BALANGODA PLANTATIONS PLC

Provisional Financial Statement for 06 months ended 30th June 2008

INCOME STATEMENT

(Audited) Year ended 12/31/2007 Rs. ' 000		Quarter ended 6/30/2008 Rs. ' 000	Quarter ended 6/30/2007 Rs. ' 000	06 Months ended 6/30/2008 Rs. ' 000	06 Months ended 6/30/2007 Rs. ' 000
2,148,129	Revenue	716,222	561,084	1,331,511	1,072,539
(1,795,647)	Cost of Sales	(579,899)	(465,605)	(1,078,558)	(877,817)
352,482	Gross Profit	136,323	95,479	252,953	194,722
96,186	Other Operating Income	28,801	10,684	56,393	25,381
(89,604)	Administration Expenses	(23,207)	(18,612)	(45,659)	(35,953)
(98,473)	Management Fee	(33,382)	(24,735)	(63,463)	(47,860)
260,591	Profit from Operating Activities	108,535	62,816	200,224	136,290
(27,743)	Finance Cost	(8,899)	(6,881)	(18,041)	(13,872)
	Amortization of Negative goodwill				
232,848	Profit before Taxation	99,636	55,935	182,183	122,418
(18,934)	Income Tax Expenses				
213,914	Profit for the period	99,636	55,935	182,183	122,418
572,623	Retained Profit Brought Forward	851,357	633,305	768,810	572,624
786,537	Retained Profit Carried Forward	950,993	689,240	950,993	695,042
0.84	Earning per Share	4.22	2.37	7.71	5.18
32.70	Net Assets per share	55.38	44.55	55.38	44.55
	Market Value of Share				
	Highest (for the quarter)				
	Lowest (for the quarter)				
	Closing (for the quarter)				

STATEMENT OF CHANGES IN EQUITY

	Stated Capital *Rs.'000*	General Reserves *Rs.'000*	Retained Profit/(Loss) *Rs.'000*	Total Equity *Rs.'000*
Balance as at 31 December 2006	350,000	8,000	572,624	930,624
Net Profit/(Loss) for the period			122,418	122,418
Balance as at 30 June 2007	350,000	8,000	695,042	1,053,042
Balance as at 31 December 2007	350,000	8,000	786,537	1,144,537
Net Profit/(Loss) for the period			182,183	182,183
Devidend			(17,727)	(17,727)
Balance as at 30 June 2008	350,000	8,000	950,993	1,308,993

The above figures are provisional and subject to audit
The Company has followed the same accounting policies and methods as in the last year.
There have been no other events subsequent to the financial year, which require additional disclosure in the provisional Statement.

D H S Jayawardena
Managing Director

S K L Obeyesekere
Director / C E O

BALANCE SHEET

(Audited) Year ended 12/31/2007 Rs. ' 000	ASSETS	As at 6/30/2008 Rs.' 000	As at 6/30/2007 Rs.' 000
	Non Current Assets		
408,499	Leasehold Property Plant & Equipment	399,303	417,592
	Property Plant & Equipment		
392,538	Property Plant & Equipment	423,618	386,528
760,060	Improvement to Leasehold Property	775,443	730,154
150	Long Term Investments	150	150
1,561,247		1,598,514	1,534,424
	CURRENT ASSETS		
339,886	Inventories	390,671	300,896
62,764	Trade & Other Receivables	118,862	92,789
53,099	ACT Recoverable	53,099	53,099
5,984	VAT Receivable	3,701	15,425
19,969	Economic Service Charge Recovarable	22,994	13,254
40	Amounts due from Related Companies	260	29
141,762	Short Term Investments	209,428	16,100
122,706	Call Deposits	179,954	81,876
50,642	Cash and Bank Balance	8,037	12,003
796,852		987,006	585,471
2,358,099	**TOTAL ASSETS**	2,585,520	2,119,895
	EQUITY & LIABILITIES		
	Capital & Reserves		
350,000	Stated Capital	350,000	350,000
8,000	Reservers	8,000	8,000
786,537	Retained Earnings	950,993	695,042
1,144,537	**TOTAL EQUITY**	1,308,993	1,053,042
	Non Current Liabilities & Deferred Income		
157,190	Interest Bearing Loans & borrowings	138,616	176,100
21,727	Deferred Tax Liabilities	21,727	26,167
156,309	Deferred Grants & Subsidies	159,781	159,089
365,251	Retirement Benefit Obligations	368,049	286,521
107,863	Net Liabilities to the lessor payable after one ye	107,195	108,528
808,340		795,368	756,405
	Current Liabilities		
39,940	Interest Bearing Loans & Borrowings	59,242	38,977
1,306	Net Liabilities to the lessor payable within one y	1,332	1,280
1,022	Dividends Payable	1,022	1,022
23,375	Income Tax Liabilities	23,375	
295,505	Trade & other Payable	326,571	229,944
44,074	Amount due to related companies	69,617	39,225
405,222		481,159	310,448
2,358,099	**TOTAL EQUITY AND LIABILITIES**	2,585,520	2,119,895
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CASH FLOW STATEMENT

CASH FLOW FROM OPERATING ACTIVITIES	06 Months ended 31/06/2008 Rs.'000	06 Months ended 6/30/2007 Rs.'000
Profit Before Taxation	182,183	122,418
ADJUSTMENT FOR		
Depreciation/ Amortization	38,635	38,702
Retirement Benefit Obligation - Provision	21,408	17,825
Amortization of Grants	(4,691)	(4,497)
Interest Income	(16,982)	(2,591)
Povision for Obsolete Stock		
Provision for Doubtful Debts		
Interest Expense	18,040	19,494
Operating Profit Before Working Capital Changes	**238,593**	**191,351**
(Increases)/Decrease in Inventories	(50,785)	(111,842)
(Increases)/Decrease in Trade & Other Receivables	(47,858)	(39,427)
(Increases)/Decrease in amount due from Related Compar	(220)	18
Increases/(Decrease) in Trade & Other Payables	37,555	2,147
Increases/(Decrease) in amounts due to Related Companies	25,543	(4,500)
Cash Generated from Operations	**202,828**	**37,747**
Payment of Economic Service Charges	(3,025)	**(2,188)**
Retirement Benefit Obligation - Payments	(18,609)	(13,896)
Interest Paid	(17,005)	(13,172)
Net Cash from Operating Activities	**164,189**	**8,491**
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Interest Received	11,024	2,327
Grants Received	8,164	3,989
Purchases of Property Plant & Equipment	(48,650)	(2,780)
Investment In Immature Plantations	(27,251)	(26,409)
Net Cash from / (used in) Investing Activities	**(56,713)**	**(22,873)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Loans	(18,575)	(18,910)
Payment to Lessor on lease Rights	(8,167)	(6,939)
Dividends Paid	(17,727)	
Net Cash Used in Financing Activities	**(44,469)**	**(25,849)**
Net Increases /(Decrease) in Cash & Cash Equivalents	**63,007**	**(40,231)**
A. Cash & Cash Equivalents at the beginning of the year	312,989	153,552
B. Cash & Cash Equivalents at the end of the year	375,996	108,821
	(63,007)	**44,731**
NOTE A Cash & Cash equivalents at the beginning of the year		
Cash & Bank Balance	50,642	15,268
Bank Overdraft	(2,121)	(1,622)
Short Terms Investments	141,762	7,272
Call Deposits	122,706	132,634
	312,989	**153,552**
NOTE B Cash & Cash equivalents at the end of the year		
Cash & Bank Balance	8,037	12,003
Bank Overdraft	(21,423)	(1,158)
Short Terms Investments	209,428	16,100
Call Deposits	179,954	81,876
	375,996	**108,821**
	(63,007)	44,731