

Richard Pieris Exports PLC

Financial Statements
Twelve months ended 31st March , 2012

Consolidated Income Statements

Provisional Financial Statements

	3 months ended 31st March			12 months ended 31st March		
	2012 Rs. '000	2011 Rs. '000	Change %	2012 Rs. '000	2011 Rs. '000	Change %
Continuing Operations						
Revenue	495,183	462,215	7	1,963,900	1,754,323	12
Cost of Sales	(375,238)	(433,890)	14	(1,637,027)	(1,598,325)	(2)
Gross Profit	119,945	28,325	323	326,873	155,998	110
Other Operating Income	32,049	10,508	205	37,332	20,607	81
Distribution Costs	(43,125)	(35,037)	(23)	(133,493)	(106,431)	(25)
Administrative Expenses	(29,121)	(27,397)	(6)	(73,529)	(76,061)	3
Other Operating Expenses	(7,221)	(55,838)	87	(14,363)	(57,463)	75
Profit / (Loss) from Operations	72,527	(79,439)	191	142,820	(63,350)	325
Finance Cost	(22,385)	(12,734)	(76)	(58,738)	(44,849)	(31)
Share of Profit / (Loss) of Associate	(13,687)	(23,712)	-	(23,970)	(23,712)	-
Profit / (Loss) Before Tax	36,455	(115,885)	131	60,112	(131,911)	146
Income Tax	(3,390)	3,969	(185)	(10,810)	72	(15,114)
Profit / (Loss) for the Period from Continuing Operations	33,065	(111,916)	130	49,302	(131,839)	137
Discontinued Operations						
Loss after tax for the period from discontinued operations	12	(6,566)	100	(142)	(7,538)	98
Profit / (Loss) for the period	33,077	(118,482)	128	49,160	(139,377)	135
Attributable to:						
Equity Holders of the Parent	27,229	(69,148)	139	40,364	(72,502)	156
Minority Interest	5,848	(49,334)	112	8,796	(66,875)	113
	33,077	(118,482)	128	49,160	(139,377)	135
		-				
Earnings / (Loss) Per Share	2.44	(6.19)		3.62	(6.49)	
Earnings / (Loss) Per Share from Continuing Operations	2.44	(5.61)		3.63	(5.82)	
Dividend per Share - Paid					1.00	
Figures in brackets indicate deductions.						
The above figures are subject to audit.						

Company Income Statements

Provisional Financial Statements

	3 months ended 31st March			12 months ended 31st March		
	2012	2011	Change	2012	2011	Change
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%
Revenue	191,793	226,495	(15)	900,538	918,381	(2)
Cost of Sales	(158,666)	(205,746)	23	(777,397)	(810,191)	4
Gross Profit	33,127	20,749	60	123,141	108,190	14
Other Operating Income	32,201	8,722	269	35,918	12,040	198
Distribution Costs	(7,764)	(12,429)	38	(32,244)	(43,362)	26
Administrative Expenses	(10,467)	(16,550)	37	(35,700)	(44,618)	20
Other Operating Expenses	(45,016)	31	-	(45,016)	(1,594)	-
Profit / (Loss) from Operations	2,081	523	298	46,099	30,656	50
Finance Cost	(17,756)	(7,080)	(151)	(37,267)	(23,136)	(61)
Profit / (Loss) before Tax	(15,675)	(6,557)	(139)	8,832	7,520	17
Income Tax	(2,841)	1,958	(245)	(7,541)	(1,542)	(389)
Profit / (Loss) Attributable to Ordinary Shareholders	(18,516)	(4,599)	(303)	1,291	5,978	(78)
Earnings Per Share	(1.66)	(0.41)		0.12	0.54	
Dividend Per Share -Paid	-	-		-	1.00	

Figures in brackets indicate deductions.

The above figures are subject to audit.

Consolidated Balance Sheets

	Provisional Financial Statements	
	As at 31st March	
	2012	2011
	Rs. 000	Rs. 000
ASSETS		
Non-current Assets		
Property, Plant & Equipment	240,356	249,254
Investment in Associate	30,907	44,269
Deferred Tax Assets	4,751	4,810
Leasehold Land Prepayment	207	58
	276,221	298,391
Assets of Arpico Natural Latex Foams (Pvt) Ltd	3,610	3,917
Current Assets		
Inventories	252,131	274,353
Trade & Other Receivables	425,806	409,031
Leasehold Land Prepayment	59	59
Income Tax Receivable	-	2,939
Amounts Due from Related Parties	127,191	108,206
Cash and Bank Balances	14,805	107,637
	819,992	902,225
Total Assets	1,099,823	1,204,533
EQUITY AND LIABILITIES		
Stated Capital	220,262	220,262
Revenue Reserves	(313,672)	(354,036)
Foreign Currency Translation	35,919	25,660
Equity Attributable to Equity Holders of the Parent	(57,491)	(108,114)
Minority Interest	29,786	21,070
Total Equity	(27,705)	(87,044)
Non-Current Liabilities		
Interest Bearing Loans & Borrowings	-	21,264
Retirement Benefit Obligation	31,602	28,464
	31,602	49,728
Liabilities of Arpico Natural Latex Foams (Pvt) Ltd	230,160	230,325
Current Liabilities		
Trade and Other Payables	146,595	212,667
Income Tax Payable	4,937	-
Amounts Due to Related Parties	140,073	166,079
Interest Bearing Loans & Borrowings	574,161	632,778
	865,766	1,011,524
Total Liabilities	1,127,528	1,291,577
Total Equity and Liabilities	1,099,823	1,204,533

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.



Jagath Dissanayake
Group Chief Financial Officer

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 24th May 2012, Colombo.



Kumar Abeysinghe
Director




W.J. Viville P. Perera
Director

Company Balance Sheets


	Provisional Financial Statements	
	As at 31st March	
	2012	2011
	Rs. 000	Rs. 000
ASSETS		
Non-current Assets		
Property, Plant & Equipment	58,306	47,611
Investment in Subsidiaries	291,094	291,094
Investment in Associate	119,950	159,933
Deferred Tax Assets	385	297
	469,735	498,935
Current Assets		
Inventories	145,285	139,400
Trade & Other Receivables	281,195	258,677
Income Tax Receivable	-	2,885
Amounts Due from Related Parties	126,788	129,860
Cash and Bank Balances	6,019	28,176
	559,287	558,998
Total Assets	1,029,022	1,057,933
EQUITY AND LIABILITIES		
Stated Capital	220,262	220,262
Revenue Reserves	297,424	296,133
Total Equity	517,686	516,395
Non-Current Liabilities		
Interest Bearing Loans & Borrowings	-	21,264
Retirement Benefit Obligation	26,927	25,063
	26,927	46,327
Current Liabilities		
Trade and Other Payables	67,163	81,237
Income Tax Payable	2,153	-
Amounts Due to Related Parties	84,720	9,947
Interest Bearing Loans & Borrowings	330,373	404,027
	484,409	495,211
Total Liabilities	511,336	541,538
Total Equity and Liabilities	1,029,022	1,057,933


The above figures are subject to audit

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Jagath Disanayake
Group Chief Financial Officer

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Kumar Abeysinghe
Director


W.J. Viville P. Perera
Director

RICHARD PIERIS EXPORTS PLC

STATEMENTS OF CHANGES IN EQUITY

Consolidated	Stated Capital	General Reserve	Accumulated Profit / (Loss)	Foreign Currency Translation	Minority Interest	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 31st March 2010	220,262	219,250	(489,620)	-	88,159	38,051
Dividend Paid to Minority Shareholders	-	-	-	-	(214)	(214)
Profit / (Loss) for the year	-	-	(72,502)	-	(66,875)	(139,377)
Effect of Foreign Currency translation	-	-	-	25,660	-	25,660
Final dividend paid for 2009/2010	-	-	(11,164)	-	-	(11,164)
Balance as at 31st March 2011	220,262	219,250	(573,286)	25,660	21,070	(87,044)
Dividend Paid to Minority Shareholders	-	-	-	-	(80)	(80)
Profit / (Loss) for the year	-	-	40,364	-	8,796	49,160
Effect of Foreign Currency translation	-	-	-	10,259	-	10,259
Balance as at 31st March 2012	220,262	219,250	(532,922)	35,919	29,786	(27,705)

Company	Stated Capital	General Reserve	Accumulated Profit / (Loss)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 31st March 2010	220,262	219,250	82,069	521,581
Profit / (Loss) for the year	-	-	5,978	5,978
Final Dividend Paid for 2009 / 2010	-	-	(11,164)	(11,164)
Balance as at 31st March 2011	220,262	219,250	76,883	516,395
Profit / (Loss) for the year	-	-	1,291	1,291
Balance as at 31st March 2012	220,262	219,250	78,174	517,686

	Cash Flow Statements			
	Consolidated		Company	
	31st Mar 2012	31st Mar 2011	31st Mar 2012	31st Mar 2011
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from / (used in) Operating Activities				
Group Profit / (Loss) before Tax and Minority Interest				
From Continuing Operations	60,112	(131,911)	8,832	7,520
Loss before Tax from discontinued Operations	(142)	(7,538)	-	-
Adjustment to reconcile profit/ (loss) before tax to net cash flows	152,121	175,478	102,528	19,579
Operating profit / (Loss) before working capital changes	212,091	36,029	111,361	27,099
Changes in Working Capital adjustments	(113,844)	32,750	35,351	64,665
Cash generated from operations	98,247	68,779	146,712	91,764
Interest Paid	(58,738)	(44,849)	(37,267)	(23,136)
Income Tax Paid	(6,466)	(17,321)	(2,672)	(13,828)
Defined Benefit plan costs paid	(2,123)	(3,300)	(2,050)	(1,650)
Net cash flows from / (used in) Operating activities	30,920	3,309	104,722	53,150
Net cash flows from / (used) in investing activities	(24,598)	(16,992)	(14,370)	(3,608)
Net cash inflow/ (outflow) before financing	6,322	(13,683)	90,352	49,542
Net cash flows from / (used) in financing activities	(222,211)	(68,960)	(207,000)	(88,191)
Net Increase\in cash and cash equivalents	(215,889)	(82,643)	(116,648)	(38,649)
Cash and cash equivalents at the beginning of the period	(176,795)	(94,152)	(58,707)	(20,059)
Cash and cash equivalents at the end of the period	(392,684)	(176,795)	(175,355)	(58,708)
Analysis of Cash and Cash Equivalents				
Cash at Bank & in Hand				
From Continuing operations	14,805	107,637	6,019	28,176
From Discontinuing operations	3,610	3,807	-	-
	18,415	111,444	6,019	28,176
Bank Overdraft	(411,099)	(288,239)	(181,374)	(86,884)
	(392,684)	(176,795)	(175,355)	(58,708)

Figures in brackets indicate deductions.

The above figures are subject to audit.

Consolidated Segmental Information						
12 months ended 31st March	Provisional Financial Statements					
	Turnover		Profit / (Loss) from operations		Net Assets	
	2012 Rs. '000	2011 Rs. '000	2012 Rs. '000	2011 Rs. '000	2012 Rs. '000	2011 Rs. '000
Mineral Segment	49,085	34,202	4,156	3,223	19,995	17,090
Latex Based Segment	1,017,336	806,200	37,777	(96,811)	(185,255)	(198,813)
Hard Rubber Segment	900,538	918,381	46,099	30,656	517,686	516,395
	1,966,959	1,758,783	88,032	(62,932)	352,426	334,672
Adjustment for Inter Group Transactions	(3,059)	(4,460)	54,788	(418)	(409,917)	(442,786)
	1,963,900	1,754,323	142,820	(63,350)	(57,491)	(108,114)

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 2012 are provisional and subject to audit. The Interim Financial Statements are in compliance with the Sri Lanka Accounting Standard 35 – Interim Financial Reporting. The accounting policies and methods of computation disclosed in the Annual Report for the year ended 31st March 2011 were consistently followed during the period. Further, 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.

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

3 Stated Capital

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
Issued & fully paid Number of shares (Ordinary Shares)	11,163,745	11,163,745
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 2011.

5 There have been no events subsequent to the financial year, which require disclosure in the Interim Financial Statements.

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

	<u>31st March 12</u>	<u>31st March 11</u>
7 Net asset value per Share		
Consolidated (in Rs.)	(2.48)	(7.80)
Company (in Rs.)	46.37	46.26

	<u>31st March 12</u>	<u>31st March 11</u>
8 Market Price Per Share		
Highest for the Quarter (in Rs.)	28.00	38.70
Lowest for the Quarter (in Rs.)	16.00	25.00
Last Traded Price for the Year / Quarter (in Rs.)	22.00	28.00

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

1 Major Shareholders as at 31st March 2012

	As at 31st March 2012		As at 31st March 2011		Change
	No of Shares	Holding %	No of Shares	Holding %	
1 Richard Pieris & Company Plc.	8,959,997	80.26%	8,959,997	80.26%	-
2 Mr. T.L.M.Imtizaz	278,400	2.49%			278,400
3 Mr. D.F.G.Dalpethado	161,521	1.45%			161,521
4 Employees Trust Fund Board	123,309	1.10%	123,309	1.10%	-
5 Mr.H.A. Pieris	65,033	0.58%	65,033	0.58%	-
6 T R L Holdings(Pvt) Ltd	56,400	0.51%			56,400
7 Kalday Private Limited	53,399	0.48%	53,399	0.48%	-
8 H.A.P. Investments (Pvt) Ltd	52,500	0.47%	52,500	0.47%	-
9 Corporate Holdings (Pvt) Ltd	45,095	0.40%	45,095	0.40%	-
10 Ransiri Enterprises (Pvt) Ltd	41,572	0.37%	41,572	0.37%	-
11 Mr. R.M.P.Rajapakshe Mohottige	37,700	0.34%			37,700
12 Mr. K.Satgunarajah	37,000	0.33%			37,000
13 Mr.M.De Saram	31,200	0.28%	31,200	0.28%	-
14 Mr.S.M.A.G.Perera	29,200	0.26%			29,200
15 Union Investments Ltd	27,800	0.25%	27,800	0.25%	-
16 Entrust Limited	19,600	0.18%			19,600
17 Mr.V.E.Santiapillai	17,475	0.16%			17,475
18 Mr.D.R.Alvitigala	16,300	0.15%			16,300
19 Mr A T Samanthilake	16,100	0.14%	15,000	0.13%	1,100
20 Mr.A..M.Rizvi	15,000	0.13%			15,000
21 Emerging Markets Investment Management (Pvt) Ltd	14,300	0.13%			14,300
22 Merchant Bank of Sri Lanka Limited/ Union	12,800	0.11%			12,800
23 J.Y.K.Associates(Pvt) Limited	12,600	0.11%			12,600
24 Mr. V.Baskerasundaram	12,288	0.11%			12,288
25 Mr.K.R.Kamon	12,200	0.11%			12,200
Total	10,148,789	90.91%	9,414,905	84.33%	733,884

2 Public & Parent Shareholding

As at 31st March 2012, the public held 19.74% (2011 : 19.74%) of the share capital of the company.
The shareholding of the parent company, Richard Pieris & company Plc, was 80.26%. (2011-80.26%)

3 Directors Shareholding		
Name Of the Director	No of Shares as at 31st March 2,012	No of Shares as at 31st March 2,011
Dr. Sena Yaddehige	-	-
Mr. Saminda Yaddehige	-	-
Mr. J.H.P .Ratnayake	-	-
Mr. Sunil S.G. Liyanage	203	209
Mr. Renton de Alwis	-	-
Mr. W.J. Viville P Perera	100	100
Mr. Wasantha Rukmal Abeysirigunawardena	-	-
Mr. Kumar Abeysinghe (Appointed w.e.f.01.05.2011)	-	-

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

J. H. Paul Ratnayeke

Sunil S G Liyanage

Renton De Alwis (ceased to be a director w.e.f.31.03.2012)

W.J.Viville P Perera

W R Abeysirigunawardena (Appointed w.e.f 01.03.2011)

Kumar Abeysinghe (Appointed w.e.f 01.05.2011)

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 Ratnayeke Associates

International Legal Consultants, Solicitors & Attorneys-at-Law