



**Interim Financial Statements**  
Twelve Months Ended 31 March 2017

## Corporate Information

<b>Domicile &amp; Legal Form</b>	Lanka Century Investments PLC is a Public Limited Liability company incorporated and domiciled in Sri Lanka. The registered office of the Company is located at No. 10, 5th Floor, Gothami Road, Colombo 08.
<b>Principal Activity &amp; Nature of the Company</b>	Investment Holding
<b>Company Reg. No.</b>	PQ 26
<b>Board of Directors</b>	Mr. A. G. Weerasinghe - Chairman Mr. N. M. Prakash - Managing Director/CEO Mr. R. P. Sugathadasa - Non-Executive Director Mr. M. Boyagoda - Non-Executive Director Mr. P. P. Maddamage - Non-Executive Director
<b>Secretaries</b>	P W CORPORATE SECRETARIAL (PRIVATE) LIMITED 3/17, Kynsey Road, Colombo 08.
<b>Registrars</b>	S S P CORPORATE SERVICES (PRIVATE) LIMITED 101, Inner Flower Road, Colombo 3
<b>Auditors</b>	ERNST & YOUNG Chartered Accountants, No. 201, De Saram Place, Colombo 10.
<b>Bankers</b>	Pan Asia Banking Corporation PLC Nations Trust Bank PLC Seylan Bank
<b>Contact Details</b>	<b><u>Registered Office</u></b> No. 10, 5th Floor, Gothami Road, Colombo 08. Telephone - '+94 11 5700700 Fax - '+94 11 2680225 Email - <a href="mailto:info@lci.lk">info@lci.lk</a> Website - <a href="http://www.lci.lk">www.lci.lk</a>

**Lanka Century Investments PLC**  
**Interim Statement of Profit or Loss - Company**  
**For the period ended 31 March 2017**

2016 Audited	Rs.000'	Quarter Ended 31 March		twelve Months Ended 31 March	
		2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Unaudited
111,367	<b>Revenue</b>	75,679	23,360	211,711	111,367
-	Cost of Sales	-	-	-	-
111,367	<b>Gross Profit</b>	75,679	23,360	211,711	111,367
1,209	Other Income	9,334	1,119	9,605	1,209
(74)	Selling & Distribution Expenses	(9)	(67)	(62)	(74)
(137,202)	Administrative Expenses	(56,846)	(18,553)	(129,326)	(137,208)
(1,459,775)	Loss from disposal of Associate	-	-	-	(1,459,775)
(78,112)	Fair Value Gain on Current Investments	(153,300)	(68,430)	(94,983)	(78,112)
21,125	Finance Income		21,125		21,125
(89,544)	Finance Cost	(52,284)	(18,769)	(128,619)	(89,544)
(1,631,006)	<b>Profit/(Loss) for the period before tax</b>	(177,427)	(60,215)	(131,673)	(1,631,011)
28,171	Income Tax Expense	163	28,171	(27,521)	28,171
<b>(1,602,834)</b>	<b>Profit/(Loss) for the year</b>	<b>(177,263)</b>	<b>(32,043)</b>	<b>(159,194)</b>	<b>(1,602,840)</b>

**Lanka Century Investments PLC**  
**Interim Consolidated Statement of Comprehensive Income - Company**  
**For the period ended 31 March 2017**

2016 Audited	Rs.000'	Quarter Ended 31 March		twelve Months Ended 31 March	
		2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Unaudited
<b>(1,602,834)</b>	<b>Profit/(Loss) for the year</b>	<b>(177,263)</b>	<b>(32,043)</b>	<b>(159,194)</b>	<b>(1,602,840)</b>
(31)	Income tax effect on other comprehensive income	(1,182)	(31)	(1,182)	(31)
109	Actuarial Gain/(Loss) on Defined Benefit Plans	4,222	109	4,222	109
-	Change in Fair Value - AFS Investments		-	(32,842)	-
-	Classification of AFS assets for FVTPL	32,842		32,842	
79	Other Comprehensive Income	35,882	79	3,040	79
<b>(1,602,756)</b>	<b>Total comprehensive income/(loss) for the period</b>	<b>(141,381)</b>	<b>(31,964)</b>	<b>(156,154)</b>	<b>(1,602,761)</b>

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

**Lanka Century Investments PLC**  
**Interim Statement of Financial Position - Company**  
**As at 31 March 2017**

31 March 2016 (Audited)	Rs.000'	Note	31 March 2017 (Unaudited)	31 March 2016 (Unaudited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
16,704	Property, Plant & Equipment		17,272	16,699
724	Intangible Assets		602	724
4,931,041	Investment in Subsidiaries		4,946,414	4,931,041
	Investment -Solar Power Project		1,083	
31,953	Deferred Tax Asset		30,934	31,953
<u>4,980,422</u>			<u>4,996,304</u>	<u>4,980,417</u>
<b>Current assets</b>				
154,206	Trade & Other Receivables		28,891	154,206
20,637	Income Tax Receivable		16,597	20,637
828,867	Other Financial Investments		1,570,095	828,867
599,527	Cash & short term deposits		627,469	599,527
<u>1,603,236</u>			<u>2,243,053</u>	<u>1,603,236</u>
<b><u>6,583,659</u></b>	<b>Total assets</b>		<b><u>7,239,357</u></b>	<b><u>6,583,653</u></b>
<b>EQUITY</b>				
<b>Equity attributable to owners of the parent</b>				
7,724,139	Stated Capital		7,724,139	7,724,139
3,100	Other Capital Reserves		3,100	3,100
220	Other Component of Equity		220	220
(2,354,016)	Retained Earnings /(Losses)		(2,510,170)	(2,354,022)
<u>5,373,443</u>	<b>Total equity</b>		<u>5,217,289</u>	<u>5,373,437</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
254,531	Other Financial Liabilities		272,023	254,531
6,797	Retirement benefit obligations		3,569	6,797
<u>261,328</u>	<b>Total non-current liabilities</b>		<u>275,592</u>	<u>261,328</u>
<b>Current liabilities</b>				
112,418	Trade & Other Payables		9,543	112,418
836,470	Interest Bearing Loans & Borrowings		1,736,933	836,470
<u>948,888</u>	<b>Total current liabilities</b>		<u>1,746,476</u>	<u>948,888</u>
<u>1,210,216</u>	<b>Total liabilities</b>		<u>2,022,068</u>	<u>1,210,216</u>
<b><u>6,583,659</u></b>	<b>Total equity and liabilities</b>		<b><u>7,239,357</u></b>	<b><u>6,583,653</u></b>

15.38 Net Asset Value Per Share 14.93 15.38

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

I certify that the Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd.  
Isuru Fernando  
Finance Manager

The Board of Directors are responsible for the preparation & presentation of these Financial Statements. Signed for and on behalf of the Board by;

Sgd.  
A G Weerasinghe  
Chairman

Sgd.  
Murali Prakash  
Managing Director/CEO

06 June 2017  
Colombo

**Lanka Century Investments PLC**  
**Interim Statement of Changes in Equity - Company**  
**For the period ended 31 March 2017**

Rs.000'	Stated Capital	Retained Earnings	Other components of equity	Other Reserves	Total Equity
<b>Balance as at 31 March 2015 (Audited)</b>	7,724,139	(751,261)	220	3,100	6,976,198
Net profit/(loss) for the period	-	(1,602,834)	-	-	(1,602,834)
Other comprehensive income	-	79	-	-	79
<b>Balance as at 31 March 2016</b>	7,724,139	(2,354,016)	220	3,100	5,373,443
<b>Balance as at 31 March 2016 (Unaudited)</b>	7,724,139	(2,354,016)	220	3,100	5,373,443
Net profit/(loss) for the period	-	(159,194)	-	-	(159,194)
Other comprehensive income	-	3,040	-	-	3,040
<b>Balance as at 31 March 2017</b>	7,724,139	(2,510,170)	220	3,100	5,217,289

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
 Figures in brackets indicate deductions.

**Lanka Century Investments PLC**  
**Interim Cash Flow Statement - Company**  
**For the period ended 31 March 2017**

31 March 2016 Audited	Rs.000'	31 March 2017 unaudited	31 March 2016 Unaudited
<b>Cash flow from operating activities</b>			
(1,631,006)	Profit/(loss) before tax	(131,673)	(1,631,011)
<b>Adjustments:</b>			
3,637	Depreciation, amortization and impairment charges	2,975	3,642
463,853	(Profit)/Loss from Disposal of Associate	-	463,853
78,112	Provision for(Gain)/ fall in Value of Current Investment	94,983	78,112
-	Effect of Financial assets at fair value through profit or loss classification	-	-
522	(Profit)/Loss from Disposal of Current Investments	-	522
1,809	Provision for Defined Benefit Plans	1,366	1,809
11,682	Impairment of trade receivable	26,869	11,682
-	Debtors provision write back	(9,416)	-
(1,209)	(Profit)/Loss from Disposal of PPE	(24)	(1,209)
24	Interest on other Financial Liabilities	24	24
(39,749)	Accrued interest on loans and receivables	-	(39,749)
995,922	Loss from classification of Associate to fair value through Profit or Loss	-	995,922
(21,125)	Finance Income	-	(21,125)
89,544	Finance Cost	128,620	89,544
(47,986)		113,723	(47,986)
<b>Working capital adjustments</b>			
(2,375)	(Increase)/decrease in trade & other receivables	(39,339)	(7,900)
104,210	Increase/(decrease) in trade & other payables	(102,876)	104,210
53,849	<b>Cash Generated used in Operations</b>	(28,492)	48,324
(69,927)	Interest Paid	(126,523)	(69,927)
(5,524)	Income tax paid	(27,684)	-
(1,162)	Defined Benefit Plan Costs paid net of Transfer	(372)	(1,162)
(22,764)	<b>Total net cash (used in)/from operating activities</b>	(183,071)	(22,765)
<b>Cash flow from investing activities</b>			
(9,214)	Acquisition of Property, Plant & Equipment	(3,456)	(9,214)
(219)	Acquisition of Intangible Assets	-	(219)
7,600	Proceeds from Sale of PPE	60	7,600
39,282	Proceeds from Sale of Investment, net	-	4,219
(120,260)	Loans Granted to Subsidiaries	(45,000)	(120,260)
572,460	Loans settled by Subsidiaries	196,241	572,460
363,757	Proceed from Disposal of Associate	-	363,758
-	Investment in Current Investments	(836,211)	-
-	Investment in Other Non Financial Investments	(1,083)	-
(675,529)	Investment in Subsidiary	-	(675,529)
-	Realization of Other Financial Investments	-	35,062
177,877	<b>Total net cash (used in)/from investing activities</b>	(689,449)	177,878
<b>Cash Flow from Financing Activities</b>			
-	Proceeds from interest Bearing Borrowings	400,000	-
(1,084,043)	Repayment of Interest Bearing Loans & Borrowings	-	(1,084,043)
(1,084,043)	<b>Net Cash Flows from Financing Activities</b>	400,000	(1,084,043)
(928,930)	Net (decrease)/increase in cash and cash equivalents	(472,520)	(928,930)
691,987	Cash and cash equivalents as at 1 April	(236,944)	691,987
<b>(236,943)</b>	<b>Cash and cash equivalents as at 31 March</b>	<b>(709,464)</b>	<b>(236,943)</b>
<b>Cash and cash equivalents as at 31 March</b>			
599,527	Favorable Cash and bank balances	627,469	599,527
(836,470)	Unfavorable cash and Bank balances	(1,336,933)	(836,470)
<b>(236,943)</b>		<b>(709,464)</b>	<b>(236,943)</b>

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

**Lanka Century Investments PLC**  
**Interim Consolidated Statement of Profit or Loss - Group**  
**For the period ended 31 March 2017**

2016 Audited	Rs.000'	Quarter Ended 31 March		twelve Months Ended 31 March	
		2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Unaudited
<b>Continuing Operations</b>					
9,365,248	<b>Revenue</b>	2,371,176	2,223,931	10,761,027	9,364,860
(7,877,992)	Cost of Sales	(2,128,924)	(1,877,581)	(9,102,856)	(7,848,958)
1,487,256	<b>Gross Profit</b>	242,252	346,351	1,658,171	1,515,903
138,972	Other Income	4,579	12,886	173,525	138,761
(391,549)	Selling & Distribution Expenses	(21,163)	(54,668)	(363,405)	(400,562)
(1,066,939)	Administrative Expenses	(339,409)	(302,923)	(1,027,461)	(995,931)
167,739	<b>Operating Profit/(Loss)</b>	(113,742)	1,646	440,829	258,170
(232,528)	Finance Cost	(31,710)	(67,088)	(283,654)	(255,120)
64,114	Finance Income	77,082	86,693	77,082	86,693
	Fair Value Gain on Current Investments	(153,300)	(68,430)	(94,983)	(78,112)
287,922	Change in Fair value of Investment Property		287,852	235,500	287,852
(1,789,905)	Loss from disposal of Associate	-	(59,002)		(565,621)
	Gain/(fall in value) of Investment				
	Effect of financial assets at fair value through profit or loss classification on associate	-	(120,906)	-	(1,204,463)
	Net Results of Associate	-	68,010	-	(47,968)
(1,502,657)	<b>Profit/(Loss) for the period from continuing operations before tax</b>	(221,670)	128,775	374,775	(1,518,568)
11,645	Income Tax Expense	(47,138)	91,763	(130,426)	10,650
(1,491,012)	<b>Profit/(Loss) for the period from continuing operations</b>	(268,807)	220,538	244,349	(1,507,919)
<b>Discontinued operations</b>					
(150,594)	Profit/(Loss) after tax for the period from discontinued operations	129,869	(57,255)	133,402	(156,787)
<b>(1,641,605)</b>	<b>Profit/(Loss) for the year</b>	<b>(138,938)</b>	<b>163,283</b>	<b>377,751</b>	<b>(1,664,706)</b>
(1,693,516)	Owners of the parent	(145,698)	54,898	260,511	(1,716,828)
51,911	Non-controlling interests	6,761	108,325	117,240	52,122
<b>(1,641,605)</b>		<b>(138,938)</b>	<b>163,283</b>	<b>377,751</b>	<b>(1,664,706)</b>
<b>Earnings per share</b>					
(4.85)	Basic	(0.42)	0.16	0.75	(4.91)
(4.85)	Diluted	(0.42)	0.16	0.75	(4.91)

**Lanka Century Investments PLC**  
**Interim Consolidated Statement of Comprehensive Income - Group**  
**For the period ended 31 March 2017**

2016 Audited	Rs.000'	Quarter Ended 31 March		Twelve Months Ended 31 March	
		2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Unaudited
<b>(1,641,605)</b>	<b>Profit/(Loss) for the year</b>	<b>(138,938)</b>	<b>163,283</b>	<b>377,751</b>	<b>(1,664,706)</b>
<b>Other Comprehensive Income To be reclassified to profit or loss in subsequent periods</b>					
(12,110)	Currency translation of Foreign operations	(27,337)	8,533	-	(12,033)
<b>Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods</b>					
-	Change in Fair Value - AFS Investments	-	-	(32,842)	-
-	Classification of AFS assets for FVTPL	32,842	-	32,842	-
184,313	Net result of the Associate	-	184,147	-	190,247
466,753	Revaluation gain/Loss of land and buildings	93,024	466,753	93,024	466,753
(18,477)	Tax on Revaluation gain	(7,486)	(18,477)	(7,486)	(18,477)
(12,311)	Actuarial Gain/(Loss) on Defined Benefit Plans	20,721	(13,321)	20,721	(13,321)
1,627	Tax on Actuarial Gain/(Loss) on Defined Benefit Plans	(5,542)	1,808	(5,542)	1,808
<b>609,795</b>	<b>Other Comprehensive Income</b>	<b>106,223</b>	<b>629,442</b>	<b>100,718</b>	<b>614,976</b>
<b>(1,031,811)</b>	<b>Total comprehensive income/(loss) for the period</b>	<b>(32,715)</b>	<b>792,725</b>	<b>478,469</b>	<b>(1,049,730)</b>
<b>Other comprehensive income attributable to;</b>					
543,336	Owners of the parent	84,130	563,170	76,752	548,704
66,458	Non-controlling interests	22,093	66,272	23,966	66,272
<b>609,795</b>		<b>106,223</b>	<b>629,442</b>	<b>100,718</b>	<b>614,976</b>

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

**Lanka Century Investments PLC**  
**Interim Consolidated Statement of Financial Position - Group**  
**As at 31 March 2017**

31 March 2016 (Audited)	Rs.000'	Notes	31 March 2017 (Unaudited)	31 March 2016 (Unaudited)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
4,795,106	Property, Plant & Equipment		4,628,331	4,799,574
1,298,070	Investment Property		-	1,298,000
489,363	Intangible Assets		493,998	489,475
25,114	Leasehold Property		-	25,114
-	Investment in Subsidiary		-	-
-	Other Non- Current Financial Assets		1,083	-
75,646	Deferred Tax assets		38,912	75,585
<u>6,683,299</u>			<u>5,162,323</u>	<u>6,687,749</u>
<b>Current Assets</b>				
2,418,686	Inventories		2,409,096	2,425,963
1,426,359	Trade & Other Receivables		1,482,398	1,419,084
30,031	Income Tax Receivable		32,255	30,031
1,372,458	Other Financial Investments		1,602,627	1,372,458
1,132,513	Cash & Bank		1,539,025	1,132,520
<u>6,380,048</u>			<u>7,065,401</u>	<u>6,380,056</u>
	Assets Classified as held for sale	4	1,533,571	-
<b><u>13,063,347</u></b>	<b>Total assets</b>		<b><u>13,761,295</u></b>	<b><u>13,067,804</u></b>
<b>EQUITY</b>				
<b>Equity attributable to owners of the Parent</b>				
7,724,139	Stated Capital		7,724,139	7,724,139
3,100	Other Reserves		3,100	3,100
446,181	Other Components of Equity		512,994	446,257
(1,456,146)	Retained Earnings /(Losses)		(1,374,581)	(1,451,806)
<u>6,717,274</u>			<u>6,865,652</u>	<u>6,721,690</u>
675,002	Non-controlling interests		977,340	675,038
<u>7,392,276</u>	<b>Total Equity</b>		<u>7,842,992</u>	<u>7,396,728</u>
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
849	Other Financial Liabilities		873	849
583,396	Interest Bearing Loans & Borrowings		912,384	581,605
250,395	Deferred Tax Liabilities		241,034	249,924
254,827	Retirement benefit obligations		249,237	254,824
811	Deferred Income		388	811
<u>1,090,278</u>	<b>Total Non-Current Liabilities</b>		<u>1,403,916</u>	<u>1,088,013</u>
<b>Current Liabilities</b>				
1,697,906	Trade & Other Payables		1,557,299	1,642,554
26,791	Income Tax Payables		35,186	27,402
2,856,096	Interest Bearing Loans & Borrowings		2,908,457	2,913,107
<u>4,580,793</u>	<b>Total Current Liabilities</b>		<u>4,500,942</u>	<u>4,583,063</u>
	Liabilities directly associated with the Assets Classified as Held for Sale	4	13,445	-
<u>5,671,071</u>	<b>Total Liabilities</b>		<u>5,918,303</u>	<u>5,671,076</u>
<b><u>13,063,347</u></b>	<b>Total Equity and Liabilities</b>		<b><u>13,761,295</u></b>	<b><u>13,067,804</u></b>
19.23	Net Asset Value Per Share		19.65	19.24

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

I certify that the Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd.  
Isuru Fernando  
Finance Manager

The Board of Directors are responsible for the preparation & presentation of these Financial Statements. Signed for and on behalf of the Board by;

Sgd.  
A G Weerasinghe  
Chairman

Sgd.  
Murali Prakash  
Managing Director/CEO

06 June 2017  
Colombo



**Lanka Century Investments PLC**  
**Interim Consolidated Statement of Changes in Equity - Group**  
**For the period ended 31 March 2017**

<b>Rs.000'</b>	<b>Stated Capital</b>	<b>Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Foreign Currency Translation Reserve</b>	<b>Other Reserves</b>	<b>Assets Available for Sale Reserve</b>	<b>General Reserve</b>	<b>Total</b>	<b>Non Controlling Interest</b>	<b>Total Equity</b>
<b>As at 31 March 2015 - Audited</b>	<b>7,724,139</b>	<b>126,523</b>	<b>14,407</b>	<b>(8,923)</b>	<b>3,100</b>	<b>22,213</b>	<b>220</b>	<b>7,881,679</b>	<b>431,030</b>	<b>8,312,709</b>
Net Profit/(Loss) for the period	-	-	(1,693,516)	-	-	-	-	(1,693,516)	51,911	(1,641,605)
Other Comprehensive Income	-	564,015	(9,397)	(11,281)	-	-	-	543,336	66,458	609,795
Total Comprehensive Income/(loss) for the period	-	564,015	(1,702,914)	(11,281)	-	-	-	(1,150,180)	118,369	(1,031,811)
Holding Change	-	-	(33,048)	-	-	-	-	(33,048)	127,318	94,271
Transaction cost on Subsidiary Share Issue	-	-	(4,901)	-	-	-	-	(4,901)	-	(4,901)
Associate Holding Change	-	-	45,937	-	-	-	-	45,937	-	45,937
Subsidiary Dividend to Minority Shareholders	-	-	-	-	-	-	-	-	(1,715)	(1,715)
Associate Reserve Reversal-Reclassified to Profit or Loss	-	-	-	-	-	(22,213)	-	(22,213)	-	(22,213)
Associate Reserve Reversal-Not Reclassified to Profit or Loss	-	(224,372)	224,372	-	-	-	-	-	-	-
<b>As at 31 March 2016</b>	<b>7,724,139</b>	<b>466,165</b>	<b>(1,456,146)</b>	<b>(20,204)</b>	<b>3,100</b>	<b>-</b>	<b>220</b>	<b>6,717,274</b>	<b>675,002</b>	<b>7,392,276</b>
<b>As at 31 March 2016-Unaudited</b>	<b>7,724,139</b>	<b>466,165</b>	<b>(1,456,146)</b>	<b>(20,204)</b>	<b>3,100</b>	<b>-</b>	<b>220</b>	<b>6,717,274</b>	<b>675,002</b>	<b>7,392,276</b>
Net Profit/(Loss) for the period	-	-	260,511	-	-	-	-	260,511	117,240	377,751
Other Comprehensive Income	-	63,437	13,314	-	-	-	-	76,752	23,966	100,718
Total Comprehensive Income/(loss) for the period	-	63,437	273,826	-	-	-	-	337,263	141,206	478,469
Holding change on Preference Share conversion	-	-	(209,090)	-	-	-	-	(209,090)	209,090	-
Transfer of Revaluation reserve on disposed PPE	-	(16,829)	16,829	-	-	-	-	-	-	-
Transfer of EER reserve to profit or loss on subsidiary liquidation	-	-	-	20,204	-	-	-	20,204	-	20,204
Subsidiary dividend to Minority Shareholders	-	-	-	-	-	-	-	-	(33,332)	(33,332)
Subsidiary dividend to Minority Shareholders on Proposed Dividend	-	-	-	-	-	-	-	-	(14,626)	(14,626)
<b>As at 31 March 2017</b>	<b>7,724,139</b>	<b>512,774</b>	<b>(1,374,581)</b>	<b>-</b>	<b>3,100</b>	<b>-</b>	<b>220</b>	<b>6,865,652</b>	<b>977,340</b>	<b>7,842,992</b>

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

**Lanka Century Investments PLC**  
**Interim Consolidated Cash Flow Statement - Group**  
**For the period ended 31 March 2017**

31 March 2016 Audited	Rs.000'	31 March 2017 unaudited	31 March 2016 Unaudited
<b>Cash flow from operating activities</b>			
(1,502,657)	Profit/(Loss) before tax from continuing operations	374,775	(1,518,568)
(155,019)	Profit/(Loss) before tax from discontinued operations	115,715	(156,787)
(1,657,676)	Profit/(Loss) before tax	490,491	(1,675,355)
<b>Adjustments:</b>			
0	Net results of associate	-	47,968
270,179	Depreciation, amortization and impairment charges	329,559	265,426
(4,535)	(Profit)/Loss on sale of property plant & Equipment	(10,167)	(6,005)
-	Gain on sale of investment Property	-	-
78,112	Provision for Fall in value of current Investment	-	-
109,459	Allowance for Obsolete and slow moving inventories	-	-
-	Impairment of property plant & Equipment	16,008	-
43,054	Impairment on Trade Receivables	-	-
(287,922)	Gain on fair value adjustment of Investment Property	(235,500)	(287,852)
-	Group Profit on Subsidiary Liquidation	(138,763)	-
-	Loan Write off	(96,177)	-
522	(Profit)/Loss on disposal of current investments	-	661
38,518	Share of (Profit)/Loss from Associate	-	-
-	Impairment of Prepaid Lease rental	25,114	-
-	Amortization of Prepaid Lease rental	-	162
(423)	Deferred income	(423)	(423)
(64,137)	Finance Income	-	(86,693)
234,854	Finance Cost	206,571	255,120
46,234	Provision for gratuity	47,622	46,499
24	Interest on Other Financial Liabilities	24	24
(1,329)	Accrued interest on loans & receivables	-	-
6,258	Loss on disposal of subsidiary	-	6,348
540,789	Loss From Disposal of Associate	-	1,204,463
1,210,597	Loss From Classification of Associate to Fair Value Through Profit or Loss	-	565,621
-	Fair Value Gain on Current Investments	94,983	78,112
(12,110)	Exchange (Gain)/Losses	-	-
550,469		729,341	414,075
<b>Working capital adjustments</b>			
(135,846)	(Increase)/decrease in trade & other receivables	(55,429)	(128,509)
(255,309)	(Increase)/decrease in inventories	9,590	(153,126)
183,353	Increase/(decrease) in trade & other payables	(1,869)	109,030
(29,517)	Gratuity Paid	(32,491)	(30,883)
(120,874)	Income tax paid	(79,194)	(83,947)
(168,302)	Interest paid	(206,571)	(168,426)
23,975	<b>Total net cash (used in)/from operating activities</b>	363,376	(41,786)
<b>Cash flow from investing activities</b>			
(1,022,411)	Purchase of Property, plant & equipment	(197,229)	(1,046,154)
(41,904)	Purchase of Intangible Assets	(13,615)	-
-	Proceeds from disposal of Other current Financial Assets	508,592	-
114,089	Proceeds from disposal of other financial Investments	-	113,949
363,757	Proceeds from disposal of Associate	-	363,758
35,072	Proceeds from disposal of Property, plant & equipment	130,440	17,223
-	Investment In Other current Financial Assets	(833,744)	-
100	Proceeds from Disposal of Sub Subsidiary	-	-
2,336	Proceeds from disposal of Available for sale financial Assets	-	2,336
(10,000)	Investment In Other Financial Assets	(1,083)	(10,000)
(558,960)	<b>Total net cash (used in)/from investing activities</b>	(406,637)	(558,887)
<b>Cash flow from financing activities</b>			
(569,765)	Proceeds from long-term liabilities, net of payments	(323,368)	(291,942)
(1,715)	Dividend paid to non controlling interest	(47,958)	(1,715)
-	Subsidiary Rights issue transaction cost	-	(4,902)
107,161	Non controlling interest investment in rights issue	-	-
(4,902)	Direct cost on share issue	-	-
(5,074)	Repayment of Finance Lease	-	-
131,515	Effect of exchange rate changes in Loans & Borrowings	-	-
(12,891)	Acquisition of Non-controlling Interest	-	94,564
(355,669)	<b>Total net cash (used in)/from financing activities</b>	(371,326)	(203,994)
(890,655)		(414,587)	(804,667)
	Net foreign exchange difference	20,204	(11,281)
(890,655)	Net increase/(decrease) in Cash and cash equivalents	(394,383)	(815,948)
902,257	Cash and cash equivalents as at 1 April	11,602	902,257
<b>11,602</b>	<b>Cash and cash equivalents as at 1 April</b>	<b>(382,780)</b>	<b>86,309</b>
<b>Cash and cash equivalents as at 31 March</b>			
1,132,513	Favorable Cash and bank balances	1,539,025	1,132,520
(1,120,911)	Unfavorable cash and Bank balances	(1,921,805)	(1,046,211)
<b>11,602</b>		<b>(382,780)</b>	<b>86,309</b>

The Notes on pages 10 to 13 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

**Lanka Century Investments PLC**  
**For the period ended 31 March 2017**

**Notes to the Interim Consolidated Financial Statements**

**1. Basis of preparation**

The interim consolidated financial statements for the period ended 31 March 2017 have been prepared in accordance with LKAS 34- Interim Financial Reporting. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2016.

Where appropriate, certain financial statement line items have been reclassified to conform to the current period presentation.

**2. Operating Results - Segment Information**

**Period Ended 31 March**

	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	Manufacturing Footwear		Manufacturing Porcelain		Manufacturing Textile		Investment		Property		Services		Group Total	
<b>Rs.000' (Unaudited)</b>														
Total Revenue	1,398,761	593,613	2,363,147	2,378,971	6,894,244	6,296,477	87,862	66,429	17,013	29,370	-	-	10,761,027	9,364,860
<b>Revenue</b>	<b>1,398,761</b>	<b>593,613</b>	<b>2,363,147</b>	<b>2,378,971</b>	<b>6,894,244</b>	<b>6,296,477</b>	<b>87,862</b>	<b>66,429</b>	<b>17,013</b>	<b>29,370</b>	<b>-</b>	<b>-</b>	<b>10,761,027</b>	<b>9,364,860</b>
<b>Results</b>														
Profit/(Loss) Before Net Finance Cost*	(34,198)	(247,300)	179,840	117,510	237,382	441,422	(6,177)	(1,966,667)	204,500	304,893	-	-	581,346	(1,350,142)
Net Finance Cost	(6,770)	2,594	(2,411)	(69,221)	(64,736)	(35,226)	(139,951)	(72,071)	7,297	5,497	-	-	(206,571)	(168,426)
Share of profit from associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) Before Income Tax	(40,968)	(244,706)	177,429	48,289	172,646	406,196	(146,129)	(2,038,738)	211,797	310,391	-	-	374,775	(1,518,568)
Income Tax Expense	227	46,867	(30,927)	(26,125)	(41,418)	(61,456)	(27,521)	28,171	(30,787)	23,192	-	-	(130,426)	10,650
Profit/(Loss) After Tax	(40,741)	(197,839)	146,502	22,164	131,228	344,740	(173,649)	(2,010,566)	181,010	333,583	-	-	244,349	(1,507,918)
Profit/(Loss) From Discontinued Operation	(5,361)	(154,350)	-	-	-	-	-	-	-	-	138,763	(2,438)	133,402	(156,787)
<b>Net Profit/ (Loss) for the Year</b>	<b>(46,102)</b>	<b>(352,189)</b>	<b>146,502</b>	<b>22,164</b>	<b>131,228</b>	<b>344,740</b>	<b>(173,649)</b>	<b>(2,010,566)</b>	<b>181,010</b>	<b>333,583</b>	<b>138,763</b>	<b>(2,438)</b>	<b>377,751</b>	<b>(1,664,706)</b>
Equity Holders of the Parent													260,511	(1,716,828)
													117,240	52,122
													<b>377,751</b>	<b>(1,664,706)</b>

**As at 31 March**

**Assets and Liabilities**

Non-Current Assets	1,207,728	1,341,828	1,384,016	1,356,703	2,067,264	2,159,603	495,243	494,811	8,072	1,334,804	-	-	5,162,323	6,687,749
Current Assets	1,000,989	1,086,725	1,454,200	1,254,736	2,227,263	2,448,162	2,272,001	1,457,395	110,946	133,038	-	-	7,065,401	6,380,056
Assets classified as held for sale									1,533,571				1,533,571	
<b>Total assets**</b>	<b>2,208,717</b>	<b>2,428,553</b>	<b>2,838,216</b>	<b>2,611,439</b>	<b>4,294,527</b>	<b>4,607,765</b>	<b>2,767,244</b>	<b>1,952,206</b>	<b>1,652,589</b>	<b>1,467,841</b>	<b>-</b>	<b>-</b>	<b>13,761,295</b>	<b>13,067,804</b>
Non-Current Liabilities	99,087	130,782	613,057	666,118	686,104	282,788	4,876	7,646	792	679	-	-	1,403,916	1,088,013
Current Liabilities	298,639	516,517	688,182	531,144	1,731,482	2,264,302	1,762,007	1,246,876	20,633	24,224	-	-	4,500,942	4,583,062
Assets classified as held for sale									13,445				13,445	
<b>Total Liabilities ***</b>	<b>397,726</b>	<b>647,299</b>	<b>1,301,239</b>	<b>1,197,262</b>	<b>2,417,586</b>	<b>2,547,089</b>	<b>1,766,883</b>	<b>1,254,522</b>	<b>34,869</b>	<b>24,903</b>	<b>-</b>	<b>-</b>	<b>5,918,303</b>	<b>5,671,075</b>

**Financial Performance - Business Segments**

\* Segment profit before net finance cost do not include share of profit of associates

\*\* Segment assets do not include investment in subsidiaries & associates, goodwill, investment in group preference shares and inter company current account balances

\*\*\*Segment liabilities do not include group preference shares and inter company current account balances, including loan balances.

Figures in brackets indicate deductions.

**Lanka Century Investments PLC**  
**For the period ended 31 March 2017**

**Notes to the Interim Consolidated Financial Statements**

**3. Discontinued Operation**

Description	Palla and Co	Rooms Net UK
	LKR "000"	LKR "000"
Other Income	21,386	-
Group Profit on Subsidiary Liquidation		138,763
Administration Expense	(43,180)	-
Finance Cost	(1,253)	-
Income tax	17,686	-
	<u>(5,361)</u>	<u>138,763</u>

**4. Assets Held for Sales**

**Colombo City Holdings PLC**

The Board of Directors at a meeting held on 14 October 2015 decided in principle to dispose the land and buildings owned by the Company at Union Place, Colombo 02 subject to obtaining offers from prospective buyers. During the year the Board Directors decided to classify the said property as "Held for Sale", as the sale is highly probable in accordance with SLFRS 5.

**5. Commitment and Contingencies**

The company has provided corporate guarantee facilities to banks on behalf of its subsidiaries to obtain banking facilities. The details are as follows.

Name of the Company	Bank	Amount	Outstanding Balance as at 31 March
Royal Fernwood Porcelain Ltd	Peoples Bank	Rs. 65 Mn	Rs. 45Mn

**6. Event after Reporting date**

No circumstances have arisen since the reporting date, which would require adjustment to or disclosure in the financial statements. Except for

The company has disposed 370Mn shares of Browns Investment PLC at LKR 1.50 per share

**7. Comparative Information**

The presentation and classification of the Financial Statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.

**8. Share Information**

**8.1 Number of Shares**

No of Ordinary shares represented in Stated Capital	349,367,119
No of Preference Shares represented in Stated Capital	170,625

**8.2 Market Price of Ordinary Share**

Year Ended 31 March		Quarter Ended 31 March	
		2017	31 March 2016
2016		2017	31 March 2016
Rs.		Rs.	Rs.
15.40	High	12.40	12.50
9.50	Low	9.80	9.50
10.00	Close	10.50	10.00

**Lanka Century Investments PLC**  
**For the period ended 31 March 2017**

**Notes to the interim consolidated financial statements**

**9. The Percentage of Public Holding as at**

	<b>31 March 2017</b>	<b>31 March 2016</b>
Number of Shareholders	4,519	4,835
No. of Shares	56,331,696	57,347,996
Percentage	16.12	16.41

**10. Directors' Shareholdings**

<u>Name of Director</u>	<b>31 March 2017</b>	<b>31 March 2016</b>
	<b>No of Shares</b>	<b>No of Shares</b>
Mr. A. G. Weerasinghe	Nil	Nil
Mr. R. P. Sugathadasa	Nil	Nil
Mr. M. Boyagoda	Nil	Nil
Mr. P. P. Madumage	Nil	Nil
Mr. N. M. Prakash	200,000	Nil

**11. Twenty Major Shareholders of the Company as at 31 March 2017 - Ordinary Shares**

<b>Name of the Shareholder</b>	<b>No of Shares</b>	<b>%</b>
	<b>Held</b>	
1 Taprobane Holdings PLC	230,072,130	65.85%
2 Taprobane Equities (Private) Limited	60,305,609	17.26%
3 Ceylinco General Insurance Limited	9,443,196	2.70%
4 Seylan Bank PLC/Carlines Holdings (Private) Limited	3,826,831	1.10%
5 DOH Investment Lanka (Pvt) Ltd	2,153,046	0.62%
6 People's leasing finance Plc/Carlines Holdings (Pvt) Ltd	1,980,000	0.57%
7 Mr.N.Balasingam	1,906,500	0.55%
8 Associated Electrical Corporation Ltd	1,485,000	0.43%
9 Mr. K. V. Hewavitarne	1,382,401	0.40%
10 Seylan Bank PLC/Almas Organisation (Pvt) Limited	1,228,755	0.35%
11 J. D. Cocoshell (Pvt) Ltd	1,111,833	0.32%
12 Mr. M. M. Fuad	1,074,686	0.31%
13 Mr. D. F. Dalpethado	783,215	0.22%
14 Seylan Bank PLC/Mohamed Subair Fouzal Haqqe	615,048	0.18%
15 People's Leasing & Finance PLC/I. P. Hapangama	604,200	0.17%
16 Mr. T. L. Imtiaz	568,184	0.16%
17 Mr. C. R. Perera	524,300	0.15%
18 Mr. L. T. Samarawickrama	468,480	0.13%
19 Pan Asia Banking Corporation PLC/Mr. Ravindra Erle Rambukwelle	430,000	0.12%
20 Merchant Bank of Sri Lanka ltd a/c no 1	400,000	0.11%
Others	29,003,705	8.30%
<b>Total</b>	<b>349,367,119</b>	<b>100%</b>

**Notes to the Interim Consolidated Financial Statements**

**13. Twenty Major Shareholders of the Company as at 31 March 2017 - Preference Shares**

Name of the Shareholder	<u>No of Shares</u>	
	<u>Held</u>	<u>%</u>
1 Standard Finance Limited	18,616	10.91%
2 Mr G C W De Silva	9,484	5.56%
3 Mr M V Theagarajah	8,744	5.12%
4 Life Insurance Corporation of India	8,146	4.77%
5 K Theagarajah	8,000	4.69%
6 Mrs B L Macrae	6,658	3.90%
7 A L Clarke	6,658	3.90%
8 Mr M V Theagarajah	6,447	3.78%
9 Shalsri Investment Ltd	5,000	2.93%
10 The Land & House Property Company Ltd	4,500	2.64%
11 The Administratrix of the Estate of Pietro Fernando	4,000	2.34%
12 Mr S Sivalingam Attorney for Mrs R Sivaraman Widow of Late	3,672	2.15%
13 Muthunayagam Mahesweri Brito	3,500	2.05%
14 B Selvanayagam	3,000	1.76%
15 A M Felsingar	2,684	1.57%
16 K N Woutersz	2,684	1.57%
17 Mr S Navaratnam	2,682	1.57%
18 M G Sabaratnam	2,500	1.47%
19 Mr S A Scharenguivel	2,450	1.44%
20 Mr P S Wijewardena	2,194	1.29%
Others	59,006	34.58%
<b>Total</b>	<b>170,625</b>	<b>100.00%</b>

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