



TEEJAY LANKA PLC
(Formerly known as TEXTURED JERSEY LANKA PLC)
Condensed Interim Financial Statements
Period Ended 30 June 2017



TEEJAY LANKA PLC

Chairman's Review

Teejay Group commenced the new financial year, with optimism prevailing with GSP and its growth plans despite the market challenges created by the cotton yarn prices, which continued to the new financial year and which will extend to the second quarter of the current financial year. The order book continues to be positive with GSP prospectus, and the Group capitalized on the momentum in the market behavior as they recorded a 13% YOY growth in Revenue. The Group recorded Rs 5.4 Bn to that of Rs 4.8 Bn last year. The Company also remains quite profitable despite the YoY fluctuations.

The Gross profit for the group recorded Rs 604 Mn, a reduction of 17%, YOY, once again primarily due to the impacts stemming from Raw Material price hikes compared to last year. Those impacts were first felt in Q4 last year and have largely prevailed since. Other factors included competitive sales pricing which prevented us promoting any price hikes and the growth product mix. With the expansion in India underway, overheads have also increased mainly through depreciation related costs increasing for the quarter. The impact of GP margin has extended to PBT and been negated to a certain extent with the stringent control in costs during the quarter, where the escalation was kept at just 3% YoY. Net Financing Cost increases were marginal in magnitude and caused by incremental funding needs of the expansion.

Teejay Lanka ended its tax holiday from September 2016 onward and both Teejay India and Teejay Prints are now subjected to Tax. Taxes within the group increased from Rs 44Mn to 72Mn, a 62% increase, as result of the end of the tax holiday. The Net Profit declined due to the challenges in the markets which saw softer demand, coupled with continuing high raw material price escalations and the ending of the tax holiday, and the Group recorded Rs 220Mn for the quarter, against last year's Rs 399 Mn for the first quarter. However Teejay Group continues with a strong balance sheet from the previous quarter with a cash balance of Rs 3.4 Bn. The increase in working capital was driven by inventories to support expansion in the coming quarter and a timing difference in receivables at the end of the quarter. The Group is proposing a final dividend payout of Rs. 1.25 per Share, as there are confident sentiments for the future of the group.

The overall market remains competitive with the price swings and high demand for low cost products which posed challenges on selling prices and margins. However, cotton price volatility is expected to ease out during the third quarter of the new financial year. Also with the GSP benefit, a potential surge in EU business is expected and is already being observed. In addition, the Group is strengthening its Customer portfolio by looking in to new markets within the EU, US and Asian regions. Also with the Synthetic Business completing a successful first cycle last year, the Group is optimistic of the new plans being formulated to bring in more business into this area. Our expansion in India has so far been moving very much in line with our plans.

A combination of acute and strategic overhead management, output increase from changing some of the working models and continuing production efficiencies will be key for the Group in the upcoming quarters. As the Group embarks on to the second quarter, we recognize the need to keep reinventing, with new technology and automation featuring in our reengineering processes, to come up with newer and cost effective ways to meet customer demand. Our growth strategies have been vetted taking these risks into consideration and we aspire to leverage on our strengths in the coming months. Our medium term view remains quite bullish as we navigate these challenging quarters.

Sgd

Bill Lam

Chairman

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Group Quarter Ended 30 June			2017 Audited
	2017 Unaudited	2016 Unaudited	Variance	
Revenue	5,408,210	4,775,858	13%	22,137,641
Cost of sales	(4,804,141)	(4,048,495)	19%	(19,061,926)
Gross profit	604,069	727,363	-17%	3,075,715
Other income	31,086	27,429	13%	194,827
Distribution expenses	(33,867)	(39,110)	-13%	(132,141)
Administrative expenses	(298,911)	(280,713)	6%	(1,145,996)
Results from operating activities	302,377	434,969	-30%	1,992,405
Non Operating Income	Nil	Nil	Nil	Nil
Finance income	18,171	21,149	-14%	89,412
Finance costs	(29,341)	(13,232)	122%	(70,447)
Net finance income	(11,170)	7,917	-241%	18,965
Profit before tax	291,207	442,886	-34%	2,011,370
Income tax	(71,502)	(44,034)	62%	(52,195)
Profit for the period	219,705	398,852	-45%	1,959,175
Attributable to:				
Equity holders of the parent	219,705	398,852	-45%	1,959,175
Non-controlling interest	Nil	Nil	Nil	Nil
	219,705	398,852	-45%	1,959,175
Basic earnings per share (LKR)	0.31	0.57		2.81

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Group			2017 Audited
	Quarter Ended 30 June			
	2017 Unaudited	2016 Unaudited	Variance	
Profit for the period	219,705	398,852	-45%	1,959,175
Other comprehensive income				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	15,348
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(3,403)
Currency translation differences	(42,200)	(61,970)	-32%	355,823
Total other comprehensive income for	(42,200)	(61,970)	-32%	367,768
Total comprehensive income for the period	177,505	336,882	-47%	2,326,943
Attributable to:				
Equity holders of the parent	177,505	336,882	-47%	2,326,943
Non-controlling interest	Nil	Nil	Nil	Nil
	177,505	336,882	-47%	2,326,943

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Company			
	Quarter Ended			
	30 June			
	2017	2016	Variance	2017
	Unaudited	Unaudited		Audited
Revenue	3,468,899	3,546,343	-2%	15,721,413
Cost of sales	(3,165,179)	(3,078,210)	3%	(13,792,631)
Gross profit	303,720	468,133	-35%	1,928,782
Other income	11,467	8,267	39%	379,602
Distribution expenses	(26,717)	(30,958)	-14%	(107,915)
Administrative expenses	(158,526)	(152,892)	4%	(605,093)
Results from operating activities	129,944	292,550	-56%	1,595,376
Non Operating Income	79,905	4,283	1766%	(3,307)
Finance income	8,328	14,288	-42%	60,865
Finance costs	(225)	(48)	369%	(16,561)
Net finance income	8,103	14,240	-43%	44,304
Profit before tax	217,952	311,073	-30%	1,636,373
Income tax	(26,296)	(24,641)	7%	(135,425)
Profit for the period	191,656	286,432	-33%	1,500,948
Attributable to:				
Equity holders of the parent	191,656	286,432	-33%	1,500,948
Non-controlling interest	Nil	Nil	Nil	Nil
	191,656	286,432	-33%	1,500,948
Basic earnings per share (LKR)	0.27	0.41		2.15

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Company			
	Quarter Ended			
	30 June			
	2017 Unaudited	2016 Unaudited	Variance	2017 Audited
Profit for the period	191,656	286,432	-33%	1,500,948
Other comprehensive income				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	20,059
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(2,809)
Currency translation differences	(37,708)	(57,415)	-34%	319,156
Total other comprehensive income for the period	(37,708)	(57,415)	-34%	336,406
Total comprehensive income for the period	153,948	229,017	-33%	1,837,354
Attributable to:				
Equity holders of the parent	153,948	229,017	-33%	1,837,354
Non-controlling interest	Nil	Nil	Nil	Nil
	153,948	229,017	-33%	1,837,354

TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

	Group			Company		
	As at 30 June		As at 31 March	As at 30 June		As at 31 March
	2017 Unaudited	2016 Unaudited	2017 Audited	2017 Unaudited	2016 Unaudited	2017 Audited
ASSETS						
Non - current assets						
Property, plant & equipment	6,752,075	5,755,005	6,960,885	3,613,221	3,126,233	3,710,806
Capital work-in-progress	938,623	587,313	337,800	92,658	478,214	79,724
Intangible assets	59,379	74,390	65,833	30,368	35,821	34,054
Goodwill	50,341	48,645	50,537	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	2,753,598	2,660,841	2,764,328
Lease rentals paid in advance	235,610	242,618	240,306	93,116	94,112	94,550
Deferred tax assets	206,106	103,574	242,289	Nil	Nil	Nil
	8,242,134	6,811,545	7,897,650	6,582,961	6,395,221	6,683,462
Current assets						
Inventories	3,381,303	2,660,751	2,877,542	2,421,871	1,935,402	2,041,232
Trade and other receivables	3,745,974	2,754,053	3,370,099	2,759,945	1,955,163	2,221,185
Other financial assets	2,135,205	1,404,480	1,239,670	1,743,508	1,243,550	992,789
Cash and cash equivalents	1,301,067	1,726,871	1,494,376	951,828	492,887	906,653
	10,563,549	8,546,155	8,981,687	7,877,152	5,627,002	6,161,859
Total assets	18,805,683	15,357,700	16,879,337	14,460,113	12,022,223	12,845,321
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	4,056,790	3,938,604	3,942,686	4,056,790	3,938,604	3,942,686
ESOP fund	63,746	42,283	63,746	63,746	42,283	63,746
Exchange equalisation reserve	2,403,807	2,028,214	2,446,007	2,329,015	1,990,152	2,366,723
Retained earnings	4,944,491	4,549,704	4,724,786	3,775,025	3,748,790	3,583,371
	11,468,834	10,558,805	11,177,225	10,224,576	9,719,829	9,956,526
Non - current liabilities						
Borrowings	807,467	140,814	567,429	Nil	Nil	Nil
Deferred tax liabilities	364,399	289,774	357,469	255,288	193,639	247,932
Retirement benefit obligations	219,180	199,728	208,120	179,050	165,187	171,228
	1,391,046	630,316	1,133,018	434,338	358,826	419,160
Current liabilities						
Trade and other payables	3,559,427	3,443,930	3,043,719	2,203,230	1,910,807	1,705,126
Current tax liability	37,912	4,123	6,535	18,033	Nil	Nil
Borrowings	2,348,464	720,526	1,518,840	1,579,936	32,761	764,509
	5,945,803	4,168,579	4,569,094	3,801,199	1,943,568	2,469,635
Total liabilities	7,336,849	4,798,895	5,702,112	4,235,537	2,302,394	2,888,795
Total equity and liabilities	18,805,683	15,357,700	16,879,337	14,460,113	12,022,223	12,845,321
Net Asset per share	16.34	15.12	16.00	14.57	13.92	14.25

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

Moiz Rehmanjee

Chief Operating Officer - Commercial

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Sgd

Sriyan Joseph de Silva Wijeyeratne

Managing Director/Chief Executive Officer

Sgd

Hasitha Premaratne

Director

26-Jul-2017

TEEJAY LANKA PLC

Statement of Changes In Equity - Group

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	ESOP fund	Exchange equalisation reserve	Retained earnings	Total
Balance as at 1 April 2016	3,853,024	42,283	2,090,184	4,150,852	10,136,343
Profit for the period	Nil	Nil	Nil	1,959,175	1,959,175
Other comprehensive income	Nil	Nil	355,823	11,945	367,768
Total comprehensive income	Nil	Nil	355,823	1,971,120	2,326,943
Issue of shares under Employee Share Option Scheme	89,662	Nil	Nil	Nil	89,662
Transactions with owners					
Final dividend paid - 2015/16	Nil	Nil	Nil	(698,593)	(698,593)
Interim dividend paid - 2016/17	Nil	Nil	Nil	(698,593)	(698,593)
Share option scheme	Nil	21,463	Nil	Nil	21,463
Balance as at 31 March 2017	3,942,686	63,746	2,446,007	4,724,786	11,177,225
Balance as at 1 April 2017	3,942,686	63,746	2,446,007	4,724,786	11,177,225
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	114,104
Profit for the period	Nil	Nil	Nil	219,705	219,705
Other comprehensive income	Nil	Nil	(42,200)	Nil	(42,200)
Total comprehensive income	Nil	Nil	(42,200)	219,705	177,505
Balance as at 30 June 2017	4,056,790	63,746	2,403,807	4,944,491	11,468,834
Balance as at 1 April 2016	3,853,024	42,283	2,090,184	4,150,852	10,136,343
Profit for the period	Nil	Nil	Nil	398,852	398,852
Other comprehensive income	Nil	Nil	(61,970)	Nil	(61,970)
Total comprehensive income	Nil	Nil	(61,970)	398,852	336,882
Issue of shares under Employee Share Option Scheme	85,580	Nil	Nil	Nil	85,580
Balance as at 30 June 2016	3,938,604	42,283	2,028,214	4,549,704	10,558,805

TEEJAY LANKA PLC

Statement of Changes In Equity - Company

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	ESOP fund	Exchange equalisation reserve	Retained earnings	Total
Balance as at 1 April 2016	3,853,024	42,283	2,047,567	3,462,358	9,405,232
Profit for the period	Nil	Nil	Nil	1,500,948	1,500,948
Other comprehensive income	Nil	Nil	319,156	17,250	336,406
Total comprehensive income	Nil	Nil	319,156	1,518,198	1,837,354
Issue of shares under Employee Share Option Scheme	89,662	Nil	Nil	Nil	89,662
Transactions with owners					
Final dividend paid - 2015/16	Nil	Nil	Nil	(698,593)	(698,593)
Interim dividend paid - 2016/17	Nil	Nil	Nil	(698,593)	(698,593)
Share option scheme	Nil	21,463	Nil	Nil	21,463
Balance as at 31 March 2017	3,942,686	63,746	2,366,723	3,583,370	9,956,525
Balance as at 1 April 2017	3,942,686	63,746	2,366,723	3,583,370	9,956,525
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	114,104
Profit for the period	Nil	Nil	Nil	191,656	191,656
Other comprehensive income	Nil	Nil	(37,708)	Nil	(37,708)
Total comprehensive income	Nil	Nil	(37,708)	191,656	153,948
Balance as at 30 June 2017	4,056,790	63,746	2,329,015	3,775,026	10,224,577
Balance as at 1 April 2016	3,853,024	42,283	2,047,567	3,462,358	9,405,232
Profit for the period	Nil	Nil	Nil	286,432	286,432
Other comprehensive income	Nil	Nil	(57,415)	Nil	(57,415)
Total comprehensive income	Nil	Nil	(57,415)	286,432	229,017
Issue of ordinary shares	85,580	Nil	Nil	Nil	85,580
Balance as at 30 June 2016	3,938,604	42,283	1,990,152	3,748,790	9,719,829

TEEJAY LANKA PLC

Cash Flow Statement

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	Quater Ended 30 June		Quater Ended 30 June	
	2017	2016	2017	2016
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from operating activities				
Cash generated from operations	206,731	506,737	(79,159)	257,408
Finance income received	18,171	13,578	8,328	10,502
Finance cost paid	(29,341)	(2,157)	(225)	(48)
Retirement benefit obligations paid	(3,615)	(2,607)	(1,402)	(1,207)
Net cash generated/(used) from operating activities	191,947	515,551	(72,458)	266,655
Cash flows from investing activities				
Additions to capital work - in - progress	(676,266)	(362,768)	(58,921)	(226,328)
Investment in financial assets	(898,444)	Nil	(752,978)	Nil
Net cash used in investing activities	(1,574,710)	(362,768)	(811,899)	(226,328)
Cash flows from financing activities				
Issue of shares under Employee Share Option Scheme	114,104	85,580	114,104	85,580
Proceeds from / (settlement of) borrowings	1,053,566	(34,408)	754,050	Nil
Net cash used in financing activities	1,167,670	51,172	868,154	85,580
Net increase/(decrease) in cash and cash equivalents	(215,093)	203,955	(16,203)	125,907
Cash and cash equivalents at the beginning of the period	1,448,026	2,875,461	902,094	1,577,768
Cash and cash equivalents at the end of the period	1,232,933	3,079,416	885,891	1,703,675

TEEJAY LANKA PLC

Notes to the Financial Statements

1. Corporate Information

Teejay Lanka PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is Block D8 - D14, C V Gooneratne Seethawaka International Industrial Park, Avissawella.

2. Condensed Interim Financial Statements

The financial statements for the period ended 30 June 2017, includes "the Company" referring to Teejay Lanka PLC.

The Company has also presented the statement of comprehensive income and the statement of financial position in United States Dollars (USD) since the functional currency of the enterprise is USD.

3. Approval of Financial Statements

The condensed interim financial statements of the Company for the 3 months ended 30 June 2017 were authorised for issue by the Board of Directors on 26 July 2017

4. Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting . The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2017.

The condensed interim financial statements have been prepared on a historical cost basis.

5. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year.

6. Other Financial Assets

Short term deposits with original maturity of more than 3 months but less than one year which previously reported under cash and cash equivalents are now shown under other financial assets.

7. Contingencies, Capital and Other Commitments

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31 March 2017.

8. Key Ratios of the Group and the Company

	Group		Company	
	Quarter Ended 30 June		Quarter Ended 30 June	
	2017	2016	2017	2016
Profitability Ratios				
Net Profit Margin	4.06%	8.35%	5.52%	8.08%
Asset to Turnover	0.29	1.24	1.02	1.18
Debt : Equity	0.28	0.08	0.15	0.00
Return on Assets (ROA)	1.17%	10.52%	5.62%	9.64%
Return on Equity (ROE)	1.92%	15.42%	7.60%	11.98%
Investor Ratios				
Earnings per Share (EPS) - LKR	0.31	0.57	0.27	0.41
Net Asset Value per Share - LKR	16.34	15.12	14.57	13.92
Price / Earnings Ratio (PE Ratio)	16.51	10.23	20.90	15.30
Price to Book Value Ratio (PBV Ratio)	2.57	2.36	2.88	2.57
(PE and PBV Ratios are based on a market price of LKR 42.00 per share closed 30 June 2017)				

9. Number of shares representing the entity's Stated Capital - 701,956,580 Shares

10. Directors' Interest in Shares of the Company (As at 30 June 2017)

	No. of Shares	%
Sriyan Joseph de Silva Wijeyeratne	826,333	0.12
Hasitha Premaratne	40,000	0.01

TEEJAY LANKA PLC

Notes to the Financial Statements

11. Market Price per Share

	Highest (LKR)	Lowest (LKR)
Quarter ended 30 June 2017	42.50	37.00
Last traded price (on 30 June 2017)	42.00	

12. Public Shareholding 270,903,738 shares - 38.47%

The percentage of shares held by the public as at 30 June 2017 was 38.47% (270,107,405 number of shares).
The number of public shareholders as at 31 March 2017 was 8,515

13. List of the 20 Largest Shareholders

	No. of Shares	%
Brandix Lanka Ltd-Number 1 Account	232,198,344	33.08
Pacific Textured Jersey Holdings Limited	195,926,217	27.91
HSBC Intl Nom Ltd-Ssbt-First State Investments ICVC-Stewart Investors Asia Pacific Fund	49,278,338	7.02
Citibank Newyork S/A Norges Bank Account 2	20,863,973	2.97
HSBC Intl Nom Ltd - BBH - Fidelity Funds	19,196,520	2.73
HSBC Intl Nom Ltd-BBH-Matthews Emerging Asia Fund	14,268,292	2.03
Melstacorp PLC	12,622,428	1.80
HSBC Intl Nom Ltd-JPCMB Na-Fidelity Asian Values PLC	6,082,153	0.87
Mr. L.K.M.Fernando	5,119,300	0.73
BNYMSANV RE-CF Ruffer Investment Funds : CF Ruffer Pacific Fund	4,748,308	0.68
Union Assurance Plc/Account No. 05 (Unit-Linked Life Insurance Fund-Equity Fund)	4,501,657	0.64
Nuwara Eliya Property Developers (Pvt) Ltd	4,329,343	0.62
SEB AB-Fim Frontier Fund	4,172,470	0.59
Deutsche Bank AG -National Equity Fund	4,000,000	0.57
Union Assurance Plc/No-01A/C	2,782,495	0.40
Periceyl (Private) Limited A/C No. 03	2,694,100	0.38
Deutsche Bank AG As Trustee For Namal Acuity Value Fund	2,250,000	0.32
Mellon Bank N.A-Eaton Vance Trust Co. Collective Inv. Trust For Employee Benefit Plans-Eaton Vance Trust	2,100,000	0.30
Co./Parametric Structured Emerging Mkt. Equity Fund		
Mr. M.E.Wickremesinghe	2,065,000	0.29
MCSEN Range Private Limited	2,031,400	0.29
Nawaloka Piling Private Limited	2,031,400	0.29

14. Material events that occurred subsequent to the interim period

No events have occurred since the date of the statement of financial position which would require adjustments to, or disclosure in, the financial statements.

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Group			
	Quarter Ended 30 June			Year ended 31 March
	2017 Unaudited	2016 Unaudited	Variance	2017 Audited
Revenue	35,796,994	32,618,267	10%	149,791,200
Cost of sales	(31,798,657)	(27,650,507)	15%	(128,979,807)
Gross profit	3,998,337	4,967,760	-20%	20,811,393
Other income	205,756	187,333	10%	1,318,266
Distribution expenses	(224,164)	(267,117)	-16%	(894,114)
Administrative expenses	(1,978,497)	(1,917,218)	3%	(7,754,220)
Results from operating activities	2,001,432	2,970,758	-33%	13,481,325
Non Operating Income	Nil	Nil	0%	Nil
Finance income	120,274	144,446	-17%	604,989
Finance costs	(194,206)	(90,370)	115%	(476,672)
Net finance income	(73,932)	54,076	-237%	128,317
Profit before tax	1,927,500	3,024,834	-36%	13,609,642
Income tax	(473,274)	(300,744)	57%	(353,164)
Profit for the period	1,454,226	2,724,090	-47%	13,256,478
Attributable to:				
Equity holders of the parent	1,454,226	2,724,090	-47%	13,256,478
Non-controlling interest	Nil	Nil	Nil	Nil
	1,454,226	2,724,090	-47%	13,256,478

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Group			Year ended 31 March 2017 Audited
	Quarter Ended 30 June		Variance	
	2017 Unaudited	2016 Unaudited		
Profit for the period	1,454,226	2,724,090	-47%	13,256,478
Other comprehensive income				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	103,851
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(23,027)
Total other comprehensive income for the period	Nil	Nil	-	80,824
Total comprehensive income for the period	1,454,226	2,724,090	-47%	13,337,302
Attributable to:				
Equity holders of the parent	1,454,226	2,724,090	-47%	13,337,302
Non-controlling interest	Nil	Nil	Nil	Nil
	1,454,226	2,724,090	-47%	13,337,302

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Company			
	Quarter Ended			Year ended
	2017	2016	Variance	2017
	Unaudited	Unaudited		Audited
Revenue	22,960,677	24,220,897	-5%	106,376,702
Cost of sales	(20,950,349)	(21,023,629)	0%	(93,325,877)
Gross profit	2,010,328	3,197,268	-37%	13,050,825
Other income	75,898	56,462	34%	2,568,525
Distribution expenses	(176,840)	(211,438)	-16%	(730,189)
Administrative expenses	(1,049,286)	(1,044,226)	0%	(4,094,276)
Results from operating activities	860,100	1,998,066	-57%	10,794,885
Non Operating Income	528,890	29,250	1708%	(22,374)
Finance income	55,125	97,584	-44%	411,833
Finance costs	(1,486)	(329)	352%	(112,062)
Net finance income	53,639	97,255	-45%	299,771
Profit before tax	1,442,629	2,124,571	-32%	11,072,282
Income tax	(174,051)	(168,290)	3%	(916,334)
Profit for the period	1,268,578	1,956,281	-35%	10,155,948

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Company			
	Quarter Ended 30 June			Year ended 31 March
	2017 Unaudited	2016 Unaudited	Variance	2017 Audited
Profit for the period	1,268,578	1,956,281	-35%	10,155,948
Other comprehensive income				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	135,725
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(19,002)
Total other comprehensive income for the period	Nil	Nil	0%	116,723
Total comprehensive income for the period	1,268,578	1,956,281	-35%	10,272,671

TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in United States Dollars)

	Group			Company		
	As at 30 June		As at 31 March	As at 30 June		As at 31 March
	2017	2016	2017	2017	2016	2017
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
ASSETS						
Non - current assets						
Property, plant & equipment	44,597,588	39,337,010	45,798,304	23,865,396	21,368,644	24,414,801
Capital work-in-progress	6,199,625	4,014,444	2,222,512	612,006	3,268,719	524,532
Intangible assets	392,202	508,479	433,139	200,582	244,848	224,053
Goodwill	332,502	332,502	332,502	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	18,187,567	18,187,567	18,187,567
Lease rentals paid in advance	1,556,207	1,658,359	1,581,064	615,032	643,281	622,080
Deferred tax Assets	1,361,333	707,957	1,594,102	Nil	Nil	Nil
	54,439,457	46,558,751	51,961,623	43,480,583	43,713,059	43,973,033
Current assets						
Inventories	22,333,572	18,186,950	18,932,441	15,996,509	13,228,996	13,430,038
Trade and other receivables	24,742,235	18,824,695	22,173,156	18,229,489	13,364,067	14,614,020
Other financial assets	14,103,072	9,600,000	8,156,262	11,515,908	8,500,000	6,531,938
Cash and cash equivalents	8,593,572	11,803,632	9,832,065	6,286,841	3,369,015	5,965,213
	69,772,451	58,415,277	59,093,924	52,028,747	38,462,078	40,541,209
Total assets	124,211,908	104,974,028	111,055,547	95,509,330	82,175,137	84,514,242
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	37,572,299	36,785,955	36,813,832	37,572,299	36,785,955	36,813,832
ESOP Fund	456,004	307,979	456,004	456,004	307,979	456,004
Retained earnings	37,723,570	35,078,349	36,269,344	29,505,222	29,343,719	28,237,934
	75,751,873	72,172,283	73,539,180	67,533,525	66,437,653	65,507,770
Non - current liabilities						
Borrowings	5,333,333	962,500	3,733,333	Nil	Nil	Nil
Deferred tax liabilities	2,406,862	1,980,686	2,351,924	1,686,179	1,323,575	1,631,241
Retirement benefit obligations	1,447,688	1,365,198	1,369,299	1,182,629	1,129,100	1,126,572
	9,187,883	4,308,384	7,454,556	2,868,808	2,452,675	2,757,813
Current liabilities						
Trade and other payables	23,510,088	23,540,193	20,025,788	14,552,378	13,060,879	11,218,664
Current Tax Liabilities	250,410	28,181	42,999	119,111	Nil	Nil
Borrowings	15,511,654	4,924,987	9,993,024	10,435,508	223,930	5,029,995
	39,272,152	28,493,361	30,061,811	25,106,997	13,284,809	16,248,659
Total liabilities	48,460,035	32,801,745	37,516,367	27,975,805	15,737,484	19,006,472
Total equity and liabilities	124,211,908	104,974,028	111,055,547	95,509,330	82,175,137	84,514,242

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

Moiz Rehmanjee

Chief Operating Officer - Commercial

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Sgd

Sriyan Joseph de Silva Wijeyeratne
Managing Director/Chief Executive Officer

Sgd

Hasitha Premaratne
Director

26-Jul-2017