

Maskeliya Plantations PLC

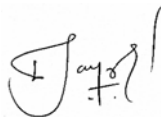
Provisional Interim Financial Statements

**FOR THE THREE MONTHS ENDED
30 JUNE 2010**

BALANCE SHEET

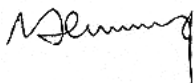
	As at 30/06/10 Rs. ' 000	As at 30/06/09 Rs. ' 000	As at 31/03/10 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Leasehold Property	219,238	225,532	220,800
Immovable JEDB/SLSPC Estate assets on finance lease (other than leasehold property)	151,418	163,156	153,895
Tangible assets other than immature/mature plantations	687,947	644,539	676,068
Immature/Mature Plantations	1,282,074	1,156,438	1,242,911
	<u>2,340,677</u>	<u>2,189,665</u>	<u>2,293,674</u>
CURRENT ASSETS			
Inventories	403,419	306,823	365,368
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	18,056	18,961	18,084
Trade and other Receivables	171,667	176,205	182,405
ESC Recoverable	6,592	6,776	6,592
Short Term Deposit	44,000	-	32,000
Amount due from Related Parties	7,012	12,097	6,218
Cash and Bank balances	10,928	3,791	6,821
	<u>709,600</u>	<u>572,579</u>	<u>665,414</u>
TOTAL ASSETS	<u>3,050,277</u>	<u>2,762,244</u>	<u>2,959,088</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 03	350,000	350,000	350,000
General Reserve	540,000	540,000	540,000
Accumulated Profit/(Loss)	88,748	165,941	76,141
SHARE HOLDERS FUND	<u>978,748</u>	<u>1,055,941</u>	<u>966,141</u>
NON CURRENT LIABILITIES			
Interest Bearing Loans & Borrowings	199,277	255,597	286,758
Retiring Benefit Obligations	704,699	467,942	706,431
Deferred Income	256,720	201,203	222,201
Net liability to lessor payable after one year	124,058	125,775	124,549
	<u>1,284,754</u>	<u>1,050,517</u>	<u>1,339,939</u>
CURRENT LIABILITIES			
Trade & Other payables	329,936	283,363	292,238
Dividend payable	2,031	2,194	2,031
Amount due to Related parties	131,460	134,782	106,761
Interest Bearing Loans & Borrowings	321,585	233,752	250,284
Net liability to lessor payable within one year	1,763	1,695	1,694
	<u>786,775</u>	<u>655,786</u>	<u>653,008</u>
TOTAL EQUITY AND LIABILITIES	<u>3,050,277</u>	<u>2,762,244</u>	<u>2,959,088</u>
	Rs.	Rs.	Rs.
Net Assets Per Share	36.28	39.14	35.81

These Financial Statements are in Compliance with the requirements of the Companies Act No. 07 of 2007.



L.C. Herath
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.



P D Samarasinghe
Director



S P Jayakoddy
Director

30 July 2010

INCOME STATEMENT

	Quarter Ended		Variance	Year
	2010	2009		ended
	Rs. ' 000	Rs. ' 000	+ / (-)	31/03/2010
			%	Rs. ' 000
Turnover	889,351	716,133	24	3,121,273
Cost of Sales	<u>(798,474)</u>	<u>(570,918)</u>	(40)	<u>(2,836,534)</u>
Gross Profit / (Loss)	90,877	145,215	(37)	284,739
Other Operating Income	2,805	3,984	(30)	15,408
Administration Expenses	(10,978)	(10,210)	(8)	(83,246)
Management Fee	(44,621)	(39,725)	(12)	(150,253)
Finance Cost	<u>(22,976)</u>	<u>(44,444)</u>	48	<u>(95,365)</u>
Profit /(Loss) before Taxation	15,107	54,820	(72)	(28,717)
Income Tax Expense	(2,500)	(1,842)	(36)	(8,105)
Net Profit/(Loss) for the period	<u>12,607</u>	<u>52,978</u>	(76)	<u>(36,822)</u>
	Rs.	Rs.		Rs.
Basic Earnings Per Share	0.47	1.96		(1.36)
Dividends per Share	-	-		-

CASH FLOW STATEMENT

	Period Ended 30/06/2010	Period Ended 30/06/2009
	Rs. ' 000	Rs. ' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	15,107	54,820
ADJUSTMENTS FOR		
Depreciation/Amortization	25,104	24,334
Provision for Defined Benefit Plan Cost	16,526	12,264
Amortisation of Grants	(2,490)	(2,400)
Finance Costs	22,976	44,443
Provision for Bad & Doubtful Debts	-	-
Operating Profit before Working Capital changes	<u>77,223</u>	<u>133,461</u>
(Increase)/Decrease in Trade and other receivables	10,764	(7,521)
(Increase)/Decrease in Inventories	(38,052)	(12,601)
Increase/(Decrease) in Trade and other payables	35,993	(11,202)
Increase/(Decrease) in amounts due to Related Parties	24,700	100,075
(Increase)/Decrease in amounts due from Related Parties	(794)	(1,208)
Cash Generated from Operations	<u>109,834</u>	<u>201,004</u>
Finance Costs Paid	(16,215)	(39,220)
Defined Benefit Plan Costs paid	(18,258)	(15,107)
Income Tax Paid	(1,962)	(1,842)
Net Cash from Operating Activities	<u>73,399</u>	<u>144,835</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	37,009	3,048
Field Development Expenditure	(46,056)	(28,330)
Purchase of Property, Plant & Equipment	(26,050)	(27,390)
Net Cash used in Investing Activities	<u>(35,097)</u>	<u>(52,672)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	(114)
Payment of Government lease rentals	(6,015)	(5,625)
Proceeds from loans	-	179,000
Payment of loans	(35,669)	(47,601)
Net Cash from Financing Activities	<u>(41,684)</u>	<u>125,660</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(3,382)	217,823
A. Cash & Cash Equivalents at the beginning of the period	<u>(51,887)</u>	<u>(282,811)</u>
B. Cash & Cash Equivalents at the end of the period	<u>(55,269)</u>	<u>(64,988)</u>
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Call Deposit	32,000	2,625
Cash & Bank Balances	6,821	4,320
Bank Overdrafts	(90,708)	(289,756)
	<u>(51,887)</u>	<u>(282,811)</u>
NOTE B		
Cash & Cash Equivalents at the end of the period		
Call Deposit	44,000	-
Cash & Bank Balances	10,928	3,791
Bank Overdrafts	(110,197)	(68,779)
	<u>(55,269)</u>	<u>(64,988)</u>

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. ' 000	General Reserve Rs. ' 000	Accumulated Profit/(Loss) Rs. ' 000	Total Rs. ' 000
Balance as at 31 March 2009	350,000	540,000	112,963	1,002,963
Net profit/ (Loss) for the period	-	-	52,978	52,978
Balance as at 30 June 2009	350,000	540,000	165,941	1,055,941
Balance as at 31 March 2010	350,000	540,000	76,141	966,141
Net profit/(Loss) for the period	-	-	12,607	12,607
Balance as at 30 June 2010	350,000	540,000	88,748	978,748

NOTES TO THE FINANCIAL STATEMENTS

For the Three Months Ended 30 June 2010

- | 1 Market Price per Share | Three Months
ended
30.06.2010
Rs. | Three Months
ended
30.06.2009
Rs. |
|--------------------------|--|--|
| - Last Traded price | 28.50 | 19.25 |
| - Highest | 33.25 | 22.00 |
| - Lowest | 28.00 | 13.25 |
- There have been no material events occurring after the Balance Sheet date that require adjustment or disclosure in the Financial Statements.
 - Stated Capital of Maskeliya Plantations PLC amounts to 350,000,010 represented by 26,976,745 shares.
 - The presentation and classification of figures for the corresponding period of the previous year have been amended, where relevant to be comparable with those of current year.
 - The above figures are provisional and subject to Audit. The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 st March 2010 and are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting. Further, provisions of the Companies Act No.7 of 2007 have been considered in preparing the Interim Financial Statements of the Company.
 - There has been no significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2010.

NOTES TO THE FINANCIAL STATEMENTS CONTD...

7 Twenty Largest Shareholders

	as at 30/06/2010		as at 31/03/2010	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
R.P.C Mangement Services (Pvt) Ltd	17,176,744	63.67	17,176,744	63.67
Freudenberg Shipping Agencies Ltd	595,500	2.21	595,500	2.21
Mr.M.S.M. Ali	340,200	1.26	-	-
Lanka Orix Leasing Company PLC	280,000	1.04	250,000	0.93
Mr.M. Radhakrishnan	260,600	0.97	260,600	0.97
Mr.C.P. De Silva	250,000	0.93	-	-
Mr.E. Thavaganasundaram	204,900	0.76	204,900	0.76
S.K.M. Lanka Holdings (Pvt) Ltd	181,500	0.67	-	-
DPMC Financial Services (Pvt) Ltd. Account No.02	166,700	0.62	-	-
Entrust Limited	135,000	0.50	141,100	0.52
Mr.D.G. Wijemanne	124,300	0.46	124,300	0.46
Mr.E.Thavagnanasooriyam	110,000	0.41	110,000	0.41
Mr.M.M. Mohamed Makeen	104,800	0.39	150,000	0.56
Taprobane Holdings Ltd	100,600	0.37	120,700	0.45
Waldock Mackenzie Ltd/Ceylinco Shriram Capital Man.	100,400	0.37	100,400	0.37
Lexinton Holdings (Pvt) Ltd	100,000	0.37	100,000	0.37
Mr.S.N.C.W.M.B.C Kandegedara	100,000	0.37	-	-
First Capital Markets Ltd/Mr.W.D.N.H Perera	100,000	0.37	-	-
CSCM/Mr.Halpawattege Geethal Ranjan Peiris	93,900	0.35	-	-
Mrs.T.T.H. Jafferjee	90,100	0.33	-	-
	20,615,244	76.42		
Balance held by 17,054 shareholders (2009/10 - 16,777 Shareholders)	6,361,501	23.58		
Total no. of Shares	26,976,745	100.00		
	Number of Shares	%		
The percentage of shares held as at 30 June 2010 as follows;				
Public Holding	9,798,101	36.32		
Other Holding	17,178,644	63.68		
Total	26,976,745	100.00		

8 The number of shares held by the Board of Directors are as follows:

As at	30/06/2010	31/03/2010
Dr.S.Yaddehige	-	-
J H P Ratnayake	-	-
P D Samarasinghe	-	-
R.L. Kumararatne	-	-
Mr.S.P. Jayakoddy	500	500
Dr.A.Ekanayake	-	-
Dr.H.S.D. Soysa	1,400	1,400

SEGMENT INFORMATION

Geographical Segment

For the three months ended 30 June 2010.

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue										
Tea	199,788	165,702	336,533	256,072	154,326	124,242	198,704	170,117	889,351	716,133
Revenue Expenditure	(166,536)	(120,845)	(271,242)	(190,965)	(127,201)	(92,655)	(191,865)	(129,855)	(756,844)	(534,320)
Depreciation/ Amortization	(7,485)	(5,842)	(7,341)	(8,277)	(5,151)	(5,280)	(5,127)	(4,935)	(25,104)	(24,334)
Gratuity	(4,015)	(2,859)	(6,064)	(4,416)	(2,597)	(1,994)	(3,850)	(2,995)	(16,526)	(12,264)
Segment Results	21,752	36,156	51,886	52,414	19,377	24,313	(2,138)	32,332	90,877	145,215
Other Income									2,805	3,984
Unallocated Expenses									(10,978)	(10,210)
Management Fees									(44,621)	(39,725)
Finance Cost									(22,976)	(44,444)
Income Tax expenses									(2,500)	(1,842)
Profit /(Loss)for the period									12,607	52,978

CORPORATE INFORMATION

Name of Company	Maskeliya Plantations PLC
Legal Form	A Quoted Public Company with Limited Liability Incorporated in Sri Lanka.
Date of Incorporation	22nd June 1992
Company Registration	No. PQ 134
Principal Business Activities	Cultivation, Manufacture and Sale of Tea, Planting and Cultivation of Timber.
Stock Exchange Listing	The Ordinary Shares are listed with the Colombo Stock Exchange of Sri Lanka.
Registered / Head Office .	310, High Level Road, Nawinna, Maharagama Sri Lanka
Ultimate Parent Enterprise	Richard Pieris & Company PLC
Board of Directors	Dr. Sena Yaddehige - Chairman J H P Ratnayake - Deputy Chairman P D Samarasinghe R L Kumararatne S P Jayakoddy Dr. A Ekanayake Dr. H S D Soysa
Secretaries	Richard Pieris Group Services (Private) Limited 310, High Level Road, Nawinna, Maharagama. Sri Lanka Telephone: +(94) 11-4310564
Auditors	Messrs Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10, Sri Lanka.
Bankers	Sampath Bank - Nawam Mawatha Branch Bank of Ceylon - Corporate Branch & Regional Branches Seylan Bank - Millennium Branch Hatton National Bank - City Office NDB Bank
Legal Advisors	Paul Ratnayake Associates International Legal Consultants Solicitors and Attorney-at-law No.59, Gregory's Road Colombo 07.
Contact Details	Telephone : +(94) 11 4310888 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com