

LANKA COMMODITY BROKERS LTD



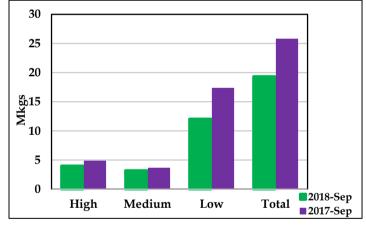


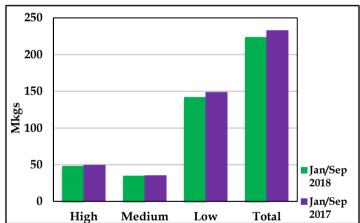
The very low production of 19.3 Mkgs achieved during the month of September, 2018 shows a drop of 6.4 Mkgs when compared to the same month in 2017. The largest decline of 5.23 Mkgs (30.25%) is seen from the Low Grown elevation whilst the High Growns have declined 0.8 Mkgs (16.49%) and Medium Growns by 0.3 Mkgs (10.36%). The year-to-date tea production (January-September, 2018) amounts to only 223.2 Mkgs when compared to 232.4 Mkgs achieved during the same period last year. The year-to-date decline which stood had 3.0 Mkgs as at the end of August, 2018 has now widened to a 9.2 Mkgs. A recovery of crop to a certain extent is possible following the more favourable growing conditions seen in the recent weeks, but to surpass last year's production of 37.7 Mkgs will still be quite a challenge.

Given below are more comprehensive details relating to tea production.

Sri Lanka Tea Production-September 2018 vs. 2017 (In Kgs)

	2018- September	2017- September	+/-	%	Jan/Sep 2018	Jan/Sep 2017	+/-	%
High	4,027,145	4,822,555	(795,410)	(16.49)	47,623,715	49,094,539	(1,470,824)	(3.00)
Medium	3,228,674	3,601,988	(373,314)	(10.36)	34,254,166	34,945,708	(691,541)	(1.98)
<u>Low</u>	12,075,127	<u>17,311,333</u>	(5,236,206)	(30.25)	141,339,159	148,391,067	(7,051,908)	<u>(4.75)</u>
<u>Total</u>	19,330,946	<u>25,735,876</u>	(6,404,930)	(24.89)	223,217,040	232,431,314	(9,214,273)	<u>(3.96)</u>





During the period January to September, 2018 the larger crop harvests have been from the following regions.

1	Ratnapura	38,880,731.00	11	Hatton/Dickoya	4,993,956.00
2	Galle	32,457,218.00	12	Agarapathana	4,766,655.00
3	Kalutara	16,702,036.00	13	Pussellawa/Hewaheta	4,607,936.00
4	Gampola/Nawalapitiya/Dolosbage	12,769,200.00	14	Kadugannawa	4,399,459.00
5	Matara	11,151,136.00	15	Upcot/Maskeliya	4,384,658.00
6	Deniyaya	10,436,230.00	16	Kegalle	4,282,856.00
7	Kelani Valley	6,465,441.00	17	Morawake	4,273,450.00
8	Nanuoya/Lindula/Talawakelle	6,255,958.00	18	Bogawantalawa	4,099,096.00
9	Demodara/Haliella/Badulla	6,173,613.00	19	Kandy/Matale/Kurunegala	3,615,943.00
10	Balangoda/Rakwana	5,666,239.00	20	Balangoda	3,307,831.00