



THE FORTRESS RESORTS PLC

**INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 ST MARCH 2016**

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 ST MARCH 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 ST MARCH

	As.At 31.03.2016 Rs.'000'	As.At 31.03.2015 Audited Rs.'000'	Change %
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	968,650	1,043,695	(7)
Intangible Assets	3,626	3,572	2
	<u>972,276</u>	<u>1,047,267</u>	(7)
Current Assets			
Inventories	18,978	18,201	4
Trade and Other Receivables	37,369	44,177	(15)
Advances and Prepayments	30,374	16,230	87
Income Tax Receivables	137	137	-
Short Term Deposits	475,769	105,000	353
Cash and Bank Balances	103,967	303,305	(66)
	<u>666,594</u>	<u>487,050</u>	37
Total Assets	<u>1,638,870</u>	<u>1,534,317</u>	7
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profits	371,832	295,300	26
Total Equity	<u>1,480,699</u>	<u>1,404,167</u>	5
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	-	2,501	100
Retirement Benefit Obligation	10,404	8,833	(18)
Deferred Tax Liability	37,014	29,861	24
	<u>47,418</u>	<u>41,195</u>	(15)
Current Liabilities			
Trade and Other Payables	82,140	68,166	(20)
Income Tax Payables	22,166	7,180	208
Interest Bearing Loans and Borrowings	6,447	13,609	53
	<u>110,753</u>	<u>88,955</u>	(25)
Total Equity and Liabilities	<u>1,638,870</u>	<u>1,534,317</u>	(7)
Net Asset Value per Share (Rs.)	13.35	12.66	

I certify that these financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgn
Financial Controller

Approved and signed for and on behalf of the Board of Directors.

Sgn
Director

Sgn
Director

Colombo
12 May 2016

Note :The above figures for the interim period are subject to audit.

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 ST MARCH 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 ST MARCH

	FOR 3 MONTHS ENDED		Change	YEAR TO DATE		Change
	31.03.2016	31.03.2015	%	31.03.2016	31.03.2015	%
	Rs.'000'	Rs.'000'		Rs.'000'	Rs.'000'	
Revenue	269,778	240,101	12	672,478	686,976	(2)
Cost of Sales	(53,232)	(49,822)	(7)	(170,189)	(177,644)	4
Gross Profit	<u>216,546</u>	<u>190,279</u>	14	<u>502,289</u>	<u>509,332</u>	(1)
Other Income and Gains	9,224	9,367	(2)	30,887	29,495	5
Selling and Marketing Expenses	(10,952)	(11,636)	6	(27,725)	(32,258)	14
Administrative Expenses	(80,137)	(75,606)	(6)	(299,855)	(290,752)	(3)
Finance Cost	(155)	(515)	70	(1,126)	(2,795)	60
Finance Income	12,317	6,174	99	41,981	21,038	100
Profit/(Loss) before Tax	<u>146,843</u>	<u>118,063</u>	24	<u>246,451</u>	<u>234,060</u>	5
Income Tax Expenses	(26,422)	(16,480)	(60)	(58,697)	(44,235)	(33)
Profit / (Loss) for the period	<u>120,421</u>	<u>101,583</u>	19	<u>187,754</u>	<u>189,825</u>	(1)
Other Comprehensive Income/(Loss)	-	-		-	-	
Other Comprehensive loss not to be reclassified to profit or loss in subsequent periods						
Actuarial Loss on Defined Benefit Plan	(381)	(464)	18	(381)	(464)	18
Income tax effect	46	46	-	46	46	-
Net other Comprehensive loss not to be reclassified to profit or loss in subsequent periods	<u>(335)</u>	<u>(418)</u>	20	<u>(335)</u>	<u>(418)</u>	20
Other comprehensive loss for the period, net of tax	<u>(335)</u>	<u>(418)</u>	20	<u>(335)</u>	<u>(418)</u>	20
Total Comprehensive Income for the period, net of tax	<u>120,086</u>	<u>101,165</u>	19	<u>187,419</u>	<u>189,407</u>	(1)
Basic Earnings per Share Rs.	1.08	0.91	19	1.69	1.71	(1)
Dividend per share Rs.	1.00	-		1.00	-	

Note :The above figures for the interim period are subject to audit.

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 ST MARCH 2016

COMPANY, STATEMENT OF FINANCIAL POSITION AS AT 31 ST MARCH

	As.At 31.12.2016 Rs.'000'	As.At 31.03.2015 Audited Rs.'000'	Change %
ASSETS			
Non-Current Assets			
Investment In Subsidiary	1,000,010	1,000,010	-
	<u>1,000,010</u>	<u>1,000,010</u>	-
Current Assets			
Other Receivables	110,255	92,823	19
Income Tax Receivables	137	137	-
Cash & Cash Equivalents	17	35	(51)
	<u>110,409</u>	<u>92,995</u>	19
Total Assets	<u>1,110,419</u>	<u>1,093,005</u>	2
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profit/(Loss)	1,251	(16,114)	108
Total Equity	<u>1,110,118</u>	<u>1,092,753</u>	2
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	-	-	-
Retirement Benefit Obligation	-	-	-
	<u>-</u>	<u>-</u>	-
Current Liabilities			
Other Payables	253	252	-
Bank Overdraft	48	-	-
	<u>301</u>	<u>252</u>	(19)
Total Equity and Liabilities	<u>1,110,419</u>	<u>1,093,005</u>	2
Net Asset value per share	10.01	9.85	

I certify that these financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgn
Financial Controller

Approved and signed for and on behalf of the Board of Directors.

Sgn
Director

Sgn
Director

Colombo
12 May 2016

Note :The above figures for the interim period are subject to audit.

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 ST MARCH 2016

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 ST MARCH

	FOR 3 MONTHS ENDED		Change	YEAR TO DATE		Change
	31.03.2016	31.03.2015	%	31.03.2016	31.03.2015	%
	Rs.'000'	Rs.'000'		Rs.'000'	Rs.'000'	
Revenue	-	-		-	-	-
Cost of Sales	-	-		-	-	-
Gross Profit	-	-		-	-	-
Other Income and Gains	-	-	-	135,001	117,000	15
Selling and Marketing Expenses	-	-		-	-	-
Administrative Expenses	(1,957)	(1,157)	(69)	(6,750)	(5,957)	-
Finance Cost	-	-	-	-	-	-
Finance Income	-	-		-	-	-
Profit/(Loss) before Tax	(1,957)	(1,157)	(69)	128,251	111,043	15
Income Tax Expenses	-	-	-	-	-	-
Profit /(Loss) for the period	<u>(1,957)</u>	<u>(1,157)</u>	(69)	<u>128,251</u>	<u>111,043</u>	15
Other Comprehensive Income/(Loss)	-	-		-	-	
Total Comprehensive Income for the Year, net of tax	<u>(1,957)</u>	<u>(1,157)</u>	(69)	<u>128,251</u>	<u>111,043</u>	15
Basic Earnings / (Loss) per share for the period Rs.	-	-		1.16	1.00	15

Note :The above figures for the interim period are subject to audit.

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 ST MARCH 2016

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED
31 ST MARCH 2016

Group	Stated Capital	Accumulated Profit	Total
	Rs.'000'	Rs.'000'	Rs.'000'
Balance as at 01st April 2015	1,108,867	295,300	1,404,167
Profit for the Period	-	187,754	187,754
Other Comprehensive Income		(335)	(335)
Dividends Paid	-	(110,887)	(110,887)
Balance as at 31 st March 2016	<u>1,108,867</u>	<u>371,832</u>	<u>1,480,699</u>
Balance as at 01st April 2014	1,108,867	105,893	1,214,760
Profit for the Period	-	189,825	189,825
Other Comprehensive Income		(418)	(418)
Balance as at 31 st March 2015	<u>1,108,867</u>	<u>295,300</u>	<u>1,404,167</u>

Company	Stated Capital	Accumulated Profit/(Losses)	Total
	Rs.'000'	Rs.'000'	Rs.'000'
Balance as at 01st April 2015	1,108,867	(16,114)	1,092,753
Profit for the Period	-	128,251	128,251
Dividends Paid	-	(110,886)	(110,886)
Balance as at 31 st March 2016	<u>1,108,867</u>	<u>1,251</u>	<u>1,110,118</u>
Balance as at 01st April 2014	1,108,867	(127,156)	981,711
Profit for the Period	-	111,043	111,043
Balance as at 31 st March 2015	<u>1,108,867</u>	<u>(16,113)</u>	<u>1,092,754</u>

Note :The above figures for the interim period are subject to audit.

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 ST MARCH 2016

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED
31 ST MARCH

	FOR THE PERIOD ENDED		FOR THE PERIOD ENDED	
	Group		Company	
	2016	2015	2016	2015
	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'
Cash Flows From / (Used in) Operating Activities				
Profit/(Loss) before tax	246,452	234,060	128,251	111,043
Adjustments for				
Depreciation	98,696	106,006	-	-
Amortisation	1,829	1,578	-	-
Finance Cost	1,125	2,795	-	-
Finance Income	(41,981)	(21,038)	-	-
Dividend Income	-	-	(135,001)	(117,000)
Exchange Gain	-	-	-	-
(Profit)/Loss on Disposal of Property, Plant & Equipment	632	(539)	-	-
Provision for Defined Benefit Obligation	3,028	2,449	-	-
Operating Profit/(Loss) before Working Capital Changes	309,781	325,311	(6,750)	(5,957)
(Increase)/ Decrease in Inventories	(777)	(1,591)	-	-
(Increase)/ Decrease in Trade and Other Receivables and prepayments	(7,336)	13,026	(17,432)	(92,823)
Increase /(Decrease) in Trade and Other Payables	13,975	(213)	1	(18,221)
Cash Generated from / (Used in) Operations	315,643	336,533	(24,181)	(117,001)
Finance Cost Paid	(1,126)	(2,795)	-	-
Defined Benefit Obligation paid	(1,838)	(772)	-	-
Income Tax Paid	(36,513)	(43,814)	-	-
Net Cash From / (used in) Operating Activities	276,166	289,152	(24,181)	(117,001)
Cash Flows from / (Used in) Investing Activities				
Proceeds from Disposal of Property, Plant & Equipment	1,204	2,492	-	-
Acquisition of Property, Plant & Equipment	(25,488)	(47,366)	-	-
Acquisition of Intangible Assets	(1,884)	-	-	-
Finance Income Received	31,213	22,701	-	-
Dividend Received	-	-	135,001	117,000
Net Investment in Short term Deposits	(360,000)	70,000	-	-
Net Cash from/(Used in) Investing Activities	(354,955)	47,827	135,001	117,000
Cash Flows from (Used in) Financing Activities				
Re-payment of Bank Loans	-	(45,000)	-	-
Principal Payments under Finance Lease Liabilities	(9,975)	(11,369)	-	-
Dividend Payment	(110,887)	-	(110,887)	-
Net Cash from/(Used in) Financing Activities	(120,862)	(56,369)	(110,887)	-
Effect of Exchange rates changes on Cash and Cash Equivalent	-	-	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	(199,651)	280,610	(67)	(1)
Cash and Cash Equivalents at the beginning of the Period	299,648	19,037	36	36
Cash and Cash Equivalents at the end of the period	99,997	299,647	(31)	35

For the purpose of the cash flow statement, the period end cash and cash equivalents comprise of the following:

Cash at Bank & In Hand	103,967	303,306	17	35
Bank Overdraft	(3,970)	(3,659)	(48)	-
	99,997	299,647	(31)	35

Note :The above figures for the interim period are subject to audit.

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 ST MARCH 2016

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 ST MARCH

1. Market Price of Ordinary Shares

	31.03.2016	31.03.2015
Highest Price Per Share for the Quarter	15.80	19.50
Lowest Price Per Share for the Quarter	12.00	15.00
Last Traded	13.00	15.20

2. Financial year of the company / group ends on 31st March . Interim figures are for three months ended 31 st March 2016

3. The Statement of Financial Position of the company and group as at 31 st March 2016 and Statements of Income, Changes in Equity and Cash Flow for the period then ended have been prepared in accordance with Sri Lanka Accounting Standards 34 interim financial statements and are in agreement with the books of accounts maintained by the group and have provided the information required by the Colombo Stock Exchange.

4. The presentation and classification of figures for the corresponding period of the previous year have been amended, where relevant, to be comparable with those for the current year.

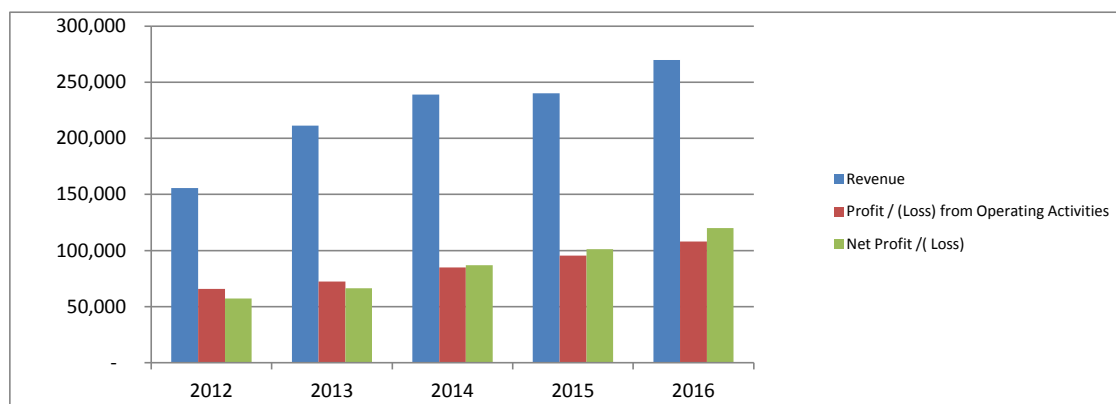
5. All values included in these Financial Statements are in Rupees '000' unless otherwise stated.

6. There have been no other material events that took place since 31 st March 2016, that require disclosure in the Financial Statements.

7. Net Assets per Share has been calculated, for all periods, based on the number of shares in issue as at 31 st March 2016, amounting to 110,886,684.

8. There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2015.

9. Graphical Analysis of Seasonality performance - For the three Months ended 31 st March



10. The percentage of the shares held by public as at 31 st March 2016 was 18.172% Comprising of 2,151 Shareholders. (31 st March 2015 -18.111 % Comprising 2,160 shareholders)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 ST MARCH 2016

11. The interim financial statements are unaudited and have been prepared in accordance with the same accounting policies and methods set out in the Annual Financial Statements for the year ended 31 March 2015 and are in compliance with the Sri Lanka Accounting Standard 34 - Interim Financial Reporting.

12. The number of shares held by the Board of Directors as of 31 st March 2016 are as follows:

	Name of the Director	No of Shares	%
1	Mr. Dhammika Perera	10,329,317	9.315
2	Mr.J.A.S.S. Adhihetty	13,741	0.012
3	Mr. Malik J. Fernando	833,333	0.752
4	Mr. Merrill J. Fernando	2,124,400	1.916
5	Mr.W.A.C. J. Wickramasinghe	19,291	0.017
6	Mr. S. Senaratne	1,000	0.001
7	Mr. L.T.Samarawickrama	1,550	0.001
8	Mr. D.E.Silva	500	0.000
9	Mr.L.N.De Silva Wijeyeratne	Nil	-
10	Mr.P.B.Perera	500	0.000
11	Mr.Jan P Van Twest	Nil	-
12	Mr.C.V.Cabraal	Nil	-
13	Ms.A.A.K. Amarasinghe (Alternate Director to Mr.Dhammika Perera)	Nil	-
14	Mr.W.D.N.H.Perera (Alternate Director to Mr.P.B. Perera)	89	0.000
15	Mr.H.Somashantha (Alternate Director to Mr.L.T.Samarawickrama)	Nil	-

13. Twenty largest shareholders of the company are as follows,

	Name of the Share Holder	No of Shares	%
1	M J F HOLDINGS LTD	28,616,411	25.807
2	VALLIBEL LEISURE (PRIVATE) LIMITED	24,417,932	22.021
3	VALLIBEL ONE PLC	19,977,345	18.016
4	MR DHAMMIKA PERERA	10,329,317	9.315
5	L B FINANCE PLC	4,051,100	3.653
6	MR. MERRIL J FERNANDO	2,124,400	1.916
7	BANK OF CEYLON NO. 1 ACCOUNT	1,461,100	1.318
8	SEYLAN BANK PLC/JAYANTHA DEWAGE	1,441,400	1.300
9	PAN ASIA BANKING CORPORATION PLC/ALMAR INTERNATIONAL (PVT) LTD	1,249,600	1.127
10	FREUDENBERG SHIPPING AGENCIES LIMITED	1,047,658	0.945
11	MRS N U D ARIYARATNA	843,483	0.761
12	MR D C FERNANDO	833,333	0.752
13	MR. MALIK J FERNANDO	833,333	0.752
14	MR. A P L FERNANDO	560,006	0.505
15	SEYLAN BANK PLC/BERTRAM MANSON AMARASEKARA	550,000	0.496
16	DEE INVESTMENTS (PVT) LTD	394,375	0.356
17	ROYAL CERAMICS LANKA PLC	336,100	0.303
18	MOTOR SERVICE STATION (PRIVATE) LTD	301,320	0.272
19	SEYLAN BANK PLC/A.M.N.A. ABEYKOON	294,451	0.266
20	MR. R MANOHARAN	291,000	0.262

CORPORATE INFORMATION

STATUTORY STATUS

Public Company with Limited Liability, Quoted on the Diri Savi
Board of the Colombo Stock Exchange

COMPANY REGISTRATION NO

PQ 207

BOARD OF DIRECTORS

Mr. Dhammika Perera
Mr. J.A.S.S.Adhihetty (Managing Director)
Mr. W. A. D. C.J. Wickramasinghe
Mr. Malik .J.Fernando
Mr. Merrill J. Fernando
Mr. S. Senaratne
Mr.L.T.Samarawickrama
Mr.D.E.Silva
Mr. L.N.De Silva Wijeyeratne
Mr.P.B. Perera
Mr.Jan Peter Van Twest
Mr.C.V.Cabraal
Ms.A.A.K. Amarasinghe (Alternate Director to Mr.Dhammika Perera)
Mr.H.Somashantha (Alternate Director to Mr.L.T.Samarawickrama)
Mr.W.D.N.H.Perera (Alternate Director to Mr.P.B.Perera)

HOTEL

The Fortress , Koggala.

REGISTERED OFFICE

Level 27, East Tower
World Trade Center
Echelon Square
Colombo 01

SECRETARIES

P W Corporate Secretarial (Pvt) Ltd.
3/17, Kynsey Road
Colombo 08

AUDITORS

Ernst & Young
Chartered Accountants
201, De Saram Place
Colombo 10

BANKERS

Bank of Ceylon
Sampath Bank PLC
Pan Asia Banking Corporation PLC