

INVESTING FOR GROWTH

LAUGFS GAS PLC INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the Quarter ended 31 December 2017

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31
	Unaudited		Change %	Unaudited		Change %	Audited
	2017 Rs.'000	2016 Rs.'000		2017 Rs.'000	2016 Rs.'000		2017 Rs.'000
Revenue	6,598,428	4,796,677	38	18,167,269	12,994,434	40	18,065,452
Cost of Sales	(5,555,590)	(3,660,870)	52	(14,919,139)	(9,503,121)	57	(13,890,580)
Gross Profit	1,042,838	1,135,807	(8)	3,248,130	3,491,314	(7)	4,174,872
Other Operating Income	122,106	99,915	22	351,236	287,049	22	380,584
Selling and Distribution Expenses	(382,606)	(259,354)	48	(1,168,934)	(738,700)	58	(1,091,888)
Administrative Expenses	(560,533)	(553,628)	1	(1,573,644)	(1,487,301)	6	(2,366,813)
Foreign Currency Exchange Gain/(Loss)	8,918	(35,210)	125	27,176	(28,379)	(196)	(50,998)
Operating Profit	230,723	387,530	(40)	883,963	1,523,982	(42)	1,045,758
Finance Cost	(758,501)	(403,513)	88	(1,858,879)	(971,063)	91	(1,549,902)
Fair Value Gain on Investment Properties	-	-	-	-	-	-	38,316
Finance Income	25,287	19,516	30	65,045	61,699	5	81,810
Profit/(Loss) Before Tax	(502,491)	3,532	(14,326)	(909,871)	614,618	(248)	(384,019)
Income Tax Expense	(24,242)	(189,196)	(87)	(32,304)	(494,326)	(93)	(243,296)
Profit/(Loss) for the Period	(526,733)	(185,664)	184	(942,175)	120,291	(883)	(627,315)
Attributable to:							
Equity Holders of the Parent	(526,733)	(185,664)	184	(942,175)	109,580	(960)	(638,026)
Non-Controlling Interests	-	-	-	-	10,712	-	10,712
	(526,733)	(185,664)	184	(942,175)	120,291	(883)	(627,315)
Earnings Per Share :							
Basic/Diluted (Rs.) attributable to Ordinary Equity Holders of the Parent	(1.36)	(0.48)	184	(2.43)	0.28	(960)	(1.65)

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 11 to 16 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Quarter ended 31 December 2017

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31
	Unaudited		Change %	Unaudited		Change %	Audited
	2017 Rs.'000	2016 Rs.'000		2017 Rs.'000	2016 Rs.'000		2017 Rs.'000
Profit/(Loss) for the Period	(526,733)	(185,664)	184	(942,175)	120,291	(883)	(627,315)
Other Comprehensive Income							
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Gains /(Losses) on Available for Sale Financial Assets	(8,087)	(21,524)	(62)	8,347	25,459	(67)	2,913
Reclassification during the Year to Profit or Loss	180,000	-	-	180,000	-	-	122,300
Currency Translation of Foreign Operations	(32,000)	47,599	(167)	(78,292)	113,331	(169)	118,427
Surplus on Revaluation of Assets Transferred to Investment Prop	-	-	-	-	-	-	136,520
Income Tax Effect	-	-	-	-	-	-	(23,961)
Net Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods	139,913	26,076	437	110,055	138,789	(21)	356,199
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Actuarial Gains/(Losses) on Defined Benefit Plans	2,727	-	-	2,727	-	-	20,055
Income Tax Effect	(545)	-	-	(545)	-	-	(6,178)
Net Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods	2,182	-	-	2,182	-	-	13,877
Other Comprehensive Income for the Period Net of Tax	142,095	26,076	445	112,236	138,789	(19)	370,076
Total Comprehensive Income for the Period Net of Tax	(384,638)	(159,588)	141	(829,939)	259,081	(420)	(257,238)
Attributable to:							
Equity Holders of the Parent	(384,638)	(159,588)	141	(829,939)	249,726	(432)	(266,593)
Non-Controlling Interests	-	-	-	-	9,355	(100)	9,355
	(384,638)	(159,588)	141	(829,939)	259,081	(420)	(257,238)

The accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

LAUGFS Gas PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Unaudited As at 31.12.2017 Rs.'000	Unaudited As at 31.12.2016 Rs.'000	Audited As at 31.03.2017 Rs.'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	25,045,288	19,908,308	22,625,858
Investment Properties	2,282,712	735,500	2,270,800
Intangible Assets	3,021,455	3,100,105	3,088,813
Prepayments	99,144	107,858	105,751
Non-Current Financial Assets	133,179	144,752	122,828
Deferred Tax Assets	18,282	15,788	17,394
	30,600,060	24,012,311	28,231,444
Current Assets			
Inventories	1,736,085	1,151,091	1,428,210
Trade and Other Receivables	3,862,505	4,032,055	3,822,731
Prepayments	100,157	50,386	85,250
Income Tax Recoverable	256,510	179,532	205,100
Current Financial Assets	2,812	2,575	2,692
Cash and Short-Term Deposits	1,928,720	3,206,067	2,058,564
	7,886,789	8,621,707	7,602,549
Total Assets	38,486,849	32,634,017	35,833,993
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	3,285,000	3,285,000	3,285,000
Available for Sale Reserve	(5,409)	(293,510)	(193,756)
Foreign Currency Translation Reserve	108,515	189,042	186,807
Revaluation Reserve	112,559	-	112,559
Retained Earnings	3,326,656	5,024,208	4,253,763
Equity attributable to Equity Holders of the Parent	6,827,322	8,204,741	7,644,374
Non-Controlling Interests	-	-	-
Total Equity	6,827,322	8,204,741	7,644,374
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	16,756,700	12,739,328	15,443,240
Employee Benefit Liability	283,243	292,806	265,104
Deferred Income	761,841	626,457	670,652
Refundable Deposits	2,244,562	2,012,625	2,092,151
Deferred Tax Liability	427,323	957,395	689,989
	20,473,670	16,628,611	19,161,137
Current Liabilities			
Trade and Other Payables	3,874,669	2,927,078	3,801,627
Interest Bearing Loans and Borrowings	6,475,052	4,013,341	4,336,425
Deferred Income	15,549	11,892	14,572
Refundable Deposits	239,192	213,580	222,495
Income Tax Payable	581,396	634,775	653,362
	11,185,857	7,800,665	9,028,482
Total Equity and Liabilities	38,486,849	32,634,017	35,833,993
Net Assets Per Share (Rs.)	17.64	21.20	19.75

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).

Dilshan Perera

Finance Director

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

13 February 2017

Colombo

The accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

LAUGFS Gas PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Quarter ended 31 December 2017

	Attributable to Equity Holders of the Parent						Non-Controlling Interests Rs.'000	Total Equity Rs.'000
	Stated Capital Rs.'000	Retained Earnings Rs.'000	Available for Sale Reserve Rs.'000	Revaluation Reserve Rs.'000	Foreign Currency Translation Reserve Rs.'000	Total Rs.'000		
Balance as at 01 April 2017	3,285,000	4,253,763	(193,756)	112,559	186,807	7,644,374	-	7,644,374
Profit/(Loss) for the six months	-	(415,442)	-	-	-	(415,442)	-	(415,442)
Other Comprehensive Income for the six months	-	-	16,434	-	(46,293)	(29,859)	-	(29,859)
Total Comprehensive Income for the six months	-	(415,442)	16,434	-	(46,293)	(445,301)	-	(445,301)
Deferred Tax Liability Reversal during the six months	-	11,781	-	-	-	11,781	-	11,781
Reversal of Surplus on revaluation for Disposal of Property, Plant and Equipments	-	(4,865)	-	-	-	(4,865)	-	(4,865)
Balance as at 30 September 2017	3,285,000	3,845,237	(177,322)	112,559	140,515	7,205,989	-	7,205,989
Profit/(Loss) for the quarter	-	(526,733)	-	-	-	(526,733)	-	(526,733)
Other Comprehensive Income for the quarter	-	2,182	171,913	-	(32,000)	142,095	-	142,095
Total Comprehensive Income for the quarter	-	(524,551)	171,913	-	(32,000)	(384,638)	-	(384,638)
Deferred Tax Liability Reversal during the quarter	-	5,971	-	-	-	5,971	-	5,971
Balance as at 31 December 2017	3,285,000	3,326,656	(5,409)	112,559	108,515	6,827,322	-	6,827,322
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/(Loss) for the six months	-	295,244	-	-	-	295,244	10,712	305,955
Other Comprehensive Income for the six months	-	-	46,982	-	65,731	112,714	(1,357)	111,357
Total Comprehensive Income for the six months	-	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 quarter	-	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
Profit/(Loss) for the quarter	-	(185,664)	-	-	-	(185,664)	-	(185,664)
Other Comprehensive Income for the quarter	-	-	(21,524)	-	55,599	34,076	-	34,076
Total Comprehensive Income for the quarter	-	(185,664)	(21,524)	-	55,599	(151,588)	-	(151,588)
Deferred Tax Liability Reversal during the quarter	-	6,117	-	-	-	6,117	-	6,117
Balance as at 31 December 2016	3,285,000	5,024,208	(293,510)	-	189,042	8,204,741	-	8,204,741

Note : The above figures are subject to audit.

Figures in brackets indicates deductions.

The accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

LAUGFS Gas PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Nine Months ended 31 December 2017

	Unaudited 2017 Rs.'000	Unaudited 2016 Rs.'000
Cash Flows Generated from/(Used in) Operating Activities		
Cash Flows from Operating Activities		
Profit /(Loss) Before Tax	(909,871)	614,618
Non-Cash Adjustment to Reconcile Profit before Tax to Net Cash Flows:		
Amortization of Intangible Assets	18,819	17,641
Decrease /(Increase) in Fair Value of Quoted Equity Securities	(120)	(302)
Depreciation of Property, Plant and Equipment	957,922	661,717
Finance Costs	1,858,879	971,063
Finance Income	(65,045)	(61,699)
Dividend Income	(3,777)	(1,836)
Provision for Employee Benefit Liability	24,579	23,922
Provision for Workers profit participation Fund	21,877	29,957
(Profit)/Loss on Disposal of Property, Plant & Equipment	186	(8,565)
Exchange Rate Difference Adjustments	2,292	109,511
Operating Profit Before Working Capital Changes	1,905,742	2,356,026
Working Capital Adjustments:		
(Increase)/Decrease in Inventories	(307,875)	(254,282)
(Increase)/Decrease in Trade and Other Receivables and Prepayments	(125,828)	(3,414,892)
Increase/(Decrease) in Trade and Other Payables	142,090	3,336,272
Increase/(Decrease) in Deferred Income	92,165	106,337
Cash Generated from Operating Activities	1,701,954	2,129,461
Employee Benefit Liability Costs Paid	(5,937)	(34,915)
Finance Costs Paid	(1,678,879)	(971,063)
Income Tax Paid	(389,323)	(212,687)
Refundable Deposits Received	593,050	298,965
Refund/Transfers of Refundable Deposits	(423,942)	(157,594)
Net Cash Flows Generated from Operating Activities	(203,077)	1,052,168
Cash Flows from / (Used in) Investing Activities		
Acquisition of Intangible Assets	(7,251)	-
Acquisition of Property, Plant and Equipment	(3,410,840)	(4,923,449)
Acquisition of Investment Properties	(11,912)	-
Dividend Received	3,777	1,836
Investments in Quoted Equity Securities	(2,004)	-
Proceeds from Disposal of Property, Plant and Equipment	3,562	30,882
Net Cash Flows from/(Used in) Investing Activities	(3,424,667)	(4,890,730)
Cash Flows from / (Used in) Financing Activities		
Dividend Paid	-	(387,000)
Finance Income	65,045	61,699
Acquisition of Non-Controlling Interests	-	(1,299,816)
Proceeds from Interest Bearing Loans and Borrowings	13,855,593	15,085,984
Repayment of Interest Bearing Loans and Borrowings	(10,318,660)	(10,240,525)
Capital Repayment under Finance Lease Liabilities	(5,381)	(4,882)
Net Cash Flows from/(Used) in Financing Activities	3,596,597	3,215,460
Net Decrease in Cash and Cash Equivalent	(31,147)	(623,103)
Cash and Cash Equivalent at the Beginning of the Period	1,416,302	3,388,639
Cash and Cash Equivalent at the End of the Period	1,385,155	2,765,537

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

The accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY INCOME STATEMENT

For the Quarter ended 31 December 2017

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31
	Unaudited			Unaudited			March
	2017	2016	Change	2017	2016	Change	Audited
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%	2017
							Rs.'000
Revenue	3,461,978	2,812,390	23	9,401,655	7,659,515	23	10,386,886
Cost of Sales	(3,441,140)	(2,513,561)	37	(8,994,812)	(6,391,596)	41	(9,244,996)
Gross Profit	20,838	298,829	(93)	406,843	1,267,919	(68)	1,141,891
Other Operating Income	423,491	521,629	(19)	654,965	890,247	(26)	1,156,919
Selling and Distribution Expenses	(234,310)	(145,482)	61	(723,716)	(482,981)	50	(735,761)
Administrative Expenses	(136,809)	(153,965)	(11)	(398,430)	(425,049)	(6)	(792,919)
Foreign Currency Exchange Gain/(Loss)	27,474	(30,109)	191	65,198	(16,958)	484.47	(24,717)
Operating Profit	100,685	490,902	(79)	4,861	1,233,178	(100)	745,412
Finance Cost	(568,756)	(314,374)	81	(1,293,951)	(762,072)	70	(1,225,388)
Fair Value Gain on Investment Properties	-	-	-	-	-	-	26,000
Finance Income	2,373	1,417	67	4,466	4,539	(2)	5,654
Profit/(Loss) Before Tax	(465,698)	177,945	(362)	(1,284,623)	475,645	(370)	(448,321)
Income Tax Expense	118,300	(30,701)	(485)	261,831	(107,589)	(343)	189,194
Profit/(Loss) for the Period	(347,398)	147,245	(336)	(1,022,792)	368,056	(378)	(259,128)
Attributable to:							
Equity Holders of the Parent	(347,398)	147,245	(336)	(1,022,792)	368,056	(378)	(259,128)
Non-Controlling Interests	-	-	-	-	-	-	-
	(347,398)	147,245	(336)	(1,022,792)	368,056	(378)	(259,128)

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 11 to 16 form an integral part of these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the Quarter ended 31 December 2017

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31
	Unaudited		Change %	Unaudited		Change %	Audited
	2017 Rs.'000	2016 Rs.'000		2017 Rs.'000	2016 Rs.'000		2017 Rs.'000
Profit/(Loss) for the Period	(347,398)	147,245	(336)	(1,022,792)	368,056	(378)	(259,128)
Other Comprehensive Income							
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Reclassification during the Year to Profit or Loss	180,000	-	-	180,000	-	-	122,300
Gain/(Loss) on Available for Sale Financial Assets	(8,087)	(21,524)	(62)	8,347	25,459	(67)	2,913
Net Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods	171,913	(21,524)	(899)	188,347	25,459	640	125,213
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Actuarial Gains/ (Losses) on Defined Benefit Plans	2,727	-	-	2,727	-	-	11,123
Income Tax Effect	(545)	-	-	(545)	-	-	(2,225)
Net Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods	2,182	-	-	2,182	-	-	8,898
Total Comprehensive Income for the Period Net of Tax	174,095	(21,524)	(909)	190,529	25,459	648	134,111
Total Comprehensive Income for the Period Net of Tax	(173,303)	125,721	(238)	(832,264)	393,514	(311)	(125,017)
Attributable to:							
Equity Holders of the Parent	(173,303)	125,721	(238)	(832,264)	393,514	(311)	(125,017)
Non-Controlling Interests	-	-	-	-	-	-	-
	(173,303)	125,721	(238)	(832,264)	393,514	(311)	(125,017)

The accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Unaudited As at 31.12.2017 Rs.'000	Unaudited As at 31.12.2016 Rs.'000	Audited As at 31.03.2017 Rs.'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7,151,337	6,551,455	6,629,727
Investment Properties	761,500	735,500	761,500
Intangible Assets	15,355	28,574	25,177
Investments in Subsidiaries	12,170,337	8,400,337	11,850,337
Non-Current Financial Assets	133,179	144,752	122,828
	20,231,708	15,860,617	19,389,569
Current Assets			
Inventories	583,409	356,973	569,521
Trade and Other Receivables	3,278,870	6,168,515	3,390,784
Prepayments	7,010	6,036	18,879
Income Tax Recoverable	245,134	177,125	202,210
Current Financial Assets	2,812	2,575	2,692
Cash and Short-Term Deposits	326,044	401,165	287,878
	4,443,278	7,112,388	4,471,965
Total Assets	24,674,986	22,973,005	23,861,534
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	3,285,000	3,285,000	3,285,000
Available for Sale Reserve	(5,409)	(293,510)	(193,756)
Retained Earnings	3,202,639	4,856,212	4,215,871
Equity attributable to Equity Holders of the Parent	6,482,231	7,847,703	7,307,115
Total Equity	6,482,231	7,847,703	7,307,115
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	7,322,290	6,899,476	8,120,292
Employee Benefit Liability	65,430	69,198	59,875
Deferred Income	761,841	626,457	670,652
Refundable Deposits	2,152,730	1,922,220	2,002,455
Deferred Tax Liability	315,997	879,930	592,349
	10,618,287	10,397,280	11,445,623
Current Liabilities			
Trade and Other Payables	1,798,133	1,315,020	1,398,999
Interest Bearing Loans and Borrowings	5,521,594	3,187,531	3,472,730
Deferred Income	15,549	11,892	14,572
Refundable Deposits	239,192	213,580	222,495
	7,574,468	4,728,023	5,108,796
Total Equity and Liabilities	24,674,986	22,973,005	23,861,534
Net Assets Per Share (Rs.)	16.75	20.28	18.88

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).

Dilshan Perera

Finance Director

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

13 February 2017

Colombo

The accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

For the Quarter ended 31 December 2017

	Stated Capital Rs.'000	Retained Earnings Rs.'000	Available for Sale Reserve Rs.'000	Total Rs.'000
Balance as at 01 April 2017	3,285,000	4,215,871	(193,756)	7,307,115
Profit/(Loss) for the six months	-	(675,395)	-	(675,395)
Other Comprehensive Income for the six months	-	-	16,434	16,434
Total Comprehensive Income for the six months	-	(675,395)	16,434	(658,961)
Deferred Tax Liability Reversal during the six months	-	8,163	-	8,163
Reversal of Surplus on revaluation for Disposal of Property, Plant and Equipments	-	(4,865)	-	(4,865)
Balance as at 30 September 2017	3,285,000	3,543,774	(177,322)	6,651,452
Profit/(Loss) for the quarter	-	(347,398)	-	(347,398)
Other Comprehensive Income for the quarter	-	2,182	171,913	174,095
Total Comprehensive Income for the quarter	-	(345,216)	171,913	(173,303)
Deferred Tax Liability Reversal during the quarter	-	4,082	-	4,082
Balance as at 31 December 2017	3,285,000	3,202,639	(5,409)	6,482,231
Balance as at 01 April 2016	3,285,000	4,862,981	(318,968)	7,829,013
Profit for the six months	-	220,811	-	220,811
Other Comprehensive Income for the six months	-	-	46,982	46,982
Total Comprehensive Income for the six months	-	220,811	46,982	267,793
Dividend Paid (Final 2015/2016)	-	(387,000)	-	(387,000)
Deferred Tax Liability Reversal during the six months	-	8,117	-	8,117
Balance as at 30 September 2016	3,285,000	4,704,909	(271,986)	7,717,923
Profit for the quarter	-	147,245	-	147,245
Other Comprehensive Income for the quarter	-	-	(21,524)	(21,524)
Total Comprehensive Income for the quarter	-	147,245	(21,524)	125,721
Deferred Tax Liability Reversal during the quarter	-	4,059	-	4,059
Balance as at 31 December 2016	3,285,000	4,856,212	(293,510)	7,847,703

Note : The above figures are subject to audit.

Figures in brackets indicates deductions.

The accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

LAUGFS Gas PLC

COMPANY STATEMENT OF CASH FLOWS

For the Nine Months ended 31 December 2017

	Unaudited 2017 Rs.'000	Unaudited 2016 Rs.'000
Cash Flows Generated from/(Used in) Operating Activities		
Cash Flows from Operating Activities		
Profit/(Loss) Before Tax	(1,284,623)	475,645
Non-Cash Adjustment to Reconcile Profit before Tax to Net Cash Flows:		
Amortization of Intangible Assets	10,195	10,190
Decrease /(Increase) in Fair Value of Quoted Equity Securities	(120)	(302)
Depreciation of Property, Plant and Equipment	329,798	297,381
Finance Costs	1,293,951	762,072
Finance Income	(4,466)	(4,539)
Dividend Income	(310,816)	(612,111)
Provision for Employee Benefit Liability	11,158	8,248
(Profit)/Loss on Disposal of Property, Plant and Equipment	1,852	(8,459)
Exchange Rate Difference Adjustments	4,595	38,813
Operating Profit Before Working Capital Changes	51,523	966,939
Working Capital Adjustments:		
(Increase)/ Decrease in Inventories	(13,888)	154,293
(Increase)/Decrease in Trade and Other Receivables and Prepayments	123,783	(1,334,859)
Increase/ (Decrease) in Trade and Other Payables	402,705	237,045
Increase/ (Decrease) in Deferred Income	92,165	106,337
Cash Generated from Operating Activities	656,288	129,756
Employee Benefit Liability Costs Paid	(2,876)	(1,841)
Finance Costs Paid	(1,113,951)	(762,072)
Income Tax Paid	(45,746)	(25,658)
Refund/Transfers of Refundable Deposits	(423,942)	(155,985)
Refundable Deposits Received	590,913	289,568
Net Cash Flows Generated from /(Used In) Operating Activities	(339,312)	(526,233)
Cash Flows from / (Used in) Investing Activities		
Acquisition of Intangible Assets	(373)	-
Acquisition of Property, Plant and Equipment	(860,190)	(707,709)
Dividend Received	310,816	612,111
Investments in Quoted Equity Securities	(2,004)	-
Investments in Subsidiaries	(320,000)	(2,601,556)
Proceeds from Disposal of Property, Plant and Equipment	2,064	30,760
Net Cash Flows from/(Used in) Investing Activities	(869,686)	(2,666,394)
Cash Flows from / (Used in) Financing Activities		
Dividend Paid	-	(387,000)
Finance Income	4,466	4,539
Proceeds from Interest Bearing Loans and Borrowings	11,395,047	12,152,253
Repayment of Interest Bearing Loans and Borrowings	(9,912,137)	(9,805,795)
Net Cash Flows from / (Used) in Financing Activities	1,487,377	1,963,997
Net Decrease in Cash and Cash Equivalent	278,379	(1,228,631)
Cash and Cash Equivalent at the Beginning of the Period	(114,131)	1,471,483
Cash and Cash Equivalent at the End of the Period	164,248	242,852

Note : The above figures are subject to audit.

Figures in brackets indicates deductions.

The accounting policies and notes on pages 11 to 16 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		
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Revenue																					
External Customers	9,398,206	7,659,515	6,044,239	4,086,227	1,007,459	931,034	442,967	289,641	77,010	-	729,921	28,018	467,467	-	-	-	-	-	18,167,269	12,994,434	
Inter-Segment	3,449	-	-	-	-	-	-	-	32,705	-	-	-	493,431	867,681	3,856,766	1,627,160	(4,386,350)	(2,494,841)	-	-	
Total Revenue	9,401,655	7,659,515	6,044,239	4,086,227	1,007,459	931,034	442,967	289,641	109,715	-	729,921	28,018	960,897	867,681	3,856,766	1,627,160	(4,386,350)	(2,494,841)	18,167,269	12,994,434	
Results																					
Operating Profit	4,861	1,233,178	384,648	543,298	364,153	372,012	(125,125)	(124,899)	84,334	(14,996)	501,183	(8,955)	134,599	311,445	(78,075)	30,869	(386,614)	(817,971)	883,963	1,523,982	
Finance Costs	(1,293,951)	(762,072)	-	-	(1,000)	(1,551)	(200,076)	(141,326)	(23,573)	(4,692)	(299,749)	(15,536)	(40,530)	(45,887)	-	-	-	-	(1,858,879)	(971,063)	
Finance Income	4,466	4,539	31,018	25,880	25,343	15,910	268	603	287	110	3,401	474	262	14,184	-	-	-	-	65,045	61,699	
Profit/(Loss) before tax	(1,284,623)	475,645	415,666	569,177	388,495	386,371	(324,933)	(265,621)	61,048	(19,578)	204,836	(24,017)	94,331	279,742	(78,075)	30,869	(386,614)	(817,971)	(909,871)	614,618	
Income Tax Expense	261,831	(107,589)	(156,029)	(212,426)	(87,146)	(85,285)	67	328	(17,418)	(6)	(2,374)	(4,321)	16	(41)	-	-	(31,252)	(84,987)	(32,304)	(494,326)	
Profit/(Loss) for the Nine Months	(1,022,792)	368,056	259,637	356,751	301,350	301,086	(324,866)	(265,293)	43,630	(19,584)	202,462	(28,338)	94,347	279,701	(78,075)	30,869	(417,866)	(902,958)	(942,175)	120,291	
Gain/(Loss) on Available for Sale Financial Assets	8,347	25,459	-	-	51,248	(2,407)	-	-	-	-	-	-	-	-	-	-	(51,248)	2,407	8,347	25,459	
Reclassification during the Year to Profit or Loss	180,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	180,000	-	
Currency Translation of Foreign Operations	-	-	(44,009)	44,470	-	-	-	-	-	-	-	-	-	-	21,118	(5,517)	(55,402)	74,377	(78,292)	113,331	
Actuarial Gains/(Losses) on Defined Benefit Plans	2,727	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,727	-	
Income Tax Effect	(545)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(545)	-	
Total Comprehensive Income for the Nine Months Net of Tax	(832,264)	393,514	215,628	401,222	352,598	298,680	(324,866)	(265,293)	43,630	(19,584)	202,462	(28,338)	94,347	279,701	(56,957)	25,352	(524,516)	(826,174)	(829,939)	259,081	
Assets & Liabilities																					
Non-Current Assets																					
Total Non-Current Assets	20,231,708	15,860,617	1,389,086	1,115,626	575,263	305,308	5,169,365	5,019,738	1,811,484	1,812,624	5,562,722	4,285,489	6,366,278	1,834,620	1,320,207	1,303,758	(11,826,053)	(7,525,469)	30,600,060	24,012,311	
Current Assets																					
Total Current Assets	4,443,278	7,112,388	2,701,782	2,835,385	344,955	429,983	270,502	479,189	238,710	11,938	675,175	474,746	1,101,950	2,195,156	840,584	318,399	(2,730,147)	(5,235,477)	7,886,789	8,621,707	
Total Assets																				38,486,849	32,634,017
Non-Current Liabilities																					
Total Non-Current Liabilities	10,618,287	10,397,280	380,460.06	355,549	46,586	45,004	1,822,948	1,771,154	302,152	302,222	3,425,688	2,735,687	3,882,652	1,021,715	-	-	(5,103)	-	20,473,670	16,628,611	
Current Liabilities																					
Total Current Liabilities	7,574,468	4,728,023	1,808,725.86	1,914,426	102,022	185,262	1,683,404	3,028,968	144,207	672,175	437,187	1,615,689	1,306,697	657,544	843,402	217,796	(2,714,256)	(5,219,218)	11,185,857	7,800,665	
Total Liabilities																				31,659,527	24,429,276

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

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2017

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 31 December 2017 were authorised for issue by the board of directors on 13 February 2017.

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 (hereafter 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 2017.

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 2017.

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

For the Quarter ended 31 December 2017

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

The percentage of ordinary voting shares held by the public as at 31 December 2017 were 25.22% (30 September 2017 - 25.22%).

Total number of shareholders who hold the public holding as at 31 December 2017 were 9,346 (30 September 2017 - 9,351).

3.2 Directors Share holdings

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

Ordinary Voting Shares

As at	31-12-2017	30-09-2017
Name of Directors		
Mr W K H Wegapitiya	1,411,536	1,411,536
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 (Resigned w.e.f. 31.12.2017)	4,800	4,800
Mr T K Bandaranayake	Nil	Nil
Mr. N M Prakash	17,000	17,000
Mr. A R D Perera	Nil	Nil
Mr. A N Ranasinghe	Nil	Nil

Ordinary Non Voting Shares

As at	31-12-2017	30-09-2017
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 (Resigned w.e.f. 31.12.2017)	Nil	Nil
Mr T K Bandaranayake	Nil	Nil
Mr. N M Prakash	Nil	Nil
Mr. A R D Perera	Nil	Nil
Mr. A N Ranasinghe	Nil	Nil

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

As at	31-12-2017	30-09-2017
Name		
Mr Ashan De Silva	12,600	12,600

Ordinary Non Voting Shares

As at	31-12-2017	30-09-2017
Name		
Mr Ashan De Silva	22,500	22,500

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2017

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

As at Name of Shareholder	31-12-2017		30-09-2017	
	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	2,348,402	0.70	2,291,303	0.68
4 MR W K H WEGAPITIYA	1,411,536	0.42	1,411,536	0.42
5 DEUTSCHE BANK AG AS TRUSTEE FOR NAMAL ACUITY VALUE FUND	1,339,563	0.40	1,339,563	0.40
6 DEUTSCHE BANK AG-NATIONAL EQUITY FUND	1,318,182	0.39	1,318,182	0.39
7 AMANA BANK PLC / ALMAS ORGANISATION (PVT) LTD	1,259,867	0.38	1,259,867	0.38
8 DEUTSCHE BANK AG-NAMAL GROWTH FUND	1,198,934	0.36	1,198,934	0.36
9 MR U K T N DE SILVA	1,077,897	0.32	1,077,897	0.32
10 LAUGFS SUNUP SUPERMARKET (PVT) LTD	1,000,000	0.30	1,000,000	0.30
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	524,000	0.16	620,000	0.19
15 MR. H A VAN STARREX	357,598	0.11	358,441	0.11
16 EMPLOYEES TRUST FUND BOARD	205,304	0.06	205,304	0.06
17 MR. C S KARIYAWASAN	200,000	0.06	200,000	0.06
18 CEYLON BISCUITS LIMITED	170,000	0.05	170,000	0.05
19 BANK OF CEYLON NO. 1 ACCOUNT	168,727	0.05	168,727	0.05
20 MRS C N G NARAYANA	162,300	0.05	162,300	0.05

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2017

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

As at Name of Shareholder	31-12-2017		30-09-2017	
	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	2,505,696	4.82	2,505,696	4.82
5 SEYLAN BANK PLC/ CARLINES HOLDINGS (PRIVATE) LIMITED	2,157,064	4.15	2,154,064	4.14
6 AMANA BANK PLC / ALMAS ORGANISATION (PVT) LIMITED	1,248,645	2.40	1,248,645	2.40
7 J. B. COCOSHELL (PVT) LTD	1,171,322	2.25	1,318,000	2.53
8 MR. A.M. WEERASINGHE	813,471	1.56	813,471	1.56
9 COMMERCIAL BANK OF CEYLON PLC/DUNAMIS CAPITAL PLC	793,906	1.53	793,906	1.53
10 SANDWAVE LIMITED	733,931	1.41	733,931	1.41
11 DEUTSCHE BANK AG - NATIONAL EQUITY FUND	663,000	1.28	663,000	1.28
12 SEYLAN BANK PLC / S R FERNANDO	508,698	0.98	502,018	0.97
13 MR. G H I JAFFERJEE (DECEASED)	442,008	0.85	442,008	0.85
14 MR. S SIVASHANTH	404,447	0.78	254,447	0.49
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 NARATHA VENTURES (PRIVATE) LIMITED	308,000	0.59	308,000	0.59
19 PERSHING LLC S/A AVERBACH GRAUSON & CO.	307,604	0.59	307,604	0.59
20 MR. M.A. VALABHJI	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	31-12-2017	30-09-2017
Ordinary voting shares	335,000,086.00	335,000,086.00
Ordinary non voting shares	52,000,000.00	52,000,000.00
	<u>387,000,086.00</u>	<u>387,000,086.00</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2017

3.7 Market price per share

For the three months ended	31-12-2017		31-12-2016	
	Rs.		Rs.	
	Voting Share	Non Voting Share	Voting Share	Non Voting Share
Highest	25.70	23.70	36.00	35.70
Lowest	20.90	18.50	32.30	30.50
Last Traded	23.50	20.00	33.30	32.90

4 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 2017.

5 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
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. Anorchi Lanka (Pvt) Ltd. Iris Eco Power Lanka (Pvt) Ltd. Ginigathena Thiniyagala Mini Hydro Power (Pvt) Ltd. PAMS Power (Pvt) Ltd. LAUGFS Maldives (Pvt) Ltd LAUGFS On Reid (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 (Resigned w.e.f. 31.12.2017) Mr. N M Prakash Mr. A R D Perera Mr. A N Ranasinghe
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	: # 101, Maya Avenue, Colombo 06, Sri Lanka.
Corporate Website	: www.laugfs.lk www.laugfsgas.lk