

# Richard Pieris and Company PLC

Interim Financial Statements

Nine months ended 31<sup>st</sup> December 2015

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# Corporate Information

## Legal Form

A quoted public Company with limited liability, incorporated in Sri Lanka under the Companies Ordinance No. 51 of 1938 on 11th May 1940. The Company registration number is PQ 138.

## Stock Exchange Listing

The Ordinary shares of the Company are listed in the Colombo Stock Exchange of Sri Lanka.

## Board of Directors

Dr. Sena Yaddehige - *Chairman/ Managing Director/ CEO*

Mr. J. H. Paul Ratnayake - *Director*

Prof. Lakshman R. Watawala - *Director*

Mr. W. J. Viville P. Perera - *Director*

Mr. S.S.G. Liyanage – *Director*

Dr. S.A.B. Ekanayake – *Director*

Mr. Shaminda Yaddehige – *Director – with effect from 11<sup>th</sup> November 2015*

## Head/Registered Office

No. 310, High Level Road,  
Nawinna, Maharagama,  
Sri Lanka.

Telephone : + (94) 114310500

Fax : + (94) 114310777

Website : [www.arpico.com](http://www.arpico.com)

E-mail : [cpu@arpico.com](mailto:cpu@arpico.com)

## Secretaries

Richard Pieris Group Services (Private) Limited

No. 310, High Level Road,  
Nawinna, Maharagama,  
Sri Lanka.

## Auditors

Ernst & Young

Chartered Accountants

No. 201, De Saram Place,

Colombo 10,

Sri Lanka.

**Consolidated Statement of Financial Position**

As at 31st December	Group		As at
	2015	2014	31st March
	Rs. '000	Rs. '000	2015
			Rs. '000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15,548,202	14,375,085	15,277,433
Leasehold properties	526,260	523,373	542,032
Investment properties	165,234	140,770	165,152
Intangible assets	1,156,443	505,916	1,158,307
Biological assets	794,128	619,519	794,128
Investment in associates	93,300	6,765	88,962
Other non-current financial assets	714,399	1,777,286	606,839
	<u>18,997,966</u>	<u>17,948,714</u>	<u>18,632,853</u>
<b>Current assets</b>			
Inventories	4,802,056	4,561,052	4,431,970
Trade and other receivables	6,130,720	4,910,192	4,754,827
Loans and advances	7,906,306	4,632,198	5,421,730
Tax receivables	145,930	134,032	156,172
Other current financial assets	685,312	48,189	604,253
Cash and short-term deposits	4,141,635	4,104,522	4,081,425
	<u>23,811,959</u>	<u>18,390,185</u>	<u>19,450,377</u>
<b>Total assets</b>	<u>42,809,925</u>	<u>36,338,899</u>	<u>38,083,230</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Stated capital	1,972,829	1,972,829	1,972,829
Retained earnings	9,191,173	7,543,160	7,861,271
Statutory reserve fund/Investment fund reserve	11,495	2,478	2,478
Other components of equity	88,503	82,762	75,826
<b>Equity attributable to equity holders of the parent</b>	<u>11,264,000</u>	<u>9,601,229</u>	<u>9,912,404</u>
Non-controlling interests	2,197,007	2,264,675	2,431,421
<b>Total equity</b>	<u>13,461,007</u>	<u>11,865,904</u>	<u>12,343,825</u>
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	6,632,824	7,051,546	6,224,424
Net liability to the lessor	598,205	609,838	606,780
Insurance provision	474,558	302,863	307,092
Provisions	111,793	135,582	104,420
Government grants	560,667	556,481	562,443
Deferred tax liabilities	179,309	228,524	237,986
Employee benefit liabilities	2,688,945	2,084,541	2,620,986
	<u>11,246,301</u>	<u>10,969,375</u>	<u>10,664,131</u>
<b>Current liabilities</b>			
Trade and other payables	8,411,897	6,976,587	5,913,160
Public Deposits	3,556,000	1,638,434	2,660,510
Current portion of Interest bearing loans and borrowings	2,559,249	1,849,801	2,526,750
Current portion of net liability to the lessor	11,294	10,860	10,899
Income tax payable	468,720	280,245	236,701
Short term borrowings	3,095,457	2,747,693	3,727,254
	<u>18,102,617</u>	<u>13,503,620</u>	<u>15,075,274</u>
<b>Total liabilities</b>	<u>29,348,918</u>	<u>24,472,995</u>	<u>25,739,405</u>
<b>Total equity and liabilities</b>	<u>42,809,925</u>	<u>36,338,899</u>	<u>38,083,230</u>

The above figures are subject to audit.

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007



Jagath Dissanayake  
Group Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.



W J V P Perera  
Director



S S G Liyanage  
Director

## Statement of Financial Position

As at 31st December	Company		As at
	2015	2014	31st March
	Rs. '000	Rs. '000	Rs. '000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	106,377	104,906	109,562
Investment properties	1,230,655	1,246,160	1,236,479
Investment in subsidiaries	3,908,772	3,132,941	3,908,772
Other non-current financial assets	71,375	71,375	71,375
Deferred tax assets	17,590	36,953	23,453
	<u>5,334,769</u>	<u>4,592,335</u>	<u>5,349,641</u>
<b>Current assets</b>			
Trade and other receivables	1,063,423	235,768	166,964
Amounts due from subsidiaries	2,021,363	2,263,636	2,753,353
Other current financial assets	41,502	48,189	45,076
Cash and short-term deposits	2,792,177	1,718,071	2,030,065
	<u>5,918,465</u>	<u>4,265,664</u>	<u>4,995,458</u>
<b>Total assets</b>	<u><u>11,253,234</u></u>	<u><u>8,857,999</u></u>	<u><u>10,345,099</u></u>
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the parent</b>			
Stated capital	1,972,829	1,972,829	1,972,829
Retained earnings	1,789,036	460,738	1,014,569
Other components of equity	20,015	26,703	23,590
<b>Total equity</b>	<u><u>3,781,880</u></u>	<u><u>2,460,270</u></u>	<u><u>3,010,988</u></u>
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	4,504,390	3,948,744	3,884,920
Employee benefit liabilities	88,151	73,356	77,087
	<u>4,592,541</u>	<u>4,022,100</u>	<u>3,962,007</u>
<b>Current liabilities</b>			
Trade and other payables	372,840	344,081	361,485
Current portion of Interest bearing loans and borrowings	530,110	259,960	259,960
Amounts due to subsidiaries	164,868	290,419	214,872
Income tax payable	802	454	56
Short term borrowings	1,810,193	1,480,715	2,535,731
	<u>2,878,813</u>	<u>2,375,629</u>	<u>3,372,104</u>
<b>Total liabilities</b>	<u><u>7,471,354</u></u>	<u><u>6,397,729</u></u>	<u><u>7,334,111</u></u>
<b>Total equity and liabilities</b>	<u><u>11,253,234</u></u>	<u><u>8,857,999</u></u>	<u><u>10,345,099</u></u>

The above figures are subject to audit.

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007



Jagath Disnayake  
Group Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.



W J V P Perera  
Director



S S G Liyanage  
Director

11th February 2016

## Consolidated Statement of Profit or Loss

	3 months ended			9 months ended		
	31st December			31st December		
	2015	2014	%	2015	2014	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
<b>Continuing operations</b>						
Revenue	11,170,310	10,142,124	10%	32,111,110	28,123,242	14%
Cost of sales	(8,285,351)	(7,673,724)	8%	(24,215,754)	(21,471,454)	13%
<b>Gross profit</b>	2,884,959	2,468,400	17%	7,895,356	6,651,788	19%
Other operating income	239,761	191,166	25%	667,531	542,093	23%
Selling and distribution expenses	(698,564)	(600,314)	16%	(1,875,625)	(1,513,295)	24%
Administrative expenses	(1,243,075)	(1,152,140)	8%	(3,503,779)	(3,209,280)	9%
Other operating expenses	(19,917)	(6,311)	216%	(42,206)	(20,346)	107%
<b>Operating profit</b>	1,163,164	900,801	29%	3,141,277	2,450,960	28%
Finance costs	(198,947)	(209,652)	-5%	(612,536)	(629,398)	-3%
Finance Income	53,285	69,490	-23%	155,079	183,141	-15%
Share of profit of an associate	4,573	10,174	-55%	22,786	35,274	-35%
<b>Profit before tax from continuing operations</b>	1,022,075	770,813	33%	2,706,606	2,039,977	33%
Income tax expense	(291,787)	(252,549)	16%	(832,963)	(583,227)	43%
<b>Profit for the period from continuing operations</b>	730,288	518,264	41%	1,873,643	1,456,750	29%
<b>Discontinued operations</b>						
Loss after tax for the period from discontinued operations	(469)	(409)	15%	(1,526)	(1,062)	44%
<b>Profit for the period</b>	729,819	517,855	41%	1,872,117	1,455,688	29%
Attributable to:						
Equity holders of the parent	712,642	473,646	50%	1,793,829	1,309,484	37%
Non-controlling interests	17,177	44,209	-61%	78,288	146,204	-46%
	729,819	517,855		1,872,117	1,455,688	
<b>Earnings per share</b>						
Basic (Rs.)	0.35	0.23		0.88	0.65	
Diluted (Rs.)	0.35	0.23		0.88	0.65	

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Consolidated Statement of Comprehensive Income

	3 months ended			9 months ended		
	31st December		%	31st December		%
	2015	2014		2015	2014	
Rs. '000	Rs. '000	Variance	Rs.'000	Rs.'000	Variance	
<b>Profit for the period</b>	<u>729,819</u>	<u>517,855</u>	41%	<u>1,872,117</u>	<u>1,455,688</u>	29%
<b>Other comprehensive income/(loss)</b>						
<b>Other comprehensive income to be reclassified to profit or loss;</b>						
Exchange differences on translation of foreign operations	5,257	3,222	63%	27,105	3,796	614%
Net gain/(loss) on available for sale financial assets	<u>(2,350)</u>	<u>(1,588)</u>	48%	<u>(3,575)</u>	<u>7,212</u>	-150%
<b>Net other comprehensive income to be reclassified to profit or loss</b>	<u>2,907</u>	<u>1,634</u>		<u>23,530</u>	<u>11,008</u>	
<b>Other comprehensive income for the period, net of tax</b>	<u>2,907</u>	<u>1,634</u>	78%	<u>23,530</u>	<u>11,008</u>	114%
<b>Total comprehensive income for the period, net of tax</b>	<u>732,726</u>	<u>519,489</u>	41%	<u>1,895,647</u>	<u>1,466,696</u>	29%
<b>Attributable to:</b>						
Equity holders of the parent	714,189	473,892	51%	1,806,506	1,318,856	37%
Non-controlling interests	<u>18,537</u>	<u>45,597</u>	-59%	<u>89,141</u>	<u>147,840</u>	-40%
	<u>732,726</u>	<u>519,489</u>		<u>1,895,647</u>	<u>1,466,696</u>	

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Company Statement of Profit or Loss

	3 months ended			9 months ended		
	31st December			31st December		
	2015	2014	%	2015	2014	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
Revenue	618,518	348,649	77%	1,435,635	971,992	48%
Cost of sales	-	-		-	-	
<b>Gross profit</b>	<u>618,518</u>	<u>348,649</u>	77%	<u>1,435,635</u>	<u>971,992</u>	48%
Other operating income	1,650	-		1,650	-	
Administrative expenses	(121,815)	(103,264)	18%	(341,349)	(318,294)	7%
<b>Operating profit</b>	<u>498,353</u>	<u>245,385</u>	103%	<u>1,095,936</u>	<u>653,698</u>	68%
Finance costs	(111,568)	(100,867)	11%	(343,470)	(319,408)	8%
Finance Income	10,177	11,146	-9%	29,905	38,346	-22%
<b>Profit before tax</b>	<u>396,962</u>	<u>155,664</u>	155%	<u>782,371</u>	<u>372,636</u>	110%
Income tax expense	(3,995)	-		(7,904)	-	
<b>Profit for the period</b>	<u>392,967</u>	<u>155,664</u>	152%	<u>774,467</u>	<u>372,636</u>	108%
<b>Earnings per share</b>						
Basic (Rs.)	0.19	0.08		0.38	0.19	
Diluted (Rs.)	0.19	0.08		0.38	0.19	

Figures in brackets indicate deductions.  
The above figures are subject to audit.

**Company Statement of Comprehensive Income**

	3 months ended			9 months ended		
	31st December		%	31st December		%
	2015	2014		2015	2014	
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
<b>Profit for the period</b>	<u>392,967</u>	<u>155,664</u>	152%	<u>774,467</u>	<u>372,636</u>	108%
<b>Other comprehensive income/(loss)</b>						
<b>Other comprehensive income to be reclassified to profit or loss;</b>						
Net gain/(loss) on available for sale financial assets	<u>(2,350)</u>	<u>(1,588)</u>	48%	<u>(3,575)</u>	<u>7,212</u>	-150%
<b>Net other comprehensive income to be reclassified to profit or loss</b>	<u>(2,350)</u>	<u>(1,588)</u>		<u>(3,575)</u>	<u>7,212</u>	
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<u>(2,350)</u>	<u>(1,588)</u>	48%	<u>(3,575)</u>	<u>7,212</u>	-150%
<b>Total comprehensive income for the period, net of tax</b>	<u>390,617</u>	<u>154,076</u>	154%	<u>770,892</u>	<u>379,848</u>	103%

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Cash Flow Statements

For the nine months ended 31st December	Group		Company	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
<b>Cash flows from / (used in) operating activities</b>				
Profit before tax and non controlling interests from continuing operations	2,706,606	2,039,977	782,371	372,636
Loss after tax from discontinued operation	(1,526)	(1,062)	-	-
Adjustments to reconcile profit before tax to net cash flows	1,519,217	1,333,828	343,766	302,458
<b>Operating profit before working capital changes</b>	<b>4,224,297</b>	<b>3,372,743</b>	<b>1,126,137</b>	<b>675,094</b>
Working capital adjustments	(831,078)	(747,000)	(231,155)	(105,516)
<b>Cash generated from operations</b>	<b>3,393,219</b>	<b>2,625,743</b>	<b>894,982</b>	<b>569,578</b>
Interest paid	(635,584)	(625,900)	(311,444)	(315,910)
Gratuity paid	(160,312)	(155,391)	(1,909)	(952)
Interest received	155,079	183,141	29,905	38,346
Income tax paid	(1,195,561)	(434,549)	(1,295)	(1,246)
<b>Net cash from operating activities</b>	<b>1,556,841</b>	<b>1,593,044</b>	<b>610,239</b>	<b>289,816</b>
Net cash flows used in investing activities	(1,075,746)	(1,967,357)	(8,219)	(170,609)
<b>Net cash inflow / (outflow) before financing activities</b>	<b>481,095</b>	<b>(374,313)</b>	<b>602,020</b>	<b>119,207</b>
Net cash flows from financing activities	460,912	1,730,738	1,335,630	1,834,394
<b>Net increase in cash and cash equivalents</b>	<b>942,007</b>	<b>1,356,425</b>	<b>1,937,650</b>	<b>1,953,601</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>554,171</b>	<b>200,404</b>	<b>(505,666)</b>	<b>(1,516,245)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,496,178</b>	<b>1,556,829</b>	<b>1,431,984</b>	<b>437,356</b>
<b>Analysis of cash and cash equivalents at the end of the period</b>				
Bank and cash balances	4,141,635	4,104,522	2,792,177	1,718,071
Short term borrowings *	(2,645,457)	(2,547,693)	(1,360,193)	(1,280,715)
	<b>1,496,178</b>	<b>1,556,829</b>	<b>1,431,984</b>	<b>437,356</b>
<b>* Short term borrowings</b>				
Bank overdraft	(2,054,596)	(1,579,045)	(1,145,193)	(530,715)
Other short term borrowings - settled within 90 days	(590,861)	(968,648)	(215,000)	(750,000)
	<b>(2,645,457)</b>	<b>(2,547,693)</b>	<b>(1,360,193)</b>	<b>(1,280,715)</b>

Figures in brackets indicate deductions.

The above figures are subject to audit.

**Statement of Changes in Equity**

Group	Attributable to equity holders of the parent								
	Stated capital	Revenue reserves	Available -for-sale reserve	Foreign currency translation reserve	Statutory reserve fund	Investment fund reserve	Total	Non controlling interest	Total equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>As at 1st April 2014</b>	1,814,824	6,712,869	20,654	52,736	-	6,852	8,607,935	2,150,514	10,758,449
Profit for the period	-	1,309,484	-	-	-	-	1,309,484	146,204	1,455,688
Other comprehensive income	-	-	7,212	2,160	-	-	9,372	1,636	11,008
Total comprehensive income	-	1,309,484	7,212	2,160	-	-	1,318,856	147,840	1,466,696
Exercise of options	158,005	-	-	-	-	-	158,005	-	158,005
Dividends paid	-	(508,760)	-	-	-	-	(508,760)	-	(508,760)
Issue of shares by subsidiaries	-	-	-	-	-	-	-	79,565	79,565
Adjustments due to changes in holding	-	25,193	-	-	-	-	25,193	(84,233)	(59,040)
Subsidiary dividend to minority shareholders	-	-	-	-	-	-	-	(29,011)	(29,011)
Transfers during the year	-	4,374	-	-	2,478	(6,852)	-	-	-
<b>As at 31st December 2014</b>	<b>1,972,829</b>	<b>7,543,160</b>	<b>27,866</b>	<b>54,896</b>	<b>2,478</b>	<b>-</b>	<b>9,601,229</b>	<b>2,264,675</b>	<b>11,865,904</b>
<b>As at 1st April 2015</b>	1,972,829	7,861,271	24,856	50,970	2,478	-	9,912,404	2,431,421	12,343,825
Charge relating to super gain tax	-	(519,068)	-	-	-	-	(519,068)	(27,114)	(546,182)
Profit for the period	-	1,793,829	-	-	-	-	1,793,829	78,288	1,872,117
Other comprehensive income	-	-	(3,575)	16,252	-	-	12,677	10,853	23,530
Total comprehensive income	-	1,274,761	(3,575)	16,252	-	-	1,287,438	62,027	1,349,465
Adjustments due to changes in holding	-	64,158	-	-	-	-	64,158	(93,092)	(28,934)
Transfers during the year	-	(9,017)	-	-	9,017	-	-	-	-
Subsidiary/Associate dividend to minority shareholders	-	-	-	-	-	-	-	(203,349)	(203,349)
<b>As at 31st December 2015</b>	<b>1,972,829</b>	<b>9,191,173</b>	<b>21,281</b>	<b>67,222</b>	<b>11,495</b>	<b>-</b>	<b>11,264,000</b>	<b>2,197,007</b>	<b>13,461,007</b>
<b>Company</b>									
<b>As at 1st April 2014</b>	1,814,824	596,862	19,491	-	-	-	2,431,177	-	2,431,177
Profit for the period	-	372,636	-	-	-	-	372,636	-	372,636
Other comprehensive income	-	-	7,212	-	-	-	7,212	-	7,212
Total comprehensive income	-	372,636	7,212	-	-	-	379,848	-	379,848
Exercise of options	158,005	-	-	-	-	-	158,005	-	158,005
Dividends paid	-	(508,760)	-	-	-	-	(508,760)	-	(508,760)
<b>As at 31st December 2014</b>	<b>1,972,829</b>	<b>460,738</b>	<b>26,703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,460,270</b>	<b>-</b>	<b>2,460,270</b>
<b>As at 1st April 2015</b>	1,972,829	1,014,569	23,590	-	-	-	3,010,988	-	3,010,988
Profit for the period	-	774,467	-	-	-	-	774,467	-	774,467
Other comprehensive income	-	-	(3,575)	-	-	-	(3,575)	-	(3,575)
Total comprehensive income	-	774,467	(3,575)	-	-	-	770,892	-	770,892
<b>As at 31st December 2015</b>	<b>1,972,829</b>	<b>1,789,036</b>	<b>20,015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,781,880</b>	<b>-</b>	<b>3,781,880</b>

Figures in brackets indicate deductions.  
The above figures are subject to audit.

## Segmental Results

	For the nine months ended 31st December								As at 31st December			
	Gross Revenue		Inter segmental		Intra segmental		Revenue from external customers		Operating profit/(Loss)		Assets	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
Rubber	2,776,784	2,337,903	(137,619)	(95,654)	(9,906)	-	2,629,259	2,242,249	493,418	383,635	2,957,591	2,716,383
Tyre	3,274,281	3,218,001	(18,132)	(8,773)	(1,191,002)	(1,241,686)	2,065,147	1,967,542	462,299	397,007	2,108,217	1,920,091
Plastics	5,779,680	4,629,473	(575,662)	(444,066)	(517,290)	(196,561)	4,686,728	3,988,846	1,016,575	579,895	5,938,090	5,089,251
Retail	16,400,451	14,054,544	(7,684)	(6,915)	(172,299)	(172,299)	16,220,468	13,875,330	1,172,523	916,836	9,262,645	8,183,559
Financial services	1,251,337	789,873	-	-	-	-	1,251,337	789,873	170,170	67,388	11,315,798	7,118,461
Other services	1,856,331	1,329,079	(1,779,981)	(1,238,953)	-	-	76,350	90,126	730,802	342,977	8,160,893	6,880,745
Plantations	5,763,542	5,804,300	(451,820)	(485,405)	(129,901)	(149,619)	5,181,821	5,169,276	(14,510)	266,537	18,458,193	17,662,137
Inter segment eliminations	-	-	-	-	-	-	-	-	(890,000)	(503,315)	(15,484,802)	(13,238,493)
Group	<u>37,102,406</u>	<u>32,163,173</u>	<u>(2,970,898)</u>	<u>(2,279,766)</u>	<u>(2,020,398)</u>	<u>(1,760,165)</u>	<u>32,111,110</u>	<u>28,123,242</u>	<u>3,141,277</u>	<u>2,450,960</u>	<u>42,716,625</u>	<u>36,332,134</u>

Figures in brackets indicate deductions.  
The above figures are subject to audit.

## Notes to the Financial Statements

For the period ended 31st December	2015	2014	Year ended 31st March 2015
	Rs.	Rs.	Rs.

1. Net asset value per share - Group	5.54	4.72	4.87
Net asset value per share - Company	1.86	1.21	1.48

### Market price per share

Highest	8.90	9.50	9.50
Lowest	8.20	8.20	6.50
Last traded	8.50	8.50	7.40

2. Stated capital of Richard Pieris and Company PLC amounts to Rs.1,972,829,182 represented by 2,035,038,275 ordinary shares.
3. The condensed Interim Financial Statements for the nine months ended 31st December 2015 have been prepared in accordance with LKAS 34, Interim Financial Reporting. These condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2015.
4. The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.
5. There has been no significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2015.
6. Discontinued operations comprise the results of subsidiaries of the Group whose commercial operations have been discontinued.
7. There have been no material events occurring after the reporting date that require adjustments or disclosure in the financial statements.
8. The percentage of shares held by the public as at 31st December 2015 was 42.92% represented by 9,417 public shareholders. (Public shareholding as at 31st March 2015 was 42.91% represented by 9,490 public shareholders )
9. As per the provisions of Part III of the Finance Act, No. 10 of 2015 which was certified on 30th October 2015, the Group was liable for Super Gain tax of Rs. 546 mn. According to the Act, the super gain tax shall be deemed to be an expenditure in the financial statements relating to the year of assessment which commenced on 1st April 2013. The Act supersedes the requirements of the Sri Lanka Accounting Standards, hence the expense of Super gain tax is accounted in accordance with the requirements of the said Act as recommended by the Statement of Alternative Treatment (SoAT) on Accounting for Super Gain Tax issued by the Institute of Chartered Accountants of Sri Lanka, dated 24th November 2015.
10. **Listed Debentures;**  
Details regarding the listed debentures are as follows;  
Three types of Rated Unsecured Redeemable Debentures were issued on 7th May 2014 and subsequently listed on 23rd May 2014.

Type of Debenture	Interest Rate	Frequency of Interest Payment	Redemption Date	Interest Rate of Government Security*
Type A	10.75%	Semi-annual	16th May 2017	7.99%
Type B	11.00%	Semi-annual	16th May 2018	8.84%
Type C	11.25%	Semi-annual	16th May 2019	9.03%

\*Interest rate of comparable government securities are net of tax as of 31st December 2015.

### Debenture trading from 1st of April 2015 to 31st December 2015

From 1st of October 2015 to 31st December 2015 period, 200 Type A debentures were traded at a price of Rs.101.056

### Ratios

	31-12-2015	31-03-2015
Debt/Equity Ratio	1.81	2.22
Quick Asset Ratio	2.06	1.48
Interest Cover	3.50	3.50

## Notes to the Financial Statements (Contd.)

11. The number of shares held by the Board of Directors are as follows:

As at	31-12-2015	31-03-2015
1 Dr. Sena Yaddehige - Chairman/Managing Director/CEO	95,800,650	95,800,650
2 Mr. J H Paul Ratnayake	3,250,005	3,250,005
3 Prof. Lakshman R Watawala	40,000	40,000
4 Mr. W J V P Perera	4,500	4,500
5 Mr. S S G Liyanage	3,942,825	3,942,825
6 Dr. S A B Ekanayake	-	-
7 Mr. Shaminda Yaddehige	-	-

12. Twenty largest shareholders of the Company are as follows:

As at	31-12-2015	%	31-03-2015	%
	Number of shares		Number of shares	
1 Skyworld Overseas Holdings Ltd	516,388,590	25.37%	516,388,590	25.37%
2 Camille Consulting Corp.	316,935,120	15.57%	316,935,120	15.57%
3 HSBC International Nominees Ltd-SSBT- Deutsche Bank	225,153,787	11.06%	225,353,787	11.07%
4 Sezeka Limited	174,447,000	8.57%	174,447,000	8.57%
5 Employees Provident Fund	169,899,520	8.35%	169,899,520	8.35%
6 Rockport Limited	99,506,865	4.89%	99,506,865	4.89%
7 Dr. Sena Yaddehige	95,800,650	4.71%	95,800,650	4.71%
8 Dhanasiri Recreation Pvt Ltd	31,282,187	1.54%	28,672,176	1.41%
9 Mr. D.W.R. Rutnam	25,759,500	1.27%	25,759,500	1.27%
10 The Executor of the Estate of Late Mrs L.B.S. Pieris	22,782,045	1.12%	22,782,045	1.12%
11 Mrs. M.T.C. Pieris	20,800,415	1.02%	20,800,415	1.02%
12 Mercantile Investments and Finance PLC	16,035,995	0.79%	16,035,995	0.79%
13 Kalday (Pvt) Ltd	12,126,030	0.60%	12,126,030	0.60%
14 National Savings Bank	12,001,659	0.59%	12,001,659	0.59%
15 Frontier Market Opportunities	7,900,000	0.39%	7,900,000	0.39%
16 Bank Of Ceylon No 1 Account	6,889,225	0.34%	6,673,126	0.33%
17 Dr. C.M Fernando	6,660,570	0.33%	6,660,570	0.33%
18 Frontier Market Select Fund II L. P	5,841,523	0.29%	8,116,300	0.40%
19 The Incorporated Trustees of the Church of Ceylon	4,868,795	0.24%	4,868,795	0.24%
20 Mr.S.L.R.R Premathilaka	4,340,933	0.21%	3,825,277	0.19%
	<b>1,775,420,409</b>	<b>87.24%</b>	<b>1,774,553,420</b>	<b>87.20%</b>

13. All values included in these financial statements are in Rs. '000s unless otherwise stated.