

KEGALLE PLANTATIONS PLC

---Interim Financial Statements ---

Quarter Ended 30 June 2015

INTERIM FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

| | Company | | | Group | | |
|---|------------------|------------------|---|------------------|------------------|---|
| | 2015 Rs. '000 | 2014 Rs. '000 | Year Ended 31 March 2015 Rs. '000 | 2015 Rs. '000 | 2014 Rs. '000 | Year Ended 31 March 2015 Rs. '000 |
| ASSETS | | | | | | |
| Non - Current Assets | | | | | | |
| Leasehold property, plant and equipment | 236,010 | 251,795 | 239,983 | 236,010 | 251,795 | 239,983 |
| Freehold property, plant and equipment | 355,893 | 363,305 | 365,251 | 403,418 | 417,819 | 414,245 |
| Bearer biological assets | 1,787,932 | 1,590,614 | 1,753,216 | 1,787,932 | 1,590,614 | 1,753,216 |
| Consumable biological assets | 78,746 | 59,406 | 78,746 | 78,746 | 59,406 | 78,746 |
| Financial Assets | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Long term investments | 611,850 | 611,850 | 611,850 | 836,616 | 725,601 | 802,918 |
| | 4,070,431 | 3,876,970 | 4,049,045 | 4,342,721 | 4,045,235 | 4,289,108 |
| Current Assets | | | | | | |
| Inventories | 197,143 | 248,551 | 272,365 | 196,472 | 248,077 | 271,693 |
| Trade and other receivables | 256,846 | 224,318 | 210,176 | 265,561 | 234,605 | 215,776 |
| VAT recoverable | 25,340 | 24,461 | 25,340 | 25,348 | 24,468 | 28,183 |
| Income tax recoverable | 10,343 | 8,137 | 5,772 | 10,343 | 8,137 | 5,772 |
| Amounts due from related Companies | 46,687 | 62,500 | 49,213 | 9,060 | 21,816 | 11,489 |
| Short term investment | 2,282,954 | 2,787,364 | 2,492,297 | 2,282,954 | 2,787,364 | 2,492,297 |
| Cash and bank balances | 18,939 | 24,983 | 22,888 | 18,947 | 25,011 | 22,900 |
| | 2,838,253 | 3,380,314 | 3,078,052 | 2,808,685 | 3,349,478 | 3,048,110 |
| Total Assets | 6,908,684 | 7,257,284 | 7,127,097 | 7,151,406 | 7,394,713 | 7,337,218 |
| EQUITY & LIABILITIES | | | | | | |
| Capital & Reserves | | | | | | |
| Stated capital (Note 1) | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| General reserve | 225,000 | 225,000 | 225,000 | 225,000 | 225,000 | 225,000 |
| Timber reserve | 2,758 | (4,398) | 2,758 | 2,758 | (4,398) | 2,758 |
| Retained profit | 2,930,668 | 2,890,777 | 2,934,635 | 3,155,850 | 3,006,327 | 3,126,187 |
| Shareholders' Fund | 3,408,426 | 3,361,379 | 3,412,393 | 3,633,607 | 3,476,929 | 3,603,945 |
| Non - Current Liabilities | | | | | | |
| Loans & borrowings | 1,781,522 | 2,254,697 | 1,901,956 | 1,781,522 | 2,254,697 | 1,901,956 |
| Retirement benefit obligations | 480,712 | 445,928 | 486,075 | 480,807 | 446,023 | 486,169 |
| Deferred income | 206,377 | 195,628 | 207,126 | 210,865 | 204,468 | 212,704 |
| Deferred tax liability | 79,555 | 114,035 | 79,555 | 79,555 | 114,035 | 79,555 |
| Liability to make lease payment after one year | 267,098 | 271,964 | 268,493 | 267,098 | 271,964 | 268,493 |
| | 2,815,264 | 3,282,251 | 2,943,205 | 2,819,847 | 3,291,186 | 2,948,877 |
| Current Liabilities | | | | | | |
| Loans & borrowings | 507,834 | 373,864 | 493,790 | 507,834 | 373,864 | 493,790 |
| Liability to make lease payment within one year | 5,004 | 4,812 | 4,812 | 5,004 | 4,812 | 4,812 |
| Trade and other payables | 162,202 | 205,327 | 221,621 | 170,045 | 213,163 | 229,405 |
| Dividend payable | 4,038 | 5,939 | 49,038 | 4,038 | 5,939 | 49,038 |
| Amounts due to related Companies | 5,916 | 23,712 | 2,237 | 11,030 | 28,820 | 7,351 |
| Income tax payable | - | - | - | - | - | - |
| | 684,995 | 613,653 | 771,499 | 697,952 | 626,598 | 784,396 |
| Total Equity & Liabilities | 6,908,684 | 7,257,284 | 7,127,097 | 7,151,406 | 7,394,713 | 7,337,218 |
| Net Asset Value per Share (Rs.) | 136.34 | 134.46 | 136.50 | 145.34 | 139.08 | 144.16 |

The above figures are subject to audit

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



Sudheera Epitakumbura
Financial Controller

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Signed for and on behalf of the Board of Directors of Kegalle Plantations PLC.



S S Poholiyadde
Director

Colombo
13 August 2015



J H P Ratnayek
Director

INTERIM FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS

| | Company | | | | Group | | | |
|---|-----------------|----------------|--------------|----------------|-----------------|----------------|--------------|----------------|
| | Quarter Ended | | | Year Ended | Quarter Ended | | | Year Ended |
| | 2015 | 2014 | Variance | 31 March | 2015 | 2014 | Variance | 31 March |
| For the the quarter ended 30 June | Rs. '000 | Rs. '000 | + / (-) % | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| Continuing Operations | | | | | | | | |
| Revenue | 555,403 | 585,282 | (5) | 2,023,911 | 555,403 | 585,282 | (5) | 2,023,911 |
| Cost of sales | (563,320) | (553,159) | (2) | (1,957,796) | (563,320) | (553,159) | (2) | (1,957,796) |
| Gross profit | (7,917) | 32,123 | (125) | 66,116 | (7,917) | 32,123 | (125) | 66,116 |
| Gain/(Loss) on fair value of biological assets | - | - | - | 7,155 | - | - | - | 7,155 |
| Other income | 5,398 | 8,128 | (34) | 31,886 | 5,398 | 8,128 | (34) | 23,097 |
| Administrative expenses | (10,689) | (11,964) | 11 | (42,447) | (10,689) | (11,964) | 11 | (42,447) |
| Management fee | (292) | (7,085) | 96 | (16,624) | (292) | (7,085) | 96 | (16,624) |
| Profit from operations | (13,499) | 21,202 | (164) | 46,086 | (13,499) | 21,202 | (164) | 37,298 |
| Finance income | 54,466 | 45,040 | 21 | 228,141 | 54,466 | 45,040 | 21 | 228,141 |
| Finance cost | (44,405) | (46,799) | 5 | (177,352) | (44,405) | (46,799) | 5 | (177,352) |
| Net finance income / (loss) | 10,061 | (1,759) | (672) | 50,789 | 10,061 | (1,759) | (672) | 50,789 |
| Share of result of associates | - | - | - | - | 33,495 | 29,688 | 13 | 140,429 |
| Profit before taxation | (3,438) | 19,443 | (118) | 96,875 | 30,057 | 49,132 | (39) | 228,516 |
| Tax expenses | (530) | (584) | 9 | 30,159 | (328) | (6,408) | 95 | 515 |
| Profit for the period from continuing operations | (3,968) | 18,859 | (121) | 127,034 | 29,729 | 42,724 | (30) | 229,030 |
| Discontinued Operations | | | | | | | | |
| Loss from discontinued operations | - | - | - | - | (68) | (282) | 76 | (1,597) |
| Profit for the period | (3,968) | 18,859 | (121) | 127,034 | 29,662 | 42,442 | (30) | 227,434 |
| Basic earnings per share from continuing operations (Rs.) | (0.16) | 0.75 | | 5.08 | 1.19 | 1.71 | | 9.16 |

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

STATEMENTS OF COMPREHENSIVE INCOME

| | Company | | | | Group | | | |
|---|------------------|------------------|--------------------------|------------------------------|------------------|------------------|--------------------------|------------------------------|
| | Quarter Ended | | Year Ended | | Quarter Ended | | Year Ended | |
| | 2015 Rs. '000 | 2014 Rs. '000 | Variance + / (-) % | 31 March 2015 Rs. '000 | 2015 Rs. '000 | 2014 Rs. '000 | Variance + / (-) % | 31 March 2015 Rs. '000 |
| For the the quarter ended 30 June | | | | | | | | |
| Profit for the period | (3,968) | 18,859 | (121) | 127,034 | 29,662 | 42,442 | (30) | 227,434 |
| Other Comprehensive Income | | | | | | | | |
| Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods (net of tax) | | | | | | | | |
| Actuarial Gains and (Losses) on Defined Benefit Plans | - | - | - | (8,501) | - | - | - | (8,501) |
| Income tax effect | - | - | - | 1,340 | - | - | - | 1,340 |
| | - | - | - | (7,161) | - | - | - | (7,161) |
| Share of Other Comprehensive Income of Equity Accounted Investees | | | | | | | | |
| Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods (net of tax) | | | | | | | | |
| Net (Loss)/gain on available for sale financial assets | - | - | - | - | - | - | - | (12) |
| Income tax effect | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | (12) |
| Other Comprehensive income to be reclassified to profit or loss in Subsequent periods (net of tax) | | | | | | | | |
| Actuarial Gains and (Losses) on Defined Benefit Plans | - | - | - | - | - | - | - | (909) |
| Income tax effect | - | - | - | - | - | - | - | 106 |
| | - | - | - | - | - | - | - | (803) |
| Other Comprehensive Income for the period, net of tax | - | - | - | (7,161) | - | - | - | (7,976) |
| Total Comprehensive Income for the period, net of tax | (3,968) | 18,859 | (121) | 119,873 | 29,662 | 42,442 | (30) | 219,458 |

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

STATEMENTS OF CHANGES IN EQUITY

| For the quarter ended 30 June | Company | | | | |
|-----------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------|
| | Stated Capital Rs. '000 | General Reserve Rs. '000 | Timber Reserve Rs. '000 | Retained Profit Rs. '000 | Total Rs. '000 |
| | Balance as at 31 March 2014 | 250,000 | 225,000 | (4,398) | 2,871,918 |
| Profit for the Period | - | - | - | 18,859 | 18,859 |
| Other Comprehensive Income | - | - | - | - | - |
| Timber Reserve | - | - | - | - | - |
| Dividend Paid | - | - | - | - | - |
| Balance as at 30 June 2014 | 250,000 | 225,000 | (4,398) | 2,890,777 | 3,361,379 |
| Balance as at 31 March 2015 | 250,000 | 225,000 | 2,758 | 2,934,636 | 3,412,393 |
| Profit for the Period | - | - | - | (3,968) | (3,968) |
| Other Comprehensive Income | - | - | - | - | - |
| Timber Reserve | - | - | - | - | - |
| Dividend Paid | - | - | - | - | - |
| Balance as at 30 June 2015 | 250,000 | 225,000 | 2,758 | 2,930,668 | 3,408,426 |
| For the quarter ended 30 June | Group | | | | |
| | Stated Capital Rs. '000 | General Reserve Rs. '000 | Timber Reserve Rs. '000 | Retained Profit Rs. '000 | Total Rs. '000 |
| | Balance as at 31 March 2014 | 250,000 | 225,000 | (4,398) | 2,963,885 |
| Profit for the Period | - | - | - | 42,442 | 42,442 |
| Other Comprehensive Income | - | - | - | - | - |
| Timber Reserve | - | - | - | - | - |
| Dividend Paid | - | - | - | - | - |
| Balance as at 30 June 2014 | 250,000 | 225,000 | (4,398) | 3,006,327 | 3,476,929 |
| Balance as at 31 March 2015 | 250,000 | 225,000 | 2,758 | 3,126,188 | 3,603,946 |
| Profit for the Period | - | - | - | 29,662 | 29,662 |
| Other Comprehensive Income | - | - | - | - | - |
| Timber Reserve | - | - | - | - | - |
| Dividend Paid | - | - | - | - | - |
| Balance as at 30 June 2015 | 250,000 | 225,000 | 2,758 | 3,155,850 | 3,633,607 |

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

CASH FLOW STATEMENTS

| For the the period ended 30 June | Company | | | Group | | |
|--|------------------------|--------------------|--------------------|------------------------|--------------------|--------------------|
| | Year Ended 31 March | | | Year Ended 31 March | | |
| | 2015 Rs. '000 | 2014 Rs. '000 | 2015 Rs. '000 | 2015 Rs. '000 | 2014 Rs. '000 | 2015 Rs. '000 |
| CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES | | | | | | |
| Net Profit before Taxation from continuing operations | (3,438) | 19,443 | 96,875 | 30,057 | 49,132 | 228,516 |
| Net Loss before Taxation from discontinuing operations | - | - | - | (68) | (282) | (1,597) |
| ADJUSTMENTS FOR | | | | | | |
| Interest income | (54,466) | (45,040) | (228,141) | (54,466) | (45,040) | (228,141) |
| Depreciation, amortization and Impairment Loss | 29,028 | 27,604 | 107,850 | 30,498 | 29,290 | 115,056 |
| Provision for defined benefit plan costs | 10,489 | 11,130 | 83,787 | 10,489 | 11,130 | 83,787 |
| Amortization of grants | (1,327) | (1,445) | (5,238) | (2,415) | (2,533) | (9,589) |
| Share of result of associates | - | - | - | (33,495) | (29,688) | (140,429) |
| Finance costs | 44,405 | 46,799 | 177,352 | 44,405 | 46,799 | 177,352 |
| Dividend Received from Associates | - | - | (8,789) | - | - | - |
| (Gains)/losses on fair value of biological assets | - | - | (7,155) | - | - | (7,155) |
| Operating profit before working capital changes | 24,692 | 58,491 | 216,542 | 25,006 | 58,807 | 217,799 |
| (Increase)/decrease in trade & other receivables | (46,671) | 24,634 | 37,897 | (46,950) | 25,559 | 40,674 |
| (Increase)/decrease in inventories | 75,222 | 65,339 | 41,525 | 75,222 | 65,422 | 41,805 |
| (Increase)/decrease in amounts due from related companies | 2,526 | 543 | 13,830 | 2,526 | 543 | 9,546 |
| Increase/(decrease) in trade & other payables | (59,419) | (13,208) | (1,913) | (59,457) | (14,513) | (1,953) |
| Increase/(decrease) in amounts due to related companies | 3,678 | 10,568 | (10,907) | 3,678 | 10,568 | (10,896) |
| Cash generated from / (used in) operations | 29 | 146,368 | 296,973 | 27 | 146,385 | 296,975 |
| Defined benefit plan costs paid | (15,851) | (11,612) | (52,625) | (15,851) | (11,612) | (52,625) |
| ESC paid | (5,102) | - | - | (5,102) | - | - |
| Finance cost paid | (31,665) | (34,527) | (128,914) | (31,665) | (34,527) | (128,914) |
| Income tax paid | - | - | (31) | - | - | (31) |
| Net cash from operating activities | (52,589) | 100,228 | 115,404 | (52,592) | 100,246 | 115,406 |
| CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES | | | | | | |
| Investments in associates/debentures | - | (1,000,000) | (1,000,000) | - | (1,000,000) | (1,000,000) |
| Interest received | 54,466 | 45,040 | 228,141 | 54,466 | 45,040 | 228,141 |
| Grant received | 578 | - | 15,291 | 578 | - | 15,291 |
| Field development expenditure | (49,595) | (52,797) | (263,195) | (49,595) | (52,797) | (263,195) |
| Purchase of property, plant & equipment | (819) | (7,889) | (42,656) | (819) | (7,889) | (42,656) |
| Net cash from / (used in) investing activities | 4,630 | (1,015,646) | (1,062,420) | 4,630 | (1,015,646) | (1,062,420) |
| CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES | | | | | | |
| Dividend paid | (45,000) | (41) | (1,942) | (45,000) | (41) | (1,942) |
| Dividend Received from Associates | - | - | 8,789 | - | - | 8,789 |
| Payment of Government lease rentals | (12,740) | (12,271) | (48,439) | (12,740) | (12,271) | (48,439) |
| Payment of Government lease rentals - Capital | (1,203) | (1,157) | (4,627) | (1,203) | (1,157) | (4,627) |
| Proceeds from loans | - | 326,000 | 326,250 | - | 326,000 | 326,250 |
| Repayment of loans | (117,383) | (38,297) | (261,367) | (117,383) | (38,297) | (261,367) |
| Net Cash from / (used in) Financing Activities | (176,326) | 274,234 | 18,664 | (176,326) | 274,234 | 18,664 |
| Net increase/(decrease) in cash & cash equivalents | (224,284) | (641,184) | (928,352) | (224,287) | (641,166) | (928,350) |
| Cash & cash equivalents at the beginning of the period | 2,515,186 | 3,443,537 | 3,443,537 | 2,515,197 | 3,443,547 | 3,443,547 |
| Cash & cash equivalents at the end of the period | 2,290,901 | 2,802,353 | 2,515,186 | 2,290,909 | 2,802,381 | 2,515,197 |
| NOTES | | | | | | |
| A. Cash & cash equivalents at the beginning of the period | | | | | | |
| Cash in Hand & at Bank | 22,888 | 34,360 | 34,360 | 22,899 | 34,370 | 34,370 |
| Bank Overdraft | - | - | - | - | - | - |
| Investment in Treasury Bills, REPO & Others | 2,492,297 | 3,409,177 | 3,409,177 | 2,492,297 | 3,409,177 | 3,409,177 |
| | 2,515,186 | 3,443,537 | 3,443,537 | 2,515,197 | 3,443,547 | 3,443,547 |
| B. Cash & cash equivalents at the end of the period | | | | | | |
| Cash in Hand & at Bank | 18,939 | 24,983 | 22,888 | 18,947 | 25,011 | 22,900 |
| Bank Overdraft | (10,992) | (9,994) | - | (10,992) | (9,994) | - |
| Investment in Treasury Bills, REPO & Others | 2,282,954 | 2,787,364 | 2,492,297 | 2,282,954 | 2,787,364 | 2,492,297 |
| | 2,290,901 | 2,802,353 | 2,515,186 | 2,290,909 | 2,802,381 | 2,515,197 |
| <i>The above figures are subject to audit</i> | | | | | | |

INTERIM FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. Stated Capital of Kegalle Plantations PLC amounts to Rs. 250,000,010 represented by 25,000,001 Ordinary Shares.
2. The Interim Financial Statements of the Company/Group are unaudited and have been prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standard 34 - 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/Group. They also comply with the accounting policies and methods set out in the Annual Report for the year ended 31 March 2015.
3. The presentation and classification of figures for the corresponding period of the previous quarter have been amended, where relevant, for better presentation and to be comparable with those of the current quarter.
4. Other than contingent liabilities which may arise from the fair value adjustments, there has been no material changes in the nature of the contingent liabilities, what was disclosed in the Annual Report for the year ended 31 March 2015.
5. Interim Financial Statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.
6. No circumstances have arisen since the Statement of Financial Position date, which would require adjustment or disclosure in the Interim Financial Statements, other than the announcement of Interim Dividend of Rs. 1,125.0 Mn for the Financial Year 2015/2016 (Rs. 45.00 per share).

INTERIM FINANCIAL STATEMENTS

SHAREHOLDER & INVESTOR INFORMATION

| Market price per share | Quarter Ended | | Year Ended |
|------------------------------|---------------|--------|---------------|
| | 2015 | 2014 | 31 March 2015 |
| For the period ended 30 June | Rs. | Rs. | Rs. |
| Highest | 93.40 | 105.00 | 105.00 |
| Lowest | 81.00 | 94.30 | 82.10 |
| Last Traded | 82.00 | 98.50 | 85.80 |

Twenty largest shareholders of the Company are as follows:

| As at | 30 June 2015 | | 31 March 2015 | |
|--|-------------------|------------------|-------------------|------------------|
| Name of the Shareholder | Number of Shares | % of the Holding | Number of Shares | % of the Holding |
| 1 RPC Plantation Management Services (Pvt) Ltd | 19,770,477 | 79.08% | 19,770,477 | 79.08% |
| 2 Almar Trading Co. (Pvt) Ltd | 243,600 | 0.97% | 243,600 | 0.97% |
| 3 Mubasher Financial Services BSC | 204,972 | 0.82% | 187,892 | 0.75% |
| 4 HSBC International Nominees Ltd - SSBT - Deustche | 200,000 | 0.80% | 200,000 | 0.80% |
| 5 Tranz Dominion, L.L.C | 185,000 | 0.74% | 185,000 | 0.74% |
| 6 Mr. A. K. Kumarasena | 173,251 | 0.69% | 173,251 | 0.69% |
| 7 Employees Provident Fund | 122,300 | 0.49% | 122,300 | 0.49% |
| 8 Sandwave Limited | 105,085 | 0.42% | 105,085 | 0.42% |
| 9 Dhanasiri Recreation (Pvt) Ltd | 86,811 | 0.35% | 45,841 | 0.18% |
| 10 Mr. M. J. Fernando | 85,500 | 0.34% | 85,500 | 0.34% |
| 11 Mr. D. M. Kodikara | 75,000 | 0.30% | 51,151 | 0.20% |
| 12 Cocoshell Activated Carbon Company Limited | 61,189 | 0.24% | 61,189 | 0.24% |
| 13 Mr. N. Balasingam | 50,600 | 0.20% | 50,600 | 0.20% |
| 14 Bank of Ceylon - No. 1 Account | 50,600 | 0.20% | 50,600 | 0.20% |
| 15 Harnam Holdings SDN BHD | 50,000 | 0.20% | 50,000 | 0.20% |
| 16 Mr. J. G. De Mel | 46,493 | 0.19% | 46,493 | 0.19% |
| 17 Mr. F. G. N. Mendis | 45,000 | 0.18% | - | - |
| 18 Mr. P. Subasinghe | 42,784 | 0.17% | 42,784 | 0.17% |
| 19 Freudenberg Shipping Agencies Limited | 40,626 | 0.16% | - | - |
| 20 Alliance Finance Company PLC | 37,100 | 0.15% | 37,100 | 0.15% |
| Sub Total | 21,676,388 | 86.71% | - | - |
| Balance held by 8,875 Shareholders (31 March 2015 - 8,913 Shareholders) | 3,323,613 | 13.29% | 3,388,163 | 13.55% |
| Total Shares | 25,000,001 | 100.00% | 25,000,001 | 100.00% |

The percentage of shares held as follows:

| | 30 June 2015 | | | 31 March 2015 | | |
|----------------|------------------------|-------------------|------------------|------------------------|-------------------|------------------|
| | Number of Shareholders | Number of Shares | % of the Holding | Number of Shareholders | Number of Shares | % of the Holding |
| Public Holding | 8,891 | 5,212,817 | 20.85% | 8,909 | 5,212,817 | 20.85% |
| Other Holding | 4 | 19,787,184 | 79.15% | 4 | 19,787,184 | 79.15% |
| | 8,895 | 25,000,001 | 100.00% | 8,913 | 25,000,001 | 100.00% |

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

| As at | Number of Shares | |
|----------------------------|------------------|---------------|
| | 30 June 2015 | 31 March 2015 |
| Dr. Sena Yaddhegige | - | - |
| Mr. J H P Ratnayake | - | - |
| Mr. S S Poholiyadde | 3,307 | 3,307 |
| Prof. R C W M R A Nugawela | - | - |
| Dr. S S B D G Jayawardena | - | - |

INTERIM FINANCIAL STATEMENTS

SEGMENT INFORMATION

For the quarter ended 30 June

| | Company | | | Group | | |
|--|------------------|------------------|---------------------------------------|------------------|------------------|---------------------------------------|
| | | | <u>Year Ended</u> 31 March 2015 | | | <u>Year Ended</u> 31 March 2015 |
| | 2015 Rs. '000 | 2014 Rs. '000 | 2015 Rs. '000 | 2015 Rs. '000 | 2014 Rs. '000 | 2015 Rs. '000 |
| Rubber | | | | | | |
| Revenue | 247,465 | 293,395 | 1,042,795 | 247,465 | 293,395 | 1,042,795 |
| Revenue expenditure | (248,993) | (272,412) | (887,856) | (248,993) | (272,412) | (887,856) |
| Depreciation / amortization | (18,815) | (17,424) | (71,114) | (18,815) | (17,424) | (71,114) |
| Other non cash expenses - gratuity | (5,297) | (5,400) | (47,445) | (5,297) | (5,400) | (47,445) |
| Segment Result - Gross Profit/(Loss) | (25,641) | (1,842) | 36,380 | (25,641) | (1,842) | 36,380 |
| Tea | | | | | | |
| Revenue | 275,434 | 266,660 | 847,613 | 275,434 | 266,660 | 847,613 |
| Revenue expenditure | (273,171) | (238,174) | (855,139) | (273,171) | (238,174) | (855,139) |
| Depreciation / amortization | (9,754) | (10,116) | (35,682) | (9,754) | (10,116) | (35,682) |
| Other non cash expenses - gratuity | (5,192) | (5,730) | (36,342) | (5,192) | (5,730) | (36,342) |
| Segment Result - Gross Profit/(Loss) | (12,683) | 12,641 | (79,549) | (12,683) | 12,641 | (79,549) |
| Coconut | | | | | | |
| Revenue | 10,663 | 9,585 | 49,507 | 10,663 | 9,585 | 49,507 |
| Revenue expenditure | (1,703) | (3,742) | (23,645) | (1,703) | (3,742) | (23,645) |
| Depreciation / amortization | - | - | - | - | - | - |
| Other non cash expenses - gratuity | - | - | - | - | - | - |
| Segment Result - Gross Profit | 8,959 | 5,842 | 25,861 | 8,959 | 5,842 | 25,861 |
| Others | | | | | | |
| Revenue | 21,841 | 15,642 | 83,996 | 21,841 | 15,642 | 83,996 |
| Revenue expenditure | (394) | (160) | (572) | (394) | (160) | (572) |
| Depreciation / amortization | - | - | - | - | - | - |
| Other non cash expenses - gratuity | - | - | - | - | - | - |
| Segment Result - Gross Profit | 21,448 | 15,482 | 83,424 | 21,448 | 15,482 | 83,424 |
| Total Segments | | | | | | |
| Revenue | 555,403 | 585,282 | 2,023,911 | 555,403 | 585,282 | 2,023,911 |
| Revenue expenditure | (524,261) | (514,489) | (1,767,212) | (524,261) | (514,489) | (1,767,212) |
| Depreciation / amortization | (28,569) | (27,540) | (106,796) | (28,569) | (27,540) | (106,796) |
| Other non cash expenses - gratuity | (10,489) | (11,130) | (83,787) | (10,489) | (11,130) | (83,787) |
| Total Segment Results - Gross Profit | (7,917) | 32,123 | 66,116 | (7,917) | 32,123 | 66,116 |
| Gain/(Loss) on fair value of biological assets | - | - | 7,155 | - | - | 7,155 |
| Other income | 5,398 | 8,128 | 31,886 | 5,398 | 8,128 | 23,097 |
| Administrative expenses | (10,689) | (11,964) | (42,447) | (10,689) | (11,964) | (42,447) |
| Management fee | (292) | (7,085) | (16,624) | (292) | (7,085) | (16,624) |
| Finance income | 54,466 | 45,040 | 228,141 | 54,466 | 45,040 | 228,141 |
| Finance cost | (44,405) | (46,799) | (177,352) | (44,405) | (46,799) | (177,352) |
| Share of result of associates | - | - | - | 33,495 | 29,688 | 140,429 |
| Profit for the period from continuing operations | (3,438) | 19,443 | 96,875 | 30,057 | 49,132 | 228,516 |
| Loss from discontinued operations | - | - | - | (68) | (282) | (1,597) |
| Profit Before Tax | (3,438) | 19,443 | 96,875 | 29,989 | 48,850 | 226,919 |

The above figures are subject to audit

CORPORATE INFORMATION

| | |
|--------------------------------------|---|
| Name of the Company | : KEGALLE PLANTATIONS PLC |
| Legal Form | : A Quoted Public Company with limited liability, Incorporated in Sri Lanka under the Companies Act No. 07 of 2007. |
| Date of Incorporation | : 22 June 1992 |
| Company Registration No | : New Registration No. P Q 135 [Old No. N (PBS/CGB) 140] |
| Head/Registered Office | : No. 310, High Level Road, Nawinna, Maharagama, Sri Lanka. |
| Principal Business Activities | : Cultivation, Manufacture and Sale of Rubber, Tea, Coconut, Cardamom & other agricultural produce. |
| Ultimate Parent Enterprise | : Richard Pieris & Company PLC No. 310, High Level Road, Nawinna, Maharagama, Sri Lanka. |
| Board of Directors | : Dr. Sena Yaddehige - Chairman Mr. J H P Ratnayeke - Deputy Chairman Mr. S S Poholiyadde Prof. R C W M R A Nugawela Dr. S S B D G Jayawardena |
| Stock Exchange Listing | : The Ordinary Shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka. |
| Secretaries | : Richard Pieris Group Services (Pvt) Limited No. 310, High Level Road, Nawinna, Maharagama, Sri Lanka Telephone : + (94) 11 4310500 |
| Auditors | : Messrs. Ernst & Young, Chartered Accountants, No. 201, De Saram Place, Colombo 10. |
| Bankers | : NDB Bank PLC Hatton National Bank PLC Bank of Ceylon - Corporate Branch & Regional Branches Peoples Bank Seylan Bank PLC Commercial Bank of Ceylon PLC Indian Overseas Bank/Indian Bank/State Bank of India |
| Legal Advisors | : Paul Ratnayeke Associates International Legal Consultants, Solicitors and Attorneys-at-Law, No. 59, Gregory's Road, Colombo 7, Sri Lanka. |
| Contact Details | : Telephone : + (94) 11 4310500 Facsimile : + (94) 11 4310799 Internet : www.arpico.com E-mail : kpl.rpk@arpico.com |

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