

**INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED 30 SEPTEMBER 2015
UNAUDITED**



ACL CABLES PLC (PQ 102)

ACL CABLES PLC
CONSOLIDATED INCOME STATEMENT

Unaudited

(all amounts in Sri Lanka Rupees thousands)

	Quarter ended		Period ended	
	30 September		30 September	
	2015	2014	2015	2014
Revenue	3,327,203	3,701,462	6,679,999	6,486,146
Cost of sales	(2,521,384)	(3,071,886)	(5,134,385)	(5,464,920)
Gross profit	805,820	629,576	1,545,615	1,021,226
Other income	11,465	3,902	17,079	9,919
Distribution costs	(219,043)	(174,871)	(431,813)	(336,213)
Administrative costs	(89,185)	(101,338)	(187,839)	(186,800)
Results from operating activities	509,057	357,269	943,042	508,132
Net finance cost	(78,103)	(83,317)	(163,107)	(167,875)
Share of profit of investments accounted for using the equity method	16,055	-	41,990	-
Profit before income tax	447,010	273,952	821,926	340,257
Income tax expenses	(130,634)	(81,983)	(215,879)	(106,415)
Profit for the period	316,376	191,969	606,047	233,842
Profit attributable to :				
- Owners of the parent	273,363	171,164	537,580	201,785
- Non-controlling interests	43,013	20,805	68,467	32,057
	316,376	191,969	606,047	233,842
Earnings per share (Rs.)	4.56	2.86	8.98	3.37

ACL CABLES PLC
COMPANY INCOME STATEMENT

Unaudited

(all amounts in Sri Lanka Rupees thousand)

	Quarter ended		Period ended	
	30 September		30 September	
	2015	2014	2015	2014
Revenue	1,988,967	1,960,352	3,910,294	3,321,359
Cost of sales	(1,686,673)	(1,673,222)	(3,284,592)	(2,878,995)
Gross profit	302,294	287,130	625,702	442,364
Other income	270,639	61,245	273,255	63,181
Distribution expenses	(89,736)	(68,298)	(180,043)	(131,479)
Administrative expenses	(40,333)	(45,991)	(80,062)	(81,939)
Results from operating activities	442,864	234,086	638,852	292,127
Net finance cost	(29,685)	(50,703)	(88,674)	(103,398)
Profit before tax	413,179	183,383	550,178	188,729
Tax expense	(48,224)	(34,418)	(87,106)	(39,142)
Profit for the period	364,955	148,965	463,072	149,587
Earnings per share (Rs.)	6.09	2.49	7.73	2.50

ACL CABLES PLC
STATEMENT OF COMPREHENSIVE INCOME

Unaudited

(all amounts in Sri Lanka Rupees thousands)

(A) Group

	Quarter ended 30 September		Period ended 30 September	
	2015	2014	2015	2014
Profit	316,376	191,969	606,047	233,842
Other comprehensive income/(expenses) Net change in fair value of available for sale financial assets	(1,229)	4,960	694	6,971
Other comprehensive income, net of tax	(1,229)	4,960	694	6,971
Total comprehensive income, net of tax	315,147	196,929	606,741	240,813
Attributable to;				
- Owners of the parent	269,353	174,744	534,825	206,982
- Non-controlling interests	42,767	22,185	68,889	33,831
Total comprehensive income, net of tax	584,500	196,929	603,714	240,813

(B) COMPANY

	Quarter ended 30 September		Period ended 30 September	
	2015	2014	2015	2014
Profit	364,955	148,965	463,072	149,587
Other comprehensive income/(expenses) Net change in fair value of available for sale financial assets	(524)	993	(518)	1,873
Other comprehensive income, net of tax	(524)	993	(518)	1,873
Total comprehensive income, net of tax	364,431	149,958	462,554	151,460

ACL CABLES PLC
STATEMENT OF FINANCIAL POSITION

Unaudited

(all amounts in Sri Lanka Rupees thousands)

As at

	Group		Company	
	30.09.2015	31.03.2015	30.09.2015	31.03.2015
ASSETS				
Property, plant & equipment	3,491,925	3,535,210	1,485,829	1,473,239
Work in progress	41,723	64,127	946	25,911
Investment property	493,000	493,000	285,000	285,000
Intangible assets	11,540	13,689	5,460	6,572
Pre paid lease rentals	1,699	1,710	-	-
Investment in subsidiaries	-	-	576,243	576,243
Investment in equity accounted investee	287,419	823,749	333,454	778,060
Available for sale financial assets	26,559	30,145	11,063	11,581
Non - current assets	4,353,866	4,961,630	2,697,995	3,156,606
Inventories	4,031,672	5,099,276	1,822,988	2,032,571
Trade and other receivables	4,110,167	4,968,387	3,284,917	3,380,427
Pre paid lease rentals	22	22	-	-
Cash & cash equivalents	1,813,931	1,038,758	873,860	353,347
Current assets	9,955,791	11,106,443	5,981,765	5,766,345
TOTAL ASSETS	14,309,657	16,068,073	8,679,760	8,922,951
EQUITY & LIABILITIES				
Capital & reserves				
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	7,773	10,528	1,538	2,056
Retained earnings	4,570,127	4,138,163	2,181,932	1,838,647
Total Equity attributable to Equity Holders of the Company	7,819,232	7,390,023	3,958,806	3,616,039
Non controlling interests	919,864	870,373	-	-
Total equity	8,739,097	8,260,396	3,958,806	3,616,039
Liabilities				
Defined benefit obligations	255,523	242,719	153,947	150,109
Deferred tax liability	310,451	310,450	139,186	139,186
Borrowings	1,270,841	1,232,841	1,227,000	1,177,000
Non - current liabilities	1,836,815	1,786,010	1,520,133	1,466,295
Trade and other payables	1,827,561	3,288,814	2,177,974	2,123,150
Current income tax liability	579,659	463,029	164,620	138,626
Borrowings	1,056,760	1,861,898	761,542	1,302,647
Bank overdraft	269,766	407,926	96,685	276,194
Current liabilities	3,733,746	6,021,667	3,200,821	3,840,617
Total liabilities	5,570,562	7,807,677	4,720,954	5,306,912
Total equity & liabilities	14,309,657	16,068,073	8,679,760	8,922,951
Net asset value per share	130.55	123.39	66.10	60.37
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs)			126.00	83.60
Lowest price (Rs)			89.30	74.00
Last traded price (Rs)			108.40	76.00

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

12 November 2015
Colombo

Sgd.

Suren Madanayake
Managing Director

ACL CABLES PLC
STATEMENT OF CHANGES IN EQUITY - GROUP

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the three months ended 30 September

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit			
Balance at 1 April 2015	299,488	1,818,019	1,123,825	10,528	4,138,163	7,390,023	870,373	8,260,396
Net profit	-	-	-	-	537,580	537,580	68,467	606,047
Fair value adjustment for available for sale financial assets	-	-	-	272	-	272	422	694
Transfers upon disposal of available for sale financial assets	-	-	-	(3,027)	-	(3,027)	-	(3,027)
Total comprehensive income	-	-	-	(2,755)	537,580	534,825	68,889	603,714
Impact on ownership change in equity accounted investee	-	-	-	-	14,171	14,171	-	14,171
Dividends	-	-	-	-	(119,787)	(119,787)	(19,399)	(139,186)
Balance at 30 June 2015	299,488	1,818,019	1,123,825	7,773	4,570,127	7,819,232	919,864	8,739,096

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			
Balance at 1 April 2014	299,488	1,357,957	1,123,825	(3,739)	3,322,179	6,099,710	745,123	6,844,833
Net profit	-	-	-	-	201,785	201,785	32,057	233,842
Fair value adjustment for available for sale financial assets	-	-	-	5,197	-	5,197	1,774	6,971
Total comprehensive income	-	-	-	5,197	201,785	206,982	33,831	240,813
Dividends	-	-	-	-	(59,894)	(59,894)	(9,699)	(69,593)
Impairment for available for sale investments	-	-	-	11,145	-	11,145	-	11,145
Balance at 30 September 2014	299,488	1,357,957	1,123,825	12,603	3,464,070	6,257,943	769,255	7,027,198
Balance at 01 October 2014	299,488	1,357,957	1,123,825	12,603	3,464,070	6,257,943	769,255	7,027,198
Net profit	-	-	-	-	657,787	657,787	62,458	720,245
Fair value adjustment for available for sale financial assets	-	-	-	(2,075)	-	(2,075)	(583)	(2,658)
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)
Total comprehensive income	-	465,101	-	(2,075)	667,094	1,130,120	101,118	1,231,238
Transfer from revaluation reserve	-	(7,000)	-	-	7,000	-	-	-
Deferred tax on transfer from revaluation reserve	-	1,961	-	-	-	1,961	-	1,961
Balance at 31 March 2015	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)

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
Balance at 1 April 2015	299,488	795,582	680,266	2,056	1,838,647	3,616,039
Net profit	-	-	-	-	463,072	463,072
Fair value adjustment for available for sale financial assets	-	-	-	(518)	-	(518)
Total comprehensive income	-	-	-	(518)	463,072	462,554
Dividends					(119,787)	(119,787)
Balance at 30 September 2015	299,488	795,582	680,266	1,538	2,181,932	3,958,806
No of shares as at 30 September 2015	59,893,680					
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
Balance at 1 April 2014	299,488	576,406	680,266	(9,981)	1,398,760	2,944,939
Net profit	-	-	-	-	149,587	149,587
Fair value adjustment for available for sale financial assets	-	-	-	1,873	-	1,873
Total comprehensive income	-	-	-	1,873	149,587	151,460
Impairment for available for sale investments				11,145		11,145
Dividends	-	-	-	-	(59,894)	(59,894)
Balance at 30 September 2014	299,488	576,406	680,266	3,037	1,488,453	3,047,650
Balance at 01 October 2014	299,488	576,406	680,266	3,037	1,488,453	3,047,650
Net profit	-	-	-	-	342,188	342,188
Fair value adjustment for available for sale financial assets	-	-	-	(981)	-	(981)
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)
Total comprehensive income	-	219,176	-	(981)	350,195	568,390
Balance at 31 March 2015	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 six months ended 30 September

	GROUP		COMPANY	
	2015	2014	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	821,926	340,257	550,178	188,729
Adjustments for:				
Share of profit from equity accounted investee (net of tax)	(41,990)			
Depreciation of property, plant and equipment	112,659	93,790	43,863	39,353
Dividend income	(371)	(158)	(120,228)	(61,028)
Interest expense/(income)	163,107	167,875	88,674	103,398
Profit on disposal of property, plant and equipment	(2,875)	-	(2,875)	-
Profit on share re-purchase	-	-	(147,887)	-
Profit on sale of shares	(3,296)	-	-	-
Amortization of leasehold properties	11	11	-	-
Impairment for investments	-	11,145	-	11,145
Defined benefit obligations	27,841	23,456	14,844	13,494
Changes in working capital:				
(Increase)/Decrease in;				
Inventories	1,067,604	(750,789)	209,583	(286,000)
Receivables and prepayments	858,219	(584,057)	95,511	(390,171)
Increase/(Decrease) in;				
Trade and other payables	(1,461,253)	1,375,336	54,824	-
Cash generated from/ (used in) operations	1,541,581	676,866	786,487	74,847
Interest received/(paid)	(163,107)	(167,875)	(88,674)	(103,398)
Defined benefit obligations paid	(15,037)	(3,376)	(11,006)	(2,437)
Income tax paid less refund received	(86,199)	(77,170)	(61,112)	(48,982)
WHT on dividend paid by subsidiary	(13,048)	(6,588)	-	-
Net cash (used in)/from operating activities	1,264,190	421,857	625,695	(79,970)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase and construction of property, plant and equipment	(44,822)	(51,489)	(30,376)	(12,175)
Dividend received	371	158	120,228	61,028
Sales proceeds from share disposal	4,550	-	-	-
Sales proceeds from share re-purchase	592,492	-	592,492	-
Sales proceeds from disposal of property, plant & equipment	2,875	-	2,875	-
Net cash from/(used in) investing activities	555,466	(51,331)	685,219	48,853
CASH FLOW FROM FINANCING ACTIVITIES				
Short term borrowings net of payments	(805,138)	(416,707)	(541,105)	(125,278)
Long term borrowings net of payments	38,000	(10,000)	50,000	-
Dividends paid	(119,787)	(59,894)	(119,787)	(59,894)
Dividends paid by subsidiaries to minorities	(19,399)	(9,699)	-	-
Net cash generated from/ (used in) financing activities	(906,324)	(496,300)	(610,892)	(185,172)
Net increase/(decrease) in cash & cash equivalents	913,333	(125,824)	700,022	(216,289)
Cash & cash equivalents at the beginning of the period	630,832	313,885	77,153	(24,187)
Cash & cash equivalents at the end of the period	1,544,165	188,061	777,175	(240,476)

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 six months ended 30 September</i>	Manufacturing cables 2015	Manufacturing PVC compound 2015	Others 2015	Total 2015	Total 2014
Revenue					
Total revenue	7,440,732	644,793	1,921,816	10,007,341	8,760,655
Inter-segment sales	(1,029,777)	(605,427)	(1,692,137)	(3,327,341)	(2,274,509)
External sales	6,410,955	39,366	229,679	6,679,999	6,486,146
Results					
Profit/(loss) before other income and finance cost	664,017	94,361	167,585	925,963	498,213
Other income	10,958	6,121	-	17,079	9,919
Finance (cost)/income	(99,883)	(5,408)	(57,816)	(163,107)	(167,875)
Share of Profit of equity accounted investee and gain on bargain purchase (Power and energy)	-	-	-	41,990	-
Taxation	(184,095)	(25,640)	(6,143)	(215,879)	(106,415)
Profit/(loss) after taxation	390,997	69,434	103,625	606,047	233,842
Capital expenditure					
Segment capital expenditure	44,822	-	-	44,822	51,489
Total capital expenditure				44,822	51,489
Depreciation and amortisation					
Segment depreciation	90,316	9,281	13,062	112,659	93,790
Total depreciation and amortisation				112,659	93,790

<i>For the six months ended 30 September</i>	Manufacturing cables 2015	Manufacturing PVC compound 2015	Others 2015	Total 2015	Total 31.03.2015
Assets					
Segment assets	12,211,803	411,662	1,095,034	13,718,498	15,476,914
Unallocated corporate assets				591,159	591,159
Total assets				14,309,657	16,068,073
Liabilities					
Segment liabilities	4,429,741	203,965	931,756	5,565,462	7,802,555
Unallocated corporate liabilities				5,100	5,122
Total liabilities				5,570,562	7,807,677

(b) Geographical segment information - revenue

<i>For the six months ended 30 September</i>	Group		Company	
	2015	2014	2015	2014
Local sales	5,842,526	5,234,730	3,464,280	2,870,572
Export sales	837,473	1,251,416	446,014	450,787
	6,679,999	6,486,146	3,910,294	3,321,359

(all amounts in Sri Lanka Rupees thousands)

- 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 change 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 30 September 2015

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	2,950,133	4.93%
04. Seylan Bank Ltd/Govindasami Ramanan	2,381,427	3.98%
05. Deutsche Bank AG -National Equity Fund	1,059,157	1.77%
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. Bank of Ceylon, No.01 Account	424,699	0.71%
13. Perera R.D.M.	350,932	0.59%
14. Dr. Sivakumar Selliah	350,000	0.58%
15. Sir Cyrill De Zoysa Trust	341,036	0.57%
16. National Savings Bank	327,353	0.55%
17. Trading Partners (Pvt) Ltd	256,755	0.43%
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%
	49,772,684	83.10%

Share holding of directors as at 30 September 2015

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. 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

37,521,712 **62.65%**

Shares held by public as at 30 September 2015

22,371,968 **37.35%**

Total No of Shares as at 30 September 2015

59,893,680 **100.00%**

No of public share holders as at 30 September 2015

2,243