



**LANKA MILK FOODS (CWE) PLC**  
**INTERIM FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED 31ST DECEMBER 2017**

**LANKA MILK FOODS (CWE) PLC****CORPORATE INFORMATION**

THE COMPANY	- LANKA MILK FOODS (CWE) PLC.
LEGAL STATUS	- A PUBLIC QUOTED COMPANY WITH LIMITED LIABILITY UNDER THE PROVISION OF COMPANIES ACT NO 7 OF 2007
REGISTERED OFFICE	- WELISARA, RAGAMA, SRI LANKA - TEL: +9411 5222600 FAX: +9411 2956266 - EMAIL: lakspray@lmfgroup.lk - WEBSITE: www.lmfgroup.lk
DATE OF INCORPORATION	- 12TH NOVEMBER 1981
COMPANY REGISTRATION NUMBER	- PQ 142
COMPANY SECRETARY	MS. H.K BULATHWATTE
BOARD OF DIRECTORS	- MR. D.H.S JAYAWARDENA (CHAIRMAN) MR. C.R JANSZ (DIRECTOR) MR. D.S.K AMARASEKERA (INDEPENDENT NON-EXECUTIVE DIRECTOR) DR. A. SHAKTHEVALE (INDEPENDENT NON-EXECUTIVE DIRECTOR) MS. D.S.C JAYAWARDENA (DIRECTOR) MR. D.HASITHA .S JAYAWARDENA (NON EXECUTIVE DIRECTOR)
AUDITORS	- MESSRS. KPMG (CHARTERED ACCOUNTANTS) 32 A, SIR MOHAMED MACAN MARKAR MAWATHA P.O BOX 186 COLOMBO 3. SRI LANKA
SUBSIDIARY COMPANIES	- LANKA DAIRIES (PRIVATE) LIMITED AMBEWELA LIVESTOCK COMPANY LIMITED PATTIPOLA LIVESTOCK COMPANY LIMITED AMBEWELA PRODUCTS (PRIVATE) LIMITED INDO LANKA EXPORTS (PRIVATE) LIMITED
BANKERS	- HATTON NATIONAL BANK PLC. DFCC BANK PLC. COMMERCIAL BANK OF CEYLON PLC HONGKONG & SHANGHAI BANKING CORPORATION LTD

**LANKA MILK FOODS (CWE) PLC.**  
**CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED 31ST DECEMBER 2017**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<b><u>GROUP</u></b>			<b><u>GROUP</u></b>		
	<b><u>QUARTER ENDED</u></b>			<b><u>FOR THE NINE MONTHS ENDED</u></b>		
	<b><u>2017.12.31</u></b> <b><u>Rs. 000's</u></b>	<b><u>2016.12.31</u></b> <b><u>Rs. 000's</u></b>	<b><u>Change</u></b> <b><u>Rs. 000's</u></b> <b><u>+ / (-)</u></b>	<b><u>2017.12.31</u></b> <b><u>Rs. 000's</u></b>	<b><u>2016.12.31</u></b> <b><u>Rs. 000's</u></b>	<b><u>Change</u></b> <b><u>Rs. 000's</u></b> <b><u>+ / (-)</u></b>
Revenue	1,383,379	1,206,382	176,997	4,133,309	4,145,139	(11,830)
Cost of sales	(1,146,732)	(1,040,107)	(106,625)	(3,385,911)	(3,477,884)	91,973
<b>GROSS PROFIT</b>	<b>236,647</b>	<b>166,275</b>	<b>70,372</b>	<b>747,398</b>	<b>667,255</b>	<b>80,143</b>
Other Operating Income	71,386	52,736	18,650	235,586	328,367	(92,781)
Administrative Expenses	(109,375)	(101,096)	(8,279)	(301,481)	(281,481)	(20,000)
Distribution Expenses	(104,755)	(95,738)	(9,017)	(273,226)	(271,460)	(1,766)
Other Operating Expenses	(22,402)	(17,204)	(5,198)	(55,126)	(62,599)	7,473
<b>PROFIT/(LOSS) FROM OPERATIONS</b>	<b>71,501</b>	<b>4,973</b>	<b>66,528</b>	<b>353,151</b>	<b>380,082</b>	<b>(26,931)</b>
Finance Income	(6,479)	168	(6,647)	32,513	26,953	5,560
Finance Expense	(20,854)	(24,127)	3,273	(56,476)	(70,443)	13,967
Net Finance - Income / (Expense)	(27,333)	(23,959)	(3,374)	(23,963)	(43,490)	19,527
<b>PROFIT /(LOSS) BEFORE TAXATION</b>	<b>44,168</b>	<b>(18,986)</b>	<b>63,154</b>	<b>329,188</b>	<b>336,592</b>	<b>(7,404)</b>
Income Tax (Expenses)/Reversal	1,914	7,292	(5,378)	(23,581)	(12,591)	(10,990)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>46,082</b>	<b>(11,694)</b>	<b>57,776</b>	<b>305,607</b>	<b>324,001</b>	<b>(18,394)</b>
<b>Other Comprehensive Income</b>						
<b>Items that are or may be reclassified to profit or loss</b>						
Net change in Fair Value of Available Sale Investments	136,661	3,797	132,864	45,554	1,176,807	(1,131,253)
Other Comprehensive Income/(Expense) for the Period	136,661	3,797	132,864	45,554	1,176,807	(1,131,253)
<b>Total Comprehensive Income/(Expense) For the period</b>	<b>182,743</b>	<b>(7,897)</b>	<b>190,640</b>	<b>351,161</b>	<b>1,500,808</b>	<b>(1,149,647)</b>
<b>Profit Attributable To:</b>						
Owners of the Company	46,141	(11,613)	57,754	305,754	324,090	(18,336)
Non Controlling Interest	(59)	(81)	22	(147)	(89)	(58)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>46,082</b>	<b>(11,694)</b>	<b>57,776</b>	<b>305,607</b>	<b>324,001</b>	<b>(18,394)</b>
<b>Total Comprehensive Income Attributable To :</b>						
Owners of the Company	182,802	(7,816)	190,618	351,308	1,500,897	(1,149,589)
Non Controlling Interest	(59)	(81)	22	(147)	(89)	(58)
<b>Total Comprehensive Income/(Expense) For the Period</b>	<b>182,743</b>	<b>(7,897)</b>	<b>190,640</b>	<b>351,161</b>	<b>1,500,808</b>	<b>(1,149,647)</b>
BASIC EARNINGS PER SHARE OF Rs.	1.15	(0.29)		7.64	8.10	

**LANKA MILK FOODS (CWE) PLC.**  
**CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED 31ST DECEMBER 2017**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<u>COMPANY</u>			<u>COMPANY</u>		
	<u>QUARTER ENDED</u>			<u>FOR THE NINE MONTHS ENDED</u>		
	<u>2017.12.31</u>	<u>2016.12.31</u>	<u>Change</u>	<u>2017.12.31</u>	<u>2016.12.31</u>	<u>Change</u>
	<u>Rs. 000's</u>	<u>Rs. 000's</u>	<u>Rs. 000's</u>	<u>Rs. 000's</u>	<u>Rs. 000's</u>	<u>Rs. 000's</u>
			+ / (-)			+ / (-)
Revenue	427,802	395,529	32,273	1,357,110	1,610,188	(253,078)
Cost of sales	(392,356)	(395,004)	2,648	(1,240,336)	(1,449,924)	209,588
<b>GROSS PROFIT</b>	<b>35,446</b>	<b>525</b>	<b>34,921</b>	<b>116,774</b>	<b>160,264</b>	<b>(43,490)</b>
Other Operating Income	21,382	20,087	1,295	106,235	193,046	(86,811)
Administrative Expenses	(49,188)	(48,586)	(602)	(128,499)	(133,172)	4,673
Distribution Expenses	(49,448)	(30,404)	(19,044)	(100,811)	(87,189)	(13,622)
Other Operating Expenses	-	-	-	-	-	-
<b>PROFIT/(LOSS) FROM OPERATIONS</b>	<b>(41,808)</b>	<b>(58,378)</b>	<b>16,570</b>	<b>(6,301)</b>	<b>132,949</b>	<b>(139,250)</b>
Finance Income	(9,244)	(2,235)	(7,009)	33,069	21,997	11,072
Finance Expense	(403)	(1,002)	599	(2,387)	(9,588)	7,201
Net Finance - Income / (Expense)	(9,647)	(3,237)	(6,410)	30,682	12,409	18,273
<b>PROFIT /(LOSS) BEFORE TAXATION</b>	<b>(51,455)</b>	<b>(61,615)</b>	<b>10,160</b>	<b>24,381</b>	<b>145,358</b>	<b>(120,977)</b>
Income Tax (Expenses)/Reversal	4,417	9,808	(5,391)	(2,850)	(3,080)	230
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(47,038)</b>	<b>(51,807)</b>	<b>4,769</b>	<b>21,531</b>	<b>142,278</b>	<b>(120,747)</b>
<b>Other Comprehensive Income</b>						
<b>Items that are or may be reclassified to profit or loss</b>						
Net change in Fair Value of Available Sale Investments	136,661	3,797	132,864	45,554	1,176,807	(1,131,253)
Other Comprehensive Income/(Expense) for the Period	136,661	3,797	132,864	45,554	1,176,807	(1,131,253)
<b>Total Comprehensive Income/(Expense) For the period</b>	<b>89,623</b>	<b>(48,010)</b>	<b>137,633</b>	<b>67,085</b>	<b>1,319,085</b>	<b>(1,252,000)</b>
<b>Profit Attributable To:</b>						
Owners of the Company	(47,038)	(51,807)	4,769	21,531	142,278	(120,747)
Non Controlling Interest	-	-	-	-	-	-
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(47,038)</b>	<b>(51,807)</b>	<b>4,769</b>	<b>21,531</b>	<b>142,278</b>	<b>(120,747)</b>
<b>Total Comprehensive Income Attributable To :</b>						
Owners of the Company	89,623	(48,010)	137,633	67,085	1,319,085	(1,252,000)
Non Controlling Interest	-	-	-	-	-	-
<b>Total Comprehensive Income/(Expense) For the Period</b>	<b>89,623</b>	<b>(48,010)</b>	<b>137,633</b>	<b>67,085</b>	<b>1,319,085</b>	<b>(1,252,000)</b>
<b>BASIC EARNINGS PER SHARE OF Rs.</b>	<b>(1.18)</b>	<b>(1.30)</b>		<b>0.54</b>	<b>3.56</b>	

**STATEMENT OF FINANCIAL POSITION**

As At	<u>GROUP</u>		<u>COMPANY</u>	
	<u>AUDITED</u> 2017.12.31 Rs. 000's	<u>AUDITED</u> 2017.03.31 Rs. 000's	<u>AUDITED</u> 2017.12.31 Rs. 000's	<u>AUDITED</u> 2017.03.31 Rs. 000's
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property Plant and Equipment	1,515,986	1,564,886	146,456	162,710
Investment in Subsidiaries	-	-	755,262	755,262
Available for Sale Investments	9,034,837	8,989,283	9,034,837	8,989,283
Biological Assets	508,961	476,725	-	-
Deferred Tax Asset	89,152	89,152	89,152	89,152
	<b>11,148,936</b>	<b>11,120,046</b>	<b>10,025,707</b>	<b>9,996,407</b>
<b>CURRENT ASSETS</b>				
Inventories	1,530,579	823,102	905,618	262,735
Biological Assets	1,798	19,208	-	-
Financial Assets Held for Trading	271,403	244,838	271,404	244,838
Trade Receivable	477,894	367,598	132,265	113,453
Other Receivables	119,448	100,692	84,839	15,868
Amounts due from Related Companies	51,023	43,948	769,518	958,492
Income Tax Receivables	73,045	51,373	31,854	27,736
Cash & Cash equivalents	97,776	188,117	66,937	161,432
<b>TOTAL CURRENT ASSETS</b>	<b>2,622,966</b>	<b>1,838,876</b>	<b>2,262,435</b>	<b>1,784,554</b>
<b>TOTAL ASSETS</b>	<b>13,771,902</b>	<b>12,958,922</b>	<b>12,288,142</b>	<b>11,780,961</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Stated Capital ( Note 7)	999,950	999,950	999,950	999,950
Capital Reserves	105,116	105,116	105,116	105,116
Available for Sale Reserve	8,797,137	8,751,583	8,797,137	8,751,583
Revenue Reserves	2,149,115	1,943,356	1,409,600	1,488,064
Total Equity attributable to Equity Holders of the company	12,051,318	11,800,005	11,311,803	11,344,713
Non Controlling Interest	11,450	11,597	-	-
<b>Total Equity</b>	<b>12,062,768</b>	<b>11,811,602</b>	<b>11,311,803</b>	<b>11,344,713</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
Loans and Borrowings	317,359	317,359	-	-
Deferred Tax Liability	114,179	114,178	-	-
Retirement Benefit Obligation	90,866	82,913	54,969	51,429
	<b>522,404</b>	<b>514,450</b>	<b>54,969</b>	<b>51,429</b>
<b>CURRENT LIABILITIES</b>				
Trade and Other Payables	1,002,714	341,215	824,692	182,427
Amounts due to Related Companies	10,584	9,813	88,612	124,650
Income Tax Payable	2,037	701	-	-
Loans and Borrowings	18,937	66,812	-	-
Bank Overdraft	152,458	214,329	8,066	77,742
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,186,730</b>	<b>632,870</b>	<b>921,370</b>	<b>384,819</b>
<b>TOTAL LIABILITIES</b>	<b>1,709,134</b>	<b>1,147,320</b>	<b>976,339</b>	<b>436,248</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,771,902</b>	<b>12,958,922</b>	<b>12,288,142</b>	<b>11,780,961</b>

Net Asset Value Per Share Rs. Cts.

301.30


295.01

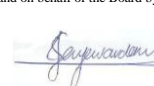
282.81

283.63

I certify that the Financial Statements have been prepared in compliance with the requirements of Companies Act No 07 of 2007.

  
R.N Attygalle  
Finance Manager  
08th February 2018

  
D.H.S. Jayawardena  
Chairman

  
D.S.C. Jayawardena  
Director

The Board of Directors is responsible for the preparation and presentation of these Financial statements. Signed for and on behalf of the Board by,

**STATEMENT OF CHANGES IN EQUITY**

**GROUP**

	Stated Capital	Revaluation Reserve	Dairy Development Project Reserve	Available for Sale Reserve	Retained Earnings	Total	Non Controlling Interest	Total Equity
	Rs.000' S	Rs.000' S	Rs.000' S	Rs.000' S	Rs.000' S	Rs.000' S	Rs.000' S	Rs.000' S
<b>Balance as at 01.04.2016</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>7,589,961</b>	<b>1,342,146</b>	<b>10,147,173</b>	<b>11,820</b>	<b>10,158,993</b>
<b>Total Comprehensive Income</b>								
Profit /(Loss) for the Period	-	-	-	-	324,090	324,090	(89)	324,001
						-		-
<b>Other Comprehensive Income</b>					-		-	
Net change in fair value of Available for Sale Investments	-			1,176,807		1,176,807		1,176,807
<b>Total Comprehensive Income / (Expense)</b>				1,176,807	324,090	1,500,897	(89)	1,500,808
Dividend Paid					(49,998)	(49,998)	-	(49,998)
<b>Balance as at 31.12.2016</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>8,766,768</b>	<b>1,616,238</b>	<b>11,598,072</b>	<b>11,731</b>	<b>11,609,803</b>
<b>Balance as at 01.04 .2017</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>8,751,583</b>	<b>1,833,356</b>	<b>11,800,005</b>	<b>11,597</b>	<b>11,811,602</b>
<b>Total Comprehensive Income</b>								
Profit /(Loss) for the Period	-	-	-	-	305,754	305,754	(147)	305,607
<b>Other Comprehensive Income</b>	-	-	-	-	-	-	-	
Net change in fair value of Available for Sale Investments				45,554		45,554		45,554
<b>Total Comprehensive Income / (Expense)</b>				45,554	305,754	351,308	(147)	351,161
Dividend Paid					(99,995)	(99,995)	-	(99,995)
<b>Balance as at 31.12.2017</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>8,797,137</b>	<b>2,039,115</b>	<b>12,051,318</b>	<b>11,450</b>	<b>12,062,768</b>

**COMPANY**

	Stated Capital	Revaluation Reserve	Dairy Development Project Reserve	Available for Sale Reserve	Retained Earnings	Total
	Rs.000's	Rs.000's	Rs.000's	Rs.000's	Rs.000's	Rs.000's
<b>Balance as at 01.04.2016</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>7,589,961</b>	<b>1,195,032</b>	<b>10,000,059</b>
<b>Total Comprehensive Income</b>						
Profit /(Loss) for the Period				-	142,278	142,278
<b>Other Comprehensive Income</b>	-	-	-		-	
Net change in fair value of Available for Sale Investments				1,176,807	-	1,176,807
<b>Total Comprehensive Income / (Expense)</b>				1,176,807	142,278	1,319,085
Dividend Paid					(49,998)	(49,998)
<b>Balance as at 31.12.2016</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>8,766,768</b>	<b>1,287,312</b>	<b>11,269,146</b>
<b>Balance as at 01.04 .2017</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>8,751,583</b>	<b>1,378,064</b>	<b>11,344,713</b>
<b>Total Comprehensive Income</b>						
Profit /(Loss) for the Period		-	-	-	21,531	21,531
<b>Other Comprehensive Income</b>	-	-	-	-	-	
Net change in fair value of Available for Sale Investments	-	-	-	45,554	-	45,554
<b>Total Comprehensive Income / (Expense)</b>	-	-		45,554	21,531	67,085
Dividend Paid					(99,995)	(99,995)
<b>Balance as at 31.12.2017</b>	<b>999,950</b>	<b>105,116</b>	<b>110,000</b>	<b>8,797,137</b>	<b>1,299,600</b>	<b>11,311,803</b>

**STATEMENT OF CASH FLOWS**

	<u>GROUP</u>		<u>COMPANY</u>	
<b>For The Nine Months Ended</b>	<b>2017.12.31</b>	<b>2016.12.31</b>	<b>2017.12.31</b>	<b>2016.12.31</b>
	<b>Rs.000's</b>	<b>Rs.000's</b>	<b>Rs.000's</b>	<b>Rs.000's</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>329,188</b>	<b>336,592</b>	<b>24,381</b>	<b>145,358</b>
Adjustments for				
Depreciation on property, plant & equipment	185,154	166,719	17,851	20,816
Changes in Fair Value of Held for Trading Investments	(9,015)	(12,454)	(9,015)	(12,454)
(Gain) / Loss on disposal of Property Plant & Equipment	(7)	(775)	(7)	(775)
(Gain) / Loss on disposal of Biological Assets	36,967	41,010	-	-
Provision for retirement benefit Obligation	11,577	10,585	6,300	6,750
Change in Fair value of Biological Assets	(111,850)	(84,944)	-	-
Interest Income	(12,332)	(2,964)	(15,655)	(2,860)
Dividend Income	(2,294)	(131,587)	(47,294)	(131,587)
Interest Paid	56,477	70,444	2,387	9,588
<b>Operating Profit/ (Loss) before Working Capital Changes</b>	<b>483,865</b>	<b>392,626</b>	<b>(21,052)</b>	<b>34,836</b>
(Increase)/ Decrease In Inventories and Biological Assets	(690,067)	(31,430)	(642,883)	146,373
(Increase)/ Decrease In Trade and Other Receivables	(129,052)	126,063	(87,783)	115,357
(Increase)/ Decrease in Amounts due from Related Companies	(7,075)	(1,842)	188,974	(80,357)
(Increase)/ Decrease in Amounts due to Related Companies	771	(5,386)	(36,038)	115
Increase/ (Decrease) In Trade and Other Payables	661,499	(29,474)	642,265	(33,021)
<b>Cash Flows Generated from / (used in) Operations</b>	<b>319,941</b>	<b>450,557</b>	<b>43,483</b>	<b>183,303</b>
Interest Paid	(56,477)	(70,444)	(2,387)	(9,588)
Income Tax Paid	(43,916)	(16,869)	(6,968)	(8,343)
Retiring Gratuity Paid	(3,623)	(2,806)	(2,760)	(2,065)
<b>Net Cash flows generated from/used in) Operating Activities</b>	<b>215,925</b>	<b>360,438</b>	<b>31,368</b>	<b>163,307</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest Income	12,332	2,964	15,655	2,860
Dividend Income	2,294	131,587	47,294	131,587
Purchase & construction of Property, Plant & Equipment	(136,254)	(36,154)	(1,597)	(513)
Investment In Held for Trading	(17,551)	(6,573)	(17,551)	(6,573)
Proceeds from Sale of Biological Assets	76,882	52,589	-	-
Proceeds from Sale of Property Plant & Equipment	7	779	7	779
Acquisition of Biological Assets	(34,235)	(20,370)	-	-
<b>Net Cash Flows generated from/used in Investing Activities</b>	<b>(96,525)</b>	<b>124,822</b>	<b>43,808</b>	<b>128,140</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividend Paid	(99,995)	(49,998)	(99,995)	(49,998)
Repayment of Borrowings	(47,875)	(50,109)	-	-
<b>Net Cash Flows generated from/used in Financing Activities</b>	<b>(147,870)</b>	<b>(100,107)</b>	<b>(99,995)</b>	<b>(49,998)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalent</b>	<b>(28,470)</b>	<b>385,153</b>	<b>(24,819)</b>	<b>241,449</b>
Cash and Cash Equivalents at beginning of the year	(26,212)	(585,509)	83,690	(248,592)
Cash and Cash Equivalents at end of Period (Note A)	<b>(54,682)</b>	<b>(200,356)</b>	<b>58,871</b>	<b>(7,143)</b>
<b>NOTE -A</b>				
<b>ANALYSIS OF THE CASH AND CASH EQUIVALENTS</b>				
<b>AT THE END OF PERIOD</b>				
Cash and Cash equivalents	97,776	20,515	66,937	10,339
Bank Overdraft	(152,458)	(220,871)	(8,066)	(17,482)
	<b>(54,682)</b>	<b>(200,356)</b>	<b>58,871</b>	<b>(7,143)</b>

**SEGMENTAL REPORTING**

For The Nine Months Ended	POWDERED MILK		LIQUID MILK AND OTHERS		AGRICULTURE		ELIMINATION		GROUP	
	2017.12.31 Rs.000's	2016.12.31 Rs.000's	2017.12.31 Rs.000's	2016.12.31 Rs.000's	2017.12.31 Rs.000's	2016.12.31 Rs.000's	2017.12.31 Rs.000's	2016.12.31 Rs.000's	2017.12.31 Rs.000's	2016.12.31 Rs.000's
Total Revenue	<b>1,357,110</b>	1,610,188	<b>2,991,654</b>	2,745,621	<b>397,782</b>	364,085	<b>(613,237)</b>	(574,755)	<b>4,133,309</b>	4,145,139
Profit/(Loss) from operations	<b>(6,301)</b>	132,949	<b>358,425</b>	228,417	<b>46,027</b>	18,716	<b>(45,000)</b>	-	<b>353,151</b>	380,082
Net finance Income / (expenses)	<b>30,682</b>	12,409	<b>(45,275)</b>	(50,225)	<b>(3,716)</b>	(5,674)	<b>(5,653)</b>	-	<b>(23,963)</b>	(43,490)
Income Tax (Expenses)/Reversal	<b>(2,850)</b>	(3,080)	<b>(16,511)</b>	(7,604)	<b>(4,220)</b>	(1,908)	-	-	<b>(23,581)</b>	(12,591)
Profit / (Loss) for the Period	<b>21,531</b>	142,278	<b>296,639</b>	170,588	<b>38,091</b>	11,134	<b>(50,653)</b>	-	<b>305,607</b>	324,001

## **NOTES TO THE FINANCIAL STATEMENTS**

1. The above figures are provisional and subject to audit.
2. These Interim Financial statements have been prepared in compliance with the requirements of the new Sri Lanka Accounting Standard LKAS 34 on 'Interim Financial Reporting'. There were no changes to the Accounting policies and methods of computation since the publication of Annual Report 2017.
3. There have been no material events subsequent to the period, which require additional disclosure in the Financial Statements.
4. Comparative figures have been re-classified according to current period classification wherever necessary.
5. There are no material contingent liabilities or assets which require disclosure in these Interim Financial Statements.
6. All known expenses including Management fees and similar expenses have been provided for, in these Financial statements.
7. Stated Capital of the Company represents 39,998,000 ordinary shares.
- 8 Directors' Shareholdings

The Directors' shareholdings in the Company were as follows.

Name of the Director	As at 31st December 2017
Mr. D. H.S Jayawardena	Nil
Mr. C.R Jansz	Nil
Ms. D.S.C Jayawardena	Nil
Mr. D.S.K Amarasekera	Nil
Dr. A. Shakthevale	Nil
Mr. D. Hasitha .S Jayawardena (Appointed on 11th July 2016)	Nil

9. Share Trading  
The market price recorded during the quarter ended 31st December

		<b><u>2017.12.31</u></b>	<b><u>2016.12.31</u></b>
Highest Price	Rs. Cts.	<b>160.00</b>	127.70
Lowest Price	Rs. Cts.	<b>155.00</b>	117.00
Last Traded Price	Rs. Cts.	<b>157.00</b>	119.00

10. Twenty Major Shareholders

NAME OF THE SHAREHOLDER	NO OF SHARES	% ON TOTAL ISSUED CAPITAL
1. MILFORD EXPORTS (CEYLON) (PVT) LIMITED	13,426,540	33.57
2. MELSTACORP PLC	6,715,784	16.79
3. MILLS ENTERPRISES LIMITED	6,120,290	15.30
4. CACEIS BANK, LUXEMBOURG BRANCH - BARCA GLOBAL MASTER FI	2,426,709	6.07
5. PERSHING LLC S/A AVERBACH GRAUSON & CO.	1,616,729	4.04
6. E.W BALASURIYA & CO. (PVT) LTD	619,212	1.55
7. YUSUF HUSSEINALLY ABDULHUSSEIN	601,933	1.50
8. RUKAIYA HUSSEINALLY ABDULHUSSEIN	600,000	1.50
9. PEOPLE'S LEASING & FINANCE PLC/MR.H.M ABDULLAH	500,000	1.25
10 J.B. COCOSHELL (PVT) LTD	384,732	0.96
11. HUSSEINALLY MOHSINALLY ABDULHUSSEIN	280,266	0.70
12. COMMERCIAL BANK OF CEYLON PLC A/C No.04	250,000	0.63
13. HALLSVILLE TRADING GROUP INC.	249,221	0.62
14. ESSAJEE CARIMJEE INSURANCE BROKERS (PVT) LTD	187,189	0.47
15. DINESH NAGENDRA SELLAMUTTU	183,502	0.46
16. PHILLIP SECURITIES PTE LTD	182,000	0.46
17. GULAMHUSSEIN MOSHINALLY ABDULHUSSEIN	153,622	0.38
18. MARK ANTHONY THEODOOR RAAYMAKERS	148,593	0.37
19. MANICKAM VALLIPURAM THEAGARAJAH	140,933	0.35
20. RATTEN GULAMHUSSEIN ABDULHUSSEIN	115,836	0.29
SUB TOTAL	34,903,091	87.26
OTHER SHAREHOLDERS	5,094,909	12.74
GRAND TOTAL	<b>39,998,000</b>	<b>100.00</b>

**PERCENTAGE OF SHARES HELD BY PUBLIC AS AT 31ST DECEMBER 2017 IS 34.34%**

**NUMBER OF PUBLIC SHAREHOLDERS AS AT 31ST DECEMBER 2017 - 3095**