

THE SHALIMAR (MALAY) ESTATE COMPANY PLC
Summarised Financial Report
for the three months ended
30th June 2007

CORPORATE INFORMATION

Name of the Company	The Shalimar (Malay) Estate Company PLC (A Carson Cumberbatch Company)
Company Number	PQ 51
Legal Form	A Public Quoted Company with Limited Liability Incorporated in Sri Lanka in 1909.
Directors	Hari Selvanathan (Chairman) Mano Selvanathan Israel Paulraj Nataraj Ramaiah Don Chandima R. Gunawardena Allan Kenneth Sellayah P. Chandana P. Tissera K. C. Nalake Fernando
Bankers	Standard Chartered Bank HSBC Bank Malaysia Berhad Commercial Bank of Ceylon Deutsche Bank
Auditors	Messrs. KPMG Ford, Rhodes, Thornton & Company Chartered Accountants No. 32A, Sir Mohamed Macan Markar Mawatha Colombo 3 Sri Lanka.
Managers & Secretaries	Carsons Management Services (Pvt) Ltd. No. 61, Janadhipathi Mawatha Colombo 01 Sri Lanka. Tel: +94 11 4739200 Fax: +94 11 4739300
Agents in Malaysia	Agro Harapan Lestari Sdn Bhd (Appointed w.e.f 18th May 2007) Suite 3.02, 3rd Floor, Wisma E&C No.02, Lorong Dungun Kiri Damansara Heights 50490, Kuala Lumpur Malaysia. Tel: +603 2093 4660 Tel: +603 2093 5660
Registered Office	No. 61, Janadhipathi Mawatha Colombo 01 Sri Lanka. Tel: +94 11 4739200 Fax: +94 11 4739300
Corporate Website	www.carsoncumberbatch.com

THE SHALIMAR (MALAY) ESTATE COMPANY PLC

Income Statements

	Group				Company			
	2007 (Restated)	2006	Change %	Year ended 31.03.07 (Audited)	2007 (Restated)	2006	Change %	Year ended 31.03.07 (Audited)
For the period ended 30th June (All figures in Sri Lankan Rupees '000)								
Revenue	10,519	11,231	(6)	48,283	182,292	15,791	1,054	48,983
Direct operating costs	(5,317)	(5,315)	0	(15,264)	(5,317)	(4,482)	19	(13,165)
Gross Profit	5,202	5,916	(12)	33,019	176,975	11,309	1,465	35,818
Other operating income	93	178	(48)	6,632	93	180	(48)	10,019
	5,295	6,094	(13)	39,651	177,068	11,489	1,441	45,837
Administrative expenses	(1,697)	(2,759)	(38)	(10,052)	(1,279)	(1,696)	(25)	(6,890)
Profit from operations	3,598	3,335	8	29,599	175,789	9,793	1,695	38,947
Finance costs	(301)	(21)	1,333	(549)	(301)	(21)	1,331	(549)
Profit after Finance Costs	3,297	3,314	(1)	29,050	175,488	9,772	1,696	38,398
Share of Associate Company's Profit before tax	2,786	3,331	(16)	53,569	-	-	-	-
Profit before taxation	6,083	6,645	(8)	82,619	175,488	9,772	1,696	38,398
Tax expense	(1,970)	(2,467)	(20)	-	(487)	(634)	(23)	(4,276)
Net Profit for the period	4,113	4,178	(2)	78,649	175,002	9,138	1,815	34,122
Profit attributable to:								
Equityholders of the parent	4,113	4,178	(2)	78,649	-	-	-	-
	4,113	4,178	(2)	78,649	175,002	9,138	1,815	34,122
Earnings per ordinary share (Rs.)	0.59	0.60		11.33	25.22	1.32		4.92
Dividend per share (Rs)	24.54	-		2.45	24.54	-		2.45

Changes represent the percentage change in current period's results compared to the comparative period of last year.

Figures in brackets indicate deductions/negative changes.

THE SHALIMAR (MALAY) ESTATE COMPANY PLC

Planted hectarage

As at	30.06.2007	30.06.2006	31.03.2007
Mature	199.74	199.30	128.54
Immature / Replanting	104.76	105.20	175.96
Total	304.50	304.50	304.50

Investor Information

Share Valuation

	30.06.2007 (Rs.)	30.06.2006 (Rs.)	31.03.2007 (Rs.)
Market Value per Share as at	600.00	815.00	900.00
Highest price per share for the period ended	900.00	850.00	900.00
Lowest price per share for the period ended	600.00	799.00	601.00

THE SHALIMAR (MALAY) ESTATE COMPANY PLC

Notes to the Summarised Financial Report

1. Basis of preparation of Summarised Financial Report.

The Interim Financial Statements of the Company and Group is prepared on the basis of the same accounting policies and methods applied for the year ended 31st March, 2007 and are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting. Further, provision of the new companies Act No 7 of 2007 have been considered in preparing the interim financial statements of the company.

2. Events occurring after the Balance Sheet date

Subsequent to the Balance Sheet date, no circumstances have arisen which would require adjustments to or disclosure in the Summarised Financial Report other than disclosed in the note 5 below.

3. Contingent Liabilities

There are no changes of a material nature in the contingent liabilities since the last annual Balance sheet date.

4. Restatement of Comparative Figures

Certain comparative figures have been restated to conform to the classifications and presentation as at 30th June, 2007

5. Interim ordinary dividend - 2007/2008

The directors declared a first interim dividend of Rs. 24.54 per share to the ordinary shareholders for the period ending 31st March 2008, on 28th June 2007 and was paid on 20th July 2007.

5. Segmental Analysis (Group)

The following information is based on the Primary Segment (Industry Segment) results.

For the period ended 30th June

(All figures in Sri Lankan Rupees '000)

Revenue

	2007	2006	Year ended 31.03.07 (Audited)
Oil palm	10,082	6,670	34,704
Investment	172,208	9,121	14,279
Intra-group transactions	(172,196)	(9,114)	(9,114)
	<u>10,519</u>	<u>11,231</u>	<u>48,283</u>

Profit after taxation

Oil palm	3,548	1,330	6,978
Investment	171,454	7,808	26,145
Real estate	(102)	1,834	1,071
Intra-group transactions	(172,199)	(9,114)	(9,114)
Share of Associate Company's profit net of tax	1,412	2,320	53,569
	<u>4,113</u>	<u>4,178</u>	<u>78,649</u>

Figures in brackets indicate deductions

THE SHALIMAR (MALAY) ESTATE COMPANY PLC

Balance Sheets

As at 30th June

(All figures in Sri Lankan Rupees '000)

ASSETS

Non-current assets

	Group			Company		
	2007	2006	As at 31.03.07 (Audited)	2,007	2006	As at 31.03.07 (Audited)
Property, plant & equipment	1,197,304	1,057,385	1,180,053	1,197,304	1,057,321	1,180,052
Investments in Subsidiaries	-	-	-	43,148	43,148	43,148
Investments in Associates	436,233	400,194	436,830	270,318	270,318	270,318
Investment properties	-	227,370	-	-	-	-
Other investments	91,834	68,608	91,834	91,834	68,608	91,834
Amounts due from related companies	-	63,745	-	-	63,745	-
Deferred tax asset	4,370	2,822	4,310	4,370	2,822	4,310
	1,729,741	1,820,124	1,713,027	1,606,974	1,505,962	1,589,662

Current Assets

Inventories	930	2,205	698	930	2,205	698
Debtors and other receivables	4,529	4,835	4,265	4,115	2,085	3,865
Amounts due from related companies	244,394	-	219,251	201,741	-	-
Taxation recoverable	442	35	1,195	-	-	644
Short-term deposits	4,371	66,255	17,169	4,371	2,008	4,442
Bank and cash balances	9,018	7,236	45,790	8,939	5,383	45,768
	263,684	80,566	288,368	220,096	11,681	55,417
Total Assets	1,993,425	1,900,690	2,001,395	1,827,070	1,517,643	1,645,079

EQUITY & LIABILITIES

Stated Capital & Reserves

Stated capital	69,401	69,401	69,401	69,401	69,401	69,401
Capital reserves	1,197,176	1,186,621	1,181,791	1,208,063	1,076,242	1,192,678
Revenue reserve	526,936	541,215	718,798	349,759	344,972	351,801
	1,793,513	1,797,237	1,969,990	1,627,223	1,490,615	1,613,880

Non-current Liabilities

Rental deposits	-	4,657	-	-	-	-
Retirement benefit obligations	1,073	925	1,166	1,073	925	1,166
Deferred tax liability	18,941	29,597	18,630	18,941	14,338	18,450
	20,014	35,179	19,796	20,014	15,263	19,616

Current Liabilities

Taxation payable	131	2,467	-	127	1,414	-
Creditors and accruals	176,290	62,717	10,517	176,231	7,261	10,491
Retirement benefit obligations	321	255	321	321	255	321
Short term borrowings	-	600	-	-	600	-
Bank Overdraft	3,156	2,235	771	3,155	2,235	771
	179,898	68,274	11,609	179,834	11,765	11,583

Total Equity & Liabilities

	1,993,425	1,900,690	2,001,395	1,827,070	1,517,643	1,645,079
Net assets per ordinary share (Rs.)	258.43	258.96	283.86	234.47	214.78	232.54

The Balance Sheets as at 30th June, 2007 and the Statements of Income, Changes in Equity and Cash Flows for the period then ended as disclosed in pages 1 to 4, have been drawn up from unaudited accounts.

Approved & signed on behalf of the Managers,
(Sgd.)

D.C.R. Gunawardena

Director

Approved & signed on behalf of the Board,
(Sgd.)

M. Selvanathan

Director

(Sgd.)

P. C. P. Tissera

Director

Carsons Management Services (Pvt) Ltd.

7th August, 2007

THE SHALIMAR (MALAY) ESTATE COMPANY PLC

Statements of Changes in Equity

	Stated Capital	Capital Reserve	Revenue Reserve	Currency Translation Reserve	Retained Profits	Total Equity
(All figures in Sri Lankan Rupees '000)						
Group						
Restated Balance as at 1st April, 2006	69,401	1,160,018	212,842	(17,011)	332,316	1,757,566
Adjustment for Reserve movement -Associate Company	-	-	-	-	15,505	15,505
Realisation of revaluation reserve	-	(121,267)	-	-	121,267	-
Cumulative translation reserve	-	143,040	-	(4,297)	-	138,743
Net profit for the year	-	-	-	-	78,649	78,649
Final Ordinary dividend - 2005/06	-	-	-	-	(10,410)	(10,410)
Interim ordinary dividend -2006/07	-	-	-	-	(10,063)	(10,063)
Balance as at 31st March, 2007	69,401	1,181,791	212,842	(21,308)	527,264	1,969,990
Balance as at 1st April, 2007	69,401	1,181,791	212,842	(21,308)	527,264	1,969,990
Inter company dividend adjustment	-	-	-	-	(18,930)	(18,930)
Net profit for the period	-	-	-	-	4,113	4,113
Cumulative translation reserve	-	15,385	-	204	-	15,589
Final Ordinary dividend - 2006/07	-	-	-	-	(6,940)	(6,940)
Interim Ordinary dividend -2007/08	-	-	-	-	(170,309)	(170,309)
Balance as at 30th June, 2007	69,401	1,197,176	212,842	(21,104)	335,198	1,793,513
Balance as at 1st April, 2006	69,401	1,160,018	212,842	(17,011)	332,316	1,757,566
Adjustment for Reserve movement in associate companies	-	-	-	-	15,504	15,504
Cumulative translation reserve	-	26,604	-	3,795	-	30,399
Net profit for the period	-	-	-	-	4,178	4,178
Ordinary dividend - 2005/06	-	-	-	-	(10,410)	(10,410)
Balance as at 30th June, 2006	69,401	1,186,622	212,842	(13,216)	341,588	1,797,237
Company						
Restated balance as at 1st April, 2006	69,401	1,049,638	213,417	(17,011)	146,043	1,461,488
Profit for the year	-	-	-	-	34,122	34,122
Final ordinary dividend -2005/06	-	-	-	-	(10,410)	(10,410)
Interim ordinary dividend -2006/07	-	-	-	-	(10,063)	(10,063)
Cumulative translation reserve	-	143,040	-	(4,297)	-	138,743
Balance as at 31st March, 2007	69,401	1,192,678	213,417	(21,308)	159,692	1,613,880
Balance as at 1st April, 2007	69,401	1,192,678	213,417	(21,308)	159,692	1,613,880
Net profit for the period	-	-	-	-	175,002	175,002
Cumulative translation reserve	-	15,385	-	205	-	15,590
Final Ordinary dividend - 2006/07	-	-	-	-	(6,940)	(6,940)
Interim Ordinary dividend -2007/08	-	-	-	-	(170,309)	(170,309)
Balance as at 30th June, 2007	69,401	1,208,063	213,417	(21,103)	157,445	1,627,223
Restated balance as at 1st April, 2006	69,401	1,049,638	213,417	(17,011)	146,043	1,461,488
Net profit for the period	-	-	-	-	9,138	9,138
Ordinary dividend - 2005/06	-	-	-	-	(10,410)	(10,410)
Cumulative translation reserve	-	26,604	-	3,795	-	30,399
Balance as at 30th June, 2006	69,401	1,076,242	213,417	(13,216)	144,771	1,490,615

Figures in brackets indicate deductions

THE SHALIMAR (MALAY) ESTATE COMPANY PLC

Cash flow Statements

For the period ended 30th June

(All figures in Sri Lankan Rupees '000)

	Group			Company		
	2007	2006	Year ended 31.03.07 (Audited)	2007	2006	Year ended 31.03.07 (Audited)
Net cash (outflows) / inflows from operating activities	(43,218)	(765)	(123,807)	(28,718)	7,084	101,488
Net cash (outflows)/inflows from investing activities	27	55,031	179,870	(1,803)	(2,011)	(41,266)
Net cash outflows from financing activities	(8,764)	(9,791)	(20,056)	(8,763)	(9,791)	(20,056)
(Decrease)/increase in cash and cash equivalents	(51,955)	44,475	36,007	(39,284)	(4,718)	40,166
Cash and cash equivalents at the beginning of the period	62,188	26,181	26,181	49,439	9,274	9,273
Cash and cash equivalents at the end of the period	10,233	70,656	62,188	10,155	4,556	49,439
Cash and cash equivalents :						
Bank and cash balance	9,018	7,236	45,790	8,939	5,383	45,768
Short-term deposits	4,371	66,255	17,169	4,371	2,008	4,442
Bank Overdraft	(3,156)	(2,235)	(771)	(3,155)	(2,235)	(771)
Short term borrowings	-	(600)	-	-	(600)	-
	10,233	70,656	62,188	10,155	4,556	49,439

Figures in brackets indicate deductions