

### STATEMENT OF FINANCIAL POSITION

	Group		Company		
As at	30.06.2018	31.03.2018	30.06.2018	31.03.2018	
	Unaudited	Audited	Unaudited	Audited	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
ASSETS					
Non-current assets					
Property, plant and equipment	3,455,683	3,508,058	3,455,683	3,508,058	
Investment Properties	223,800	223,800	-	-	
Capital work-in-progress	706,957	347,518	706,957	347,518	
Investment in subsidiary	-	-	6,242	6,242	
Investment in associate	928,738	933,633	928,738	933,633	
Loans given to related companies	8,174	10,898	8,174	10,898	
	5,323,352	5,023,907	5,105,793	4,806,349	
Current assets					
Inventories	2,387,605	1,945,726	2,387,605	1,945,726	
Receivables & prepayments	774,267	849,506	774,255	849,493	
Amounts due from related companies	621,427	492,155	794,552	665,503	
Cash & cash equivalents	57,479	444,998	46,782	433,975	
	3,840,778	3,732,385	4,003,194	3,894,697	
Total assets	9,164,130	8,756,292	9,108,988	8,701,046	
EQUIDA AND LIADH PRIC					
EQUITY AND LIABILITIES					
Capital and reserves	900,968	900,968	900,968	900,968	
Stated capital (Note 3)	,	· ·	,	· ·	
Reserves	6,102,914	6,018,806	6,053,342	5,969,364	
Shareholders' funds	7,003,882	6,919,774	6,954,310	6,870,332	
Non controlling interest	5,214 <b>7,009,096</b>	5,373 <b>6,925,147</b>	6,954,310	6,870,332	
Total Equity	7,009,090	0,923,147	0,934,310	0,870,332	
Non-current liabilities					
Interest bearing liabilities	-	7,374	-	7,374	
Deferred tax liabilities	634,246	634,246	634,246	634,246	
Retirement benefit obligations	169,611	166,370	169,611	166,370	
	803,857	807,990	803,857	807,990	
Current liabilities					
Trade & other payables	580,504	702,923	580,356	702,773	
Amounts due to related companies	43,772	79,271	43,772	79,199	
Current tax liabilities	37,423	46,932	37,215	46,724	
Interest bearing liabilities	318,386	98,849	318,386	98,849	
Bank overdrafts	371,092	95,179	371,092	95,179	
	1,351,177	1,023,155	1,350,820	1,022,724	
Total liabilities	2,155,034	1,831,145	2,154,677	1,830,714	
Total equity and liabilities	9,164,130	8,756,292	9,108,987	8,701,046	
Net asset value per share (Rs.)	132.02	130.44	131.09	129.51	

sgd **Dhammika Perera** Chairman

07th August 2018

sgd

J.A.P.M. Jayasekera Managing Director

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group			Company		
	30.06.2018	30.06.2017		30.06.2018	30.06.2017	
Period ended	Quarter	Quarter		Quarter	Quarter	
	Rs.'000	Rs.'000	Variance %	Rs.'000	Rs.'000	Variance %
Export sales	63,572	56,687	12	63,572	56,687	12
Local sales	1,326,031	1,176,258	13	1,326,031	1,176,258	13
Gross sales (inclusive of tax)	1,389,603	1,232,945	13	1,389,603	1,232,945	13
Sales (net of tax)	1,218,449	1,080,490	13	1,218,449	1,080,490	13
Cost of sales	(777,185)	(657,136)	18	(777,185)	(657,136)	18
Gross profit	441,264	423,354	4	441,264	423,354	4
Other operating income	5,463	3,193	71	5,050	2,893	75
Distribution costs	(235,615)	(179,957)	31	(235,615)	(179,957)	31
Administrative expenses	(91,715)	(87,710)	5	(91,709)	(87,710)	5
Operating profit	119,396	158,880	(25)	118,989	158,580	(25)
Net finance income	10,735	21,998	(51)	10,735	21,998	(51)
Share of results of associate	(4,895)	16,696	(129)	(4,895)	16,696	(129)
Profit before taxation	125,235	197,574	(37)	124,828	197,274	(37)
Taxation	(40,850)	(49,889)	(18)	(40,850)	(49,889)	(18)
Profit after tax	84,385	147,685	(43)	83,978	147,385	(43)
Other comprehensive income						
Exchange loss arising on translation of foreign operations	(437)	-	100	-	=	0
Total comprehensive income for the year	83,949	147685	(43)	83,978	147,385	(43)
Profit attributable to:						
Equity holders of the parent	84,330	147,685	(43)	83,978	147,385	(43)
Non Controlling Interest	55 <b>84,385</b>	147,685	(42)	83,978	145 205	(42)
Profit for the year	84,383	147,085	(43)	83,978	147,385	(43)
Total comprehensive income attributable to:	04 107	147.605		92.070	147.005	(43)
Equity holders of the parent Non Controlling Interest	84,107 (159)	147,685	(43)	83,978	147,385	(43)
Total comprehensive income	83,949	147,685	(43)	83,978	147,385	(43)
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Earnings per ordinary share-basic (Rs)	1.59	2.78	(43)	1.58	2.78	(43)

### CASH FLOW STATEMENT

	Grou	ıp	Company		
Period ended	30.06.2018	30.06.2017	30.06.2018	30.06.2017	
	Unaudited	Unaudited	Unaudited	Unaudited	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES					
Profit before income tax	125,235	197,574	124,828	197,274	
Adjustments for:	, i	,	,	, i	
Depreciation	70,836	58,531	70,836	58,531	
Net Finance income	(5,373)	(23,077)	(5,373)	(23,077)	
Provision for retirement benefit obligations	6,148	5,269	6,148	5,269	
Exchnage Gain/ (loss)	(5,362)	-	(5,362)	-	
Share of results before tax of associate	4,895	(16,696)	4,895	(16,696)	
Operating profit (loss) before working capital changes	196,380	221,601	195,973	221,301	
Changes in woulding conited					
Changes in working capital (Increase)/Decrease in inventories	(441,879)	(102,852)	(442,001)	(102,852)	
(Increase)/Decrease in inventories (Increase)/Decrease in trade and other receivables	75,239	(50,539)	71,648	(50,539)	
()	(129,279)	(32,102)	(118,152)	` ' '	
(Increase)/Decrease in due from related parties	` ' '	` ' '	` ' '	(32,102)	
Increase/(Decrease) in trade & other payables	(122,419)	(81,105) 2,081	(129,727)	(80,805) 2,081	
Increase/(Decrease) in due to related parties	(35,499)		(35,427)	,	
Cash generated from operations	(457,458)	(42,916)	(457,686)	(42,916)	
Net Finance income	10,735	23,077	10,735	23,077	
Retirement benefit costs paid	(50,358)	(800)	(50,358)	(800)	
Income tax paid	(2,908)	(92,929)	(2,908)	(92,929)	
Net cash flows from/(used in) operating activities	(499,989)	(113,568)	(500,217)	(113,568)	
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES					
Acquisition of property, plant, equipment	(18,461)	(15,355)	(18,461)	(15,355)	
Expenditure incurred on capital work in progress	(359,439)	- 1	(359,439)	-	
Loans granted/ repayment to related companies	2,725	-	2,725	-	
Net cash flows from /(used in) investing activities	(375,175)	(15,355)	(375,175)	(15,355)	
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES					
Proceeds from borrowings	230,000	-	230,000	-	
Repayment of borrowings	(17,833)	(34,701)	(17,837)	(34,701)	
Net cash flows from /(used in) financing activities	212,167	(34,701)	212,163	(34,701)	
Net Increase/(Decrease) in cash and cash equivalents	(662,996)	(163,624)	(663,229)	(163,624)	
Movement in cash and cash equivalents					
Net foreign exchange difference arising on translation of foreign operations	(437)				
Cash cash equivalents at the beginning of the period	349,819	849,982	338796	849,982	
Cash cash equivalents at the end of the period	(313,614)	686,358	(324,433)	686,358	
Cash cash equivalents at the thu of the period	(313,014)	000,330	(344,433)	000,330	

#### STATEMENT OF CHANGES IN EQUITY

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Balance at 1st April 2017 Net profit for the period Other comprehensive income Balance as at 30th June 2017 Balance at 1st April 2018 Net profit for the period Other comprehensive income
Balance as at 30th June 2018

Stated Capital	Amalgamation Reserve	Revaluation Reserve	Exchange Reserve	Retained Earnings	Total Reserves	Non Controlling Interest	Shareholders' funds
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
900,968	460,151	838,856		<b>4,443,653</b> 147,685	<b>5,742,660</b> 147,685		<b>6,643,628</b> 147,685
900,968	460,151	838,856		4,591,338	5,890,345	-	6,791,313
900,968	460,151	730,515	(132) - (223)	<b>4,828,272</b> 84,330	<b>6,018,806</b> 84,330 (223)	<b>5,373</b> 55 (214)	<b>6,925,147</b> 84,385 (437)
900,968	460,151	730,515	(355)	4,912,602	6,102,913	5,214	7,009,096

Company

Balance at 1st April 2017 Net profit for the period Other comprehensive income Balance as at 30th June 2017 Balance at 1st April 2018

Net profit for the period Other comprehensive income
Balance as at 30th June 2018

Stated Capital	Amalgamation Reserve	Revaluation Reserve	Exchange Reserve	Retained Earnings	Total Reserves	Non Controlling Interest	Shareholders' funds
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
900,968	460,151	838,856	-	4,394,551	5,693,558	-	6,594,526
-	-	-	-	147,385	147,385	-	147,385
-	-	-	-	-	-	-	-
900,968	460,151	838,856		4,541,936	5,840,943		6,741,911
900,968	460,151	730,515	-	4,778,698	5,969,364	-	6,870,332
-	-	-	-	83,978	83,978	-	83,978
-	-	-	-	-	-	-	-
900,968	460,151	730,515		4,862,676	6,053,342		6,954,310

### **Notes**

- 1 The above figures are provisional and subject to audit.
- The accounting policies followed in the preparation of interim financial statements are consistent with those followed in the preparation of financial statements for the year ended 31st March 2018 and are in compliance with LKAS 34 Interim Financial Reporting.
- 3 Total number of shares in issue of the company as at 31st March 2018 is 53,050,410.
- 4 There have been no changes in contingent assets and contingent liabilities since 31 st March 2018.
- 5 The presentation and classification of figures for corresponding period of the previous year have been amended, where relevant, to be comparable with those for the current year.
- 6 Company incurred Rs.17.26 Mn during the quarter for the services rendered in improving the manufacturing processes. This service has been provided by related Companies of Royal Ceramics Lanka PLC and Vallibal One PLC.
- 7 No events have occurred since the date of the financial position which would require adjustment to or disclosure in the interim financial statements.

8 Market prices recorded during the quarter ended

30th June	2018/19	2017/18	Variance	
	Rs.cts	Rs.cts	Rs.cts	%
Highest market price per share	106.50	114.00	(7.50)	(6.58)
Lowest market price per share	90.00	100.00	(10.00)	(10.00)
Closing market price per share	92.50	109.30	(16.80)	(15.37)

Director's holding in shares as at 30th June 2018

Director's name	Shareholding	
	Number	%
Mr. A M Weerasinghe	34,697	0.0654
Ms. A M L Page	2,500	0.0047

10 20 Major Shareholders as at 30th June 2018

Shar	eholder's name	Sharehold	ing
		Number	%
1	Lanka Walltiles PLC	36,189,195	68.217
2	Employees Provident Fund	4,968,313	9.365
3	BNYMSANV Re-Frontaura Global Frontier Fund Llc	3,505,980	6.609
4	Caceis Bank Luxembourg S/A Barca Global Master Fund LP	1,464,939	2.761
5	Royal Ceramics Lanka PLC	1,388,481	2.617
6	Bank of Ceylon No. 1 Account	973,200	1.834
7	Mr. K R Kamon	537,628	1.013
8	Mr. A A Page	433,939	0.818
9	Aruna Enterprises (Pvt) Limited	128,500	0.242
10	Mr.S.M.Fernando	126,446	0.238
11	Mrs. A A Merchant	125,000	0.236
12	Dr A C Visvalingam and Mrs. Y I Visvalingam	108,143	0.204
13	Mr.Y.H Abdulhussein	98,833	0.186
14	Pinnacle trust (Pvt) Ltd	92,038	0.173
15	Sampath Bank Plc /Dr Senthilverl	90,600	0.171
16	Seylan Bank Plc /China Nalin Rajahmoney	72,104	0.136
17	Mrs B C Sansoni	62,495	0.118
18	Mr.M S Fernando	49,105	0.093
19	Saboor Chatoor (Pvt) Ltd	42,200	0.080
20	Union Bank of Colombo PLC/ Mr. Sithampalam Abishek	40,375	0.076
Sub 7		50,497,514	95.188
Other	s	2,552,896	4.812
Gran	d Total	53,050,410	100.000

- $11 \quad Percentage \ of \ public \ holding \ as \ at \ 30th \ June \ 2018 \ was \ 28.275\% \ comprising \ of \ 1,733 \ shareholders.$
- The float adjusted market capitalization is Rs. 1,387,500,317.04 as at 30th June 2018 and The company is in compliance with option 5 of section 7.13.1 (a) of the listing rules of the CSE pertaining to minimum Public Holding.