

TEEJAY LANKA PLC
(Formerly known as TEXTURED JERSEY LANKA PLC)
Condensed Interim Financial Statements
Period Ended 30 September 2016

TEEJAY LANKA PLC

Chairman's Review

Teejay Group completed yet another successful second quarter with a continued revenue and profit growth. Year on Year Net profit saw an increase of 47% , and a top line increase of 48% during the first half, with the acquisitions continuing to pay off on the investments. The Group reported a topline of Rs. 5.26Bn and net profit of Rs. 590mn for the quarter ended 30th September 2016 (2Q FY2016/17). The topline of the Group was up by 31% from the prior year quarter while the net profit for 2Q FY2016/17 came in at Rs. 590mn, a 26% increase from the prior year quarter. The gross profit recorded a Rs. 1.6Bn a 70% increase in the first half compared to previous year and a 41% from the prior year quarter, amidst challenges created by raw material price increases.

Teejay Lanka standalone reported a net profit growth of 9% from the prior year quarter, supporting a 23% up from the first half; while its topline growth trickled down to a similar 9% profit growth for the same quarter and 18% increase from the first half. The gross profit for the standalone reported a 23% increase from the prior year quarter and 36% growth in the first half.

The growth in this quarter was despite challenges arising from a combination of factors which included changes in product mix and higher raw material prices. However, diligent overhead management and cost control across the Group, and counter marketing strategies enabled to deliver a strong bottom line performance. The Group's strong operational performance has been somewhat diluted by income tax as we exit our tax holidays, as well as reduced Finance income arising from high dividend payouts and acquisition cum expansion capex outflows. This is exacerbated at Teejay standalone due to loss of income from non-renewal of its operational technical service agreement for Ocean India operations, since the companies are now consolidated.

Teejay Group continues keeping a sharp eye on its cash flow disciplines and has carried through a strong balance sheet from the prior year quarter. It has optimized its working capital and remained unleveraged with a cash balance of LKR 3.4Bn after settling part of its subsidiary long term loans. The consolidated Earnings per Share recorded LKR 1.42 showing a growth of 39% and the standalone Earnings per Share recorded LKR 1.00 showing a growth of 17% year on year for the first half.

As the Group embarks on its second half setting the foundation of its long-term growth plans, the business is cautious of the market challenges ahead, mainly raw material price increases, demand growth and also the changes in product mix in some markets. Despite these short-term impacts, we will continue to keep focus on the counter profit improvement strategies that have delivered the positive results to date. The timing benefits of acquisitions will no longer be applicable from the current quarter.

Despite the above, our aspirations remain ambitious and aggressive, as we continue to explore new ways of enhancing our footprint. Our modernization strategies have already been kicked off with the completed installation of our synthetic manufacturer, and digital printing capabilities. These will be our stepping stones towards the longer term consumer and industry changes. With the Ocean India expansion also already underway, our long-term growth strategies have been vetted taking into consideration the opportunities and challenges from the ever-changing global space and the changing dynamics of our present and future customers and markets. The demands are becoming more challenging for the industry, with need for price efficiencies and innovative products, discounts and speed of service taking priority. We recognize the need to keep reinventing, with new technology and automation featuring in our reengineering process, to help us come up with newer and cost effective ways to meet customer demand. Our growth plans remain aggressive and intact, as we aspire to leverage on our strengths to navigate the uncharted times ahead.

Bill Lam

Chairman

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Group						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Revenue	5,257,937	4,011,325	31%	10,033,795	6,772,955	48%	17,820,179
Cost of sales	(4,377,147)	(3,388,858)	29%	(8,425,642)	(5,827,451)	45%	(14,825,317)
Gross profit	880,790	622,467	41%	1,608,153	945,504	70%	2,994,862
Other income	48,139	21,588	123%	75,568	30,195	150%	109,655
Distribution expenses	(35,656)	(27,796)	28%	(74,766)	(47,414)	58%	(123,349)
Administrative expenses	(285,766)	(173,356)	65%	(566,479)	(303,770)	86%	(813,560)
Results from operating activities	607,507	442,903	37%	1,042,476	624,515	67%	2,167,608
Non Operating Income	Nil	19,155	-100%	Nil	45,812	-100%	17,883
Finance income	21,252	18,892	12%	43,672	26,425	65%	77,292
Finance costs	(11,019)	(4,981)	121%	(25,522)	(5,143)	396%	(33,836)
Net finance income	10,233	13,911	-26%	18,150	21,282	-15%	43,456
Profit before tax	617,740	475,969	30%	1,060,626	691,609	53%	2,228,947
Income tax	(27,487)	(7,574)	263%	(71,521)	(17,045)	320%	(58,280)
Profit for the period	590,253	468,395	26%	989,105	674,564	47%	2,170,667
Attributable to:							
Equity holders of the parent	590,253	468,395	26%	989,105	674,564	47%	2,170,667
Non-controlling interest	Nil	Nil	0%	Nil	Nil	0%	Nil
	590,253	468,395	26%	989,105	674,564	47%	2,170,667

Basic earnings per share (LKR) 0.84 0.71 1.42 1.02 3.24

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Group						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Profit for the period	590,253	468,395	26%	989,105	674,564	47%	2,170,667
Other comprehensive income							
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(271)
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	1,517
Currency translation differences	57,470	404,498	-86%	(4,500)	423,857	-101%	850,016
Total other comprehensive income for	57,470	404,498	-86%	(4,500)	423,857	-101%	851,262
Total comprehensive income for the period	647,723	872,893	-26%	984,605	1,098,421	-10%	3,021,929
Attributable to:							
Equity holders of the parent	647,723	872,893	-26%	984,605	1,098,421	-10%	3,021,929
Non-controlling interest	Nil	Nil	0%	Nil	Nil	0%	Nil
	647,723	872,893	-26%	984,605	1,098,421	-10%	3,021,929

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Company						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Revenue	3,788,546	3,484,815	9%	7,334,889	6,204,606	18%	14,142,151
Cost of sales	(3,203,795)	(3,008,311)	6%	(6,282,005)	(5,431,321)	16%	(12,108,474)
Gross profit	584,751	476,504	23%	1,052,884	773,285	36%	2,033,677
Other income	20,949	8,566	145%	29,216	15,320	91%	32,866
Distribution expenses	(29,860)	(25,166)	19%	(60,818)	(44,259)	37%	(105,471)
Administrative expenses	(151,260)	(116,542)	30%	(304,152)	(236,428)	29%	(512,874)
Results from operating activities	424,580	343,362	24%	717,130	507,918	41%	1,448,198
Non Operating Income	4,274	24,980	-83%	8,557	50,176	-83%	31,399
Finance income	11,685	18,106	-35%	25,973	26,877	-3%	62,822
Finance costs	(2,368)	(327)	624%	(2,416)	(395)	512%	(1,812)
Net finance income	9,317	17,779	-48%	23,557	26,482	-11%	61,010
Profit before tax	438,171	386,121	13%	749,244	584,576	28%	1,540,607
Income tax	(24,590)	(7,574)	225%	(49,231)	(17,045)	189%	(57,374)
Profit for the period	413,581	378,547	9%	700,013	567,531	23%	1,483,233
Basic earnings per share (LKR)	0.59	0.57		1.00	0.86		2.22

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Company						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Profit for the period	413,581	378,547	9%	700,013	567,531	23%	1,483,233
Other comprehensive income							
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(26)
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	212
Currency translation differences	51,757	398,364	-87%	(5,658)	417,854	-101%	807,399
Total other comprehensive income for the period	51,757	398,364	-87%	(5,658)	417,854	-101%	807,585
Total comprehensive income for the period	465,338	776,911	-40%	694,355	985,385	-30%	2,290,818

TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

	Group			Company		
	As at 30 September		As at 31 March	As at 30 September		As at 31 March
	2016 Unaudited	2015 Unaudited	2016 Audited	2016 Unaudited	2015 Unaudited	2016 Audited
ASSETS						
Non - current assets						
Property, plant & equipment	5,715,928	6,041,685	5,954,224	3,168,111	3,261,581	3,253,545
Capital work-in-progress	889,429	113,886	283,152	575,561	92,287	260,810
Intangible assets	69,626	79,719	84,460	33,494	47,175	43,132
Goodwill	48,911	Nil	48,944	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	2,675,391	2,562,906	2,677,210
Lease rentals paid in advance	240,244	229,099	247,781	93,581	93,920	95,728
Deferred tax assets	116,543	Nil	91,800	Nil	Nil	Nil
	7,080,681	6,464,389	6,710,361	6,546,138	6,057,869	6,330,425
Current assets						
Inventories	2,809,012	3,098,696	2,640,788	2,015,698	2,198,480	1,901,813
Trade and other receivables	2,664,435	2,816,725	2,702,607	1,873,939	1,891,064	1,882,132
Cash and cash equivalents	3,448,074	1,843,448	2,923,552	2,869,694	1,666,817	1,625,859
	8,921,521	7,758,869	8,266,947	6,759,331	5,756,361	5,409,804
Total assets	16,002,202	14,223,258	14,977,308	13,305,469	11,814,230	11,740,229
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	3,942,686	3,853,024	3,853,024	3,942,686	3,853,024	3,853,024
ESOP fund	42,283	19,473	42,283	42,283	19,473	42,283
Exchange equalisation reserve	2,085,684	1,664,025	2,090,184	2,041,909	1,658,022	2,047,567
Retained earnings	4,441,364	3,071,073	4,150,852	3,463,778	2,964,040	3,462,358
	10,512,017	8,607,595	10,136,343	9,490,656	8,494,559	9,405,232
Non - current liabilities						
Borrowings	70,792	237,291	141,680	Nil	Nil	Nil
Deferred tax liabilities	322,643	139,030	240,227	216,128	139,030	171,371
Retirement benefit obligations	214,852	185,919	190,931	175,017	152,010	158,673
	608,287	562,240	572,838	391,145	291,040	330,044
Current liabilities						
Trade and other payables	2,962,153	4,423,166	3,508,592	2,005,178	2,971,471	1,956,862
Current tax liability	11,291	Nil	4,148	4,638	Nil	Nil
Borrowings	1,908,454	630,257	755,387	1,413,852	57,160	48,091
	4,881,898	5,053,423	4,268,127	3,423,668	3,028,631	2,004,953
Total liabilities	5,490,185	5,615,663	4,840,965	3,814,813	3,319,671	2,334,997
Total equity and liabilities	16,002,202	14,223,258	14,977,308	13,305,469	11,814,230	11,740,229
Net Asset per share	15.05	13.03	14.56	13.59	12.86	13.51

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

Moiz Rehmanjee

Chief Operating Officer - Commercial

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Sgd

Sriyan Joseph de Silva Wijeyeratne

Managing Director/Chief Executive Officer

Sgd

Hasitha Premaratne

Director

2-Nov-2016

TEEJAY LANKA PLC

Statement of Changes In Equity - Group

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	ESOP fund	Exchange equalisation reserve	Retained earnings	Total
Balance as at 1 April 2015	2,849,899	19,473	1,240,168	2,925,111	7,034,651
Issue of ordinary shares related to business combinations	1,003,125	Nil	Nil	Nil	1,003,125
Profit for the period	Nil	Nil	Nil	2,170,667	2,170,667
Other comprehensive income	Nil	Nil	850,016	1,246	851,262
Total comprehensive income	Nil	Nil	850,016	2,171,913	3,021,929
Transactions with owners					
Final dividend paid - 2014/15	Nil	Nil	Nil	(528,602)	(528,602)
Interim dividend paid - 2015/16	Nil	Nil	Nil	(417,570)	(417,570)
Share option scheme	Nil	22,810	Nil	Nil	22,810
Balance as at 31 March 2016	3,853,024	42,283	2,090,184	4,150,852	10,136,343
Balance as at 1 April 2016	3,853,024	42,283	2,090,184	4,150,852	10,136,343
Issue of shares under Employee Share Option Scheme	89,662	Nil	Nil	Nil	89,662
Profit for the period	Nil	Nil	Nil	989,105	989,105
Other comprehensive income	Nil	Nil	(4,500)	Nil	(4,500)
Total comprehensive income	Nil	Nil	(4,500)	989,105	984,605
Transactions with owners					
Final dividend paid - 2015/16	Nil	Nil	Nil	(698,593)	(698,593)
Balance as at 30 September 2016	3,942,686	42,283	2,085,684	4,441,364	10,512,017
Balance as at 1 April 2015	2,849,899	19,473	1,240,168	2,925,111	7,034,651
Issue of ordinary shares related to business combinations	1,003,125	Nil	Nil	Nil	1,003,125
Profit for the period	Nil	Nil	Nil	674,564	674,564
Other comprehensive income	Nil	Nil	423,857	Nil	423,857
Total comprehensive income	Nil	Nil	423,857	674,564	1,098,421
Transactions with owners					
Final dividend paid - 2014/15	Nil	Nil	Nil	(528,602)	(528,602)
Balance as at 30 September 2015	3,853,024	19,473	1,664,025	3,071,073	8,607,595

TEEJAY LANKA PLC

Statement of Changes In Equity - Company

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	ESOP fund	Exchange equalisation reserve	Retained earnings	Total
Balance as at 1 April 2015	2,849,899	19,473	1,240,168	2,925,111	7,034,651
Issue of ordinary shares related to business combinations	1,003,125	Nil	Nil	Nil	1,003,125
Profit for the period	Nil	Nil	Nil	1,483,233	1,483,233
Other comprehensive income	Nil	Nil	807,399	186	807,585
Total comprehensive income	Nil	Nil	807,399	1,483,419	2,290,818
Transactions with owners					
Final dividend paid - 2014/15	Nil	Nil	Nil	(528,602)	(528,602)
Interim dividend paid - 2014/15	Nil	Nil	Nil	(417,570)	(417,570)
Share option scheme	Nil	22,810	Nil	Nil	22,810
Balance as at 31 March 2016	3,853,024	42,283	2,047,567	3,462,358	9,405,232
Balance as at 1 April 2016	3,853,024	42,283	2,047,567	3,462,358	9,405,232
Issue of shares under Employee Share Option Scheme	89,662	Nil	Nil	Nil	89,662
Profit for the period	Nil	Nil	Nil	700,013	700,013
Other comprehensive income	Nil	Nil	(5,658)	Nil	(5,658)
Total comprehensive income	Nil	Nil	(5,658)	700,013	694,355
Transactions with owners					
Final dividend paid - 2015/16	Nil	Nil	Nil	(698,593)	(698,593)
Balance as at 30 September 2016	3,942,686	42,283	2,041,909	3,463,778	9,490,656
Balance as at 1 April 2015	2,849,899	19,473	1,240,168	2,925,111	7,034,651
Issue of ordinary shares related to business combinations	1,003,125	Nil	Nil	Nil	1,003,125
Profit for the period	Nil	Nil	Nil	567,531	567,531
Other comprehensive income	Nil	Nil	417,854	Nil	417,854
Total comprehensive income	Nil	Nil	417,854	567,531	985,385
Transactions with owners					
Final dividend paid - 2014/15	Nil	Nil	Nil	(528,602)	(528,602)
Balance as at 30 September 2015	3,853,024	19,473	1,658,022	2,964,040	8,494,559

TEEJAY LANKA PLC

Cash Flow Statement

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	Period Ended 30 September		Period Ended 30 September	
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from operating activities				
Cash generated from operations	858,343	949,793	930,251	828,471
Finance income received	43,672	26,425	25,973	26,877
Finance cost paid	(25,522)	(5,143)	(2,416)	(395)
Retirement benefit obligations paid	(4,257)	(3,205)	(1,919)	(3,205)
Net cash generated/(used) from operating activities	872,237	967,870	951,889	851,748
Cash flows from investing activities				
Additions to capital work - in - progress	(815,234)	(110,533)	(464,884)	(105,735)
Acquisition of subsidiary- net of cash acquired	Nil	(282,541)	Nil	Nil
Investment in subsidiary	Nil	Nil	Nil	(499,656)
Net cash used in investing activities	(815,234)	(393,074)	(464,884)	(605,391)
Cash flows from financing activities				
Dividend paid	(698,593)	(528,602)	(698,593)	(528,602)
Issue of shares under Employee Share Option Scheme	89,662	Nil	89,662	Nil
Proceeds from / (settlement of) borrowings	1,106,873	(152,966)	1,397,450	Nil
Net cash used in financing activities	497,942	(681,568)	788,519	(528,602)
Net increase/(decrease) in cash and cash equivalents	554,946	(106,772)	1,275,525	(282,245)
Cash and cash equivalents at the beginning of the period	2,875,461	1,891,901	1,577,768	1,891,901
Cash and cash equivalents at the end of the period	3,430,407	1,785,129	2,853,293	1,609,656

TEEJAY LANKA PLC

Notes to the Financial Statements

1. Corporate Information

Teejay Lanka PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is Block D8 - D14, C V Gooneratne Seethawaka International Industrial Park, Avissawella.

The previous name of the Company " Textured Jersey Lanka PLC" has now been changed to " Teejay Lanka PLC" with effect from 15 September 2016. The Company has obtained the approval of the shareholders at the Annual General meeting held on 16 August 2016.

2. Condensed Interim Financial Statements

The financial statements for the period ended 30 September 2016, includes "the Company" referring to Teejay Lanka PLC.

The Company has also presented the statement of comprehensive income and the statement of financial position in United States Dollars (USD) since the functional currency of the enterprise is USD.

3. Approval of Financial Statements

The condensed interim financial statements of the Company for the 06 months ended 30 September 2016 were authorised for issue by the Board of Directors on 02 November 2016

4. Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting . The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2016.

The condensed interim financial statements have been prepared on a historical cost basis.

5. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year.

6. Non-Operating Income

Administrative costs associated with technical assistance support to Ocean India Private Limited is classified to Administration expenses with effect from 1 April 2016.

7. 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.

8. Key Ratios of the Company

	Group		Company	
	Period Ended 30 September 2016	2015	Period Ended 30 September 2016	2015
Profitability Ratios				
Net Profit Margin	9.86%	9.96%	9.54%	9.15%
Asset to Turnover	1.25	0.95	1.10	1.05
Debt : Equity	0.19	0.09	0.15	0.01
Return on Assets (ROA)	12.77%	9.49%	11.18%	11.04%
Return on Equity (ROE)	19.16%	15.67%	14.82%	14.62%

Investor Ratios

Earnings per Share (EPS) - LKR	1.42	1.02	1.00	0.86
Net Book Value per Share - LKR	15.05	13.03	13.59	12.86
Price / Earnings Ratio (PE Ratio)	13.07	13.32	20.11	14.29
Price to Book Value Ratio (PBV Ratio)	3.14	2.42	3.48	2.45

(PE and PBV Ratios are based on a market price of LKR 47.30 per share closed 30 September 2016)

9. Number of shares representing the entity's Stated Capital - 698,592,840 Shares

10. Directors' Interest in Shares of the Company (As at 30 September 2016)

	No. of Shares	%
Sriyan Joseph de Silva Wijeyeratne	366,333	0.05
Hasitha Premaratne	40,000	0.01

TEEJAY LANKA PLC

Notes to the Financial Statements

11. Market Price per Share

	Highest (LKR)	Lowest (LKR)
Quarter ended 30 September 2016	47.40	35.30
Last traded price (on 30 September 2016)	47.30	

12. Public Shareholding 266,384,476 shares - 38.13%

13. List of the 20 Largest Shareholders

	No. of Shares	%
Brandix Lanka Ltd-Number 1 Account	232,198,344	33.24
Pacific Textured Jersey Holdings Limited	195,926,217	28.05
HSBC Int Nom Ltd- SSBT- National West Minister Bank PLC as Depository of First State Asia Pacific Fund A Sub Fund of First State Investment ICVC	49,278,338	7.05
Citibank Newyork S/A Norges Bank Account 2	17,648,463	2.53
Deutsche Bank Ag Singapore-Dss A/C Navis Yield Fund	16,696,203	2.39
Melstacorp Limited	12,622,428	1.81
Northern Trust Co S/A Driehaus International Select Fund L.P.	5,675,389	0.81
HSBC Intl Nom Ltd-BBH-Matthews Emerging Asia Fund	5,592,087	0.80
HSBC Intl Nom Ltd - BBH - Fidelity Funds	5,361,354	0.77
Mr. L.K.M.Fernando	4,619,300	0.66
Nuwara Eliya Property Developers (Pvt) Ltd	4,329,343	0.62
Seb AB-Fim Frontier Fund	4,172,470	0.60
Deutsche Bank Ag-National Equity Fund	4,000,000	0.57
J.B. Cocoshell (Pvt) Ltd	3,764,542	0.54
HSBC Intl Nom Ltd-JPMCB NA-Fidelity Asian Values PLC	3,262,060	0.47
Periceyl (Private) Limited A/C No. 03	2,694,100	0.39
Mellon Bank N.A-Acadian Frontier Markets Equity Fund	2,575,035	0.37
Mr. A.R.Gunasekara	2,399,700	0.34
Deutsche Bank AG As Trustee For Namal Acuity Value Fund	2,250,000	0.32
Northern Trust Co S/A Driehaus Companies Profit Sharing Plan And Trust	2,149,539	0.31

14. Material events that occurred subsequent to the interim period

No events have occurred since the date of the statement of financial position which would require adjustments to, or disclosure in, the financial statements.

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Group						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Revenue	35,981,063	29,968,003	20%	68,599,330	50,450,316	36%	128,554,171
Cost of sales	(29,954,154)	(25,321,025)	18%	(57,604,661)	(43,407,454)	33%	(106,949,337)
Gross profit	6,026,909	4,646,978	30%	10,994,669	7,042,862	56%	21,604,834
Other income	329,314	161,078	104%	516,647	224,913	130%	791,048
Distribution expenses	(244,048)	(207,680)	18%	(511,165)	(353,179)	45%	(889,833)
Administrative expenses	(1,955,703)	(1,295,472)	51%	(3,872,921)	(2,262,722)	71%	(5,869,000)
Results from operating activities	4,156,472	3,304,904	26%	7,127,230	4,651,874	53%	15,637,049
Non Operating Income	Nil	143,540	-100%	Nil	341,247	-100%	129,003
Finance income	145,453	140,975	3%	298,581	196,835	52%	557,587
Finance costs	(75,437)	(37,112)	103%	(174,489)	(38,307)	356%	(244,093)
Net finance income	70,016	103,863	-33%	124,092	158,528	-22%	313,494
Profit before tax	4,226,488	3,552,307	19%	7,251,322	5,151,649	41%	16,079,546
Income tax	(188,232)	(56,720)	232%	(488,976)	(126,963)	285%	(420,427)
Profit for the period	4,038,256	3,495,587	16%	6,762,346	5,024,686	35%	15,659,119
Attributable to:							
Equity holders of the parent	4,038,256	3,495,587	16%	6,762,346	5,024,686	35%	15,659,119
Non-controlling interest	Nil	Nil	0%	Nil	Nil	0%	Nil
	4,038,256	3,495,587	16%	6,762,346	5,024,686	35%	15,659,119

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Group						
	Period Ended 30 September			Quarter Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Profit for the period	4,038,256	3,495,587	16%	6,762,346	5,024,686	35%	15,659,119
Other comprehensive income							
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	10,945
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(1,958)
Total other comprehensive income for	Nil	Nil	0%	Nil	Nil	0%	8,987
Total comprehensive income for the	4,038,256	3,495,587	16%	6,762,346	5,024,686	35%	15,668,106
Attributable to:							
Equity holders of the parent	4,038,256	3,495,587	16%	6,762,346	5,024,686	35%	15,668,106
Non-controlling interest	Nil	Nil	0%	Nil	Nil	0%	Nil
	4,038,256	3,495,587	16%	6,762,346	5,024,686	35%	15,668,106

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Company						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Revenue	25,926,476	26,044,800	0%	50,147,373	46,216,801	9%	102,021,000
Cost of sales	(21,925,358)	(22,485,911)	-2%	(42,948,987)	(40,456,764)	6%	(87,350,115)
Gross profit	4,001,118	3,558,889	12%	7,198,386	5,760,037	25%	14,670,885
Other income	143,280	64,020	124%	199,742	114,114	75%	237,097
Distribution expenses	(204,363)	(188,072)	9%	(415,801)	(329,678)	26%	(760,864)
Administrative expenses	(1,035,210)	(871,932)	19%	(2,079,437)	(1,761,099)	18%	(3,699,859)
Results from operating activities	2,904,825	2,562,905	13%	4,902,890	3,783,374	30%	10,447,259
Non Operating Income	29,250	186,876	-84%	58,500	373,752	-84%	226,507
Finance income	105,844	135,147	-22%	177,573	200,201	-11%	453,196
Finance costs	(42,043)	(2,435)	1627%	(16,516)	(2,943)	461%	(13,074)
Net finance income	63,801	132,712	-52%	161,057	197,258	-18%	440,122
Profit before tax	2,997,876	2,882,493	4%	5,122,447	4,354,384	18%	11,113,888
Income tax	(168,290)	(56,720)	197%	(336,581)	(126,963)	165%	(413,903)
Profit for the period	2,829,586	2,825,773	0%	4,785,866	4,227,421	13%	10,699,985

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Company						
	Period Ended 30 September			Quarter Ended 30 September			Year Ended 31 March
	2016 Unaudited	2015 Unaudited	Variance	2016 Unaudited	2015 Unaudited	Variance	2016 Audited
Profit for the period	2,829,586	2,825,774	0%	4,785,866	4,227,421	13%	10,699,985
Other comprehensive income							
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	1,526
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(184)
Total other comprehensive income for the period	Nil	Nil	0%	Nil	Nil	0%	1,342
Total comprehensive income for the period	2,829,586	2,825,774	0%	4,785,866	4,227,421	13%	10,701,327

TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in United States Dollars)

	Group			Company		
	As at 30 September		As at 31 March	As at 30 September		As at 31 March
	2016	2015	2016 Audited	2016	2015	2016
	Unaudited	Unaudited		Unaudited	Unaudited	Audited
ASSETS						
Non - current assets						
Property, plant & equipment	38,857,430	42,742,733	40,449,888	21,537,122	23,074,506	22,102,892
Capital work-in-progress	6,046,423	805,705	1,923,589	3,912,717	652,899	1,771,809
Intangible assets	473,327	563,980	573,774	227,696	333,746	293,016
Goodwill	332,502	Nil	332,502	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	18,187,567	18,131,628	18,187,567
Lease rentals paid in advance	1,633,199	1,620,794	1,683,297	636,174	664,453	650,329
Deferred tax Assets	792,272	Nil	623,642	Nil	Nil	Nil
	48,135,153	45,733,212	45,586,692	44,501,276	42,857,232	43,005,613
Current assets						
Inventories	19,095,932	21,922,148	17,940,134	13,702,912	15,553,447	12,919,918
Trade and other receivables	18,113,089	19,927,306	18,360,101	12,739,220	13,378,593	12,786,225
Cash and cash equivalents	23,440,343	13,041,726	19,861,090	19,508,458	11,792,124	11,045,239
	60,649,364	54,891,180	56,161,325	45,950,590	40,724,164	36,751,382
Total assets	108,784,517	100,624,392	101,748,017	90,451,866	83,581,396	79,756,995
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	36,813,832	36,142,843	36,198,782	36,813,832	36,142,843	36,198,782
ESOP Fund	307,979	149,794	307,979	307,979	149,794	307,979
Retained earnings	34,339,897	24,602,980	32,354,260	27,396,587	23,803,290	27,387,481
	71,461,708	60,895,617	68,861,021	64,518,398	60,095,927	63,894,242
Non - current liabilities						
Borrowings	481,250	1,678,750	962,500	Nil	Nil	Nil
Deferred tax liabilities	2,193,359	983,587	1,631,977	1,469,262	983,587	1,164,211
Retirement benefit obligations	1,460,584	1,315,312	1,297,087	1,189,784	1,075,415	1,077,944
	4,135,193	3,977,649	3,891,564	2,659,046	2,059,002	2,242,155
Current liabilities						
Trade and other payables	20,137,004	31,292,287	23,835,544	13,631,390	21,022,081	13,293,891
Current Tax Liabilities	76,757	Nil	28,181	31,529	Nil	Nil
Borrowings	12,973,855	4,458,839	5,131,707	9,611,503	404,386	326,707
	33,187,616	35,751,126	28,995,432	23,274,422	21,426,467	13,620,598
Total liabilities	37,322,809	39,728,775	32,886,996	25,933,468	23,485,469	15,862,753
Total equity and liabilities	108,784,517	100,624,392	101,748,017	90,451,866	83,581,396	79,756,995

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

Moiz Rehmanjee

Chief Operating Officer - Commercial

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Sgd

Sriyan Joseph de Silva Wijeyeratne

Managing Director/Chief Executive Officer

Sgd

Hasitha Premaratne

Director

2-Nov-2016