



TEEJAY LANKA PLC
Condensed Interim Financial Statements
Period Ended 31 December 2018



TEEJAY LANKA PLC

Chairman's Review

Teejay Group continued its strong revenue and net profit growth recording revenue of LKR 8.5 Bn, 28% YOY growth and Net Profit of LKR 551 Mn a 12% YoY Growth for Q3. This will be the fifth consecutive quarter the Group improved top line and bottom line amidst changes in the macro economy by operating at optimal capacity within the Group. Revenue for the first 9 months was recorded LKR 23 Bn compared to the previous year of LKR 18 Bn which is an increase of 26%, whilst the net profit was recorded at LKR 1.3 Bn compared to the previous year of LKR 1.1 Bn a 16% increase over the last year.

Despite challenges in raw material prices and utility increases the Group enjoyed a gross profit growth of 20% recording LKR 1.0 Bn compared to LKR 869 Mn the previous year in Quarter 3. The margin for the 3rd quarter has improved to 12.3% compared to the 11.2% on a quarter on quarter basis as a result of better loading and an improved mix with both US and EU business units. In addition, improved capacity utilization across the Group, mainly Teejay India with the expanded capacity exceeding expectations with optimum production and capacity utilization. The depreciating rupee and cost initiatives have also assisted the Group to keep the overhead cost at levels lower to revenue growth.

Teejay Group continues its strong balance sheet from the previous quarter with a net cash balance of LKR 4.6 Bn and a net debt free balance sheet. An interim dividend of LKR 85 cents, 20% increase above previous year has been declared primarily on our strong balance sheet and in line with our dividend policy, keeping both our local and international investors in mind. Increment in working capital was supported by inventories to strengthen expanded capacity and a strong order book in the coming quarter which have been record numbers for the Group.

While we continue to see growth opportunities for Teejay Group, we also see challenges, foremost among them revenue mix and raw material price volatility with increase in utility cost. Despite the challenging market conditions, the Group is optimistic with a strong order book, capacity optimization and the depreciation of the rupee for Q4 to close the financial year on a strong footing. The Group remains focused on strategies implemented to navigate turbulent business conditions, with acquisition of new customers, rationalization of the cost base and focus on product innovation and development to keep improving sustainable profits for generating strong returns for our stakeholders.

Sgd
Bill Lam

Chairman

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Group						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Unaudited	Variance	2018 Audited
Revenue	8,481,412	6,644,809	28%	22,949,082	18,147,087	26%	24,647,488
Cost of sales	(7,441,174)	(5,775,784)	29%	(20,319,451)	(15,924,633)	28%	(21,736,289)
Gross profit	1,040,238	869,025	20%	2,629,631	2,222,454	18%	2,911,199
Other income	75,669	66,151	14%	175,490	142,300	23%	237,537
Distribution expenses	(37,247)	(35,251)	6%	(114,626)	(106,329)	8%	(138,423)
Administrative expenses	(377,641)	(316,085)	19%	(1,116,830)	(930,450)	20%	(1,199,471)
Results from operating activities	701,019	583,840	20%	1,573,665	1,327,975	19%	1,810,842
Non Operating Income	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Finance income	17,837	26,896	-34%	45,413	55,442	-18%	106,297
Finance costs	(90,042)	(22,162)	306%	(141,679)	(54,144)	162%	(99,423)
Net finance income	(72,205)	4,733	-1625%	(96,266)	1,298	-7516%	6,874
Profit before tax	628,814	588,573	7%	1,477,399	1,329,273	11%	1,817,716
Income tax	(77,889)	(95,094)	-18%	(221,626)	(246,007)	-10%	(221,602)
Profit for the period	550,925	493,479	12%	1,255,773	1,083,266	16%	1,596,114
Attributable to:							
Equity holders of the parent	550,925	493,479	12%	1,255,773	1,083,266	16%	1,596,114
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	550,925	493,479	12%	1,255,773	1,083,266	16%	1,596,114
Basic earnings per share (LKR)	0.78	0.70		1.79	1.54		2.28

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Group						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Unaudited	Variance	2018 Audited
Profit for the period	550,925	493,479	12%	1,255,773	1,083,266	16%	1,596,114
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	24,795
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(4,997)
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	9,673
Currency translation differences	1,091,811	14,227	7574%	2,111,614	(51,970)	-4163%	131,673
Total other comprehensive income for the period	1,091,811	14,227	7574%	2,111,614	(51,970)	-4163%	161,144
Total comprehensive income for the period	1,642,736	507,706	224%	3,367,387	1,031,296	227%	1,757,258
Attributable to:							
Equity holders of the parent	1,642,736	507,706	224%	3,367,387	1,031,296	227%	1,757,258
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	1,642,736	507,706	224%	3,367,387	1,031,296	227%	1,757,258

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Company						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Unaudited	Variance	2018 Audited
Revenue	4,640,672	4,176,768	11%	13,041,373	11,809,041	10%	15,911,022
Cost of sales	(4,122,763)	(3,651,015)	13%	(11,643,798)	(10,547,428)	10%	(14,201,758)
Gross profit	517,909	525,753	-1%	1,397,575	1,261,613	11%	1,709,264
Other income	183,414	117,481	56%	441,411	319,642	38%	608,862
Distribution expenses	(28,793)	(28,849)	0%	(86,780)	(87,655)	-1%	(106,280)
Administrative expenses	(182,867)	(172,625)	6%	(577,864)	(501,344)	15%	(635,534)
Results from operating activities	489,663	441,760	11%	1,174,342	992,256	18%	1,576,312
Finance income	10,051	16,873	-40%	26,110	54,085	-52%	110,342
Finance costs	(34,675)	(37)	93616%	(12,830)	(587)	2086%	(12,870)
Net finance income	(24,624)	16,836	-246%	13,280	53,498	-75%	97,472
Profit before tax	465,039	458,596	1%	1,187,622	1,045,754	14%	1,673,784
Income tax	(41,293)	(61,807)	-33%	(118,448)	(132,452)	-11%	(144,969)
Profit for the period	423,746	396,789	7%	1,069,174	913,302	17%	1,528,815
Attributable to:							
Equity holders of the parent	423,746	396,789	7%	1,069,174	913,302	17%	1,528,815
Non-controlling interest	Nil	Nil		Nil	Nil		Nil
	423,746	396,789	7%	1,069,174	913,302	17%	1,528,815
Basic earnings per share (LKR)	0.60	0.57		1.52	1.30		2.18

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Company						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Unaudited	Variance	2018 Audited
Profit for the period	423,746	396,789	7%	1,069,174	913,302	17%	1,528,815
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	31,427
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(4,400)
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	9,673
Currency translation differences	958,023	12,545	7537%	1,862,126	(46,548)	-4100%	116,890
Total other comprehensive income for the period	958,023	12,545	7537%	1,862,126	(46,548)	-4100%	153,590
Total comprehensive income for the period	1,381,769	409,334	238%	2,931,300	866,754	238%	1,682,405
Attributable to:							
Equity holders of the parent	1,381,769	409,334	238%	2,931,300	866,754	238%	1,682,405
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	1,381,769	409,334	238%	2,931,300	866,754	238%	1,682,405

TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

	Group			Company		
	As at 31 December		As at 31 March	As at 31 December		As at 31 March
	2018	2017	2018	2018	2017	2018
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
ASSETS						
Non - current assets						
Property, plant & equipment	8,944,828	7,395,627	7,534,180	4,452,499	3,576,397	3,549,403
Capital work-in-progress	115,534	385,235	444,541	61,860	130,298	349,528
Intangible assets	89,112	61,789	54,458	31,204	35,807	33,029
Goodwill	60,090	50,311	51,112	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	3,134,519	2,751,961	2,666,214
Lease rentals paid in advance	254,259	227,930	227,820	103,474	90,909	86,941
Deferred tax assets	53,143	115,822	125,070	Nil	Nil	Nil
	9,516,966	8,236,714	8,437,181	7,783,556	6,585,372	6,685,115
Current assets						
Inventories	5,049,492	3,138,612	4,091,207	3,166,700	2,054,828	2,817,004
Trade and other receivables	4,373,399	3,392,797	3,494,456	2,811,472	2,122,325	2,149,360
Other financial assets	2,555,451	3,030,856	789,378	1,859,158	2,544,267	620,214
Derivative financial instruments	11,541	Nil	9,817	11,541	Nil	9,817
Cash and cash equivalents	2,056,368	1,342,640	2,742,897	1,715,686	899,394	2,126,727
	14,046,251	10,904,905	11,127,755	9,564,557	7,620,814	7,723,122
Total assets	23,563,217	19,141,619	19,564,936	17,348,113	14,206,186	14,408,237
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	4,056,683	4,056,790	4,056,683	4,056,683	4,056,790	4,056,683
Share option scheme	85,505	63,746	85,505	85,505	63,746	85,505
Exchange equalisation reserve	4,689,293	2,394,036	2,577,679	4,345,739	2,320,175	2,483,613
Retained earnings	5,595,894	4,930,607	4,971,882	4,207,810	3,619,228	3,770,397
Hedging reserve	9,673	Nil	9,673	9,673	Nil	9,673
	14,437,048	11,445,179	11,701,422	12,705,410	10,059,939	10,405,871
Non - current liabilities						
Borrowings	939,744	1,076,318	1,106,784	Nil	Nil	Nil
Deferred tax liabilities	394,156	348,464	318,004	344,899	274,824	276,106
Retirement benefit obligations	286,074	222,599	207,666	234,419	193,065	171,132
	1,619,974	1,647,381	1,632,454	579,318	467,889	447,238
Current liabilities						
Trade and other payables	4,472,598	3,492,020	4,486,958	2,565,684	2,054,793	2,780,269
Current tax liability	171,464	134,232	14,647	112,067	104,477	Nil
Borrowings	2,862,133	2,422,807	1,729,455	1,385,634	1,519,088	774,859
	7,506,195	6,049,059	6,231,060	4,063,385	3,678,358	3,555,128
Total liabilities	9,126,169	7,696,440	7,863,514	4,642,703	4,146,247	4,002,366
Total equity and liabilities	23,563,217	19,141,619	19,564,936	17,348,113	14,206,186	14,408,237
Net Asset per share	20.57	16.30	16.67	18.10	14.33	14.82

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd
Salman Nishtar
Chief Financial Officer

Sgd
Shrihan Perera
Chief Executive Officer

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

Sgd
Ashroff Omar
Director

Sgd
Hasitha Premaratne
Director

6-Feb-2019

TEEJAY LANKA PLC

Statement of Changes In Equity - Group

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	Share Option Scheme	Exchange equalisation reserve	Retained earnings	Hedging Reserve	Total
Balance as at 1 April 2017	3,942,686	63,746	2,446,006	4,724,786	Nil	11,177,224
Profit for the period	Nil	Nil	Nil	1,596,114	Nil	1,596,114
Other comprehensive income	Nil	Nil	131,673	19,798	9,673	161,144
Total comprehensive income	Nil	Nil	131,673	1,615,912	9,673	1,757,258
Issue of shares under Employee Share Option Scheme	113,997	Nil	Nil	Nil	Nil	113,997
Transactions with owners						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,446)	Nil	(877,446)
Interim dividend paid - 2017/18	Nil	Nil	Nil	(491,370)	Nil	(491,370)
Share option scheme	Nil	21,759	Nil	Nil	Nil	21,759
Balance as at 31 March 2018	4,056,683	85,505	2,577,679	4,971,882	9,673	11,701,422
Balance as at 1 April 2018	4,056,683	85,505	2,577,679	4,971,882	9,673	11,701,422
Profit for the period	Nil	Nil	Nil	1,255,773	Nil	1,255,773
Other comprehensive income	Nil	Nil	2,111,614	Nil	Nil	2,111,614
Total comprehensive income	Nil	Nil	2,111,614	1,255,773	Nil	3,367,387
Transactions with Owners						
Final dividend paid - 2017/18	Nil	Nil	Nil	(631,761)	Nil	(631,761)
Balance as at 31 December 2018	4,056,683	85,505	4,689,293	5,595,894	9,673	14,437,048
Balance as at 1 April 2017	3,942,686	63,746	2,446,006	4,724,786	Nil	11,177,224
Profit for the period	Nil	Nil	Nil	1,083,266	Nil	1,083,266
Other comprehensive income	Nil	Nil	(51,970)	Nil	Nil	(51,970)
Total comprehensive income	Nil	Nil	(51,970)	1,083,266	Nil	1,031,296
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	Nil	114,104
Transactions with Owners						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,445)	Nil	(877,445)
Balance as at 31 December 2017	4,056,790	63,746	2,394,036	4,930,607	Nil	11,445,179

TEEJAY LANKA PLC

Statement of Changes In Equity - Company

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	Share Option Scheme	Exchange equalisation reserve	Retained earnings	Hedging Reserve	Total
Balance as at 1 April 2017	3,942,686	63,746	2,366,723	3,583,371	Nil	9,956,526
Profit for the period	Nil	Nil	Nil	1,528,815	Nil	1,528,815
Other comprehensive income	Nil	Nil	116,890	27,027	9,673	153,590
Total comprehensive income	Nil	Nil	116,890	1,555,842	9,673	1,682,405
Issue of shares under Employee Share Option Scheme	113,997	Nil	Nil	Nil	Nil	113,997
Transactions with owners						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,446)	Nil	(877,446)
Interim dividend paid - 2017/18	Nil	Nil	Nil	(491,370)	Nil	(491,370)
Share option scheme	Nil	21,759	Nil	Nil	Nil	21,759
Balance as at 31 March 2018	4,056,683	85,505	2,483,613	3,770,397	9,673	10,405,871
Balance as at 1 April 2018	4,056,683	85,505	2,483,613	3,770,397	9,673	10,405,871
Profit for the period	Nil	Nil	Nil	1,069,174	Nil	1,069,174
Other comprehensive income	Nil	Nil	1,862,126	Nil	Nil	1,862,126
Total comprehensive income	Nil	Nil	1,862,126	1,069,174	Nil	2,931,300
Transactions with Owners						
Final dividend paid - 2017/18	Nil	Nil	Nil	(631,761)	Nil	(631,761)
Balance as at 31 December 2018	4,056,683	85,505	4,345,739	4,207,810	9,673	12,705,410
Balance as at 1 April 2017	3,942,686	63,746	2,366,723	3,583,371	Nil	9,956,526
Profit for the period	Nil	Nil	Nil	913,302	Nil	913,302
Other comprehensive income	Nil	Nil	(46,548)	Nil	Nil	(46,548)
Total comprehensive income	Nil	Nil	(46,548)	913,302	Nil	866,754
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	Nil	114,104
Transactions with Owners						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,445)	Nil	(877,445)
Balance as at 31 December 2017	4,056,790	63,746	2,320,175	3,619,228	Nil	10,059,939

TEEJAY LANKA PLC

Cash Flow Statement

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	Period Ended 31 December		Period Ended 31 December	
	2018	2017	2018	2017
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from operating activities				
Cash generated from operations	1,739,175	2,331,639	1,102,086	1,846,393
Finance income received	(1,673)	55,442	13,688	54,085
Finance cost paid	(94,592)	(54,144)	(408)	(587)
Retirement benefit obligations paid	(17,843)	(22,824)	(6,652)	(8,039)
Tax paid	(28,874)	Nil	Nil	Nil
Net cash generated/(used) from operating activities	1,596,193	2,310,113	1,108,714	1,891,852
Cash flows from investing activities				
Additions to capital work - in - progress	(664,291)	(1,323,821)	(352,579)	(334,716)
Investment in financial assets	(1,456,304)	(1,796,402)	(1,011,190)	(1,555,634)
Net cash used in investing activities	(2,120,595)	(3,120,223)	(1,363,769)	(1,890,350)
Cash flows from financing activities				
Issue of shares under Employee Share Option Scheme	Nil	114,104	Nil	114,104
Dividend paid	(631,761)	(877,445)	(631,761)	(877,445)
Proceeds from / (settlement of) borrowings	(9,058)	1,462,077	Nil	753,150
Net cash used in financing activities	(640,819)	698,736	(631,761)	(10,191)
Net increase/(decrease) in cash and cash equivalents	(1,165,221)	(111,374)	(886,816)	(8,689)
Cash and cash equivalents at the beginning of the period	2,736,638	1,448,026	2,120,468	902,094
Cash and cash equivalents at the end of the period	1,571,417	1,336,652	1,233,652	893,405

TEEJAY LANKA PLC

Notes to the Financial Statements

1. Corporate Information

Teejay Lanka PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is Block D8 - D14, Seethawaka Export Processing Zone, Avissawella.

2. Condensed Interim Financial Statements

The financial statements for the period ended 31 December 2018, includes "the Company" referring to Teejay Lanka PLC.

The Company has also presented the statement of comprehensive income and the statement of financial position in United States Dollars (USD) since the functional currency of the enterprise is USD.

3. Approval of Financial Statements

The condensed interim financial statements of the Company for the 09 months ended 31 December 2018 were authorised for issue by the Board of Directors on 06 February 2019.

4. Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting . The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2018.

The condensed interim financial statements have been prepared on a historical cost basis.

5. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year.

6. Other Financial Assets

Short term deposits with original maturity of more than 3 months but less than one year which previously reported under cash and cash equivalents are now shown under other financial assets.

7. Contingencies, Capital and Other Commitments

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31 March 2018.

8. Key Ratios of the Group and the Company

	Group		Company	
	Quarter Ended 31 December 2018	2017	Quarter Ended 31 December 2018	2017
Profitability Ratios				
Net Profit Margin	6.50%	5.97%	9.13%	7.73%
Asset to Turnover	1.57	1.34	1.17	1.16
Debt : Equity	0.26	0.31	0.11	0.15
Return on Assets (ROA)	10.22%	8.02%	10.67%	9.00%
Return on Equity (ROE)	16.86%	12.77%	14.67%	12.17%

Investor Ratios

Earnings per Share (EPS) - LKR	0.78	0.70	0.60	0.57
Net Asset Value per Share - LKR	20.57	16.30	18.10	14.33
Price / Earnings Ratio (PE Ratio)	11.11	15.06	13.54	17.09
Price to Book Value Ratio (PBV Ratio)	1.58	2.09	1.80	2.37

(PE and PBV Ratios are based on a market price of LKR 32.50 per share closed 31 December 2018)

9. Number of shares representing the entity's Stated Capital - 701,956,580 Shares

10. Directors' Interest in Shares of the Company (As at 31 December 2018)

	No. of Shares	%
Hasitha Premaratne	40,000	0.01

TEEJAY LANKA PLC

Notes to the Financial Statements

11. Market Price per Share

	Highest (LKR)	Lowest (LKR)
Quarter ended 31 December 2018	34.50	28.20
Last traded price (on 31 December 2018)	32.50	

12. Public Shareholding 272,318,570 shares - 38.79%

The percentage of shares held by the public as at 31 December 2018 was 38.79% (272,318,570 number of shares).

The number of public shareholders as at 31 December 2018 was 8,108 and a float adjusted market capitalisation of LKR 8,849,391,115

In terms of the rule 7.13.1 of the Listing Rules if the Colombo Stock Exchange, the Company Qualifies under option Five of the minimum public holding requirement.

13. List of the 20 Largest Shareholders

	No. of Shares	%
Brandix Lanka Ltd-Number 1 Account	232,198,344	33.08
Pacific Textured Jersey Holdings Limited	195,926,217	27.91
BBH - Fidelity Funds	30,835,194	4.39
BBH-Matthews Emerging Asia Fund	29,116,858	4.15
Citibank Newyork S/A Norges Bank Account 2	21,003,973	2.99
Bnymsanv Re-CF Ruffer Investment Funds : CF Ruffer Pacific Fund and Emerging Markets Fund	16,000,000	2.28
JPCMB NA-Fidelity Asian Values PLC	14,601,214	2.08
Melstacorp PLC	12,622,428	1.80
Union Assurance PLC/Account No. 05 (Unit-Linked Life Insurance Fund-Equity Fund)	5,363,542	0.76
Mr. L.K.M.Fernando	5,119,300	0.73
State Street Luxembourg C/O SSBT - Alliance bernstein Next 50 Emerging Markets (Master) Fund Sicav-Sif S.C.Sp.	5,104,720	0.73
Deutsche Bank AG-National Equity Fund	4,500,000	0.64
East India Holding (Pvt) Ltd	3,955,425	0.56
J.B. Cocoshell (Pvt) Ltd	3,945,361	0.56
Mr. P.Subasinghe	3,100,398	0.44
Pictet and CIE (EUROPE) S.A.S/A Ruffer SICAV-Ruffer Emerging Markets Fund	3,000,000	0.43
Union Assurance PLC/No-01A/C	2,782,495	0.40
Periceyl (Private) Limited A/C No. 03	2,694,100	0.38
Deutsche Bank AG As Trustee For Namal Acuity Value Fund	2,455,000	0.35
Nuwara Eliya Property Developers (Pvt) Ltd	2,285,200	0.33

14. Material events that occurred subsequent to the interim period

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

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Group						
	Quarter Ended			Period Ended			Year Ended
	31 December			31 December			31 March
	2018	2017	Variance	2018	2017	Variance	2018
Unaudited	Unaudited		Unaudited	Unaudited		Audited	
Revenue	49,526,028	43,878,653	13%	141,906,271	119,956,950	18%	162,721,908
Cost of sales	(43,414,364)	(38,139,489)	14%	(125,645,876)	(105,265,949)	19%	(143,502,268)
Gross profit	6,111,664	5,739,164	6%	16,260,395	14,691,001	11%	19,219,640
Other income	447,763	436,971	2%	1,085,149	940,638	15%	1,568,210
Distribution expenses	(214,701)	(232,742)	-8%	(708,790)	(702,864)	1%	(913,867)
Administrative expenses	(2,186,012)	(2,086,988)	5%	(6,905,947)	(6,150,515)	12%	(7,918,870)
Results from operating activities	4,158,713	3,856,405	8%	9,730,807	8,778,260	11%	11,955,113
Finance income	104,733	177,669	-41%	280,809	366,483	-23%	701,775
Finance costs	(546,365)	(146,372)	273%	(876,075)	(357,903)	145%	(656,387)
Net finance income	(441,632)	31,297	-1511%	(595,266)	8,580	-7038%	45,388
Profit before tax	3,717,081	3,887,702	-4%	9,135,541	8,786,840	4%	12,000,501
Income tax	(452,624)	(627,998)	-28%	(1,370,428)	(1,626,168)	-16%	(1,463,004)
Profit for the period	3,264,457	3,259,704	0%	7,765,113	7,160,672	8%	10,537,497
Attributable to:							
Equity holders of the parent	3,264,457	3,259,704	0%	7,765,113	7,160,672	8%	10,537,497
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	3,264,457	3,259,704	0%	7,765,113	7,160,672	8%	10,537,497

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Group						
	Quarter Ended			Period Ended			Year Ended
	31 December			31 December			31 March
	2018	2017	Variance	2018	2017	Variance	2018
Unaudited	Unaudited		Unaudited	Unaudited		Audited	
Profit for the period	3,264,457	3,259,704	0%	7,765,113	7,160,672	8%	10,537,497
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	163,698
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(32,990)
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	63,862
Total other comprehensive income for the period	Nil	Nil	0%	Nil	Nil	0%	194,570
Total comprehensive income for the period	3,264,457	3,259,704	0%	7,765,113	7,160,672	8%	10,732,067
Attributable to:							
Equity holders of the parent	3,264,457	3,259,704	0%	7,765,113	7,160,672	8%	10,732,067
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	3,264,457	3,259,704	0%	7,765,113	7,160,672	8%	10,732,067

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Company						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Unaudited	Variance	2018 Audited
Revenue	27,000,786	27,579,488	-2%	80,641,684	78,060,821	3%	105,044,049
Cost of sales	(23,975,763)	(24,107,017)	-1%	(71,999,740)	(69,721,231)	3%	(93,759,543)
Gross profit	3,025,023	3,472,471	-13%	8,641,944	8,339,590	4%	11,284,506
Other income	1,082,098	775,784	39%	2,729,478	2,112,913	29%	4,019,683
Distribution expenses	(166,344)	(190,466)	-13%	(536,605)	(579,419)	-7%	(701,654)
Administrative expenses	(1,051,066)	(1,139,806)	-8%	(3,573,235)	(3,314,016)	8%	(4,195,776)
Results from operating activities	2,889,711	2,917,983	-1%	7,261,582	6,559,068	11%	10,406,759
Finance income	58,910	111,387	-47%	161,451	357,513	-55%	728,476
Finance costs	(218,818)	(244)	89580%	(79,333)	(3,879)	1945%	(84,972)
Net finance income	(159,908)	111,143	-244%	82,118	353,634	-77%	643,504
Profit before tax	2,729,803	3,029,126	-10%	7,343,700	6,912,702	6%	11,050,263
Income tax	(239,765)	(408,277)	-41%	(732,424)	(875,539)	-16%	(957,081)
Profit for the period	2,490,038	2,620,849	-5%	6,611,276	6,037,163	10%	10,093,182

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Company						
	Quarter Ended			Period Ended			Year Ended
	31 December			31 December			31 March
	2018	2017	Variance	2018	2017	Variance	2018
Unaudited	Unaudited		Unaudited	Unaudited		Audited	
Profit for the period	2,490,038	2,620,849	-5%	6,611,276	6,037,163	10%	10,093,182
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	207,482
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(29,047)
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	63,862
Total other comprehensive income for the period	Nil	Nil	0%	Nil	Nil	0%	242,297
Total comprehensive income for the period	2,490,038	2,620,849	-5%	6,611,276	6,037,163	10%	10,335,479

TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in United States Dollars)

	Group			Company		
	As at 31 December		As at 31 March	As at 31 December		As at 31 March
	2018	2017	2018	2018	2017	2018
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
ASSETS						
Non - current assets						
Property, plant & equipment	49,495,507	48,877,320	49,012,363	24,637,558	23,636,225	23,090,055
Capital work-in-progress	639,298	2,546,000	2,891,885	342,295	861,131	2,273,795
Intangible assets	493,094	408,362	354,267	172,663	236,649	214,860
Goodwill	332,502	332,502	332,502	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	17,344,614	18,187,567	17,344,614
Lease rentals paid in advance	1,406,922	1,506,375	1,482,044	572,567	600,816	565,582
Deferred tax Assets	294,060	765,459	813,619	Nil	Nil	Nil
	52,661,383	54,436,018	54,886,680	43,069,697	43,522,388	43,488,906
Current assets						
Inventories	27,940,967	20,742,922	26,614,663	17,522,687	13,580,255	18,325,551
Trade and other receivables	24,199,864	22,422,819	22,732,605	15,557,060	14,026,338	13,982,303
Other financial assets	14,140,387	20,030,771	5,135,170	10,287,506	16,814,930	4,034,698
Derivative financial instruments	63,862	Nil	63,862	63,862	Nil	63,862
Cash and cash equivalents	11,378,751	8,873,440	17,843,464	9,493,617	5,944,046	13,835,071
	77,723,831	72,069,952	72,389,764	52,924,732	50,365,569	50,241,485
Total assets	130,385,214	126,505,970	127,276,444	95,994,429	93,887,957	93,730,391
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	37,571,594	37,571,594	37,571,594	37,571,594	37,571,594	37,571,594
Share option scheme	599,657	456,004	599,657	599,657	456,004	599,657
Retained earnings	41,651,166	37,612,986	37,886,560	32,069,276	28,458,014	29,458,562
Hedging reserve	63,862	Nil	63,862	63,862	Nil	63,862
	79,886,279	75,640,584	76,121,673	70,304,389	66,485,612	67,693,675
Non - current liabilities						
Borrowings	5,200,000	7,113,333	7,200,000	Nil	Nil	Nil
Deferred tax liabilities	2,181,029	2,302,980	2,068,721	1,908,469	1,816,295	1,796,161
Retirement benefit obligations	1,582,968	1,471,147	1,350,935	1,297,137	1,275,957	1,113,270
	8,963,997	10,887,460	10,619,656	3,205,606	3,092,252	2,909,431
Current liabilities						
Trade and other payables	24,748,769	23,078,585	29,189,159	14,197,020	13,580,034	18,086,570
Current Tax Liabilities	948,780	887,131	95,275	620,115	690,482	Nil
Borrowings	15,837,389	16,012,210	11,250,681	7,667,299	10,039,577	5,040,715
	41,534,938	39,977,926	40,535,115	22,484,434	24,310,093	23,127,285
Total liabilities	50,498,935	50,865,386	51,154,771	25,690,040	27,402,345	26,036,716
Total equity and liabilities	130,385,214	126,505,970	127,276,444	95,994,429	93,887,957	93,730,391

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

Salman Nishtar

Chief Financial Officer

Sgd

Shrihan Perera

Chief Executive Officer

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

Sgd

Ashroff Omar

Director

Sgd

Hasitha Premaratne

Director

6-Feb-2019