

# Richard Pieris Exports PLC

Interim Financial Statements

Nine months ended 31st December 2016

## Consolidated Income Statements

|  | 3 months ended 31st December |                |           | 9 months ended 31st December |                |           |
|--|------------------------------|----------------|-----------|------------------------------|----------------|-----------|
|  | 2016                         | 2015           | Change    | 2016                         | 2015           | Change    |
|  | Rs. '000                     | Rs. '000       | %         | Rs. '000                     | Rs. '000       | %         |
| <b>Continuing Operations</b>                               |                              |                |           |                              |                |           |
| Revenue  | 933,769                      | 725,050        | 29        | 2,912,248                    | 2,323,941      | 25        |
| Cost of Sales  | (616,319)                    | (495,360)      | 24        | (1,916,869)                  | (1,593,374)    | 20        |
| <b>Gross Profit</b>  | <b>317,450</b>               | <b>229,690</b> | <b>38</b> | <b>995,379</b>               | <b>730,567</b> | <b>36</b> |
| Other Operating Income                                     | 806                          | 1,535          | (47)      | 3,879                        | 7,893          | (51)      |
| Distribution Costs   | (85,631)                     | (55,716)       | 54        | (220,224)                    | (160,979)      | 37        |
| Administrative Expenses                                    | (53,718)                     | (45,676)       | 18        | (150,625)                    | (130,767)      | 15        |
| <b>Profit from Operations</b>                              | <b>178,907</b>               | <b>129,833</b> | <b>38</b> | <b>628,409</b>               | <b>446,714</b> | <b>41</b> |
| Finance Income   | 8,680                        | 6,143          | 41        | 22,944                       | 15,525         | 48        |
| Finance Cost   | (108)                        | (3,740)        | (97)      | (10,872)                     | (10,998)       | (1)       |
| Other Financial Items                                      | 9,598                        | (224)          | (4,385)   | 667                          | 7,189          | (91)      |
| Share of Profit / (Loss) of Associate                      | (2,632)                      | 1,698          | (255)     | 2,103                        | 16,403         | (87)      |
| <b>Profit Before Tax</b>                                   | <b>194,445</b>               | <b>133,710</b> | <b>45</b> | <b>643,251</b>               | <b>474,833</b> | <b>35</b> |
| Taxation   | 1,372                        | (13,177)       | (110)     | (61,920)                     | (46,322)       | 34        |
| <b>Profit for the Period from Continuing Operations</b>    | <b>195,817</b>               | <b>120,533</b> | <b>62</b> | <b>581,331</b>               | <b>428,511</b> | <b>36</b> |
| <b>Discontinued Operations</b>                             |                              |                |           |                              |                |           |
| Loss after tax for the period from discontinued operations | (24)                         | (18)           | 33        | (72)                         | (60)           | 20        |
| <b>Profit for the period</b>                               | <b>195,793</b>               | <b>120,515</b> | <b>62</b> | <b>581,259</b>               | <b>428,451</b> | <b>36</b> |
| <b>Attributable to:</b>                                    |                              |                |           |                              |                |           |
| Equity Holders of the Parent                               | 110,402                      | 71,393         | 55        | 371,829                      | 289,908        | 28        |
| Non Controlling Interest                                   | 85,391                       | 49,122         | 74        | 209,430                      | 138,543        | 51        |
|  | <b>195,793</b>               | <b>120,515</b> | <b>62</b> | <b>581,259</b>               | <b>428,451</b> | <b>36</b> |
|  | <b>Rs.</b>                   | <b>Rs.</b>     |           | <b>Rs.</b>                   | <b>Rs.</b>     |           |
| Earnings Per Share   | 9.89                         | 6.39           |           | 33.31                        | 25.97          |           |
| Earnings Per Share from Continuing Operations              | 9.89                         | 6.40           |           | 33.31                        | 25.97          |           |

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Company Income Statements

|   | 3 months ended 31st December |               |           | 9 months ended 31st December |                |           |
|---|------------------------------|---------------|-----------|------------------------------|----------------|-----------|
|   | 2016                         | 2015          | Change    | 2016                         | 2015           | Change    |
|   | Rs. '000                     | Rs. '000      | %         | Rs. '000                     | Rs. '000       | %         |
| Revenue   | 215,503                      | 229,019       | (6)       | 925,413                      | 864,865        | 7         |
| Cost of Sales                                       | (150,872)                    | (167,436)     | (10)      | (611,269)                    | (618,166)      | (1)       |
| <b>Gross Profit</b>                                 | <b>64,631</b>                | <b>61,583</b> | <b>5</b>  | <b>314,144</b>               | <b>246,699</b> | <b>27</b> |
| Other Operating Income                              | 735                          | 1,549         | (53)      | 4,075                        | 7,975          | (49)      |
| Distribution Costs                                  | (11,033)                     | (10,223)      | 8         | (34,368)                     | (33,440)       | 3         |
| Administrative Expenses                             | (13,023)                     | (12,021)      | 8         | (36,039)                     | (32,473)       | 11        |
| <b>Profit from Operations</b>                       | <b>41,310</b>                | <b>40,888</b> | <b>1</b>  | <b>247,812</b>               | <b>188,761</b> | <b>31</b> |
| Finance Income                                      | 2,249                        | 2,184         | 3         | 6,815                        | 6,476          | 5         |
| Finance Cost  | (114)                        | (2,935)       | (96)      | (7,973)                      | (7,828)        | 2         |
| Other Financial Items                               | 562                          | (1,087)       | (152)     | (4,567)                      | 8,509          | (154)     |
| <b>Profit before Tax</b>                            | <b>44,007</b>                | <b>39,050</b> | <b>13</b> | <b>242,087</b>               | <b>195,918</b> | <b>24</b> |
| Taxation  | 3,708                        | (6,192)       | (160)     | (30,161)                     | (25,685)       | 17        |
| <b>Profit Attributable to Ordinary Shareholders</b> | <b>47,715</b>                | <b>32,858</b> | <b>45</b> | <b>211,926</b>               | <b>170,233</b> | <b>24</b> |
|   | <b>Rs.</b>                   | <b>Rs.</b>    |           | <b>Rs.</b>                   | <b>Rs.</b>     |           |
| Earnings Per Share                                  | 4.27                         | 2.94          |           | 18.98                        | 15.25          |           |

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Consolidated Statement of Financial Position

|  | As at 31st December |                  | As at 31st March |
|--|---------------------|------------------|------------------|
|  | 2016                | 2015             | 2016             |
|  | Rs. 000             | Rs. 000          | Rs. 000          |
| <b>ASSETS</b>  |                     |                  |                  |
| <b>Non-current Assets</b>                            |                     |                  |                  |
| Property, Plant & Equipment                          | 521,378             | 456,829          | 472,628          |
| Investment in Associate                              | 170,818             | 160,142          | 163,500          |
| Other Investment                                     | 72,284              | 72,284           | 72,284           |
| Leasehold Land Prepayment                            | 12,157              | 12,517           | 12,363           |
| Deferred Tax Assets                                  | -                   | 23,520           | 237              |
|  | <b>776,637</b>      | <b>725,291</b>   | <b>721,012</b>   |
| <b>Discontinued Operations</b>                       |                     |                  |                  |
| Assets of Arpico Natural Latex Foams (Pvt ) Ltd      | 210                 | 315              | 210              |
| <b>Current Assets</b>                                |                     |                  |                  |
| Inventories  | 343,870             | 240,627          | 297,392          |
| Trade & Other Receivables                            | 749,946             | 521,265          | 649,412          |
| Short Term Investments                               | 332,262             | 303,629          | 312,653          |
| Leasehold Land Prepayment                            | 273                 | 262              | 273              |
| Amounts Due from Related Parties                     | 35,442              | 50,248           | 58,547           |
| Cash and Bank Balances                               | 413,220             | 279,821          | 287,919          |
|  | <b>1,875,013</b>    | <b>1,395,852</b> | <b>1,606,196</b> |
| <b>Total Assets</b>                                  | <b>2,651,860</b>    | <b>2,121,458</b> | <b>2,327,418</b> |
| <b>EQUITY AND LIABILITIES</b>                        |                     |                  |                  |
| Stated Capital                                       | 220,262             | 220,262          | 220,262          |
| Revenue Reserves                                     | 724,288             | 415,181          | 352,459          |
| Foreign Currency Translation                         | 68,236              | 58,020           | 62,780           |
| Equity Attributable to Equity Holders of the Parent  | 1,012,786           | 693,463          | 635,501          |
| Non Controlling Interest                             | 676,511             | 503,920          | 467,224          |
| <b>Total Equity</b>                                  | <b>1,689,297</b>    | <b>1,197,383</b> | <b>1,102,725</b> |
| <b>Non-Current Liabilities</b>                       |                     |                  |                  |
| Interest Bearing Loans & Borrowings                  | -                   | 32,820           | 15,836           |
| Deferred Tax Liabilities                             | 8,039               | 1,913            | 2,137            |
| Retirement Benefit Obligation                        | 66,387              | 59,193           | 58,014           |
|  | <b>74,426</b>       | <b>93,926</b>    | <b>75,987</b>    |
| <b>Discontinued Operations</b>                       |                     |                  |                  |
| Liabilities of Arpico Natural Latex Foams (Pvt ) Ltd | 226,921             | 226,904          | 226,850          |
| <b>Current Liabilities</b>                           |                     |                  |                  |
| Trade and Other Payables                             | 321,379             | 246,626          | 256,702          |
| Income Tax Payable                                   | 24,852              | 22,975           | 24,007           |
| Amounts Due to Related Parties                       | 136,153             | 180,651          | 156,680          |
| Interest Bearing Loans & Borrowings                  | 178,832             | 152,993          | 484,467          |
|  | <b>661,216</b>      | <b>603,245</b>   | <b>921,856</b>   |
| <b>Total Liabilities</b>                             | <b>962,563</b>      | <b>924,075</b>   | <b>1,224,693</b> |
| <b>Total Equity and Liabilities</b>                  | <b>2,651,860</b>    | <b>2,121,458</b> | <b>2,327,418</b> |

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 13th February 2017 in Colombo.

  
**W.R. Abeysirigunawardena**  
 Director

  
**W.J. Viville P. Perera**  
 Director

## Company Statement of Financial Position

|                                     | As at 31st December |                  | As at 31st March |
|-------------------------------------|---------------------|------------------|------------------|
|                                     | 2016                | 2015             | 2016             |
|                                     | Rs. 000             | Rs. 000          | Rs. 000          |
| <b>ASSETS</b>                       |                     |                  |                  |
| <b>Non-current Assets</b>           |                     |                  |                  |
| Property, Plant & Equipment         | 74,778              | 63,406           | 71,044           |
| Long Term Investments               | 535,307             | 535,307          | 535,307          |
|                                     | <b>610,085</b>      | <b>598,713</b>   | <b>606,351</b>   |
| <b>Current Assets</b>               |                     |                  |                  |
| Inventories                         | 91,297              | 94,786           | 121,101          |
| Trade & Other Receivables           | 229,814             | 217,650          | 270,306          |
| Short Term Investment               | 96,632              | 87,199           | 91,217           |
| Amounts Due from Related Parties    | 35,715              | 53,914           | 51,098           |
| Cash and Bank Balances              | 216,012             | 49,700           | 94,291           |
|                                     | <b>669,470</b>      | <b>503,249</b>   | <b>628,013</b>   |
| <b>Total Assets</b>                 | <b>1,279,555</b>    | <b>1,101,962</b> | <b>1,234,364</b> |
| <b>EQUITY AND LIABILITIES</b>       |                     |                  |                  |
| Stated Capital                      | 220,262             | 220,262          | 220,262          |
| Revenue Reserves                    | 786,125             | 607,973          | 574,199          |
| <b>Total Equity</b>                 | <b>1,006,387</b>    | <b>828,235</b>   | <b>794,461</b>   |
| <b>Non-Current Liabilities</b>      |                     |                  |                  |
| Interest Bearing Loans & Borrowings | -                   | 24,973           | 15,836           |
| Deferred Tax Liability              | 613                 | 638              | 949              |
| Retirement Benefit Obligation       | 52,007              | 47,506           | 45,481           |
|                                     | <b>52,620</b>       | <b>73,117</b>    | <b>62,266</b>    |
| <b>Current Liabilities</b>          |                     |                  |                  |
| Trade and Other Payables            | 87,606              | 76,315           | 103,547          |
| Income Tax Payable                  | 16,251              | 13,402           | 14,897           |
| Amounts Due to Related Parties      | 15,150              | 16,393           | 15,522           |
| Interest Bearing Loans & Borrowings | 101,541             | 94,500           | 243,671          |
|                                     | <b>220,548</b>      | <b>200,610</b>   | <b>377,637</b>   |
| <b>Total Liabilities</b>            | <b>273,168</b>      | <b>273,727</b>   | <b>439,903</b>   |
| <b>Total Equity and Liabilities</b> | <b>1,279,555</b>    | <b>1,101,962</b> | <b>1,234,364</b> |


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.

  
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**Palika Chandrajeewa**  
 Sector Finance Manager

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 .....  
**W.R. Abeyirigunawardena**  
 Director

  
 .....  
**W.J. Viville P. Perera**  
 Director

## Statements of Comprehensive Income

|  | 3 months ended 31st December |                 | 9 months ended 31st December |                 |
|--|------------------------------|-----------------|------------------------------|-----------------|
|  | 2016<br>Rs.'000              | 2015<br>Rs.'000 | 2016<br>Rs.'000              | 2015<br>Rs.'000 |
| <b>Consolidated</b>  |                              |                 |                              |                 |
| Profit for the period  | 195,793                      | 120,515         | 581,259                      | 428,451         |
| Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods | -                            | -               | -                            | -               |
| Other Comprehensive Income / (Expenses) to be reclassified to profit or loss in subsequent periods     |                              |                 |                              |                 |
| Share of Other Comprehensive Income of Associate   |                              |                 |                              |                 |
| Translation of Associate using foreign functional currency   | 4,399                        | 1,546           | 5,456                        | 12,323          |
| Other comprehensive income for the period  | 4,399                        | 1,546           | 5,456                        | 12,323          |
| <b>Total comprehensive income for the period</b>   | <b>200,192</b>               | <b>122,061</b>  | <b>586,715</b>               | <b>440,774</b>  |
| <b>Attributable to</b>   |                              |                 |                              |                 |
| Equity Holder of the Parent Company  | 114,801                      | 72,939          | 377,285                      | 302,231         |
| Non Controlling Interest   | 85,391                       | 49,122          | 209,430                      | 138,543         |
|  | <b>200,192</b>               | <b>122,061</b>  | <b>586,715</b>               | <b>440,774</b>  |

|  | 3 months ended 31st December |                 | 9 months ended 31st December |                 |
|--|------------------------------|-----------------|------------------------------|-----------------|
|  | 2016<br>Rs.'000              | 2015<br>Rs.'000 | 2016<br>Rs.'000              | 2015<br>Rs.'000 |
| <b>Company</b>   |                              |                 |                              |                 |
| Profit for the period  | 47,715                       | 32,858          | 211,926                      | 170,233         |
| Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods | -                            | -               | -                            | -               |
| Other comprehensive income / (Expenses) to be reclassified to profit or loss in subsequent periods     | -                            | -               | -                            | -               |
| Other comprehensive income for the period  | -                            | -               | -                            | -               |
| <b>Total comprehensive income for the period</b>   | <b>47,715</b>                | <b>32,858</b>   | <b>211,926</b>               | <b>170,233</b>  |

Figures in brackets indicate deductions.

## Statement of Changes in Equity

| Consolidated  | Stated<br>Capital<br>Rs. '000 | Revenue Reserves                |  | Foreign Currency<br>Translation<br>Rs. '000 | Non Controlling<br>Interest<br>Rs. '000 | Total<br>Rs. '000 |
|---|-------------------------------|---------------------------------|--|---|---|-------------------|
|   |                               | General<br>Reserves<br>Rs. '000 | Accumulated<br>Profit / (Loss)<br>Rs. '000 |   |   |                   |
| <b>Balance as at 1st April 2015</b>                         | 220,262                       | 219,250                         | (49,687)                                   | 45,697                                      | 382,298                                 | 817,820           |
| Super Gain Tax (2013/14)                                    | -                             | -                               | (44,290)                                   | -   | (16,778)                                | (61,068)          |
| Profit for the period                                       | -                             | -                               | 289,908                                    | -   | 138,543                                 | 428,451           |
| Other Comprehensive Income                                  | -                             | -                               | -  | 12,323                                      | -                                       | 12,323            |
| Total Comprehensive Income                                  | -                             | -                               | 289,908                                    | 12,323                                      | 138,543                                 | 440,774           |
| Dividend paid by subsidiary company to outside shareholders | -                             | -                               | -  | -   | (143)                                   | (143)             |
| <b>Balance as at 31st December 2015</b>                     | <b>220,262</b>                | <b>219,250</b>                  | <b>195,931</b>                             | <b>58,020</b>                               | <b>503,920</b>                          | <b>1,197,383</b>  |
| <b>Balance as at 1st April 2016</b>                         | <b>220,262</b>                | <b>219,250</b>                  | <b>133,209</b>                             | <b>62,780</b>                               | <b>467,224</b>                          | <b>1,102,725</b>  |
| Profit for the period                                       | -                             | -                               | 371,829                                    | -   | 209,430                                 | 581,259           |
| Other Comprehensive Income                                  | -                             | -                               | -  | 5,456                                       | -                                       | 5,456             |
| Total Comprehensive Income                                  | -                             | -                               | 371,829                                    | 5,456                                       | 209,430                                 | 586,715           |
| Dividend paid by subsidiary company to outside shareholders | -                             | -                               | -  | -   | (143)                                   | (143)             |
| <b>Balance as at 31st December 2016</b>                     | <b>220,262</b>                | <b>219,250</b>                  | <b>505,038</b>                             | <b>68,236</b>                               | <b>676,511</b>                          | <b>1,689,297</b>  |

| Company                                 | Stated<br>Capital<br>Rs. '000 | Revenue Reserves                |  | Total<br>Rs. '000 |
|---|-------------------------------|---------------------------------|--|-------------------|
|   |                               | General<br>Reserves<br>Rs. '000 | Accumulated<br>Profit / (Loss)<br>Rs. '000 |                   |
| <b>Balance as at 1st April 2015</b>     | 220,262                       | 219,250                         | 247,947                                    | 687,459           |
| Super Gain Tax (2013/14)                | -                             | -                               | (29,457)                                   | (29,457)          |
| Profit for the period                   | -                             | -                               | 170,233                                    | 170,233           |
| Other Comprehensive Income              | -                             | -                               | -  | -                 |
| Total Comprehensive Income              | -                             | -                               | 170,233                                    | 170,233           |
| <b>Balance as at 31st December 2015</b> | <b>220,262</b>                | <b>219,250</b>                  | <b>388,723</b>                             | <b>828,235</b>    |
| <b>Balance as at 1st April 2016</b>     | <b>220,262</b>                | <b>219,250</b>                  | <b>354,949</b>                             | <b>794,461</b>    |
| Profit for the period                   | -                             | -                               | 211,926                                    | 211,926           |
| Other Comprehensive Income              | -                             | -                               | -  | -                 |
| Total Comprehensive Income              | -                             | -                               | 211,926                                    | 211,926           |
| <b>Balance as at 31st December 2016</b> | <b>220,262</b>                | <b>219,250</b>                  | <b>566,875</b>                             | <b>1,006,387</b>  |

## Cash Flow Statements

|   | Consolidated                  |               | Company                       |               |
|---|-------------------------------|---------------|-------------------------------|---------------|
|   | For the 9 months period ended |               | For the 9 months period ended |               |
|   | 31st Dec 2016                 | 31st Dec 2015 | 31st Dec 2016                 | 31st Dec 2015 |
|   | Rs. '000                      | Rs. '000      | Rs. '000                      | Rs. '000      |
| <b>Cash Flows from Operating Activities</b>                     |                               |               |                               |               |
| Group Profit before Tax and Non-Controlling Interest            |                               |               |                               |               |
| From Continuing Operations                                      | 643,251                       | 474,833       | 242,087                       | 195,918       |
| Loss from discontinued Operations                               | (72)                          | (60)          | -                             | -             |
| Adjustment to reconcile profit before tax to net cash flows     | 30,789                        | 38,258        | 15,394                        | 18,910        |
| <b>Operating profit before working capital changes</b>          | 673,968                       | 513,031       | 257,481                       | 214,828       |
| Changes in Working Capital adjustments                          | (78,026)                      | 11,775        | 71,025                        | 24,634        |
| <b>Cash generated from operations</b>                           | 595,942                       | 524,806       | 328,506                       | 239,462       |
| Interest Paid   | (11,713)                      | (11,644)      | (8,750)                       | (8,474)       |
| Income Tax Paid   | (54,696)                      | (98,686)      | (29,143)                      | (57,989)      |
| Defined Benefit plan costs paid                                 | (125)                         | (7,547)       | (125)                         | (6,718)       |
| <b>Net cash flows from Operating activities</b>                 | 529,408                       | 406,929       | 290,488                       | 166,281       |
| <b>Net cash flows from / (used in) investing activities</b>     | (80,166)                      | (125,924)     | (9,110)                       | 5,184         |
| <b>Net cash inflow before financing</b>                         | 449,242                       | 281,005       | 281,378                       | 171,465       |
| Net cash flows from / (used in) financing activities            | (40,358)                      | (103,401)     | (36,586)                      | (121,132)     |
| <b>Net Increase / (Decrease) in cash and cash equivalents</b>   | 408,884                       | 177,604       | 244,792                       | 50,333        |
| <b>Cash and cash equivalents at the beginning of the period</b> | (39,291)                      | 101,468       | (28,780)                      | (939)         |
| <b>Cash and cash equivalents at the end of the period</b>       | 369,593                       | 279,072       | 216,012                       | 49,394        |
| <b>Analysis of Cash and Cash Equivalents</b>                    |                               |               |                               |               |
| Cash at Bank & in Hand  |                               |               |                               |               |
| From Continuing operations                                      | 413,220                       | 279,821       | 216,012                       | 49,700        |
| From Discontinuing operations                                   | 210                           | 315           | -                             | -             |
|   | 413,430                       | 280,136       | 216,012                       | 49,700        |
| Bank Overdraft  | (43,837)                      | (1,064)       | -                             | (306)         |
|   | 369,593                       | 279,072       | 216,012                       | 49,394        |

Figures in brackets indicate deductions.

The above figures are subject to audit.



## Consolidated Segmental Information

|   | Turnover                     |                  | Profit / (Loss) from operations |                | Net Assets       |                |
|---|------------------------------|------------------|---------------------------------|----------------|------------------|----------------|
|   | For the 9months period ended |                  | For the 9 months period ended   |                | As at            | As at          |
|   | 31 st Dec                    | 31 st Dec        | 31 st Dec                       | 31 st Dec      | 31 st Dec        | 31 st Dec      |
|   | 2016                         | 2015             | 2016                            | 2015           | 2016             | 2015           |
|   | Rs. '000                     | Rs. '000         | Rs. '000                        | Rs. '000       | Rs. '000         | Rs. '000       |
| Mineral Segment                         | 45,381                       | 48,173           | -                               | 1,943          | 32,736           | 31,967         |
| Latex Based Segment                     | 1,967,435                    | 1,436,562        | 380,879                         | 256,292        | 942,375          | 640,057        |
| Hard Rubber Segment                     | 925,413                      | 864,865          | 247,812                         | 188,761        | 1,006,387        | 828,235        |
|   | 2,938,229                    | 2,349,600        | 628,691                         | 446,996        | 1,981,498        | 1,500,259      |
| Adjustment for Inter Group Transactions | (25,981)                     | (25,659)         | (282)                           | (282)          | (968,712)        | (806,796)      |
|   | <b>2,912,248</b>             | <b>2,323,941</b> | <b>628,409</b>                  | <b>446,714</b> | <b>1,012,786</b> | <b>693,463</b> |

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Notes to the Financial Statements

1 The figures given above for the nine months ended 31st Dec 2016 and 31st Dec 2015 are subject to audit.

The Interim Financial Statements of Richard Pieris Exports PLC for the nine months ended 31st December 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 31.12.2016 | 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 31.12.2016, approved by the board are as follows.

|                                 | Group           |                 | Company         |                 |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                 | 2016<br>Rs.'000 | 2015<br>Rs.'000 | 2016<br>Rs.'000 | 2015<br>Rs.'000 |
| Contracted but not provided for | 188,863         | -               | -               | -               |
| Approved but not contracted for | 339,624         | -               | -               | -               |
|                                 | <u>528,487</u>  | <u>-</u>        | <u>-</u>        | <u>-</u>        |

### Lease Commitments

|   | Group           |                  |                 |                  |
|---|-----------------|------------------|-----------------|------------------|
|   | 2016<br>Rs.'000 | 2016<br>USD      | 2015<br>Rs.'000 | 2015<br>USD      |
| Within one year                             | 4,201           | 27,971           | 3,269           | 23,112           |
| After one year but not more than five years | 16,803          | 111,884          | 13,077          | 92,447           |
| More than five years                        | 252,606         | 1,682,020        | 227,276         | 1,606,759        |
|   | <u>273,610</u>  | <u>1,821,875</u> | <u>243,622</u>  | <u>1,722,318</u> |

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

### 8 Net asset value per Share

|                         | 31st Dec 2016<br>Rs. | 31st Dec 2015<br>Rs. | 31st March 2016<br>Rs. |
|-------------------------|----------------------|----------------------|------------------------|
| Consolidated ( in Rs. ) | 90.72                | 62.12                | 56.92                  |
| Company ( in Rs. )      | 90.14                | 74.19                | 71.16                  |

### 9 Market Price Per Share

|   | 31st Dec 2016<br>Rs. | 31st Dec 2015<br>Rs. | 31st March 2016<br>Rs. |
|---|----------------------|----------------------|------------------------|
| Highest for the Quarter (in Rs.)                  | 240.00               | 329.90               | 329.90                 |
| Lowest for the Quarter (in Rs.)                   | 212.00               | 230.00               | 131.00                 |
| Last Traded Price for the Year / Quarter (in Rs.) | 223.40               | 298.80               | 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 December 2016

|                                    | <u>As at 31st December 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          | 386,775                         | 3.46%     | 365,000                      | 3.27%     | 21,775        |
| 3 Mr. Astrue Alpha                 | 217,748                         | 1.95%     | 214,381                      | 1.92%     | 3,367         |
| 4 Mr. T.T.T.Al-Nakib               | 107,301                         | 0.96%     | 59,000                       | 0.53%     | 48,301        |
| 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                  | 52,819                          | 0.47%     |                              |           | 52,819        |
| 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 Corporate Holdings (Pvt) Ltd    | 30,000                          | 0.27%     | 30,000                       | 0.27%     | -             |
| 14 Mr. W.Jinadasa                  | 29,240                          | 0.26%     |                              |           | 29,240        |
| 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. A.S.Weerasinghe             | 17,600                          | 0.16%     |                              |           | 17,600        |
| Total                              | 10,257,502                      | 91.88%    | 10,076,444                   | 90.26%    | 181,058       |

### 2. Public & Parent Shareholding

As at 31st Dec 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 31st December 2016 number of public holders are 1,485 (2015 : 1,486)

### 3 Details of Directors Share holding is given below

| Name of the Director                    | No of Shares<br>as at 31st December<br>2016 | No of Shares<br>as at 31st March<br>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 Ratnayeke Associates  
International Legal Consultants, Solicitors & Attorneys-at-Law