

# Richard Pieris and Company PLC

Interim Financial Statements

Twelve months ended 31st March 2016

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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 Yaddhegige - *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 Yaddhegige – *Director/COO – with effect from 11<sup>th</sup> November 2015*

Prof. Kapila Goonesekere – *Director – with effect from 15<sup>th</sup> February 2016*

## 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 March	Group	
	2016 Rs. '000	2015 Rs. '000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15,944,669	15,277,433
Leasehold properties	546,562	542,032
Investment properties	165,209	165,152
Intangible assets	1,147,321	1,158,307
Biological assets	824,557	794,128
Investment in associates	241,302	88,962
Other non-current financial assets	1,112,049	606,839
	<u>19,981,669</u>	<u>18,632,853</u>
<b>Current assets</b>		
Inventories	4,642,937	4,431,970
Trade and other receivables	4,981,159	4,754,827
Loans and advances	8,759,562	5,421,730
Tax receivables	163,717	156,172
Other current financial assets	839,970	604,253
Cash and short-term deposits	4,206,004	4,081,425
	<u>23,593,349</u>	<u>19,450,377</u>
<b>Total assets</b>	<u>43,575,018</u>	<u>38,083,230</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Stated capital	1,972,829	1,972,829
Retained earnings	8,786,806	7,861,271
Statutory reserve fund	23,190	2,478
Other components of equity	89,902	75,826
<b>Equity attributable to equity holders of the parent</b>	<u>10,872,727</u>	<u>9,912,404</u>
Non-controlling interests	2,412,573	2,431,421
<b>Total equity</b>	<u>13,285,300</u>	<u>12,343,825</u>
<b>Non-current liabilities</b>		
Interest bearing loans and borrowings	6,272,108	6,224,424
Net liability to the lessor	595,443	606,780
Insurance provision	501,932	307,092
Provisions	104,565	104,420
Government grants	551,458	562,443
Deferred tax liabilities	277,099	237,986
Employee benefit liabilities	2,440,787	2,620,986
	<u>10,743,392</u>	<u>10,664,131</u>
<b>Current liabilities</b>		
Trade and other payables	8,007,970	5,913,160
Public Deposits	3,722,640	2,660,510
Current portion of Interest bearing loans and borrowings	2,498,679	2,526,750
Current portion of net liability to the lessor	11,336	10,899
Income tax payable	427,497	236,701
Short term borrowings	4,878,204	3,727,254
	<u>19,546,326</u>	<u>15,075,274</u>
<b>Total liabilities</b>	<u>30,289,718</u>	<u>25,739,405</u>
<b>Total equity and liabilities</b>	<u>43,575,018</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



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

## Statement of Financial Position

As at 31st March	Company	
	2016 Rs. '000	2015 Rs. '000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	105,275	109,562
Investment properties	1,234,215	1,236,479
Investment in subsidiaries	3,875,439	3,908,772
Other non-current financial assets	71,375	71,375
Deferred tax assets	11,726	23,453
	<u>5,298,030</u>	<u>5,349,641</u>
<b>Current assets</b>		
Trade and other receivables	165,941	166,964
Amounts due from subsidiaries	2,689,633	2,753,353
Taxation receivable	1,717	-
Other current financial assets	33,827	45,076
Cash and short-term deposits	3,895,883	2,030,065
	<u>6,787,001</u>	<u>4,995,458</u>
<b>Total assets</b>	<u>12,085,031</u>	<u>10,345,099</u>
<b>Equity and liabilities</b>		
<b>Equity attributable to equity holders of the parent</b>		
Stated capital	1,972,829	1,972,829
Retained earnings	1,254,522	1,014,569
Other components of equity	12,340	23,590
<b>Total equity</b>	<u>3,239,691</u>	<u>3,010,988</u>
<b>Non-current liabilities</b>		
Interest bearing loans and borrowings	4,404,020	3,884,920
Employee benefit liabilities	85,792	77,087
	<u>4,489,812</u>	<u>3,962,007</u>
<b>Current liabilities</b>		
Trade and other payables	1,318,137	361,485
Current portion of Interest bearing loans and borrowings	514,047	259,960
Amounts due to subsidiaries	19,496	214,872
Income tax payable	-	56
Short term borrowings	2,503,848	2,535,731
	<u>4,355,528</u>	<u>3,372,104</u>
<b>Total liabilities</b>	<u>8,845,340</u>	<u>7,334,111</u>
<b>Total equity and liabilities</b>	<u>12,085,031</u>	<u>10,345,099</u>

The above figures are subject to audit.

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Shiron Gooneratne  
Group Chief Financial Officer

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W J V P Perera  
Director



S S G Liyanage  
Director

26th May 2016

## Consolidated Statement of Profit or Loss

	3 months ended			12 months ended		
	31st March			31st March		
	2016	2015	%	2016	2015	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
<b>Continuing operations</b>						
Revenue	10,907,392	9,679,001	13%	43,018,502	37,802,243	14%
Cost of sales	(8,211,806)	(7,654,032)	7%	(32,427,560)	(29,125,486)	11%
<b>Gross profit</b>	2,695,586	2,024,969	33%	10,590,942	8,676,757	22%
Other operating income	313,433	276,478	13%	980,964	818,571	20%
Selling and distribution expenses	(752,902)	(517,493)	45%	(2,648,983)	(2,030,788)	30%
Administrative expenses	(1,425,611)	(1,088,467)	31%	(4,929,390)	(4,297,747)	15%
Other operating expenses	(16,480)	(42,938)	-62%	(38,230)	(63,284)	-40%
<b>Operating profit</b>	814,026	652,549	25%	3,955,303	3,103,509	27%
Finance costs	(213,556)	(181,768)	17%	(826,092)	(811,166)	2%
Finance Income	78,680	61,163	29%	233,759	244,304	-4%
Share of profit of an associate	13,158	7,025	87%	35,944	42,299	-15%
<b>Profit before tax from continuing operations</b>	692,308	538,969	28%	3,398,914	2,578,946	32%
Income tax expense	(304,498)	(163,782)	86%	(1,137,461)	(747,009)	52%
<b>Profit for the period from continuing operations</b>	387,810	375,187	3%	2,261,453	1,831,937	23%
<b>Discontinued operations</b>						
Loss after tax for the period from discontinued operations	(2,010)	(2,395)	-16%	(3,536)	(3,457)	2%
<b>Profit for the period</b>	385,800	372,792	3%	2,257,917	1,828,480	23%
Attributable to:						
Equity holders of the parent	353,856	342,608	3%	2,147,685	1,652,092	30%
Non-controlling interests	31,944	30,184	6%	110,232	176,388	-38%
	385,800	372,792		2,257,917	1,828,480	
<b>Earnings per share</b>						
Basic (Rs.)	0.17	0.17		1.05	0.82	
Diluted (Rs.)	0.17	0.17		1.05	0.82	
Dividend per share				0.50	0.25	

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Consolidated Statement of Comprehensive Income

	3 months ended			12 months ended		
	31st March			31st March		
	2016	2015	%	2016	2015	%
	Rs. '000	Rs. '000	Variance	Rs.'000	Rs.'000	Variance
<b>Profit for the period</b>	<u>385,800</u>	<u>372,792</u>	3%	<u>2,257,917</u>	<u>1,828,480</u>	23%
<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	13,267	(2,690)	593%	40,372	1,106	3550%
Net gain/(loss) on available for sale financial assets	<u>(7,675)</u>	<u>(3,006)</u>	155%	<u>(11,250)</u>	<u>4,206</u>	-367%
<b>Net other comprehensive income to be reclassified to profit or loss</b>	5,592	(5,696)		29,122	5,312	
<b>Other comprehensive income not to be reclassified to profit or loss;</b>						
Gain/(loss) on actuarial valuation	371,925	(32,523)	1244%	371,925	(32,523)	1244%
Income tax effect	<u>(34,306)</u>	<u>8,564</u>	-501%	<u>(34,306)</u>	<u>8,564</u>	-501%
<b>Net other comprehensive income not to be reclassified to profit or loss</b>	337,619	(23,959)		337,619	(23,959)	
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<u>343,211</u>	<u>(29,655)</u>	1257%	<u>366,741</u>	<u>(18,647)</u>	2067%
<b>Total comprehensive income for the period, net of tax</b>	<u>729,011</u>	<u>343,137</u>	112%	<u>2,624,658</u>	<u>1,809,833</u>	45%
<b>Attributable to:</b>						
Equity holders of the parent	622,542	308,692	102%	2,429,048	1,627,548	49%
Non-controlling interests	<u>106,469</u>	<u>34,445</u>	209%	<u>195,610</u>	<u>182,285</u>	7%
	<u>729,011</u>	<u>343,137</u>		<u>2,624,658</u>	<u>1,809,833</u>	

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Company Statement of Profit or Loss

	3 months ended			12 months ended		
	31st March			31st March		
	2016	2015	%	2016	2015	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
Revenue	760,739	798,443	-5%	2,196,374	1,770,435	24%
Cost of sales	-	-		-	-	
<b>Gross profit</b>	<u>760,739</u>	<u>798,443</u>	-5%	<u>2,196,374</u>	<u>1,770,435</u>	24%
Other operating income	3,526	-	100%	5,176	-	100%
Administrative expenses	(167,714)	(130,071)	29%	(509,063)	(448,365)	14%
Other operating expense	(10,867)	-	100%	(10,867)	-	100%
<b>Operating profit</b>	<u>585,684</u>	<u>668,372</u>	-12%	<u>1,681,620</u>	<u>1,322,070</u>	27%
Finance costs	(116,196)	(106,112)	10%	(459,666)	(425,520)	8%
Finance Income	16,331	9,671	69%	46,236	48,017	-4%
<b>Profit before tax</b>	<u>485,819</u>	<u>571,931</u>	-15%	<u>1,268,190</u>	<u>944,567</u>	34%
Income tax expense	(3,823)	(13,500)	-72%	(11,727)	(13,500)	-13%
<b>Profit for the period</b>	<u>481,996</u>	<u>558,431</u>	-14%	<u>1,256,463</u>	<u>931,067</u>	35%
<b>Earnings per share</b>						
Basic (Rs.)	0.24	0.27		0.62	0.46	
Diluted (Rs.)	0.24	0.27		0.62	0.46	
Dividend per share				0.50	0.25	

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

## Company Statement of Comprehensive Income

	3 months ended			12 months ended		
	31st March			31st March		
	2016	2015	%	2016	2015	%
	Rs. '000	Rs. '000	Variance	Rs. '000	Rs. '000	Variance
<b>Profit for the period</b>	<u>481,996</u>	<u>558,431</u>	-14%	<u>1,256,463</u>	<u>931,067</u>	35%
<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	(7,675)	(3,113)	-147%	(11,250)	4,099	-374%
<b>Net other comprehensive income to be reclassified to profit or loss</b>	<u>(7,675)</u>	<u>(3,113)</u>		<u>(11,250)</u>	<u>4,099</u>	
<b>Other comprehensive income not to be reclassified to profit or loss;</b>						
Gain/(loss) on actuarial valuation	1,009	(4,600)	122%	1,009	(4,600)	122%
<b>Net other comprehensive income not to be reclassified to profit or loss</b>	<u>1,009</u>	<u>(4,600)</u>		<u>1,009</u>	<u>(4,600)</u>	
<b>Other comprehensive loss for the period, net of tax</b>	<u>(6,666)</u>	<u>(7,713)</u>	-14%	<u>(10,241)</u>	<u>(501)</u>	1944%
<b>Total comprehensive income for the period, net of tax</b>	<u>475,330</u>	<u>550,718</u>	-14%	<u>1,246,222</u>	<u>930,566</u>	34%

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Cash Flow Statements

For the twelve months ended 31st March	Group		Company	
	2016 Rs. '000	2015 Rs. '000	2016 Rs. '000	2015 Rs. '000
<b>Cash flows from / (used in) operating activities</b>				
Profit before tax and non controlling interests from continuing operations	3,398,914	2,578,946	1,268,190	944,567
Loss after tax from discontinued operation	(3,536)	(3,457)	-	-
Adjustments to reconcile profit before tax to net cash flows	2,168,601	1,887,546	522,622	407,960
<b>Operating profit before working capital changes</b>	<b>5,563,979</b>	<b>4,463,035</b>	<b>1,790,812</b>	<b>1,352,527</b>
Working capital adjustments	(1,677,503)	(1,822,523)	(217,770)	(707,564)
<b>Cash generated from operations</b>	<b>3,886,476</b>	<b>2,640,512</b>	<b>1,573,042</b>	<b>644,963</b>
Interest paid	(944,386)	(669,517)	(453,895)	(283,872)
Gratuity paid	(222,848)	(219,266)	(3,283)	(3,559)
Interest received	233,759	244,304	46,236	48,017
Income tax paid	(1,495,583)	(651,265)	(1,773)	(1,644)
<b>Net cash from operating activities</b>	<b>1,457,418</b>	<b>1,344,768</b>	<b>1,160,327</b>	<b>403,905</b>
Net cash flows used in investing activities	(2,227,224)	(2,899,216)	(16,627)	(962,730)
<b>Net cash inflow / (outflow) before financing activities</b>	<b>(769,806)</b>	<b>(1,554,448)</b>	<b>1,143,700</b>	<b>(558,825)</b>
Net cash flows from financing activities	43,435	1,308,215	1,054,001	1,169,404
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(726,371)</b>	<b>(246,233)</b>	<b>2,197,701</b>	<b>610,579</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>554,171</b>	<b>800,404</b>	<b>(305,666)</b>	<b>(916,245)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(172,200)</b>	<b>554,171</b>	<b>1,892,035</b>	<b>(305,666)</b>
<b>Analysis of cash and cash equivalents at the end of the period</b>				
Bank and cash balances	4,206,004	4,081,425	3,895,883	2,030,065
Short term borrowings *	(4,378,204)	(3,527,254)	(2,003,848)	(2,335,731)
	(172,200)	554,171	1,892,035	(305,666)
<b>* Short term borrowings</b>				
Bank overdraft	(3,493,534)	(2,259,688)	(1,398,848)	(1,235,731)
Other short term borrowings - settled within 90 days	(884,670)	(1,267,566)	(605,000)	(1,100,000)
	<b>(4,378,204)</b>	<b>(3,527,254)</b>	<b>(2,003,848)</b>	<b>(2,335,731)</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	-	1,652,092	-	-	-	-	1,652,092	176,388	1,828,480
Other comprehensive income	-	(26,980)	4,202	(1,766)	-	-	(24,544)	5,897	(18,647)
Total comprehensive income	-	1,625,112	4,202	(1,766)	-	-	1,627,548	182,285	1,809,833
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	-	27,676	-	-	-	-	27,676	(86,716)	(59,040)
Subsidiary dividend to minority shareholders	-	-	-	-	-	-	-	46,506	46,506
Acquisition of subsidiaries	-	-	-	-	-	-	-	59,267	59,267
Transfers during the year	-	4,374	-	-	2,478	(6,852)	-	-	-
<b>As at 31st March 2015</b>	<b>1,972,829</b>	<b>7,861,271</b>	<b>24,856</b>	<b>50,970</b>	<b>2,478</b>	<b>-</b>	<b>9,912,404</b>	<b>2,431,421</b>	<b>12,343,825</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	-	(519,069)	-	-	-	-	(519,069)	(27,116)	(546,185)
Profit for the period	-	2,147,685	-	-	-	-	2,147,685	110,232	2,257,917
Other comprehensive income	-	267,287	(11,250)	25,326	-	-	281,363	85,378	366,741
Total comprehensive income	-	1,895,903	(11,250)	25,326	-	-	1,909,979	168,494	2,078,473
Dividends	-	(1,017,519)	-	-	-	-	(1,017,519)	-	(1,017,519)
Adjustments	-	67,863	-	-	-	-	67,863	43,220	111,083
Transfers during the year	-	(20,712)	-	-	20,712	-	-	-	-
Subsidiary/Associate dividend to minority shareholders	-	-	-	-	-	-	-	(230,562)	(230,562)
<b>As at 31st March 2016</b>	<b>1,972,829</b>	<b>8,786,806</b>	<b>13,606</b>	<b>76,296</b>	<b>23,190</b>	<b>-</b>	<b>10,872,727</b>	<b>2,412,573</b>	<b>13,285,300</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	-	931,067	-	-	-	-	931,067	-	931,067
Other comprehensive income	-	(4,600)	4,099	-	-	-	(501)	-	(501)
Total comprehensive income	-	926,467	4,099	-	-	-	930,566	-	930,566
Exercise of options	158,005	-	-	-	-	-	158,005	-	158,005
Dividends paid	-	(508,760)	-	-	-	-	(508,760)	-	(508,760)
<b>As at 31st March 2015</b>	<b>1,972,829</b>	<b>1,014,569</b>	<b>23,590</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,010,988</b>	<b>-</b>	<b>3,010,988</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	-	1,256,463	-	-	-	-	1,256,463	-	1,256,463
Other comprehensive income	-	1,009	(11,250)	-	-	-	(10,241)	-	(10,241)
Total comprehensive income	-	1,257,472	(11,250)	-	-	-	1,246,222	-	1,246,222
Dividends	-	(1,017,519)	-	-	-	-	(1,017,519)	-	(1,017,519)
<b>As at 31st March 2016</b>	<b>1,972,829</b>	<b>1,254,522</b>	<b>12,340</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,239,691</b>	<b>-</b>	<b>3,239,691</b>

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

## Segmental Results

	For the twelve months ended 31st March								As at 31st March			
	Gross Revenue		Inter segmental		Intra segmental		Revenue from external customers		Operating profit/(Loss)		Assets	
	2016 Rs. '000	2015 Rs. '000	2016 Rs. '000	2015 Rs. '000	2016 Rs. '000	2015 Rs. '000	2016 Rs. '000	2015 Rs. '000	2016 Rs. '000	2015 Rs. '000	2016 Rs. '000	2015 Rs. '000
Rubber	3,629,257	3,043,829	(174,671)	(117,050)	(15,477)	-	3,439,109	2,926,779	648,467	472,341	3,122,130	2,739,342
Tyre	4,368,145	4,311,309	(33,045)	(29,803)	(1,590,048)	(1,665,120)	2,745,052	2,616,386	608,470	527,364	2,095,083	1,872,507
Plastics	7,830,265	6,540,088	(594,815)	(537,972)	(889,926)	(841,675)	6,345,524	5,160,441	1,368,139	874,893	5,601,061	4,810,865
Retail	21,927,000	18,687,275	(9,725)	(8,897)	(229,732)	(229,732)	21,687,543	18,448,646	1,540,301	1,172,628	9,077,807	8,130,306
Financial services	1,764,010	1,174,874	-	-	-	-	1,764,010	1,174,874	227,051	138,626	12,301,072	8,683,885
Other services	2,791,451	2,274,763	(2,679,655)	(2,134,520)	-	-	111,796	140,243	1,206,114	899,116	7,888,124	8,068,243
Plantations	7,643,747	8,174,786	(597,851)	(649,559)	(120,428)	(190,353)	6,925,468	7,334,874	(185,589)	162,534	18,276,282	18,454,964
Inter segment eliminations	-	-	-	-	-	-	-	-	(1,457,650)	(1,143,993)	(15,027,843)	(14,765,844)
<b>Group</b>	<u>49,953,875</u>	<u>44,206,924</u>	<u>(4,089,762)</u>	<u>(3,477,801)</u>	<u>(2,845,611)</u>	<u>(2,926,880)</u>	<u>43,018,502</u>	<u>37,802,243</u>	<u>3,955,303</u>	<u>3,103,509</u>	<u>43,333,716</u>	<u>37,994,268</u>

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

## Notes to the Financial Statements

For the period ended 31st March	2016 Rs.	2015 Rs.
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1. Net asset value per share - Group	5.34	4.87
Net asset value per share - Company	1.59	1.48

### Market price per share

Highest	8.70	9.10
Lowest	7.00	7.20
Last traded	7.20	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. An interim dividend of Rs. 0.50 per share for the financial year ended 31st March 2016 was declared on 31st March 2016 and paid on 22nd April 2016.
4. The Interim condensed Financial Statements for the twelve months ended 31st March 2016 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 2015.
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 2015.
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 March 2016 was 42.92% represented by 9,321 public shareholders. (Public shareholding as at 31st March 2015 was 42.91% represented by 9,490 public shareholders )
10. 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.
11. **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	10.69%
Type B	11.00%	Semi-annual	16th May 2018	11.59%
Type C	11.25%	Semi-annual	16th May 2019	11.79%

\*Interest rate of comparable government securities are net of tax as of 31st March 2016.

### Debenture trading from 1st of January 2016 to 31st March 2016

No debentures were traded during the period 1st of January 2016 to 31st March 2016.

### Ratios

	31-03-2016	31-03-2015
Debt/Equity Ratio	2.29	2.22
Quick Asset Ratio	1.56	1.48
Interest Cover	4.07	3.50

## Notes to the Financial Statements (Contd.)

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

As at	31-03-2016	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	-	-
8 Prof. Kapila G. A. Goonesekere	-	-

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

As at	31-03-2016	%	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	33,655,437	1.65%	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 Investment Resource Company (Pvt) Ltd	20,000,000	0.98%	-	0.00%
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 Mr.S.L.R.R Premathilaka	4,900,000	0.24%	3,825,277	0.19%
20 The Incorporated Trustees of the Church of Ceylon	4,868,795	0.24%	4,868,795	0.24%
	<b>1,777,552,311</b>	<b>87.35%</b>	<b>1,753,753,005</b>	<b>86.18%</b>

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

