

**INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014
UNAUDITED**



ACL CABLES PLC (PQ 102)

ACL CABLES PLC
CONSOLIDATED INCOME STATEMENT

Unaudited

	Quarter ended 30 September		Period ended 30 September	
	2014 Rs.000	2013 Rs.000	2014 Rs.000	2013 Rs.000
Revenue	3,701,462	3,359,939	6,486,146	6,148,241
Cost of sales	(3,071,886)	(2,893,481)	(5,464,920)	(5,268,160)
Gross profit	629,576	466,458	1,021,226	880,081
Other income	3,902	17,112	9,919	22,983
Distribution expenses	(174,871)	(146,177)	(336,213)	(276,630)
Administrative expenses	(101,338)	(89,622)	(186,800)	(171,390)
Results from operating activities	357,269	247,771	508,132	455,044
Net finance cost	(83,317)	(64,886)	(167,875)	(135,328)
Profit before tax	273,952	182,885	340,257	319,716
Tax expense	(81,983)	(57,084)	(106,415)	(92,129)
Profit for the period	191,970	125,801	233,843	227,587
Share of profit attributable to non-controlling interest	(20,805)	(23,477)	(32,057)	(37,111)
Net profit attributable to equity holders of the Company	171,165	102,324	201,786	190,476
Earnings per share (Rs.)	2.86	1.71	3.37	3.18

ACL CABLES PLC
COMPANY INCOME STATEMENT

Unaudited

	Quarter ended 30 September		Period ended 30 September	
	2014 Rs.000	2013 Rs.000	2014 Rs.000	2013 Rs.000
Revenue	1,960,352	1,619,682	3,321,359	3,234,758
Cost of sales	(1,673,222)	(1,455,465)	(2,878,995)	(2,910,091)
Gross profit	287,130	164,217	442,364	324,667
Other income	61,245	64,367	63,181	67,774
Distribution expenses	(68,298)	(67,900)	(131,479)	(126,526)
Administrative expenses	(45,991)	(30,927)	(81,939)	(64,412)
Results from operating activities	234,086	129,757	292,127	201,503
Net finance cost	(50,703)	(50,186)	(103,398)	(111,841)
Profit before tax	183,383	79,571	188,729	89,662
Tax expense	(34,418)	(2,566)	(39,142)	(7,450)
Profit for the period	148,965	77,005	149,587	82,212
Earnings per share (Rs.)	2.49	1.29	2.50	1.37

ACL CABLES PLC
STATEMENT OF COMPREHENSIVE INCOME

Unaudited

(A) Group

	Quarter ended 30 September		Period ended 30 September	
	2014 Rs.000	2013 Rs.000	2014 Rs.000	2013 Rs.000
Profit for the period	191,970	125,801	233,843	227,587
Other comprehensive income/(expenses)				
Net change in fair value of available for sale financial assets	4,960	(2,042)	6,970	(1,640)
Other comprehensive income for the period, net of tax	4,960	(2,042)	6,970	(1,640)
Total comprehensive income for the period	196,930	123,759	240,813	225,947
Total comprehensive income attributable to:				
Non controlling interests	(22,185)	(23,067)	(33,831)	(36,888)
Owners of the company	174,745	100,692	206,982	189,059

(B) COMPANY

	Quarter ended 30 September		Period ended 30 September	
	2014 Rs.000	2013 Rs.000	2014 Rs.000	2013 Rs.000
Profit for the period	148,965	77,005	149,587	82,212
Other comprehensive income/(expenses)				
Net change in fair value of available for sale financial assets	993	(865)	1,873	(999)
Other comprehensive income for the period, net of tax	993	(865)	1,873	(999)
Total comprehensive income for the period	149,958	76,140	151,460	81,213

ACL CABLES PLC
STATEMENT OF FINANCIAL POSITION

Unaudited

As at

	Group		Company	
	30.09.2014 Rs.000	31.03.2014 Rs.000	30.09.2014 Rs.000	31.03.2014 Rs.000
ASSETS				
Property, plant & equipment	3,118,683	3,136,216	1,392,026	1,410,398
Work in progress	26,843	49,764	1,069	8,028
Investment property	130,000	130,000	-	-
Intangible assets	12,214	14,060	6,220	8,066
Pre paid lease rentals	1,721	1,732	-	-
Investment in subsidiaries	-	-	611,472	611,472
Financial assets - Available for sale at fair value	32,802	25,832	12,562	10,689
Non - current assets	3,322,263	3,357,604	2,023,349	2,048,653
Inventories	4,690,843	3,940,054	2,008,317	1,722,317
Trade and other receivables	4,569,407	3,985,324	3,039,491	2,649,321
Pre paid lease rentals	22	22	-	-
Cash & cash equivalents	748,541	765,469	191,839	281,372
Current assets	10,008,813	8,690,869	5,239,647	4,653,010
TOTAL ASSETS	13,331,076	12,048,473	7,262,996	6,701,663
EQUITY & LIABILITIES				
Capital & reserves				
Stated capital	299,488	299,488	299,488	299,488
Capital reserve	1,439,891	1,439,891	658,340	658,340
General reserve	1,123,825	1,123,825	680,266	680,266
Available-for-sale Reserve	12,603	(3,739)	3,037	(9,981)
Retained earnings	3,382,137	3,240,245	1,406,519	1,316,826
Total Equity attributable to Equity Holders of the Company	6,257,944	6,099,710	3,047,650	2,944,939
Non controlling interests	769,256	745,123	-	-
Total equity	7,027,200	6,844,833	3,047,650	2,944,939
Liabilities				
Provision for payment in lieu of employee share issue scheme	1,944	1,969	-	-
Defined benefit obligations	248,013	227,933	156,670	145,613
Deferred tax liability	210,260	210,260	99,594	99,594
Borrowings	67,841	77,841	-	-
Non - current liabilities	528,058	518,003	256,264	245,207
Trade and other payables	2,755,059	1,379,723	1,873,307	1,417,380
Current income tax liability	317,097	294,440	74,529	84,369
Borrowings	2,143,183	2,559,890	1,578,931	1,704,209
Bank overdraft	560,480	451,584	432,315	305,559
Current liabilities	5,775,819	4,685,637	3,959,082	3,511,517
Total liabilities	6,303,877	5,203,640	4,215,346	3,756,724
Total equity & liabilities	13,331,076	12,048,473	7,262,996	6,701,663
Net asset value per share	104.48	101.84	50.88	49.17
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs)			80.00	74.00
Lowest price (Rs)			65.50	60.00
Last traded price (Rs)			77.00	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
12 November 2014
Colombo

Sgd.
Suren Madanayake
Managing Director

For the period ended 30 September 2014

(A) GROUP	Attributable to owners of the company					Total Rs. '000	Non controlling interest Rs. '000	Total equity Rs. '000
	Stated capital Rs. '000	Capital reserves Rs. '000	General reserve Rs. '000	Available for sale reserve Rs.000	Retained profit Rs. '000			
Balance at 1 April 2014	299,488	1,439,891	1,123,825	(3,739)	3,240,245	6,099,710	745,123	6,844,833
Net profit for the period	-	-	-	-	201,786	201,786	32,057	233,843
Fair value adjustment for AFS investments	-	-	-	5,197	-	5,197	1,774	6,970
Total comprehensive income for the period	-	-	-	5,197	201,786	206,982	33,831	240,813
Dividend paid	-	-	-	-	(59,894)	(59,894)	(9,699)	(69,593)
Impairment for AFS investments	-	-	-	11,145	-	11,145	-	11,145
Balance at 30 September 2014	299,488	1,439,891	1,123,825	12,603	3,382,137	6,257,944	769,256	7,027,200

(B) COMPANY	Attributable to owners of the company					Total Rs.000	Retained profit Rs.000	Total Rs.000
	Stated capital Rs.000	Capital reserves Rs.000	General reserve Rs.000	Available for sale reserve Rs.000	Retained profit Rs.000			
Balance at 1 April 2014			299,488	658,340	680,266	(9,981)	1,316,826	2,944,939
Net profit for the period			-	-	-	-	149,587	149,587
Fair value adjustment for AFS investments			-	-	-	1,873	-	1,873
Total comprehensive income for the period			-	-	-	1,873	149,587	151,460
Dividend paid			-	-	-	-	(59,894)	(59,894)
Impairment for AFS investments			-	-	-	11,145	-	11,145
Balance at 30 September 2014			299,488	658,340	680,266	3,037	1,406,519	3,047,650

No of shares as at 30 September 2014

59,893,680

For the year ended 31 March 2014

(A) GROUP	Attributable to owners of the company					Total Rs. '000	Non controlling interest Rs. '000	Total equity Rs. '000
	Stated capital Rs. '000	Capital reserves Rs. '000	General reserve Rs. '000	Available for sale reserve Rs.000	Retained profit Rs. '000			
Balance at 1 April 2013	299,488	1,443,836	1,123,825	(2,543)	2,853,755	5,718,361	683,959	6,402,320
Net profit for the period	-	-	-	-	190,476	190,476	37,111	227,587
Fair value adjustment for AFS investments	-	-	-	(1,417)	-	(1,417)	(223)	(1,640)
Total comprehensive income for the period	-	-	-	(1,417)	190,476	189,059	36,888	225,947
Dividend paid	-	-	-	-	(59,894)	(59,894)	(8,233)	(68,127)
Balance at 30 September 2013	299,488	1,443,836	1,123,825	(3,960)	2,984,337	5,847,526	712,614	6,560,140
Balance at 1 October 2013	299,488	1,443,836	1,123,825	(3,960)	2,984,337	5,847,526	712,614	6,560,140
Net profit for the period	-	-	-	-	251,019	251,019	32,607	283,626
Fair value adjustment for AFS investments	-	-	-	221	-	221	(97)	124
Total comprehensive income for the period	-	-	-	221	251,019	251,240	32,510	283,750
Transfer from revaluation reserve	-	(4,889)	-	-	4,889	-	-	-
Deferred tax on transfer	-	944	-	-	-	944	-	944
Balance at 31 March 2014	299,488	1,439,891	1,123,825	(3,739)	3,240,245	6,099,710	745,123	6,844,833

(B) COMPANY	Attributable to owners of the company					Total Rs.000	Retained profit Rs.000	Total Rs.000
	Stated capital Rs.000	Capital reserves Rs.000	General reserve Rs.000	Available for sale reserve Rs.000	Retained profit Rs.000			
Balance at 1 April 2013			299,488	658,340	680,266	(9,385)	1,278,476	2,907,185
Net profit for the period			-	-	-	-	82,212	82,212
Fair value adjustment for AFS investments			-	-	-	(999)	-	(999)
Total comprehensive income for the period			-	-	-	(999)	82,212	81,213
Dividend paid			-	-	-	-	(59,894)	(59,894)
Balance at 30 September 2013			299,488	658,340	680,266	(10,384)	1,300,794	2,928,504
Balance at 1 October 2013			299,488	658,340	680,266	(10,384)	1,300,794	2,928,504
Net profit for the period			-	-	-	-	16,032	16,032
Fair value adjustment for AFS investments			-	-	-	403	-	403
Total comprehensive income for the period			-	-	-	403	16,032	16,435
Balance at 31 March 2014			299,488	658,340	680,266	(9,981)	1,316,826	2,944,939

No of shares as at 31 March 2014

59,893,680

ACL CABLES PLC
STATEMENT OF CASH FLOW

Unaudited

For the six months ended 30 September

	GROUP		COMPANY	
	2014 Rs.000	2013 Rs.000	2014 Rs.000	2013 Rs.000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	340,257	319,716	188,729	89,662
Adjustments for:				
Depreciation of property, plant and equipment	93,790	85,694	39,353	36,260
Dividend income	(158)	(392)	(61,028)	(60,784)
Interest expense/(income)	167,875	135,328	103,398	111,841
Profit on disposal of property, plant and equipment	-	(5,951)	-	(5,951)
Amortization of leasehold properties	11	11	-	-
Impairment for investments	11,145	-	11,145	-
Defined benefit obligations	23,456	22,092	13,494	12,981
Changes in working capital:				
(Increase)/Decrease in;				
Inventories	(750,789)	(346,879)	(286,000)	(28,514)
Receivables and prepayments	(584,082)	46,260	(390,171)	32,473
Increase/(Decrease) in;				
Trade and other payables	1,375,336	236,237	455,927	(25,713)
Cash generated from/ (used in) operations	676,841	492,116	74,847	162,255
Interest received/(paid)	(167,875)	(135,328)	(103,398)	(111,841)
Gratuity paid	(3,376)	(16,297)	(2,437)	(14,906)
Payment in lieu of employee share issue scheme	(25)	(36)	-	-
Income tax paid less refund received	(77,170)	(21,346)	(48,982)	-
WHT on dividend paid by subsidiary	(6,588)	(6,684)	-	-
Net cash (used in)/from operating activities	421,807	312,425	(79,970)	35,508
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase and construction of property, plant and equipment	(51,489)	(162,352)	(12,175)	(40,724)
Dividend received	158	392	61,028	60,784
Proceeds on disposal of property, plant & equipment	-	6,252	-	6,252
Net cash from/(used in) investing activities	(51,331)	(155,708)	48,853	26,312
CASH FLOW FROM FINANCING ACTIVITIES				
Lease installments paid	-	(53)	-	(53)
Short term borrowings net of payments	(416,707)	(443,382)	(125,278)	(93,599)
Long term borrowings net of payments	(10,000)	54,174	-	(41,667)
Dividends paid by the Company	(59,894)	(59,894)	(59,894)	(59,894)
Dividends paid by subsidiaries to minorities	(9,699)	(8,233)	-	-
Net cash generated from/ (used in) financing activities	(496,300)	(457,388)	(185,172)	(195,213)
Net increase/(decrease) in cash & cash equivalents	(125,824)	(300,671)	(216,289)	(133,393)
Cash & cash equivalents at the beginning of the period	313,885	402,278	(24,187)	54,360
Cash & cash equivalents at the end of the period	188,061	101,607	(240,476)	(79,033)

1. Segment information

(a) Business segment information

<i>For the six months ended 30 September</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	6,547,511	582,878	1,630,266	8,760,655	7,741,774
Inter-segment sales	(469,115)	(536,695)	(1,268,699)	(2,274,509)	(1,593,533)
External sales	6,078,396	46,183	361,567	6,486,146	6,148,241
Results					
Profit/(loss) before other income and finance cost	360,563	56,882	80,768	498,213	432,061
Other income	6,821	3,098	-	9,919	22,983
Finance (cost)/income	(122,867)	(8,063)	(36,945)	(167,875)	(135,328)
Taxation	(86,236)	(15,600)	(4,579)	(106,415)	(92,129)
Profit/(loss) after taxation	158,282	36,317	39,244	233,843	227,587
Capital expenditure					
Segment capital expenditure	28,096	4,470	18,923	51,489	162,352
Total capital expenditure				51,489	162,352
Depreciation and amortisation					
Segment depreciation	76,222	6,582	10,986	93,790	85,694
Total depreciation and amortisation				93,790	85,694

<i>For the six months ended 30 September</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	10,676,167	409,695	1,720,758	12,806,620	11,524,017
Unallocated corporate assets				524,456	524,456
Total assets				13,331,076	12,048,473
Liabilities					
Segment liabilities	4,184,966	305,979	1,807,239	6,298,184	5,197,947
Unallocated corporate liabilities				5,693	5,693
Total liabilities				6,303,877	5,203,640

(b) Geographical segment information - revenue

<i>For the six months ended 30 September</i>	Group		Company	
	2014 RS'000	2013 RS'000	2014 RS'000	2013 RS'000
Local sales	5,234,730	5,256,047	2,870,572	2,874,967
Export sales	1,251,416	892,194	450,787	359,791
	6,486,146	6,148,241	3,321,359	3,234,758

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 2014 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 2014.

Twenty largest shareholders as at 30 September 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. National Savings Bank	1,869,267	3.12%
05. Sri Lanka Insurance Corporation Limited - Life Fund	1,433,080	2.39%
06. Seylan Bank Ltd/Govindasami Ramanan	1,167,959	1.95%
07. Mrs. N.C. Madanayake	1,032,100	1.72%
08. Deutsche Bank AG -National Equity Fund	959,157	1.60%
09. FAB Foods (Private) Ltd	767,520	1.28%
10. Bank of Ceylon-No 2 A/C	741,900	1.24%
11. Seylan Bank PLC/Capital Trust Holdings (Pvt) Ltd	678,347	1.13%
12. David Peiris Mortor Company Ltd	647,716	1.08%
13. Deutsche Bank AG AS Trustee for Namal Acuity	500,000	0.83%
14. Bank of Ceylon, No.01 Account	402,334	0.67%
15. Perera R.D.M.	350,932	0.59%
16. Sir Cyril De Zoysa Trust	341,036	0.57%
17. Amana Bank Limited	290,000	0.48%
18. Associated Electrical Corporation Ltd	250,000	0.42%
19. Elgin Investments Limited	249,957	0.42%
20. Sandwave Limited	200,000	0.33%
	51,268,843	85.60%

Share holding of directors as at 30 September 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 September 2014

22,721,968 **37.94%**

Total No of Shares as at 30 September 2014

59,893,680 **100.00%**

No of public share holders as at 30 September 2014

2,255