

2009

Provisional financial statements
Nine months ended 31 December 2009



CARGILLS (CEYLON) PLC

A Member of the Ceylon Theatres Group

Income statements

	Group						Company					
	Quarter ended 31 December			Period ended 31 December			Quarter ended 31 December			Period ended 31 December		
	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000
Revenue	8,062,202	8,072,259	(10,057)	22,649,126	22,253,730	395,396	4,648,173	4,331,465	316,708	12,784,029	12,078,927	705,102
Cost of sales	(7,343,339)	(7,358,865)	15,526	(20,698,187)	(20,453,431)	(244,756)	(4,435,591)	(4,096,213)	(339,378)	(12,302,180)	(11,526,812)	(775,368)
Gross profit	718,863	713,394	5,469	1,950,939	1,800,299	150,640	212,582	235,252	(22,670)	481,849	552,115	(70,266)
Other income	129,775	106,668	23,107	361,281	436,297	(75,016)	93,085	119,595	(26,510)	396,588	400,468	(3,880)
Distribution costs	(133,915)	(100,920)	(32,995)	(380,818)	(405,372)	24,554	(27,502)	(27,571)	69	(67,025)	(73,229)	6,204
Administrative expenses	(290,906)	(327,255)	36,349	(788,823)	(760,366)	(28,457)	(119,951)	(146,315)	26,364	(325,385)	(426,202)	100,817
Other Expenses	(35,955)	(35,424)	(531)	(106,131)	(100,514)	(5,617)	(9,247)	(9,014)	(233)	(29,202)	(23,634)	(5,568)
Operating profit	387,862	356,463	31,399	1,036,448	970,344	66,104	148,967	171,947	(22,980)	456,825	429,518	27,307
Net finance costs	(97,466)	(162,951)	65,485	(332,288)	(390,573)	58,285	(69,217)	(108,732)	39,515	(227,410)	(209,798)	(17,612)
Profit before taxation	290,396	193,512	96,884	704,160	579,771	124,389	79,750	63,215	16,535	229,415	219,720	9,695
Income tax expense	(100,539)	(66,247)	(34,292)	(212,373)	(189,936)	(22,437)	(32,174)	(11,263)	(20,911)	(42,883)	(38,816)	(4,067)
Net profit for the period	189,857	127,265	62,592	491,787	389,835	101,952	47,576	51,952	(4,376)	186,532	180,904	5,628
Attributable to :												
Equity shareholders of the parent	189,857	127,265	62,592	491,787	349,389	142,398	47,576	51,952	(4,376)	186,532	180,904	5,628
Minority interest	-	-	-	-	40,446	(40,446)	-	-	-	-	-	-
	189,857	127,265	62,592	491,787	389,835	101,952	47,576	51,952	(4,376)	186,532	180,904	5,628
Earnings per share (Rs.)	0.85	0.57	0.28	2.20	1.56	0.64	0.21	0.23	(0.02)	0.83	0.81	0.03
Dividend paid per share (Rs.)	0.30	-	0.30	0.80	0.39	0.41	0.30	-	0.30	0.80	0.39	0.41

Explanatory notes are given on page 6.

Balance sheets

As at	Group			Company		
	31 December	31 December	31 March	31 December	31 December	31 March
	2009	2008	2009	2009	2008	2009
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
ASSETS						
Non-current assets						
Property, plant and equipment	5,011,398	5,091,633	5,091,495	3,359,198	3,349,197	3,361,476
Intangible assets	293,794	300,714	299,401	-	-	-
Investment in subsidiaries	-	-	-	1,668,453	997,553	1,668,453
Deferred tax assets	21,480	24,336	21,573	-	-	-
	5,326,672	5,416,683	5,412,469	5,027,651	4,346,750	5,029,929
Current assets						
Inventories	2,938,412	2,760,052	2,649,786	1,627,923	1,555,889	1,586,401
Trade and other receivables	1,156,773	1,269,088	1,123,641	482,321	470,804	463,700
Amount due from related companies	474,851	256,482	273,917	472,918	835,941	272,599
Short term investments	3,254	5,550	3,254	3,211	5,430	3,211
Cash and cash equivalents	463,521	325,439	197,668	288,919	209,764	124,918
	5,036,811	4,616,611	4,248,266	2,875,292	3,077,828	2,450,829
Total assets	10,363,483	10,033,294	9,660,735	7,902,943	7,424,578	7,480,758
EQUITY						
Capital and reserves						
Stated capital	130,723	130,723	130,723	130,723	130,723	130,723
Reserves	1,012,428	662,428	1,012,428	1,004,500	654,500	1,004,500
Retained earnings	1,302,140	1,189,488	989,553	278,241	532,562	270,909
Shareholders' fund	2,445,291	1,982,639	2,132,704	1,413,464	1,317,785	1,406,132
Minority interest	-	-	-	-	-	-
Total equity	2,445,291	1,982,639	2,132,704	1,413,464	1,317,785	1,406,132
LIABILITIES						
Non-current liabilities						
Borrowings	236,099	607,866	754,815	62,500	62,495	449,980
Deferred tax liability	276,870	274,268	310,358	235,435	223,345	266,256
Retirement benefit obligations	132,065	126,409	91,555	120,341	117,091	81,763
	645,034	1,008,543	1,156,728	418,276	402,931	797,999
Current liabilities						
Trade and other payables	4,402,932	4,640,060	3,917,522	3,824,886	3,885,777	3,376,678
Current tax liability	223,417	119,781	96,841	79,694	3,739	-
Amount due to related companies	23,100	246,165	8,676	181,845	388,832	217,004
Dividend payable	14,852	8,522	7,556	14,852	8,522	7,556
Borrowings	2,608,857	2,027,584	2,340,708	1,969,926	1,416,992	1,675,389
	7,273,158	7,042,112	6,371,303	6,071,203	5,703,862	5,276,627
Total liabilities	7,918,192	8,050,655	7,528,031	6,489,479	6,106,793	6,074,626
Total equity and liabilities	10,363,483	10,033,294	9,660,735	7,902,943	7,424,578	7,480,758
Net Assets value per share (Rs.)	10.92	8.85	9.52	6.31	5.88	6.28

I certify that these provisional financial statements have been prepared in accordance with the requirements of the Companies Act No. 7 of 2007

Sgd. S L W Dissanayake (Group Financial Controller)

The Board of Directors is responsible for the preparation and presentation of these financial statements.
 These financial statements have been approved by the Board on 28 January 2010

Signed on behalf of the Board

Sgd. V R Page (Deputy Chairman / Managing Director)
 Sgd. P S Mathavan (Executive Director - Finance)

Explanatory notes are given on page 6.

Cash flow statements

	Group				Company			
	Quarter ended 31 December		Period ended 31 December		Quarter ended 31 December		Period ended 31 December	
	2009	2008	2009	2008	2009	2008	2009	2008
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Cash flows from operating activities								
Profit before tax	290,396	193,512	704,160	579,771	79,750	63,215	229,415	219,720
Adjustments for:								
Depreciation	172,845	198,324	527,488	523,943	93,790	95,297	285,966	227,030
Retirement benefit obligations	18,707	6,458	46,423	28,627	17,849	6,336	44,163	25,978
Amortisation of intangible assets	1,870	1,265	5,608	3,795	-	-	-	-
Profit on sales of property, plant and equipment	(3,285)	(645)	(5,769)	(2,541)	(718)	-	(718)	-
Profit from disposal of investments	-	-	-	(73,587)	-	-	-	(73,587)
Provision for inventories	1,500	1,722	1,943	6,445	-	1,724	-	1,745
Provision for doubtful debtors	3,510	46,240	9,781	46,240	-	-	-	-
Net finance costs	97,466	162,951	332,288	390,573	69,217	108,732	227,410	209,798
Dividend income	-	(12)	-	(2,371)	-	(137)	(131,228)	(47,496)
Operating profit before working capital changes	583,009	609,815	1,621,922	1,500,895	259,888	275,167	655,008	563,188
Changes in working capital								
- Increase in inventories	(478,885)	(581,424)	(290,569)	(212,492)	(328,992)	(427,604)	(41,522)	(177,551)
- (Increase) / decrease in trade and other receivables	(63,293)	(446,659)	(19,043)	(546,854)	1,056	(129,960)	35,669	(260,025)
- (Increase) / decrease in related company receivables	(10,833)	(13,690)	(200,934)	(129,082)	(9,945)	98,523	(200,319)	80,400
- Increase in trade and other payables	838,081	1,141,115	485,410	1,035,810	793,530	838,705	448,208	735,463
- Increase / (decrease) in related company payables	18,235	(21,676)	14,424	145,126	(119,497)	(115,193)	(35,159)	233,321
Cash generated from operations	886,314	687,481	1,611,210	1,793,403	596,040	539,638	861,885	1,174,796
Taxes paid	(66,114)	(39,107)	(143,060)	(99,685)	(15,870)	(18,686)	(48,301)	(48,296)
Interest paid	(97,466)	(162,951)	(332,288)	(390,573)	(69,217)	(108,732)	(227,410)	(209,798)
Gratuity paid	(3,221)	(2,421)	(5,916)	(24,164)	(3,007)	(1,619)	(5,585)	(11,645)
Net cash generated from operating activities	719,513	483,002	1,129,946	1,278,981	507,946	410,601	580,589	905,057
Cash flows from investing activities								
Addition of property, plant and equipment	(204,574)	(415,748)	(448,023)	(1,051,813)	(101,666)	(374,152)	(283,688)	(934,887)
Acquisition of minority holding of subsidiary	-	-	-	(462,107)	-	-	-	(462,107)
Proceeds from disposal of investments	-	-	-	119,128	-	-	-	119,128
Proceeds from disposal of property, plant and equipment	3,284	12,032	6,401	22,022	718	-	718	-
Dividend received	-	12	-	2,371	-	137	131,228	47,496
Net cash used in investing activities	(201,290)	(403,704)	(441,622)	(1,370,399)	(100,948)	(374,015)	(151,742)	(1,230,370)
Cash flows from financing activities								
Proceeds from borrowings	-	-	-	206,686	-	-	-	-
Net proceeds from short term borrowings	(148,105)	(99,697)	1,104,201	130,052	(250,105)	(99,697)	967,385	280,052
Repayments of long term borrowings	(32,600)	(57,431)	(668,736)	(150,875)	(12,500)	(12,501)	(537,500)	(37,506)
Dividend paid	(66,021)	1,266	(171,904)	(85,012)	(66,021)	1,266	(171,904)	(85,012)
Net cash generated from financing activities	(246,726)	(155,862)	263,561	100,851	(328,626)	(110,932)	257,981	157,534
Increase / (decrease) in cash and cash equivalents	271,497	(76,564)	951,885	9,433	78,372	(74,346)	686,828	(167,779)
Movement in cash and cash equivalents								
At the beginning of the period	(303,314)	(999,489)	(983,702)	(1,085,486)	(176,995)	(632,829)	(785,451)	(539,396)
Movement during the period	271,497	(76,564)	951,885	9,433	78,372	(74,346)	686,828	(167,779)
At end of the period	(31,817)	(1,076,053)	(31,817)	(1,076,053)	(98,623)	(707,175)	(98,623)	(707,175)

Explanatory notes are given on page 6.



Statements of changes in equity

Group	Stated capital	Capital reserve	Revaluation reserve	General reserve	Accumulated earnings	Minority interest	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 1 April 2008	130,723	7,928	619,000	35,500	748,539	353,818	1,895,508
Net profit for the Period	-	-	-	-	349,389	40,446	389,835
Reversal of adjustment for debit balance in minority	-	-	-	-	178,360	(178,360)	-
Dividends	-	-	-	-	(86,800)	-	(86,800)
Minority acquisition	-	-	-	-	-	(215,904)	(215,904)
Balance as at 31 December 2008	130,723	7,928	619,000	35,500	1,189,488	-	1,982,639
Balance as at 1 April 2009	130,723	7,928	619,000	385,500	989,553	-	2,132,704
Net profit for the period	-	-	-	-	491,787	-	491,787
Dividends	-	-	-	-	(179,200)	-	(179,200)
Balance as at 31 December 2009	130,723	7,928	619,000	385,500	1,302,140	-	2,445,291

Company	Stated capital	Revaluation reserve	General reserve	Accumulated earnings	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 1 April 2008	130,723	619,000	35,500	438,458	1,223,681
Net profit for the Period	-	-	-	180,904	180,904
Dividends	-	-	-	(86,800)	(86,800)
Balance as at 31 December 2008	130,723	619,000	35,500	532,562	1,317,785
Balance as at 1 April 2009	130,723	619,000	385,500	270,909	1,406,132
Net profit for the Period	-	-	-	186,532	186,532
Dividends	-	-	-	(179,200)	(179,200)
Balance as at 31 December 2009	130,723	619,000	385,500	278,241	1,413,464

Explanatory notes are given on page 6.

Segment Information

	Group				Company			
	Quarter ended 31 December		Period ended 31 Decembe		Quarter ended 31 Decembe		Period ended 31 Decembe	
	2009	2008	2009	2008	2009	2008	2009	2008
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Revenue								
Gross revenue	8,297,120	8,288,169	23,305,173	22,854,404	4,726,650	4,400,150	13,003,390	12,281,104
Turnover tax	(234,917)	(215,910)	(656,047)	(600,674)	(78,477)	(68,685)	(219,361)	(202,177)
Net turnover	8,062,203	8,072,259	22,649,126	22,253,730	4,648,173	4,331,465	12,784,029	12,078,927
Business segment analysis								
Food and beverages	8,065,323	7,631,956	22,528,301	21,582,620	4,638,465	4,319,823	12,766,389	12,056,189
Wholesale distribution	782,369	778,300	2,038,877	2,033,065	9,708	11,642	17,640	22,738
Leisure	10,951	12,415	32,450	29,395	-	-	-	-
Photo processing	24,535	19,304	60,931	56,303	-	-	-	-
	8,883,178	8,441,975	24,660,559	23,701,383	4,648,173	4,331,465	12,784,029	12,078,927
Inter segment sales	(820,975)	(369,716)	(2,011,433)	(1,447,653)	-	-	-	-
	8,062,203	8,072,259	22,649,126	22,253,730	4,648,173	4,331,465	12,784,029	12,078,927
Segmental profit								
Segmental profit before unallocated overheads								
Food & beverages	430,356	405,128	1,153,406	999,442	210,640	232,924	478,321	547,567
Wholesale distribution operation	49,257	34,293	111,108	135,768	1,942	2,328	3,528	4,548
Leisure	1,723	502	5,966	1,800	-	-	-	-
Photo processing	1,730	1,198	3,043	3,375	-	-	-	-
	483,066	441,121	1,273,523	1,140,385	212,582	235,252	481,849	552,115
Unallocated overheads	(100,278)	(91,396)	(248,059)	(259,707)	(69,853)	(69,521)	(173,410)	(259,888)
Dividend income	-	13	-	2,371	-	138	131,228	47,496
Rental income	3,658	7,990	10,823	17,503	5,520	6,078	16,440	16,208
Profit from sale of investment	-	-	-	73,587	-	-	-	73,587
Profit on sale of property, plant and equipment	3,285	-	5,769	-	718	-	718	-
Amortisation of intangible assets	(1,869)	(1,265)	(5,608)	(3,795)	-	-	-	-
Net finance costs	(97,466)	(162,951)	(332,288)	(390,573)	(69,217)	(108,732)	(227,410)	(209,798)
Income tax expense	(100,539)	(66,247)	(212,373)	(189,936)	(32,174)	(11,263)	(42,883)	(38,816)
Profit after taxation	189,857	127,265	491,787	389,835	47,576	51,952	186,532	180,904

Explanatory Notes

- The results for the nine months ended 31 December 2009 and the balance sheet as at 31 December 2009 are provisional and subject to change.
- The same accounting policies are followed as in the annual report for the year ended 31 March 2009.
- Where appropriate, the previous years presentation has been amended to conform to the current classification.
- There are no material events subsequent to the balance sheet date that require disclosure or adjustments in the financial statements.
- There are no contingent liabilities as at the balance sheet date.



Investor relations supplement

General

Stated capital	Rs. 130,723,000
Issued shares	224,000,000
Class of shares	Ordinary shares
Voting rights	One vote per ordinary share

Stock exchange listing

The issued ordinary shares of Cargills (Ceylon) PLC are listed in the Colombo Stock Exchange.

Share valuation

A sub-division of each existing issued and fully paid ordinary share of Cargills (Ceylon) PLC into 40 shares was given effect on 25 April 2008. Accordingly, the number of issued and fully paid ordinary shares was increased from 5,600,000 to 224,000,000 consequent to the sub-division.

The market price per share recorded during the quarter ended	31 December 2009 Rs	31 December 2008 Rs
Highest	66.00	31.50
Lowest	51.00	22.00
Last traded price	65.25	22.50

Top 20 shareholders

The holdings of the top 20 shareholders as at

	31 December 2009		31 March 2009	
	Number of Shares	%	Number of Shares	%
Ceylon Theatres Limited	156,749,240	69.98	156,749,240	69.98
Mr. V R Page	14,285,000	6.38	14,220,000	6.35
SLIC Ltd - Life Fund	9,018,600	4.03	9,018,600	4.03
Ceylon Guardian Investment Trust - A/C No.1	7,154,700	3.19	7,035,000	3.14
Mr. Anthony A Page	4,825,000	2.15	4,719,000	2.11
Odeon Holdings (Ceylon) Limited	4,622,920	2.06	4,857,920	2.17
Ms. M M Page	2,101,700	0.94	1,819,300	0.81
Mr. J C Page	1,705,500	0.76	1,736,800	0.78
Mrs. M M Udeshi	1,536,640	0.69	1,536,640	0.69
Deutsche Bank AG - National Equity Fund	1,500,000	0.67	1,097,400	0.49
The Associated Newspapers of Ceylon Limited	799,840	0.36	799,840	0.36
The Gilpin Fund Limited	764,000	0.34	-	-
Mr. C Gardiner, The Bishop of Jaffna, The Archbishop of Colombo	563,040	0.25	563,040	0.25
PICTET & CIE - C/O Citi Bank	500,000	0.22	-	-
Mr. M M Udeshi	496,500	0.22	656,300	0.29
Mr. B N Shiner	492,000	0.22	492,000	0.22
Mrs. D Grimshaw	484,280	0.22	484,280	0.22
Nikan (Private) Limited	466,800	0.21	-	-
Mr. R B de Vos	402,180	0.18	484,280	0.22
Mr. Joseph Anthony Aloysius	354,000	0.16	354,000	0.16
National Asset Management Ltd - Ceylon Chamber of Commerce	-	-	450,000	0.20
SLIC Ltd - General Fund	-	-	500,000	0.22
Ceylon Chamber of Commerce - A/C No. 2	-	-	-	-
Estate of the late Mr N E Weerasooria	-	-	466,800	0.21
Total	208,821,940	93.23	208,040,440	92.90

Public holding

The percentage of shares held by the public as at 31 December 2009 is 18.50% (31 March 2009 - 18.43%)

Directors' shareholdings

The Directors' shareholdings in the Company were as follows as at:

	31 December 2009	31 March 2009
Mr. L R Page	36,760	86,760
Mr. V R Page	14,285,000	14,220,000
Mr. S V Kodikara	124,000	124,000
Mr. P S Mathavan	20,000	20,000
Mr. Jayantha Dhanapala	-	-
Mr. A T P Edirisinghe	50,000	50,000
Mr. S E C Gardiner	20,000	20,000
Mr. Sunil Mendis	20,000	20,000
Mr. Anthony A Page	4,825,000	4,719,000
Mr. J C Page	1,705,500	1,736,800
Mr. E A D Perera	20,000	20,000
Mrs. S R Thambiyah	40,000	40,000

Corporate Information

Name of company

Cargills (Ceylon) PLC

Company Registration No.

PQ 130

Legal form

Quoted public company with limited liability, incorporated in Sri Lanka on 1 March 1946.

Board of Directors

L R Page (Chairman)
V R Page (Deputy Chairman / CEO)
S V Kodikara (Executive Director)
P S Mathavan (Executive Director / CFO)
Jayantha Dhanapla
A T P Edirisinghe
S E C Gardiner
Sunil Mendis
Anthony A Page
J C Page
E A D Perera
Mrs. S R Thambiayah

Company Secretary

S L W Dissanayake

Corporate Management Committee

V R Page	Dr. J S Punjratn
S V Kodikara	Dr. S J Nawaratne
P S Mathavan	D G O Dias
J C M Victoria	Mrs. M G Perera
S L W Dissanayake	
Mrs. D Chandrasekara	
N Sri Kandaraj	

Remuneration Committee

Sunil Mendis (Chairman)
A T P Edirisinghe
Jayantha Dhanapla

Audit Committee

A T P Edirisinghe (Chairman)
Sunil Mendis
E A D Perera
Mrs. S R Thambiayah

Stock exchange listing

Colombo Stock Exchange

Registered office

40, York Street, Colombo 1, Sri Lanka
Telephone : 2427777, 2427500
Telefax : 2338704
E-mail : ccl@cargillsceylon.com

Postal address

P.O. Box 23, Colombo 1

Auditors

KPMG Ford, Rhodes, Thornton & Co.
Chartered Accountants

Legal consultants

John Wilson Partners, Attorneys-at-law

Bankers

Bank of Ceylon
Commercial Bank of Ceylon
Deutsche Bank
HSBC
Nations Trust Bank
Sampath Bank
Seylan Bank
Standard Chartered Bank

Subsidiary companies

Cargills Quality Foods (Private) Limited
Cargills Distributors (Private) Limited
Cargills Quality Dairies (Private) Limited
Cargills Food Processors (Private) Limited
Cargills Food Services (Private) Limited
CPC Agrifoods Limited
CPC Lanka Limited
Cargills Retail (Private) Limited
Millers Limited

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