the period					4,078,302

- Other segment items included in the statement of comprehensive income are as follows:

	Mobile operations	Fixed broadband operations	Television operations	Elimination /adjustment	Group
Depreciation, amortisation and impairment	7,006,375	1,513,509	417,850	37,715	8,975,449

- The segment assets and liabilities at 30 September 2013 and capital expenditure for the period then ended are as follows:

	Mobile operations	Fixed broadband operations	Television operations	Elimination /adjustment	Group
Assets	98,397,071	19,831,222	4,382,224	(11,175,632)	111,434,885
Inter - segment assets	(13,211,334)	(1,014,497)	1,738	-	(14,224,093)
Total assets	85,185,737	18,816,725	4,383,962	(11,175,632)	97,210,792
Liabilities	50,199,987	19,395,361	3,613,171	-	73,208,519
Inter - segment liabilities	(308,058)	(11,949,089)	(2,360,310)	-	(14,617,457)
Total liabilities	49,891,929	7,446,272	1,252,861	-	58,591,062
Capital expenditure	14,637,541	4,839,469	962,053	-	20,439,063

DIALOG AXIATA PLC

Notes to the condensed interim financial statements (Continued)

3 Segment information (Continued)

- The segment results for the period ended 30 September 2012 are as follows:

	Mobile operations	Fixed broadband operations	Television operations	Elimination /adjustment	Group
Revenue from external customers	36,155,572	3,032,801	2,178,838	-	41,367,211
Inter - segment revenue	500,619	557,557	12,751	-	1,070,927
Total segmental revenue	36,656,191	3,590,358	2,191,589	-	42,438,138
Segment operating profit / (loss) for the period	6,133,656	(162,282)	147,611	(37,970)	6,081,015
Finance costs - net					(2,955,621)
Share of profit from associates - net of tax					1,110
Profit before income tax					3,126,504
Taxation					1,966,240
Profit for the period					5,092,744

- Other segment items included in the statement of comprehensive income are as follows:

	Mobile operations	Fixed broadband operations	Television operations	Elimination /adjustment	Group
Depreciation, amortisation and impairment	6,082,391	1,320,575	358,575	37,715	7,799,256

- The segment assets and liabilities at 31 December 2012 and capital expenditure for the year then ended are as follows:

	Mobile operations	Fixed broadband operations	Television operations	Elimination /adjustment	Group
Assets	91,163,603	15,972,197	3,579,178	(10,519,783)	100,195,195
Inter - segment assets	(9,545,524)	(238,222)	-	-	(9,783,746)
Total assets	81,618,079	15,733,975	3,579,178	(10,519,783)	90,411,449
Liabilities	44,470,363	15,869,425	2,791,403	-	63,431,191
Inter - segment liabilities	(356,817)	(7,934,481)	(1,909,989)	-	(10,201,287)
Total liabilities	44,413,546	7,934,944	881,414	-	53,229,904
Capital expenditure	12,356,597	4,115,481	936,593	-	17,408,671

4 Seasonal or cyclical factors

The operations of the Group were not significantly affected by any seasonal or cyclical factors.

5 Significant unusual affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial period ended 30 September 2013.

6 Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

DIALOG AXIATA PLC

Notes to the condensed interim financial statements (Continued)

6 Estimates (Continued)

There were no changes in estimates of amounts reported in prior financial years that may have a material effect in the current quarter and financial period to date.

In preparing the interim financial statements, the significant judgments made by the management in applying the Group's accounting policies and the sources of estimates uncertainty were consistent as those applied in the 2012 Audited Financial Statements.

7 Issues, repurchases and repayments of debt and equity securities

There were no significant and unusual issues, repurchases and repayments of debt and equity securities during the financial period ended 30 September 2013.

8 Stated capital

Stated capital of the Company consists of 8,143,778,405 ordinary shares.

9 Market price per share

For the three months ended 30 September

	2013 Rs.	2012 Rs.
- Highest	8.80	9.40
- Lowest	7.90	5.90
- Last traded	8.50	9.00

10 Twenty largest shareholders of the Company

Name of Shareholders	No. of Shares	% Holding
1 Axiata Investments (Labuan) Limited	6,785,252,765	83.32%
2 HSBC INTL NOM Limited - BBH Genesis Smaller Companies	191,221,640	2.35%
3 Employees Provident Fund	177,863,109	2.18%
4 Dialog Axiata Employees ESOS Trust	158,572,462	1.95%
5 HSBC International nominees Limited Morgan Stanley and INTL PLC own - A/C	92,592,958	1.14%
6 Sri Lanka Insurance Corporation Limited - Life Fund	65,615,933	0.81%
7 CB NY S/A International Finance Corporation	64,086,800	0.79%
8 HSBC INTL Nominees Limited - JPMCB Scottish ORL SML TR GTI 6018	56,292,400	0.69%
9 HSBC International nominees Limited - BBH - Genesis Emerging Markets Opportunities Fund Limited	55,345,900	0.68%
10 BNY - CF Ruffer Investment Funds : CF Ruffer Pacific Fund	44,314,300	0.54%
11 Browns Investments PLC	40,962,143	0.50%
12 Pemberton Asian Opportunities Fund	40,000,000	0.49%
13 Associated Electrical Corporation Limited	24,450,600	0.30%
14 Northern Trust Co S/A Prince street Opportunities Limited	22,000,000	0.27%
15 Mellon Bank N.A.- UPS Group Trust	18,880,000	0.23%
16 Seylan Bank PLC. - A/C No. 3	12,459,100	0.15%
17 Mercantile Investments and Finance PLC	11,000,000	0.14%
18 Northern Trust Co S/A Edgbaston Asian Equity Trust	10,402,167	0.13%
19 Deutsche bank AG - National Equity Fund	8,712,327	0.11%
20 MAS Capital (Private) Limited	8,450,977	0.10%

11 Public shareholding

The percentage of public shareholding as at 30 September 2013 was 14.73% (14.73% as at 31 December 2012), calculated in accordance with the listing rules of the Colombo Stock Exchange.

DIALOG AXIATA PLC

Notes to the condensed interim financial statements (Continued)

12 Bank borrowing

The Company entered into a Syndicated Term Loan Facility Agreement of USD 200Mn with a 5 year tenure on 16 July 2013. The facility will be used to finance the Group's capital expenditure, working capital requirements and refinance an existing debt. The loan carries an interest rate of USD 3 Months LIBOR + 1.45%, which will mature in 2018 and has a repayment moratorium period of 24 months.

13 Trade and other payables

This includes a provision, as a matter of prudence, for a possible claim amounting to a sum of Rs. 4,221,040,185 on account of a judgment delivered against Suntel Limited on 9 March 2012 in HC (Civil) 282/2001(1) in the Commercial High Court of the Western Province in favour of Electroteks Network Services (Private) Limited. Suntel Limited [now amalgamated with Dialog Broadband Networks (Private) Limited], on the basis of legal advice received, has appealed against this judgment to the Supreme Court of Sri Lanka. The matter is now fixed for hearing on 6 March 2014.

Pending such appeal, Electroteks Network Services (Private) Limited has filed a writ pending appeal application in the Commercial High Court of the Western Province seeking to execute the judgment given in their favour. Dialog Broadband Networks (Private) Limited has filed its objections to this application, whereas this matter is now fixed for further inquiry on 4 December 2013.

14 Taxation

The Company opted for 2% revenue based tax with effect from the year 2013 with the expiration of the 15 year tax holiday period granted under the agreement entered into between the Company and the Board of investment of Sri Lanka (BOI).

Upon expiry of the tax exemption period granted under the agreement entered into between the Dialog Broadband Networks (Private) Limited (DBN) and the BOI, the business profit of DBN is subjected to a corporate tax of 15% with effect from the year 2011.

Upon expiry of the tax exemption period granted under the agreement entered into between the Dialog Television (Private) Limited (DTV) and the BOI, the business profit of DTV is subjected to a corporate tax of 10 % for a period of two years with effect from the year 2012. After the expiration of the aforesaid concessionary period, the business profit of DTV is subjected to corporate tax of 20% for any year of assessment thereafter.

Further, the Company, DBN and DTV are liable to pay income tax at standard rate of 28% on interest income earned in Sri Lanka Rupees.

15 Effects of changes in the composition of the Group

Acquisition of Sky Television and Radio Network (Private) Limited

The Company's wholly owned subsidiary, Dialog Broadband Networks (Private) Limited, entered into a Share Purchase Agreement on 23 April 2013 with the shareholders of Sky Television and Radio Network (Private) Limited (Sky TV) to purchase 100 percent equity shares of Sky TV. Sky TV became a wholly owned subsidiary of DBN with effect from 13 May 2013 and accordingly the assets and liabilities of Sky TV were consolidated into the Group. The total consideration for the acquisition of Sky TV was Rs. 800Mn.

Sky TV was amalgamated with DBN, in accordance with provisions of the Companies Act, No. 07 of 2007 (the Act) with effect from 3 July 2013. Accordingly, Sky TV ceased to exist and was removed from the Register by the Registrar-General of Companies and all the assets, rights, liabilities and obligations of Sky TV were succeeded by DBN in accordance with the Act.

16 Directors' shareholdings

The details of shares held by the Directors and their spouses as at 30 September 2013 are as follows:

	Number of shares
Dr. Hansa Wijayasuriya	42,570
Mr. Moksevi Prelis	18,480
Mr. Mohamed Muhsin	18,040

None of the Directors other than those disclosed above held any shares in the Company.

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Notes to the condensed interim financial statements (Continued)

17 Cash and cash equivalents

Cash and cash equivalents of the Group as at 30 September 2013 include a restricted cash of Rs. 742,765,918 deposited in the following financial institutions.

	30 Sep 2013 Rs.	31 Dec 2012 Rs.
Standard Chartered Bank, amount deposited in escrow account for the purpose of acquisition of Suntel Limited.	522,760,000	522,760,000
Deutsche Bank AG, amount deposited in escrow account for the purpose of acquisition of Sky Television and Radio Network (Private) Limited.	80,000,000	-
Hatton National Bank PLC, amount deposited in custodian accounts to facilitate Ez cash operation.	140,005,918	80,000,000
	742,765,918	602,760,000

18 Dividends paid

No dividends were declared or paid during the quarter ended 30 September 2013 by the Company.

19 Valuation of property, plant and equipment

The Company and the Group do not adopt a revaluation policy on its property, plant and equipment.

20 Contingent liabilities

There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 December 2012.

21 Capital commitments

Capital expenditure contracted for at the statement of financial position date but not yet incurred by the Company and the Group are as follows:

	Group		Company	
	30 Sep 2013	31 Dec 2012	30 Sep 2013	31 Dec 2012
Supply of telecommunication equipment	15,322,570	10,861,284	11,003,011	8,200,687

22 Events after the reporting period

No events have occurred since the statement of financial position date that would require adjustment to, or disclosure in the financial statements.