



**Interim Financial Statements**  
Nine Months Ended 31 December 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>	<table><tr><td>Mr. A. G. Weerasinghe</td><td>- Chairman</td></tr><tr><td>Mr. N. M. Prakash</td><td>- Group Managing Director/CEO</td></tr><tr><td>Mr. R. P. Sugathadasa</td><td>- Non-Executive Director</td></tr><tr><td>Mr. M. Boyagoda</td><td>- Non-Executive Director</td></tr><tr><td>Mr. P. P. Maddumage</td><td>- Non-Executive Director</td></tr></table>	Mr. A. G. Weerasinghe	- Chairman	Mr. N. M. Prakash	- Group Managing Director/CEO	Mr. R. P. Sugathadasa	- Non-Executive Director	Mr. M. Boyagoda	- Non-Executive Director	Mr. P. P. Maddumage	- Non-Executive Director
Mr. A. G. Weerasinghe	- Chairman										
Mr. N. M. Prakash	- Group Managing Director/CEO										
Mr. R. P. Sugathadasa	- Non-Executive Director										
Mr. M. Boyagoda	- Non-Executive Director										
Mr. P. P. Maddumage	- 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>	<p><b><u>Registered Office</u></b></p> <p>No. 10, 5th Floor, Gothami Road, Colombo 08.</p> <p>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></p>										

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

<b>Rs.000' (Unaudited)</b>	<b>Quarter Ended 31 December</b>		<b>Nine Months Ended 31 December</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>	40,354	31,496	198,181	136,032
Cost of Sales	-	-	-	-
<b>Gross Profit</b>	40,354	31,496	198,181	136,032
Other Income	-	6	117	271
Selling & Distribution Expenses	(22)	(41)	(596)	(52)
Administrative Expenses	(19,305)	(30,738)	(92,016)	(72,480)
Fair Value Gain/(Loss) on Current Investments	(93,521)	44,179	170,116	58,317
Finance Cost	(54,649)	(27,934)	(150,574)	(76,334)
<b>Profit/(Loss) for the period before tax</b>	(127,143)	16,968	125,227	45,754
Income Tax Expense	-	(27,684)	(13,158)	(27,684)
<b>Total comprehensive income for the period, net of tax</b>	(127,143)	(10,716)	112,069	18,070
<b>Earnings/(Loss) per share</b>				
Basic	(0.36)	(0.03)	0.32	0.05
Diluted	(0.36)	(0.03)	0.32	0.05

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

<b>Rs.000' (Unaudited)</b>	<b>Quarter Ended 31 December</b>		<b>Nine Months Ended 31 December</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Profit/(Loss) for the year</b>	(127,143)	(10,716)	112,069	18,070
Change in Fair Value -AFS- Investments	-	(32,842)	-	(32,842)
<b>Other comprehensive income for the period, net of tax</b>	(127,143)	(43,558)	112,069	(14,772)

The Notes on pages 10 to 12 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 December 2017**

31 March 2017 (Audited)	Rs.000'	Note	31 December 2017 (Unaudited)	31 December 2016 (Unaudited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
17,272	Property, Plant & Equipment		16,170	17,625
1,685	Intangible Assets		2,298	633
4,645,695	Investment in Subsidiaries	5	5,727,079	4,645,695
-	Other Non-Current Financial Assets		-	587,574
30,934	Deferred Tax Asset		30,934	31,953
4,695,586			5,776,482	5,283,480
<b>Current assets</b>				
19,157	Trade & Other Receivables		51,248	88,984
16,597	Income Tax Receivable		12,350	14,346
1,570,095	Other Financial Investments		1,221,851	887,184
637,204	Cash & short term deposits		823,945	607,114
2,243,053			2,109,394	1,597,628
<b>6,938,638</b>	<b>Total assets</b>		<b>7,885,876</b>	<b>6,881,108</b>
<b>EQUITY</b>				
<b>Equity attributable to owners of the parent</b>				
7,724,139	Stated Capital		7,724,139	7,724,139
3,320	Other Capital Reserves		3,320	3,320
	Other Component of equity			(32,842)
(2,539,789)	Retained Earnings /(Losses)		(2,427,719)	(2,367,611)
5,187,670	<b>Total equity</b>		5,299,740	5,327,006
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
873	Other Financial Liabilities		873	849
3,569	Retirement benefit obligations		3,143	7,885
-	Interest Bearing Loans & Borrowings		950,000	-
4,442	<b>Total non-current liabilities</b>		954,016	8,734
<b>Current liabilities</b>				
9,593	Trade & Other Payables		5,120	621,789
1,736,933	Interest Bearing Loans & Borrowings		1,627,000	923,580
1,746,526	<b>Total current liabilities</b>		1,632,120	1,545,370
1,750,968	<b>Total liabilities</b>		2,586,136	1,554,104
<b>6,938,638</b>	<b>Total equity and liabilities</b>		<b>7,885,876</b>	<b>6,881,108</b>
14.85	Net Asset Value Per Share		15.17	15.25

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

Sgd.  
A G Weerasinghe  
Chairman

Sgd.  
Ruwan Sugathadasa  
Director

29 January 2018  
Colombo

The Notes on pages 10 to 12 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

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

<b>Rs.000'(Unaudited)</b>	<b>Note</b>	<b>Stated capital</b>	<b>Retained earnings</b>	<b>AFS Reserve</b>	<b>Other reserves</b>	<b>Total equity</b>
<b>Balance as at 31 March 2017</b>		7,724,139	(2,539,789)	-	3,320	5,187,670
Net profit/(loss) for the period		-	112,069	-	-	112,069
<b>Balance as at 31 December 2017</b>		<u>7,724,139</u>	<u>(2,427,719)</u>	-	3,320	<u>5,299,740</u>
<b>Balance as at 31 March 2016</b>		7,724,139	(2,385,681)	-	3,320	5,341,778
Net profit/(loss) for the period		-	18,070	-	-	18,070
Other comprehensive income		-	-	(32,842)	-	(32,842)
<b>Balance as at 31 December 2016</b>		<u>7,724,139</u>	<u>(2,367,611)</u>	<u>(32,842)</u>	3,320	<u>5,327,006</u>

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Figures in brackets indicate deductions.

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

<b>Rs.000' (Unaudited)</b>	<b>31 December 2017</b>	<b>31 December 2016</b>
<b>Cash flow from operating activities</b>		
Profit/(loss) before tax	125,227	45,754
<b>Adjustments:</b>		
Depreciation, amortization and impairment charges	2,317	2,233
Provision for(Gain)/ fall in Value of other financial assets	(170,116)	(58,317)
Provision for Defined Benefit Plans	1,134	1,260
(Profit)/Loss from Disposal of Other Financial Assets	(34,305)	-
Script dividend	(4,678)	-
Finance Cost	150,574	76,334
	<u>70,153</u>	<u>67,264</u>
<b>Working capital adjustments</b>		
(Increase)/decrease in trade & other receivables	(32,091)	71,050
Increase/(decrease) in trade & other payables	(4,472)	509,832
<b>Cash Generated used in Operations</b>	<u>33,589</u>	<u>648,146</u>
Interest Paid	(150,574)	(76,334)
Income tax paid	(8,911)	(27,684)
Defined Benefit Plan Costs paid net of transfers	(1,561)	(172)
<b>Total net cash (used in)/from operating activities</b>	<u>(127,456)</u>	<u>543,956</u>
<b>Cash flow from investing activities</b>		
Acquisition of Property, Plant & Equipment	(1,074)	(3,062)
Acquisition of Intangible Assets	(755)	-
Investment in AFS Investments	-	(618,584)
Investment in Other Financial Assets	-	(1,833)
Investment in Subsidiary	(1,081,384)	-
Proceeds from Sale of Other Financial Assets	557,343	-
<b>Total net cash (used in)/from investing activities</b>	<u>(525,870)</u>	<u>(623,479)</u>
<b>Cash Flow from Financing Activities</b>		
Net proceeds from Interest Bearing Borrowings	1,000,000	-
Funds Received from Commercial papers	985,000	-
<b>Net Cash Flows from Financing Activities</b>	<u>1,985,000</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	1,331,674	(79,523)
Cash and cash equivalents as at 1 April	(699,729)	(236,943)
<b>Cash and cash equivalents as at 31 December</b>	<u><b>631,945</b></u>	<u><b>(316,466)</b></u>
<b>Cash and cash equivalents as at 31 December</b>		
Favorable Cash and bank balances	823,945	607,114
Unfavorable cash and Bank balances	(192,000)	(923,580)
	<u><b>631,945</b></u>	<u><b>(316,466)</b></u>

The Notes on pages 10 to 12 form an integral part of the Financial Statements.  
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**Lanka Century Investments PLC**  
**Interim Consolidated Statement of Profit or Loss - Group**  
**For the period ended 31 December 2017**

Rs.000' (Unaudited)	Quarter Ended 31 December		Nine Months Ended 31 December	
	2017	2016	2017	2016
<b>Continuing Operations</b>				
Revenue	2,816,808	2,772,942	7,937,875	8,389,851
Cost of Sales	(2,290,793)	(2,348,381)	(6,616,388)	(6,973,932)
<b>Gross Profit</b>	526,016	424,561	1,321,487	1,415,919
Other Income	58,670	120,907	123,026	168,946
Selling & Distribution Expenses	(119,615)	(93,250)	(315,701)	(342,242)
Administrative Expenses	(377,974)	(249,223)	(927,928)	(688,052)
Fair Value Gain on Current Investments	(93,521)	44,179	170,116	58,317
<b>Operating Profit/(Loss)</b>	(6,424)	247,174	370,999	612,888
Net Finance Cost	(73,340)	(126,888)	(259,704)	(251,944)
Change in Fair value of Investment Property	184,734	235,500	184,734	235,500
<b>Profit/(Loss) for the period from continuing operations before tax</b>	104,970	355,786	296,030	596,444
Income Tax Expense	(20,370)	(39,727)	(54,819)	(83,288)
<b>Profit/(Loss) for the period from continuing operations</b>	84,600	316,059	241,211	513,156
<b>Discontinued operations</b>				
Profit/(Loss) after tax for the period from discontinued operations	17	6,139	(1,737)	3,533
<b>Profit/(Loss) for the year</b>	<b>84,617</b>	<b>322,197</b>	<b>239,474</b>	<b>516,688</b>
Owners of the parent	25,070	231,251	180,415	406,209
Non-controlling interests	59,547	90,946	59,059	110,479
	<b>84,617</b>	<b>322,197</b>	<b>239,474</b>	<b>516,688</b>
<b>Earnings/(Loss) per share</b>				
Basic	0.07	0.66	0.52	1.16
Diluted	0.07	0.66	0.52	1.16

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

Rs.000' (Unaudited)	Quarter Ended 31 December		Nine Months Ended 31 December	
	2017	2016	2017	2016
<b>Profit/(Loss) for the year</b>	84,617	322,197	239,474	516,688
Currency translation of Foreign operations	-	7,445	-	27,337
Change in Fair Value - AFS Investments	-	(32,842)	-	(32,842)
Other Comprehensive Income	-	(25,398)	-	(5,506)
<b>Total comprehensive income/(loss) for the period</b>	<b>84,617</b>	<b>296,799</b>	<b>239,474</b>	<b>511,182</b>
<b>Other comprehensive income attributable to;</b>				
Owners of the parent	-	(25,908)	-	(7,378)
Non-controlling interests	-	510	-	1,873
	-	(25,398)	-	(5,506)

The Notes on pages 10 to 12 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 December 2017**

2017 March (Audited)	Rs.000'	Notes	31 December 2017 (Unaudited)	31 December 2016 (Unaudited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
4,633,980	Property, Plant & Equipment		4,562,555	4,711,363
580,101	Investment Property		768,900	1,533,570
495,080	Intangible Assets		1,251,397	496,280
-	Leasehold Property		-	24,993
-	Other Non- Current Financial Assets		-	587,574
68,974	Deferred Tax assets		159,409	75,456
<u>5,778,135</u>			<u>6,742,261</u>	<u>7,429,176</u>
<b>Current assets</b>				
2,407,814	Inventories		3,497,981	2,651,153
1,482,996	Trade & Other Receivables		3,458,472	1,643,055
32,258	Income Tax Receivable		14,925	15,587
1,602,627	Other Financial Investments		1,354,745	1,013,510
1,548,543	Cash & Bank		3,001,941	1,182,347
7,074,238			11,328,064	6,505,652
945,070	Assets Classified as held for sale		-	-
<u>13,797,443</u>	<b>Total assets</b>		<u>18,070,325</u>	<u>13,934,828</u>
<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
512,519	Other Components of Equity		512,519	438,803
(1,369,019)	Retained Earnings /(Losses)		(1,188,604)	(1,150,804)
<u>6,870,739</u>			<u>7,051,154</u>	<u>7,015,236</u>
988,420	Non-controlling interests		1,047,479	869,724
<u>7,859,159</u>	<b>Total equity</b>		<u>8,098,633</u>	<u>7,884,960</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
873	Other Financial Liabilities		873	849
913,472	Interest Bearing Loans & Borrowings		1,696,526	971,398
239,397	Deferred Tax Liabilities		239,397	250,075
249,237	Retirement benefit obligations		365,372	259,761
388	Deferred Income		212	494
<u>1,403,367</u>	<b>Total non-current liabilities</b>		<u>2,302,379</u>	<u>1,482,577</u>
<b>Current liabilities</b>				
1,573,516	Trade & Other Payables		4,652,657	2,235,757
38,136	Income Tax Payables		196,573	33,937
2,919,535	Interest Bearing Loans & Borrowings		2,820,084	2,297,596
<u>4,531,186</u>	<b>Total current liabilities</b>		<u>7,669,314</u>	<u>4,567,290</u>
3,732	Liabilities directly associated with the Assets Classified as Held for Sale		-	-
<u>5,938,285</u>	<b>Total Liabilities</b>		<u>9,971,692</u>	<u>6,049,867</u>
<u>13,797,443</u>	<b>Total equity and liabilities</b>		<u>18,070,325</u>	<u>13,934,828</u>
<b>19.67</b>	Net Asset Value Per Share		<b>20.18</b>	<b>20.08</b>

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 is responsible for the preparation & presentation of these financial statements. Signed for and on behalf of the board by;

Sgd.  
A G Weerasinghe  
Chairman

Sgd.  
Ruwan Sugathadasa  
Director

29 January 2018  
Colombo  
The Notes on pages 10 to 12 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.



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

<b>Rs.000' (Unaudited)</b>	<b>Note</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 2017</b>		7,724,139	512,774	(1,369,019)	(475)	3,100	-	220	6,870,739	988,420	7,859,159
Net profit/(loss) for the period		-	-	180,415	-	-	-	-	180,415	59,059	239,474
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period		-	-	180,415	-	-	-	-	180,415	59,059	239,474
<b>As at 31 December 2017</b>		<b>7,724,139</b>	<b>512,774</b>	<b>(1,188,604)</b>	<b>(475)</b>	<b>3,100</b>	<b>-</b>	<b>220</b>	<b>7,051,154</b>	<b>1,047,479</b>	<b>8,098,633</b>
<b>As at 31 March 2016 -Restated</b>		7,724,139	466,165	(1,463,267)	(20,204)	3,100	-	220	6,710,153	682,124	7,392,277
Net profit/(loss) for the period		-	-	406,209	-	-	-	-	406,209	110,479	516,688
Other comprehensive income		-	-	-	25,464	-	(32,842)	-	(7,378)	1,873	(5,505)
Total comprehensive income/(loss) for the period		-	-	406,209	25,464	-	(32,842)	-	398,828	112,352	511,180
Holding Change on Preference Share Conversion		-	-	(93,746)	-	-	-	-	(93,746)	93,746	-
Subsidiary Dividend to Minority Shareholders		-	-	-	-	-	-	-	-	(18,498)	(18,498)
<b>As at 31 December 2016</b>		<b>7,724,139</b>	<b>466,165</b>	<b>(1,150,804)</b>	<b>5,260</b>	<b>3,100</b>	<b>(32,842)</b>	<b>220</b>	<b>7,015,236</b>	<b>869,724</b>	<b>7,884,960</b>

The Notes on pages 10 to 12 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 December 2017**

<b>Rs.000' (Unaudited)</b>	<b>31 December 2017</b>	<b>31 December 2016</b>
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax from continuing operations	296,030	596,443
Profit/(Loss) before tax from discontinued operations	(1,346)	3,533
Profit/(Loss) before tax	294,684	599,976
<b>Adjustments:</b>		
Depreciation, amortization and impairment charges	240,115	242,432
(Profit)/Loss on disposal of Property, plant & equipment	(4,097)	(9,267)
Deferred income	(176)	(317)
Finance Cost	259,704	194,782
Provision for gratuity	53,666	30,375
Fair Value Gain on Current Investments	(170,116)	(58,317)
Fair Value Gain on Investment property	(184,734)	(235,500)
profit on disposal of Current Investments	(34,305)	-
amortization of intangible assets	14,661	-
script dividend	(4,678)	-
Profit from disposal of PPE	(47,223)	-
<b>Working capital adjustments</b>		
(Increase)/decrease in trade & other receivables	(340,572)	(217,229)
(Increase)/decrease in inventories	(617,713)	(232,467)
Increase/(decrease) in trade & other payables	462,272	537,666
Gratuity Paid	(27,298)	(25,441)
Income tax paid	(53,497)	(61,563)
Interest paid	(259,704)	(194,782)
<b>Total net cash (used in)/from operating activities</b>	<b>(419,013)</b>	<b>570,348</b>
<b>Cash flow from investing activities</b>		
Purchase of Property, plant & equipment	(116,928)	(152,823)
Purchase of intangible assets	(5,978)	(13,382)
Proceeds from disposal of Assets Held for sales	1,000,000	-
Additions to Assets Held for sale	(7,706)	-
Investment in Available for sales financial assets	-	(618,584)
Proceeds from disposal of Property, Plant & equipment	15,880	10,501
Proceeds from disposal of other financial investments	577,447	420,851
Investment in Other current Financial assets	-	(3,586)
Investment in investment property	(4,066)	-
Investment In Other Financial Assets	(120,465)	(1,833)
Net investment on Acquisition of subsidiary	(149,377)	-
<b>Total net cash (used in)/from investing activities</b>	<b>1,188,806</b>	<b>(358,856)</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term liabilities, net of payments	1,887,993	(90,325)
Dividend paid to non controlling interest	-	(18,498)
<b>Total net cash (used in)/from financing activities</b>	<b>1,887,993</b>	<b>(108,823)</b>
	2,657,786	102,669
Net foreign exchange difference	-	27,337
Net increase/(decrease) in Cash and cash equivalents	2,657,786	130,006
Cash and cash equivalents as at 1 April	25,152	11,602
Cash and cash equivalents as at 31 December	<b>2,682,939</b>	<b>141,608</b>
<b>Cash and cash equivalents as at 31 December</b>		
Favorable Cash and bank balances	3,001,941	1,182,347
Unfavorable cash and Bank balances	(319,002)	(1,040,739)
	<b>2,682,939</b>	<b>141,608</b>

The Notes on pages 10 to 12 form an integral part of the Financial Statements.  
Figures in brackets indicate deductions.

Notes to the interim consolidated financial statements

1. Basis of preparation

The interim consolidated financial statements for the period ended 31 December 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 2017.

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 December

	2017 Manufacturing Footwear	2016 Manufacturing Footwear	2017 Manufacturing Porcelain	2016 Manufacturing Porcelain	2017 Manufacturing Textile	2016 Manufacturing Textile	2017 Investment	2016 Investment	2017 Property	2016 Property	2017 Services	2016 Services	2017 Group Total	2016 Group Total
<b>Rs.000' (Unaudited)</b>														
Total Revenue	518,014	1,089,105	1,569,714	1,795,452	5,726,651	5,427,284	117,751	63,364	5,745	14,647	-	-	7,937,875	8,389,851
<b>Revenue</b>	<b>518,014</b>	<b>1,089,105</b>	<b>1,569,714</b>	<b>1,795,452</b>	<b>5,726,651</b>	<b>5,427,284</b>	<b>117,751</b>	<b>63,364</b>	<b>5,745</b>	<b>14,647</b>	<b>-</b>	<b>-</b>	<b>7,937,875</b>	<b>8,389,851</b>
<b>Results</b>														
Profit/(Loss) Before Net Finance Cost	(129,198)	27,577	(71,575)	133,163	346,450	315,348	195,332	138,725	214,725	233,574	-	-	555,733	848,387
Finance Costs	(28,370)	(42,223)	(7,039)	(39,039)	(81,720)	(56,539)	(151,365)	(120,636)	8,790	6,492	-	-	(259,704)	(251,944)
Profit/(Loss) Before Income Tax	(157,568)	(14,645)	(78,614)	94,124	264,731	258,809	43,966	18,089	223,515	240,066	-	-	296,030	596,443
Income Tax Expense	(7,440)	(525)	(3,595)	(11,818)	(30,626)	(39,158)	(13,158)	(27,684)	-	(4,102)	-	-	(54,819)	(83,288)
Profit/(Loss) After Tax	(165,008)	(15,171)	(82,209)	82,306	234,105	219,651	30,808	(9,595)	223,515	235,964	-	-	241,211	513,155
Profit/(Loss) From Discontinued Operation	(1,737)	3,533	-	-	-	-	-	-	-	-	-	-	(1,737)	3,533
<b>Net Profit/ (Loss) for the Year</b>	<b>(166,745)</b>	<b>(11,637)</b>	<b>(82,209)</b>	<b>82,306</b>	<b>234,105</b>	<b>219,651</b>	<b>30,808</b>	<b>(9,595)</b>	<b>223,515</b>	<b>235,964</b>	<b>-</b>	<b>-</b>	<b>239,474</b>	<b>516,688</b>
Equity Holders of the Parent													180,415	406,209
Non-controlling interests													59,059	110,479
													<b>239,474</b>	<b>516,688</b>

As at 31 December

	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Assets and Liabilities</b>														
Non-Current Assets	1,183,090	1,360,805	1,384,114	1,310,011	1,954,244	2,104,870	1,259,755	1,083,137	807,079	1,570,353	153,979	-	6,742,261	7,429,176
Current Assets	1,283,100	939,623	1,292,740	1,352,979	3,071,369	2,569,855	2,060,188	1,507,346	580,511	122,205	3,040,157	13,643	11,328,064	6,505,652
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets*</b>	<b>2,466,190</b>	<b>2,300,428</b>	<b>2,676,853</b>	<b>2,662,990</b>	<b>5,025,613</b>	<b>4,674,725</b>	<b>3,319,943</b>	<b>2,590,483</b>	<b>1,387,590</b>	<b>1,692,558</b>	<b>3,194,136</b>	<b>13,643</b>	<b>18,070,325</b>	<b>13,934,828</b>
Non-Current Liabilities	93,910	131,562	604,874	599,496	609,021	742,106	904,016	8,734	792	679	89,766	-	2,302,379	1,482,577
Current Liabilities	921,731	446,087	702,383	619,712	2,519,042	1,737,440	775,785	1,742,679	19,750	21,373	2,730,622	-	7,669,314	4,567,290
Liabilities classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities **</b>	<b>1,015,641</b>	<b>577,649</b>	<b>1,307,257</b>	<b>1,219,208</b>	<b>3,128,064</b>	<b>2,479,546</b>	<b>1,679,800</b>	<b>1,751,413</b>	<b>20,543</b>	<b>22,052</b>	<b>2,820,388</b>	<b>-</b>	<b>9,971,692</b>	<b>6,049,867</b>

Financial Performance - Business Segments

\* 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.

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

**Notes to the Interim Consolidated Financial Statements**

**3. Lanka Century Investments PLC - Company**

During the quarter the company has restructured the banking facilities and obtained a term loan facility from Seylan Bank PLC.

**4. Commitment and Contingencies**

<b>Name of the Company</b>	<b>Bank</b>	<b>Amount</b>	<b>Outstanding Balance as at 31 December</b>
Royal Fernwood Porcelain Ltd	People's Bank	Rs. 65 Mn	Rs. 35Mn

**5 Acquisition - Millennium Information Technologies (Pvt) Limited**

The company has acquired the millennium information technologies (Pvt) Limited for the consideration of LKR 1,081,383,980 on 28 December 2017 and completion payment or receivable will be paid or received within 75 days from the acquisition date

Provisional Goodwill on acquisition - LKR 765,000,000

The company has given LKR 1.12Bn bank guarantee to HSBC through the Seylan Bank PLC for active MIT trading lines

**6 Disposal of Asset Classified as Held for Sale**

Union Place premises was divided into three lots and Lot No - 02 was disposed to Vision Care for the consideration of LKR 1 Billion on 23rd of November 2017. Extent of the land marked as Lot 02 in Survey Plan No.12342 dated 01 March 2017 drawn by Mr.Gamini B.Dodanwela - Licensed Surveyor is 66.81 Perches. LKR 47.2 Mn capital gain is being recorded from the disposal of the said asset. Lot No 01 & 03 is being remained as Investment Property in the accounts for the Fair Value of LKR 768 Mn as at 31 Dec 2017.

**7. 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;

**Dankotuwa Porcelain PLC Custom Order**

With reference to custom inquiry for local sales duty on 12 January 2018 Inquiring Officer imposed forfeiture of Rs.1,749,365,082 which is treble the value of goods in terms of section 50A(2) of the Customs Ordinance and mitigating the same to Rs.120,000,000/= in terms of section 163 of the customs ordinance and a penalty of Rs.100,000/=

**8. Lanka Century Investments PLC and Group restructuring process**

As part of Lanka Century Investments PLC and Group restructuring process, the company is in the process of acquiring minority shares held by Ceylon Leather Products PLC and issue new shares of Seven Million Six Hundred and Sixty Six Thousand One Hundred and Eight (7,666,108) new shares through a share SWAP arrangement.

**9. Comparative Information**

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

**10 Share Information**

**10.1 Number of Shares**

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

**10.2 Market Price Per Ordinary Share**

<b>Year Ended</b>		<b>Quarter Ended</b>	
		<b>31 December</b>	<b>31 December</b>
<b>31 March</b>		<b>2017</b>	<b>2016</b>
<b>2017</b>		<b>2017</b>	<b>2016</b>
<b>Rs.</b>		<b>Rs.</b>	<b>Rs.</b>
13.80	High	13.00	13.80
9.80	Low	11.00	11.20
10.50	Close	12.10	11.80

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

**Notes to the Interim Consolidated Financial Statements**

<b>11. The Percentage of Public Holding as at</b>	<b>31 December 2017</b>	<b>31 December 2016</b>
Number of Shareholders	4,349	4,585
No. of Shares	56,331,696	56,531,696
Percentage	16.12	16.12

**12. Directors' Shareholdings**

<u>Name of Director</u>	<u>31 December 2017</u> <u>No of Shares</u>	<u>31 December</u> <u>2016</u> <u>No of Shares</u>
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	200,000

**13. Twenty Major Shareholders of the Company as at 31 December 2017 - Ordinary Shares**

<u>Name of the Shareholder</u>	<u>No of Shares Held</u>	<u>%</u>
1 Taprobane Holdings Plc	230,291,768	65.92
2 Taprobane Equities (Private) Limited	60,305,609	17.26
3 Ceylenco General Insurance Limited	9,443,196	2.70
4 Seylan Bank Plc/Carlines Holdings (Private)Limited	5,556,582	1.59
5 Amana Bank PLC/Almas organisation (pvt) ltd	2,609,385	0.75
6 Doh Investment Lanka Pvt Ltd	2,153,046	0.62
7 Mr.N.Balasingam	1,906,500	0.55
8 Associated Electrical Corporation ltd	1,750,000	0.50
9 Mr.K.V.Hewavitarne	1,382,401	0.40
10 Mr.M.M.Faud	1,104,357	0.32
11 J.B. Cocoshell (Pvt) Ltd	1,011,833	0.29
12 People's Leasing & Finance Plc/l.P.Hapangama	604,200	0.17
13 Mr.C.R.Perera	567,400	0.16
14 Mr H.P.C.R Priyadarshana	528,848	0.15
15 Hatton National Bank PLC/Mr.Sanka Ramoorthy Nadaraj Kumar	461,086	0.13
16 Seylan Bank Plc/Mr mohamed subair fouzal haqqe	425,000	0.12
17 Mr. B.U.Hettiarachchi	400,423	0.11
18 Merchant Bank of sri lanka & Finance PLC 01	400,000	0.11
19 Pan Asia Banking corporation PLC/Mr.Mohottallage Nihal Ranasi	390,000	0.11
20 Bank of Ceylon No. 1 Account	385,000	0.11
Others	27,690,485	7.93
<b>Total</b>	<b>349,367,119</b>	<b>100.00</b>

**14. Twenty Major Shareholders of the Company as at 31 December 2017 - Preference Shares**

<u>Name of the Shareholder</u>	<u>No. of Shares 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>