

**INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2015  
UNAUDITED**



**ACL CABLES PLC (PQ 102)**

**ACL CABLES PLC**  
**CONSOLIDATED INCOME STATEMENT**

*Unaudited*

(all amounts in Sri Lanka Rupees thousands)

	Quarter ended 31 December		Period ended 31 December	
	2015	2014	2015	2014
Revenue	3,018,984	4,601,367	9,698,983	11,087,513
Cost of sales	(2,264,987)	(3,932,543)	(7,399,372)	(9,397,463)
<b>Gross profit</b>	753,997	668,824	2,299,611	1,690,050
Other income	5,399	6,028	22,478	15,947
Distribution costs	(244,331)	(205,338)	(676,144)	(541,551)
Administrative costs	(100,920)	(90,754)	(288,759)	(277,554)
<b>Results from operating activities</b>	414,145	378,760	1,357,186	886,892
Net finance costs	(58,187)	(113,430)	(221,294)	(281,305)
Share of profit of investments accounted for using the equity method	16,917	68,327	58,907	68,327
<b>Profit before income tax</b>	372,875	333,657	1,194,799	673,915
Income tax expenses	(78,866)	(72,285)	(294,745)	(178,700)
<b>Profit for the period</b>	294,009	261,373	900,054	495,215
<b>Profit attributable to :</b>				
- Owners of the parent	257,344	241,482	794,922	443,267
- Non-controlling interests	36,665	19,891	105,132	51,948
<b>Profit for the period</b>	294,009	261,373	900,054	495,215
<b>Earnings per share (Rs.)</b>	4.91	4.36	15.03	8.27

**ACL CABLES PLC**  
**COMPANY INCOME STATEMENT**

*Unaudited*

(all amounts in Sri Lanka Rupees thousands)

	<b>Quarter ended</b>		<b>Period ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Revenue	1,396,064	2,222,505	5,306,358	5,543,864
Cost of sales	(1,165,699)	(1,914,819)	(4,450,291)	(4,793,814)
<b>Gross profit</b>	230,365	307,686	856,067	750,050
Other income	4,368	2,106	277,623	65,287
Distribution costs	(91,031)	(78,340)	(271,074)	(209,819)
Administrative costs	(45,088)	(40,061)	(125,150)	(122,000)
<b>Results from operating activities</b>	98,614	191,391	737,466	483,518
Net finance costs	(18,743)	(58,807)	(107,417)	(162,205)
<b>Profit before income tax</b>	79,871	132,584	630,049	321,313
Income tax expenses	(18,884)	(36,685)	(105,990)	(75,827)
<b>Profit for the period</b>	60,987	95,899	524,059	245,486
<b>Earnings per share (Rs.)</b>	1.02	1.60	8.75	4.10

**ACL CABLES PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**

Unaudited

(all amounts in Sri Lanka Rupees thousands)

**(A) Group**

	Quarter ended		Period ended	
	31 December 2015	2014	31 December 2015	2014
<b>Profit for the period</b>	294,009	261,373	900,054	495,215
<b>Other comprehensive income/(expenses)</b>				
Net change in fair value of available for sale financial assets	(1,263)	510	(569)	7,480
Transfers upon disposal of available for sale financial assets	-	-	3,027	-
<b>Other comprehensive income, net of tax</b>	(1,263)	510	2,458	7,480
<b>Total comprehensive income, net of tax</b>	292,746	261,883	902,512	502,695
<b>Attributable to;</b>				
- Owners of the parent	258,427	19,768	796,279	53,599
- Non-controlling interests	37,345	242,115	106,233	449,096
<b>Total comprehensive income, net of tax</b>	295,771	261,883	902,512	502,695

**(B) COMPANY**

	Quarter ended		Period ended	
	31 December 2015	2014	31 December 2015	2014
<b>Profit for the period</b>	60,987	95,899	524,059	245,486
<b>Other comprehensive income/(expenses)</b>				
Net change in fair value of available for sale financial assets	(1,225)	863	(707)	2,736
<b>Other comprehensive income, net of tax</b>	(1,225)	863	(707)	2,736
<b>Total comprehensive income, net of tax</b>	59,762	96,762	523,352	248,222

**ACL CABLES PLC**  
**STATEMENT OF FINANCIAL POSITION**

Unaudited

(all amounts in Sri Lanka Rupees thousands)

As at

	Group		Company	
	31.12.2015	31.03.2015	31.12.2015	31.03.2015
<b>ASSETS</b>				
Property, plant & equipment	3,494,872	3,535,210	1,484,221	1,473,239
Work in progress	41,703	64,127	1,478	25,911
Investment property	493,000	493,000	285,000	285,000
Intangible assets	5,994	13,689	-	6,572
Pre paid lease rentals	1,693	1,710	-	-
Investment in subsidiaries	-	-	576,243	576,243
Investment in equity accounted investee	303,860	823,749	333,454	778,060
Available for sale financial assets	25,446	30,145	11,024	11,581
<b>Non - current assets</b>	<b>4,366,568</b>	<b>4,961,630</b>	<b>2,691,420</b>	<b>3,156,606</b>
Inventories	4,295,957	5,099,276	2,020,982	2,032,571
Trade and other receivables	3,921,021	4,968,387	2,880,937	3,380,427
Pre paid lease rentals	22	22	-	-
Cash & cash equivalents	1,902,788	1,038,758	876,607	353,347
<b>Current assets</b>	<b>10,119,788</b>	<b>11,106,443</b>	<b>5,778,526</b>	<b>5,766,345</b>
<b>TOTAL ASSETS</b>	<b>14,486,355</b>	<b>16,068,073</b>	<b>8,469,946</b>	<b>8,922,951</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Capital &amp; reserves</b>				
Stated capital	299,488	299,488	299,488	299,488
Capital reserve	1,818,019	1,818,019	795,582	795,582
General reserve	1,123,825	1,123,825	680,266	680,266
Available-for-sale Reserve	7,937	10,528	1,349	2,056
Retained earnings	4,828,967	4,138,163	2,242,918	1,838,647
<b>Total Equity attributable to Equity Holders of the Company</b>	<b>8,078,236</b>	<b>7,390,023</b>	<b>4,019,603</b>	<b>3,616,039</b>
Non controlling interests	956,389	870,373	-	-
<b>Total equity</b>	<b>9,034,625</b>	<b>8,260,396</b>	<b>4,019,603</b>	<b>3,616,039</b>
<b>Liabilities</b>				
Defined benefit obligations	264,942	242,719	158,079	150,109
Deferred tax liability	310,451	310,450	139,187	139,186
Borrowings	1,239,841	1,232,841	1,202,000	1,177,000
<b>Non - current liabilities</b>	<b>1,815,234</b>	<b>1,786,010</b>	<b>1,499,266</b>	<b>1,466,295</b>
Trade and other payables	2,034,091	3,288,814	1,992,835	2,123,150
Current income tax liability	647,484	463,029	183,504	138,626
Borrowings	794,443	1,861,898	650,627	1,302,647
Bank overdraft	160,479	407,926	124,111	276,194
<b>Current liabilities</b>	<b>3,636,497</b>	<b>6,021,667</b>	<b>2,951,077</b>	<b>3,840,617</b>
<b>Total liabilities</b>	<b>5,451,731</b>	<b>7,807,677</b>	<b>4,450,343</b>	<b>5,306,912</b>
<b>Total equity &amp; liabilities</b>	<b>14,486,355</b>	<b>16,068,073</b>	<b>8,469,946</b>	<b>8,922,951</b>
Net asset value per share	134.88	123.39	67.11	60.37
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs)			128.70	83.90
Lowest price (Rs)			108.00	72.00
Last traded price (Rs)			120.90	76.40

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

12 February 2016  
Colombo

Sgd.

**Suren Madanayake**  
Managing Director

(all amounts in Sri Lanka Rupees thousands)

For the nine months ended 31 December 2015

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit			
<b>Balance at 1 April 2015</b>	299,488	1,818,019	1,123,825	10,528	4,138,163	7,390,023	870,373	8,260,396
Net profit	-	-	-	-	794,922	794,922	105,132	900,054
Fair value adjustment for available for sale financial assets	-	-	-	(617)	-	(617)	48	(569)
Transfers upon disposal of available for sale financial assets	-	-	-	-	1,974	1,974	1,053	3,027
<b>Total comprehensive income</b>	-	-	-	(617)	796,896	796,279	106,233	902,512
Transfers upon disposal of available for sale financial assets	-	-	-	(1,974)	-	(1,974)	(1,053)	(3,027)
Impact on ownership change in equity accounted investee	-	-	-	-	13,696	13,696	-	13,696
Dividends	-	-	-	-	(119,787)	(119,787)	(19,165)	(138,952)
<b>Balance at 31 December 2015</b>	299,488	1,818,019	1,123,825	7,937	4,828,967	8,078,236	956,389	9,034,625

For the year ended 31 March 2015

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit			
<b>Balance at 1 April 2014</b>	299,488	1,357,957	1,123,825	(3,739)	3,322,179	6,099,710	745,123	6,844,833
Net profit	-	-	-	-	443,267	443,267	51,948	495,215
Fair value adjustment for available for sale financial assets	-	-	-	5,829	-	5,829	1,651	7,480
<b>Total comprehensive income</b>	-	-	-	5,829	443,267	449,096	53,599	502,695
Dividends	-	-	-	-	(59,894)	(59,894)	(9,699)	(69,593)
Impairment for available for sale investments	-	-	-	11,145	-	11,145	-	11,145
<b>Balance at 31 December 2014</b>	299,488	1,357,957	1,123,825	13,235	3,705,552	6,500,057	789,023	7,289,080
<b>Balance at 01 January 2015</b>	299,488	1,357,957	1,123,825	13,235	3,705,552	6,500,057	789,023	7,289,080
Net profit	-	-	-	-	416,305	416,305	42,567	458,872
Fair value adjustment for available for sale financial assets	-	-	-	(2,707)	-	(2,707)	(460)	(3,167)
Re-measurements of post employment benefit obligation	-	-	-	-	13,284	13,284	-	13,284
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	(3,719)	(3,719)	-	(3,719)
Revaluation surplus	-	546,052	-	-	-	546,052	48,439	594,491
Deferred tax on revaluation surplus	-	(80,951)	-	-	-	(80,951)	(9,196)	(90,147)
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	(258)	(258)	-	(258)
<b>Total comprehensive income</b>	-	465,101	-	(2,707)	425,612	888,006	81,350	969,356
Transfer from revaluation reserve	-	(7,000)	-	-	7,000	-	-	-
Deferred tax on transfer from revaluation reserve	-	1,961	-	-	-	1,961	-	1,961
<b>Balance at 31 March 2015</b>	299,488	1,818,019	1,123,825	10,528	4,138,163	7,390,023	870,373	8,260,396

**ACL CABLES PLC**  
**STATEMENT OF CHANGES IN EQUITY - COMPANY**

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the nine months ended 31 December 2015

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
<b>Balance at 1 April 2015</b>	299,488	795,582	680,266	2,056	1,838,647	3,616,039
Net profit	-	-	-	-	524,059	524,059
Fair value adjustment for available for sale financial assets	-	-	-	(707)	-	(707)
<b>Total comprehensive income</b>	-	-	-	(707)	524,059	523,352
Dividends					(119,787)	(119,787)
<b>Balance at 31 December 2015</b>	299,488	795,582	680,266	1,349	2,242,918	4,019,603
No of shares as at 31 December 2015	59,893,680					

For the year ended 31 March 2015

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
<b>Balance at 1 April 2014</b>	299,488	576,406	680,266	(9,981)	1,398,760	2,944,939
Net profit	-	-	-	-	245,486	245,486
Fair value adjustment for available for sale financial assets	-	-	-	2,736	-	2,736
<b>Total comprehensive income</b>	-	-	-	2,736	245,486	248,222
Impairment for available for sale investments	-	-	-	11,145	-	11,145
Dividends	-	-	-	-	(59,894)	(59,894)
<b>Balance at 31 December 2014</b>	299,488	576,406	680,266	3,900	1,584,352	3,144,412
<b>Balance at 01 January 2015</b>	299,488	576,406	680,266	3,900	1,584,352	3,144,412
Net profit	-	-	-	-	246,289	246,289
Fair value adjustment for available for sale financial assets	-	-	-	(1,844)	-	(1,844)
Re-measurements of post employment benefit obligation	-	-	-	-	11,121	11,121
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	(3,114)	(3,114)
Revaluation surplus	-	260,034	-	-	-	260,034
Deferred tax on revaluation surplus	-	(40,858)	-	-	-	(40,858)
<b>Total comprehensive income</b>	-	219,176	-	(1,844)	254,296	471,628
<b>Balance at 31 March 2015</b>	299,488	795,582	680,266	2,056	1,838,647	3,616,039
No of shares as at 31 March 2015	59,893,680					

**ACL CABLES PLC**  
**STATEMENT OF CASH FLOW**

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the nine months ended 31 December

**CASH FLOW FROM OPERATING ACTIVITIES**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Profit/(loss) before tax	1,194,799	673,915	630,049	321,313
<b>Adjustments for:</b>				
share of profit from equity accounted investee (net of tax)	(58,907)	-	-	-
Depreciation of property, plant and equipment	170,371	141,605	65,949	59,030
Dividend income	(469)	(158)	(120,326)	(61,046)
Interest expense/(income)	221,294	281,305	107,417	162,205
Profit on disposal of property, plant and equipment	(2,909)	-	(2,875)	-
Profit on share re-purchase	-	-	(147,886)	-
Amortization of leasehold properties	(17)	(17)	-	-
Impairment for investments	-	11,145	-	11,145
Defined benefit obligations	39,946	35,414	22,266	20,241
<b>Changes in working capital:</b>				
(Increase)/Decrease in;				
Inventories	803,319	(1,596,928)	11,589	(577,271)
Receivables and prepayments	1,047,069	(731,520)	499,488	(355,908)
Increase/(Decrease) in;				
Trade and other payables	(1,254,724)	2,545,054	(130,315)	774,673
<b>Cash generated from/ (used in) operations</b>	<b>2,159,773</b>	<b>1,359,814</b>	<b>935,356</b>	<b>354,382</b>
Interest received/(paid)	(221,294)	(281,305)	(107,417)	(162,205)
Define benefit obligations paid	(17,723)	(10,275)	(14,296)	(6,492)
Income tax paid less refund received	(97,679)	(167,682)	(61,112)	(131,680)
WHT on dividend paid by subsidiary	(12,610)	(6,588)	-	-
<b>Net cash (used in)/from operating activities</b>	<b>1,810,467</b>	<b>893,965</b>	<b>752,531</b>	<b>54,005</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase and construction of property, plant and equipment	(100,028)	(122,127)	(45,926)	(70,978)
Dividend received	469	158	120,326	61,046
Sales procedss from share disposal	4,550	-	-	-
Investment in equity accounted investee	-	(845,920)	-	(777,593)
Sales procedss from share re - purchase	592,493	-	592,493	-
Sales proceeds from disposal of property, plant equipment	3,084	937	2,875	937
Investments in Financial assets - Available for sale at fair value	(149)	-	(149)	-
<b>Net cash from/(used in) investing activities</b>	<b>500,419</b>	<b>(966,952)</b>	<b>669,619</b>	<b>(786,588)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Short term borrowings net of payments	(1,067,455)	(1,268,197)	(652,020)	(591,994)
Long term borrowings net of payments	7,000	1,261,000	25,000	1,277,000
Dividends paid by the Company	(119,787)	(59,894)	(119,787)	(59,894)
Dividends paid by subsidiaries to minorities	(19,165)	(9,699)	-	-
<b>Net cash generated from/ (used in) financing activities</b>	<b>(1,199,407)</b>	<b>(76,790)</b>	<b>(746,807)</b>	<b>625,112</b>
Net increase/(decrease) in cash & cash equivalents	1,111,477	(149,777)	675,343	(107,471)
Cash & cash equivalents at the beginning of the period	630,832	313,885	77,153	(24,187)
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>1,742,309</b>	<b>164,108</b>	<b>752,496</b>	<b>(131,658)</b>



**ACL CABLES PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

Unaudited

(all amounts in Sri Lanka Rupees thousands)

**1. Segment information**

(a) Business segment information

<i>For the nine months ended 31 December</i>	<b>Manufacturing cables 2015</b>	<b>Manufacturing PVC compound 2015</b>	<b>Others 2015</b>	<b>Total 2015</b>	<b>Total 2014</b>
<b>Revenue</b>					
Total revenue	10,429,594	954,088	2,801,514	14,185,196	14,140,966
Inter-segment sales	(1,115,227)	(901,025)	(2,469,961)	(4,486,213)	(3,053,453)
<b>External sales</b>	<b>9,314,367</b>	<b>53,063</b>	<b>331,553</b>	<b>9,698,983</b>	<b>11,087,513</b>
<b>Results</b>					
Profit/(loss) before other income and finance cost	917,738	156,094	260,876	1,334,708	870,945
Other income	18,015	4,463	-	22,478	15,947
Finance (cost)/income	(120,909)	(8,480)	(91,905)	(221,294)	(281,305)
Share of profit of equity accounted investee and gain on bargain purchase <b>(Power and energy)</b>	-	-	58,907	58,907	68,327
Taxation	(243,372)	(42,370)	(9,003)	(294,745)	(178,700)
<b>Profit/(loss) after taxation</b>	<b>571,472</b>	<b>109,707</b>	<b>218,875</b>	<b>900,054</b>	<b>495,215</b>
<b>Capital expenditure</b>					
Segment capital expenditure	77,177	-	22,851	100,028	122,127
<b>Total capital expenditure</b>				<b>100,028</b>	<b>122,127</b>
<b>Depreciation and amortisation</b>					
Segment depreciation	136,367	13,932	20,072	170,371	141,605
<b>Total depreciation and amortisation</b>				<b>170,371</b>	<b>141,605</b>

<i>For the nine months ended 31 December</i>	<b>Manufacturing cables 2015</b>	<b>Manufacturing PVC compound 2015</b>	<b>Others 2015</b>	<b>Total 2015</b>	<b>Total 31.03.2014</b>
<b>Assets</b>					
Segment assets	11,967,778	620,266	1,307,152	13,895,196	11,524,017
Unallocated corporate assets				591,159	524,456
<b>Total assets</b>				<b>14,486,355</b>	<b>16,068,073</b>
<b>Liabilities</b>					
Segment liabilities	4,099,984	139,968	1,206,718	5,446,670	5,197,947
Unallocated corporate liabilities				5,061	5,693
<b>Total liabilities</b>				<b>5,451,731</b>	<b>7,807,677</b>

(b) Geographical segment information - revenue

<i>For the nine months ended 30 December</i>	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Local sales	8,551,140	9,306,886	4,699,456	4,776,815
Export sales	1,147,843	1,780,627	606,902	767,049
	<b>9,698,983</b>	<b>11,087,513</b>	<b>5,306,358</b>	<b>5,543,864</b>

**ACL CABLES PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

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*Unaudited*

- 2.** Resus Energy PLC, an equity accounted investee of ACL Cables PLC re-purchased 24,687,204 ordinary shares held by ACL Cables PLC on 14 August 2015 at a price of Rs.24/- per ordinary share on the basis of four ordinary shares for every seven ordinary shares held in Resus Energy PLC. Total proceeds received and the profit on share re-purchase were Rs.592 million and Rs.148 million respectively.
- 3.** 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 2015 and are in compliance with Sri Lanka Accounting Standards - LKAS 34 - Interim Financial Reporting.
- 4.** 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.
- 5.** There were no liabilities for management fees or any other similar expenditures in the interim financial statements.
- 6.** There were no funds raised through an IPO/Rights/Debenture issues by the group of companies.
- 7.** There have been no other events subsequent to the balance sheet date, which require disclosures in the interim financial statements.
- 8.** There were no significant changes in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2015.

**Twenty largest shareholders as at 31 December 2015**

<b>Shareholder Name</b>	<b>Number of shares</b>	<b>Holdings %</b>
01. Mr. U. G. Madanayake	22,837,216	38.13%
02. Mr. Suren Madanayake	13,302,396	22.21%
03. Employees Provident Fund	2,911,566	4.86%
04. Seylan Bank Ltd/Govindasami Ramanan	2,334,427	3.90%
05. Deutsche Bank AG -National Equity Fund	1,132,157	1.89%
06. Mrs. N.C. Madanayake	1,032,100	1.72%
07. FAB Foods (Private) Ltd	767,520	1.28%
08. Deutsche Bank AG AS Trustee for Namal Acuity	750,000	1.25%
09. Bank of Ceylon-No 2 A/C	741,900	1.24%
10. Mas Capital (Private) Limited	591,503	0.99%
11. Sri Lanka Insurance Corporation Limited - Life Fund	558,557	0.93%
12. Deutsche Bank AG AS Trustee for Namal Acuity	500,000	0.83%
13. Mellon Bank N A - Commonwealth of Massachuse	390,478	0.65%
14. Bank of Ceylon, No.01 Account	384,199	0.64%
15. Perera R.D.M.	350,932	0.59%
16. Selliah A & Selliah S	350,000	0.58%
17. Sir Cyril De Zoysa Trust	341,036	0.57%
18. Arunodhaya (Pvt) Ltd	250,000	0.42%
19. Arunodhaya Industries (Pvt) Ltd	250,000	0.42%
20. Arunodhaya Investments (Pvt) Ltd	250,000	0.42%
	<b>50,025,987</b>	<b>83.52%</b>

**Share holding of directors as at 31 December 2015**

<b>Director Name</b>	<b>Number of shares</b>	<b>Holdings %</b>
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. Dr.Sivakumar Selliah	350,000	0.58%
05. Mr. Ajit Jayaratne	-	-
06. Mr. Hemaka Amarasuriya	-	-
07. Mr. D.D. Wahalthanthri	-	-
08. Mr. Rajiv Casie Chitty	-	-
Total held by Directors	<b>37,521,712</b>	<b>62.65%</b>

**Shares held by public as at 31 December 2015**

	<b>22,371,968</b>	<b>37.35%</b>
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**Total No of Shares as at 31 December 2015**

	<b>59,893,680</b>	<b>100.00%</b>
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**No of public share holders as at 31 December 2015**

**2,281**