

# MADULSIMA PLANTATIONS LIMITED

833, Sirimavo Bandaranaike Mawatha - Colombo - 14

Provisional Financial Statement for 12 months ended 31st December, 2007

## INCOME STATEMENT

	3 Months ended 31/12/2007 Rs. '000	3 Months ended 31/12/2006 Rs. '000	12 Months ended 31/12/2007 Rs. '000	<b>(Audited)</b> <b>Year ended</b> <b>31/12/2006</b> Rs. '000
Revenue	400,494	218,240	1,301,071	1,078,118
Cost of Sales	(341,387)	(264,468)	(1,170,410)	(998,439)
Gross Profit/(Loss)	59,107	(46,228)	130,661	79,679
Other operating Income	8,149	2,558	23,485	10,611
Administration and Operating Expenses	(32,822)	(19,908)	(102,025)	(89,014)
Profit/(Loss) from operating activities	34,435	(63,578)	52,122	1,276
Finance cost	(10,003)	(9,423)	(41,815)	(33,112)
Amortisation of Negative goodwill	-	-	-	-
Profit before Taxation	24,432	(73,001)	10,307	(31,836)
Income Tax Expenses	-	-	-	(105)
Net Profit/(Loss) for the Period.	24,432	(73,001)	10,307	(31,941)
Earning per Share	0.84	(2.52)	0.36	(1.10)
Net Assets per share	10.20	9.85	10.20	9.85
Market Value of Share				
Highest (for the period)			11.75	10.50
Lowest (for the period)			5.00	5.75
Closing (for the period)			11.25	8.25
Issued Share Capital			290,000,010	290,000,010
Issued Number of Shares			29,000,001	29,000,001

## STATEMENT OF CHANGES IN EQUITY

	Share Capital Rs. '000	General Reserves Rs. '000	Accumulated Profit/(Loss) Rs. '000	Total Equity Rs. '000
Balance as at 31st December 2005	290,000	45,000	(82,501)	252,499
Net Profit/(Loss) for the Period	-	-	(31,941)	(31,941)
Negative Goodwill	-	-	65,052	65,052
Balance as at 31 December 2006	290,000	45,000	(49,390)	285,610
Balance as at 31 December 2006	290,000	45,000	(49,390)	285,610
Net Profit/(Loss) for the period	-	-	10,307	10,307
Balance as at 31 December 2007	290,000	45,000	(39,083)	295,917

- 1) Accounting policies and methods of computation adopted in the Provisional Financial Statements are same as those in the previous audited Annual Financial Statements.
- 2) There have been no other events subsequent to the interim period, which require disclosure in the provisional financial statements.
- 3) The above figures are provisional and subject to audit.

**MADULSIMA PLANTATIONS LIMITED**

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Provisional Financial Statement for 12 months ended 31st December,2007

**BALANCE SHEET**

	As at 31/12/2007 Rs. '000	(Audited) As at 31/12/2006 Rs. '000
<b>Assests</b>		
<b>Non-Current assests</b>		
Lease hold Rights to Bare Land of JEDB/SLSPC .	154,820	158,948
Immovable Leased Assests of JEDB/SLSPC (Otherthan Bareland)	100,049	106,598
Tangible Assests (Other than Mature/Immature plantations)	260,626	253,794
Mature/Immature Plantations	383,846	370,210
	<u>899,341</u>	<u>889,550</u>
<b>Current Assests</b>		
Inventories	208,738	96,732
Trade & Other Receivables	124,470	151,643
Amounts due from Related Parties	1,243	1,712
Cash and Cash equivalents	40,459	63,439
	<u>374,910</u>	<u>313,526</u>
<b>TOTAL ASSESTS</b>	<u>1,274,251</u>	<u>1,203,076</u>
<b>EQUITY AND LIABILITIES</b>		
Capital and Reserves		
Issued Share Capital	290,000	290,000
General Reserve	45,000	45,000
Retained profit/(Loss)	(39,083)	(49,390)
<b>SHAREHOLDERS' FUND</b>	<u>295,917</u>	<u>285,610</u>
Deferred Income	124,309	117,289
<b>Non-Current Liabilities</b>		
Retirement Benefit Obligations	293,496	270,085
Net liability to Lessor payable after one year	37,164	37,613
Interest Bearing Borrowings	92,353	114,260
	<u>423,015</u>	<u>421,958</u>
<b>Current Liabilities</b>		
Net liability to Lessor payable within one year	450	432
Interest Bearing Borrowings	21,907	26,667
Trade & Other Payables	214,536	150,147
Amounts due to Related Parties	53,292	27,903
Bank Overdraft	140,826	173,070
	<u>431,009</u>	<u>378,219</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,274,251</u>	<u>1,203,076</u>

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Provisional Financial Statement for 12 months ended 31st December, 2007

## CASH FLOW STATEMENT

	12 Months ended 31/12/2007 Rs. '000	(Audited) Year ended 31/12/2006 Rs. '000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Income Tax expenses	10,307	(31,836)
<b>Adjustments for:</b>		
Depreciation/Amortisation	36,792	38,587
Interest Income	(1,033)	(6,423)
Interest Expenses	42,847	39,535
Managing Agents Remuneration	45,797	39,478
Provision for Gratuity	43,494	62,979
Amortisation of Grants	(4,790)	(4,530)
<b>Operating Profit Before Working Capital Charges</b>	<b>173,415</b>	<b>137,790</b>
(Increase)/Decrease in Inventories	(112,006)	18,754
(Increase)/Decrease in Debtors & Other Receivables	28,206	(7,126)
(Increase)/Decrease in Due from Related Companies	469	(804)
(Increase)/Decrease in Trade & Other Payables	64,388	(19,299)
(Increase)/Decrease in Due to Related Companies	(20,408)	2,353
<b>Cash Generated from Operations</b>	<b>134,064</b>	<b>131,668</b>
Interest Paid	(38,254)	(35,374)
Gratuit Paid	(20,080)	(20,242)
Grants Received	11,811	4,530
Managing Agents Remuneration Paid	-	(51,797)
<b>Net Cash Flows from Operating Activities</b>	<b>87,540</b>	<b>28,785</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Disposal of Property, Plant & Equipment		
Acquisition of property, plant and Equipment	(24,705)	(25,471)
Investments in Immature Plantation	(21,878)	(21,410)
Interest Received	-	6,423
<b>Net Cash Flows from/(used in) Investing Activities</b>	<b>(46,584)</b>	<b>(40,458)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments to Lease Creditors - JEDB/SLSPC's Estates	(5,026)	(4,577)
Loans Repayment	(26,667)	(25,707)
Loans Obtained		10,360
<b>Net Cash Flows from/(used in) Financing Activities</b>	<b>(31,693)</b>	<b>(19,924)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	9,264	(31,597)
Cash and Cash Equivalents at the Beginning of the Year	(109,631)	(78,034)
<b>Cash and Cash Equivalents at the end of the period</b>	<b>(100,367)</b>	<b>(109,631)</b>