

FINANCIAL STATEMENTS

For the Six months ended
30 September 2009



LANKA VENTURES PLC
Ocean Lines Building
46/12, Nawam Mawatha
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LANKA VENTURES PLC
INCOME STATEMENTS
(Unaudited)

	Interim period of 03 Months				Accumulated 06 Months			
	Group		Company		Group		Company	
	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Period ended	Period ended	Period ended	Period ended
	30/09/2009	30/09/2008	30/09/2009	30/09/2008	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)
Investment Income	25,699	12,351	8,123	10,752	45,889	40,115	26,478	37,467
Interest Income	9,113	15,134	8,857	15,060	18,702	30,803	18,205	30,661
Total Income	34,812	27,485	16,980	25,812	64,591	70,918	44,683	68,128
Other Operating Income	6	555	6	805	18	586	18	1,086
Administrative Expenses	(5,646)	(8,083)	(5,570)	(7,791)	(9,065)	(13,718)	(8,919)	(13,238)
Promotional Expenses	(32)	-	(32)	-	(42)	(125)	(42)	(125)
Provision for diminution in value of investments	-	(15,000)	-	(15,000)	-	(15,000)	-	(15,000)
	(5,672)	(22,528)	(5,596)	(21,986)	(9,089)	(28,257)	(8,943)	(27,277)
Operating profit	29,140	4,957	11,384	3,826	55,502	42,661	35,740	40,851
Taxation	(1,336)	(131,860)	(1,077)	(131,720)	(2,834)	(136,580)	(2,060)	(136,353)
Profit for the Period	27,804	(126,903)	10,307	(127,894)	52,668	(93,919)	33,680	(95,502)
Earnings per share (Rs.)	0.56	(2.54)	0.21	(2.56)	1.05	(1.88)	0.67	(1.91)

LANKA VENTURES PLC
BALANCE SHEETS (Unaudited)

	Group As at 30 September 2009	Company As at 30 September 2009	Group As at 31 March 2009 (Audited)	Company As at 31 March 2009 (Audited)
	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)	(Rs. ' 000)
ASSETS				
Non - Current Assets				
Property, Plant and Equipment	608	608	756	756
Investments	397,122	179,967	397,122	179,967
Investment in Subsidiary	-	216,600	-	216,600
Investments in Unit Trust	50,000	50,000	50,000	50,000
Investment Securities	51,000	51,000	16,875	16,875
Investment in Unquoted debentures	13,500	13,500	13,500	13,500
Non - Current Receivables	96	96	550	550
	<u>512,326</u>	<u>511,771</u>	<u>478,803</u>	<u>478,248</u>
Current Assets				
Dealing Securities	-	-	7,426	7,426
Receivables and Prepayments	34,944	14,923	35,524	28,870
Short Term Investments	140,291	135,291	184,294	184,294
Cash and Cash Equivalents	56,578	48,506	122,114	114,533
	<u>231,813</u>	<u>198,720</u>	<u>349,358</u>	<u>335,123</u>
Total Assets	<u>744,139</u>	<u>710,491</u>	<u>828,161</u>	<u>813,371</u>
EQUITY AND LIABILITIES				
Capital and Reserves				
Stated capital	631,638	631,638	631,638	631,638
Retained Profit	110,720	77,893	51,202	37,363
	<u>742,358</u>	<u>709,531</u>	<u>682,840</u>	<u>669,001</u>
Non-Current Liabilities				
Retirement Benefit Obligations	1,435	1,435	1,435	1,435
	<u>1,435</u>	<u>1,435</u>	<u>1,435</u>	<u>1,435</u>
Current Liabilities				
Payables	2,709	2,560	9,859	9,765
Tax Payable	(2,363)	(3,035)	134,027	133,170
	346	(475)	143,886	142,935
Total Liabilities	<u>1,781</u>	<u>960</u>	<u>145,321</u>	<u>144,370</u>
Total Equity and Liabilities	<u>744,139</u>	<u>710,491</u>	<u>828,161</u>	<u>813,371</u>
Net Assets per share (Rs.)	14.85	14.19	13.66	13.38

Sgd.
A N Fonseka
Chairman

Sgd.
J D N Kekulawala
Director

12 October 2009

LANKA VENTURES PLC

STATEMENT OF CHANGES IN EQUITY

Group

	Stated capital (Rs. ' 000)	Retained profits (Rs. ' 000)	Total (Rs. ' 000)
Balance at 1 April 2008	631,638	216,976	848,614
Net profit	-	(93,919)	(93,919)
Temporary diminution in value of investment securities	-	(1,406)	(1,406)
Dividend	-	(75,000)	(75,000)
Balance at 30 September 2008	631,638	46,651	678,289
Balance at 1 April 2009	631,638	51,202	682,840
Net profit	-	52,668	52,668
Temporary diminution in value of investment securities	-	6,850	6,850
Dividend	-	-	-
Balance at 30 September 2009	631,638	110,720	742,358

STATEMENT OF CHANGES IN EQUITY Company

	Stated capital (Rs. ' 000)	Retained profits (Rs. ' 000)	Total (Rs. ' 000)
Balance at 1 April 2008	631,638	213,529	845,167
Net profit	-	(95,502)	(95,502)
Temporary diminution in value of investment securities	-	(1,406)	(1,406)
Dividend	-	(75,000)	(75,000)
Balance at 30 September 2008	631,638	41,621	673,259
Balance at 1 April 2009	631,638	37,363	669,001
Net profit	-	33,680	33,680
Temporary diminution in value of investment securities	-	6,850	6,850
Dividend	-	-	-
Balance at 30 September 2009	631,638	77,893	709,531

LANKA VENTURES PLC

CASH FLOW STATEMENTS

Six months ended 30 September

	Group 2009 (Rs. ' 000)	Company 2009 (Rs. ' 000)	Group 2008 (Rs. ' 000)	Company 2008 (Rs. ' 000)
Operating activities				
Cash generated from operations	47,490	38,118	57,281	57,838
Tax Paid	(139,230)	(138,265)	(6,529)	(6,148)
Net cash from operating activities	<u>(91,740)</u>	<u>(100,147)</u>	<u>50,752</u>	<u>51,690</u>
Investing activities				
Proceeds from disposal of long term investments	24,981	24,981	-	-
Purchase of long term investments	(51,000)	(51,000)	-	-
Proceeds from disposal of short term investments	163,020	163,020	-	-
Investment in Subsidiary	-	-	-	(40,000)
Venture capital investments	-	-	(44,624)	(4,625)
Proceeds from disposal of dealing securities	11,132	11,132	-	-
Proceeds from disposal / redemption of venture capital investments	-	-	8,333	8,333
Purchase of short term investments	(121,929)	(114,013)	(106,127)	(104,440)
Net cash generated from / (used in) investing activities	<u>26,204</u>	<u>34,120</u>	<u>(142,418)</u>	<u>(140,732)</u>
Financing activities				
Dividend paid	-	-	(75,000)	(75,000)
Net cash used in financing activities	<u>-</u>	<u>-</u>	<u>(75,000)</u>	<u>(75,000)</u>
Increase / (decrease) in cash and cash equivalents	<u>(65,536)</u>	<u>(66,027)</u>	<u>(166,666)</u>	<u>(164,042)</u>
Movement in cash and cash equivalents				
At start of year	122,114	114,533	169,251	166,564
Increase / (decrease)	<u>(65,536)</u>	<u>(66,027)</u>	<u>(166,666)</u>	<u>(164,042)</u>
At end of period	<u>56,578</u>	<u>48,506</u>	<u>2,585</u>	<u>2,522</u>

LANKA VENTURES PLC

Explanatory Notes :

1. The financial statements which are subject to audit have been prepared in accordance with Sri Lanka Accounting Standards. There have been no material events subsequent to the end of the period that require disclosure in these notes.
2. The stated capital comprises 50,000,000 Ordinary Shares.
3. Capital commitments outstanding as at 30 September 2009 amounted to Rs 110,200,000.
4. The Market price per share

for the quarter ended 30 September	2009	2008
Highest price	14.75	12.75
Lowest price	9.75	9.25
Market price as at 30 September	14.50	9.25

5. Twenty major shareholders of the Company as at 30 September 2009

Name of shareholder/company name	No. of shares	% of issued capital
Development Finance Corp. Of Ceylon	29,119,743	58.23
Hatton National Bank PLC A/C No 1	10,036,250	20.07
Dr. Karunamuni Manjula Prasanna Karunaratne	573,000	1.14
Mr. Ravimohan Surendranath Tissanayagam	506,600	1.01
DPMC Financial Services (Pvt) Limited A/C No 1	339,800	0.67
Mrs. Muriel Geratrude Kekulawala	300,000	0.60
Belmont Agents Limited	300,000	0.60
Harischandra Mills (Distributors) Limited	250,000	0.50
Distilleries Company of Sri Lanka Limited	250,000	0.50
Mr. Addara Pathirana Somasiri	240,000	0.48
Mr. Jayaprakash Rudra	200,000	0.40
Mr. Henry Anthony Pieris	200,000	0.40
Arunodhaya Ltd	200,000	0.40
Arunodhaya Investments (Pvt) Limited	200,000	0.40
Arunodhaya Industries (Pvt) Limited	170,000	0.34
Mrs. Maduwage Lakshmi De Silva	110,000	0.22
Mr. Ajith Lasantha Devasurendra	105,500	0.21
Mr. Nirmal Dilhan Peter Hettiaratchy	105,000	0.21
Mr. Nimal Weeraratne	104,500	0.20
Mr. Arunasalam Sithampalam	101,000	0.20
Total	43,411,393	86.78

6. Percentage of shares held by public as at 30 September 2009 : 21.68%
7. Directors' shareholding as at 31 March 2009
Mr. J.D.N. Kekulawala - 6,000