

**BALANGODA PLANTATIONS PLC**  
**110, Norris Canal Road - Colombo -10**  
**Provisional Financial Statement for 06 months ended 30th June 2009**

**INCOME STATEMENT**

	3 Months ended 30-06-2009 Rs. '000	3 Months ended 30-06-2008 Rs. '000	6 Months ended 30-06-2009 Rs. '000	6 Months ended 30-06-2008 Rs. '000	<b>(Audited) Year ended 31-12-2008 Rs. '000</b>
Revenue	719,394	716,222	1,240,601	1,331,511	2,160,352
Cost of Sales	(599,874)	(579,899)	(1,072,530)	(1,078,558)	(1,994,079)
Gross Profit	119,520	136,323	168,071	252,953	166,273
Other Operating Income	26,261	28,801	49,475	56,393	125,630
Administration Expenses	(27,091)	(23,207)	(49,698)	(45,659)	(91,431)
Management Fee	(30,792)	(33,382)	(49,686)	(63,463)	(87,186)
Profit from Operating Activities	87,898	108,535	118,162	200,224	113,286
Finance Cost	(2,066)	(8,899)	(12,398)	(18,041)	(19,377)
Profit before Taxation	85,832	99,636	105,764	182,183	93,909
Income Tax Expenses	-	-	-	-	(15,332)
Profit for the period	85,832	99,636	105,764	182,183	78,577
Earning per Share	3.63	4.22	4.47	7.71	3.32
Net Assets per share	53.47	55.38	53.47	55.38	49.71
No of shares			23,636,363		
Market Value of Share					
Highest (for the period)			24.50	43.75	43.75
Lowest (for the period)			11.50	22.25	10.00
Closing (for the period)			23.00	28.75	12.00

**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 2007	350,000	8,000	786,537	1,144,537
Net Profit/(Loss) for the period			182,183	183,183
Dividend			(17,727)	(17,727)
Balance as at 30th June 2008	350,000	8,000	950,993	1,309,993
Balance as at 31st December 2008	350,000	8,000	817,843	1,175,843
Net Profit/(Loss) for the period			105,764	105,764
Dividend			(17,727)	(17,727)
Balance as at 30th June 2009	350,000	8,000	905,880	1,263,880

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 Financial Statements.

D H S Jayawardena  
Chairman

S K L Obeyesekere  
Director/CEO

**BALANGODA PLANTATIONS PLC**  
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**Provisional Financial Statement for 06 months ended 30th June 2009**

**BALANCE SHEET**

	As at 30-06-2009 Rs. '000	As at 30-06-2008 Rs. '000	(Audited) Year ended 31-12-2008 Rs. '000
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Leasehold Property Plant & Equipment	380,912	399,303	390,107
<b>Property Plant &amp; Equipment</b>			
Property Plant & Equipment	515,600	423,618	507,146
Improvement to Leasehold Property	851,815	775,443	826,451
Long Term Investments	150	150	150
	<u>1,748,477</u>	<u>1,598,514</u>	<u>1,723,854</u>
<b>Current Assets</b>			
Inventories	337,178	390,671	273,402
Trade & Other Receivables	183,110	118,862	77,471
ACT Recoverable	53,099	53,099	53,099
VAT Receivable	10,212	3,701	10,843
Economic Service Charge Recoverable	28,957	22,994	26,554
Amounts due from Related Companies		260	2,463
Short Term Investments	178,669	209,428	248,720
Call Deposits	69,466	179,954	44,536
Cash and Bank Balance	20,826	8,037	5,529
	<u>881,517</u>	<u>987,006</u>	<u>742,617</u>
<b>TOTAL ASSETS</b>	<u>2,629,994</u>	<u>2,585,520</u>	<u>2,466,471</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital	350,000	350,000	350,000
Reservers	8,000	8,000	8,000
Retained Earnings	905,879	950,993	817,843
<b>TOTAL EQUITY</b>	<u>1,263,879</u>	<u>1,308,993</u>	<u>1,175,843</u>
<b>Non Current Liabilities &amp; Deferred Income</b>			
Interest Bearing Loans & borrowings	101,473	138,616	119,371
Deferred Tax Liabilities	24,639	21,727	24,639
Deferred Grants & Subsidies	213,789	159,781	205,012
Retirement Benefit Obligations	400,130	368,049	403,750
Net Liabilities to the lessor payable after one year	105,812	107,195	106,505
	<u>845,843</u>	<u>795,368</u>	<u>859,277</u>
<b>Current Liabilities</b>			
Interest Bearing Loans & Borrowings	50,041	59,242	77,252
Net Liabilities to the lessor payable within one year	1,384	1,332	1,358
Dividends Payable	18,749	1,022	1,022
Income Tax Liabilities	35,794	23,375	35,794
Trade & other Payable	319,648	326,571	251,307
Amount due to related companies	94,656	69,617	64,618
	<u>520,272</u>	<u>481,159</u>	<u>431,351</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,629,994</u>	<u>2,585,520</u>	<u>2,466,471</u>

**BALANGODA PLANTATIONS PLC**  
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**Provisional Financial Statement for 06 months ended 30th June 2009**

**CASH FLOW STATEMENT**

	6 Months ended 30-06-2009 Rs. '000	6 Months ended 30-06-2008 Rs. '000	<b>(Audited)</b> <b>Year ended</b> <b>31-12-2008</b> Rs. '000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Taxation	105,764	182,183	93,910
<b>ADJUSTMENT FOR</b>			
Depreciation/ Amortization	43,856	38,635	79,722
Retirement Benefit Obligation - Provision	20,365	21,408	76,953
Amortization of Grants	(5,917)	(4,691)	(10,301)
Interest Income	(15,349)	(16,982)	(39,659)
Provision for Obsolete Stock	-	-	(85)
Provision for Doubtful Debts	-	-	26
Interest Expense	12,399	18,040	19,377
Profit on disposal of Property Plant Equipment	-	-	(117)
Property Plant Equipment Adjustment	-	-	(970)
<b>Operating Profit Before Working Capital Changes</b>	<b>161,118</b>	<b>238,593</b>	<b>218,856</b>
(Increases)/Decrease in Inventories	(63,776)	(50,785)	66,569
(Increases)/Decrease in Trade & Other Receivables	(103,961)	(47,858)	(19,293)
(Increases)/Decrease in amount due from Related Companies	2,463	(220)	(2,422)
Increases/(Decrease) in Trade & Other Payables	85,390	37,555	(36,736)
Increases/(Decrease) in amounts due to Related Companies	30,037	25,543	20,544
<b>Cash Generated from Operations</b>	<b>111,271</b>	<b>202,828</b>	<b>247,518</b>
Payment of Economic Service Charges	(2,402)	(3,025)	(6,585)
Retirement Benefit Obligation - Payments	(23,985)	(18,609)	(38,453)
Interest Paid	(16,355)	(17,005)	(16,485)
<b>Net cash from Operating Activities</b>	<b>68,529</b>	<b>164,189</b>	<b>185,996</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
Interest Received	14,302	11,024	40,216
Grants Received	14,694	8,164	59,004
Purchases of Property Plant & Equipment	(30,450)	(48,650)	(150,173)
Investment In Immature Plantations	(38,029)	(27,251)	(91,187)
Proceeds from sale of Property Plant & Equipment			117
<b>Nett Cash from/(used in) Investing Activities</b>	<b>(39,483)</b>	<b>(56,713)</b>	<b>(142,023)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts of Loans			13,020
Repayment of Loans	(25,664)	(18,575)	(42,883)
Payment to Lessor on lease Rights	(13,760)	(8,167)	(12,517)
Dividends Paid	-	(17,727)	(47,273)
<b>Net cash Used in Financing Activities</b>	<b>(39,424)</b>	<b>(44,469)</b>	<b>(89,652)</b>
Net Increase /(Decrease) in Cash & Cash Equivalents	<b>(10,378)</b>	<b>63,007</b>	<b>(45,679)</b>
<b>A. Cash &amp; Cash Equivalents at the beginning of the year</b>	267,309	312,989	312,989
<b>B. Cash &amp; Cash Equivalents at the end of the year</b>	256,931	375,996	267,309
	(10,378)	63,007	(45,680)

## BALANGODA PLANTATIONS PLC

### Additional Notes

- Liability to Management fees or any other similar expenditure not provided for in the interim accounts - **None**
- Any Material change in the use of funds raised through an IPO/ Rights/ Debenture Issue- **None**
- The Names and the Number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held – 30<sup>th</sup> June 2009

No	Name of Shareholder	No of Shares 30/06/09	%
01	Distilleries Company of Sri Lanka PLC	10,200,000	43.15
02	Milford Exports (Ceylon ) Limited	3,636,363	15.38
03	Pershing LLC S/A Averbach Grauson & Co	1,000,000	4.23
04	Eagle Insurance Company Limited – A/C No 03	432,000	1.83
05	Galleon International Master Fund , SPC Ltd	342,800	1.45
06	Eagle Insurance Company Limited – A/C No 07	322,300	1.36
07	Mr. Salem Ali Othman Ali Abo Qamaz	285,500	1.21
08	Sanasa Development Bank Limited	274,900	1.16
09	The Colombo Land Exchange Limited	273,900	1.16
10	Mouldex Limited	250,000	1.06
11	The Ceylon Chamber of Commerce Account No 02	165,000	0.70
12	Mr. Radhakrishnan Maheswaran	110,000	0.47
13	Cocoshell Activated Carbon Company Limited	108,300	0.46
14	Mr. Mohamed Sufyan Mohamed Naleer	100,700	0.43
15	Mr. Kungipillai Chandran	85,000	0.36
16	Entrust Investments Limited	80,000	0.34
17	Eagle Insurance Company Limited – A/C No 06	66,200	0.28
18	Mr. Mohamed Hussain Mohamed Faizer	59,000	0.25
19	Mr. Rizmy Ahamed Rishard	56,100	0.24
20	Waldock Mackenzie Ltd / Mr. K I Dharmawardena	50,000	0.21

- The Public Holding percentage – **41.46%**
- A statement of each director’s holding and Chief Executive Officer’s holding in shares of the Entity at the end of each financial year- 31<sup>st</sup> December 2008

<b>Name</b>	<b>Non CDS</b>	<b>CDS</b>	<b>Total</b>
Mr. D H S Jayawardena - Director	-	-	-
Mr. R K Obeyesekere - Director	-	-	-
Mr. S K L Obeyesekere – Director/CEO	-	-	-
Mr. C R Jansz	-	-	-

- Number of shares representing the Entity’s stated Capital – **23,636,363 Rupees**