

**TALAWAKELLE TEA ESTATES PLC**

**Interim Financial Statements**

**Twelve months ended 31st March 2018**

**Talawakelle Tea Estates PLC**  
**STATEMENT OF PROFIT OR LOSS**

	Group			Group		
	Unaudited 12 months ended 31.03.2018 Rs.'000	Audited 12 months ended 31.03.2017 Rs.'000	% Change	Unaudited 03 months ended 31.03.2018 Rs.'000	Audited 03 months ended 31.03.2017 Rs.'000	% Change
<b>Revenue</b>	<b>4,061,310</b>	3,334,494	22%	<b>1,111,757</b>	1,076,614	3%
Cost of Sales	<b>(3,307,226)</b>	(2,898,184)	14%	<b>(809,320)</b>	(752,638)	8%
<b>Gross profit</b>	<b>754,084</b>	436,310	73%	<b>302,436</b>	323,976	-7%
Gain/(Loss) on Fair Value of Biological Assets	<b>9,091</b>	16,743	-46%	<b>9,091</b>	16,743	-46%
Other Income and Gains	<b>22,309</b>	22,452	-1%	<b>7,355</b>	4,905	50%
Administrative Expenses	<b>(169,416)</b>	(153,521)	10%	<b>(43,153)</b>	(29,102)	48%
<b>Results From Operating Activities</b>	<b>616,067</b>	321,984		<b>275,729</b>	316,523	
Finance Income	<b>52,099</b>	8,951	>100%	<b>15,351</b>	4,354	>100%
Finance Expenses	<b>(21,891)</b>	(35,758)	-39%	<b>(4,291)</b>	(8,477)	-49%
Interest Paid to Government on Finance Lease	<b>(29,446)</b>	(28,790)	2%	<b>(7,544)</b>	(7,882)	-4%
Net Finance Expenses	<b>761</b>	(55,596)		<b>3,516</b>	(12,005)	
<b>Profit/(Loss) Before Tax</b>	<b>616,828</b>	266,388	>100%	<b>279,245</b>	304,518	-8%
Income Tax expenses	<b>(69,262)</b>	(24,906)	>100%	<b>(21,424)</b>	(30,055)	-29%
<b>Profit/(Loss) for the period</b>	<b>547,567</b>	241,482		<b>257,821</b>	274,463	
<b>Attributable to :</b>						
Equity Holders of the Parent	<b>548,437</b>	233,769		<b>259,744</b>	277,864	
Non-Controlling Interest	<b>(870)</b>	7,713		<b>(1,923)</b>	(3,401)	
<b>Net profit/(Loss) for the period</b>	<b>547,567</b>	241,482		<b>257,821</b>	274,463	
Basic earnings/(loss) per share (Rs.)	<b>23.09</b>	9.84		<b>10.94</b>	11.70	
Dividend per share (Rs.)	<b>5.00</b>	1.00		<b>4.00</b>	1.00	

**STATEMENT OF COMPREHENSIVE INCOME**

<b>Profit/ (Loss) for the period</b>	<b>547,567</b>	241,482		<b>257,821</b>	274,463	
<b>Other Comprehensive Income</b>						
<b>Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>						
Actuarial Gain on Defined Benefit Plans	<b>21,956</b>	217,547		<b>21,956</b>	217,547	
Income Tax Effect	<b>(3,074)</b>	(34,290)		<b>(3,074)</b>	(34,290)	
<b>Other Comprehensive income for the period, net of tax</b>	<b>18,882</b>	183,257		<b>18,882</b>	183,257	
<b>Total comprehensive income for the period, net of tax</b>	<b>566,448</b>	424,739		<b>276,703</b>	457,720	
<b>Attributable to:</b>						
Equity Holders of the Parent	<b>567,323</b>	417,079		<b>278,631</b>	461,174	
Non- Controlling Interest	<b>(875)</b>	7,659		<b>(1,928)</b>	(3,455)	
	<b>566,448</b>	424,739		<b>276,703</b>	457,720	

Figures in brackets indicate deductions

**Talawakelle Tea Estates PLC**  
**STATEMENT OF PROFIT OR LOSS**

	Company			Company		
	Unaudited 12 months ended 31.03.2018 Rs.'000	Audited 12 months ended 31.03.2017 Rs.'000	% Change	Unaudited 03 months ended 31.03.2018 Rs.'000	Audited 03 months ended 31.03.2017 Rs.'000	% Change
<b>Revenue</b>	<b>4,009,007</b>	3,262,361	23%	<b>1,102,571</b>	1,071,678	3%
Cost of Sales	<b>(3,269,090)</b>	(2,859,851)	14%	<b>(799,839)</b>	(743,112)	8%
<b>Gross profit</b>	<b>739,917</b>	402,510	84%	<b>302,732</b>	328,565	-8%
Gain/(Loss) on Fair Value of Biological Assets	<b>9,091</b>	16,743	-46%	<b>9,091</b>	16,743	-46%
Other Income and Gains	<b>24,329</b>	36,865	-34%	<b>9,376</b>	12,433	-25%
Administrative Expenses	<b>(160,524)</b>	(143,953)	12%	<b>(41,760)</b>	(27,338)	53%
<b>Results From Operating Activities</b>	<b>612,813</b>	312,166		<b>279,438</b>	330,404	
Finance Income	<b>52,099</b>	8,122	>100%	<b>15,351</b>	4,248	>100%
Finance Expenses	<b>(18,420)</b>	(31,437)	-41%	<b>(3,618)</b>	(7,581)	-52%
Interest Paid to Government on Finance Lease	<b>(29,446)</b>	(28,790)	2%	<b>(7,544)</b>	(7,882)	-4%
Net Finance Expenses	<b>4,233</b>	(52,105)		<b>4,189</b>	(11,215)	
<b>Profit/(Loss) Before tax</b>	<b>617,045</b>	260,061	>100%	<b>283,627</b>	319,189	-11%
Income Tax Expenses	<b>(66,242)</b>	(17,767)	>-100%	<b>(19,671)</b>	(28,867)	-32%
<b>Profit/(Loss) for the period</b>	<b>550,803</b>	242,295		<b>263,956</b>	290,322	
<b>Attributable to :</b>						
Equity Holders of the Parent	<b>550,803</b>	242,295		<b>263,956</b>	290,322	
Non-Controlling Interest	-	-		-	-	
<b>Net profit/(Loss) for the period</b>	<b>550,803</b>	242,295		<b>263,956</b>	290,322	
Basic earnings/(loss) per share (Rs.)	<b>23.19</b>	10.20		<b>11.11</b>	12.22	
Dividend per share (Rs.)	<b>5.00</b>	1.00		<b>4.00</b>	1.00	
<b>STATEMENT OF COMPREHENSIVE INCOME</b>						
<b>Profit/ (Loss) for the period</b>	<b>550,803</b>	242,295		<b>263,956</b>	290,322	
<b>Other Comprehensive Income</b>						
<b>Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>						
Actuarial gain on defined benefit plans	<b>21,967</b>	217,671		<b>21,967</b>	217,671	
Income tax effect	<b>(3,075)</b>	(34,305)		<b>(3,075)</b>	(34,305)	
<b>Other Comprehensive income for the period, net of tax</b>	<b>18,892</b>	183,366		<b>18,892</b>	183,366	
<b>Total comprehensive income for the period, net of tax</b>	<b>569,695</b>	425,661		<b>282,848</b>	473,689	
<b>Attributable to:</b>						
Equity Holders of the Parent	<b>569,695</b>	425,661		<b>282,848</b>	473,689	
Non- controlling Interest	-	-		-	-	
	<b>569,695</b>	425,661		<b>282,848</b>	473,689	

Figures in brackets indicate deductions

**Talawakelle Tea Estates PLC**
**STATEMENT OF FINANCIAL POSITION**

	Company		Group	
	Unaudited As at 31.03.2018 Rs.'000	Audited As at 31.03.2017 Rs.'000	Unaudited As at 31.03.2018 Rs.'000	Audited As at 31.03.2017 Rs.'000
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Right-to-use of Land	160,619	166,287	160,619	166,287
Immovable estate assets on finance lease (other than Right to use of Land)	62,050	66,237	62,050	66,237
Tangible assets other than Immature/Mature Plantations	722,236	686,005	1,053,389	1,029,355
Immature/Mature Plantations	1,793,060	1,801,915	1,793,060	1,801,915
Consumable Biological Assets	252,739	236,838	252,739	236,838
Development Cost	-	-	5,279	6,239
Investments in Subsidiaries	134,933	134,933	-	-
Deferred Tax Asset	-	-	13,740	14,822
	<b>3,125,636</b>	<b>3,092,215</b>	<b>3,340,876</b>	<b>3,321,693</b>
<b>Current Assets</b>				
Produce on Bearer Biological Assets	12,124	9,947	12,124	9,947
Inventories	452,541	372,308	454,884	374,728
Trade and Other Receivables	182,917	157,227	196,830	171,249
Amounts due from Related Companies	1,815	2,381	1,815	2,381
Short Term Investments	702,448	226,760	702,448	226,760
Cash and Bank Balances	12,646	18,916	16,169	29,850
	<b>1,364,491</b>	<b>787,539</b>	<b>1,384,270</b>	<b>814,914</b>
<b>TOTAL ASSETS</b>	<b>4,490,127</b>	<b>3,879,754</b>	<b>4,725,146</b>	<b>4,136,607</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated Capital	350,000	350,000	350,000	350,000
Timber Reserves	179,655	172,742	179,655	172,742
Biological Crop Reserves	12,124	9,947	12,124	9,947
Retained Earnings	1,944,852	1,502,998	1,980,539	1,541,056
<b>Equity attributable to equity holders of the parent</b>	<b>2,486,631</b>	<b>2,035,686</b>	<b>2,522,318</b>	<b>2,073,745</b>
Non-Controlling Interests	-	-	170,793	173,609
<b>Total Equity</b>	<b>2,486,631</b>	<b>2,035,686</b>	<b>2,693,111</b>	<b>2,247,353</b>
<b>Non Current Liabilities &amp; Deferred Income</b>				
Interest Bearing Loans & Borrowings	96,633	123,414	96,633	139,538
Retiring Benefit Obligations	809,992	799,699	811,824	801,101
Deferred Tax Liability	158,206	127,898	158,206	127,898
Deferred Income	150,126	155,426	150,126	155,426
Liability to make Lease Payment after one year	186,353	187,174	186,353	187,174
	<b>1,401,310</b>	<b>1,393,611</b>	<b>1,403,142</b>	<b>1,411,137</b>
<b>Current Liabilities</b>				
Trade and Other Payables	527,464	376,969	538,012	384,487
Interest Bearing Loans & Borrowings	49,242	50,822	65,366	72,321
Liability to make Lease Payment within one year	821	727	821	727
Amounts due to Related Companies	11,239	8,549	10,676	7,117
Bank Overdraft	13,419	13,389	14,018	13,465
	<b>602,186</b>	<b>450,456</b>	<b>628,894</b>	<b>478,116</b>
<b>TOTAL LIABILITIES</b>	<b>2,003,496</b>	<b>1,844,068</b>	<b>2,032,036</b>	<b>1,889,253</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,490,127</b>	<b>3,879,754</b>	<b>4,725,146</b>	<b>4,136,607</b>
Net assets per share	104.70	85.71	106.20	87.32

The Statements of Financial Position as at 31st March 2018 and the Statements of Profit or Loss, Statements of Comprehensive Income, the Statements of Changes in Equity and Cash flow statements for the twelve months then ended are drawn up from the unaudited Financial Statements of the Company; and its subsidiaries and provide the information required by the Colombo Stock Exchange

It is certified that the financial statements have been prepared in compliance with the requirements of Companies Act No.7 of 2007

(sgd)

D S Seneviratne  
Director/ Chief Executive Officer

Signed on behalf of the Board of Directors of Talawakelle Tea Estates PLC

(sgd)

A M Pandithage  
Chairman  
15th May 2018

(sgd)

W G R Rajadurai  
Managing Director

The notes on pages 06 form an integral part of these financial statements  
Figures in brackets indicate deductions

**Talawakelle Tea Estates PLC**

**STATEMENT OF CHANGES IN EQUITY**

<u>Company</u>	Stated Capital	Retained Earnings	Timber Reserve	Biological Crop Reserve	Total	Non Controlling Interest	Total Equity
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 01st April 2016	350,000	1,117,196	164,435	2,145	1,633,775	-	1,633,775
Profit/ (Loss) for the period	-	242,295	-	-	242,295	-	242,295
Other comprehensive income	-	183,366	-	-	183,366	-	183,366
Transferred to the timber reserve	-	(8,941)	8,941	-	-	-	-
Realised gain on timber sales	-	634	(634)	-	-	-	-
Transferred to the biological crop reserve	-	(7,802)	-	7,802	-	-	-
Dividends	-	(23,750)	-	-	(23,750)	-	(23,750)
Balance as at 31st March 2017	350,000	1,502,998	172,742	9,947	2,035,686	-	2,035,686
<b>Balance as at 01st April 2017</b>	<b>350,000</b>	<b>1,502,998</b>	<b>172,742</b>	<b>9,947</b>	<b>2,035,686</b>	<b>-</b>	<b>2,035,686</b>
Profit/ (Loss) for the period	-	550,802	-	-	550,802	-	550,802
Other comprehensive income	-	18,893	-	-	18,893	-	18,893
Transferred to the timber reserve	-	(6,913)	6,913	-	-	-	-
Realised gain on timber sales	-	-	-	-	-	-	-
Transferred to the biological crop reserve	-	(2,178)	-	2,178	-	-	-
Dividends	-	(118,750)	-	-	(118,750)	-	(118,750)
Balance as at 31st March 2018	350,000	1,944,852	179,655	12,124	2,486,631	-	2,486,631

<u>Group</u>	Stated Capital	Attributable to equity holders of the parent			Total	Non Controlling Interest	Total Equity
		Retained Earnings	Timber Reserve	Biological Crop Reserve			
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 01st April 2016	350,000	1,163,836	164,435	2,145	1,680,415	179,797	1,860,213
Profit/ (Loss) for the period	-	233,769	-	-	233,769	7,713	241,482
Other comprehensive income	-	183,311	-	-	183,311	(54)	183,257
Transferred to the timber reserve	-	(8,941)	8,941	-	-	-	-
Realised gain on timber sales	-	634	(634)	-	-	-	-
Transferred to the biological crop reserve	-	(7,802)	-	7,802	-	-	-
Dividends	-	(23,750)	-	-	(23,750)	(13,848)	(37,598)
Balance as at 31st March 2017	350,000	1,541,056	172,742	9,947	2,073,745	173,609	2,247,353
<b>Balance as at 01st April 2017</b>	<b>350,000</b>	<b>1,541,056</b>	<b>172,742</b>	<b>9,947</b>	<b>2,073,745</b>	<b>173,609</b>	<b>2,247,353</b>
Profit/ (Loss) for the period	-	548,435	-	-	548,435	(870)	547,565
Other comprehensive income	-	18,888	-	-	18,888	(5)	18,883
Transferred to the timber reserve	-	(6,913)	6,913	-	-	-	-
Realised gain on timber sales	-	-	-	-	-	-	-
Transferred to the biological crop reserve	-	(2,178)	-	2,178	-	-	-
Dividends	-	(118,750)	-	-	(118,750)	(1,941)	(120,691)
Balance as at 31st March 2018	350,000	1,980,539	179,655	12,124	2,522,318	170,793	2,693,111

Figures in brackets indicate deductions

**Talawakelle Tea Estates PLC**  
**STATEMENT OF CASH FLOW**

	Company		Group	
	Unaudited 12 months ended 31.03.2018 Rs.'000	Audited 12 months ended 31.03.2017 Rs.'000	Unaudited 12 months ended 31.03.2018 Rs.'000	Audited 12 months ended 31.03.2017 Rs.'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit/(Loss) before Taxation	617,045	260,061	616,828	266,388
<b>ADJUSTMENTS FOR</b>				
Provision for defined benefit plan costs	139,355	135,911	139,773	136,120
Depreciation/amortisation	136,238	138,226	153,412	155,330
Amortisation of grants	(5,300)	(5,300)	(5,300)	(5,300)
Dividend Income	(2,020)	(14,413)	-	-
Finance costs	18,420	31,437	21,891	35,758
Government Lease Interest	29,446	28,790	29,446	28,790
(Profit)/ Loss on disposal of assets	(12,288)	(7,521)	(12,288)	(7,521)
(Gains)/ Loss on Fair Value of Biological Assets	(9,091)	(16,743)	(9,091)	(16,743)
Profit on Sale of Trees	(1,248)	(8,705)	(1,248)	(8,705)
<b>Operating profit before working capital changes</b>	<b>910,558</b>	<b>541,743</b>	<b>933,426</b>	<b>584,117</b>
(Increase)/Decrease in Inventories	(80,233)	(48,879)	(80,156)	(48,956)
(Increase)/Decrease in Trade and Other Receivables	(25,689)	649	(25,582)	(1,082)
Increase/(Decrease) in Trade and Other Payables	132,272	106,573	133,366	105,161
(Increase)/Decrease in Amounts due from Related Companies	567	756	567	756
Increase/(Decrease) in Amounts due to Related Companies	2,690	(1,961)	3,559	(221)
<b>Cash generated from operations</b>	<b>940,164</b>	<b>598,880</b>	<b>965,179</b>	<b>639,774</b>
Finance costs paid	(18,420)	(31,437)	(21,891)	(35,758)
Payment of Super Gain Tax/ESC / Income Tax / SRL	(20,500)	(16,714)	(20,500)	(20,441)
Defined benefit plan costs paid	(107,095)	(98,206)	(107,095)	(98,206)
<b>Net cash from operating activities</b>	<b>794,149</b>	<b>452,523</b>	<b>815,693</b>	<b>485,370</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Grant Received	-	9,624	-	9,624
Dividend Income Received	2,020	14,413	-	-
Proceeds from Sale of Trees	1,248	9,339	1,248	9,339
Proceeds from Disposal of Property, Plant & Equipment	14,129	11,383	14,129	11,383
Field Development Expenditure	(64,365)	(88,645)	(64,365)	(88,645)
Purchase of Property, Plant & Equipment	(100,347)	(44,578)	(104,366)	(44,905)
Cost of Asset Returned	125	-	125	-
<b>Net cash used in investing activities</b>	<b>(147,190)</b>	<b>(88,465)</b>	<b>(153,229)</b>	<b>(103,204)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividend Paid	(118,750)	(23,750)	(120,691)	(37,598)
Payment of Government lease rentals	(30,459)	(29,401)	(30,459)	(29,401)
Proceeds from loans	73,648	135,000	73,648	135,000
Repayment /Transfer of loans	(102,008)	(161,630)	(123,507)	(183,129)
<b>Net cash from financing activities</b>	<b>(177,570)</b>	<b>(79,781)</b>	<b>(201,010)</b>	<b>(115,128)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>469,389</b>	<b>284,277</b>	<b>461,454</b>	<b>267,038</b>
<b>A. Cash &amp; cash equivalents at the beginning of the year</b>	<b>232,287</b>	<b>(51,990)</b>	<b>243,145</b>	<b>(23,893)</b>
<b>B. Cash &amp; cash equivalents at the end of the year</b>	<b>701,676</b>	<b>232,287</b>	<b>704,599</b>	<b>243,145</b>

**NOTE A**

Cash & cash equivalents at the beginning of the year

Cash & bank balances	18,916	9,097	29,850	27,130
Short term Investments	226,760	43,126	226,760	53,191
Bank overdrafts	(13,389)	(62,214)	(13,465)	(62,214)
Short term loans	-	(42,000)	-	(42,000)
	<b>232,287</b>	<b>(51,990)</b>	<b>243,145</b>	<b>(23,893)</b>

**NOTE B**

Cash & cash equivalents at the end of the year

Cash & bank balances	12,646	18,916	16,169	29,850
Short term Investments	702,448	226,760	702,448	226,760
Bank overdrafts	(13,419)	(13,389)	(14,018)	(13,465)
Short term loans	-	-	-	-
	<b>701,676</b>	<b>232,287</b>	<b>704,599</b>	<b>243,145</b>

The notes on pages 06 form an integral part of these financial statements  
Figures in brackets indicate deductions

1. REVENUE Summary	Company		Group	
	Unaudited	Audited	Unaudited	Audited
	12 months ended 31.03.2018 Rs.'000	12 months ended 31.03.2017 Rs.'000	12 months ended 31.03.2018 Rs.'000	12 months ended 31.03.2017 Rs.'000
<b>Sale of goods</b>				
Tea	3,948,714	3,203,621	3,948,714	3,203,621
Rubber	14,564	19,647	14,564	19,647
Mini Hydro Power	-	-	52,303	72,133
Others	45,729	39,094	45,729	39,094
	<b>4,009,007</b>	<b>3,262,361</b>	<b>4,061,310</b>	<b>3,334,494</b>
<b>SEGMENT INFORMATION</b>				
<b>a) Segment Revenue</b>				
<b>Tea</b>				
Revenue	3,948,714	3,203,621	3,948,714	3,203,621
Revenue expenditure	(2,969,176)	(2,558,540)	(2,969,176)	(2,558,540)
Depreciation	(132,190)	(134,247)	(132,190)	(134,247)
Other non cash expenditure	(139,355)	(135,911)	(139,355)	(135,911)
<b>Segment results</b>	<b>707,994</b>	<b>374,923</b>	<b>707,994</b>	<b>374,923</b>
<b>Rubber</b>				
Revenue	14,564	19,647	14,564	19,647
Revenue expenditure	(24,323)	(27,174)	(24,323)	(27,174)
Depreciation	(4,047)	(3,978)	(4,047)	(3,978)
Other non cash expenditure	-	-	-	-
<b>Segment results</b>	<b>(13,806)</b>	<b>(11,506)</b>	<b>(13,806)</b>	<b>(11,506)</b>
<b>Mini Hydro Power</b>				
Revenue	-	-	52,303	72,133
Revenue expenditure	-	-	(20,542)	(19,827)
Depreciation	-	-	(17,174)	(17,105)
Other non cash expenditure	-	-	(419)	(1,402)
<b>Segment results</b>	<b>-</b>	<b>-</b>	<b>14,167</b>	<b>33,800</b>
<b>Unallocated</b>				
Revenue	45,729	39,094	45,729	39,094
Revenue expenditure	-	-	-	-
Depreciation	-	-	-	-
Other non cash expenditure	-	-	-	-
<b>Segment results</b>	<b>45,729</b>	<b>39,094</b>	<b>45,729</b>	<b>39,094</b>
<b>Total</b>				
Revenue	4,009,007	3,262,361	4,061,310	3,334,494
Revenue expenditure	(2,993,498)	(2,585,714)	(3,014,040)	(2,605,541)
Depreciation	(136,238)	(138,226)	(153,412)	(155,330)
Other non cash expenditure	(139,355)	(135,911)	(139,773)	(137,313)
<b>Segment results</b>	<b>739,917</b>	<b>402,510</b>	<b>754,084</b>	<b>436,310</b>
Gains on fair value of biological assets	9,091	16,743	9,091	16,743
Other Income and Gains	24,329	36,865	22,309	22,452
Administrative Expenses	(160,524)	(143,953)	(169,416)	(153,521)
Finance Income	52,099	8,122	52,099	8,951
Finance Expenses	(18,420)	(31,437)	(21,891)	(35,758)
Interest paid to Government on Finance Lease	(29,446)	(28,790)	(29,446)	(28,790)
<b>Profit/(Loss) Before Tax</b>	<b>617,045</b>	<b>260,061</b>	<b>616,828</b>	<b>266,388</b>

**Talawakelle Tea Estates PLC**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

SEGMENT INFORMATION	Company		Group	
	Unaudited 12 months to 31.03.2018 Rs.'000	Audited 12 months to 31.03.2017 Rs.'000	Unaudited 12 months to 31.03.2018 Rs.'000	Audited 12 months to 31.03.2017 Rs.'000
<b>b) Segment Assets</b>				
<b>Non Current Assets</b>				
Tea	2,630,971	2,615,097	2,630,971	2,615,097
Rubber	106,993	105,347	106,993	105,347
Mini Hydro Power	-	-	350,173	364,410
Biological Assets	252,739	236,838	252,739	236,838
Investments	134,933	134,933	-	-
	<b>3,125,636</b>	<b>3,092,215</b>	<b>3,340,876</b>	<b>3,321,693</b>
<b>Current Assets</b>				
Tea	1,363,687	785,236	1,363,687	785,236
Rubber	804	2,303	804	2,303
Mini Hydro Power	-	-	19,779	27,375
	<b>1,364,491</b>	<b>787,539</b>	<b>1,384,270</b>	<b>814,914</b>
<b>Total Assets</b>	<b>4,490,127</b>	<b>3,879,754</b>	<b>4,725,146</b>	<b>4,136,607</b>
<b>Non Current Liabilities and Deferred Income</b>				
Tea	1,401,310	1,393,611	1,401,310	1,393,611
Rubber	-	-	-	-
Mini Hydro Power	-	-	1,832	17,526
Unallocated	-	-	-	-
	<b>1,401,310</b>	<b>1,393,611</b>	<b>1,403,142</b>	<b>1,411,137</b>
<b>Current Liabilities</b>				
Tea	602,186	450,456	602,186	450,456
Rubber	-	-	-	-
Mini Hydro Power	-	-	26,708	27,660
Unallocated	-	-	-	-
	<b>602,186</b>	<b>450,456</b>	<b>628,894</b>	<b>478,116</b>
<b>Total liabilities</b>	<b>2,003,496</b>	<b>1,844,068</b>	<b>2,032,036</b>	<b>1,889,253</b>
<b>2. STATED CAPITAL</b>				
as at	31.03.2018	31.03.2017	31.03.2018	31.03.2017
<b>Issued and fully paid</b>	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>
23,750,000 ordinary shares and a golden share which has special rights held by the Secretary to the Treasury	<b>350,000</b>	350,000	<b>350,000</b>	350,000



**TALAWAKELLE TEA ESTATES PLC**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

3. 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 period ended 31 March 2017.
4. Where necessary, comparative figures have been reclassified to conform with the current periods presentation .
5. These interim financial statements include the gain arising from the valuation of biological assets and actuarial gain/loss on defined benefit plans arising from the year end valuation.
6. Contingent liabilities that may result, depending on the timing of the taxability of certain fair value adjustments amounts to approximately Rs. 1,272,691/-. There has not been any significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31 March 2017.
7. No circumstances have arisen since the Statement of Financial Position date, which would require adjustments to the Interim Financial statements.
8. The Deferred tax has been calculated at the 14% as per the Inland Revenue Act No. 24 of 2017.

**TALAWAKELLE TEA ESTATES PLC**  
**FIRST TWENTY SHAREHOLDERS AS AT 31.03.2018**

	Name of the Shareholder	No. of Shares as at 31.03.2018	%
1	HAYLEYS PLANTATION SERVICES (PRIVATE) LIMITED	17,750,000	74.74
2	MERRILL J FERNANDO & SONS (PVT) LIMITED	1,184,700	4.99
3	ANVERALLY AND SONS (PVT) LTD A/C NO 01	449,573	1.89
4	SEZEKA LIMITED	422,080	1.78
5	CAPITAL TRUST HOLDINGS LIMITED	190,799	0.80
6	J.B.COCOSHELL (PVT) LTD	179,753	0.76
7	MR. N.A. WITHANA	112,100	0.47
8	MR. G.M. WEERAKOON	109,396	0.46
9	COCOSHELL ACTIVATED CARBON COMPANY LIMITED	101,007	0.43
10	MR. D.F.G. DALPETHADO/MRS. H.F.A.K.D. FONSEKA	72,374	0.30
11	DEE SANDA HOLDINGS (PVT) LTD	60,499	0.25
12	MR. P.A.D. SAMARASEKERA	53,400	0.22
13	MR. K.C. VIGNARAJAH	48,800	0.21
14	DFCC BANK PLC/ MR. K.S.D. SENAWEERA	36,615	0.15
15	SEYLAN BANK PLC/S.R. FERNANDO	36,600	0.15
16	ASSETLINE LEASING COMPANY LTD/MR L.K.N.K. KULAWARDENA	34,000	0.14
17	MR.R.V.D. PIYATHILAKE	32,000	0.13
18	SECRETARY TO THE TREASURY	28,444	0.12
19	SEYLAN BANK PLC/R.P. SUGATHADASA	28,428	0.12
20	MR. A.V. EMMANUEL	28,000	0.12

**Directors Shares holding as at end of 31.03.2018**

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<b>Mr. Merrill J. Fernando</b>	1,184,700
<b>Common Directors- Mr. Merrill J. Fernando</b>	
- Mr. Malik J. Fernando	
- Mr. D. C. Fernando	
<b>Dr. K. I. M. Ranasoma</b>	500
<b>Mr. D. S. Seneviratne</b>	600
<b>Mr. W.G.R. Rajadurai</b>	1000

## CORPORATE INFORMATION

### Name of Company

Talawakelle Tea Estates PLC  
( A quoted public company with limited liability, incorporated  
in Sri Lanka on 22nd June 1992)

### Company Registration Number

PQ 36

### Stock Exchange Listing

The ordinary shares of the Company are listed with the Colombo Stock  
Exchange of Sri Lanka

### Directors

Mr.A M Pandithage - Chairman  
Mr.W G R Rajadurai - Managing Director  
Mr.Merrill J Fernando  
Mr.Malik J Fernando (Alternate - Mr.D C Fernando)  
Dr.S S S B D G Jayawardena  
Dr.K I M Ranasoma  
Ms. M.D.A. Perera  
Mr.N T Bogahalande  
Mr.D S Seneviratne  
Mr.S L Athukorala  
Mr.M.H. Jamaldeen

### Secretaries

Hayleys Group Services (Pvt) Limited  
No.400, Deans Road, Colombo 10, Sri Lanka

### Subsidiaries

TTEL Hydro Power Company (Pvt) Ltd  
TTEL Somerset Hydro Power (Pvt) Ltd

### Registered Office

No.400, Deans Road, Colombo 10,  
Sri Lanka  
Telephone: (94-11) -2627754-5, 2697203  
Fax : (94-11) -2627782  
e-mail: tpl.tea@ttl.hayleys.com  
website: www.talawakelleteas.com

### Principal Lines of Business

Cultivation, manufacture and sale of Tea

## INVESTOR INFORMATION

MARKET VALUE OF SHARES	2018 Rs.	2017 Rs.
Closing price on 31.03. ....	54.50	32.00
Highest price recorded for the twelve months ending	61.20	39.30
Lowest price recorded for the twelve months ending	31.30	29.50
Highest price recorded for the three months ending	61.00	34.30
Lowest price recorded for the three months ending	48.60	29.50
<b>RATIOS</b>		
Market capitalisation (Rs. '000)	1,294,375	760,000
Price Earning Ratio (times)	2.36	3.25
<b>SHARE TRADING FROM 01ST APRIL, 2017 TO 31ST MARCH, 2018</b>		
No. of transactions	2,358	479
No. of shares traded	2,436,347	363,435
Value of shares traded (Rs.)	129,214,524	13,011,991
Public Holding %	20.27	20.27
Total Number of shareholders representing the public holding	13,485	13,524