INTERIM REPORT FOR THE NINE MONTHS ENDED 31ST DECEMBER 2016

CORPORATE INFORMATION

LEGAL FORM

A Public Limited Company Incorporated in Sri Lanka in 1976

COMPANY NUMBER

PQ60

DIRECTORS

Mr. A.M. Pandithage - Chairman

Dr. K.I. M. Ranasoma - Managing Director

Mr.D.K.Welmillage - Deputy Managing Director - Resigned w.e.f.31/07/2016

Mr. F. Mohideen

Mr. K.A.L.S. Fernando - Resigned w.e.f. 16/05/2016

Mr. S.C.Ganegoda Mr. Dhammika Perera

Mr. M. Bottino

Mr. S. Rajapakse

Mr. N.A.R.R.S.Nanayakkara

Mr. S.P.Peiris

Ms.Y.Bhaskaran - Alternate Director to Mr.Dhammika Perera

Mr.K.D.G.Gunaratne

 $\operatorname{Mr.}$ S.M.Shaikh - Alternate Director to Mr. S C Ganegoda from

20/10/2015 and Director from 16/05/2016

Mr.H.S.R.Kariyawasan - Appointed w.e.f 16/05/2016

SECRETARIES

Hayleys Group Services (Private) Limited 400, Deans Road, Colombo 10, Sri Lanka

Telephone: 2627650-6 (7 Lines)

Fax: 2627655

E-mail: info.sec@hayleys.com

STOCK EXCHANGE LISTING

The ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka

REGISTERED OFFICE

400, Deans Road, Colombo 10, Sri Lanka

Telephone: 2627000 Fax: 2699018 & 2699299

E-mail: postmast@dplgroup.com Website: www.dplgroup.com

SUBSIDIARIES

Hand Protection

Palma Limited

Grossart (Private) Limited

Venigros (Private) Limited

Neoprex (Private) Limited

Texnil (Private) Limited

Feltex (Private) Limited

Dipped Products (Thailand) Limited

ICOGUANTI S.p.A

Hanwella Rubber Products Limited

D P L Premier Gloves Limited

D P L Universal Gloves Limited

D P L International Limited

Plantations

D P L Plantations (Private) Limited

Kelani Valley Plantations PLC

Kalupahana Power Company (Private) Limited

Kelani Valley Instant Tea (Private) Limited

Hayleys Global Beverages (Private) Limited

Hayleys Plantation Services (Private) Limited

Talawakelle Tea Estates PLC

TTEL Hydro Power Company (Private) Limited

TTEL Somerset Hydro Power (Private) Limited

PRINCIPAL LINES OF BUSINESS

Manufacture and marketing of industrial, general

purpose and medical rubber gloves,

Management of tea and rubber plantations.

INCOME STATEMENTS

Group		Group		Group			
Audited year to 31/03/2016 Rs.'000		Unaudited 09 months to 31/12/2016 Rs.'000	Unaudited 09 months to 31/12/2015 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 31/12/2016 Rs.'000	Unaudited 03 months to (I 31/12/2015 Rs.'000	Increase/ Decrease) %
21,931,303	Turnover	17,738,258	15,985,421	11	6,196,358	5,041,686	23
(18,452,976)	Cost of sales	(15,185,529)	(13,602,436)	12	(5,128,238)	(4,231,321)	21
3,478,327	Gross profit	2,552,729	2,382,985	7	1,068,120	810,365	32
240,004	Other income and gains	71,872	92,793	(23)	32,301	24,666	31
(577,651)	Distribution costs	(377,170)	(367,388)	3	(125,996)	(129,471)	(3)
(2,269,748)	Administrative expenses	(1,681,886)	(1,634,504)	3	(560,068)	(555,530)	1
(2,975)	Other expenses	(904)	-	-	-	-	-
(346,711)	Finance costs	(300,431)	(244,179)	23	(131,356)	(77,421)	70
126,935	Finance income	41,482	73,113	(43)	9,237	2,776	233
	Share of loss of equity						
	accounted investee (net of tax)	(64,939)			(51,770)		
648,181	Profit before tax	240,753	302,820	(20)	240,468	75,385	219
(214,653)	Tax expense	(190,175)	(186,499)	2	(91,861)	(113,194)	(19)
433,528	Profit / (loss) for the period	50,578	116,321	(57)	148,607	(37,809)	(493)
	Attributable to :						
304,604	Equity holders of the parent	85,251	75,268	13	106,744	(78,870)	(235)
128,924	Non-controlling interest	(34,673)	41,053	(184)	41,863	41,061	2
433,528	Profit / (loss) for the period	50,578	116,321	(57)	148,607	(37,809)	(493)
5.09	Basic earnings / (loss) per ordinal for the period (Rs.) * Diluted earnings / (loss) per ordin	1.42	1.26		1.78	(1.32)	
5.09	for the period (Rs.) *	1.42	1.26		1.78	(1.32)	
2.00	Dividend per share (Rs)	-	-		-	-	

 $^{^{\}star}$ Computed based on 59,861,512 ordinary shares on issue as at 31/12/2016

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

INCOME STATEMENTS

	C	ompany		c	ompany	
	Unaudited 09 months to 31/12/2016 Rs.'000	Unaudited 09 months to 31/12/2015 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 31/12/2016 Rs.'000	Unaudited 03 months to (31/12/2015 Rs.'000	Increase/ (Decrease) %
Turnover	1,364,118	1,284,843	6	454,135	375,541	21
Cost of sales	(1,038,153)	(952,228)	9	(354,984)	(305,303)	16
Gross profit	325,965	332,615	(2)	99,151	70,238	41
Other income and gains	138,267	182,505	(24)	93,032	175,642	(47)
Distribution costs	(16,814)	(43,335)	(61)	(5,271)	(16,510)	(68)
Administrative expenses	(319,583)	(323,449)	(1)	(106,228)	(113,608)	(6)
Other expenses	(904)	-	-	-	-	-
Imapirment reversal / (loss) on investment and other amounts due	(192)	-	-	(106)	-	-
Finance costs	(72,658)	(66,182)	10	(30,235)	(27,217)	11
Finance income	6,283	3,379	86	3,052	975	213
Profit / (loss) before tax	60,364	85,533	(29)	53,395	89,520	(40)
Tax (expense) / release	2,668	2,844	(6)	2,001	4,306	(54)
Profit / (loss) for the period	63,032	88,377	(29)	55,396	93,826	(41)
for the period (Rs.) *	1.05	1.48 1.48		0.93 0.93	1.57 1.57	
Dividend per share (Rs)	-	-		-	-	
	Cost of sales Gross profit Other income and gains Distribution costs Administrative expenses Other expenses Imapirment reversal / (loss) on investment and other amounts due Finance costs Finance income Profit / (loss) before tax Tax (expense) / release Profit / (loss) for the period Basic earnings / (loss) per ordinar for the period (Rs.) * Diluted earnings / (loss) per ordinar for the period (Rs.) *	Turnover 1,364,118 Cost of sales (1,038,153) Gross profit 325,965 Other income and gains 138,267 Distribution costs (16,814) Administrative expenses (319,583) Other expenses (904) Imapirment reversal / (loss) on investment and other amounts due Finance costs (72,658) Finance income 6,283 Profit / (loss) before tax Tax (expense) / release 2,668 Profit / (loss) for the period 63,032 Basic earnings / (loss) per ordinary share for the period (Rs.) * 1.05 Diluted earnings / (loss) per ordinary share for the period (Rs.) * 1.05	09 months to 31/12/2016 Rs:000 09 months to 31/12/2016 Rs:000 09 months to 31/12/2016 Rs:000 Turnover 1,364,118 1,284,843 Cost of sales (1,038,153) (952,228) Gross profit 325,965 332,615 Other income and gains 138,267 182,505 Distribution costs (16,814) (43,335) Administrative expenses (319,583) (323,449) Other expenses (904) - Imapirment reversal / (loss) on investment and other amounts due (192) - Finance costs (72,658) (66,182) Finance income 6,283 3,379 Profit / (loss) before tax 60,364 85,533 Tax (expense) / release 2,668 2,844 Profit / (loss) for the period 63,032 88,377 Basic earnings / (loss) per ordinary share for the period (Rs.) * 1.05 1.48 Diluted earnings / (loss) per ordinary share for the period (Rs.) * 1.05 1.48	Unaudited O9 months to O8 months to O9 months O9 months O9	Unaudited 09 months to 31/12/2016 Rs:000 Unaudited 03 months to 31/12/2015 Sign months to 31/12/2016 Rs:000 Unaudited 03 months to 31/12/2015 Sign months to 31/12/2016 Rs:000 Unaudited Rs:000 Sign months to 31/12/2015 Sign months to 31/12/2016 Rs:000 Turnover 1,364,118 Rs:000 1,284,843 Sign months to 31/12/2016 Rs:000 454,135 Cost of sales (1,038,153) (952,228) 9 (354,984) 9 (354,984) Gross profit 325,965 332,615 (2) 99,151 99,151 Other income and gains 138,267 182,505 (24) 93,032 93,032 Distribution costs (16,814) (43,335) (61) (5,271) Administrative expenses (319,583) (323,449) (1) (106,228) (106,228) Other expenses (904) (106) (106) Imapirment reversal / (loss) on investment and other amounts due (192) (106) (106) Finance costs (72,658) (66,182) 10 (30,235) (30,235) Finance income 6,283 3,379 86 3,052 3,052 Profit / (loss) before tax 60,364 85,533 (29) 53,395 53,395 Tax (expense) / release 2,668 2,844 (6) 2,001 2,001 Profit / (loss) for the period (Rs.)* 1.05 1.48 0.93 0.93 Diluted earni	Unaudited 09 months to 31/12/2016 Rs:000 Unaudited 09 months to 09 months to (Decrease) 31/12/2016 Rs:000 Unaudited 31/12/2016 Ns:000 Unaudited 03 months to 03 months to 03 months to 31/12/2016 Rs:000 Unaudited 03 months to 03 months to 31/12/2016 Rs:000 Unaudited 03 months to 03 months to 31/12/2016 Rs:000 31/12/2016 Rs:0000 31/12/2016 Rs:000 31/12/2016 Rs:000

^{*}Computed based on 59,861,512 ordinary shares on issue as at 31/12/2016

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

OTHER COMPREHENSIVE INCOME

Group			Group			Group	
Audited year to 31/03/2016 Rs.'000		Unaudited 09 months to 31/12/2016 Rs.'000	Unaudited 09 months to 31/12/2015 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 31/12/2016 Rs.'000	Unaudited 03 months to 31/12/2015 Rs.'000	Increase/ (Decrease) %
433,528	Profit / (loss) for the period Other comprehensive income	50,578	116,321	(57)	148,607	(37,809)	(493)
	Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)						
11,940	Currency translation of foreign operations	30,170	(22,982)	(231)	(43,358)	87,373	(150)
(2)	Net gain/(loss) on available for sale financial assets	3	1	200	(2)	-	-
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)						
(60,800)	Actuarial loss on defined benefit plans	-	-	-	-	-	-
7,505	Tax effect on actuarial gain	-	-	-	-	-	-
(41,357)	Other comprehensive income / (loss) for the period, net of tax	30,173	(22,981)	(231)	(43,360)	87,373	(150)
392,171	Total comprehensive income / (loss) for the period, net of tax	80,751	93,340	(13)	105,247	49,564	112
269,538	Attributable to : Equity holders of the parent	98,671	52,130	89	63,499	(12,827)	(595)
122,633	Non-controlling interest	(17,920)	41,210	(143)	41,748	62,391	(33)
392,171	Total comprehensive income / (loss) for the period, net of tax	80,751	93,340	(13)	105,247	49,564	112

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

OTHER COMPREHENSIVE INCOME

Company			Company			Company	
Audited		Unaudited	Unaudited	Increase/	Unaudited	Unaudited	Increase/
year to		09 months to	09 months to	(Decrease)	03 months to	03 months to	(Decrease)
31/03/2016		31/12/2016	31/12/2015	%	31/12/2016	31/12/2015	%
Rs.'000		Rs.'000	Rs.'000		Rs.'000	Rs.'000	
138,624	Profit / (loss) for the period Other comprehensive income	63,032	88,377	(29)	55,396	93,826	(41)
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)						
(45,999)	Actuarial loss on defined benefit plans	-	-	-	-	-	-
5,520	Tax effect on actuarial gain	-	-	-	-	-	-
(40,479)	Other comprehensive income / (loss) for the period, net of tax	-	<u> </u>	-		<u> </u>	-
98,145	Total comprehensive income / (loss) for the period, net of tax	63,032	88,377	(29)	55,396	93,826	(41)

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

Statements of Financial Position

Group	Company	Group		ир	Company	
Audited	Audited		Unaudited	Unaudited	Unaudited	Unaudited
as at	as at		as at	as at	as at	as at
31/03/2016	31/03/2016		31/12/2016	31/12/2015	31/12/2016	31/12/2015
Rs.'000	Rs.'000	ASSETS	Rs.'000	Rs.'000	Rs.'000	Rs.'000
		Non-Current Assets				
		Tangible assets				
12,188,554	475,894	Property, plant and equipment	12,212,411	13,644,322	504,152	468,087
59,501	20 220	Lease rental paid in advance	58,554	59,816	- 20 051	- 20 717
249,059 369,268	38,328 281,201	Formers (moulds) Investment Properties	266,020 363,961	240,973 371,036	28,051 277,200	39,717 282,535
342,798	-	Biological assets	348,519	313,468	-	-
175,201	-	Intangible assets	174,385	175,679	-	-
-	3,147,684	Investment in subsidiaries	-	-	3,682,546	3,147,684
260,000	-	Investment in equity accounted investee	229,061	-	-	-
-	19,789	Amounts due from related parties	-	-	38,644	-
22 43,430	- 20 744	Other non-current financial assets Deferred tax assets	25 38,612	25 32,437	- 23,412	- 17,301
13,687,833	3,983,640	Deletied tax assets	13,691,548	14,837,756	4,554,005	3,955,324
10,007,000	0,000,040	-	10,001,040	14,007,700	4,004,000	0,000,024
2 160 692	361.065	Current Assets Inventories	2 552 000	2 107 909	303 033	270 570
3,169,682 3,566,017	,	Trade and other receivables	3,553,090 4,020,620	3,197,898 3,499,591	383,923 477,348	270,570 512,351
301,423		Advance and prepayments	189,210	235,091	33,138	50,364
-		Amounts due from related parties	-	-	433,572	1,092,833
337,958		Cash and short term deposits	578,292	293,209	127,142	60,269
7,375,080	1,765,995		8,341,212	7,225,789	1,455,123	1,986,387
21,062,913	5 749 635	Total assets	22,032,760	22,063,545	6,009,128	5,941,711
21,002,010	0,7 10,000		22,002,100	22,000,010	0,000,120	0,011,711
		EQUITY AND LIABILITIES Equity				
598,615	598,615	Stated capital (Issued and fully paid 59,861,512 ordinary shares)	598,615	598,615	598,615	598,615
450,164 14	195,128	Capital reserves Available-for-sale reserve	453,416 16	450,164 17	195,128	195,128
6,846,945	2.467.722	Revenue reserves	6,700,030	6,628,971	2,411,031	2,457,391
	, , ,	Equity attributable to equity holders of		-,,-	, ,	, - ,
7,895,738	3,261,465	the parent	7,752,077	7,677,767	3,204,774	3,251,134
2,379,327	-	Non-controlling interest	1,935,691	2,446,654	<u> </u>	<u> </u>
10,275,065	3,261,465	_Total equity	9,687,768	10,124,421	3,204,774	3,251,134
		Non-Current Liabilities				
2.085.929	-	Interest-bearing loans and borrowings	2,282,335	2,417,263	_	-
673,864	-	Deferred income	694,138	668,239	-	-
2,632,694	380,492	Defined benefit obligations	2,733,998	2,651,715	348,132	336,807
52,563	-	Agents' indemnity fund	56,264	51,644	-	-
565,781	- 200 400	Deferred tax liabilities	576,295	555,740	240.420	- 200 007
6,010,831	380,492	-	6,343,030	6,344,601	348,132	336,807
		Current liabilities				
2,486,355	,	Trade and other payables	2,762,944	2,834,602	364,444	330,629
7,594	,	Unclaimed dividends / dividends payable	6,860	5,440	6,860	5,440
1,891,334 372,523	∠95,∠34 -	Short-term loans and bank overdrafts Interest-bearing loans and borrowings	2,446,122 734,668	2,405,908 313,068	817,823	672,670
-	1 499 378	Amounts due to related parties	734,000	-	1,267,095	1,345,031
19,211	-, .00,010	Income tax payable	51,368	35,505	-,,	,
4,777,017	2,107,678	-	6,001,962	5,594,523	2,456,222	2,353,770
10,787,848	2,488.170	 Total liabilities				
21,062,913	5,749,635	Total equity and liabilities	22,032,760	22,063,545	6,009,128	5,941,711
		•				

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

The Financial Position as at 31/12/2016, and Income Statements, Statement of Changes in Equity and Statements of Cash Flow for the nine months then ended are drawn up from the unaudited financial statements of the Company and its subsidiaries and provide the information required by the Colombo Stock Exchange.

It is certified that the interim financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

sgd. N.A.R.R.S. Nanayakkara Director Finance Signed on behalf of the Board

sgd. A.M.Pandithage Chairman 31/01/2017

DIPPED PRODUCTS PLC STATEMENTS OF CHANGES IN EQUITY

Group For the period ended 31/12/2016

-----Attributable to equity holders of the Company-----Non-Total controlling -Capital Reserves Other Stated --Revenue Reserves -----Components Total Interest Equity Capital of Equity Exchange Reserve on Revaluation Other capital Available-for-General Timber Retained Fluctuatio scrip Issue Reserve reserves sale Reserve Reserve Reserve **Earnings** n Reserve Rs'000 As at 01/04/2016 598.615 239.927 42.828 1.190.950 130.955 5.319.586 205.454 7.895.738 2.379.327 10.275.065 167,409 14 Profit / loss) for the period 85,251 85,251 (34,673) 50,578 Other comprehensive income Net exchange differences on 13,418 13,418 16,752 30,170 translation of foreign operations Net change in fair value of available-2 2 1 3 for-sale financial assets Total other comprehensive income 2 13,418 13,420 16,753 30,173 Total comprehensive income / (loss) 2 85,251 80,751 13,418 98,671 (17,920)for the period Dividends (119,723) (119,723) (133,186) (13.463)Acquisition of non-controlling (122,609) (122,609) (412.253)(534,862)interest with a change in control Transfer to Legal reserve 3.252 (3,252)1,935,691 As at 31/12/2016 598,615 167.409 239.927 46.080 16 1.190.950 130.955 5.159.253 218.872 7.752.077 9.687.768 For the period ended 31/12/2015 As at 01/04/2015 598,615 167,409 239,927 36,995 16 1,190,950 113,919 5,499,943 195,732 8,043,506 2,485,501 10,529,007 Provision for Super Gain Tax (179,983)(179,983)(24,781)(204,764) Balance as at 01/04/2015 598.615 5,319,960 2,460,720 167.409 239,927 36.995 16 1,190,950 113,919 195,732 7,863,523 10,324,243 Profit / (loss) for the period 75,268 75,268 41,053 116,321 Other comprehensive income Net exchange differences on translation (23, 139)(23, 139)157 (22,982)of foreign operations Net change in fair value of available-forsale financial assets Total other comprehensive income / _ _ _ 1 _ (23, 139)(23, 138)157 (22,981)(loss) Total comprehensive income / (loss) for 1 75.268 (23, 139)52.130 41.210 93.340 the period (55.276) Dividends (239.446)(239.446)(294.722)Transfer to Legal reserve 5,833 (4,273)1,560 1,560 As at 31/12/2015 598,615 167,409 239,927 42,828 17 1,190,950 113,919 5,151,509 172,593 7,677,767 2,446,654 10,124,421

Company

For the period ended 31/12/2016	Stated Capital	Capital Revaluation Reserve	Reserves Capital Redemption Reserve Fund	Revenue Reserves Retained Earnings	Total
	Rs'000	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>
As at 01/04/2016	598,615	194,948	180	2,467,722	3,261,465
Profit for the period	-	-	-	63,032	63,032
Dividends	-	-	-	(119,723)	(119,723)
As at 31/12/2016	598,615	194,948	180	2,411,031	3,204,774
For the period ended 31/12/2015 As at 01/04/2015 Profit for the period Transfers/adjustments Dividends	598,615 - -	194,948	180	2,606,900 88,377 1,560 (239,446)	3,400,643 88,377 1,560 (239,446)
				(239,440)	(239,440)
As at 31/12/2015	598,615	194,948	180	2,457,391	3,251,134

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

DIPPED PRODUCTS PLC CASH FLOW STATEMENTS

Audited				CASH FLOW	STATEMEN	NTS		
Page		<u>Group</u>	Company		<u>Gro</u>	<u>up</u>	Comp	any
		Audited	Audited		Unaudited	Unaudited	Unaudited	Unaudited
Rs. 000		year to	year to		09 months to	09 months to	09 months to	09 months to
Cash flows from operating activities Cash flows from operating (Note A) 1,144,070 2,276,273 446,869 122,489 (23,4314) (23,088) interest paid (23,089) (23,449) (24,689) (22,580) (23,449) (22,580) (23,449) (23,680) (23,449) (24,680) (23,680) (23,449) (24,680) (23,680) (23,449) (24,680) (23,680) (23,680) (23,449) (24,680) (23,680)		31/03/2016	31/03/2016		31/12/2016	31/12/2015	31/12/2016	31/12/2015
368,232 694,580 Cash generated from operations (Note A) 1,144,677 2,578,273 446,889 122,499 (203,581) (203,581	_	Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000
368,232 694,580 Cash generated from operations (Note A) 1,144,677 2,578,273 446,889 122,499 (203,581) (203,581				Cash flows from operating activities				
17.64.01 C20.05 Interest paid C20.55 C20.55 C37.72 C30.05 C30.25 C		3,083,238	664,960	· ·	1,144,070	2,578,273	446,869	125,499
(173.98.95) (500) Taxes pind (103.284) (286.556) (5.772) (500) (20.000) (25.40) Retiring grantly paid (228.787) (156.03) (64.488) (22.686) (22.686) (20.000) (25.40) Retiring grantly paid (228.787) (156.03) (64.488) (22.686) (22.							· · · · · · · · · · · · · · · · · · ·	
179,893 C229,8079 C52-409 Petining gastuh yasid C228,3719 C52-409 Celtining Gastuh yasid C228,3719 C52-409 C62-409 C62-4				•				
Capt			`- ′	·	-	-	-	-
259,088		(220,900)	(25,240)	Retiring gratuity paid	(228,378)	(156,030)	(64,488)	(22,656)
C2751.586		(3,042)	-	Agents' indemnity paid	(273)	(1,494)	-	- '
Common C		2,256,038	610,152	Net cash flow from operating activities	558,542	1,962,470	303,951	79,909
Common C				Cash flows from investing activities				
68.289 Purchase of formers (models)-net (82.297) (48.410) (5.773)		(2 751 586)	(64 325)	<u> </u>	(678,660)	(2 218 993)	(73.345)	(42 372)
Page			(0.,020)				(. 0,0 .0)	
2,828			-	· · ·			_	-
1,9233 12,923 700,0000 70,00			7.347		•		4.108	2.336
					-		-	
1,12,13,13,13,13,13,13,13,13,13,13,13,13,13,			-	· · · · · · · · · · · · · · · · · · ·	(5,721)		-	· -
1,12,13,13,13,13,13,13,13,13,13,13,13,13,13,			-			-	-	-
17.25 17.2		-	-			-	(534,862)	-
1,000,000,000,000,000,000,000,000,000,0		7,174	814	Interest received	7,908	6,276	1,485	3,379
Carbon C		-	41,910	Dividend received from subsidiary companies	-	-	-	172,511
Cash flows from financing activities Cash flows flows from financing activities Cash flows	_	(128,563)		Net payments to non-controlling interest	(548,325)	(80,057)		
CFR FR FR CFR		(2,952,554)	(1,331)	Net cash flows from investing activities	(1,262,405)	(2,268,966)	(602,614)	143,004
CFR FR FR CFR		_		Cash flows from financing activities	_	_	-	_
Fig. Part		2,571,093	-	<u>=</u>	749,922	1,383,319	_	-
1.		(578,913)	-	Repayment of long term loans	(238,566)	(347,193)	-	-
1,953		- '	(25,000)	Loan given to subsidiary company	-		(25,000)	-
(416,251) (416,251) Dividend paid (120,457) (419,968) (120,457) (419,968) (170,457) (411,968) (177,400) (176,7		-	-	Loan repayment by subsidiary company	-	-	2,215	-
1573,976		(1,953)	-	Capital payment on finance lease	(1,490)	(3,640)	-	-
R77,460		(416,251)	(416,251)	Dividend paid	(120,457)	(418,968)	(120,457)	(418,968)
11,115 Change in cash reserve due to deemed disposal of HCBL (2,419,721) (248,776) (241,721) (248,776) (416,346) (1,553,376) (2,419,721) (248,776) (416,346) (1,553,376) (2,419,721) (248,776) (416,346) (1,553,376) (2,419,721) (248,776) (416,346) (1,553,376) (2,419,721) (248,776) (416,346) (1,553,376) (2,419,721) (480,681) (612,401) (1,553,376) (2,419,721) (248,776) (416,346	_	1,573,976	(441,251)	Net cash flows from financing activities	389,409	613,518	(143,242)	(418,968)
Cada		877,460	167,570	Net increase / (decrease) in cash & cash equivalents	(314,454)	307,022	(441,905)	(196,055)
Cash generated from operations		(11,115)	-	Change in cash reserve due to deemed disposal of HGBL	-	-	-	-
Cash generated from operations	_	(2,419,721)	(416,346)	Cash & cash equivalents at beginning of the period	(1,553,376)	(2,419,721)	(248,776)	(416,346)
Cash generated from operations		(1 553 376)	(248 776)	Cash & cash equivalents at end of the period (Note B)	(1 867 830)	(2 112 699)	(690 681)	(612.401)
132,864 Profit before tax	-	(1,000,070)	(210,770)	,	(1,001,000)	(2,112,000)	(000,001)	(012,101)
132,864 Profit before tax				Oh				
234,314 29,068 Interest cost 171,694 72,658 22,434 23,4314 29,068 Interest cost 1,223 2,34314	А	640 404	100.064		240.752	202.020	60.264	05 522
234,314 29,068 Interest cost 253,582 171,694 72,658 22,434		046,161	132,864		240,753	302,820	60,364	85,533
Care		23// 31//	20.068	· ·	253 582	171 60/	72 658	22 434
CZ,810 - Gain on fair value change in biological assets		204,514	29,000		•	171,034	72,030	22,434
45,664 - Deemed disposal gain due to change in controlling interest		(27 810)	_	• •	04,333	_	_	_
819,947 51,592 Depreciation on property, plant and equipment 1,261 1,261 1			_	5 5	_	_	_	_
1,261		. , ,	51 592		670.848	601 680	40.079	36 151
7,544 5,805 Depreciation on investment property 5,307 5,776 4,001 4,471 33,258 4,258 Impairment / (reversal) of formers 1,981 2,1548 2,275 3,220 1,299 - Amortisation of intangible assets 816 979 - - 158 - Write-off of intangible assets - - - - (24,779) (7,347) Gain / (loss) on disposal of property, plant & equipment (10,092) (10,779) 900 (1,041) (35,398) - Amortisation of grants (15,446) (26,496) - - (23,363) 1,227 Impairment provision for / (reversal of) bad & doubtful debts 3,056 6,416 (1,227) - 344,001 38,943 Provision for agents' indemnity fund 3,809 2,340 - - 5,008 - Provision/(reversal) & write-off of slow-moving / obsolete inventories (1,866) 868 559 8,767 (7,174) (177,7511) Interest and dividend income (7,908) <td></td> <td></td> <td>-</td> <td></td> <td>,</td> <td> ,</td> <td>-</td> <td>-</td>			-		,	,	-	-
33,258			5.805	· · · · · · · · · · · · · · · · · · ·			4.001	4.471
1,299							·	
1,299		· -	-	Write-off & breakages of formers	•	´-		-
158		1,299	-	9	•	979		-
Case			-		-	-	-	-
Carried Company		(24,779)	(7,347)	Gain / (loss) on disposal of property, plant & equipment	(10,092)	(10,779)	900	(1,041)
344,001 38,943 Provision for retiring gratuity 329,498 346,798 32,128 38,673 5,008 - Provision for agents' indemnity fund 3,809 2,340		(35,398)	-	Amortisation of grants	(15,446)	(26,496)	-	-
5,008 - Provision for agents' indemnity fund 3,809 2,340 -		(23,363)			3,056	6,416	(1,227)	-
Comparison Com		344,001	38,943	Provision for retiring gratuity	329,498	346,798	32,128	38,673
52,569 16,490 Provision/(reversal) & write-off of slow-moving / obsolete inventories (1,866) 868 559 8,767 (7,174) (177,511) Interest and dividend income (7,908) (6,276) (3,961) (172,711) 30,232 - Differences of exchange on translation of foreign entities 48,303 23,752 - - 2,013,584 80,099 1,631,792 1,442,066 209,190 25,497 659,317 417,267 (Increase) / decrease in trade and other receivables (494,982) 666,489 373,809 48,481 6,470 (45,828) (Increase) / decrease in advances and prepayments 112,213 71,541 56,295 (6,759) 395,685 (7,363) (Increase) / decrease in inventories (381,542) 438,724 (23,418) 90,855 8,182 220,785 Increase / (decrease) in trade and other payables 276,589 (40,547) (169,007) (32,575) 1,069,654 584,861 584,861 584,861 584,861 1,144,070 2,578,273 446,869 125,499 <td></td> <td>5,008</td> <td>-</td> <td></td> <td>3,809</td> <td>2,340</td> <td>-</td> <td>-</td>		5,008	-		3,809	2,340	-	-
(7,174) (177,511) Interest and dividend income (7,908) (6,276) (3,961) (172,711) 30,232 - Differences of exchange on translation of foreign entities 48,303 23,752 - - 2,013,584 80,099 1,631,792 1,442,066 209,190 25,497 659,317 417,267 (Increase) / decrease in trade and other receivables (494,982) 666,489 373,809 48,481 6,470 (45,828) (Increase) / decrease in advances and prepayments 112,213 71,541 56,295 (6,759) 395,685 (7,363) (Increase) / decrease in inventories (381,542) 438,724 (23,418) 90,855 8,182 220,785 Increase / (decrease) in trade and other payables 276,589 (40,547) (169,007) (32,575) 1,069,654 584,861 (54,960) 1,144,070 2,578,273 446,869 125,499 8 Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,1		-	. , ,	,	-	-		-
30,232 - Differences of exchange on translation of foreign entities 48,303 23,752 - - -				` '				
2,013,584			(177,511)				(3,961)	(172,711)
659,317 417,267 (Increase) / decrease in trade and other receivables (494,982) 666,489 373,809 48,481 6,470 (45,828) (Increase) / decrease in advances and prepayments 112,213 71,541 56,295 (6,759) 395,685 (7,363) (Increase) / decrease in inventories (381,542) 438,724 (23,418) 90,855 8,182 220,785 (Increase) / decrease) in trade and other payables 276,589 (40,547) (169,007) (32,575) 1,069,654 584,861 / (30,000) 584,861 1,144,070 2,578,273 446,869 125,499 B Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107 - - (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)	-			Differences of exchange on translation of foreign entities				- 05 407
6,470 (45,828) (Increase) / decrease in advances and prepayments 112,213 71,541 56,295 (6,759) 395,685 (7,363) (Increase) / decrease in inventories (381,542) 438,724 (23,418) 90,855 8,182 220,785 Increase / (decrease) in trade and other payables 276,589 (40,547) (169,007) (32,575) 1,069,654 584,861 (487,722) 1,136,207 237,679 100,002 3,083,238 664,960 (64,960) 1,144,070 2,578,273 446,869 125,499 B Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107 (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)		2,013,584	80,099		1,631,792	1,442,066	∠09,190	25,497
395,685 (7,363) (Increase) / decrease in inventories (381,542) 438,724 (23,418) 90,855 8,182 220,785 Increase / (decrease) in trade and other payables 276,589 (40,547) (169,007) (32,575) 1,069,654 584,861 (487,722) 1,136,207 237,679 100,002 237,679 100,002 3,083,238 664,960 (64,960 25,499) 446,869 125,499 B Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107			417,267	(Increase) / decrease in trade and other receivables	(494,982)	666,489	373,809	48,481
8,182 220,785 Increase / (decrease) in trade and other payables 276,589 (40,547) (169,007) (32,575) 1,069,654 584,861 1,136,207 237,679 100,002 3,083,238 664,960 1,144,070 2,578,273 446,869 125,499 B Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107 - - (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)							· · · · · · · · · · · · · · · · · · ·	
1,069,654 584,861 (487,722) 1,136,207 237,679 100,002 3,083,238 664,960 1,144,070 2,578,273 446,869 125,499 B Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107 - - (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)			,					
3,083,238 664,960 1,144,070 2,578,273 446,869 125,499 B Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107 - - (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)	_			Increase / (decrease) in trade and other payables				
B Analysis of cash & cash equivalents at end of the period 284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107 - - (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)	_							
284,590 46,458 Cash at bank and in hand 426,084 273,102 127,142 60,269 53,368 - Short term deposits 152,208 20,107 - - - (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)	-	3,083,238	664,960		1,144,070	2,578,273	446,869	125,499
53,368 - Short term deposits 152,208 20,107 - (1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)	В			Analysis of cash & cash equivalents at end of the period				
(1,891,334) (295,234) Short term loans and overdraft (2,446,122) (2,405,908) (817,823) (672,670)		284,590	46,458	Cash at bank and in hand	426,084	273,102	127,142	60,269
		53,368	-	Short term deposits	152,208	20,107	-	-
(1,553,376) (248,776) (248,776) (2,112,699) (690,681) (612,401)	_	(1,891,334)	(295,234)	Short term loans and overdraft	(2,446,122)	(2,405,908)	(817,823)	(672,670)
	_	(1,553,376)	(248,776)		(1,867,830)	(2,112,699)	(690,681)	(612,401)

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements. The figures in brackets indicate deductions

Notes to the Financial Statements

- 1. These Interim Financial Statements which have not been audited, comply with the LKAS 34 Interim Financial Reporting and also provide the information required by the Colombo Stock Exchange.
- 2. These Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31/03/2016.
- **3.** ICOGUANTI S.p.A which was a 60% owned subsidiary of Dipped Products PLC became a wholly owned subsidiary, with Euro 3.245Mn (Rs.535Mn) investment in May 2016.
- 4. In accordance with the Collective Agreement between the Employers' Federation of Ceylon and Plantation sector Trade Unions, the daily wage has been increased from Rs.620/- to Rs.730/- with effect from 15/10/2016.
- 5. No other circumstances have arisen since the balance sheet date, which would require adjustments to or disclosure in the financial statements other than those disclosed.
- 6. There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31/03/2016.
- 7. Where necessary, comparative figures have been re-stated to conform with SLFRS/LKAS.

8. Industry Segment Turnover

<u>Group</u>		<u>Grou</u>	<u>ar</u>
Audited		Unaudited	Unaudited
year to		9 months to	9 months to
31/03/2016		31/12/2016	31/12/2015
Rs'000		Rs'000	Rs'000
12,728,466	Hand Protection	10,855,343	9,046,320
9,503,326	Plantations	6,998,438	7,189,669
22,231,792		17,853,781	16,235,989
(300,489)	Inter - segment sales / services	(115,523)	(250,568)
21,931,303		17,738,258	15,985,421

9. Industry Segment Results

<u>Group</u>		Grou	<u>p</u>
Audited		Unaudited	Unaudited
year to		9 months to	9 months to
31/03/2016		31/12/2016	31/12/2015
		Rs. '000	Rs. '000
597,032	Hand Protection	704,900	505,257
325,925	Plantations	(140,259)	23,629
922,957		564,641	528,886
(55,000)	Inter - segment results	-	(55,000)
867,957	Segment results	564,641	473,886
(346,711)	Finance cost	(300,431)	(244,179)
126,935	Finance income	41,482	73,113
-	Share of loss of equity accounted investee (net of tax)	(64,939)	-
648,181	Profit before tax	240,753	302,820

INVESTOR INFORMATION

	31/12/2016 Rs.	31/12/2015 Rs.
Market Value of Shares	-	,
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on Highest price recorded for the nine months ending Lowest price recorded for the nine months ending	86.80 103.00 73.50	110.00 165.00 107.20
Highest price recorded for the three months ending Lowest price recorded for the three months ending	95.00 75.00	149.00 107.20
Market Capitalisation (Rs. M)	5,196	6,585
Ratios Net assets per share at the period end* Price earnings ratio annualised (times)	129.50 45.7	128.26 65.6
Share Trading information from 01/04/2016 to 31/12/2016 Number of transactions Number of shares traded Value of shares traded (Rs.)	1,774 1,734,474 158,058,724.30	3,075 5,845,523 792,882,716.50

Dividend Payments

First & final dividend 2015/16 - Rs.2.00 per share paid on 08/07/2016

First twenty shareholders as at 31/12/2016

	Shareholder	No.of Shares as at 31/12/2016	%
1	Hayleys PLC	25,210,938	42.12
2	Employees Provident Fund	7,637,280	12.76
3	Volanka (Pvt) Limited	4,873,640	8.14
4	Promar Overseas SA	4,285,585	7.16
5	Haycarb PLC	4,068,746	6.80
6	Employees Trust Fund Board	1,331,355	2.22
7	Ravi Industries Limited	567,000	0.95
8	E. W. Balasuriya & Co. (Pvt) Ltd	500,673	0.84
9	Dr.D.Jayanntha	415,000	0.69
10	Renuka Properties Limited	324,934	0.54
11	Mr.H.A.Pieris	312,797	0.52
12	HSBC International Nominees Ltd-SSBT Deustche Bank AG Singapore A/C No.01	265,044	0.44
13	Mr.A.M.Weerasinghe	250,000	0.42
14	Mr. N. G. Wickremeratne	246,224	0.41
15	Akbar Brothers (Pvt) Ltd A/C No.01	233,771	0.39
16	Hallsville Trading Group Inc.	204,024	0.34
17	Commercial Bank of Ceylon PLC A/C No. 04	200,000	0.33
18	Seylan Bank PLC / L.C.R.Pathirana	165,618	0.28
19	Mr.S.Krishnananthan	163,044	0.27
20	Mr.A.N. Esufally	160,000	0.27
	TOTAL	51,415,673	85.89

The percentage of shares held by public as per Colombo Stock Exchange Rules as at 31/12/2016 was 41.82%.

Total number of shareholders representing the public holding as at 31/12/2016 was 2,387.

Directors' shareholding as at 31/12/2016

Name of Director	No.of Shares as at 31/12/2016
Mr.A.M.Pandithage	-
Dr.K.I.M.Ranasoma - Managing Director	300
Mr.F.Mohideen	-
Mr.S.C.Ganegoda	-
Mr.Dhammika Perera*	1,000
Mr.M.Bottino	-
Mr.S. Rajapakse	-
Mr.N.A.R.R.S.Nanayakkara	14,526
Mr.S.P.Peiris	6,100
Ms.Y. Bhaskaran (Alternate Director to Mr.Dhammika Perera)	-
Mr.K.D.G.Gunaratne	-
Mr.S.M.Shaikh	-
Mr.H.S.R.Kariyawasan & K.H.S.Kariyawasan - 2,500	82,486
Mr.H.S.R.Kariyawasan & H.B.Kariyawasan - 79,986	02,400
Total	104,412

*Mr.Dhammika Perera holds 50.44% directly and indirectly of the total issued shares of Hayleys PLC which holds 25,210,938 shares in Dipped Products PLC.

There were no non-voting shares as at 31/12/2016.

^{*}Computed based on 59,861,512 shares on issue as at 31/12/2016