

# **Richard Pieris and Company PLC**

Interim Financial Reporting

Nine months ended 31st December 2018

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

Mr. S.S.G. Liyanage – *Director*

Mr. Shaminda Yaddehige – *Director/COO*

Dr. Jayatissa De Costa P.C. - *Director*

Mr. Prasanna Fernando – *Director*

Mr. Joseph Felix Fernandopulle - *Director* – appointed w.e.f. 09<sup>th</sup> October 2018

## 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	2018 Rs. '000	Group	2017 Rs. '000	As at 31st March 2018 Rs. '000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	19,958,335		18,435,116	19,448,765
Leasehold properties	1,188,647		1,245,036	1,224,428
Investment properties	367,863		215,384	216,623
Intangible assets	1,163,886		1,185,297	1,166,434
Biological assets	952,262		865,762	951,252
Investment in associates	135,851		122,998	125,562
Other non-current financial assets	2,505,233		2,180,458	1,771,048
Deferred tax assets	91,900		71,173	91,901
	<u>26,363,977</u>		<u>24,321,224</u>	<u>24,996,013</u>
<b>Current assets</b>				
Inventories	7,434,940		6,462,145	6,508,526
Trade and other receivables	9,811,671		7,950,470	8,188,551
Bearer biological assets	32,686		26,463	32,686
Loans and advances	13,827,592		9,531,419	10,664,835
Tax receivables	256,774		225,016	205,807
Other current financial assets	822,935		436,166	846,031
Cash and short-term deposits	7,519,887		5,940,104	4,544,044
	<u>39,706,485</u>		<u>30,571,783</u>	<u>30,990,480</u>
<b>Total assets</b>	<u><u>66,070,462</u></u>		<u><u>54,893,007</u></u>	<u><u>55,986,493</u></u>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Stated capital	1,972,829		1,972,829	1,972,829
Revenue reserves	11,582,176		11,952,493	11,136,984
Statutory reserve fund	60,327		43,320	60,204
Other components of equity	72,127		108,981	109,388
<b>Equity attributable to equity holders of the parent</b>	<u>13,687,459</u>		<u>14,077,623</u>	<u>13,279,405</u>
Non-controlling interests	2,859,897		2,841,082	2,612,630
<b>Total equity</b>	<u><u>16,547,356</u></u>		<u><u>16,918,705</u></u>	<u><u>15,892,035</u></u>
<b>Non-current liabilities</b>				
Interest - bearing loans and borrowings	6,354,149		5,879,828	5,070,978
Net liability to the lessor	561,862		574,472	571,393
Insurance provision	1,275,304		1,069,692	1,154,177
Provisions	120,911		124,314	112,203
Government grants	532,923		537,384	538,368
Deferred tax liabilities	880,666		505,629	855,267
Employee benefit liabilities	2,640,207		2,375,693	2,703,938
	<u>12,366,022</u>		<u>11,067,012</u>	<u>11,006,324</u>
<b>Current liabilities</b>				
Trade and other payables	11,289,827		10,238,353	8,888,823
Public Deposits	6,094,362		5,056,415	5,070,357
Current portion of Interest - bearing loans and borrowings	6,527,122		3,229,271	4,052,843
Current portion of net liability to the lessor	12,612		12,128	12,261
Income tax payable	373,780		355,400	346,534
Short term borrowings	12,859,381		8,015,723	10,717,316
	<u>37,157,084</u>		<u>26,907,290</u>	<u>29,088,134</u>
<b>Total liabilities</b>	<u><u>49,523,106</u></u>		<u><u>37,974,302</u></u>	<u><u>40,094,458</u></u>
<b>Total equity and liabilities</b>	<u><u>66,070,462</u></u>		<u><u>54,893,007</u></u>	<u><u>55,986,493</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



Shiron Gooneratne  
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

13th February 2019

## Statement of Financial Position

As at 31st December	Company		As at
	2018	2017	31st March
	Rs. '000	Rs. '000	2018
			Rs. '000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	179,893	86,451	188,637
Investment properties	1,219,789	1,227,489	1,225,565
Investment in subsidiaries	3,850,672	3,905,172	3,849,172
Other non-current financial assets	804,477	179,712	290,229
	<u>6,054,831</u>	<u>5,398,824</u>	<u>5,553,603</u>
<b>Current assets</b>			
Trade and other receivables	1,133,913	275,716	260,947
Amounts due from subsidiaries	1,985,630	1,999,515	1,492,101
Taxation receivable	12,010	7,974	8,984
Cash and short-term deposits	5,901,618	4,337,548	7,278,859
	<u>9,033,171</u>	<u>6,620,753</u>	<u>9,040,891</u>
<b>Total assets</b>	<u>15,088,002</u>	<u>12,019,577</u>	<u>14,594,494</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
Revenue reserves	882,855	1,413,251	800,325
Other components of equity	(84,488)	15,059	5,768
<b>Total equity</b>	<u>2,771,196</u>	<u>3,401,139</u>	<u>2,778,922</u>
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	-	2,212,041	2,143,673
Employee benefit liabilities	58,836	73,553	82,471
	<u>58,836</u>	<u>2,285,594</u>	<u>2,226,144</u>
<b>Current liabilities</b>			
Trade and other payables	521,579	397,714	408,812
Current portion of Interest bearing loans and borrowings	2,267,353	1,024,838	1,018,013
Amounts due to subsidiaries	3,781	1,326	7,369
Short term borrowings	9,465,257	4,908,966	8,155,234
	<u>12,257,970</u>	<u>6,332,844</u>	<u>9,589,428</u>
<b>Total liabilities</b>	<u>12,316,806</u>	<u>8,618,438</u>	<u>11,815,572</u>
<b>Total equity and liabilities</b>	<u>15,088,002</u>	<u>12,019,577</u>	<u>14,594,494</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



Shiron Gooneratne  
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

13th February 2019

## Consolidated Statement of Profit or Loss

	3 months ended			9 months ended		
	31st December			31st December		
	2018	2017	%	2018	2017	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
<b>Continuing operations</b>						
Revenue	14,223,557	13,639,686	4%	41,015,326	39,600,569	4%
Cost of sales	(10,350,557)	(10,185,936)	2%	(30,728,043)	(29,471,506)	4%
<b>Gross profit</b>	3,873,000	3,453,750	12%	10,287,283	10,129,063	2%
Other operating income	439,734	341,563	29%	1,078,456	873,997	23%
Selling and distribution expenses	(910,791)	(788,718)	15%	(2,420,782)	(2,345,865)	3%
Administrative expenses	(1,663,028)	(1,544,089)	8%	(4,855,626)	(4,507,006)	8%
Other operating expenses	(11,043)	(10,109)	9%	(23,048)	(35,846)	-36%
<b>Operating profit</b>	1,727,872	1,452,397	19%	4,066,283	4,114,343	-1%
Finance costs	(688,806)	(334,079)	106%	(1,701,675)	(893,089)	91%
Finance Income	150,177	113,701	32%	434,340	355,305	22%
Share of profit /(loss) of an associate	9,279	(7,390)	-226%	12,584	8,449	49%
<b>Profit before tax from continuing operations</b>	1,198,522	1,224,629	-2%	2,811,532	3,585,008	-22%
Income tax expense	(291,309)	(298,911)	-3%	(922,628)	(928,949)	-1%
<b>Profit for the period from continuing operations</b>	907,213	925,718	-2%	1,888,904	2,656,059	-29%
<b>Discontinued operations</b>						
Loss after tax for the period from discontinued operations	(1,335)	(797)	68%	(3,924)	(3,258)	20%
<b>Profit for the period</b>	905,878	924,921	-2%	1,884,980	2,652,801	-29%
Attributable to:						
Equity holders of the parent	779,634	809,830	-4%	1,643,864	2,292,901	-28%
Non-controlling interests	126,244	115,091	10%	241,116	359,900	-33%
	905,878	924,921		1,884,980	2,652,801	
<b>Earnings per share</b>						
Basic (Rs.)	0.38	0.40		0.81	1.13	
Diluted (Rs.)	0.38	0.40		0.81	1.12	
Dividend per share	0.60	-		0.60	0.50	

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	
	2018	2017	%	2018	2017
	Rs. '000	Rs. '000	Variance	Rs.'000	Rs.'000
<b>Profit for the period</b>	<u>905,878</u>	<u>924,921</u>	-2%	<u>1,884,980</u>	<u>2,652,801</u>
<b>Other comprehensive income/ (loss)</b>					
<b>Other comprehensive income/(loss) to be reclassified to profit or loss;</b>					
Net gain/(loss) on available for sale financial assets	2,520	30,003	-92%	(99,940)	16,845
Fair value movement of AFS reserve transferred to life fund	10,152	(34,509)	100%	9,684	(18,398)
Exchange differences on translation of foreign operations	39,457	1,011	3803%	83,284	7,305
<b>Net other comprehensive income/(loss) to be reclassified to profit or loss</b>	<u>52,129</u>	<u>(3,495)</u>		<u>(6,972)</u>	<u>5,752</u>
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<u>52,129</u>	<u>(3,495)</u>	-1592%	<u>(6,972)</u>	<u>5,752</u>
<b>Total comprehensive income for the period, net of tax</b>	<u>958,007</u>	<u>921,426</u>	4%	<u>1,878,008</u>	<u>2,658,553</u>
<b>Attributable to:</b>					
Equity holders of the parent	818,240	805,923	2%	1,606,603	2,296,912
Non-controlling interests	139,767	115,503	21%	271,405	361,641
	<u>958,007</u>	<u>921,426</u>		<u>1,878,008</u>	<u>2,658,553</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		
	2018	2017	%	2018	2017	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
Revenue	945,191	749,324	26%	2,159,081	1,711,702	26%
Cost of sales	-	-		-	-	
<b>Gross profit</b>	<u>945,191</u>	<u>749,324</u>	26%	<u>2,159,081</u>	<u>1,711,702</u>	26%
Administrative expenses	(115,128)	(134,679)	-15%	(350,661)	(367,162)	-4%
<b>Operating profit</b>	<u>830,063</u>	<u>614,645</u>	35%	<u>1,808,420</u>	<u>1,344,540</u>	35%
Finance costs	(233,149)	(118,106)	97%	(530,378)	(339,044)	56%
Finance Income	8,913	10,562	-16%	25,511	25,089	2%
<b>Profit before tax</b>	<u>605,827</u>	<u>507,101</u>	19%	<u>1,303,553</u>	<u>1,030,585</u>	26%
Income tax expense	-	-	-	-	-	
<b>Profit for the period</b>	<u>605,827</u>	<u>507,101</u>	19%	<u>1,303,553</u>	<u>1,030,585</u>	26%
<b>Earnings per share</b>						
Basic (Rs.)	0.30	0.25		0.64	0.51	
Diluted (Rs.)	0.30	0.25		0.64	0.51	
Dividend per share	0.60	-		0.60	0.50	

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		
	2018	2017	%	2018	2017	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
<b>Profit for the period</b>	<u>605,827</u>	<u>507,101</u>	19%	<u>1,303,553</u>	<u>1,030,585</u>	26%
<b>Other comprehensive income</b>						
<b>Other comprehensive income/(loss) to be reclassified to profit or loss;</b>						
Net gain/(loss) on available for sale financial assets	12,672	(4,506)	-	(90,256)	(1,553)	-
<b>Net other comprehensive income/(loss) to be reclassified to profit or loss</b>	<u>12,672</u>	<u>(4,506)</u>		<u>(90,256)</u>	<u>(1,553)</u>	
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<u>12,672</u>	<u>(4,506)</u>	-	<u>(90,256)</u>	<u>(1,553)</u>	-
<b>Total comprehensive income for the period, net of tax</b>	<u>618,499</u>	<u>502,595</u>	23%	<u>1,213,297</u>	<u>1,029,032</u>	18%

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

## Cash Flow Statements

For the Nine months ended 31st December	Group		Company	
	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000
<b>Cash flows from / (used in) operating activities</b>				
Profit before tax and non controlling interests from continuing operations	2,811,532	3,585,008	1,303,553	1,030,585
Loss after tax from discontinued operation	(3,924)	(3,258)	-	-
Adjustments to reconcile profit before tax to net cash flows	2,749,138	1,756,294	609,434	342,560
<b>Operating profit before working capital changes</b>	<b>5,556,746</b>	<b>5,338,044</b>	<b>1,912,987</b>	<b>1,373,145</b>
Working capital adjustments	(2,145,472)	2,436,650	(1,321,710)	(61,980)
<b>Cash generated from operations</b>	<b>3,411,274</b>	<b>7,774,694</b>	<b>591,277</b>	<b>1,311,165</b>
Interest paid	(1,641,887)	(804,652)	(464,950)	(250,877)
Gratuity paid	(309,018)	(280,352)	(44,983)	(17,524)
Interest received	434,340	355,305	25,511	25,089
Income tax paid	(918,653)	(846,196)	(3,024)	(2,962)
<b>Net cash from operating activities</b>	<b>976,056</b>	<b>6,198,799</b>	<b>103,831</b>	<b>1,064,891</b>
Net cash flows used in investing activities	(2,282,470)	(3,557,312)	(608,240)	(176,092)
<b>Net cash flows before financing activities</b>	<b>(1,306,414)</b>	<b>2,641,487</b>	<b>(504,409)</b>	<b>888,799</b>
Net cash flows from/(used in) financing activities	3,790,192	(1,715,854)	(532,855)	(1,606,795)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,483,778</b>	<b>925,633</b>	<b>(1,037,264)</b>	<b>(717,996)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(5,123,272)</b>	<b>(1,891,253)</b>	<b>173,625</b>	<b>1,256,577</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(2,639,494)</b>	<b>(965,620)</b>	<b>(863,639)</b>	<b>538,581</b>
<b>Analysis of cash and cash equivalents at the end of the period</b>				
Bank and cash balances	7,519,887	5,940,104	5,901,618	4,337,548
Short term borrowings *	(10,159,381)	(6,905,724)	(6,765,257)	(3,798,967)
	<b>(2,639,494)</b>	<b>(965,620)</b>	<b>(863,639)</b>	<b>538,581</b>
<b>* Short term borrowings</b>				
Bank overdraft	(7,790,779)	(3,790,734)	(3,641,257)	(1,093,967)
Other short term borrowings - settled within 90 days	(2,368,602)	(3,114,990)	(3,124,000)	(2,705,000)
	<b>(10,159,381)</b>	<b>(6,905,724)</b>	<b>(6,765,257)</b>	<b>(3,798,967)</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							Total equity
	Stated capital	Revenue reserves	Available -for-sale reserve	Foreign currency translation reserve	Statutory reserve fund	Total	Non controlling interest	
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	
<b>As at 1st April 2017</b>	1,972,829	10,807,381	17,218	87,751	46,024	12,931,203	2,614,195	15,545,398
Profit for the period	-	2,292,901	-	-	-	2,292,901	359,900	2,652,801
Other comprehensive income / (loss)	-	-	(1,553)	5,565	-	4,012	1,740	5,752
Total comprehensive income / (loss)	-	2,292,901	(1,553)	5,565	-	2,296,913	361,640	2,658,553
Dividends	-	(1,017,519)	-	-	-	(1,017,519)	-	(1,017,519)
Adjustments	-	(132,974)	-	-	-	(132,974)	(130,719)	(263,693)
Transfers during the period	-	2,704	-	-	(2,704)	-	-	-
Subsidiary dividend to minority shareholders	-	-	-	-	-	-	(4,035)	(4,035)
<b>As at 31st December 2017</b>	<b>1,972,829</b>	<b>11,952,493</b>	<b>15,665</b>	<b>93,316</b>	<b>43,320</b>	<b>14,077,623</b>	<b>2,841,081</b>	<b>16,918,704</b>
<b>As at 1st April 2018</b>	1,972,829	11,136,984	6,982	102,406	60,204	13,279,405	2,612,630	15,892,035
Profit for the period	-	1,643,864	-	-	-	1,643,864	241,116	1,884,980
Other comprehensive income/ (loss)	-	-	(90,256)	52,995	-	(37,261)	30,289	(6,972)
Total comprehensive income/ (loss)	-	1,643,864	(90,256)	52,995	-	1,606,603	271,405	1,878,008
Dividends	-	(1,221,023)	-	-	-	(1,221,023)	-	(1,221,023)
Transfers during the period	-	(123)	-	-	123	-	-	-
Subsidiary dividend to minority shareholders	-	22,474	-	-	-	22,474	(24,138)	(1,664)
<b>As at 31st December 2018</b>	<b>1,972,829</b>	<b>11,582,176</b>	<b>(83,274)</b>	<b>155,401</b>	<b>60,327</b>	<b>13,687,459</b>	<b>2,859,897</b>	<b>16,547,356</b>
<b>Company</b>								
<b>As at 1st April 2017</b>	1,972,829	1,400,185	16,612	-	-	3,389,626	-	3,389,626
Profit for the period	-	1,030,585	-	-	-	1,030,585	-	1,030,585
Other comprehensive loss	-	-	(1,553)	-	-	(1,553)	-	(1,553)
Total comprehensive income / (loss)	-	1,030,585	(1,553)	-	-	1,029,032	-	1,029,032
Dividends	-	(1,017,519)	-	-	-	(1,017,519)	-	(1,017,519)
<b>As at 31st December 2017</b>	<b>1,972,829</b>	<b>1,413,251</b>	<b>15,059</b>	<b>-</b>	<b>-</b>	<b>3,401,139</b>	<b>-</b>	<b>3,401,139</b>
<b>As at 1st April 2018</b>	1,972,829	800,325	5,768	-	-	2,778,922	-	2,778,922
Profit for the period	-	1,303,553	-	-	-	1,303,553	-	1,303,553
Other comprehensive loss	-	-	(90,256)	-	-	(90,256)	-	(90,256)
Total comprehensive income/(loss)	-	1,303,553	(90,256)	-	-	1,213,297	-	1,213,297
Dividends	-	(1,221,023)	-	-	-	(1,221,023)	-	(1,221,023)
<b>As at 31st December 2018</b>	<b>1,972,829</b>	<b>882,855</b>	<b>(84,488)</b>	<b>-</b>	<b>-</b>	<b>2,771,196</b>	<b>-</b>	<b>2,771,196</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	
	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000
Rubber	4,196,566	3,607,813	(133,984)	(136,826)	(21,693)	(17,956)	4,040,889	3,453,031	897,441	621,792	4,883,404	4,122,668
Tyre	3,247,224	3,415,934	(18,221)	(16,157)	(1,225,343)	(1,314,013)	2,003,659	2,085,764	224,307	285,696	2,475,199	2,478,539
Plastic and furniture	5,509,975	5,602,796	(770,117)	(669,789)	(64,372)	(122,715)	4,675,485	4,810,292	311,227	409,699	8,883,620	8,743,278
Retail	21,231,797	20,130,674	(15,951)	(17,161)	(185,544)	(185,544)	21,030,301	19,927,969	1,465,910	1,381,250	15,856,319	12,659,034
Financial services	3,102,726	2,434,715	-	-	-	-	3,102,726	2,434,715	503,025	345,441	21,323,178	15,308,520
Other services	2,346,382	1,989,530	(2,321,033)	(1,952,655)	-	(1,200)	25,348	35,675	1,577,577	913,353	10,305,699	7,560,022
Plantations	7,030,211	7,788,209	(737,477)	(678,187)	(155,819)	(256,899)	6,136,918	6,853,123	648,727	1,257,992	19,816,022	19,065,031
Inter segment eliminations	-	-	-	-	-	-	-	-	(1,561,931)	(1,100,880)	(17,608,830)	(15,167,083)
<b>Group</b>	<b>46,664,881</b>	<b>44,969,671</b>	<b>(3,996,783)</b>	<b>(3,470,775)</b>	<b>(1,652,771)</b>	<b>(1,898,327)</b>	<b>41,015,326</b>	<b>39,600,569</b>	<b>4,066,283</b>	<b>4,114,343</b>	<b>65,934,611</b>	<b>54,770,009</b>

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

## Notes to the Financial Statements

For the Nine months ended 31st December	2018 Rs.	2017 Rs.	Year Ended 31st March 2018 Rs.
1. Net asset value per share - Group	6.73	6.92	6.53
Net asset value per share - Company	1.36	1.67	1.40
<b>Market price per share</b>			
Highest	11.00	14.10	14.10
Lowest	9.90	12.80	8.20
Last traded	10.50	13.00	12.80
<b>Market Capitalization &amp; ratios</b>			
Market Capitalization (Rs. '000)	21,367,902	26,455,498	26,048,486
Price Earning Ratio (times)	10.49	8.31	9.69

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 Interim condensed Financial Statements for the nine months ending 31st December 2018 have been prepared in accordance with LKAS 34, Interim Financial Reporting. These Interim condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2018.
4. An interim dividend of Rs 0.60 per share for the financial year ending 31st March 2019 was declared on 08th October 2018 and paid on 26th October 2018.
5. 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.
6. 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 2018.
7. Discontinued operations comprise the results of subsidiaries of the Group whose commercial operations have been discontinued.
8. There have been no material events occurring after the reporting date that require adjustments or disclosure in the Financial Statements.
9. The percentage of shares held by the public as at 31st December 2018 was 42.14% represented by 8,423 public shareholders. (Public shareholding as at 31st March 2018 was 42.15% represented by 7,864 public shareholders )  
Float-adjusted market capitalization (Rs) 9,005,434 as of 31st December 2018.  
The Company complies with option 2 of the Listing rules 7.13.1 (a) - Rs 7.5Bn - Float Adjusted Market capitalization which requires 500 minimum public shareholders and 5% minimum Public shareholding percentage.

**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. The Type A debentures were redeemed on 16th May 2017 and Type B debentures were redeemed on 16th May 2018. The details of outstanding debentures are as follows;

Type of Debenture	Interest Rate	Frequency of Interest Payment	Redemption Date	Interest Rate of Government Security*
Type C	11.25%	Semi-annual	16th May 2019	9.47%

\*Interest rate of comparable government securities are net of tax as of 31st December 2018.

**Debenture trading from 1st of April 2018 to 31st December 2018**

From 1st April 2018 to 30th September 2018 period, 72,000 Type C debentures were traded, last trading statics is as 10,000 debentures at a price

**Ratios**

	31-12-2018	31-12-2017	31-03-2018
Debt/Equity Ratio	4.23	2.40	4.07
Quick Asset Ratio	0.74	1.05	0.94
Interest Cover	3.58	4.38	4.83

## Notes to the Financial Statements (Contd.)

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

As at	31-12-2018	31-03-2018
1 Dr. Sena Yaddehige - Chairman/Managing Director/CEO	104,375,732	104,375,732
2 Mr. W J V P Perera	4,500	4,500
3 Mr. S S G Liyanage	3,942,825	3,942,825
4 Mr. Shaminda Yaddehige	-	-
5 Dr. Jayatissa De Costa P.C.	-	-
6 Mr. Prasanna Fernando	-	-
7 Mr. Joseph Felix Fernandopulle (appointed w.e.f. 09th October 2018)	107,623	95,275

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

As at	31-12-2018	%	31-03-2018	%
	Number of shares		Number of shares	
1 Skyworld Overseas Holdings Limited	516,388,590	25.37%	516,388,590	25.37%
2 Camille Consulting Corp.	327,704,846	16.10%	327,704,846	16.10%
3 HSBC International Nominees Ltd-SSBT- Deutsche Bank	224,853,787	11.05%	224,853,787	11.05%
4 Sezeka Limited	193,945,899	9.53%	183,585,152	9.02%
5 Employees Provident Fund	169,899,520	8.35%	169,899,520	8.35%
6 Rockport Limited	108,660,116	5.34%	108,660,116	5.34%
7 Dr. Sena Yaddehige	104,375,732	5.13%	104,375,732	5.13%
8 Dhanasiri Recreation Pvt Ltd	33,655,437	1.65%	33,655,437	1.65%
9 J.B. Cocoshell (Pvt) Ltd	32,901,164	1.62%	32,125,746	1.58%
10 Mr. D.W.R.Rutnam	25,759,500	1.27%	25,759,500	1.27%
11 The Executor of the Estate of Late Mrs L.B. S. Pieris	22,782,045	1.12%	22,782,045	1.12%
12 Investment Resource Company (Private) Limited	20,000,000	0.98%	20,000,000	0.98%
13 Northern Trust Company S/A Hosking Global Fund	12,439,564	0.61%	8,753,190	0.43%
14 Kalday (Pvt) Ltd.	12,126,030	0.60%	12,126,030	0.60%
15 Seylan Bank PLC/Channa Nalin Rajahmoney	11,991,550	0.59%	11,988,508	0.59%
16 Bank of Ceylon No. 1 Account	6,889,225	0.34%	6,889,225	0.34%
17 Dr C.M. Fernando	6,660,570	0.33%	6,660,570	0.33%
18 National Savings Bank	6,463,907	0.32%	6,463,907	0.32%
19 The Incorporated Trustees of the Church of Ceylon	4,868,795	0.24%	4,868,795	0.24%
20 Mrs. D.M. Sinnetamby Devayani Maheshwari	4,086,877	0.20%	4,086,877	0.20%
	<b>1,846,453,154</b>	<b>90.73%</b>	<b>1,831,627,573</b>	<b>90.00%</b>

13. All values included in these Financial Statements are in Rs. '000s unless otherwise stated.

