



Seylan Developments PLC

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

***Interim Financial Statements
For the Year ended 31st December 2017***

SEYLAN DEVELOPMENTS PLC
STATEMENT OF FINANCIAL POSITION

	DEC 31, 2017 (Audited) Rs '000	DEC 31, 2016 (Audited) Rs '000	Growth %
Assets			
Non Current Assets			
Property, plant & equipment	4,139	4,624	(10.50)
Investment property	4,282,356	4,240,957	0.98
Other investments	-	56,646	(100.00)
Total Non Current Assets	4,286,495	4,302,227	(0.37)
Current Assets			
Inventories	3,697	3,689	0.23
Assets held for sale	-	702,000	(100.00)
Trade and other receivables	32,318	12,111	166.85
Other assets	25,085	38,368	(34.62)
Other investments	159,441	250,110	(36.25)
Cash and cash equivalents	974,903	18,374	5,205.85
Total Current Assets	1,195,444	1,024,653	16.67
Total Assets	5,481,939	5,326,879	2.91
Equity and Liabilities			
Equity			
Stated capital	1,644,392	1,644,392	-
Reserves	523,384	513,300	1.96
Retained earnings	2,653,793	2,524,374	5.13
	4,821,569	4,682,067	2.98
Non Current Liabilities			
Deferred tax liability	475,668	485,298	(1.98)
	475,668	485,298	(1.98)
Current Liabilities			
Bank overdrafts	-	2,861	(100.00)
Income tax payable	23,871	7,082	237.06
Other liabilities	160,831	149,572	7.53
	184,702	159,514	15.79
Total Equity and Liabilities	5,481,939	5,326,879	2.91
Net Asset per Share	32.59	31.64	-

* 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 Paliyawadana
Deputy Chairman

Sgd.
Ponniah Saravanapavan
Director

Sgd.
Nirmala Arangalage (Mrs)
Accountant

16th February 2018

SEYLAN DEVELOPMENTS PLC
STATEMENT OF COMPREHENSIVE INCOME

	FOR THE QUARTER ENDED			FOR THE YEAR ENDED		
	DEC 31, 2017 (Audited) Rs '000	DEC 31, 2016 (Audited) Rs '000	Growth %	DEC 31, 2017 (Audited) Rs '000	DEC 31, 2016 (Audited) Rs '000	Growth %
Rental Income	54,013	48,067	12.37	211,618	193,070	9.61
Other Income	2,553	2,361	8.13	52,723	19,233	174.13
	56,566	50,428	12.17	264,341	212,303	24.51
Operating Expenses	(21,727)	(38,434)	(43.47)	(85,990)	(111,589)	(22.94)
	34,839	11,994	190.46	178,351	100,714	77.09
Change in fair value of investment properties	5,362	262,465	(97.96)	5,362	262,465	(97.96)
Operating Profit / (Loss)	40,201	274,459	(85.35)	183,713	363,179	(49.42)
Net Finance income / (Expenses)	28,843	8,044	258.56	82,088	30,726	167.16
Profit / (Loss) Before Taxation	69,044	282,503	(75.56)	265,801	393,905	(32.52)
Taxation	13,661	2,415	465.69	(24,539)	(19,324)	26.99
Profit / (Loss) After Taxation	82,705	284,918	(70.97)	241,262	374,581	(35.59)
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	3,642	(442)	(923.61)	10,086	(2,627)	(483.90)
Defined benefit plan actuarial (losses) / gains	(870)	497	(275.01)	(870)	497	(275.01)
Revaluation of property, plant and equipment	-	2,202	(100.00)	-	2,202	(100.00)
Deferred tax liability on revaluation of property plant & equipment	-	(617)	(100.00)	-	(617)	(100.00)
Reversal of revaluation of property plant & equipment written off / impaired	-	(122)	(100.00)	-	(122)	(100.00)
Deferred tax liability on reversal of revaluation	-	48	(100.00)	-	48	(100.00)
Net change in fair value of available for sale financial assets reclassified to profit or loss	(1)	-	(100.00)	(1)	-	(100.00)
Other comprehensive income for the period, net of income tax	2,771	1,566	76.90	9,215	(618)	(1,591.61)
Total comprehensive income for the period	85,476	286,484	(70.16)	250,477	373,963	(33.02)
Earnings / (Loss) Per Share	<u>Rs</u> 0.56	<u>Rs</u> 1.93		<u>Rs</u> 1.63	<u>Rs</u> 2.53	

	Stated Capital	Capital Reserve	Revaluation Reserve	Available for Sale Reserve	Retained Earnings	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Financial Year 2016						
Balance as at 01.01.2016	1,644,392	525,494	405	(11,434)	2,238,025	4,396,882
Total Comprehensive Income for the period						
Profit or Loss	-	-	-	-	374,581	374,581
Other Comprehensive Income						
Net change in fair value of available-for-sale financial assets	-	-	-	(2,627)	-	(2,627)
Defined benefit plan actuarial (losses) / gains	-	-	-	-	497	497
Revaluation of property, plant and equipment	-	-	2,202	-	-	2,202
Deferred tax liability on revaluation of property plant & equipment	-	-	(617)	-	-	(617)
Reversal of revaluation of property plant & equipment written off / impaired	-	-	(172)	-	50	(122)
Deferred tax liability on reversal of revaluation	-	-	48	-	-	48
Total Comprehensive Income for the period	-	-	1,462	(2,627)	548	(617)
Transactions recorded directly in equity						
Dividend Declared	-	-	-	-	(88,779)	(88,779)
Balance as at 31.12.2016	1,644,392	525,494	1,867	(14,061)	2,524,375	4,682,067
Financial Year 2017						
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	-	-	-	-	241,262	241,262
Other Comprehensive Income						
Net change in fair value of available-for-sale financial assets	-	-	-	10,086	-	10,086
Defined benefit plan actuarial (losses) / gains	-	-	-	-	(870)	(870)
Net change in fair value of available for sale financial assets reclassified to profit or loss	-	-	-	(1)	-	(1)
Total Comprehensive Income for the period	-	-	-	10,085	240,392	250,477
Transactions recorded directly in equity						
Dividend Declared	-	-	-	-	(110,974)	(110,974)
Balance as at 31.12.2017	1,644,392	525,494	1,867	(3,976)	2,653,793	4,821,569

SEYLAN DEVELOPMENTS PLC
CASH FLOW STATEMENT

For the year ended 31 December,

	2017 Rs'000	2016 Rs' 000
Cash flows from operating activities		
Receipt from other operating activities	218,177	210,637
Cash payments to employees, suppliers and tax authorities	(85,657)	(108,004)
Interest payments	(682)	(1,039)
Operating profit before changes in operating assets	131,838	101,594
(Increase)/Decrease in operating assets :		
Stock & receivables	(7,563)	(17,595)
Increase/(Decrease) in operating liabilities :		
Deposits & trade payables	5,748	7,194
Cash generated from operations	130,023	91,193
Income tax & super gain tax paid	(11,665)	-
Gratuity paid	-	-
Net cash from operating activities	118,358	91,193
Cash flows from investing activities		
Interest received	84,166	32,146
Purchase of non-dealing securities	(22,951)	(80,838)
Disposal of non-dealing securities	179,159	46,392
Purchase of property , plant and equipment	(589)	(244)
Proceeds from disposal of Investment Properties	748,164	-
Proceeds from disposal of property, plant and equipment	94	-
Additions to investment properties	(36,037)	(1,197)
Net cash from investing activities	952,006	(3,741)
Cash flows from financing activities		
Dividends paid	(110,974)	(88,779)
Net cash from financing activities	(110,974)	(88,779)
Net increase in cash and cash equivalents	959,390	(1,327)
Cash and cash equivalents at beginning of year	15,513	16,840
Cash and Cash Equivalents at end of year	974,903	15,513
Reconciliation of cash and cash equivalents		
Cash and short term funds	974,903	18,374
Bank overdraft	-	(2,861)
	974,903	15,513

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 31st December 2017 is 26 (2016 - 29).

2 Accounting Policies

There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report for the year 2016. The interim Financial Statements are presented in accordance with LKAS 34, Interim Financial Reporting. The Interim Financial Statements have been prepared in accordance with LKAS / SLFRS.

3 Events after the Reporting Period

Proposed Final Dividend

The Board of Directors of the company recommended that a final dividend of Rs: 0.90 per share, be paid by way of cash dividend for the financial year ended December 31, 2016 (Rs: 0.75 per share paid for the year ended December 31, 2016), subject to approval by the shareholders at the Annual General Meeting.

No circumstances have arisen since the Reporting date which would require adjustments to or disclosure in the Financial Statements other than above.

4 Stated Capital

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

5 Share price movement

	Quarter Ended		Year Ended
	31.12.2017	31.12.2016	31.12.2017
Highest Price	15.30	16.70	15.50
Lowest Price	13.10	13.00	12.10
Last Traded Price	13.60	14.40	13.60

6 Contingent Assets and Contingent Liabilities

There are no Contingent Liabilities or Contingent Asset to report.

7 Comparative Information

Comparative figures have been re-classified where necessary, to conform to the current period presentation.

8 Major 20 Share Holders List - As at 31 December 2017

	NAME OF SHAREHOLDER	NO OF SHARES 31.12.2017	%
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	Mr. Fuad Mushtaq Mohomed	1,357,672	0.92
5	Mrs Udeshi (DESC) Majula Moraji	1,287,900	0.87
6	Union Bank of Colombo PLC / Mr. Abishek Sithampalam	835,674	0.56
7	Hatton National Bank PLC / Arunasalam Sithampalam	824,554	0.56
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	589,927	0.40
11	Mr. Tay Biak Chye	505,948	0.34
12	Mr. Ragupathy Arunasalam	352,974	0.24
13	Bank of Ceylon A/C Ceybank Century Growth Fund	348,926	0.24
14	Mr. Gautam Rahul	344,000	0.23
15	Mr. Van Oostenbrugge Alexander	321,400	0.22
16	Mr. Upasena Kankanamge Don Nirosha Thushan Kumara	311,000	0.21
17	Asha Financial Services Limited / Mr. C. N. Pakianathan	306,000	0.21
18	Nation Lanka Capital Ltd / Sadun Priyanath Samaratunge	300,000	0.20
19	Mr. Perera Pulukkuttiralalage Bandula	299,575	0.20
20	Mr. Fernando Kadupitige Gabriel Gerard	283,823	0.19

9 Names of existing Directors in Seylan Developments PLC

	Name of Director	No. Of Shares 31.12.2017
1	Mr. Kapila Ariyaratne	25,000
2	Mr. S. Paliawadana	10,000
3	Mr. P. Saravanapavan	-
4	Mr. R. J. Jayasekara	-
5	Mr. P. D. Hennayake	-
6	Mr. L.T. Kiringoda	-

- 10 Public Shareholdings % as at 31st December 2017 - 29.46 %
No of public shareholders as at 31st December 2017 - 6,160