

Maskeliya Plantations PLC

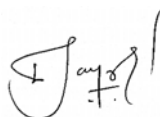
Provisional Financial Statements

**FOR THE SIX MONTHS ENDED
30TH SEPTEMBER 2009**

BALANCE SHEET

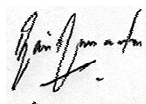
	As at 30/09/09 Rs. ' 000	As at 30/09/08 Rs. ' 000	As at 31/03/09 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Leasehold Property	223,958	230,241	227,100
Immovable JEDB/SLSPC Estate assets on finance lease (other than leasehold property)	160,192	170,460	165,710
Tangible assets other than immature/mature plantations	629,284	612,727	630,888
Immature/Mature Plantations	1,183,497	1,090,052	1,134,581
	<u>2,196,931</u>	<u>2,103,480</u>	<u>2,158,279</u>
CURRENT ASSETS			
Inventories	322,430	448,109	294,222
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	18,959	21,457	18,979
Trade and other Receivables	145,792	160,999	168,664
ESC Recoverable	8,569	697	6,776
Short Term Deposit	-	2,625	2,625
Amount due from Related Parties	10,553	21,912	10,888
Cash and Bank balances	70,314	4,888	4,321
	<u>624,543</u>	<u>708,613</u>	<u>554,401</u>
TOTAL ASSETS	<u>2,821,474</u>	<u>2,812,093</u>	<u>2,712,680</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)	(129,792)	301,238	112,963
SHARE HOLDERS FUND	<u>760,208</u>	<u>1,191,238</u>	<u>1,002,963</u>
NON CURRENT LIABILITIES			
Interest Bearing Loans & Borrowings	244,295	195,163	171,452
Retiring Benefit Obligations	724,252	453,694	470,785
Deferred Income	201,282	183,374	200,555
Net liability to lessor payable after one year	125,373	127,110	126,243
	<u>1,295,202</u>	<u>959,341</u>	<u>969,035</u>
CURRENT LIABILITIES			
Trade & Other payables	421,327	285,621	294,566
Dividend payable	2,194	2,534	2,307
Amount due to Related parties	106,944	12,887	34,706
Interest Bearing Loans & Borrowings	233,905	358,906	407,474
Net liability to lessor payable within one year	1,694	1,566	1,629
	<u>766,064</u>	<u>661,514</u>	<u>740,682</u>
TOTAL EQUITY AND LIABILITIES	<u>2,821,474</u>	<u>2,812,093</u>	<u>2,712,680</u>
	Rs.	Rs.	Rs.
Net Assets Per Share	28.18	44.16	37.18

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.



R.L. Kumararatne
Director



S.P. Jayakoddy
Director

10th November 2009

INCOME STATEMENT

	Quarter Ended 30th September			Six Months Ended 30th September		
	2009	2008	Variance	2009	2008	Variance
	Rs. ' 000	Rs. ' 000	+ / (-) %	Rs. ' 000	Rs. ' 000	+ / (-) %
Turnover	678,484	613,383	11	1,394,617	1,389,068	0
Cost of Sales (Note 7)	<u>(926,791)</u>	<u>(542,474)</u>	(71)	<u>(1,497,709)</u>	<u>(1,197,532)</u>	(25)
Gross Profit / (Loss)	(248,307)	70,909	(450)	(103,092)	191,536	(154)
Other Operating Income	12,885	10,477	23	16,869	13,789	22
Administration Expenses	(22,494)	(12,281)	(83)	(32,704)	(24,351)	(34)
Management Fee	(19,735)	(32,714)	40	(59,460)	(73,315)	19
Finance Cost	<u>(19,924)</u>	<u>(24,117)</u>	17	<u>(64,368)</u>	<u>(41,854)</u>	(54)
Profit / (Loss) before Taxation	(297,575)	12,274	(2,524)	(242,755)	65,805	(469)
Income Tax Expense	1,842	(1,958)	194	-	(3,803)	100
Net Profit/(Loss) for the period	<u>(295,733)</u>	<u>10,316</u>	(2,967)	<u>(242,755)</u>	<u>62,002</u>	(492)
	Rs.	Rs.		Rs.	Rs.	
Basic Earnings Per Share	(10.96)	0.38		(9.00)	2.30	
Dividends per Share	-	-		-	-	

CASH FLOW STATEMENT

	Period Ended 30/09/2009	Period Ended 30/09/2008
CASH FLOWS FROM OPERATING ACTIVITIES	Rs. ' 000	Rs. ' 000
Net Profit before Taxation	(242,755)	65,805
ADJUSTMENTS FOR		
Depreciation/Amortization	48,874	51,789
Provision for Defined Benefit Plan Cost	283,433	26,284
Amortisation of Grants	(4,800)	(4,800)
Finance Costs	64,368	41,855
Provision for Bad & Doubtful Debts	12,000	-
Operating Profit before Working Capital changes	<u>161,120</u>	<u>180,933</u>
(Increase)/Decrease in Trade and other receivables	8,415	13,804
(Increase)/Decrease in Inventories	(28,208)	(36,500)
Increase/(Decrease) in Trade and other payables	126,763	12,382
Increase/(Decrease) in amounts due to Related Parties	72,238	2,197
(Increase)/Decrease in amounts due from Related Parties	5,706	(6,082)
Cash Generated from Operations	<u>346,034</u>	<u>166,734</u>
Finance Costs Paid	(53,922)	(33,181)
Defined Benefit Plan Costs paid	(29,967)	(31,559)
Income Tax Paid	-	(3,803)
Net Cash from Operating Activities	<u>262,145</u>	<u>98,191</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	5,528	16,936
Field Development Expenditure	(61,630)	(41,074)
Purchase of Property, Plant & Equipment	(30,583)	(38,792)
Short Term Investment	-	580
Net Cash used in Investing Activities	<u>(86,685)</u>	<u>(62,350)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	(114)	(26,317)
Payment of Government lease rentals	(11,251)	(9,436)
Proceeds from loans	193,155	-
Payment of loans	(93,653)	(81,020)
Net Cash from Financing Activities	<u>88,137</u>	<u>(116,773)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	263,597	(80,932)
A. Cash & Cash Equivalents at the beginning of the period	<u>(282,811)</u>	<u>(84,764)</u>
B. Cash & Cash Equivalents at the end of the period	<u>(19,214)</u>	<u>(165,696)</u>
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Cash & Bank Balances	6,945	12,969
Bank Overdrafts	(289,756)	(97,733)
	<u>(282,811)</u>	<u>(84,764)</u>
NOTE B		
Cash & Cash Equivalents at the end of the period		
Cash & Bank Balances	70,314	4,888
Bank Overdrafts	(89,528)	(170,584)
	<u>(19,214)</u>	<u>(165,696)</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 31st March 2008	350,000	540,000	266,212	1,156,212
Net profit/ (Loss) for the period	-	-	62,002	62,002
Dividend Paid	-	-	(26,976)	(26,976)
Balance as at 30th September 2008	350,000	540,000	301,238	1,191,238
Balance as at 31st March 2009	350,000	540,000	112,963	1,002,963
Net profit/(Loss) for the period	-	-	(242,755)	(242,755)
Dividend Paid	-	-	-	-
Balance as at 30th September 2009	350,000	540,000	(129,792)	760,208

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended 30th September 2009

- | | Six Months
ended
30.09.2009
Rs. | Six Months
ended
30.09.2008
Rs. |
|--|--|--|
| 1 Market Price per Share | | |
| - Last Traded price (For the period) | 21.75 | 25.50 |
| - Highest (For the period) | 22.25 | 31.00 |
| - Lowest (For the period) | 13.25 | 21.00 |
- 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 for current year.
 - 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 31st March 2009 and are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting and the accompanying figures are provisional and subject to audit.
 - There are no material changes in contingent liabilities since the last Annual Report Balance Sheet date which require disclosure.
 - As per the new Collective Agreement, new wage rates were agreed upon in September 2009 with arrears payable for the period April to August. Total impact of the wage arrears and increase in gratuity provision arising from the increase in wage rate amounting to Rs. 376mn was charged as Cost of Sales as at 30th September 2009.

Details	Amount Rs'000
Cost of Manufacture	1,121,555
Arrears in wages	127,168
Adjustment to Opening Balance of Gratuity Provision	248,986
Total Cost of Sales	1,497,709

50% of the said wage arrears is to be paid in October 2009 whilst 25% each is payable in December 2009 and January 2010 respectively. These figures are subject to an Actuarial Valuation that will be carried out during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS CONTD...

8 Twenty Largest Shareholders

	as at 30/09/2009		as at 31/03/2009	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
RPC Management 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
Bank Of Ceylon A/c Ceybank Unit Trust	460,800	1.71	532,400	1.97
Sandwave Ltd	308,500	1.14	308,500	1.14
Mr.M. Radhakrishnan	260,600	0.97	260,600	0.97
Mr.S.A.O.A Abo Qamaz	200,000	0.74	-	0
Mr.S.N.C.W.M.B.C Kandedgedara	179,800	0.67	127,200	0.47
Entrust Ltd	125,000	0.46	-	-
First Capital Markets Ltd/Mr.L.K.N.K Kulawarde	117,200	0.43	-	-
Entrust Investments Ltd	105,000	0.39	-	-
Waldock Mackenzie Ltd/Ceylinco Shriram Capital.	100,400	0.37	100,400	0.37
Mr.M.H.Mohamed Makeen	100,000	0.37	-	-
CSCM/Mr.Halpawattege Geethal Ranjan Peiris	93,900	0.35	93,900	0.35
Mr.A.D. Ismail	93,800	0.35	-	-
Mr.H.W.M. Woodward	90,300	0.33	88,600	0.33
J.B. Cocoshell (Pvt) Ltd	81,300	0.30	-	-
Ceylinco Shriram Capital Management Services Co	79,900	0.30	79,900	0.30
DPMC Financial Services (Pvt) Ltd. A/c No. 02	75,000	0.28	-	-
K.C. Amaradasa	75,000	0.28	-	-
HSBC International Nominees Ltd - SSBT - Deutsche Bank	70,800	0.26	-	-
	20,389,544	75.58		
Balance held by 17,136 shareholders	6,587,201	24.42		
Total no. of Shares	26,976,745	100.00		
	Number of Shares	%		
The percentage of shares held as at 30th September 2009 as follows;				
Public Holding	9,799,501	36.33		
Other Holding	17,177,244	63.67		
Total	26,976,745	100.00		

9 Shareholding of Directors as at 31st March 2009 as follows;

	No. Shares
Dr.S.Yaddehige	-
J H P Ratnayeke	-
P D Samarasinghe	-
R.L. Kumararatne	-
Mr.S.P. Jayakoddy	500
Dr.A.Ekanayake	-
Dr.H.S.D. Soysa	1,400

SEGMENT INFORMATION

Geographical Segment

For the six months ended 30th September 2009

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	Total
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue										
Tea	323,734	328,771	503,380	528,584	236,363	242,083	331,140	289,630	1,394,617	1,389,068
Revenue Expenditure	(266,427)	(256,464)	(427,455)	(416,879)	(197,437)	(192,530)	(274,082)	(253,585)	(1,165,401)	(1,119,459)
Depreciation/ Amortization	(11,618)	(10,736)	(16,006)	(17,504)	(10,660)	(11,221)	(10,590)	(12,328)	(48,874)	(51,789)
Gratuity	(70,584)	(6,615)	(101,512)	(9,059)	(46,337)	(4,197)	(65,000)	(6,413)	(283,433)	(26,284)
Segment Results	(24,895)	54,956	(41,593)	85,142	(18,072)	34,135	(18,532)	17,304	(103,092)	191,536
Other Income									16,869	13,789
Unallocated Expenses									(32,704)	(24,351)
Management Fees									(59,460)	(73,315)
Finance Cost									(64,368)	(41,854)
Income Tax expenses									-	(3,803)
Profit /(Loss)for the period									(242,755)	62,002

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 P Q 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 Yaddhegige - 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 Investment Bank
Contact Details	Telephone : +(94) 11 4310888 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com