

Richard Pieris Exports PLC

Interim Financial Statements

Twelve months ended 31st March 2017

Consolidated Income Statements

	3 months ended 31st March			12 months ended 31st March		
	2017 Rs. '000	2016 Rs. '000	Change %	2017 Rs. '000	2016 Rs. '000	Change %
Continuing Operations						
Revenue	906,193	723,627	25	3,818,441	3,047,568	25
Cost of Sales	(614,361)	(494,081)	24	(2,531,230)	(2,087,455)	21
Gross Profit	291,832	229,546	27	1,287,211	960,113	34
Other Operating Income	(445)	4,254	(110)	3,434	12,147	(72)
Distribution Costs	(64,855)	(49,581)	31	(285,079)	(210,560)	35
Administrative Expenses	(54,646)	(50,368)	8	(205,271)	(181,135)	13
Other Operating Expenses	(7,738)	(7,945)	(3)	(7,738)	(7,945)	(3)
Profit from Operations	164,148	125,906	30	792,557	572,620	38
Finance Income	11,943	8,126	47	34,887	23,651	48
Finance Cost	199	(1,062)	119	(10,673)	(12,060)	(12)
Other Financial Items	13,609	30,736	(56)	14,276	37,925	(62)
Share of Profit of Associate	5,557	(2,027)	374	7,660	14,376	(47)
Profit Before Tax	195,456	161,679	21	838,707	636,512	32
Taxation	(49,542)	(41,689)	19	(111,462)	(88,011)	27
Profit for the Period from Continuing Operations	145,914	119,990	22	727,245	548,501	33
Discontinued Operations						
Profit / (Loss) after tax for the period from discontinued operations	35	(50)	170	(37)	(110)	(66)
Profit for the period	145,949	119,940	22	727,208	548,391	33
Attributable to:						
Equity Holders of the Parent	90,154	74,148	22	461,983	364,056	27
Non Controlling Interest	55,795	45,792	22	265,225	184,335	44
	145,949	119,940	22	727,208	548,391	33
	Rs.	Rs.		Rs.	Rs.	
Earnings Per Share	8.07	6.64		41.38	32.61	
Earnings Per Share from Continuing Operations	8.08	6.64		41.38	32.62	
Dividend Per Share	16.00	12.50		16.00	12.50	

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

Company Income Statements

	3 months ended 31st March			12 months ended 31st March		
	2017 Rs. '000	2016 Rs. '000	Change %	2017 Rs. '000	2016 Rs. '000	Change %
Revenue	248,742	250,013	(1)	1,174,155	1,114,878	5
Cost of Sales	(170,432)	(166,091)	3	(781,701)	(784,257)	(0)
Gross Profit	78,310	83,922	(7)	392,454	330,621	19
Other Operating Income	100,222	54,813	83	104,297	62,788	66
Distribution Costs	(2,382)	(4,468)	(47)	(36,750)	(37,908)	(3)
Administrative Expenses	(19,355)	(18,764)	3	(55,394)	(51,237)	8
Other Operating Expenses	(7,738)	(7,744)	(0)	(7,738)	(7,744)	(0)
Profit from Operations	149,057	107,759	38	396,869	296,520	34
Finance Income	4,470	2,030	120	11,285	8,506	33
Finance Cost	225	(883)	(125)	(7,748)	(8,711)	(11)
Other Financial Items	8,621	4,432	95	4,054	12,941	(69)
Profit before Tax	162,373	113,338	43	404,460	309,256	31
Taxation	(7,823)	(9,186)	(15)	(37,984)	(34,871)	9
Profit Attributable to Ordinary Shareholders	154,550	104,152	48	366,476	274,385	34
	Rs.	Rs.		Rs.	Rs.	
Earnings Per Share	13.84	9.33		32.83	24.58	
Dividend Per Share	16.00	12.50		16.00	12.50	

Figures in brackets indicate deductions.

The above figures are subject to audit.

Consolidated Statement of Financial Position


	As at 31st March	
	2017	2016
	Rs. 000	Rs. 000
ASSETS		
Non-current Assets		
Property, Plant & Equipment	589,765	472,628
Investment in Associate	178,217	163,500
Other Investment	72,284	72,284
Leasehold Land Prepayment	12,090	12,363
Deferred Tax Assets	-	237
	852,356	721,012
Assets of Arpico Natural Latex Foams (Pvt) Ltd	162	210
Current Assets		
Inventories	378,868	297,392
Trade & Other Receivables	748,498	649,412
Short Term Investments	343,470	312,653
Leasehold Land Prepayment	273	273
Amounts Due from Related Parties	36,301	58,547
Cash and Bank Balances	276,450	287,919
	1,783,860	1,606,196
Total Assets	2,636,378	2,327,418
EQUITY AND LIABILITIES		
Stated Capital	220,262	220,262
Revenue Reserves	637,557	352,459
Foreign Currency Translation	70,765	62,780
Equity Attributable to Equity Holders of the Parent	928,584	635,501
Non Controlling Interest	583,546	467,224
Total Equity	1,512,130	1,102,725
Non-Current Liabilities		
Interest Bearing Loans & Borrowings	-	15,836
Deferred Tax Liabilities	26,529	2,137
Retirement Benefit Obligation	66,176	58,014
	92,705	75,987
Liabilities of Arpico Natural Latex Foams (Pvt) Ltd	226,839	226,850
Current Liabilities		
Trade and Other Payables	397,862	256,702
Income Tax Payable	26,113	24,007
Amounts Due to Related Parties	27,786	156,680
Interest Bearing Loans & Borrowings	352,943	484,467
	804,704	921,856
Total Liabilities	1,124,248	1,224,693
Total Equity and Liabilities	2,636,378	2,327,418

The above figures are subject to audit

I certify that the above Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.


 Palika Chandrajeewa
 Sector Finance Manager

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
 Approved and Signed for and on behalf of the Board on 30th May 2017 in Colombo.


 W R Abeyasingunawardena
 Director


 W.J. Viville P. Perera
 Director

Company Statement of Financial Position

As at 31st March

	2017 Rs. 000	2016 Rs. 000
ASSETS		
Non-current Assets		
Property, Plant & Equipment	77,444	71,044
Long Term Investments	535,307	535,307
	612,751	606,351
Current Assets		
Inventories	128,858	121,101
Trade & Other Receivables	238,510	270,306
Short Term Investment	100,393	91,217
Amounts Due from Related Parties	35,845	51,098
Cash and Bank Balances	187,359	94,291
	690,965	628,013
Total Assets	1,303,716	1,234,364
EQUITY AND LIABILITIES		
Stated Capital	220,262	220,262
Revenue Reserves	764,488	574,199
Total Equity	984,750	794,461
Non-Current Liabilities		
Interest Bearing Loans & Borrowings	-	15,836
Deferred Tax Liability	715	949
Retirement Benefit Obligation	49,392	45,481
	50,107	62,266
Current Liabilities		
Trade and Other Payables	148,869	103,547
Income Tax Payable	13,903	14,897
Amounts Due to Related Parties	14,522	15,522
Interest Bearing Loans & Borrowings	91,565	243,671
	268,859	377,637
Total Liabilities	318,966	439,903
Total Equity and Liabilities	1,303,716	1,234,364


The above figures are subject to audit

I certify that the above Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.



Palika Chandrajeewa
 Sector Finance Manager

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
 Approved and Signed for and on behalf of the Board on 30th May 2017 in Colombo.



W R Abeysirigunawardena
 Director



W.J. Viville P. Perera
 Director

Statement of Changes in Equity

Consolidated	Stated Capital Rs. '000	Revenue Reserves		Foreign Currency Translation Rs. '000	Non Controlling Interest Rs. '000	Total Rs. '000
		General Reserves Rs. '000	Accumulated Profit / (Loss) Rs. '000			
Balance as at 1st April 2015	220,262	219,250	(49,687)	45,697	382,298	817,820
Adjustment for Super Gain Tax			(44,289)		(16,779)	(61,068)
Adjusted Balance as at 1st April 2015	220,262	219,250	(93,976)	45,697	365,519	756,752
Profit for the period	-	-	364,056	-	184,335	548,391
Other Comprehensive Income	-	-	2,676	17,083	64	19,823
Total Comprehensive Income	-	-	366,732	17,083	184,399	568,214
Interim dividend	-	-	(139,547)	-	-	(139,547)
Dividend paid by Subsidiary companies to outside shareholders					(82,694)	(82,694)
Balance as at 31st March 2016	220,262	219,250	133,209	62,780	467,224	1,102,725
Profit for the period	-	-	461,983	-	265,225	727,208
Other Comprehensive Income	-	-	1,735	7,985	(480)	9,240
Total Comprehensive Income	-	-	463,718	7,985	264,745	736,448
Interim Dividend			(178,620)			(178,620)
Dividend paid by subsidiary company to outside shareholders	-	-	-	-	(148,423)	(148,423)
Balance as at 31st March 2017	220,262	219,250	418,307	70,765	583,546	1,512,130

Company	Stated Capital Rs. '000	Revenue Reserves		Total Rs. '000
		General Reserves Rs. '000	Accumulated Profit / (Loss) Rs. '000	
Balance as at 1st April 2015	220,262	219,250	247,947	687,459
Adjustment for Super Gain Tax			(29,457)	(29,457)
Adjusted Balance as at 1st April 2015	220,262	219,250	218,490	658,002
Profit for the period	-	-	274,385	274,385
Other Comprehensive Income	-	-	1,621	1,621
Total Comprehensive Income	-	-	276,006	276,006
Interim dividend			(139,547)	(139,547)
Balance as at 31st March 2016	220,262	219,250	354,949	794,461
Profit for the period	-	-	366,476	366,476
Other Comprehensive Income	-	-	2,433	2,433
Total Comprehensive Income	-	-	368,909	368,909
Interim Dividend			(178,620)	(178,620)
Balance as at 31st March 2017	220,262	219,250	545,238	984,750

Statements of Comprehensive Income

	3 months ended 31st March		12 months ended 31st March	
	2017 Rs.'000	2016 Rs.'000	2017 Rs.'000	2016 Rs.'000
Consolidated				
Profit for the period	145,949	119,940	727,208	548,391
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods				
Actuarial gains /(losses) on defined benefit plans	1,794	2,010	1,794	2,010
Deffered Tax effect on actuaial gains /(losses) on defined benefit plans	(216)	(248)	(216)	(248)
Other Comprehensive Income / (Expenses) to be reclassified to profit or loss in subsequent periods				
Share of Other Comprehensive Income of Associate				
Actuarial gains /(losses) on defined benefit plans	(323)	978	(323)	978
Translation of Associate using foreign functional currency	2,529	4,760	7,985	17,083
Other comprehensive income for the period	3,784	7,500	9,240	19,823
Total comprehensive income for the period	149,733	127,440	736,448	568,214
Attributable to				
Equity Holder of the Parent Company	100,418	81,584	471,703	383,815
Non Controlling Interest	55,315	45,856	264,745	184,399
	155,733	127,440	736,448	568,214

	3 months ended 31st March		12 months ended 31st March	
	2017 Rs.'000	2016 Rs.'000	2017 Rs.'000	2016 Rs.'000
Company				
Profit for the period	154,550	104,152	366,476	274,385
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods				
Actuarial gains /(losses) on defined benefit plans	2,765	1,842	2,765	1,842
Deffered Tax effect on actuaial gains /(losses) on defined benefit plans	(332)	(221)	(332)	(221)
Other comprehensive income / (Expenses) to be reclassified to profit or loss in subsequent periods	-	-	-	-
Other comprehensive income for the period	2,433	1,621	2,433	1,621
Total comprehensive income for the period	156,983	105,773	368,909	276,006

Figures in brackets indicate deductions.

Cash Flow Statements

	Consolidated		Company	
	For the period ended		For the period ended	
	31st Mar 2017	31st Mar 2016	31st Mar 2017	31st Mar 2016
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from / (used in) Operating Activities				
Group Profit before Tax and Non-Controlling Interest				
From Continuing Operations	838,707	636,512	404,460	309,256
Loss from discontinued Operations	(37)	(110)	-	-
Adjustment to reconcile profit before tax to net cash flows	38,428	(24,585)	(76,867)	(58,439)
Operating profit before working capital changes	877,098	611,817	327,593	250,817
Changes in Working Capital adjustments	(153,135)	(118,595)	76,540	1,112
Cash generated from operations	723,963	493,222	404,133	251,929
Interest Paid	(10,634)	(11,898)	(7,823)	(8,580)
Income and Super Gain Tax Paid	(62,591)	(113,908)	(32,832)	(64,789)
WHT Paid	(2,789)	(1,821)	(828)	(800)
ESC Paid	(18,958)	-	(5,884)	
Defined Benefit plan costs paid	(1,110)	(9,901)	(977)	(8,748)
Net cash flows from Operating activities	627,881	355,694	355,789	169,012
Net cash flows from / (used in) investing activities	(159,935)	(227,875)	87,460	(22,794)
Net cash inflow before financing	467,946	127,819	443,249	146,218
Net cash used in financing activities	(364,275)	(268,578)	(227,110)	(174,059)
Net Increase / (Decrease) in cash and cash equivalents	103,671	(140,759)	216,139	(27,841)
Cash and cash equivalents at the beginning of the period	(39,291)	101,468	(28,780)	(939)
Cash and cash equivalents at the end of the period	64,380	(39,291)	187,359	(28,780)
Analysis of Cash and Cash Equivalents				
Cash at Bank & in Hand				
From Continuing operations	276,450	287,919	187,359	94,291
From Discontinuing operations	162	210	-	-
	276,612	288,129	187,359	94,291
Bank Overdraft	(212,232)	(327,420)	-	(123,071)
	64,380	(39,291)	187,359	(28,780)

Figures in brackets indicate deductions.

The above figures are subject to audit.

Consolidated Segmental Information

12 months ended 31st March	Turnover		Profit from operations		Net Assets	
	2017	2016	2017	2016	2017	2016
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Mineral Segment	60,522	63,592	50	1,976	33,146	32,315
Latex Based Segment	2,614,626	1,905,089	496,625	330,463	779,034	575,466
Hard Rubber Segment	1,174,155	1,114,878	396,869	296,520	984,750	794,461
	3,849,303	3,083,559	893,544	628,959	1,796,930	1,402,242
Adjustment for Inter Group Transactions	(30,862)	(35,991)	(100,987)	(56,339)	(868,346)	(766,741)
	3,818,441	3,047,568	792,557	572,620	928,584	635,501

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

Notes to the Financial Statements

- 1 The figures given above for the twelve months ended 31st March 2017 and 31st March 2016 are subject to audit.

The Interim Financial Statements of Richard Pieris Exports PLC for the twelve months ended 31st March 2017 have been prepared in accordance with LKAS 34, Interim Financial Reporting. There were no changes to the Accounting Policies and methods of Computation since the publication of the Annual Report for the year ended 31st March 2016. The provisions of the new Companies Act No.7 of 2007 have been considered in preparing the interim financial statements of the Company and of the Group.

The Interim financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value.

- 2 Figures for the corresponding period have been re-arranged where ever necessary to confirm to the current presentation. The figures in brackets indicate deductions.

3 Stated Capital

	As at 31.03.2017	As at 31.03.2016
Issued & fully paid Number of shares (Ordinary Shares)	11,163,745	11,163,745
	Rs.	Rs.
Stated Capital (Rs)	220,262,000	220,262,000

- 4 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 31st March 2016.

- 5 There have been no events subsequent to the interim period, which require disclosure in the Interim Financial Statements.

6 Capital and Lease Commitments

The Capital Commitments for Property, Plant and Equipment incidental to the ordinary course of business as at 31.03.2017, approved by the board are as follows.

	Group		Company	
	2017 Rs.'000	2016 Rs.'000	2017 Rs.'000	2016 Rs.'000
Contracted but not provided for	188,568	24,544	-	-
Approved but not contracted for	339,624	-	-	-
	<u>528,192</u>	<u>24,544</u>	<u>-</u>	<u>-</u>

Lease Commitments

	Group		Company	
	2017 Rs.'000	2017 USD	2016 Rs.'000	2016 USD
Within one year	4,548	29,910	4,089	27,971
After one year but not more than five years	18,191	119,640	16,355	111,884
More than five years	279,668	1,839,313	249,966	1,709,991
	<u>302,407</u>	<u>1,988,863</u>	<u>270,410</u>	<u>1,849,846</u>

- 7 Discontinued operations comprise the results of Subsidiary of the Group whose Commercial operations have been discontinued.

8 Net asset value per Share

	31st March 2017 Rs.	31st March 2016 Rs.
Consolidated (in Rs.)	83.18	56.92
Company (in Rs.)	88.21	71.16

9 Market Price Per Share

	31st March 2017 Rs.	31st March 2016 Rs.
Highest for the Quarter (in Rs.)	255.00	329.90
Lowest for the Quarter (in Rs.)	200.00	131.00
Last Traded Price for the Year / Quarter (in Rs.)	209.00	211.20

- 10 All values included in this financial statements, are in Rupees 000's unless otherwise stated.

Shareholder Information

1. Major Shareholders as at 31st March 2017

	<u>As at 31st March 2017</u>		<u>As at 31st March 2016</u>		<u>Change</u>
	No of Shares	Holding %	No of Shares	Holding %	
1 Richard Pieris & Company Plc.	8,959,997	80.26%	8,959,997	80.26%	-
2 T R L Holdings(Pvt) Ltd	386,775	3.46%	365,000	3.27%	21,775
3 Mr. Astrue Alpha	193,794	1.74%	214,381	1.92%	(20,587)
4 Mr. T.T.T.Al-Nakib	125,000	1.12%	59,000	0.53%	66,000
5 Mr. P.Vijendran	60,000	0.54%	59,477	0.53%	523
6 Kalday Private Limited	53,399	0.48%	53,399	0.48%	-
7 Mr.K.A.S.R.Nissanka	53,397	0.48%	53,397	0.48%	-
8 Mr.R.A.Rishard	50,578	0.45%	39,216	0.35%	11,362
9 Mr. A.A.A.Noorudin	50,000	0.45%	50,000	0.45%	-
10 Ransiri Enterprises (Pvt) Ltd	41,572	0.37%	41,572	0.37%	-
11 Union Investments (Pvt) Ltd	40,600	0.36%	27,800	0.25%	12,800
12 Mr. Sithampalam	35,000	0.31%	35,000	0.31%	-
13 Mr.D.F.G.Dalpethado	32,671	0.29%	-	0.00%	32,671
14 Corporate Holdings (Pvt) Ltd	30,000	0.27%	30,000	0.27%	-
15 Mr. M.S.P.Fernando	28,008	0.25%	25,008	0.22%	3,000
16 Mrs M. Y. Amerasinghe	26,000	0.23%	34,367	0.31%	(8,367)
17 Mr. N.A.Withana	25,000	0.22%	25,000	0.22%	-
18 Mr. W.M.H.B.Senevi	22,114	0.20%	22,114	0.20%	-
19 Mr.H.A. Pieris	20,932	0.19%	20,932	0.19%	-
20 Mr P.T.S.De Silva	17,873	0.16%	-	0.00%	17,873
Total	10,252,710	91.84%	10,115,660	90.61%	137,050

2. Public & Parent Shareholding

As at 31st March 2017, the public held 19.74% (2016 : 19.74%) of the stated capital of the company. The share holding of the parent company, Richard Pieris & Company PLC, was 80.26%. (2016-80.26%).

As at 31st March 2017 no of public holders are 1,522 (2016 : 1,523)

3 Details of Directors Shareholding is given below

Name of the Director	No of Shares as at 31st March 2017	No of Shares as at 31st March 2016
Dr. Sena Yaddehige	-	-
Mr. Shaminda Yaddehige	-	-
Mr. Sunil S.G. Liyanage	203	203
Mr. W.J. Viville P Perera	100	100
Mr. Wasantha Rukmal Abeysirigunawardena	-	-
Dr.L.M.K.Tillekeratne	-	-
Mr. Angelo Maharajah Patrick	-	-

CORPORATE INFORMATION

LEGAL FORM

A Quoted Public Company with limited liability
Incorporated in Sri Lanka on 30th June, 1983

PRINCIPAL BUSINESS ACTIVITIES

Manufacture and Export of rubber based products and manufacture of
fillers for the rubber industry

BOARD OF DIRECTORS

Dr. Sena Yaddehige (Chairman)

Shaminda Yaddehige

Sunil S G Liyanage

W.J.Viville P Perera

W R Abeysirigunawardena

Dr.L.M.K.Tillekeratne

Angelo Maharajah Patrick

REGISTERED OFFICE

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Maharagama.

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E-mail : rpe@arpico.com

Web : www.arpicorubber.com

COMPANY SECRETARIES

Richard Pieris Group Services (Private) Limited.

No. 310, High Level Road,
Nawinna,

Maharagama.

T.P. 0114 310500

AUDITORS

M/s Kreston MNS & Company
Chartered Accountants