

Tea
Estates
Sri Lanka

Udapussellawa Plantations PLC
(Company Registration Number PQ 63)

Interim Unaudited Financial Statements
Nine months ended 30th September 2016



UDAPUSSELLAWA PLANTATIONS PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended			Nine months ended		
	30.09.16 Unaudited RS. '000	30.09.15 Unaudited RS. '000	Change %	30.09.16 Unaudited RS. '000	30.09.15 Unaudited RS. '000	Change %
Revenue	407,426	407,817	(0)	1,356,970	1,356,690	0
Cost of Sales	(435,482)	(479,345)	9	(1,365,949)	(1,410,473)	3
Gross Profit	(28,056)	(71,528)	61	(8,979)	(53,783)	83
Other Operating Income	5,383	9,932	(46)	23,170	32,199	(28)
Administration Expenses	(30,446)	(28,680)	(6)	(93,882)	(86,173)	(9)
Finance Cost	(13,266)	(7,904)	(68)	(31,568)	(17,262)	(83)
Interest Income	9	12	(25)	27	30	(10)
Profit / (Loss) from Ordinary Activities before Taxation	(66,376)	(98,168)	32	(111,232)	(124,989)	11
Taxation	(1,272)	(1,025)	(24)	2,818	(3,550)	179
Profit / (Loss) after Taxation	(67,648)	(99,193)	31.80	(108,414)	(128,539)	16
Other comprehensive income						
Defined benefit plan actuarial (loss) / gain	-	-	-	-	-	-
Total comprehensive income for the period	(67,648)	(99,193)	31.80	(108,414)	(128,539)	16
Earnings / (Loss) per Share - Rs.	(3.49)	(5.11)	32	(5.59)	(6.63)	16

UDAPUSSELLAWA PLANTATIONS PLC
STATEMENT OF FINANCIAL POSITION

	As at 30.09.16 Unaudited RS. '000	As at 30.09.15 Unaudited RS. '000	As at 31.12.15 Audited RS. '000
ASSETS			
Non current assets			
Right to use of land on lease	310,001	320,787	318,115
Immovable estate assets on finance lease (other than bare land)	42,469	48,729	46,971
Tangible assets other than biological assets	480,855	454,003	499,218
Intangible assets	12,457	14,090	14,127
Bearer biological assets	446,804	447,634	452,604
Consumable biological assets	578,765	564,684	581,669
Deferred tax asset	42,649	12,168	36,224
	1,914,000	1,862,095	1,948,928
Current Assets			
Inventories	180,152	167,617	214,349
Trade & other receivables	57,577	50,849	62,084
Other financial assets	1,440	-	1,060
Amount due from related companies	70,193	-	36,802
Cash & Bank balances	9,046	7,502	7,727
	318,408	225,968	322,022
TOTAL ASSETS	2,232,408	2,088,063	2,270,950
EQUITY & LIABILITIES			
Capital & Reserves			
Stated capital	340,000	340,000	340,000
(19,398,850 Ordinary shares and a Golden share)			
Revaluation reserve	207,613	214,720	212,967
General reserve	143,271	136,163	137,917
Accumulated profit (loss)	(197,081)	(62,178)	(88,667)
SHAREHOLDERS' FUNDS	493,803	628,705	602,217
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest bearing loans & borrowings	137,301	11,648	79,996
Deferred income	108,687	112,514	111,504
Retirement benefit obligations	679,711	650,219	667,405
Net liability to the lessor	131	131	131
	925,830	774,512	859,036
CURRENT LIABILITIES			
Interest bearing loans & borrowings	35,179	-	59,180
Net liability to the lessor	2	2	2
Trade & other payables	225,342	250,806	295,619
Tax payable	4,735	8,152	4,386
Amounts due to related companies	349,770	328,225	334,254
Bank overdraft	197,747	97,661	116,256
	812,775	684,846	809,697
TOTAL EQUITY AND LIABILITIES	2,232,408	2,088,063	2,270,950
Net assets per share Rs.	25.46	32.41	31.04

The Statements of Financial Position as at 30th September 2016, the Income Statements, Cash Flow Statements and the Statements of Changes in Equity for the nine months and the Income Statements for the three months then ended are drawn up from the unaudited Financial Statements of the Company and they provide the information required by the Colombo Stock Exchange.
It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act no 7 of 2007.

{signed}
D S HEENATIGALAGE
FINANCIAL CONTROLLER

Signed for and on behalf of the Board of Directors,

{signed}
D J RATWATTE
DIRECTOR

{signed}
M C PIETERSZ
DIRECTOR

Colombo
26th October 2016

UDAPUSSELLAWA PLANTATIONS PLC
STATEMENT OF CASH FLOWS

	Nine months period ended		Year ended 31.12.15 Audited RS. '000
	30.09.16 Unaudited RS. '000	30.09.15 Audited RS. '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit from ordinary activities before taxation	(111,232)	(124,989)	(158,072)
ADJUSTMENTS FOR			
Net Finance Costs	31,541	17,232	26,655
Retirement benefit obligations - provision	72,661	72,738	98,297
Amortisation of Grant	(2,817)	(2,811)	(4,148)
Depreciation	39,136	39,120	51,961
Amortisation	12,759	12,696	16,983
Provision for/(reversal of) Impairment	-	-	4,678
Gain (loss) on Sale of Property, Plant & Equipment	-	(4,138)	(4,137)
Gain on fair value of Biological Assets	-	-	(16,169)
Changes in consumable biological assets due to harvest	3,073	-	-
Provision for bad debts	-	-	(1,286)
Provision for slow moving inventories	-	-	1,779
Operating Profit before Working Capital changes	45,121	9,848	16,541
(Increase)/Decrease in Inventories	34,197	(3,759)	(52,270)
(Increase)/Decrease in Trade and other receivables	4,127	46,897	33,548
Increase/(Decrease) in Trade & Other Payables	(70,276)	34,748	79,560
Increase/(Decrease) in Amounts Due to/From Related Companies	(24,447)	143,605	54,983
Cash Generated from Operations	(11,278)	231,339	132,362
Taxation Paid	(3,259)	(2,342)	(4,601)
Retirement benefit obligations payment	(60,355)	(32,762)	(57,761)
Net Finance costs paid	(24,969)	(17,232)	(26,655)
Net Cash from Operating Activities	(99,861)	179,003	43,345
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	-	5,485	5,485
Field Development Expenditure	(6,558)	(9,146)	(22,390)
Purchase of Property, Plant & Equipment	(7,057)	(33,470)	(88,641)
Net Cash from/ (used in) Investing Activities	(13,615)	(37,131)	(105,546)
CASH FLOWS FROM FINANCING ACTIVITIES			
Government Grants Received	-	-	327
Repayment of Term Loans	(41,182)	-	-
Proceeds from external Loans	74,486	11,648	139,176
Net Proceeds from Inter Company Loans	-	-	57,848
Net Cash from/ (used in) Financing Activities	33,304	11,648	197,351
Net decrease in Cash & Cash Equivalents	(80,172)	153,520	135,150
Cash & Cash Equivalents at the beginning of the period	(108,529)	(243,679)	(243,679)
	(188,701)	(90,159)	(108,529)
NOTE			
Cash in Hand & Bank	9,046	7,502	7,727
Bank Overdraft	(197,747)	(97,661)	(116,256)
Cash & Cash Equivalents at the end of the period	(188,701)	(90,159)	(108,529)

**UDAPUSSELLAWA PLANTATIONS PLC
STATEMENT OF CHANGES IN EQUITY**

	Stated Capital	Revaluation Reserve	General Reserve	Accumulated Losses	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01st January 2015	340,000	220,074	130,809	66,361	757,244
Loss for the period	-	-	-	(128,539)	(128,539)
Other comprehensive income	-	-	-	-	-
Transferred to general reserve	-	(5,354)	5,354	-	-
Balance as at 30th September 2015	340,000	214,720	136,163	(62,178)	628,705
Balance as at 01st January 2016	340,000	212,967	137,917	(88,667)	602,217
Loss for the period	-	-	-	(108,414)	(108,414)
Other comprehensive income	-	-	-	-	-
Transferred to general reserve	-	(5,354)	5,354	-	-
Balance as at 30th September 2016	340,000	207,613	143,271	(197,081)	493,803

**UDAPUSSELLAWA PLANTATIONS PLC
NOTES TO THE FINANCIAL STATEMENTS**

1. SEGMENTAL INFORMATION

	Tea		Coconut		Others		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue	1,328,203	1,330,044	16,115	20,004	12,652	6,642	1,356,970	1,356,690
Cost of Sales	(1,347,653)	(1,389,628)	(13,844)	(17,401)	(4,452)	(3,444)	(1,365,949)	(1,410,473)
Segment Results (Gross Profit / Loss)	(19,450)	(59,584)	2,271	2,603	8,200	3,198	(8,979)	(53,783)
Other Operating Income							23,170	32,199
Administration Expenses							(93,882)	(86,173)
Net Finance Cost							(31,541)	(17,232)
Profit Before Taxation							(111,232)	(124,989)

UDAPUSSELLAWA PLANTATIONS PLC
NOTES TO THE FINANCIAL STATEMENTS

- 2 The Interim Condensed Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31.12.2015 and are in compliance with the Sri Lanka Accounting Standard (SLAS) LKAS 34, Interim Financial Reporting.
- 3 No circumstances have arisen since the Balance Sheet date which would require adjustment to or disclosure in the Interim Financial Statements, except for the signing of the Collective Agreement between the Workers Trade Unions and the representatives from the Regional Plantation Companies with effect from 15th October 2016, which does not require adjustments to the financial statements.
- 4 There were no material contingent liabilities as at 30th September 2016.
- 5 There were no liabilities to be provided in respect of Management Fee or any other similar charges in these Financial Statements.
- 6 There were no funds raised through an IPO/Right/Debenture issue during the period.

INVESTOR INFORMATION

Share Prices

Highest price Rs.
 Lowest price Rs.
 Last traded price Rs.

	Quarter ended 30.09.16	Quarter ended 30.09.15
Highest price Rs.	21.70	32.50
Lowest price Rs.	16.20	25.30
Last traded price Rs.	18.30	26.50

Directors' Shareholding

Mr. N K H Ratwatte
 Mr. D J Ratwatte
 Ms. M C Pietersz (appointed w.e.f. 01.07.2016)
 Mr. H A S Crawford
 Mr. J M Rutherford
 Mr. J Molligoda
 Mr. M Vamadevan
 Mr. R A D R Ramanayake (resigned w.e.f. 30.06.2016)
 Mr. E R C Moraes
 Mr. A N Wickramasinghe
 Mr. G R Chambers

	As At 30.09.16	As At 30.09.15
Mr. N K H Ratwatte	500	500
Mr. D J Ratwatte	NIL	NIL
Ms. M C Pietersz (appointed w.e.f. 01.07.2016)	NIL	NIL
Mr. H A S Crawford	NIL	NIL
Mr. J M Rutherford	NIL	NIL
Mr. J Molligoda	200	200
Mr. M Vamadevan	NIL	NIL
Mr. R A D R Ramanayake (resigned w.e.f. 30.06.2016)	NIL	NIL
Mr. E R C Moraes	NIL	NIL
Mr. A N Wickramasinghe	151	151
Mr. G R Chambers	NIL	NIL

Major Shareholders as at 30th September 2016

	Name of Shareholder	No. of Shares	%
1	JAMES FINLAY PLANTATION HOLDINGS (LANKA)LIMITED	11,208,550	57.78
2	JAMES FINLAY LIMITED, UK ("JFL")	3,689,762	19.02
3	JACEY TRUST SERVICES (PRIVATE) LIMITED (held for the benefit of JFL)	2,927,090	15.09
4	MR. K M A R K ALMUHAIRI	92,080	0.47
5	MR. K G A N WIJESINGHE	22,763	0.12
6	MR. H W C D RANASINGE	20,566	0.11
7	MR. J S A PERERA	20,000	0.10
8	MRS. L S A SERESINHE	19,916	0.10
9	MR. W G PREMARATNA (DECEASED)	18,600	0.10
10	MR. N H M HUSSAIN	15,271	0.08
11	MR B M MOLLOY	14,600	0.08
12	MR. A I HASHEEM	13,030	0.07
13	MR. M Y M SHAMRAZ	11,870	0.06
14	MR. L M SENANAYAKE	11,000	0.06
15	MERCHANT BANK OF SRI LANKA PLC/MR.K R U GUNAWARDENA	10,700	0.06
16	MR. M R THAMBINAYAGAM	9,257	0.05
17	MR. K K D M U RANAWEEERA	8,984	0.05
18	MR. A R IBRAHIM	8,280	0.04
19	MR. S G CHANDRADASA	8,023	0.04
20	E.W. BALASURIYA & CO. (PVT) LTD	8,000	0.04
	Twenty major shareholders	18,138,342	93.50
	Other Shareholders	1,260,509	6.50
	Issued Share capital	19,398,851	100.00

Of the issued ordinary share capital, 8.11% (2015: 8.11%) is held by the public representing 12,057 (2015: 12,038) shareholders.