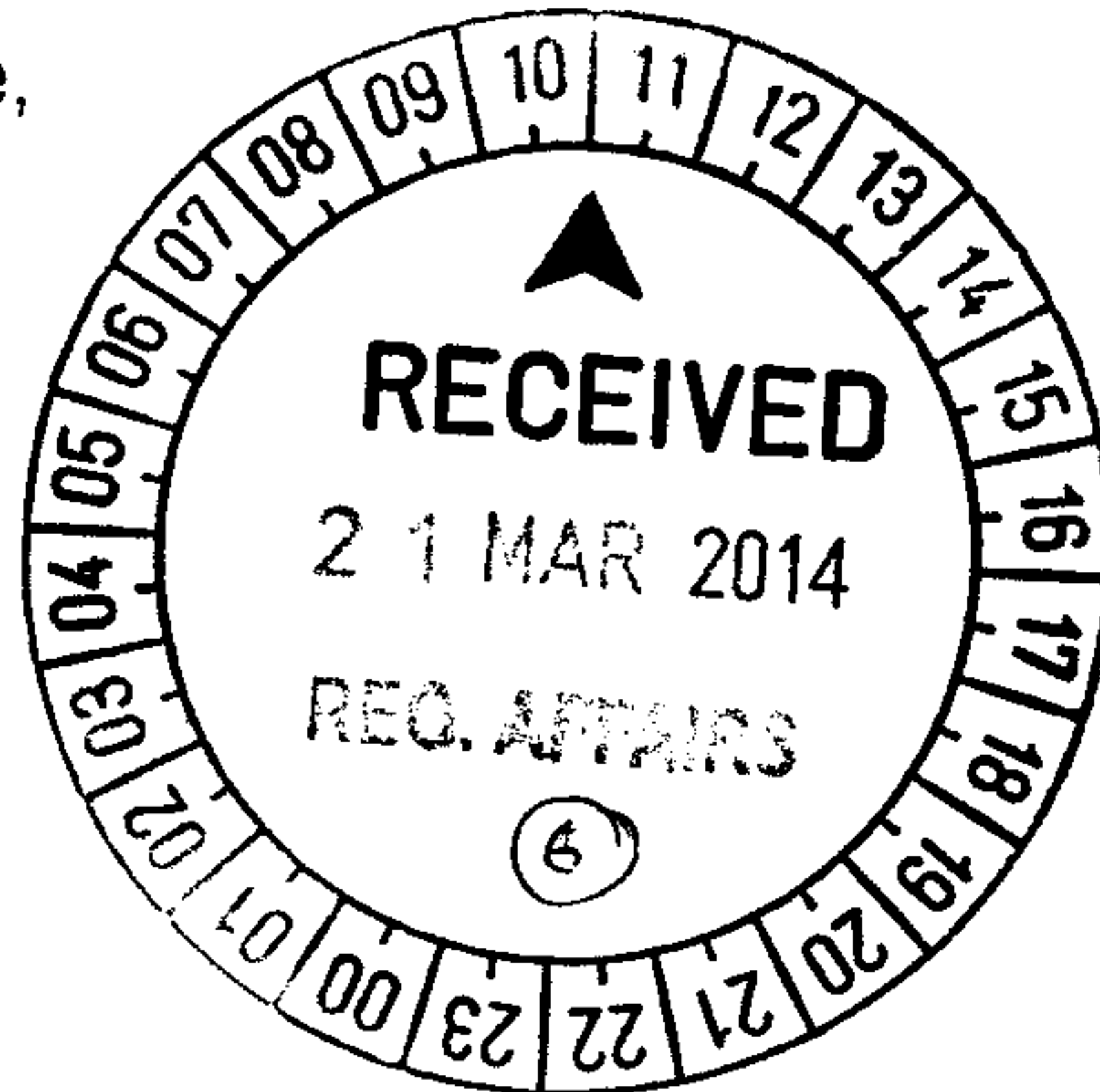


21<sup>st</sup> March 2014



Mr. Renuka Wijayawardhane,  
Chief Operating Officer  
Colombo Stock Exchange,  
04-01 West Block,  
World Trade Centre,  
Echelon Square,  
Colombo 1.

Fax No. 2448925



Dear Sir,

**DISCLOSURE RE BUY BACK OF SHARES BY LOLC LEISURE LTD**

In terms of Section 29 of Appendix 8 (a) of the Listing Rules of the Colombo Stock Exchange, Browns Investments PLC wishes to disclose the following.

On the 20<sup>th</sup> of March 2014, consequent to the resolution passed by the Shareholders of LOLC Leisure Ltd (LOLC Leisure) to effect a share buyback, Browns Investments PLC received Rs. 435 Mn as consideration for the shares being transferred back to LOLC Leisure Ltd.

LOLC Leisure is the controlling shareholder of Palm Garden Hotels PLC, Eden Hotel Lanka PLC, Dickwella Resorts (Pvt) Ltd, Tropical Villas (Pvt) Ltd and Riverina Resorts (Pvt) Ltd. where LOLC held 70% of the shares of LOLC Leisure and Browns Investments held 30% of the shares of LOLC Leisure.

Yours faithfully,

**BROWNS INVESTMENTS PLC.,**

  
**(Mrs.) Nayantha Delpechitra**  
**GM-GROUP LEGAL/GROUP SECRETARY**

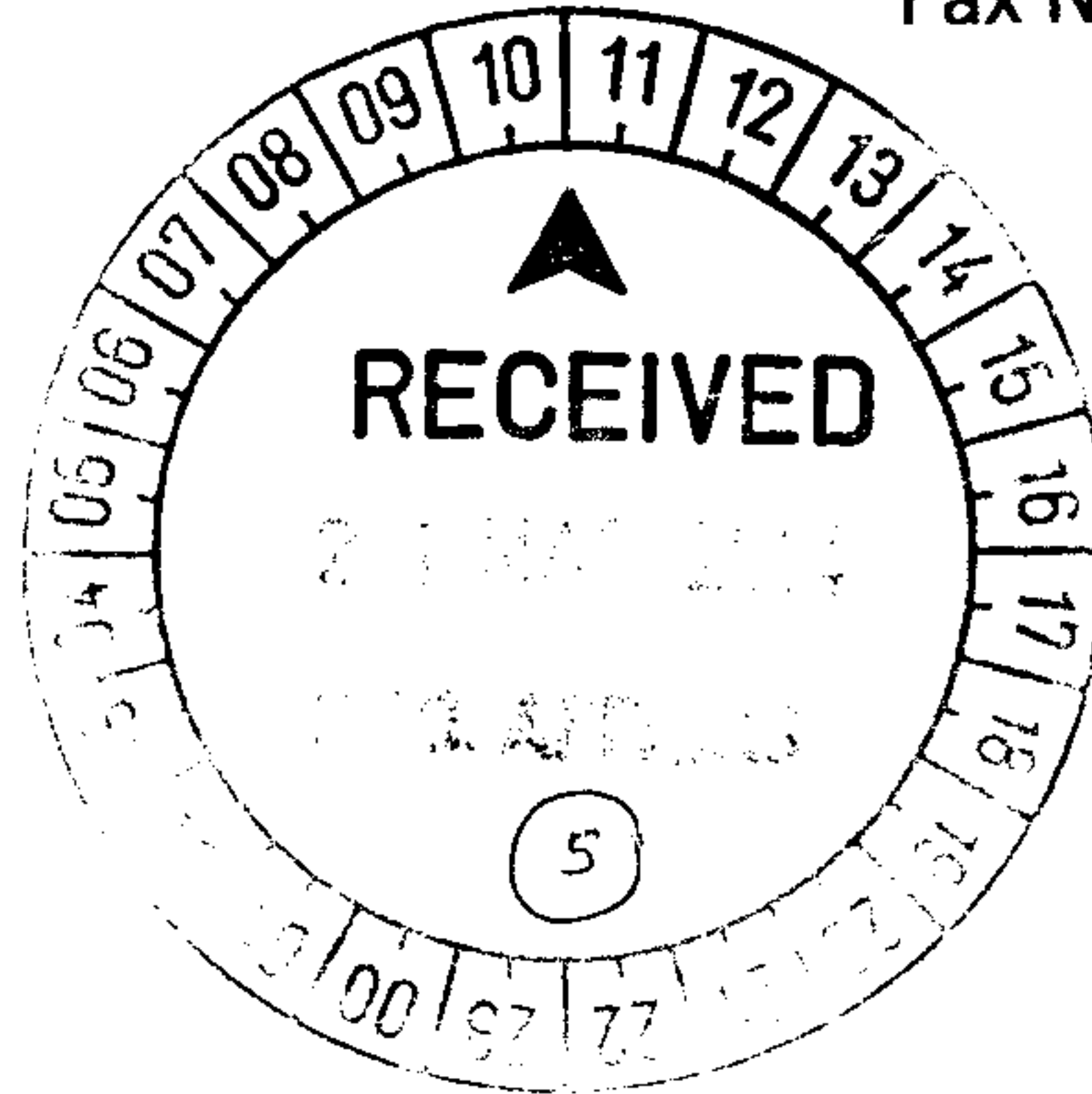
*YR/TK*  
*MD-pls circulate*

*LW*  
*21/03/14*

21<sup>st</sup> March 2014

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Mr. Renuka Wijayawardhane,  
Chief Operating Officer  
Colombo Stock Exchange,  
04-01 West Block,  
World Trade Centre,  
Echelon Square,  
Colombo 1.



*YR/TK*  
*MD - PLS Circulate*  
*LW*  
*21/03/14*

Dear Sir,

**Consolidation of Leisure Sector Investments – Acquisition of shares of LOLC Leisure**

In terms of Section 29 of Appendix 8 (a) of the Listing Rules of the Colombo Stock Exchange, Browns Investments PLC (“BIL”) wishes to disclose the following.

LOLC Leisure Ltd (LOLC Leisure) is the controlling shareholder of Palm Garden Hotels PLC, Eden Hotel Lanka PLC, Dickwella Resorts (Pvt) Ltd, Tropical Villas (Pvt) Ltd and Riverina Resorts (Pvt) Ltd, where LOLC held 70% of the shares of LOLC Leisure and Browns Investments held 30% of the shares of LOLC Leisure.

BIL is the controlling shareholder of Green Paradise Resort (Pvt) Ltd, Samudra Beach Resorts (pvt) Ltd and Sun & Fun Resorts (Pvt) Ltd in addition to the shareholding in LOLC Leisure.

On the 20<sup>th</sup> of March 2014, the Board of Directors of BIL approved the acquisition of the balance 70% shareholding in LOLC Leisure to BIL for a consideration of Rs. 2.8 Bn. With this acquisition BIL will become one of the largest leisure sector operators in the country having nearly 1,000 rooms under its management.

As disclosed in a separate disclosure of even date, prior to the said acquisition, BIL received Rs. 435 Mn from LOLC Leisure as consideration for a share buyback.

The land mark beach resort hotel which is currently being built by Riverina resorts (Pvt) Ltd, on the much sought after “golden mile” beach at Beruwala, will propel BIL to even greater heights in the leisure sector upon commencing operations in 2016. BIL will also derive excellent value from the recently refurbished Eden Hotel Lanka PLC, which has won many recent national and international awards reflecting its service excellence and the exclusive Dickwella Resorts (Pvt) Ltd, which has become even closer to Colombo with the southern expressway extending to Matara.



**BROWNS  
INVESTMENTS  
PLC**

- 2 -

BIL also took over the business operations of Browns Tours (Pvt) Ltd and B G Air Services (Pvt) Ltd , as part of the Group business reorganization and intends to revitalize the travel arm of the group to compliment the leisure sector.

Having realized the growth potential in the leisure sector, with peace returning to the country, the LOLC Group in a strategic move acquired three hotel companies in May 2010 which marked its entry in to the sector. The group is confident that the ongoing accelerated infrastructure development will offer a unique platform for the development of the leisure sector.

Browns Investments is a subsidiary of the LOLC Group and has the following common directors. Mr. I.C. Nanayakkara -Executive Chairman/ Executive Director of Browns Investments is the Deputy Chairman of LOLC. Mr. W.D.K Jayawardena- Director of Browns Investments is the Group Managing Director/CEO of LOLC. Mrs. K.U. Amarasinghe- Director of Browns Investments is an Executive Director of LOLC.

Yours faithfully,

**BROWNS INVESTMENTS PLC**

  
(Mrs.) Nayantha Delpechitra

GM-GROUP LEGAL/GROUP SECRETARY