

FROM LOCAL TO GLOBAL

LAUGFS GAS PLC INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

CHAIRMAN'S MESSAGE

Dear Stakeholder,

As stated in my previous communication with you, Laugfs Gas PLC is a pioneering Sri Lankan Corporate engaged in the energy and related sectors of the economy. It has charted for itself a growth trajectory encompassing several sectors that show enormous potential in the economy. We have moved fast to claim a stake in such sectors with a long term view for growth whilst acknowledging that we will have to bear a short term dip in the profitability. These decisions are being continuously reviewed rigorously by the Board to ensure that they stay relevant to the present day changes in the economy.

Our investment on the largest renewable energy project in Sri Lanka to generate 20 MW of Solar Power at Hambantota is progressing according to plan and is expected to generate significant revenue in the fourth quarter of the current financial year. We have also invested into the energy infrastructure development of the country, the port based LP Gas Import and export Terminal being built at Hambantota Port. We expect to commission this facility in the fourth quarter of next financial year. This will generate a significant foreign exchange revenue for the country by being able to satisfy the LPG requirements of the country as well as being able to export the excess capacity. Our investment in Bangladesh downstream LPG business is showing promising results and exceptional growth prospects. Our investment into the Leisure sector is also showing promising results as both hotels (Chillaw and Paasikuda) have now commenced commercial operations.

The company's operating profit for the second quarter improved to Rs 577 Mn in comparison to Rs. 298 Mn for 2015/16. However our long term investments have weighed in on the bottom line of the company giving a profit of Rs. 290 Mn in comparison to that of Rs. 208 Mn of last year. The consolidated financials of the group also indicate this momentary reduction in the profits. The Board however is confident that with the commercialization of the abovementioned projects and specially with the renewable energy investment being on the verge of commencing operations, this momentary dip in the profitability will be reversed with much more potential for future growth.

(Sgd).

W. K. H. Wegapitiya
Chairman/Group CEO
02 November 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the quarter ended 30 September 2016

	Quarter ended 30 September			Six Months ended 30 September			Year ended 31
	Unaudited		Change %	Unaudited		Change %	Audited
	2016 Rs.'000	2015 Rs.'000		2016 Rs.'000	2015 Rs.'000		2016 Rs.'000
Revenue	4,282,107	2,741,814	56	8,197,758	5,436,602	51	13,299,979
Cost of Sales	(2,875,726)	(1,821,582)	58	(5,842,251)	(3,759,878)	55	(9,636,536)
Gross Profit	1,406,381	920,231	53	2,355,507	1,676,724	40	3,663,443
Other Operating Income	89,852	262,798	(66)	187,134	344,275	(46)	339,623
Gain from Bargain Purchase on Acquisition of Subsidiaries	-	-	-	-	-	-	124,366
Selling and Distribution Expenses	(243,944)	(151,849)	61	(479,346)	(286,177)	67	(777,586)
Administrative Expenses	(507,818)	(312,012)	63	(933,673)	(598,079)	56	(1,292,351)
Foreign Currency Exchange Gain/(Loss)	15,892	(36,665)	143	6,831	(19,239)	136	8,715
Operating Profit	760,363	682,503	11	1,136,452	1,117,503	2	2,066,210
Finance Cost	(319,630)	(77,516)	312	(567,550)	(115,164)	393	(441,563)
Fair Value Gain on Investment Properties	-	-	-	-	-	-	27,000
Finance Income	23,322	20,857	12	42,183	28,266	49	57,237
Profit Before Tax	464,055	625,844	(26)	611,085	1,030,605	(41)	1,708,884
Income Tax Expense	(194,622)	(71,484)	172	(305,130)	(150,727)	102	(372,082)
Profit for the Period	269,433	554,360	(51)	305,955	879,879	(65)	1,336,802
Attributable to:							
Equity Holders of the Parent	269,433	554,360	(51)	295,244	879,879	(66)	1,284,804
Non-Controlling Interests	-	-	-	10,712	-	-	51,999
	269,433	554,360	(51)	305,955	879,879	(65)	1,336,802
Earnings Per Share :							
Basic/Diluted (Rs.) attributable to Ordinary Equity Holders of the Parent	0.70	1.43	(51)	0.76	2.27	(66)	3.32

Note : Change % column represents the percentage change in current period's results compared to previous period
The above figures are subject to audit.
Figures in brackets indicates deductions.

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended 30 September 2016

	Quarter ended 30 September			Six Months ended 30 September			Year ended 31 March
	Unaudited		Change %	Unaudited		Change %	Audited
	2016 Rs.'000	2015 Rs.'000		2016 Rs.'000	2015 Rs.'000		2016 Rs.'000
Profit for the Period	269,433	554,360	(51)	305,955	879,879	(65)	1,336,802
Other Comprehensive Income							
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Gain/(Loss) on Available for Sale Financial Assets	36,801	38,605	(5)	46,982	50,469	(7)	14,184
Currency Translation of Foreign Operations	43,012	-	-	65,731	-	-	69,068
Net Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods	79,813	38,605	107	112,714	50,469	123	83,252
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Actuarial Gains/(Losses) on Defined Benefit Plans	-	-	-	-	-	-	(7,953)
Income Tax Effect	-	-	-	-	-	-	3,196
Net Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods	-	-	-	-	-	-	(4,757)
Other Comprehensive Income for the Period Net of Tax	79,813	38,605	107	112,714	50,469	123	78,495
Total Comprehensive Income for the Period Net of Tax	349,246	592,966	(41)	418,669	930,348	(55)	1,415,298
Attributable to:							
Equity Holders of the Parent	349,246	592,966	(41)	409,314	930,348	(56)	1,356,780
Non-Controlling Interests	-	-	-	9,355	-	-	58,517
	349,246	592,966	(41)	418,669	930,348	(55)	1,415,298

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

LAUGFS Gas PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2016

	Unaudited As at 30.09.2016 Rs.'000	Unaudited As at 30.09.2015 Rs.'000	Audited As at 31.03.2016 Rs.'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	20,076,330	12,679,754	15,632,654
Investment Properties	735,500	708,500	735,500
Intangible Assets	3,070,205	676,305	3,043,069
Prepayments	109,135	82,024	112,149
Non-Current Financial Assets	166,275	155,578	119,293
Deferred Tax Assets	15,273	21,423	13,097
	24,172,718	14,323,584	19,655,762
Current Assets			
Inventories	521,160	463,519	894,117
Trade and Other Receivables	2,998,425	2,406,503	2,886,985
Prepayments	94,028	13,799	52,829
Income Tax Recoverable	171,184	-	164,068
Current Financial Assets	3,441	4,151	2,272
Cash and Short-Term Deposits	2,767,898	2,605,565	3,657,232
	6,556,136	5,493,537	7,657,504
Total Assets	30,728,854	19,817,121	27,313,265
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	3,285,000	3,285,000	3,285,000
Available for Sale Reserve	(271,986)	(282,683)	(318,968)
Foreign Currency Translation Reserve	133,443	-	48,439
Retained Earnings	5,203,756	5,047,440	5,395,273
Equity attributable to Equity Holders of the Parent	8,350,213	8,049,757	8,409,744
Non-Controlling Interests	-	-	1,195,844
Total Equity	8,350,213	8,049,757	9,605,588
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	9,870,395	3,621,398	7,877,606
Employee Benefit Liability	284,737	78,900	297,682
Deferred Tax Liability	937,477	738,481	867,827
Refundable Deposits	1,987,261	1,531,925	1,881,850
Deferred Income	597,534	450,665	524,798
	13,677,403	6,421,369	11,449,762
Current Liabilities			
Trade and Other Payables	1,611,625	1,982,408	1,837,272
Interest Bearing Loans and Borrowings	6,291,665	3,156,373	3,787,191
Deferred Income	9,709	17,531	7,213
Refundable Deposits	211,302	170,214	200,222
Income Tax Payable	576,937	19,468	426,019
	8,701,238	5,345,995	6,257,916
Total Equity and Liabilities	30,728,854	19,817,121	27,313,265
Net Assets Per Share (Rs.)	21.58	20.80	24.82

Note: The above figures are subject to audit.

I certify that these financial statements are in compliance with the requirements of the Companies Act No :07 of 2007.

(Sgd).

Chamath Indrapala
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by:

(Sgd).

W.K.H.Wegapitiya
Director

02 November 2016
Colombo

(Sgd).

U.K.Thilak De Silva
Director

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2016

	Stated Capital Rs.'000	Retained Earnings Rs.'000	Available for Sale Reserve Rs.'000	Foreign Currency Translation Reserve Rs. '000	Total Rs.'000	Non- Controlling Interests Rs. '000	Total Equity Rs. '000
Balance as at 01 April 2016	3,285,000	5,395,273	(318,968)	48,439	8,409,744	1,195,844	9,605,588
Profit for the period	-	295,244	-	-	295,244	10,712	305,955
Other Comprehensive Income for the period	-	-	46,982	65,731	112,714	(1,357)	111,357
Total Comprehensive Income for the period	-	295,244	46,982	65,731	407,957	9,355	417,312
Dividend Paid (Final - 2015/2016)	-	(387,000)	-	-	(387,000)	-	(387,000)
Deferred Tax Liability Reversal during the period	-	13,840	-	-	13,840	290	14,129
Acquisition of Non-Controlling Interests	-	(113,601)	-	19,273	(94,328)	(1,205,488)	(1,299,816)
Balance as at 30 September 2016	3,285,000	5,203,756	(271,986)	133,443	8,350,213	-	8,350,213
Balance as at 01 April 2015	3,285,000	4,929,318	(333,152)	-	7,881,165	-	7,881,165
Profit for the period	-	879,879	-	-	879,879	-	879,879
Other Comprehensive Income for the period	-	-	50,469	-	50,469	-	50,469
Total Comprehensive Income for the period	-	879,879	50,469	-	930,348	-	930,348
Dividend Paid (Final 2014/2015)	-	(774,000)	-	-	(774,000)	-	(774,000)
Deferred Tax Liability Reversal during the period	-	12,244	-	-	12,244	-	12,244
Balance as at 30 September 2015	3,285,000	5,047,440	(282,683)	-	8,049,757	-	8,049,757

Note : The above figures are subject to audit.

Figures in brackets indicates deductions.

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

LAUGFS Gas PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2016

	Unaudited 2016 Rs.'000	Unaudited 2015 Rs.'000
Cash Flows Generated from/(Used in) Operating Activities		
Cash Flows from Operating Activities		
Profit Before Tax	611,085	1,030,605
Non-Cash Adjustment to Reconcile Profit before Tax to Net Cash Flows:		
Amortization of Intangible Assets	11,756	2,896
Decrease /(Increase) in Fair Value of Quoted Equity Securities	(1,169)	44
Depreciation of Property, Plant and Equipment	441,948	302,472
Finance Costs	567,550	115,164
Finance Income	(42,183)	(28,266)
Gain on Bargain Purchase	-	(2,542)
Dividend Income	(1,601)	(986)
Provision for Employee Benefit Liability	16,266	7,548
Provision for Worker's Profit Participation Fund	19,109	-
(Profit)/Loss on Disposal of Property, Plant & Equipment	(7,735)	1,117
Exchange Rate Difference Adjustments	36,490	27,309
Operating Profit Before Working Capital Changes	1,651,516	1,455,363
Working Capital Adjustments:		
(Increase)/Decrease in Inventories	372,957	143,177
(Increase)/Decrease in Trade and Other Receivables and Prepayments	2,155,943	(976,979)
Increase/(Decrease) in Trade and Other Payables	(2,767,748)	367,686
Increase/(Decrease) in Deferred Income	75,232	64,473
Cash Generated from Operating Activities	1,487,901	1,053,720
Employee Benefit Liability Costs Paid	(32,459)	(295)
Finance Costs Paid	(567,550)	(115,164)
Income Tax Paid	(50,677)	(202,486)
Refundable Deposits Received	298,477	404,922
Refund/Transfers of Refundable Deposits	(183,391)	(198,353)
Net Cash Flows Generated from Operating Activities	952,300	942,345
Cash Flows from / (Used in) Investing Activities		
Acquisition of Intangible Assets	-	(11,744)
Acquisition of Property, Plant and Equipment	(4,887,963)	(1,757,273)
Dividend Received	188,876	986
Investments in Subsidiaries	-	(621,995)
Acquisition of Non-Controlling Interest	(1,299,816)	-
Proceeds from Disposal of Property, Plant and Equipment	29,309	10,874
Net Cash Flows from/(Used in) Investing Activities	(5,969,595)	(2,379,153)
Cash Flows from / (Used in) Financing Activities		
Dividend Paid	(387,000)	(774,000)
Finance Income	42,183	28,266
Proceeds from Interest Bearing Loans and Borrowings	8,616,284	5,512,509
Repayment of Interest Bearing Loans and Borrowings	(4,521,299)	(1,733,748)
Principal Payment under Finance Lease Liabilities	(3,213)	(2,880)
Net Cash Flows from/(Used) in Financing Activities	3,746,955	3,030,146
Net Decrease in Cash and Cash Equivalent	(1,270,339)	1,593,337
Cash and Cash Equivalent at the Beginning of the Period	3,388,639	770,422
Cash and Cash Equivalent at the End of the Period	2,118,300	2,363,759

Note : The above figures are subject to audit.
Figures in brackets indicates deductions.

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY INCOME STATEMENT

For the quarter ended 30 September 2016

	Quarter ended 30 September			Six Months ended 30 September			Year ended 31 March
	Unaudited		Change %	Unaudited		Change %	Audited
	2016 Rs.'000	2015 Rs.'000		2016 Rs.'000	2015 Rs.'000		2016 Rs.'000
Revenue	2,441,770	2,375,100	3	4,847,125	4,740,840	2	9,719,503
Cost of Sales	(1,853,213)	(1,843,264)	1	(3,878,035)	(3,742,719)	4	(7,975,524)
Gross Profit	588,557	531,836	11	969,090	998,122	(3)	1,743,979
Other Operating Income	274,481	82,818	231	368,618	158,743	132	909,787
Selling and Distribution Expenses	(167,126)	(147,933)	13	(337,499)	(278,561)	21	(649,470)
Administrative Expenses	(134,939)	(131,959)	2	(271,084)	(250,199)	8	(588,495)
Foreign Currency Exchange Gain/(Loss)	16,833	(36,682)	146	13,151	(19,277)	168	3,892
Operating Profit	577,807	298,080	94	742,276	608,828	22	1,419,692
Finance Cost	(246,639)	(44,130)	459	(447,698)	(48,071)	831	(293,858)
Fair Value Gain on Investment Properties	-	-	-	-	-	-	27,000
Finance Income	1,535	15,787	(90)	3,121	18,897	(83)	21,722
Profit Before Tax	332,703	269,737	23	297,700	579,655	(49)	1,174,556
Income Tax Expense	(42,682)	(61,479)	(31)	(76,889)	(128,790)	(40)	(142,588)
Profit for the Period	290,021	208,258	39	220,811	450,865	(51)	1,031,967
Attributable to:							
Equity Holders of the Parent	290,021	208,258	39	220,811	450,865	(51)	1,031,967
Non-Controlling Interests	-	-	-	-	-	-	-
	290,021	208,258	39	220,811	450,865	(51)	1,031,967

Note : Change % column represents the percentage change in current period's results compared to previous period

The above figures are subject to audit.

Figures in brackets indicates deductions.

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended 30 September 2016

	Quarter ended 30 September			Six Months ended 30 September			Year ended 31
	Unaudited		Change %	Unaudited		Change %	Audited
	2016 Rs.'000	2015 Rs.'000		2016 Rs.'000	2015 Rs.'000		2016 Rs.'000
Profit for the Period	290,021	208,258	39	220,811	450,865	(51)	1,031,967
Other Comprehensive Income							
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Gain/(Loss) on Available for Sale Financial Assets	36,801	38,605	(5)	46,982	50,469	(7)	14,184
Net Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods	36,801	38,605	(5)	46,982	50,469	(7)	14,184
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Actuarial Gains/ (Losses) on Defined Benefit Plans	-	-	-	-	-	-	5,044
Income Tax Effect	-	-	-	-	-	-	(1,009)
Net Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods	-	-	-	-	-	-	4,035
Other Comprehensive Income for the Period Net of Tax	36,801	38,605	(5)	46,982	50,469	(7)	18,219
Total Comprehensive Income for the Period Net of Tax	326,822	246,863	32	267,793	501,334	(47)	1,050,186
Attributable to:							
Equity Holders of the Parent	326,822	246,863	32	267,793	501,334	(47)	1,050,186
	326,822	246,863	32	267,793	501,334	(47)	1,050,186

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 September 2016

	Unaudited As at 30.09.2016 Rs.'000	Unaudited As at 30.09.2015 Rs.'000	Audited As at 31.03.2016 Rs.'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	6,535,855	5,701,740	6,164,150
Investment Properties	735,500	708,500	735,500
Intangible Assets	31,971	5,935	38,765
Investments in Subsidiaries	7,150,337	2,796,302	5,798,781
Non-Current Financial Assets	166,275	155,578	119,293
	14,619,938	9,368,055	12,856,489
Current Assets			
Inventories	221,290	314,739	511,267
Trade and Other Receivables	6,962,461	4,488,160	4,814,092
Prepayments	10,230	10,711	25,599
Income Tax Recoverable	169,210	-	162,679
Current Financial Assets	3,441	4,151	2,272
Cash and Short-Term Deposits	141,081	2,390,198	1,597,604
	7,507,714	7,207,959	7,113,513
Total Assets	22,127,652	16,576,015	19,970,001
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	3,285,000	3,285,000	3,285,000
Available for Sale Reserve	(271,986)	(282,683)	(318,968)
Retained Earnings	4,704,909	4,288,855	4,862,981
Equity attributable to Equity Holders of the Parent	7,717,923	7,291,173	7,829,013
Total Equity	7,717,923	7,291,173	7,829,013
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	4,131,640	1,985,714	4,553,224
Employee Benefit Liability	68,866	59,597	62,791
Deferred Tax Liability	858,228	736,840	795,729
Refundable Deposits	1,901,718	1,531,925	1,801,996
Deferred Income	597,534	450,665	524,798
	7,557,986	4,764,742	7,738,537
Current Liabilities			
Trade and Other Payables	1,121,949	2,082,131	1,080,978
Interest Bearing Loans and Borrowings	5,508,782	2,247,725	3,114,039
Deferred Income	9,709	17,531	7,213
Refundable Deposits	211,302	170,214	200,222
Income Tax Payable	-	2,499	-
	6,851,743	4,520,100	4,402,452
Total Equity and Liabilities	22,127,652	16,576,015	19,970,001
Net Assets Per Share (Rs.)	19.94	18.84	20.23

Note: The above figures are subject to audit.

I certify that these financial statements are in compliance with the requirements of the Companies Act No :07 of 2007.

(Sgd).

Chamath Indrapala
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by:

(Sgd).

W.K.H.Wegapitiya
Director

(Sgd).

U.K.Thilak De Silva
Director

02 November 2016
Colombo

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2016

	Stated	Retained	Available for	Total
	Capital	Earnings	Sale Reserve	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 01 April 2016	3,285,000	4,862,981	(318,968)	7,829,013
Profit for the period	-	220,811	-	220,811
Other Comprehensive Income for the period	-	-	46,982	46,982
Total Comprehensive Income for the period	-	220,811	46,982	267,793.38
Dividend Paid (Final 2015/2016)	-	(387,000)	-	(387,000)
Deferred Tax Liability Reversal during the period	-	8,117	-	8,117
Balance as at 30 September 2016	3,285,000	4,704,909	(271,986)	7,717,923
Balance as at 01 April 2015	3,285,000	4,599,747	(333,152)	7,551,595
Profit for the period	-	450,865	-	450,865
Other Comprehensive Income for the period	-	-	50,469	50,469
Total Comprehensive Income for the period	-	450,865	50,469	501,334
Dividend Paid (Final 2014/2015)	-	(774,000)	-	(774,000)
Deferred Tax Liability Reversal during the period	-	12,244	-	12,244
Balance as at 30 September 2015	3,285,000	4,288,855	(282,683)	7,291,173

Note : The above figures are subject to audit.

Figures in brackets indicates deductions.

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY STATEMENT OF CASH FLOWS

For the six months ended 30 September 2016

	Unaudited	Unaudited
	2016	2015
	Rs.'000	Rs.'000
Cash Flows Generated from/(Used in) Operating Activities		
Cash Flows from Operating Activities		
Profit Before Tax	297,700	579,655
Non-Cash Adjustment to Reconcile Profit before Tax to Net Cash Flows:		
Amortization of Intangible Assets	6,794	1,276
Decrease /(Increase) in Fair Value of Quoted Equity Securities	(1,169)	44
Depreciation of Property, Plant and Equipment	196,923	167,301
Finance Costs	447,698	48,071
Finance Income	(3,121)	(18,897)
Dividend Income	(188,876)	(986)
Provision for Employee Benefit Liability	6,461	5,209
(Profit)/Loss on Disposal of Property, Plant and Equipment	(7,629)	1,190
Exchange Rate Difference Adjustments	4,997	27,309
Operating Profit Before Working Capital Changes	759,778	810,172
Working Capital Adjustments:		
(Increase)/ Decrease in Inventories	289,977	150,185
(Increase)/Decrease in Trade and Other Receivables and Prepayments	(2,133,000)	(2,050,777)
Increase/ (Decrease) in Trade and Other Payables	51,287	474,843
Increase/ (Decrease) in Deferred Income	75,232	64,473
Cash Generated from Operating Activities	(956,726)	(551,103)
Employee Benefit Liability Costs Paid	(385)	(113)
Finance Costs Paid	(447,698)	(48,071)
Income Tax Paid	(12,804)	(173,377)
Refund/Transfers of Refundable Deposits	(181,783)	(198,353)
Refundable Deposits Received	292,585	404,922
Net Cash Flows Generated from Operating Activities	(1,306,811)	(566,096)
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant and Equipment	(590,361)	(533,072)
Dividend Received	188,876	986
Investments in Subsidiaries	(1,351,556)	-
Proceeds from Disposal of Property, Plant and Equipment	29,187	10,360
Net Cash Flows from/(Used in) Investing Activities	(1,723,854)	(521,726)
Cash Flows from / (Used in) Financing Activities		
Dividend Paid	(387,000)	(774,000)
Finance Income	3,121	18,897
Proceeds from Interest Bearing Loans and Borrowings	5,844,874	5,326,518
Repayment of Interest Bearing Loans and Borrowings	(4,225,852)	(1,667,273)
Net Cash Flows from / (Used) in Financing Activities	1,235,143	2,904,142
Net Decrease in Cash and Cash Equivalent	(1,795,522)	1,816,321
Cash and Cash Equivalent at the Beginning of the Period	1,471,483	440,437
Cash and Cash Equivalent at the End of the Period	(324,039)	2,256,758

Note : The above figures are subject to audit.

Figures in brackets indicates deductions.

The accounting policies and notes on pages 13 to 17 form an integral part of these financial statements.

Operating Segments	Energy		Energy- Overseas		Other Services		Leisure & Hospitality		Property Development		Power		Transportation & Logistics		Trading		Eliminations/Adjustments		Group			
	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000	2016 Rs.'000	2015 Rs.'000		
Revenue																						
External Customers	4,847,125	4,740,840	2,567,646	-	589,842	543,529	170,599	142,438	-	-	22,547	9,795	-	-	-	-	-	-	8,197,758	5,436,602		
Inter-Segment	-	-	-	-	-	-	-	-	-	-	-	-	599,456	413,056	1,307,275	-	(1,906,731)	(413,056)	-	-		
Total Revenue	4,847,125	4,740,840	2,567,646	-	589,842	543,529	170,599	142,438	-	-	22,547	9,795	599,456	413,056	1,307,275	-	(1,906,731)	(413,056)	8,197,758	5,436,602		
Results																						
Operating Profit	742,276	608,828	347,287	-	221,266	229,974	(72,339)	(27,493)	(5,584)	(1,200)	(331)	177,131	226,074	130,233	53,224	-	(375,421)	31	1,136,452	1,117,503		
Finance Costs	(447,698)	(48,071)	-	-	(1,076)	(1,400)	(76,677)	(43,781)	(1,881)	(9)	(9,570)	(274)	(30,649)	(21,630)	-	-	-	-	(567,550)	(115,164)		
Finance Income	3,121	18,897	15,781	-	8,493	6,956	535	647	89	43	286	371	13,877	1,352	-	-	-	-	42,183	28,266		
Profit/(Loss) Before Tax	297,700	579,655	363,069	-	228,683	235,530	(148,480)	(70,627)	(7,376)	(1,166)	(9,615)	177,228	209,303	109,956	53,224	-	(375,421)	31	611,085	1,030,605		
Income Tax Expense	(76,889)	(128,790)	(135,530)	-	(50,517)	(26,187)	131	1,901	(6)	(6)	(4,310)	(18)	(23)	2,371	-	-	-	-	(305,130)	(150,729)		
Profit/(Loss) for the Six Months	220,811	450,865	227,538	-	178,166	209,342	(148,349)	(68,726)	(7,381)	(1,172)	(13,925)	177,210	209,280	112,327	53,224	-	(413,408)	31	305,955	879,876		
Gain/(Loss) on Available for Sale Financial Assets	46,982	50,469	-	-	(691)	(209)	-	-	-	-	-	-	-	-	-	-	691	209	46,982	50,469		
Currency Translation of Foreign Operations	-	-	30,145	-	-	-	-	-	-	-	-	-	-	-	(3,255)	-	38,841	-	65,731	-		
Total Comprehensive Income for the Six Months Net of Tax	267,793	501,334	257,683	-	177,475	209,133	(148,349)	(68,726)	(7,381)	(1,172)	(13,925)	177,210	209,280	112,327	49,969	-	(373,876)	240	418,669	930,345		
Assets & Liabilities																						
Non-Current Assets																						
Total Non-Current Assets	14,619,938	9,368,055	1,088,234	-	319,098	351,158	4,851,836	3,617,637	1,300,450	1,182,494	4,089,700	1,100,432	2,893,378	1,569,495	1,303,505	-	(6,293,421)	(2,865,686)	24,172,718	14,323,584		
Current Assets																						
Total Current Assets	7,507,714	7,207,959	2,432,374	-	695,538	639,187	427,970	576,887	397,047	4,750	256,047	21,636	961,634	166,892	327,507	-	(6,449,695)	(3,123,775)	6,556,136	5,493,537		
Total Assets																					30,728,854	19,817,121
Non-Current Liabilities																						
Total Non-Current Liabilities	7,557,986	4,764,742	346,578	-	45,503	40,235	1,660,799	933,561	310,556	242,889	2,664,625	54,941	1,091,357	385,000	-	-	-	-	13,677,403	6,421,369		
Current Liabilities																						
Total Current Liabilities	6,851,743	4,520,100	1,638,590	-	115,312	66,973	2,803,258	2,252,785	524,574	73,557	1,257,850	750,812	1,733,560	805,542	210,035	-	(6,433,685)	(3,123,775)	8,701,238	5,345,995		
Total Liabilities																					22,378,641	11,767,364

The above figures are subject to audit.
Figures in brackets indicates deductions.

1 Corporate Information

LAUGFS Gas PLC is a public limited liability company incorporated and domiciled in Sri Lanka. Its ordinary voting and non voting shares are listed on Main Board of Colombo Stock Exchange.

The interim financial statements of the group and company for the Quarter ended 30 September 2016 were authorised for issue by the board of directors on 02 November 2016

2 Basis of Preparation

The Interim financial statements of LAUGFS Gas PLC have been prepared in accordance with Sri Lanka Accounting Standards comprising of SLFRS and LKAS (here after referred as "SLFRS") issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and accounting policies set out in the Annual Report for the year ended 31 March 2016.

These interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 - "Interim Financial Reporting". They should be read in conjunction with the Annual Report for the year ended 31 March 2016.

The presentation and classification of the financial statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current period.

The interim financial statements have been prepared on a historical cost basis, except for "investment properties", "non-current financial assets" and "current financial assets" which have been measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS

3 Share Information**3.1. Public share holdings**

The percentage of ordinary voting shares held by the public as at 30 September 2016 were 25.23% (30 June 2016 - 25.23%).

Total number of shareholders who hold the public holding as at 30 September 2016 were 9,352 (30 June 2016 were 9,341).

3.2 Directors Share holdings

The number of shares held by the Board of directors are as follows

Ordinary Voting Shares

As at	30-09-2016	30-06-2016
Name of Directors		
Mr W K H Wegapitiya	1,370,528	1,370,528
Mr U K Thilak De Silva	1,077,897	1,077,897
Mr H A Ariyaratne	3,900	3,900
Mr C L De Alwis	1,000	1,000
Mr P M Kumarasinghe	4,800	4,800
Mr T K Bandaranayake	Nil	Nil
Mr. N M Prakash	17,000	17,000

Ordinary Non Voting Shares

As at	30-09-2016	30-06-2016
Name of Directors		
Mr W K H Wegapitiya	Nil	Nil
Mr U K Thilak De Silva	Nil	Nil
Mr H A Ariyaratne	3,400	3,400
Mr C L De Alwis	500	500
Mr P M Kumarasinghe	Nil	Nil
Mr T K Bandaranayake	Nil	Nil
Mr. N M Prakash	Nil	Nil

3.3 Chief Executive Officer's Share holdings**Ordinary Voting Shares**

As at	30-09-2016	30-06-2016
Name		
Mr Ashan De Silva	12,600	12,600

Ordinary Non Voting Shares

As at	30-09-2016	30-06-2016
Name		
Mr Ashan De Silva	22,500	22,500

3.4 Twenty Largest Shareholders of the company are as follows
Ordinary Voting Shares

As at Name of Shareholder	30-09-2016		30-06-2016	
	No.of Shares	%	No.of Shares	%
1 LAUGFS HOLDINGS LIMITED	246,057,450	73.45	246,057,450	73.45
2 EMPLOYEES PROVIDENT FUND	57,897,800	17.28	57,897,800	17.28
3 SEYLAN BANK PLC / CARLINES HOLDINGS (PRIVATE) LIMITED	1,992,683	0.59	1,858,610	0.55
4 MR W K H WEGAPITIYA	1,370,528	0.41	1,370,528	0.41
5 DEUTSCHE BANK AG-NATIONAL EQUITY FUND	1,318,182	0.39	1,318,182	0.39
6 DEUTSCHE BANK AG AS TRUSTEE FOR NAMAL ACUITY VALUE FUND	1,139,563	0.34	409,000	0.12
7 DEUTSCHE BANK AG-NAMAL GROWTH FUND	1,132,189	0.34	400,000	0.12
8 MR U K T N DE SILVA	1,077,897	0.32	1,077,897	0.32
9 LAUGFS SUNUP SUPERMARKET (PVT) LTD	1,000,000	0.30	1,000,000	0.30
10 SEYLAN BANK PLC / ALMAS ORGANISATION (PVT) LIMITED	924,665	0.28	924,665	0.28
11 GAS AUTO LANKA LIMITED	922,600	0.28	922,600	0.28
12 MR G Y N MAHINKANDA	779,272	0.23	779,272	0.23
13 MR H D M P SIRIWARDENA	749,000	0.22	749,000	0.22
14 MR M K DE VOS & MRS D J DE VOS	730,000	0.22	790,000	0.24
15 PERSHING LLC S/A AVERBACH GRAUSON & CO.	518,802	0.15	518,802	0.15
16 PEOPLE'S LEASING FINANCE PLC/CARLINES HOLDINGS (PVT) LTD	502,500	0.15	502,500	0.15
17 MR. H A VAN STARREX	341,888	0.10	186,527	0.06
18 EMPLOYEES TRUST FUND BOARD	205,304	0.06	205,304	0.06
19 MR. C S KARIYAWASAN	200,000	0.06	100,000	0.03
20 ASHA LANKA FRAGRANCES (PVT) LTD	176,596	0.05	190,566	0.06

NOTES TO THE FINANCIAL STATEMENTS

3.5 Twenty Largest Shareholders of the company are as follows
Ordinary Non Voting Shares

As at Name of Shareholder	30-09-2016		30-06-2016	
	No.of Shares	%	No.of Shares	%
1 EMPLOYEES PROVIDENT FUND	18,041,300	34.69	18,041,300	34.69
2 HSBC INTL NOM LTD - STATE STREET LUXEMBOURG C/O SSBT - ALLIANCEBERNSTEIN NEXT 50 EMERGING MARKETS (MASTER) FUND SICAV-SIF S.C.SP.	3,846,247	7.40	3,846,247	7.40
3 BANK OF CEYLON NO. 1 ACCOUNT	3,420,538	6.58	3,420,538	6.58
4 DEUTSCHE BANK AG AS TRUSTEE FOR J B VANTAGE VALUE EQUITY FUND	2,158,696	4.15	2,158,696	4.15
5 SEYLAN BANK PLC/ CARLINES HOLDINGS (PRIVATE) LIMITED	2,063,082	3.97	2,017,786	3.88
6 DEUTSCHE BANK AG AS TRUSTEE TO ASTRUE ALPHA FUND	1,149,651	2.21	944,687	1.82
7 SEYLAN BANK PLC/ ALMAS ORGANISATION (PVT) LIMITED	1,090,420	2.10	1,090,420	2.10
8 PERSHING LLC S/A AVERBACH GRAUSON & CO.	941,392	1.81	941,392	1.81
9 COMMERCIAL BANK OF CEYLON PLC/DUNAMIS CAPITAL PLC	899,772	1.73	909,772	1.75
10 MR. A.M. WEERASINGHE	813,471	1.56	813,471	1.56
11 HSBC INTERNATIONAL NOMINEES LTD-MORGAN STANLEY AND CO. INTL PLC - OWN A/C	704,271	1.35	704,271	1.35
12 WALDOCK MACKENZIE LTD / MR. S N P PALIHENA AND MRS. A S PALIHENA	600,000	1.15	600,000	1.15
13 PAN ASIA BANKING CORPORATION PLC / S R FERNANDO	502,018	0.97	502,018	0.97
14 MR. G H I JAFFERJEE	442,008	0.85	442,008	0.85
15 GOLD INVESTMENT LIMITED	390,000	0.75	390,000	0.75
16 MRS C N G NARAYANA	378,800	0.73	378,800	0.73
17 MRS S D AMARASINGHE	372,400	0.72	372,400	0.72
18 MR.I M DABAH	347,000	0.67	347,000	0.67
19 NARATHA VENTURES (PRIVATE) LIMITED	308,000	0.59	308,000	0.59
20 MR. M A VALABHI	280,000	0.54	280,000	0.54

3.6 Stated Capital

Stated Capital is represented by number of shares in issue as given below.

As at	30-09-2016	30-06-2016
Ordinary voting shares	335,000,086	335,000,086
Ordinary non voting shares	52,000,000	52,000,000
	<u>387,000,086</u>	<u>387,000,086</u>

LAUGFS Gas PLC
NOTES TO THE FINANCIAL STATEMENTS

3.7 Market price per share

For the three months ended	30-09-2016		30-09-2015	
	Rs.		Rs.	
	Voting Share	Non Voting Share	Voting Share	Non Voting Share
Highest	40.00	37.50	45.20	40.20
Lowest	34.90	33.60	38.10	33.90
Last Traded	35.00	34.70	39.50	37.00

4 Dividend paid

A final dividend of Rs.1 per share for the financial year ended 31 March 2016 was paid on 21 June 2016

5 Contingencies, capital and other commitments

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31 March 2016.

6 Events occurring after the reporting date

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

Corporate Information

Name of the company	: LAUGFS Gas PLC (A Subsidiary of LAUGFS HOLDINGS LIMITED)
Company No	: PV - 8330 PB/PQ
Legal Form	: A Public Quoted Company with Limited Liability
Subsidiaries	: LAUGFS Gas (Bangladesh) Ltd. LAUGFS Eco Sri (Pvt) Ltd. LAUGFS Leisure Ltd. LAUGFS Property Developers (Pvt) Ltd. LAUGFS Power Ltd. LAUGFS Maritime Services (Pvt) Ltd. LAUGFS Terminals Ltd. SLOGAL Energy DMCC
Sub Subsidiaries	: LAUGFS Hotel Management Services (Pvt) Ltd. Anantaya Wadduwa (Pvt) Ltd Anantaya Passekudah (Pvt) Ltd. Ginigathhena Thiniyagala Mini Hydro Power (Pvt) Ltd Anorchi Lanka (Pvt) Ltd Iris Eco Power Lanka (Pvt) Ltd PAMS Power (Pvt) Ltd
Parent Enterprise	: The Company's holding Company and controlling entity is LAUGFS Holdings Limited, which is incorporated in Sri Lanka.
Board Of Directors	: Mr.W.K.H.Wegapitiya (Chairman/ Group CEO) Mr.U.K.Thilak De Silva (Group Managing Director) Mr.H.A.Ariyaratne Mr.T.K.Bandaranayake Mr.C.L.De Alwis Mr.P.M.Kumarasinghe PC Mr. N M Prakash
Bankers	: Commercial Bank of Ceylon PLC Hongkong and Shanghai Banking Corporation Ltd Hatton National Bank PLC People's Bank Bank of Ceylon Seylan Bank PLC DFCC Bank PLC Union Bank of Colombo PLC Standard Chartered Bank Pan Asia Banking Corporation PLC MCB Bank Ltd.
Auditors	: Ernst & Young (Chartered Accountants) # 201, De Saram Place, Colombo 10, Sri Lanka.
Secretaries	: Corporate Advisory Services (Pvt) Ltd. # 47, Alexandra Place, Colombo 07. Sri Lanka.
Registrars	: P W Corporate Secretarial (Pvt) Ltd. # 3/17, Kinsey Road, Colombo 08, Sri Lanka.
Registered Office	: # 14, R.A.De Mel Mawatha, Colombo 04, Sri Lanka.
Corporate Website	: www.laugfs.lk www.laugfsgas.lk