

**INTERIM FINANCIAL STATEMENTS  
FOR THREE MONTHS ENDED 30 JUNE 2017  
UNAUDITED**



**ACL CABLES PLC (PQ 102)**

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

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June	Group		Company	
	2017	2016	2017	2016
Revenue	3,403,224	3,361,809	1,754,085	1,769,091
Cost of sales	(3,037,202)	(2,555,906)	(1,622,671)	(1,424,223)
<b>Gross profit</b>	366,022	805,903	131,414	344,868
Other income	16,867	15,879	13,936	9,859
Distribution costs	(186,203)	(185,059)	(71,426)	(81,553)
Administrative costs	(110,389)	(102,265)	(46,326)	(42,265)
<b>Results from operating activities</b>	86,298	534,458	27,599	230,909
Net finance costs	(81,366)	(58,543)	(48,221)	(35,828)
Share of profit of investments accounted for using the equity method	2,402	6,077	-	-
<b>Profit before income tax</b>	7,334	481,992	(20,622)	195,081
Income tax expenses	(12,792)	(132,885)	-	(53,573)
<b>Profit for the year</b>	(5,458)	349,107	(20,622)	141,508
<b>Profit attributable to :</b>				
- Owners of the parent	(12,293)	306,171	(20,622)	141,508
- Non-controlling interests	6,835	42,936	-	-
	(5,458)	349,107	(20,622)	141,508
<b>Earnings per share (Rs.)</b>	(0.10)	2.56	(0.17)	1.18

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

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Profit for the year</b>	(5,458)	349,107	(20,622)	141,508
<b>Other comprehensive income/(expenses)</b>				
Net change in fair value of available-for-sale financial assets	4,963	(81)	1,582	(594)
Share of other comprehensive income of equity accounted investee, net of tax	186	-	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>5,149</b>	<b>(81)</b>	<b>1,582</b>	<b>(594)</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>(309)</b>	<b>349,026</b>	<b>(19,040)</b>	<b>140,914</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the parent	(8,321)	305,912	(19,040)	140,914
- Non-controlling interests	8,012	43,115	-	-
<b>Total comprehensive income for the year, net of tax</b>	<b>(309)</b>	<b>349,026</b>	<b>(19,040)</b>	<b>140,914</b>

(all amounts in Sri Lanka Rupees thousands)

As at	Group		Company	
	30 June 2017	31 March 2017	30 June 2017	31 March 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3,321,473	3,347,709	1,368,709	1,383,290
Work in progress	24,973	31,678	653	653
Investment property	538,750	538,750	285,000	285,000
Intangible assets	8,809	9,138	2,815	3,144
Pre paid lease rentals	1,660	1,666	-	-
Investment in subsidiaries	-	-	576,243	576,243
Investment in equity accounted investee	277,874	275,286	333,454	333,454
Available-for-sale Financial assets	39,175	34,211	12,709	11,127
Deferred income tax assets	1,774	1,774	-	-
	<b>4,214,488</b>	<b>4,240,212</b>	<b>2,579,583</b>	<b>2,592,911</b>
<b>Current assets</b>				
Inventories	5,107,883	4,363,337	2,392,814	1,995,157
Trade and other receivables	5,820,316	5,334,170	4,208,961	3,083,933
Pre paid lease rentals	22	22	-	-
Held-to-maturity financial assets	624,827	402,752	459,900	238,608
Cash and cash equivalents	1,287,808	2,224,971	297,047	815,363
	<b>12,840,856</b>	<b>12,325,252</b>	<b>7,358,722</b>	<b>6,133,061</b>
<b>TOTAL ASSETS</b>	<b>17,055,344</b>	<b>16,565,464</b>	<b>9,938,305</b>	<b>8,725,972</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Stated capital	299,488	299,488	299,488	299,488
Capital reserve	1,790,589	1,790,589	795,582	795,582
General reserve	1,123,825	1,123,825	680,266	680,266
Available-for-sale Reserve	10,539	6,752	2,878	1,296
Retained earnings	6,098,490	6,110,597	3,087,153	3,107,775
<b>Equity attributable to owners of the parent</b>	<b>9,322,931</b>	<b>9,331,250</b>	<b>4,865,367</b>	<b>4,884,407</b>
Non-controlling interests	1,143,330	1,135,318	-	-
<b>Total equity</b>	<b>10,466,261</b>	<b>10,466,568</b>	<b>4,865,367</b>	<b>4,884,407</b>
<b>Non-current liabilities</b>				
Defined benefit obligations	255,102	241,241	146,630	139,334
Deferred tax liability	269,252	269,252	120,089	120,089
Borrowings	176,841	207,841	175,000	200,000
	<b>701,195</b>	<b>718,334</b>	<b>441,719</b>	<b>459,423</b>
<b>Current liabilities</b>				
Trade and other payables	2,174,298	1,950,217	1,564,758	937,809
Current income tax liability	768,752	842,931	446,727	468,118
Borrowings	2,296,514	1,555,134	2,018,817	1,148,315
Bank overdraft	648,325	1,032,279	600,917	827,900
	<b>5,887,888</b>	<b>5,380,561</b>	<b>4,631,219</b>	<b>3,382,142</b>
<b>Total liabilities</b>	<b>6,589,083</b>	<b>6,098,896</b>	<b>5,072,938</b>	<b>3,841,565</b>
<b>Total equity and liabilities</b>	<b>17,055,344</b>	<b>16,565,464</b>	<b>9,938,305</b>	<b>8,725,972</b>
Net asset value per share	77.83	77.90	40.62	40.78
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs.)			64.90	61.50
Lowest price (Rs.)			54.00	53.00
Last traded price (Rs.)			56.50	54.50

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 2017  
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 period ended 30 June 2017

	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 2017</b>	299,488	1,790,589	1,123,825	6,752	6,110,597	9,331,250	1,135,318	10,466,568
Net profit	-	-	-	-	(12,293)	(12,293)	6,835	(5,458)
Fair value adjustment for available-for-sale financial assets	-	-	-	3,786	-	3,786	1,177	4,963
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	186	186	-	186
<b>Total comprehensive income</b>	-	-	-	3,786	(12,107)	(8,321)	8,012	(309)
<b>Balance at 30 June 2017</b>	299,488	1,790,589	1,123,825	10,539	6,098,490	9,322,931	1,143,330	10,466,261

For the year ended 31 March 2016

	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 2016</b>	299,488	1,875,347	1,123,825	4,854	5,141,742	8,445,256	1,026,303	9,471,559
Net profit	-	-	-	-	306,171	306,171	42,936	349,107
Fair value adjustment for available-for-sale financial assets	-	-	-	(259)	-	(259)	179	(80)
<b>Total comprehensive income</b>	-	-	-	(259)	306,171	305,912	43,115	349,027
<b>Balance at 30 June 2016</b>	299,488	1,875,347	1,123,825	4,595	5,447,913	8,751,168	1,069,418	9,820,586
<b>Balance at 1 July 2016</b>	299,488	1,875,347	1,123,825	4,595	5,447,913	8,751,168	1,069,418	9,820,586
Net profit	-	-	-	-	811,683	811,683	94,649	906,332
Fair value adjustment for available-for-sale financial assets	-	-	-	2,157	-	2,157	348	2,505
Re-measurements of post employment benefit obligation	-	-	-	-	32,883	32,883	-	32,883
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	(8,267)	(8,267)	-	(8,267)
Deferred tax on revaluation surplus	-	(79,719)	-	-	-	(79,719)	-	(79,719)
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	(935)	(935)	-	(935)
<b>Total comprehensive income</b>	-	(79,719)	-	2,157	835,364	757,802	94,997	852,799
Transfers upon disposal of available-for-sale investments	-	-	-	-	-	-	-	-
Transfer from revaluation reserve	-	(7,000)	-	-	7,000	-	-	-
Deferred tax on transfer from revaluation reserve	-	1,961	-	-	-	1,961	-	1,961
Dividends	-	-	-	-	(179,681)	(179,681)	(29,098)	(208,779)
<b>Balance at 31 March 2017</b>	299,488	1,790,589	1,123,825	6,752	6,110,597	9,331,250	1,135,318	10,466,568

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

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June 2017

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
<b>Balance at 1 April 2017</b>	299,488	795,582	680,266	1,296	3,107,775	4,884,407
Net profit	-	-	-	-	(20,622)	(20,622)
Fair value adjustment for available-for-sale financial assets	-	-	-	1,582	-	1,582
<b>Total comprehensive income</b>	-	-	-	1,582	(20,622)	(19,040)
<b>Balance at 30 June 2017</b>	299,488	795,582	680,266	2,878	3,087,153	4,865,367

No of shares as at 30 June 2017

119,787,360

For the year ended 31 March 2017

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
<b>Balance at 1 April 2016</b>	299,488	849,241	680,266	386	2,268,886	4,098,267
Net profit	-	-	-	-	141,508	141,508
Fair value adjustment for available-for-sale financial assets	-	-	-	(594)	-	(594)
<b>Total comprehensive income</b>	-	-	-	(594)	141,508	140,914
<b>Balance at 30 June 2016</b>	299,488	849,241	680,266	(208)	2,410,394	4,239,181
<b>Balance at 1 July 2016</b>	299,488	849,241	680,266	(208)	2,410,394	4,239,181
Net profit	-	-	-	-	860,390	860,390
Fair value adjustment for available-for-sale financial assets	-	-	-	1,504	-	1,504
Re-measurements of post employment benefit obligation	-	-	-	-	23,156	23,156
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	(6,484)	(6,484)
Deferred tax on revaluation surplus	-	(53,659)	-	-	-	(53,659)
<b>Total comprehensive income</b>	-	(53,659)	-	1,504	877,062	824,907
Dividends	-	-	-	-	(179,681)	(179,681)
<b>Balance at 31 March 2017</b>	299,488	795,582	680,266	1,296	3,107,775	4,884,407

No of shares as at 31 March 2017

119,787,360

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

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit/(loss) before tax	7,334	481,992	(20,622)	195,081
<b>Adjustments for:</b>				
Depreciation of property, plant and equipment	55,056	58,850	22,501	23,114
share of profit from equity accounted investee (net of tax)	(2,402)	(6,077)	-	-
Dividend income	(189)	(228)	(189)	(180)
Interest expense/(income)	85,029	58,543	51,101	35,828
Exchange gain on investment in Sri Lanka development bonds	(3,663)	(14,167)	(2,880)	(7,880)
Profit on disposal of property, plant and equipment	-	(2,325)	-	-
Amortization of leasehold properties	6	6	-	-
Defined benefit obligations	15,480	15,289	8,076	8,076
<b>Changes in working capital:</b>				
(Increase)/Decrease in;				
Inventories	(744,546)	(31,401)	(397,657)	44,773
Receivables and prepayments	(486,146)	(817,207)	(1,125,028)	(936,741)
Increase/(Decrease) in;				
Trade and other payables	224,081	(51,424)	626,949	429,304
<b>Cash generated from/ (used in) operations</b>	<b>(849,961)</b>	<b>(308,149)</b>	<b>(837,749)</b>	<b>(208,625)</b>
Interest received/(paid)	(85,029)	(58,543)	(51,101)	(35,828)
Defined benefit obligations paid	(1,619)	(5,771)	(780)	(2,218)
Income tax paid less refund received	(86,971)	(7,447)	(21,391)	-
<b>Net cash (used in)/from operating activities</b>	<b>(1,023,580)</b>	<b>(379,910)</b>	<b>(911,021)</b>	<b>(246,671)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase and construction of property, plant and equipment	(21,786)	(41,303)	(7,591)	(5,783)
Investment in held-to-maturity investments	(457,020)	(230,068)	(457,020)	(230,068)
Dividend received	189	228	189	180
Sales proceeds from held-to-maturity investments	238,609	293,080	238,609	293,080
Sales proceeds from disposal of property, plant and equipment	-	5,230	-	-
<b>Net cash from/(used in) investing activities</b>	<b>(240,008)</b>	<b>27,167</b>	<b>(225,813)</b>	<b>57,409</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Short term borrowings net of payments	741,380	(91,484)	870,502	74,825
Long term borrowings net of payments	(31,000)	185,550	(25,000)	191,550
<b>Net cash generated from/ (used in) financing activities</b>	<b>710,380</b>	<b>94,066</b>	<b>845,502</b>	<b>266,375</b>
Net increase/(decrease) in cash & cash equivalents	(553,208)	(258,677)	(291,333)	77,113
Cash and cash equivalents at the beginning of the year	1,192,692	782,783	(12,537)	(426,692)
<b>Cash and cash equivalents at the end of the year</b>	<b>639,484</b>	<b>524,106</b>	<b>(303,870)</b>	<b>(349,579)</b>

(all amounts in Sri Lanka Rupees thousands)

**1. Segment information**

(a) Business segment information

<i>For the period months ended 30 June</i>	<b>Manufacturing cables 2017</b>	<b>Manufacturing PVC compound 2017</b>	<b>Others 2017</b>	<b>Total 2017</b>	<b>Total 2016</b>
<b>Revenue</b>					
Total revenue	3,357,529	331,521	555,935	4,244,985	4,629,061
Inter-segment sales	(128,056)	(301,318)	(412,387)	(841,761)	(1,267,252)
<b>External sales</b>	<b>3,229,473</b>	<b>30,203</b>	<b>143,548</b>	<b>3,403,224</b>	<b>3,361,809</b>
<b>Results</b>					
Profit/(loss) before other income and finance cost	28,302	24,468	16,661	69,431	518,579
Other income	14,923	1,944	-	16,867	15,879
Finance (cost)/income	(57,551)	(2,022)	(21,793)	(81,366)	(58,543)
Share of profit of equity accounted investee and gain on bargain purchase <b>(Power and energy)</b>	-	-	-	2,402	6,077
Taxation	(2,041)	(7,800)	(2,951)	(12,792)	(132,885)
<b>Profit/(loss) after taxation</b>	<b>(16,367)</b>	<b>16,590</b>	<b>(8,083)</b>	<b>(5,458)</b>	<b>349,107</b>
<b>Capital expenditure</b>					
Segment capital expenditure	19,110	2,345	331	21,786	41,303
<b>Total capital expenditure</b>				<b>21,786</b>	<b>41,303</b>
<b>Depreciation and amortisation</b>					
Segment depreciation	43,060	4,237	7,759	55,056	58,850
<b>Total depreciation and amortisation</b>				<b>55,056</b>	<b>58,850</b>

<i>For the period months ended 30 June</i>	<b>Manufacturing cables 2017</b>	<b>Manufacturing PVC compound 2017</b>	<b>Others 2017</b>	<b>Total 2017</b>	<b>Total 31 March 2016</b>
<b>Assets</b>					
Segment assets	13,917,987	590,910	1,954,984	16,463,881	15,974,301
Unallocated corporate assets				591,463	591,163
<b>Total assets</b>				<b>17,055,344</b>	<b>16,565,464</b>
<b>Liabilities</b>					
Segment liabilities	5,095,157	152,738	1,337,040	6,584,935	6,094,748
Unallocated corporate liabilities				4,148	4,148
<b>Total liabilities</b>				<b>6,589,083</b>	<b>6,098,896</b>

(b) Geographical segment information - revenue

<i>For the period months ended 30 June</i>	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Local sales	2,923,176	2,812,094	1,524,567	1,499,859
Export sales	480,048	549,715	229,518	269,232
	<b>3,403,224</b>	<b>3,361,809</b>	<b>1,754,085</b>	<b>1,769,091</b>



- 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 2017 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 changes in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2017.

**ACL CABLES PLC**  
**NON FINANCIAL INFORMATION**

**Twenty largest shareholders as at 30 June 2017**

	<b>Shareholder Name</b>	<b>Number of shares</b>	<b>Holdings %</b>
1	Mr. U. G. Madanayake	45,694,432	38.15%
2	Mr. Suren Madanayake	26,604,792	22.21%
3	Employees Provident Fund	5,907,432	4.93%
4	Employees Trust Fund Board	4,427,057	3.70%
5	Deutsche Bank AG -National Equity Fund	2,264,314	1.89%
6	Mrs. N.C. Madanayake	2,064,200	1.72%
7	Bnymsanv Re-Compass Asia Partners,L.P.	2,000,000	1.67%
8	Seylan Bank Ltd/Govindasami Ramanan	1,590,308	1.33%
9	FAB Foods (Private) Ltd	1,535,040	1.28%
10	Deutsche Bank AG AS Trustee for Namal Acuity	1,500,000	1.25%
11	Bank of Ceylon-No 2 A/C	1,320,800	1.10%
12	Bank of Ceylon, No.01 Account	1,005,246	0.84%
13	Mellon Bank N A - Commonwealth of Massachuse	780,956	0.65%
14	Ceylon Investment Plc A/C # 01	725,842	0.61%
15	Perera R.D.M.	701,864	0.59%
16	Selliah A & Selliah S	700,000	0.58%
17	Sir Cyril De Zoysa Trust	682,072	0.57%
18	Arunodhaya (Private) Limited	500,000	0.42%
19	Arunodhaya Industries (Private) Limited	500,000	0.42%
20	Arunodhaya Investments (Private) Limited	500,000	0.42%
		<b>101,004,355</b>	<b>84.32%</b>

**Share holding of directors as at 30 June 2017**

	<b>Director Name</b>	<b>Number of shares</b>	<b>Holdings %</b>
01.	Mr. U. G. Madanayake - Chairman	45,694,432	38.15%
02.	Mr. Suren Madanayake - Managing Director	26,604,792	22.21%
03.	Mrs. N.C. Madanayake	2,064,200	1.72%
04.	Dr.Sivakumar Selliah	700,000	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>75,063,424</b>	<b>62.66%</b>
	<b>Shares held by public as at 30 June 2017</b>	<b>44,723,936</b>	<b>37.34%</b>
	<b>Total No of Shares as at 30 June 2017</b>	<b>119,787,360</b>	<b>100.00%</b>

**No of public share holders as at 30 June 2017**

**2,466**