

**INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 30 JUNE 2014
UNAUDITED**



ACL CABLES PLC (PQ 102)

ACL CABLES PLC
CONSOLIDATED INCOME STATEMENT

Unaudited

<i>For the three months ended 30 June</i>	Group		Company	
	2014 Rs.000	2013 Rs.000	2014 Rs.000	2013 Rs.000
Revenue	2,784,684	2,788,302	1,361,007	1,615,076
Cost of sales	(2,393,034)	(2,374,679)	(1,205,773)	(1,454,626)
Gross profit	391,651	413,623	155,234	160,450
Other income	6,017	5,871	1,936	3,407
Distribution expenses	(161,342)	(130,453)	(63,181)	(58,626)
Administrative expenses	(85,462)	(81,768)	(35,948)	(33,485)
Results from operating activities	150,864	207,274	58,041	71,746
Net finance cost	(84,558)	(70,442)	(52,695)	(61,655)
Profit before tax	66,306	136,832	5,346	10,091
Tax expense	(24,432)	(35,045)	(4,724)	(4,884)
Profit for the period	41,875	101,787	622	5,207
Share of profit attributable to non-controlling interest	(11,252)	(13,634)	-	-
Net profit attributable to equity holders of the Company	30,622	88,153	622	5,207
Earnings per share (Rs.)	0.51	1.47	0.01	0.09

ACL CABLES PLC
STATEMENT OF COMPREHENSIVE INCOME

Unaudited

For the three months ended 30 June

	Group		Company	
	2014 Rs.000	2013 Rs.000	2014 Rs.000	2013 Rs.000
Profit for the period	41,875	101,787	622	5,207
Other comprehensive income/(expenses)				
Net change in fair value of available for sale financial assets	2,010	402	880	(134)
Other comprehensive income for the period, net of tax	2,010	402	880	(134)
Total comprehensive income for the period	43,885	102,189	1,502	5,073
Total comprehensive income attributable to:				
Non controlling interests	(11,646)	(13,821)	-	-
Owners of the company	32,239	88,368	1,502	5,073

ACL CABLES PLC
STATEMENT OF FINANCIAL POSITION

Unaudited

As at

	Group		Company	
	30.06.2014 Rs.000	31.03.2014 Rs.000	30.06.2014 Rs.000	31.03.2014 Rs.000
ASSETS				
Property, plant & equipment	3,109,921	3,136,216	1,396,230	1,410,398
Work in progress	45,691	49,764	8,038	8,028
Investment property	130,000	130,000	-	-
Intangible assets	11,792	12,196	5,799	6,202
Pre paid lease rentals	1,705	1,732	-	-
Investment in subsidiaries	-	-	621,471	621,472
Financial assets - Available for sale at fair value	27,841	25,832	11,569	10,689
Non - current assets	3,326,951	3,355,740	2,043,107	2,056,789
Inventories	4,074,398	3,975,615	1,939,556	1,768,091
Trade and other receivables	3,852,121	4,021,115	2,695,155	2,651,185
Pre paid lease rentals	22	22	-	-
Cash & cash equivalents	737,603	765,453	149,642	281,372
Current assets	8,664,145	8,762,205	4,784,353	4,700,648
TOTAL ASSETS	11,991,095	12,117,945	6,827,460	6,757,437
EQUITY & LIABILITIES				
Capital & reserves				
Stated capital	299,488	299,488	299,488	299,488
Capital reserve	1,439,893	1,439,893	658,340	658,340
General reserve	1,123,825	1,123,825	680,266	680,266
Available-for-sale Reserve	(2,122)	(3,739)	(9,101)	(9,981)
Retained earnings	3,267,736	3,237,114	1,328,369	1,327,747
Total Equity attributable to Equity Holders of the Company	6,128,821	6,096,581	2,957,362	2,955,860
Non controlling interests	757,862	746,216	-	-
Total equity	6,886,683	6,842,797	2,957,362	2,955,860
Liabilities				
Provision for payment in lieu of employee share issue scheme	1,944	1,969	-	-
Defined benefit obligations	238,468	227,933	150,866	145,613
Deferred tax liability	209,563	210,258	99,594	99,594
Borrowings	95,841	95,841	-	-
Non - current liabilities	545,816	536,001	250,460	245,207
Trade and other payables	1,568,363	1,458,777	1,404,237	1,463,155
Current income tax liability	258,006	286,913	38,919	83,447
Borrowings	2,401,420	2,541,890	1,634,757	1,704,209
Bank overdraft	330,808	451,567	541,725	305,559
Current liabilities	4,558,597	4,739,147	3,619,638	3,556,370
Total liabilities	5,104,413	5,275,148	3,870,098	3,801,577
Total equity & liabilities	11,991,095	12,117,945	6,827,460	6,757,437
Net asset value per share	102.33	101.79	49.38	49.35
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs)			68.00	74.00
Lowest price (Rs)			60.80	60.00
Last traded price (Rs)			66.00	61.00

It is certified that these financial statements have been prepared in compliance with the requirements of Companies Act, No. 07 of 2007.

Sgd.
Champika Coomasaru
Group Financial Controller

Sgd.
U. G. Madanayake
Chairman
14 August 2014
Colombo

Sgd.
Suren Madanayake
Managing Director

ACL CABLES PLC
STATEMENT OF CASH FLOW

Unaudited

For the three months ended 30 June

	GROUP		COMPANY	
	2014	2013	2014	2013
	Rs.000	Rs.000	Rs.000	Rs.000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	66,306	136,832	5,346	10,091
Adjustments for:				
Depreciation of property, plant and equipment	46,928	39,037	19,677	17,471
Dividend income	(64)	(168)	(64)	(168)
Interest expense/(income)	84,558	70,442	52,695	61,655
Profit on disposal of property, plant and equipment	-	(2,344)	-	(2,342)
Amortization of leasehold properties	(27)	28	-	-
Defined benefit obligations	12,636	10,748	6,747	6,471
Changes in working capital:				
(Increase)/Decrease in;				
Inventories	(98,783)	49,121	(171,465)	(46,718)
Receivables and prepayments	169,049	594,412	(43,970)	165,325
Increase/(Decrease) in;				
Trade and other payables	109,586	(188,249)	(58,918)	(167,702)
Cash generated from/ (used in) operations	390,188	709,859	(189,952)	44,083
Interest received/(paid)	(84,558)	(70,442)	(52,695)	(61,655)
Gratuity paid	(2,101)	(1,473)	(1,494)	(874)
Payment in lieu of employee share issue scheme	(25)	(36)	-	-
Income tax paid less refund received	(54,034)	(1,324)	(49,252)	-
Net cash (used in)/from operating activities	249,471	636,584	(293,393)	(18,446)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase and construction of property, plant and equipment	(16,156)	(34,326)	(5,115)	(21,957)
Dividend received	64	168	64	168
Proceeds on disposal of property, plant & equipment	-	2,344	-	2,342
Net cash from/(used in) investing activities	(16,092)	(31,814)	(5,051)	(19,447)
CASH FLOW FROM FINANCING ACTIVITIES				
Lease installments paid	-	(53)	-	(53)
Short term borrowings net of payments	(140,470)	(762,553)	(69,452)	(196,283)
Long term borrowings net of payments	-	(25,000)	-	(25,000)
Net cash generated from/ (used in) financing activities	(140,470)	(787,606)	(69,452)	(221,336)
Net increase/(decrease) in cash & cash equivalents	92,909	(182,835)	(367,896)	(259,229)
Cash & cash equivalents at the beginning of the period	313,886	402,278	(24,187)	54,360
Cash & cash equivalents at the end of the period	406,795	219,443	(392,083)	(204,869)

1. Segment information

(a) Business segment information

<i>For the three months ended 30 June</i>	Manufacturing cables 2014 Rs'000	Manufacturing PVC compound 2014 Rs'000	Others 2014 Rs'000	Total 2014 Rs'000	Total 2013 Rs'000
Revenue					
Total revenue	2,805,420	268,682	592,412	3,666,514	3,581,403
Inter-segment sales	(137,475)	(251,199)	(493,156)	(881,830)	(793,101)
External sales	2,667,945	17,483	99,256	2,784,684	2,788,302
Results					
Profit/(loss) before other income and finance cost	91,997	25,616	27,234	144,847	201,402
Other income	4,295	1,722	-	6,017	5,871
Finance (cost)/income	(61,924)	(3,498)	(19,136)	(84,558)	(70,442)
Taxation	(15,815)	(6,580)	(2,037)	(24,432)	(35,045)
Profit/(loss) after taxation	18,554	17,260	6,061	41,875	101,787
Capital expenditure					
Segment capital expenditure	9,786	-	6,370	16,156	34,326
Total capital expenditure				16,156	34,326
Depreciation and amortisation					
Segment depreciation	37,895	3,157	5,876	46,928	39,037
Total depreciation and amortisation				46,928	39,037

<i>For the three months ended 30 June</i>	Manufacturing cables 2014 Rs'000	Manufacturing PVC compound 2014 Rs'000	Others 2014 Rs'000	Total 2014 Rs'000	Total 31.03.2014 Rs'000
Assets					
Segment assets	9,594,248	572,138	1,300,270	11,466,656	11,593,506
Unallocated corporate assets				524,439	524,439
Total assets				11,991,095	12,117,945
Liabilities					
Segment liabilities	4,184,841	206,045	707,891	5,098,777	5,269,512
Unallocated corporate liabilities				5,636	5,636
Total liabilities				5,104,413	5,275,148

(b) Geographical segment information - revenue

<i>For the three months ended 30 June</i>	Group		Company	
	2014 RS'000	2013 RS'000	2014 RS'000	2013 RS'000
Local sales	2,131,623	2,366,588	1,108,812	1,452,548
Export sales	653,061	421,714	252,195	162,528
	2,784,684	2,788,302	1,361,007	1,615,076

ACL CABLES PLC
NOTES TO THE FINANCIAL STATEMENTS

Unaudited

- 2.** The consolidated interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31 March 2013 and are in compliance with Sri Lanka Accounting Standards - LKAS 34 - Interim Financial Reporting.
- 3.** Where necessary, the presentation and classification of the financial statements of the previous period have been adjusted for better presentation and to be comparable with year end reporting.
- 4.** There were no liabilities for management fees or any other similar expenditures in the interim financial statements.
- 5.** There were no funds raised through an IPO/Rights/Debenture issues by the group of companies.
- 6.** There have been no other events subsequent to the balance sheet date, which require disclosures in the interim financial statements.
- 7.** There were no significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2013.

Twenty largest shareholders as at 30 June 2014

Shareholder Name	Number of shares	Holdings %
01. Mr. U. G. Madanayake	22,837,216	38.13%
02. Mr. Suren Madanayake	13,302,396	22.21%
03. Employees Provident Fund	3,247,926	5.42%
04. Sri Lanka Insurance Corporation Limited - Life Fund	2,100,200	3.51%
05. National Savings Bank	1,516,764	2.53%
06. Seylan Bank Ltd/Govindasami Ramanan	1,232,153	2.06%
07. Mrs. N.C. Madanayake	1,032,100	1.72%
08. Deutsche Bank AG -National Equity Fund	959,157	1.60%
09. Employees Trust Fund Board	816,271	1.36%
10. FAB Foods (Private) Ltd	767,520	1.28%
11. Seylan Bank PLC/Capital Trust Holdings (Pvt) Ltd	756,251	1.26%
12. David Peiris Mortor Company Ltd	647,716	1.08%
13. Bank of Ceylon-No 2 A/C	541,900	0.90%
14. Deutsche Bank AG AS Trustee for Namal Acuity	500,000	0.83%
15. R.D.M. Perera	350,932	0.59%
16. Sir Cyril De Zoysa Trust	341,036	0.57%
17. Amana Bank Limited	293,371	0.49%
18. Elgin Investments Limited	224,999	0.38%
19. Bank of Ceylon, No.01 Account	201,419	0.34%
20. Perera V.A.D.L.W.	188,500	0.31%
	51,857,827	86.58%

Share holding of directors as at 30 June 2014

Director Name	Number of shares	Holdings %
01. Mr. U. G. Madanayake - Chairman	22,837,216	38.13%
02. Mr. Suren Madanayake - Managing Director	13,302,396	22.21%
03. Mrs. N.C. Madanayake	1,032,100	1.72%
04. Mr. Ajit Jayaratne	-	-
05. Mr. Hemaka Amarasuriya	-	-
06. Mr. D.D. Wahalthanthri	-	-
07. Mr. Rajiv Casie Chitty	-	-
Total held by Directors	37,171,712	62.06%

Shares held by public as at 30 June 2014

22,721,968 **37.94%**

Total No of Shares as at 30 June 2014

59,893,680 **100.00%**