

Sharpening **our focus**

LAUGFS GAS PLC INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2018

CHAIRMAN'S MESSAGE

Dear Stakeholder,

LAUGFS Gas PLC is pleased to announce that despite many obstacles such as the Rupee depreciation and LPG price restrictions which the Company is continuing to face, the Company is in the process of recovery mainly due to its extensive cost cutting initiatives and stringent procurement procedures whereby the Company has managed to curtail its losses this quarter.

Nevertheless, the Company is in a continuous dialogue with the Consumer Affairs Authority in order to ensure that LPG retail prices are revised in line with global LPG market prices by adhering to the existing pricing formula. The Company has concurrently sought legal redress in order to ensure its rights.

Further, since commercial operations of the LPG transshipment Terminal facility in the Port of Hambantota will be commenced shortly, we expect that its operations would significantly contribute to promote the business of the Company, while bringing in much needed foreign exchange inflow to the country.

We expect that the aforementioned coupled with an engagement of a prospective strategic partner which the Company is pursuing, would improve the financial position of the Company and create requisite marketing channels and opportunities which will no doubt gear the Company to face these times of change and forge ahead.

(Sgd).

W. K. H. Wegapitiya

Chairman/Group CEO

13th February 2019

LAUGFS GAS PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the Quarter ended 31 December 2018

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31 March
	Unaudited		Change %	Unaudited		Change %	Audited
	2018 Rs.'000	2017 Rs.'000		2018 Rs.'000	2017 Rs.'000		2018 Rs.'000
Revenue	6,381,381	5,891,126	8	18,308,129	15,986,922	15	21,354,621
Cost of Sales	(5,444,475)	(5,363,987)	2	(15,982,207)	(14,374,487)	11	(19,210,054)
Gross Profit	936,906	527,139	78	2,325,923	1,612,435	44	2,144,568
Other Operating Income	133,773	121,037	11	406,622	348,995	17	468,028
Selling and Distribution Expenses	(382,213)	(368,929)	4	(1,105,176)	(1,126,329)	(2)	(1,377,165)
Administrative Expenses	(340,665)	(272,903)	25	(870,232)	(730,982)	19	(1,226,455)
Foreign Currency Exchange Gain/(Loss)	(51,255)	8,358	713	(117,952)	24,851	(575)	27,383
Operating Profit	296,545	14,702	1,917	639,184	128,969	396	36,360
Finance Cost	(514,780)	(588,966)	(13)	(1,399,671)	(1,358,054)	3	(1,767,153)
Fair Value Gain on Investment Properties	-	-	-	-	-	-	106,443
Finance Income	6,876	14,264	(52)	17,910	36,033	(50)	45,408
Profit/(Loss) Before Tax	(211,359)	(560,001)	(62)	(742,576)	(1,193,052)	(38)	(1,578,942)
Income Tax Expense	(81,065)	7,455	(1,187)	(103,069)	57,235	(280)	(49,135)
Profit/(Loss) for the Period from Continuing Operation	(292,423)	(552,546)	(47)	(845,645)	(1,135,816)	(26)	(1,628,077)
Discontinued Operations:							
Profit after Tax for the Period from Discontinued Operations	-	25,813	-	-	193,641	-	296,263
Profit/(Loss) for the Period	(292,423)	(526,733)	(44)	(845,645)	(942,175)	(10)	(1,331,813)
Attributable to:							
Equity Holders of the Parent	(300,639)	(526,733)	(43)	(859,991)	(942,175)	(9)	(1,331,813)
Non-Controlling Interests	8,215	-	-	14,346	-	-	-
	(292,423)	(526,733)	(44)	(845,645)	(942,175)	(10)	(1,331,813)
Earnings Per Share :							
Basic/Diluted (Rs.)	(0.78)	(1.36)	(43)	(2.22)	(2.43)	(9)	(3.44)
attributable to Ordinary Equity Holders of the Parent							

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.

LAUGFS GAS PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Quarter ended 31 December 2018

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31 March
	Unaudited		Change %	Unaudited		Change %	Audited 2018 Rs.'000
	2018 Rs.'000	2017 Rs.'000		2018 Rs.'000	2017 Rs.'000		
Profit/(Loss) for the Period	(292,423)	(526,733)	(44)	(845,645)	(942,175)	(10)	(1,331,813)
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)	-	-	8,347	-	12,803
Reclassification during the period to Profit or Loss	-	180,000	-	-	180,000	-	181,675
Exchange Differences in Translation of Foreign Operations	290,947	(32,000)	(1,009)	690,554	(78,292)	(982)	(62,873)
Surplus on Revaluation of Assets Transferred to Investment Properties	-	-	-	-	-	-	18,448
Income Tax Effect	-	-	-	-	-	-	(15,662)
Net Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods	290,947	139,913	108	690,554	110,055	527	134,391
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Net Gain/(Loss) on Equity Instruments at Fair Value Through Other Comprehensive Income	288	-	-	(22,456)	-	-	-
Actuarial Gains/(Losses) on Defined Benefit Plans	-	2,727	-	-	2,727	-	44,045
Income Tax Effect	-	(545)	-	-	(545)	-	(13,154)
Net Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods	288	2,182	(87)	(22,456)	2,182	(1,129)	30,891
Other Comprehensive Income for the Period Net of Tax	291,235	142,095	105	668,098	112,236	495	165,282
Total Comprehensive Income for the Period Net of Tax	(1,189)	(384,638)	(100)	(177,547)	(829,939)	(79)	(1,166,532)
Attributable to:							
Equity Holders of the Parent	(9,404)	(384,638)	(98)	(191,893)	(829,939)	(77)	(1,166,532)
Non-Controlling Interests	8,215	-	-	14,346	-	-	-
	(1,189)	(384,638)	(100)	(177,547)	(829,939)	(79)	(1,166,532)

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 31 December 2018

	Unaudited As at 31.12.2018 Rs.'000	Unaudited As at 31.12.2017 Rs.'000	Audited As at 31.03.2018 Rs.'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	21,239,325	25,045,288	17,070,443
Investment Properties	2,508,066	2,282,712	2,507,307
Intangible Assets	2,764,336	3,021,455	2,343,401
Prepayments	4,917	99,144	6,292
Non-Current Financial Assets	115,528	133,179	137,634
Deferred Tax Assets	309	18,282	208
	26,632,481	30,600,060	22,065,284
Current Assets			
Inventories	1,420,528	1,736,085	1,563,784
Trade and Other Receivables	4,472,104	3,862,505	4,470,102
Prepayments	64,969	100,157	69,802
Income Tax Recoverable	328,818	256,510	266,230
Current Financial Assets	2,679	2,812	2,678
Cash and Short-Term Deposits	1,486,965	1,928,720	2,957,223
	7,776,063	7,886,789	9,329,819
Total Assets	34,408,544	38,486,849	31,395,103
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,000,000	3,285,000	1,000,000
Fair value Reserve of financial assets at FVOCI	(21,733)	(5,409)	722
Foreign Currency Translation Reserve	814,541	108,515	123,987
Revaluation Reserve	86,842	112,559	86,842
Retained Earnings/(Losses)	(1,010,127)	3,326,656	(156,053)
Equity attributable to Equity Holders of the Parent	869,523	6,827,322	1,055,499
Non-Controlling Interests	400,529	-	386,184
Total Equity	1,270,052	6,827,322	1,441,683
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	14,831,183	16,756,700	13,486,083
Employee Benefit Liability	234,119	283,243	174,391
Deferred Income	807,232	761,841	810,972
Refundable Deposits	2,419,437	2,244,562	2,364,097
Deferred Tax Liability	536,248	427,323	649,945
	18,828,219	20,473,670	17,485,487
Current Liabilities			
Trade and Other Payables	4,766,648	3,874,669	4,183,661
Interest Bearing Loans and Borrowings	8,686,542	6,475,052	7,458,522
Deferred Income	13,737	15,549	15,711
Refundable Deposits	253,797	239,192	252,412
Income Tax Payable	589,548	581,396	557,627
	14,310,273	11,185,857	12,467,933
Total Equity and Liabilities	34,408,544	38,486,849	31,395,103
Net Assets Per Share (Rs.)	2.25	17.64	2.73

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

12 February 2019

Colombo

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 Nine Months ended 31 December 2018

	Attributable to Equity Holders of the Parent							
	Stated Capital	Retained Earnings	Fair value Reserve of financial assets at FVOCI	Revaluation Reserve	Foreign Currency Translation Reserve	Total	Non-Controlling Interests	Total Equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 01 April 2018	1,000,000	(156,053)	722	86,842	123,987	1,055,499	386,184	1,441,683
Profit/(Loss) for the six months	-	(559,352)	-	-	-	(559,352)	6,130	(553,222)
Other Comprehensive Income for the six months	-	-	(22,744)	-	399,607	376,863	-	376,863
Total Comprehensive Income for the six months	-	(559,352)	(22,744)	-	399,607	(182,489)	6,130	(176,359)
Deferred Tax Liability Reversal during the six months	-	3,796	-	-	-	3,796	-	3,796
Balance as at 30 September 2018	1,000,000	(711,609)	(22,022)	86,842	523,594	876,806	392,314	1,269,120
Profit/(Loss) for the quarter	-	(300,639)	-	-	-	(300,639)	8,215	(292,423)
Other Comprehensive Income for the quarter	-	-	288	-	290,947	291,235	-	291,235
Total Comprehensive Income for the quarter	-	(300,639)	288	-	290,947	(9,404)	8,215	(1,189)
Deferred Tax Liability Reversal during the quarter	-	2,121	-	-	-	2,121	-	2,121
Balance as at 31 December 2018	1,000,000	(1,010,127)	(21,733)	86,842	814,541	869,523	400,529	1,270,052
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 quarter	-	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

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 Nine Months ended 31 December 2018

	Unaudited	Unaudited
	2018	2017
	Rs.'000	Rs.'000
Cash Flows Generated from/(Used in) Operating Activities		
Cash Flows from Operating Activities		
Profit Before Tax from Continuing Operations	(742,576)	(1,193,052)
Profit/(Loss) Before Tax from Discontinued Operations	-	283,181
Profit /(Loss) Before Tax	(742,576)	(909,871)
Non-Cash Adjustment to Reconcile Profit before Tax to Net Cash Flows:		
Amortization of Intangible Assets	14,078	18,819
Decrease /(Increase) in Fair Value of Quoted Equity Securities	(1)	(120)
Depreciation of Property, Plant and Equipment	692,902	957,922
Finance Costs	1,399,671	1,858,879
Finance Income	(17,910)	(65,045)
Dividend Income	(2,693)	(3,777)
Provision for Employee Benefit Liability	39,685	24,579
Provision for Workers profit participation Fund	18,349	21,877
(Profit)/Loss on Disposal of Property, Plant & Equipment	40,710	186
Exchange Rate Difference Adjustments	(265,952)	2,292
Operating Profit Before Working Capital Changes	1,176,262	1,905,742
Working Capital Adjustments:		
(Increase)/Decrease in Inventories	488,911	(307,875)
(Increase)/Decrease in Trade and Other Receivables and Prepayments	(715,708)	(125,828)
Increase/(Decrease) in Trade and Other Payables	1,752,079	142,090
Increase/(Decrease) in Deferred Income	(5,713)	92,165
Cash Generated from Operating Activities	2,695,831	1,701,954
Employee Benefit Liability Costs Paid	(3,986)	(5,937)
Finance Costs Paid	(1,399,671)	(1,678,879)
Income Tax Paid	(323,447)	(389,323)
Refundable Deposits Received	429,327	593,050
Refund/Transfers of Refundable Deposits	(372,602)	(423,942)
Net Cash Flows Generated from Operating Activities	1,025,452	(203,077)
Cash Flows from / (Used in) Investing Activities		
Acquisition of Intangible Assets	(19,590)	(7,251)
Acquisition of Property, Plant and Equipment	(4,848,259)	(3,410,840)
Acquisition of Investment Properties	(759)	(11,912)
Dividend Received	2,344	3,777
Investments in Quoted Equity Securities	-	(2,004)
Proceeds from Disposal of Property, Plant and Equipment	37,908	3,562
Net Cash Flows from/(Used in) Investing Activities	(4,828,356)	(3,424,667)
Cash Flows from / (Used in) Financing Activities		
Finance Income	17,910	65,045
Proceeds from Interest Bearing Loans and Borrowings	24,634,732	13,855,593
Repayment of Interest Bearing Loans and Borrowings	(22,508,792)	(10,318,660)
Capital Repayment under Finance Lease Liabilities	-	(5,381)
Net Cash Flows from/(Used in) Financing Activities	2,143,851	3,596,597
Net Decrease in Cash and Cash Equivalent	(1,659,053)	(31,147)
Cash and Cash Equivalent at the Beginning of the Period	2,271,437	1,416,302
Cash and Cash Equivalent at the End of the Period	612,384	1,385,155

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 PROFIT OR LOSS

For the Quarter ended 31 December 2018

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31 March
	Unaudited		Change	Unaudited		Change	Audited
	2018 Rs.'000	2017 Rs.'000		2018 Rs.'000	2017 Rs.'000		2018 Rs.'000
Revenue	3,952,476	3,461,978	14	11,109,209	9,401,655	18	12,834,119
Cost of Sales	(3,655,791)	(3,441,140)	6	(9,951,733)	(8,994,812)	11	(12,258,443)
Gross Profit	296,685	20,838	1,324	1,157,476	406,843	185	575,677
Other Operating Income	476,200	423,491	12	989,037	654,965	51	1,003,102
Selling and Distribution Expenses	(192,847)	(234,310)	(18)	(616,333)	(723,716)	(15)	(898,517)
Administrative Expenses	(168,821)	(136,809)	23	(392,178)	(398,430)	(2)	(576,472)
Foreign Currency Exchange Gain/(Loss)	(16,602)	27,474	160	(36,304)	65,198	(156)	78,138
Operating Profit	394,614	100,685	292	1,101,699	4,861	22,566	181,928
Finance Cost	(478,113)	(568,756)	(16)	(1,316,251)	(1,293,951)	2	(1,682,219)
Fair Value Gain on Investment Properties	-	-	-	-	-	-	43,000
Finance Income	1,749	2,373	(26)	4,147	4,466	(7)	5,905
Profit/(Loss) Before Tax	(81,750)	(465,698)	82	(210,405)	(1,284,623)	84	(1,451,387)
Income Tax Expense	86,801	118,300	(27)	152,673	261,831	(42)	180,484
Profit/(Loss) for the Period	5,051	(347,398)	(101)	(57,732)	(1,022,792)	(94)	(1,270,903)
Attributable to:							
Equity Holders of the Parent	5,051	(347,398)	(101)	(57,732)	(1,022,792)	(94)	(1,270,903)
Non-Controlling Interests	-	-	-	-	-	-	-
	5,051	(347,398)	(101)	(57,732)	(1,022,792)	(94)	(1,270,903)

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.

LAUGFS GAS PLC

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the Quarter ended 31 December 2018

	Quarter ended 31 December			Nine Months ended 31 December			Year ended 31 March
	Unaudited		Change %	Unaudited		Change %	Audited
	2018 Rs.'000	2017 Rs.'000		2018 Rs.'000	2017 Rs.'000		2018 Rs.'000
Profit/(Loss) for the Period	5,051	(347,398)	101	(57,732)	(1,022,792)	94.36	(1,270,903)
Other Comprehensive Income							
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax) :							
Reclassification during the period to Profit or Loss	-	180,000	-	-	180,000	-	181,675
Gain/(Loss) on Available for Sale Financial Assets	288	(8,087)	103.56	(22,456)	8,347	(369)	12,803
Net Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods	288	171,913	(100)	(22,456)	188,347	(112)	194,478
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	-	7,889
Income Tax Effect	-	(545)	-	-	(545)	-	(1,578)
Net Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods	-	2,182	-	-	2,182	-	6,311
Total Comprehensive Income for the Period Net of Tax	288	174,095	(100)	(22,456)	190,529	(112)	200,789
Total Comprehensive Income for the Period Net of Tax	5,339	(173,303)	103	(80,188)	(832,264)	90.37	(1,070,114)
Attributable to:							
Equity Holders of the Parent	5,339	(173,303)	103.08	(80,188)	(832,264)	90.37	(1,070,114)
Non-Controlling Interests	-	-	-	-	-	-	-
	5,339	(173,303)	103.08	(80,188)	(832,264)	90.37	(1,070,114)

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 31 December 2018

	Unaudited As at 31.12.2018 Rs.'000	Unaudited As at 31.12.2017 Rs.'000	Audited As at 31.03.2018 Rs.'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7,597,407	7,151,337	7,586,202
Investment Properties	804,500	761,500	804,500
Intangible Assets	4,018	15,355	12,364
Investments in Subsidiaries	6,874,035	12,170,337	6,874,035
Non-Current Financial Assets	115,528	133,179	137,634
	15,395,488	20,231,708	15,414,736
Current Assets			
Inventories	407,369	583,409	771,276
Trade and Other Receivables	3,976,496	3,278,870	3,381,684
Prepayments	9,706	7,010	34,073
Income Tax Recoverable	321,206	245,134	265,237
Current Financial Assets	2,679	2,812	2,678
Cash and Short-Term Deposits	522,904	326,044	122,949
	5,240,361	4,443,278	4,577,898
Total Assets	20,635,849	24,674,986	19,992,634
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,000,000	3,285,000	1,000,000
Fair value Reserve of financial assets at FVOCI	(21,733)	(5,409)	722
Retained Earnings	(464,340)	3,202,639	(406,608)
Equity attributable to Equity Holders of the Parent	513,927	6,482,231	594,114
Total Equity	513,927	6,482,231	594,114
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	7,076,070	7,322,290	6,245,291
Employee Benefit Liability	56,881	65,430	54,274
Deferred Income	807,232	761,841	810,972
Refundable Deposits	2,284,173	2,152,730	2,271,709
Deferred Tax Liability	298,923	315,997	451,744
	10,523,278	10,618,287	9,833,990
Current Liabilities			
Trade and Other Payables	1,880,600	1,798,133	2,429,679
Interest Bearing Loans and Borrowings	7,450,509	5,521,594	6,866,727
Deferred Income	13,737	15,549	15,711
Refundable Deposits	253,797	239,192	252,412
	9,598,644	7,574,468	9,564,529
Total Equity and Liabilities	20,635,849	24,674,986	19,992,634
Net Assets Per Share (Rs.)	1.33	16.75	1.54

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

12 February 2019

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 Quarter ended 31 December 2018

	Stated Capital	Retained Earnings	Fair value Reserve of financial assets at FVOCI	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 01 April 2018	1,000,000	(406,608)	722	594,114
Profit/(Loss) for the six months	-	(62,783)	-	(62,783)
Other Comprehensive Income for the six months	-	-	(22,744)	(22,744)
Total Comprehensive Income for the six months	-	(62,783)	(22,744)	(85,527)
Balance as at 30 September 2018	1,000,000	(469,391)	(22,022)	508,587
Profit /(Loss) for the quarter	-	5,051	-	5,051
Other Comprehensive Income for the quarter	-	-	288	288
Total Comprehensive Income for the quarter	-	5,051	288	5,339
Balance as at 31 December 2018	1,000,000	(464,340)	(21,733)	513,927
Balance as at 01 April 2017	3,285,000	4,215,871	(193,756)	7,307,115
Profit 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 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

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 Nine Months ended 31 December 2018

	Unaudited 2018 Rs.'000	Unaudited 2017 Rs.'000
Cash Flows Generated from/(Used in) Operating Activities		
Cash Flows from Operating Activities		
Profit/(Loss) Before Tax	(210,405)	(1,284,623)
Non-Cash Adjustment to Reconcile Profit before Tax to Net Cash Flows:		
Amortization of Intangible Assets	8,346	10,195
Decrease /(Increase) in Fair Value of Quoted Equity Securities	(1)	(120)
Depreciation of Property, Plant and Equipment	370,344	329,798
Finance Costs	1,316,251	1,293,951
Finance Income	(4,147)	(4,466)
Dividend Income	(586,417)	(310,816)
Provision for Employee Benefit Liability	6,592	11,158
(Profit)/Loss on Disposal of Property, Plant and Equipment	39,273	1,852
Exchange Rate Difference Adjustments	(100,321)	4,595
Operating Profit Before Working Capital Changes	839,516	51,523
Working Capital Adjustments:		
(Increase)/ Decrease in Inventories	363,906	(13,888)
(Increase)/Decrease in Trade and Other Receivables and Prepayments	(55,522)	123,783
Increase/ (Decrease) in Trade and Other Payables	(446,484)	402,705
Increase/ (Decrease) in Deferred Income	(5,713)	92,165
Cash Generated from Operating Activities	695,704	656,288
Employee Benefit Liability Costs Paid	(3,986)	(2,876)
Finance Costs Paid	(1,316,251)	(1,113,951)
Income Tax Paid	(56,117)	(45,746)
Refund/Transfers of Refundable Deposits	(372,602)	(423,942)
Refundable Deposits Received	386,451	590,913
Net Cash Flows Generated from /(Used In) Operating Activities	(666,802)	(339,312)
Cash Flows from / (Used in) Investing Activities		
Acquisition of Intangible Assets	-	(373)
Acquisition of Property, Plant and Equipment	(458,471)	(860,190)
Dividend Received	71,144	310,816
Investments in Quoted Equity Securities	-	(2,004)
Investments in Subsidiaries	-	(320,000)
Proceeds from Disposal of Property, Plant and Equipment	37,649	2,064
Net Cash Flows from/(Used in) Investing Activities	(349,678)	(869,686)
Cash Flows from / (Used in) Financing Activities		
Finance Income	4,147	4,466
Proceeds from Interest Bearing Loans and Borrowings	22,587,786	11,395,047
Repayment of Interest Bearing Loans and Borrowings	(21,078,231)	(9,912,137)
Net Cash Flows from / (Used) in Financing Activities	1,513,702	1,487,377
Net Decrease in Cash and Cash Equivalent	497,223	278,379
Cash and Cash Equivalent at the Beginning of the Period	(377,160)	(114,131)
Cash and Cash Equivalent at the End of the Period	120,063	164,248

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		Property		Transportation & Logistics		Trading		Eliminations/Adjustments		Group	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Revenue														
External Customers	11,102,984	9,398,206	6,870,350	6,044,239	83,365	77,010.28	238,163	467,467	13,267	-	-	-	18,308,129	15,986,922
Inter-Segment	6,225	3,449	-	-	18,919	32,705	798,593	493,431	7,106,653	3,856,766	(7,930,390)	(4,386,350)	-	-
Total Revenue	11,109,209	9,401,655	6,870,350	6,044,239	102,284	109,715	1,036,756	960,897	7,119,920	3,856,766	(7,930,390)	(4,386,350)	18,308,129	15,986,922
Results														
Operating Profit	1,101,699	4,861	343,037	384,648	92,033	84,334	1,498	134,599	(123,281)	(78,075)	(775,801)	(401,397)	639,184	128,969
Finance Costs	(1,316,251)	(1,293,951)	(7,753)	-	(20,308)	(23,573)	(49,492)	(40,530)	(5,867)	-	-	-	(1,399,671)	(1,358,054)
Finance Income	4,147	4,466	13,356	31,018	137	287	253	262	18	-	-	-	17,910	36,033
Profit/(Loss) before tax	(210,405)	(1,284,623)	348,640	415,666	71,862	61,048	(47,741)	94,331	(129,131)	(78,075)	(775,801)	(401,397)	(742,576)	(1,193,052)
Income Tax Expense	152,673	261,831	(133,584)	(156,029)	(14,479)	(17,418)	(23,255)	16	-	-	(84,423)	(31,165)	(103,069)	57,235
Profit/(Loss) for the Nine Months from Continuing Operations	(57,732)	(1,022,792)	215,056	259,637	57,383	43,630	(70,997)	94,347	(129,131)	(78,075)	(860,224)	(432,562)	(845,645)	(1,135,816)
Profit/(Loss) for the Nine Months from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	193,641	-	193,641
'Profit/(Loss) for the Nine Months	(57,732)	(1,022,792)	215,056	259,637	57,383	43,630	(70,997)	94,347	(129,131)	(78,075)	(860,224)	(238,921)	(845,645)	(942,175)
Net Gain/(Loss) on Equity Instruments at Fair Value Through Other Comprehensive Income	(22,456)	8,347	-	-	-	-	-	-	-	-	-	-	(22,456)	8,347
Reclassification during the Period to Profit or Loss	-	180,000	-	-	-	-	-	-	-	-	-	-	-	180,000
Exchange Differences in Translation of Foreign Operations	-	-	312,321	(44,009)	-	-	-	-	(27,718)	21,118	405,951	(55,402)	690,554	(78,292)
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	(80,188)	(832,264)	527,376	215,628	57,383	43,630	(70,997)	94,347	(156,849)	(56,957)	(454,273)	(294,323)	(177,547)	(829,939)
Assets & Liabilities														
Non-Current Assets														
Total Non-Current Assets	15,395,488	20,231,708	2,974,589	1,389,086	1,880,666	1,811,484	10,933,658	6,366,278	1,323,816	1,320,207	(5,875,735)	(518,703)	26,632,481	30,600,060
Current Assets														
Total Current Assets	5,240,361	4,443,278	2,637,537	2,701,782	254,782	238,710	1,108,136	1,101,950	929,817	840,584	(2,394,570)	(1,439,515)	7,776,063	7,886,789
Total Assets													34,408,544	38,486,849
Non-Current Liabilities														
Total Non-Current Liabilities	10,523,278	10,618,287	1,213,855.38	380,460	394,134	302,152	6,705,326	3,882,652	-	-	(8,374)	5,290,119	18,828,219	20,473,670
Current Liabilities														
Total Current Liabilities	9,598,644	7,574,468	2,352,871	1,808,726	139,197	144,207	3,369,380	1,306,697	1,237,359	843,402	(2,387,177)	(491,643)	14,310,273	11,185,857
Total Liabilities													33,138,492	31,659,527

The above figures are subject to audit.

Figures in brackets indicates deductions.

LAUGFS GAS PLC

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2018

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 2018 were authorised for issue by the board of directors on 12 February 2019.

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 2018.

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 2018.

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.

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

The percentage of ordinary voting shares held by the public as at 31 December 2018 were 25.22% (30 September 2018 - 25.22%).

Total number of shareholders who hold the public holding as at 31 December 2018 were 9,319 (30 September 2018 - 9,318).

The float adjusted market capitalisation as at 31 December 2018 is Rs.1,579,908,826.10 and company is in compliance with option 5 of Section 7.13.1(a) of the Listing Rules of the Colombo Stock Exchange.

3.2 Directors Share holdings

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

Ordinary Voting Shares

As at	31-12-2018	30-09-2018
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 T K Bandaranayake	Nil	Nil
Mr. N M Prakash	17,000	17,000
Mr. A R D Perera	Nil	Nil
Prof. S.P.P. Amaratunge	Nil	Nil

Ordinary Non Voting Shares

As at	31-12-2018	30-09-2018
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 T K Bandaranayake	Nil	Nil
Mr. N M Prakash	Nil	Nil
Mr. A R D Perera	Nil	Nil
Prof. S.P.P. Amaratunge	Nil	Nil

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

As at	31-12-2018	30-09-2018
Name		
Mr Ashan De Silva	22,600	22,600

Ordinary Non Voting Shares

As at	31-12-2018	30-09-2018
Name		
Mr Ashan De Silva	22,500	22,500

LAUGFS GAS PLC

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2018

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

As at Name of Shareholder	31-12-2018		30-09-2018	
	No.of Shares	%	No.of Shares	%
1 LAUGFS HOLDINGS LIMITED	247,980,050	74.02	247,980,050	74.02
2 EMPLOYEES PROVIDENT FUND	57,897,800	17.28	57,897,800	17.28
3 AMANA BANK PLC / ALMAS ORGANISATION (PVT) LTD	2,518,925	0.75	1,714,131	0.51
4 AMANA BANK PLC / CARLINES HOLDINGS (PRIVATE) LIMITED	1,653,696	0.49	-	-
SEYLAN BANK PLC / CARLINES HOLDINGS (PRIVATE) LIMITED	-	-	1,653,696	0.49
5 MR W K H WEGAPITIYA	1,411,536	0.42	1,411,536	0.42
6 DEUTSCHE BANK AG AS TRUSTEE FOR NAMAL ACUITY VALUE FUND	1,339,563	0.40	1,339,563	0.40
7 DEUTSCHE BANK AG-NATIONAL EQUITY FUND	1,318,182	0.39	1,318,182	0.39
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 MR G Y N MAHINKANDA	794,572	0.24	794,572	0.24
11 MR H D M P SIRIWARDENA	749,000	0.22	749,000	0.22
12 SEYLAN BANK PLC / S.R. FERNANDO	602,795	0.18	347,204	0.10
13 EMPLOYEES TRUST FUND BOARD	205,304	0.06	205,304	0.06
14 MR H A VAN STARREX	197,098	0.06	197,098	0.06
15 ASSETLINE LEASING CO. LTD/ DON AND DON HOLDINGS PVT LTD	193,045	0.06	193,045	0.06
16 J. B. COCOSHELL (PVT) LTD	187,669	0.06	187,669	0.06
17 MR A. RAJARATNAM	178,653	0.05	207,702	0.06
18 BANK OF CEYLON NO.1 ACCOUNT	168,727	0.05	168,727	0.05
19 MRS C N G NARAYANA	162,300	0.05	162,300	0.05
20 MR W V JAGATH PUSHPA KUMARA	153,072	0.05	153,072	0.05

LAUGFS GAS PLC

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2018

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

As at Name of Shareholder	31-12-2018		30-09-2018	
	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 AMANA BANK PLC/ CARLINES HOLDINGS (PRIVATE) LIMITED	2,213,517	4.26	-	-
SEYLAN BANK PLC/ CARLINES HOLDINGS (PRIVATE) LIMITED	-	-	2,213,517	4.26
6 AMANA BANK PLC / ALMAS ORGANISATION (PVT) LTD	1,461,926	2.81	1,396,168	2.68
7 J. B. COCOSHELL (PVT) LTD	1,247,549	2.40	1,247,549	2.40
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 DEUTSCHE BANK AG - NATIONAL EQUITY FUND	663,000	1.28	663,000	1.28
11 MR S SIVASHANTH	500,000	0.96	500,000	0.96
12 GOLD INVESTMENT LIMITED	390,000	0.75	390,000	0.75
13 MRS C N G NARAYANA	378,800	0.73	378,800	0.73
14 MRS S D AMARASINGHE	372,400	0.72	372,400	0.72
15 SEYLAN BANK PLC / S R FERNANDO	371,903	0.72	371,903	0.72
16 NARATHA VENTURES (PRIVATE) LIMITED	308,000	0.59	308,000	0.59
17 PERSHING LLC S/A AVERBACH GRAUSON & CO.	307,604	0.59	307,604	0.59
18 MR M.A. VALABHJI	280,000	0.54	280,000	0.54
19 MR S.G.H.I. JAFFERJEE	153,236	0.29	5,900	0.01
20 MR K B DE VOS	151,202	0.29	151,202	0.29

3.6 Stated Capital

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

As at	31-12-2018	30-09-2018
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>

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter ended 31 December 2018

3.7 Market price per share**For the three months ended**

	31-12-2018		31-12-2017	
	Rs.		Rs.	
	Voting Share	Non Voting Share	Voting Share	Non Voting Share
Highest	20.00	18.00	25.70	23.70
Lowest	16.50	14.60	20.90	18.50
Last Traded	18.70	15.40	23.50	20.00

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 2018.

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 Property Developers (Pvt) Ltd. LAUGFS Maritime Services (Pvt) Ltd. LAUGFS Terminals Ltd. SLOGAL Energy DMCC
Sub Subsidiaries	: 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. N M Prakash. Mr. A R D Perera. Prof. S.P.P. Amaratunge.
Bankers	: Bank of Ceylon. Commercial Bank of Ceylon PLC. DFCC Bank PLC. Hatton National Bank PLC. MCB Bank Ltd. Pan Asia Banking Corporation PLC. People's Bank. Seylan Bank PLC. Standard Chartered Bank. Union Bank of Colombo PLC.
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