

Richard Pieris Exports PLC

Interim Financial Statements

Three months ended 30th June 2016

Consolidated Income Statements

	3 months ended 30th June			Year ended 31st March
	2016 Rs. '000	2015 Rs. '000	Change %	2016 Rs. '000
Continuing Operations				
Revenue	878,450	745,511	18	3,047,568
Cost of Sales	(576,800)	(501,001)	15	(2,087,455)
Gross Profit	301,650	244,510	23	960,113
Other Operating Income	1,200	480	150	12,147
Distribution Costs	(60,169)	(48,255)	25	(210,560)
Administrative Expenses	(45,320)	(41,855)	8	(181,135)
Other Operating Expenses	-	-		(7,945)
Profit from Operations	197,361	154,880	27	572,620
Finance Income	6,877	4,697	46	23,651
Finance Cost	(6,939)	(3,817)	82	(12,060)
Other Financial Items	(10,536)	(3,195)	230	37,925
Share of Profit of Associate	995	5,245	(81)	14,376
Profit Before Tax	187,758	157,810	19	636,512
Taxation	(21,594)	(16,306)	32	(88,011)
Profit for the Period from Continuing Operations	166,164	141,504	17	548,501
Discontinued Operations				
Loss after tax for the period from discontinued operations	(24)	(24)	-	(110)
Profit for the period	166,140	141,480	17	548,391
Attributable to:				
Equity Holders of the Parent	115,981	104,525	11	364,056
Non Controlling Interest	50,159	36,955	36	184,335
	166,140	141,480	17	548,391
	Rs.	Rs.		Rs.
Earnings Per Share	10.39	9.36		32.61
Earnings Per Share from Continuing Operations	10.39	9.36		32.62
Dividend Per Share	-	-		12.50

Figures in brackets indicate deductions.

The above figures are subject to audit.

Company Income Statements

	3 months ended 30th June			Year ended 31st March
	2016	2015	Change	2016
	Rs. '000	Rs. '000	%	Rs. '000
Revenue	336,398	321,828	5	1,114,878
Cost of Sales	(217,977)	(216,646)	1	(784,257)
Gross Profit	118,421	105,182	13	330,621
Other Operating Income	1,200	421	185	62,788
Distribution Costs	(8,853)	(12,470)	(29)	(37,908)
Administrative Expenses	(11,024)	(10,703)	3	(51,237)
Other Operating Expenses	-	-		(7,744)
Profit from Operations	99,744	82,430	21	296,520
Finance Income	2,065	2,203	(6)	8,506
Finance Cost	(5,163)	(2,109)	145	(8,711)
Other Financial Items	(5,761)	(27)	21,237	12,941
Profit before Tax	90,885	82,497	10	309,256
Taxation	(13,500)	(10,764)	25	(34,871)
Profit Attributable to Ordinary Shareholders	77,385	71,733	8	274,385
	Rs.	Rs.		Rs.
Earnings Per Share	6.93	6.43		24.58
Dividend Per Share	-	-		12.50

Figures in brackets indicate deductions.

The above figures are subject to audit.

Consolidated Statement of Financial Position

	As at 30th June		As at 31st March
	2016	2015	2016
	Rs. 000	Rs. 000	Rs. 000
ASSETS			
Non-current Assets			
Property, Plant & Equipment	486,992	462,557	472,628
Investment in Associate	164,191	140,322	163,500
Other Investment	72,284	-	72,284
Leasehold Land Prepayment	12,295	5,985	12,363
Deferred Tax Assets	237	23,520	237
	735,999	632,384	721,012
Discontinued Operations			
Assets of Arpico Natural Latex Foams (Pvt) Ltd	210	315	210
Current Assets			
Inventories	247,088	275,450	297,392
Trade & Other Receivables	728,284	618,167	649,412
Short Term Investments	319,530	196,958	312,653
Leasehold Land Prepayment	273	76	273
Amounts Due from Related Parties	45,272	62,696	58,547
Cash and Bank Balances	256,454	258,738	287,919
	1,596,901	1,412,085	1,606,196
Total Assets	2,333,110	2,044,784	2,327,418
EQUITY AND LIABILITIES			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	468,440	274,088	352,459
Foreign Currency Translation	62,738	46,258	62,780
Equity Attributable to Equity Holders of the Parent	751,440	540,608	635,501
Non Controlling Interest	517,383	419,253	467,224
Total Equity	1,268,823	959,861	1,102,725
Non-Current Liabilities			
Interest Bearing Loans & Borrowings	6,332	49,486	15,836
Deferred Tax Liabilities	2,137	1,913	2,137
Retirement Benefit Obligation	60,747	62,151	58,014
	69,216	113,550	75,987
Discontinued Operations			
Liabilities of Arpico Natural Latex Foams (Pvt) Ltd	226,874	226,868	226,850
Current Liabilities			
Trade and Other Payables	257,709	263,406	256,702
Income Tax Payable	35,620	26,287	24,007
Amounts Due to Related Parties	137,700	172,885	156,680
Interest Bearing Loans & Borrowings	337,168	281,927	484,467
	768,197	744,505	921,856
Total Liabilities	1,064,287	1,084,923	1,224,693
Total Equity and Liabilities	2,333,110	2,044,784	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.

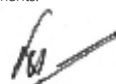


Palika Chandrajeewa
Sector Finance Manager

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 11th August 2016 in Colombo.



W.R. Abeyirigunawardena
Director



W.J. Viville P. Perera
Director

Company Statement of Financial Position

	As at 30th June		As at 31st March 2016
	2016 Rs. 000	2015 Rs. 000	Rs. 000
ASSETS			
Non-current Assets			
Property, Plant & Equipment	75,596	67,519	71,044
Long Term Investments	535,307	463,023	535,307
	610,903	530,542	606,351
Current Assets			
Inventories	103,713	111,107	121,101
Trade & Other Receivables	339,021	299,408	270,306
Short Term Investment	93,282	85,632	91,217
Amounts Due from Related Parties	44,984	59,604	51,098
Cash and Bank Balances	94,377	35,794	94,291
	675,377	591,545	628,013
Total Assets	1,286,280	1,122,087	1,234,364
EQUITY AND LIABILITIES			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	651,584	538,930	574,199
Total Equity	871,846	759,192	794,461
Non-Current Liabilities			
Interest Bearing Loans & Borrowings	6,332	40,585	15,836
Deferred Tax Liability	949	638	949
Retirement Benefit Obligation	47,746	50,492	45,481
	55,027	91,715	62,266
Current Liabilities			
Trade and Other Payables	91,255	98,773	103,547
Income Tax Payable	21,897	23,062	14,897
Amounts Due to Related Parties	14,861	10,405	15,522
Interest Bearing Loans & Borrowings	231,394	138,940	243,671
	359,407	271,180	377,637
Total Liabilities	414,434	362,895	439,903
Total Equity and Liabilities	1,286,280	1,122,087	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

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Approved and Signed for and on behalf of the Board on 11th August 2016 in Colombo.



W.R. Abeyirigunawardena
Director



W.J. Viville P. Perera
Director

Statements of Comprehensive Income

	3 months ended 30th June	Year ended 31st March	
	2016	2015	2016
Consolidated	Rs.'000	Rs.'000	Rs.'000
Profit for the period	166,140	141,480	548,391
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ (losses) on defined benefit plans	-	-	2,010
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	(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	-	-	978
Translation of Associate using foreign functional currency	(42)	561	17,083
Other comprehensive income for the period	(42)	561	19,823
Total comprehensive income for the period	166,098	142,041	568,214
Attributable to			
Equity Holder of the Parent Company	115,939	105,086	383,815
Non Controlling Interest	50,159	36,955	184,399
	166,098	142,041	568,214

	3 months ended 30th June	Year ended 31st March	
Company	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000
Profit for the period	77,385	71,733	274,385
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ (losses) on defined benefit plans	-	-	1,842
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	(221)
Other comprehensive income / (Expenses) to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income for the period	-	-	1,621
Total comprehensive income for the period	77,385	71,733	276,006

Figures in brackets indicate deductions.

Statement of Changes in Equity

	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			
Consolidated						
Balance as at 31st March 2015	220,262	219,250	(49,687)	45,697	382,298	817,820
Profit for the period	-	-	104,525	-	36,955	141,480
Other Comprehensive Income	-	-	-	561	-	561
Total Comprehensive Income	-	-	104,525	561	36,955	142,041
Balance as at 30th June 2015	220,262	219,250	54,838	46,258	419,253	959,861
Balance as at 31st March 2016	220,262	219,250	133,209	62,780	467,224	1,102,725
Profit for the period	-	-	115,981	-	50,159	166,140
Other Comprehensive Income	-	-	-	(42)	-	(42)
Total Comprehensive Income	-	-	115,981	(42)	50,159	166,098
Balance as at 30th June 2016	220,262	219,250	249,190	62,738	517,383	1,268,823
Company						
Balance as at 31st March 2015	220,262	219,250	247,947			687,459
Profit for the period	-	-	71,733			71,733
Other Comprehensive Income	-	-	-			-
Total Comprehensive Income	-	-	71,733			71,733
Balance as at 30th June 2015	220,262	219,250	319,680			759,192
Balance as at 31st March 2016	220,262	219,250	354,949			794,461
Profit for the period	-	-	77,385			77,385
Other Comprehensive Income	-	-	-			-
Total Comprehensive Income	-	-	77,385			77,385
Balance as at 30th June 2016	220,262	219,250	432,334			871,846

Cash Flow Statements

	Consolidated		Company	
	For the 3 months period ended		For the 3 months period ended	
	30th June 2016	30th June 2015	30th June 2016	30th June 2015
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities				
Group Profit before Tax and Non-Controlling Interest				
From Continuing Operations	187,758	157,810	90,885	82,497
Loss from discontinued Operations	(24)	(24)	-	-
Adjustment to reconcile profit before tax to net cash flows	2,315	12,003	(3,679)	5,415
Operating profit before working capital changes	190,049	169,789	87,206	87,912
Changes in Working Capital adjustments	(32,645)	(127,145)	(57,569)	(66,389)
Cash generated from operations	157,404	42,644	29,637	21,523
Interest Paid	(7,780)	(4,092)	(5,940)	(2,416)
Income Tax Paid	(9,719)	(7,388)	(6,500)	(3,950)
Defined Benefit plan costs paid	(48)	(83)	(48)	(83)
Net cash flows from Operating activities	139,857	31,081	17,149	15,074
Net cash flows from / (used in) investing activities	(25,804)	(2,196)	(6,757)	407
Net cash inflow before financing	114,053	28,885	10,392	15,481
Net cash flows from / (used in) financing activities	(70,958)	599	(34,321)	(10,900)
Net Increase / (Decrease) in cash and cash equivalents	43,095	29,484	(23,929)	4,581
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	3,804	130,952	(52,709)	3,642
Analysis of Cash and Cash Equivalents				
Cash at Bank & in Hand				
From Continuing operations	256,454	258,738	94,377	35,794
From Discontinuing operations	210	315	-	-
	256,664	259,053	94,377	35,794
Bank Overdraft	(252,860)	(128,101)	(147,086)	(32,152)
	3,804	130,952	(52,709)	3,642

Figures in brackets indicate deductions.

The above figures are subject to audit.

Consolidated Segmental Information

	Turnover		Profit / (Loss) from operations		Net Assets	
	For the 3 months period ended		For the 3 months period ended		As at	As at
	30th June	30th June	30th June	30th June	30th June	30th June
	2016	2015	2016	2015	2016	2015
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Mineral Segment	12,642	15,915	(219)	803	32,391	31,667
Latex Based Segment	537,569	413,398	97,836	71,647	663,413	491,701
Hard Rubber Segment	336,398	321,828	99,744	82,430	871,846	759,192
	886,609	751,141	197,361	154,880	1,567,650	1,282,560
Adjustment for Inter Group Transactions	(8,159)	(5,630)	-	-	(816,210)	(741,952)
	878,450	745,511	197,361	154,880	751,440	540,608

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

Notes to the Financial Statements

1 The figures given above for the three months ended 30th June 2016 and 30th June 2015 are subject to audit.

The Interim Financial Statements of Richard Pieris Exports PLC for the three months ended 30th June 2016 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 30.06.2016	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 30.06.2016, approved by the board are as follows.

	Group		Company	
	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000
Contracted but not provided for	-	-	-	-
Approved but not contracted for	-	-	-	-
	-	-	-	-

Lease Commitments

	Group		Group	
	2016 Rs.'000	2016 USD	2015 Rs.'000	2015 USD
Within one year	4,085	27,971	2,782	20,790
After one year but not more than five years	16,341	111,884	11,127	83,158
More than five years	249,744	1,709,991	196,712	1,470,194
	270,170	1,849,846	210,621	1,574,142

7 Discontinued operations Comprise the results of Subsidiaries of the Group whose Commercial operations have been discontinued.

8 Net asset value per Share

	30th June 2016 Rs.	30th June 2015 Rs.	31st March 2016 Rs.
Consolidated (in Rs.)	67.31	48.42	56.92
Company (in Rs.)	78.09	68.00	71.16

9 Market Price Per Share

	30th June 2016 Rs.	30th June 2015 Rs.	31st March 2016 Rs.
Highest for the Quarter (in Rs.)	255.00	170.00	329.90
Lowest for the Quarter (in Rs.)	210.00	131.00	131.00
Last Traded Price for the Year / Quarter (in Rs.)	238.00	145.00	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 30th June 2016

	<u>As at 30th June 2016</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	367,641	3.29%	365,000	3.27%	2,641
3 Mr. Astrue Alpha	226,700	2.03%	214,381	1.92%	12,319
4 Mr. T.T.T.AI-Nakib	66,273	0.59%	59,000	0.53%	7,273
5 Mr. P.Vijendran	59,477	0.53%	59,477	0.53%	-
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. M.M.Fuad	53,012	0.47%	63,909	0.57%	(10,897)
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.R.A.Rishard	39,216	0.35%	39,216	0.35%	-
13 Mr. Sithampalam	35,000	0.31%	35,000	0.31%	-
14 Corporate Holdings (Pvt) Ltd	30,000	0.27%	30,000	0.27%	-
15 Mr. M.S.P.Fernando	27,008	0.24%	25,008	0.22%	2,000
16 Mrs M Y Amerasinghe	26,000	0.23%	34,367	0.31%	(8,367)
17 Mr.A.S.Weerasinghe	26,000	0.23%	26,000	0.23%	-
18 Mr. N.A.Withana	25,000	0.22%	25,000	0.22%	-
19 Mr. W.M.H.B.Senevi	22,114	0.20%	22,114	0.20%	-
20 Mr.H.A. Pieris	20,932	0.19%	20,932	0.19%	-
Total	10,223,338	91.58%	10,205,569	91.42%	17,769

2. Public & Parent Shareholding

As at 30th June 2016, the public held 19.74% (2015 : 19.74%) of the stated capital of the company. The share holding of the parent company, Richard Pieris & Company PLC, was 80.26%. (2015-80.26%).

As at 30th June 2016 no of public holders are 1,514 (2015 : 1,420)

3 Details of Directors Shareholding is given below

Name of the Director	No of Shares as at 30th June 2016	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

No. 310, High Level Road, Nawinna,
Maharagama.
T.P. 0114 310500
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

LEGAL ADVISORS

M/s Paul Ratnayake Associates
International Legal Consultants, Solicitors & Attorneys-at-Law