



Seylan Developments PLC

Level 15, Seylan Towers, No: 90, Galle Road, Colombo 03.

Interim Financial Statements

For the Nine months ended 30th September 2018

SEYLAN DEVELOPMENTS PLC

STATEMENT OF FINANCIAL POSITION

	SEP 30, 2018 (Un Audited)	DEC 31, 2017 (Audited)	Growth %
	Rs '000	Rs '000	
Assets			
Non Current Assets			
Property, plant & equipment	3,571	4,139	(13.71)
Investment property	5,228,931	4,282,356	22.10
Other investments	-	-	-
Total Non Current Assets	5,232,502	4,286,495	22.07
Current Assets			
Inventories	5,272	3,697	42.60
Trade and other receivables	46,294	57,403	(19.35)
Other investments	264,403	159,441	65.83
Income tax receivable	16,629	-	100.00
Cash and cash equivalents	8,200	974,903	(99.16)
Total Current Assets	340,798	1,195,444	(71.49)
Total Assets	5,573,300	5,481,939	1.67
Equity and Liabilities			
Equity			
Stated capital	1,644,392	1,644,392	-
Reserves	526,442	523,384	0.58
Retained earnings	2,652,459	2,653,793	(0.05)
	4,823,293	4,821,569	0.04
Non Current Liabilities			
Deferred tax liability	528,172	475,668	11.04
	528,172	475,668	11.04
Current Liabilities			
Bank overdrafts	52,548	-	100.00
Income tax payable	-	23,871	(100.00)
Other liabilities	169,287	160,831	5.26
	221,835	184,702	20.10
Total Equity and Liabilities	5,573,300	5,481,939	1.67
Net Asset per Share	32.60	32.59	0.04

* The Financial Statements have been prepared in compliance with the requirements of the Companies Act no 7 of 2007 .

* The above figures are subject to audit and has been prepared in compliance with the Rule 7.4 of the CSE Listing Rules and Sri Lanka Accounting Standard - LKAS 34 - Interim Financial Reporting.

Sgd.
Kapila Ariyaratne
Chairman

Sgd.
Somadasa Palihawadana
Deputy Chairman

Sgd.
Ponniah Saravanapavan
Director

Sgd.
Nirmala Arangalage (Mrs)
Accountant

31st October 2018

SEYLAN DEVELOPMENTS PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	FOR THE QUARTER ENDED			FOR THE NINE MONTHS ENDED		
	SEP 30, 2018	SEP 30, 2017	Growth	SEP 30, 2018	SEP 30, 2017	Growth
	(Un Audited) Rs '000	(Un Audited) Rs '000	%	(Un Audited) Rs '000	(Un Audited) Rs '000	%
Rental Income	71,591	52,775	35.65	202,108	157,605	28.24
Other Income	1,889	1,378	37.13	7,655	50,170	(84.74)
	73,480	54,153	35.69	209,763	207,775	0.96
Operating Expenses	(21,555)	(20,988)	2.70	(62,099)	(64,264)	(3.37)
	51,925	33,165	56.56	147,664	143,511	2.89
Change in fair value of investment properties	-	-	-	-	-	-
Operating Profit	51,925	33,165	56.56	147,664	143,511	2.89
Net Finance income	6,622	29,706	(77.71)	36,673	53,245	(31.12)
Profit Before Taxation	58,547	62,871	(6.88)	184,337	196,756	(6.31)
Taxation	(17,071)	(16,349)	4.42	(52,503)	(38,200)	37.44
Profit After Taxation	41,476	46,522	(10.85)	131,834	158,556	(16.85)
Other comprehensive income						
Net change in fair value of available for sale financial assets.	1,010	5,946	(83.01)	3,058	6,444	(52.55)
Other comprehensive income for the period, net of income tax	1,010	5,946	(83.01)	3,058	6,444	(52.55)
Total comprehensive income for the period	42,486	52,468	(19.02)	134,892	165,000	(18.25)
Earnings / (Loss) Per Share	Rs 0.28	Rs 0.31	(10.85)	Rs 0.89	Rs 1.07	(16.85)

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs '000	Capital Reserve Rs '000	Revaluation Reserve Rs '000	Available for Sale Reserve Rs '000	Retained Earnings Rs '000	Total Rs '000
Balance as at 01.01.2017	1,644,392	525,494	1,867	(14,061)	2,524,375	4,682,067
Total Comprehensive Income for the period						
Profit or Loss	-	-	-	-	158,556	158,556
Other Comprehensive Income						
Net change in fair value of available-for-sale financial assets	-	-	-	6,444	-	6,444
	-	-	-	6,444	-	6,444
Total Comprehensive Income for the period	-	-	-	6,444	158,556	165,000
Transactions recorded directly in equity						
Dividend Declared	-	-	-	-	(110,974)	(110,974)
Balance as at 30.09.2017	1,644,392	525,494	1,867	(7,617)	2,571,957	4,736,093
Balance as at 01.01.2018	1,644,392	525,494	1,867	(3,976)	2,653,793	4,821,569
Total Comprehensive Income for the period						
Profit or Loss	-	-	-	-	131,834	131,834
Other Comprehensive Income						
Net change in fair value of available-for-sale financial assets	-	-	-	3,058	-	3,058
	-	-	-	3,058	-	3,058
Total Comprehensive Income for the period	-	-	-	3,058	131,834	134,892
Transactions recorded directly in equity						
Dividend Declared	-	-	-	-	(133,168)	(133,168)
Balance as at 30.09.2018	1,644,392	525,494	1,867	(919)	2,652,459	4,823,293

SEYLAN DEVELOPMENTS PLC
CASH FLOW STATEMENT

For the period	01.01.18 - 30.09.18 (Un Audited) Rs. 000	01.01.17 - 30.09.17 (Un Audited) Rs. 000
Cash Flows from Operating Activities		
Receipt from other Operating Activities	209,763	161,611
Cash payments to Employees, Suppliers and Tax Authorities	(61,763)	(83,231)
Interest Payments	(1,800)	(92)
Operating profit before changes in operating assets	146,200	78,288
(Increase)/Decrease in operating assets :		
Stock & Receivables	9,534	9,127
Increase/(Decrease) in operating liabilities :		
Deposits & Trade payables	(7,260)	14,594
Cash Generated from Operations	148,474	102,009
Income Tax paid	(24,784)	(8,959)
Net cash from Operating Activities	123,690	93,050
Cash Flows from Investing Activities		
Interest Received	38,829	54,123
Purchase of non-dealing Securities	(164,945)	(889,258)
Disposal of non-dealing Securities	63,042	113,651
Purchase of Property , Plant and Equipment	(124)	(25)
Additions to Investment Properties	(946,575)	(22,906)
Proceeds from disposal of Investment Property	-	752,457
Net cash from Investing Activities	(1,009,773)	8,042
Cash Flows from Financing Activities		
Dividends paid	(133,168)	(110,974)
Net Cash from Financing Activities	(133,168)	(110,974)
Total net increase in cash and cash equivalents during the period	(1,019,251)	(9,882)
Cash and Cash equivalents at beginning of period	974,903	15,513
Cash and Cash Equivalents at end of period	(44,348)	5,631
Reconciliation of Cash and Cash Equivalents		
Cash and Short Term Funds	8,200	7,041
Bank Overdraft	(52,548)	(1,410)
	(44,348)	5,631

SEYLAN DEVELOPMENTS PLC
Notes to the Financial Statements

1 General

Seylan Developments PLC (the “Company”) is a “Public Quoted Company” and a Limited Liability Company Incorporated, reregistered under Companies Act No. 07 of 2007 (PQ 151) and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

- The Company’s registered office is situated at Level 15, Seylan Towers, No. 90, Galle Road, Colombo 03.
- The Company is in the business of development of property, administration & maintenance.
- The Company is a subsidiary of Seylan Bank PLC.
- The staff strength of the Company as at 30th September 2018 is 22 (2017- 26).

2 Accounting Policies

There are no changes to the accounting policies & method of computation since the publication of the last Annual Report. The interim Financial Statements are presented in accordance with LKAS 34, Interim Financial Reporting. The Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended December 31, 2017 which have been prepared in accordance with LKAS / SLFRS.

3 Events After the Reporting Period

There have been no material events after the reporting period that would require adjustments / disclosures in the Financial Statements.

4 Stated Capital

147,964,860 Ordinary Shares	1,553,631,030
Share Premium	90,760,620
	<u>1,644,391,650</u>

5 Share price movement

	Quarter Ended		Year Ended
	30.09.2018	30.09.2017	31.12.2017
Highest Price	11.90	15.40	15.50
Lowest Price	10.20	13.20	12.10
Last Traded Price	10.20	14.00	13.60

6 Contingent Assets and Contingent Liabilities

There are no Contingent Liabilities or Contingent Asset to report.

7 Other Matters

SLFRS 9 –‘Financial Instruments’

SLFRS 9 - ‘Financial Instrument’ replaces the existing guidance in LKAS 39 - ‘Financial Instrument: Recognition and Measurement’. SLFRS 9 includes revised guidance on the classification and measurement of the financial instrument including new expected credit loss model for calculating impairment assets.

SLFRS 9 is effective for annual period beginning on or after 1st January 2018 and based on the high level impact assessment made, the Company is not expecting a significant impact to the financial statements.

SLFRS 15 - ‘Revenue from Contracts with Customers’

SLFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including LKAS 18 Revenue, LKAS 11 Construction Contracts. SLFRS 15 is effective for annual reporting periods beginning on or after 1st January 2018 and based on the high level impact assessment made, the Company is not expecting a significant impact to the financial statements.

SEYLAN DEVELOPMENTS PLC
Notes to the Financial Statements

8 Comparative Information

Comparative information has not been restated or reclassified during the quarter.

9 Major 20 Share Holder List - As at 30 September 2018

	NAME OF SHAREHOLDER	NO OF SHARES 30.09.2018	%
1	Seylan Bank PLC	104,332,112	70.51
2	Mr Perera Kulappuarachchige Don Dammika	8,546,640	5.78
3	Mr. Udeshi Anant Hargovind	1,925,495	1.30
4	Mrs M M Udeshi (DESC) Majula Moraji	1,287,900	0.87
5	Union Bank of Colombo PLC/Mr. Abishek Sithampalam	835,674	0.56
6	Hatton National Bank PLC / Arunasalam Sithampalam	824,554	0.56
7	Mr. Gero Anthony Romesh	700,000	0.47
8	Asian Guild Financial Services (Pvt) Ltd	609,121	0.41
9	Zagra Investment Consultants (Pvt) Ltd	594,200	0.40
10	Mr. Patel Saifuddin Esmail	588,417	0.40
11	Mr. Tay Biak Chye	505,948	0.34
12	Acuity Partners (Pvt) Ltd / Mr. Anthony Romesh Gero	500,000	0.34
13	Mr. Gautam Rahul	487,545	0.33
14	Sanwave Limited	470,000	0.32
15	Mr. Wimalaratna Anuradha Kolitha	427,000	0.29
16	Mr. Saraswathi Vasudevan	360,105	0.24
17	Mr. Ragupathy Arunasalam	352,974	0.24
18	Bank of Ceylon A/C CeyBank Century Growth Fund	348,926	0.24
19	Mr. Van Oostenbrugge Alexander	321,400	0.22
20	Mr. Upasena Kankanange Don Nirosha Thushan Kumara	311,000	0.21

10 Names of existing Directors in Seylan Developments PLC

	Name of Director	No. Of Shares 30.09.2018
1	Mr. K. Ariyaratne	25,000
2	Mr S Palihawadana	10,000
3	Mr. P Saravanapavan	-
4	Mr. R. Jayasekara	-
5	Mr. P. Hennayake	-
6	Mr. L.T. Kiringoda	-

- 11** Public Shareholdings % as at 30th September 2018 - 29.46 %
 No of public shareholders as at 30th September 2018 - 6,091