

ROYAL CERAMICS LANKA PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2018

ROYAL CERAMICS LANKA PLC

STATEMENT OF FINANCIAL POSITION

AS AT	COMPANY		GROUP	
	30.09.2018	31.03.2018	30.09.2018	31.03.2018
	Rs. 000's	Rs.000's	Rs. 000's	Rs.000's
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	6,982,210	6,559,707	26,809,650	25,779,638
Consumable Biological Assets	-	-	543,815	536,575
Leasehold right over mining lands	-	-	5,645	6,536
Investment Properties	-	-	1,287,007	1,287,007
Investments in Subsidiaries	6,607,000	6,455,372	-	-
Investments in Associate	3,162,937	3,162,937	6,861,791	6,406,449
Intangible Assets	162,305	170,970	1,192,655	1,201,266
Other Non Financial Assets	-	-	111,188	112,797
Deferred Tax Assets	-	-	14,685	14,686
	<u>16,914,450</u>	<u>16,348,986</u>	<u>36,826,435</u>	<u>35,344,953</u>
Current Assets				
Inventories	1,757,735	1,393,558	13,680,788	11,395,869
Trade and Other Receivables	537,017	545,301	4,145,239	4,001,797
Other Non Financial Assets	407,840	369,086	1,056,382	962,917
Other Financial Assets	149,093	146,928	246,387	253,409
Income Tax Recoverable	64,450	55,269	164,625	117,497
Cash and Cash Equivalents	275,260	291,413	514,513	996,045
	<u>3,191,394</u>	<u>2,801,554</u>	<u>19,807,935</u>	<u>17,727,533</u>
Assets held for sale	-	-	66,290	85,248
	<u>3,191,394</u>	<u>2,801,554</u>	<u>19,874,225</u>	<u>17,812,781</u>
Total Assets	<u>20,105,845</u>	<u>19,150,540</u>	<u>56,700,660</u>	<u>53,157,734</u>
EQUITY AND LIABILITIES				
Equity				
Stated Capital	1,368,673	1,368,673	1,368,673	1,368,673
Reserves	830,591	830,591	2,644,987	2,652,515
Retained Earnings	7,377,850	7,466,545	16,886,535	16,291,402
	<u>9,577,114</u>	<u>9,665,810</u>	<u>20,900,196</u>	<u>20,312,590</u>
Non Controlling Interest	-	-	8,900,058	8,894,287
Total Equity	<u>9,577,114</u>	<u>9,665,810</u>	<u>29,800,253</u>	<u>29,206,877</u>
Non-Current Liabilities				
Interest Bearing Loans & Borrowings	3,434,002	3,314,132	6,174,038	6,067,891
Deferred Tax Liabilities	423,217	398,975	3,008,054	2,957,760
Retirement Benefit Liability	257,101	245,858	1,228,425	1,180,730
Deferred income & Capital grants	-	-	149,341	151,532
	<u>4,114,318</u>	<u>3,958,965</u>	<u>10,559,856</u>	<u>10,357,913</u>
Current Liabilities				
Trade and Other Payables	3,443,918	3,278,392	3,326,458	3,361,407
Other Current Liabilities	506,256	532,633	688,696	742,175
Dividend Payable	47,828	48,099	49,693	199,107
Income Tax Liabilities	-	-	153,935	286,865
Interest Bearing Loans & Borrowings	2,416,412	1,666,640	12,113,668	8,995,115
	<u>6,414,413</u>	<u>5,525,765</u>	<u>16,332,450</u>	<u>13,584,668</u>
Liabilities directly associated with the assets held for sale	-	-	8,100	8,276
	<u>6,414,413</u>	<u>5,525,765</u>	<u>16,340,550</u>	<u>13,592,944</u>
Total Equity and Liabilities	<u>20,105,845</u>	<u>19,150,540</u>	<u>56,700,660</u>	<u>53,157,734</u>

Net Assets Per Share (Rs.)

86.44

87.24

188.65

183.34

These financial statements are in compliance with the requirements of the Companies Act No 7 of 2007.

Sgd.

Head of Finance & Treasury

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.

Director

Sgd.

Director

November 12, 2018

ROYAL CERAMICS LANKA PLC

STATEMENT OF PROFIT OR LOSS

For the Period ended 30th September	COMPANY					variance %	GROUP					variance %
	2018	2017	2018	2017	variance %		2018	2017	2018	2017	variance %	
	QUARTER	QUARTER	CUMULATIVE	CUMULATIVE			QUARTER	QUARTER	CUMULATIVE	CUMULATIVE		
Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's		Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's				
Gross Revenue	979,379	981,219	1,842,137	1,810,426	2	8,289,037	7,515,389	15,091,246	13,932,513	8		
Net Revenue	866,215	865,398	1,631,767	1,596,382	2	7,411,107	6,722,718	13,526,809	12,493,231	8		
Cost of Sales	(460,201)	(442,809)	(881,751)	(829,873)	6	(5,039,667)	(4,002,549)	(9,126,026)	(7,684,264)	19		
Gross Profit	406,014	422,589	750,016	766,509	(2)	2,371,440	2,720,169	4,400,783	4,808,967	(8)		
Other Operating Income	262,545	218,237	617,347	567,557	9	60,204	37,693	94,107	94,414	-		
Distribution Expenses	(350,704)	(279,570)	(689,568)	(559,978)	23	(1,127,034)	(896,670)	(2,148,416)	(1,781,339)	21		
Administrative Expenses	(132,897)	(120,740)	(249,484)	(238,570)	5	(470,669)	(379,890)	(862,978)	(735,991)	17		
Other Operating Expenses	(8,544)	(14,135)	(16,457)	(26,171)	(37)	(17,194)	(21,455)	(32,564)	(33,491)	(3)		
Finance Expenses	(142,596)	(111,860)	(259,557)	(207,859)	25	(471,174)	(334,381)	(881,571)	(630,610)	40		
Finance Income	3,869	477	4,828	756	539	8,190	29,008	20,166	61,193	(67)		
Profit Before Tax	37,687	114,998	157,125	302,244	(48)	353,762	1,154,474	589,526	1,783,143	(67)		
Share of Associate Company's Profit	-	-	-	-		302,103	252,558	588,594	500,282	18		
Net Profit Before Tax	37,687	114,998	157,125	302,244	(48)	655,866	1,407,032	1,178,121	2,283,425	(48)		
Tax (Expense)/Reversal	(14,438)	(52,907)	(24,241)	(76,565)	(68)	(171,402)	(386,587)	(334,140)	(583,567)	(43)		
Net Profit After Tax from Continuing Operations	23,249	62,091	132,884	225,679	(41)	484,464	1,020,445	843,981	1,699,858	(50)		
Profit/(Loss) after tax from discontinued operations	-	-	-	-		(1,279)	399	(3,172)	(12,403)	(74)		
Net Profit for the period	23,249	62,091	132,884	225,679	(41)	483,185	1,020,844	840,808	1,687,455	(50)		
Attributable to												
Equity holders of the Parent	23,249	62,091	132,884	225,679	(41)	440,533	682,481	789,223	1,201,228	(34)		
Non Controlling Interest	-	-	-	-		42,652	338,363	51,586	486,227	(89)		
Net Profit for the period	23,249	62,091	132,884	225,679	(41)	483,185	1,020,844	840,808	1,687,455	(50)		
Basic Earnings Per Share (Rs.)	0.21	0.56	1.20	2.04		3.98	6.16	7.12	10.84			

ROYAL CERAMICS LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME

For the Period ended 30th September	COMPANY					variance %	GROUP				
	2018	2017	2018	2017	2018		2017	2018	2017	variance %	
	QUARTER	QUARTER	CUMULATIVE	CUMULATIVE	QUARTER		QUARTER	CUMULATIVE	CUMULATIVE		
Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's				
Net Profit / (Loss) for the Period	23,249	62,091	132,884	225,679	(41)	483,185	1,020,844	840,808	1,687,455	(50)	
Other Comprehensive Income											
Actuarial (Loss)/Gain on Employee Benefits	-	-	-	-		(8,314)	-	(16,627)	-	(200)	
Net (loss)/gain on available-for-sale financial assets of Associate company			-	-		(1,886)	(1,230)	(5,438)	3,261	(267)	
Exchange Differences on translation of foreign operations	-	-	-	-		4,201	1,881	1,232	4,082	(70)	
Exchange Differences on translation of foreign operations of Associate Company			-	-		-	-	(3,550)	-		
Other Comprehensive Income net of Tax	-	-	-	-		(5,999)	651	(24,382)	7,343	(432)	
Total Comprehensive Income net of Tax	23,249	62,091	132,884	225,679	(41)	477,187	1,021,495	816,427	1,694,798	(52)	
Attributable to											
Equity holders of the Parent	23,249	62,091	132,884	225,679	(41)	436,865	683,132	777,098	1,208,571	(36)	
Non Controlling Interest	-	-	-	-		36,773	338,363	39,329	486,227	(92)	
Net Profit / (Loss) for the Period	23,249	62,091	132,884	225,679	(41)	473,638	1,021,495	816,427	1,694,798	(52)	

ROYAL CERAMICS LANKA PLC

STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital Rs. 000's	Revaluation Reserve Rs. 000's	Retained Earnings Rs. 000's	Total Rs. 000's
Balance as at 1st April 2017	1,368,673	213,634	6,444,557	8,026,864
Net Profit for the Period	-	-	225,679	225,679
Total Comprehensive income	-	-	225,679	225,679
Final Dividends - 2016/2017	-	-	(443,158)	(443,158)
Balance as at 30th September 2017	1,368,673	213,634	6,227,078	7,809,385
Balance as at 1st April 2018	1,368,673	830,591	7,466,545	9,665,810
Net Profit for the Period	-	-	132,884	132,884
Total Comprehensive income	-	-	132,884	132,884
Final Dividends - 2017/2018	-	-	(221,579)	(221,579)
Balance as at 30th September 2018	1,368,673	830,591	7,377,850	9,577,114

STATEMENT OF CHANGES IN EQUITY - GROUP

	Attributable to owners of the parent					Non-Controlling Interest Rs. 000's	Total Rs. 000's
	Stated Capital Rs. 000's	Revaluation Reserve Rs. 000's	Available for sale Reserve Rs. 000's	Foreign Currency Translation Reserve Rs. 000's	Retained Earnings Rs. 000's		
Balance as at 1st April 2017	1,368,673	2,020,248	3,865	3,331	14,610,383	8,555,804	26,562,305
Net Profit for the Period	-	-	-	-	1,201,228	486,227	1,687,455
Other comprehensive income	-	-	3,261	4,082	-	-	7,343
Total Comprehensive income	-	-	3,261	4,082	1,201,228	486,227	1,694,798
Final Dividends - 2016/2017	-	-	-	-	(443,158)	-	(443,158)
Subsidiary Dividends to Minority Shareholders	-	-	-	-	-	(142,143)	(142,143)
Shares Issued to Minority Shareholders	-	-	-	-	-	5,996	5,996
Effect on Change in Group Holdings	-	-	-	-	(16,179)	(90,165)	(106,344)
Balance as at 30th September 2017	1,368,673	2,020,248	7,126	7,413	15,352,274	8,815,719	27,571,455
Balance as at 1st April 2018	1,368,673	2,638,434	5,968	8,113	16,291,402	8,894,287	29,206,877
Net Profit for the Period	-	-	-	-	789,222	51,586	840,808
Other comprehensive income	-	-	(5,438)	(2,090)	(4,598)	(12,257)	(24,383)
Total Comprehensive income	-	-	(5,438)	(2,090)	784,624	39,329	816,426
Final Dividends - 2017/2018	-	-	-	-	(221,579)	-	(221,579)
Subsidiary Dividends to Minority Shareholders	-	-	-	-	-	1,385	1,385
Acquisition of non-controlling interests	-	-	-	-	32,088	(34,943)	(2,855)
Balance as at 30th September 2018	1,368,673	2,638,434	530	6,023	16,886,535	8,900,058	29,800,253

ROYAL CERAMICS LANKA PLC

CASH FLOW STATEMENT

For the Period ended 30th September	COMPANY		GROUP	
	2018	2017	2018	2017
	Rs.000's	Rs.000's	Rs.000's	Rs.000's
Cash Flows From / (Used in) Operating Activities				
Profit before tax from continuing operations	157,125	302,244	1,178,121	2,283,425
Loss before tax from discontinued operations	-	-	(3,172)	(12,403)
Profit before tax	157,125	302,244	1,174,948	2,271,022
<i>Adjustments for</i>				
Dividend Income	(324,149)	(285,055)	(786)	(435)
Interest Income	(4,828)	(756)	(20,166)	(61,193)
Depreciation of Property, Plant & Equipment	213,741	151,001	807,814	693,156
Amortization of leasehold right over land	-	-	890	1,667
(Profit)/Loss on Sale of Property, Plant & Equipment	(31)	(2,952)	(7,071)	(7,891)
Finance Costs	259,557	207,859	881,571	633,938
Provision/(Reversal) of stock provision	-	-	1,700	2,000
Write-down of inventories	6,430	3,120	13,627	8,184
Provision for related party Receivables	-	3,275	-	-
Amortization of Intangible Assets	8,666	8,666	8,666	8,666
Unrealised (Gain)/loss on foreign exchange	-	-	29,003	7,118
Provision for bad debts	(2)	(11)	2,727	1,327
Deferred income / capital grants amortization	-	-	(4,168)	(2,523)
Changing in Fair Value of Biological Assets	-	-	(4,766)	(6,407)
Provision / (Reversal) for change in market value of the investments	8,289	(6,037)	8,289	(6,037)
Profit Share of Investment in associate	-	-	(588,594)	(500,282)
Provision for Defined Benefit Plans - Gratuity	13,046	14,926	83,061	78,755
Operating Profit/(Loss) before Working Capital Changes	337,844	396,280	2,386,744	3,121,065
(Increase)/ Decrease in Inventories	(370,607)	(92,656)	(2,290,689)	(1,525,238)
(Increase)/ Decrease in Trade and Other Receivables	8,284	(169,042)	(137,244)	(111,079)
(Increase)/ Decrease in Other Non Financial Assets	(38,754)	(64,436)	(93,465)	(70,720)
Increase/ (Decrease) in Trade and Other Payables	155,004	747,174	(56,073)	(41,853)
Increase/ (Decrease) in Other Current Liabilities	(26,377)	(315,466)	(53,479)	(244,263)
Cash Generated from Operations	65,395	501,854	(244,206)	1,127,912
Finance Costs Paid	(249,036)	(198,332)	(858,612)	(609,873)
Defined Benefit Plan Costs Paid	(1,802)	(8,326)	(51,994)	(51,346)
Income Tax Paid	(9,180)	(9,897)	(463,904)	(692,945)
Net Cash Flows From/(Used in) Operating Activities	(194,625)	285,299	(1,618,715)	(226,252)
Cash Flows from / (Used in) Investing Activities				
Acquisition of Property, Plant & Equipment	(636,244)	(894,885)	(1,758,114)	(1,847,843)
Acquisition of Plantation Assets	-	-	(87,475)	(6,803)
Proceeds from Sale of Property, Plant & Equipment	31	5,338	8,103	31,972
Acquisition of Intangible Assets	-	(1,545)	-	(1,545)
Proceeds from Sale of Short Term investments	-	-	12,482	-
Acquisition of Short-Term Investment	(10,454)	(106,345)	(13,749)	(106,345)
Acquisition of Additional Interest in subsidiaries	(151,628)	-	(2,855)	-
Investment in other non financial assets	-	-	-	(114,000)
Interest Received	4,828	756	20,166	61,193
Dividends Received	324,149	285,055	125,050	97,967
Net Cash Flows from/(Used in) Investing Activities	(469,319)	(711,626)	(1,696,392)	(1,885,404)
Cash Flows from / (Used in) Financing Activities				
Proceeds From Interest Bearing Loans & Borrowings	1,414,526	1,384,916	6,708,761	6,813,614
Repayment of Interest Bearing Loans & Borrowings	(717,704)	(603,146)	(4,521,849)	(5,421,716)
Capital Repayments under Finance Lease Liabilities	(1,327)	(1,214)	(5,339)	(3,482)
Dividends Paid on Ordinary Shares	(221,850)	(433,938)	(221,850)	(433,938)
Dividend paid to non controlling interest	-	-	(147,758)	(117,981)
Proceeds on issue of shares to minority shareholders	-	-	-	5,996
Capital grants received	-	-	1,977	2,199
Net Cash Flows from/(Used in) Financing Activities	473,646	346,618	1,813,942	844,692
Net Increase / (Decrease) in Cash and Cash Equivalents	(190,298)	(79,709)	(1,501,165)	(1,266,964)
Net foreign exchange difference	-	-	1,915	4,001
Cash and Cash Equivalents at the beginning of the period	(44,367)	(59,087)	(1,346,065)	(121,902)
Cash and Cash Equivalents at the end of the period	(234,665)	(138,796)	(2,845,314)	(1,384,865)

ROYAL CERAMICS LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

Royal Ceramics Lanka PLC ("the Company") is a public limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The registered office of the Company is located at No.20, R.A. De Mel Mawatha, Colombo 03.

The Consolidated Financial Statements of the company for the quarter ended 30th September 2018 comprise the Royal Ceramics Lanka PLC (Parent Company) and its subsidiaries (together referred as the "Group"), namely Royal Ceramics Distributors (Private) Limited, Royal Porcelain (Private) Limited, Rocell Bathware Limited, Ever Paint and Chemical Industries (Private) Limited, Rocell Ceramics Limited, Rocell Pty Ltd-Australia, Nilano Garments (Private) Limited, Lanka Ceramic PLC, Lanka Walltile PLC its and subsidiaries.

2. Figures for the quarter ended 30th September 2018 are provisional and subject to audit.

3. Number of fully paid ordinary shares as at 30th September 2018 is 110,789,384 (30th September 2017 - 110,789,384).

4. 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 31st March 2018.

5. Details of the Subsidiaries of the Company as at 30th September 2018, is as follows.

<u>Company Name</u>	<u>Year of Incorporation</u>	<u>Ownership (%)</u>
Royal Porcelain (Pvt) Ltd	2000/2001	100%
Rocell Bathware Ltd	2005/2006	100%
Royal Ceramics Distributors (Pvt) Ltd	1993/1994	100%
Ever Paint and Chemical Industries (Pvt) Ltd	2002/2003	100%
Lanka Ceramic PLC	1991/1992	74%
Rocell Ceramics Limited	2006/2007	100%
Rocell Pty Ltd - Australia	2014/2015	100%
Nilano Garments (Pvt) Ltd	1984/1985	100%
Lanka Walltile PLC	1975/1976	55%

6. Basis of Preparation

The Consolidated and separate Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards comprising SLFRS and LKAS (hereafter "SLFRS") as issued by the Institute of Chartered Accountants of Sri Lanka.

The Financial Statements of the Company and the Group have been prepared on a historical cost basis, except for lands, buildings and financial assets at fair value through profit or loss that have been valued at fair value.

7. Significant Accounting Policies

The changes to accounting policies which have been disclosed in the company's Annual Report 2017/18, have been applied consistently to all periods presented in these condensed Financial Statements.

The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

8. Events Occurring After the Balance Sheet Date

There have been no material events occurring after the balance sheet date that require adjustment or disclosure in the financial statement.

ROYAL CERAMICS LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

9. Acquisition of Additional Interest

In Lanka Walltiles PLC

On 18th June 2018, Royal Ceramics Lanka PLC acquired an additional 2.5% interest in the voting shares of Lanka Walltiles PLC, increasing its effective ownership interest to 54.55%. Further, these shares have been purchased from Lanka Ceramic PLC which is a Subsidiary Company of the Group. Following is a schedule of additional interest acquired in Lanka Walltiles PLC.

	Rs.000's
Net Cash consideration paid by the Group for the acquisition	(2,855)
Net Carrying value of the additional interest acquired	34,943
Difference recognised in retained earnings	32,088

10. Change in Accounting Policy

During the financial year ended 31 March 2018, The Group has changed its Accounting Policy in relation to Accounting for Investment Property by changing from cost model to Fair Value model according to LKAS 40. Retrospective adjustments have been made according to LKAS 8 Accounting Policies, Changes in Accounting Estimates & Errors to reflect the change in accounting policy in the financial statements.

The fair value of freehold land and buildings were determined by P.B Kalugalagedara and Associates an independent professionally qualified valuer (Valuation report dated 31 March 2017). The basis of valuation is the Direct Capital Comparison Method using the depreciated value of buildings and Current Open Market Value of land.

The Total effect to the financial statements of the Group is summarised below.

	Previously reported amount	Adjustment amount	Restated amount
	Rs.000's	Rs.000's	Rs.000's
Statement of financial position			
Investment Property			
Balance as at 1st April 2017	238,024	467,976	706,000
Balance as at 30th September 2017	237,679	468,321	706,000
Retained Earnings			
Balance as at 1st April 2017	14,234,596	375,786	14,610,383
Balance as at 30th September 2017	14,976,486	375,786	15,352,274
Non Controlling Interest			
Balance as at 1st April 2017	8,463,614	92,190	8,555,804
Balance as at 30th September 2017	8,723,529	92,190	8,815,719

ROYAL CERAMICS LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

11. Discontinued Operations

During the year 2016/17, the Board of Directors took a decision to cease the operations of Ever Paint and Chemical Industries (Private) Limited ("EPCI") and to dispose of the assets thereof. EPCI is a fully owned subsidiary of Royal Ceramics Lanka PLC and it was engaged in the business of manufacturing and marketing of paints and allied products. With EPCI being classified as discontinued operations, the paint and allied products segment is no longer presented in the segment note. The results of EPCI for the period is presented below:

	Period ended 30.09.2018 Rs.000's	Period ended 30.09.2017 Rs.000's
Net Revenue	3,562	1,297
Cost of Sales	(5,127)	(2,362)
Gross Profit	(1,565)	(1,065)
Other Operating Income	(14)	8,259
Distribution Expenses	(1,055)	(5,502)
Administrative Expenses	(538)	(10,767)
Finance Expenses	-	(3,328)
Loss for the period from discontinued operations	(3,172)	(12,403)

The major classes of assets and liabilities of EPCI is classified as held for sale as at the end of the period:

	30.09.2018 Rs.000's	30.09.2017 Rs.000's
Assets		
Property, Plant & Equipment	44,773	57,449
Inventories	13,769	28,519
Trade and Other Receivables	6,898	17,339
Other Non Financial Assets	-	-
Cash and Cash Equivalents	849	165
Assets held for sale	66,290	103,472
Liabilities		
Trade and Other Payables	(8,100)	(8,344)
Interest Bearing Loans & Borrowings	-	(19,815)
Retirement Benefit Liability	-	(2,210)
Liabilities directly associated with the assets held for sale	(8,100)	(30,369)
Net Assets directly associated with disposal group	58,191	73,103

The net cash flows incurred by EPCI is as follows:

	Period ended 30.09.2018 Rs.000's	Period ended 30.09.2017 Rs.000's
Operating	(5,203)	78,466
Investing	471	22,731
Financing	-	(105,030)
Net cash (outflow)/inflow	(4,733)	(3,833)

ROYAL CERAMICS LANKA PLC

12. Segment Information

For the Period ended 30th September	Tiles & Associated Products		Sanitaryware		Plantation		Aluminium	
	2018	2017	2018	2017	2018	2017	2018	2017
	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's
Revenue								
Sales to External Customers	8,708,908	7,924,075	952,805	872,728	927,382	1,162,997	1,381,158	1,343,830
Inter-Segment Sales	-	-	-	1,249	-	184	-	-
Total Revenue	8,708,908	7,924,075	952,805	873,977	927,382	1,163,181	1,381,158	1,343,830
Results								
Gross Profit	3,543,282	3,689,787	385,874	381,539	12,993	120,808	269,143	422,990
Other Operating Income	152,820	113,125	1,510	1,270	9,509	9,155	4,227	2,025
Distribution Expenses	(1,844,548)	(1,431,242)	(243,723)	(185,296)	-	-	(119,890)	(167,857)
Administrative Expenses	(604,459)	(539,121)	(13,825)	(17,827)	(60,094)	(59,987)	(106,386)	(66,769)
Other Operating Expenses	(27,989)	(31,171)	(4,575)	-	-	-	-	-
Finance Costs	(540,586)	(435,884)	(77,117)	(45,450)	(55,877)	(48,813)	(130,473)	(57,564)
Finance Income	21,098	63,196	271	244	-	432	-	-
Share of Associate Company's Profit	-	-	-	-	-	-	-	-
Net Profit before Income Tax	699,619	1,428,690	48,416	134,480	(93,468)	21,595	(83,379)	132,825
Income Tax Expense	(302,593)	(458,914)	(16,737)	(26,617)	5,229	(3,886)	17,487	(32,686)
Net Profit After Tax from Continuing Operations	397,027	969,776	31,678	107,863	(88,239)	17,709	(65,891)	100,139
As at 30th September								
Segment Assets	36,161,573	29,674,092	5,196,482	4,406,720	3,669,815	3,720,119	4,163,963	2,875,626
Total assets	36,161,573	29,674,092	5,196,482	4,406,720	3,669,815	3,720,119	4,163,963	2,875,626
Segment liabilities	21,838,660	16,900,448	1,902,133	1,367,885	2,393,804	2,309,439	2,901,420	1,631,899
Total Liabilities	21,838,660	16,900,448	1,902,133	1,367,885	2,393,804	2,309,439	2,901,420	1,631,899
Other Segment Information								
Total cost incurred during the period to acquire								
Property, Plant & Equipment	1,493,882	1,278,260	78,970	128,451	4,261	137,687	171,555	298,952
Depreciation & Amortisation	531,381	488,089	113,667	59,351	70,992	68,548	53,016	38,150
Provisions for retirement benefit liability	39,810	35,959	2,420	1,891	35,415	35,898	669	701

ROYAL CERAMICS LANKA PLC

12. Segment Information (Cont..)

For the Period ended 30th September	Packaging		Finance		Other		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's	Rs. 000's
Revenue								
Sales to External Customers	1,549,112	1,181,674	-	-	7,443	7,927	13,526,809	12,493,231
Inter-Segment Sales	189,060	125,641	-	-	77,104	71,980	-	-
Total Revenue	1,738,172	1,307,315	-	-	84,547	79,907	13,526,809	12,493,231
Results								
Gross Profit	152,803	160,489	-	-	36,687	33,354	4,400,783	4,808,967
Other Operating Income	44,213	49,093	-	-	20,137	18,756	94,107	94,414
Distribution Expenses	(60,860)	(49,679)	-	-	(4,611)	(4,119)	(2,148,416)	(1,781,339)
Administrative Expenses	(69,791)	(62,270)	-	-	(21,517)	(24,236)	(862,978)	(735,991)
Other Operating Expenses	-	-	-	-	-	-	(32,564)	(33,491)
Finance Costs	(65,599)	(39,765)	-	-	(13,123)	(16,343)	(881,571)	(630,610)
Finance Income	-	-	-	-	1	272	20,166	61,193
Share of Associate Company's Profit	-	-	624,913	493,169	(36,318)	7,114	588,594	500,282
Net Profit before Income Tax	766	57,868	624,913	493,169	(18,745)	14,798	1,178,121	2,283,425
Income Tax Expense	-	(8,056)	-	-	(3,635)	(1,773)	(334,140)	(583,567)
Net Profit After Tax from Continuing Operations	766	49,812	624,913	493,169	(22,380)	13,025	843,981	1,699,858
As at 30th September								
Segment Assets	2,682,292	2,646,651			1,056,321	1,261,809	56,700,660	47,499,524
Total assets	2,682,292	2,646,651			1,056,321	1,261,809	56,700,660	47,499,524
Segment liabilities	1,551,258	1,476,001			338,936	299,883	26,900,406	20,396,048
Total Liabilities	1,551,258	1,476,001			338,936	299,883	26,900,406	20,396,048
Other Segment Information								
Total cost incurred during the period to acquire								
Property, Plant & Equipment	5,264	3,684			4,182	7,610	1,758,114	1,854,646
Depreciation & Amortisation	39,930	40,279			7,493	7,404	816,480	701,821
Provisions for retirement benefit liability	4,200	3,738			548	610	83,061	78,755

ROYAL CERAMICS LANKA PLC

SHARE INFORMATION

1. Market prices of the share for the quarter ended 30th September

	2018	2017
	Rs. Cts.	Rs. Cts.
Highest	108.00	132.70
Lowest	78.00	120.50
Closing	79.50	122.00

2. Twenty Major Share Holders

	Number of Shares as at 30.09.2018	% of issued capital
VALLIBEL ONE PLC	62,002,600	55.96
EMPLOYEES PROVIDENT FUND	15,277,998	13.79
PERSHING LLC S/A AVERBACH GRAUSON & CO	4,543,907	4.10
HSBC INTL NOM LTD - BBH- GRANDEUR PEAK EMERGING MARKETS OPPORTUNITIES FUND	2,965,133	2.68
HSBC INTL NOM LTD-MSCO-BRIARWOOD CAPITAL PARTNERS LP	1,972,748	1.78
NATIONAL SAVINGS BANK	1,748,679	1.58
BNYMSANV RE - COMPASS ASIA PARTNERS, L.P.	1,100,000	0.99
HSBC INTL NOM LTD -BBH GRANDEUR PEAK GLOBAL REACH FUND	893,948	0.81
MR. A.M. WEERASINGHE	812,401	0.73
AIA INSURANCE LANKA PLC A/C NO. 7	745,000	0.67
MERCANTILE INVESTMENTS AND FINANCE PLC	550,000	0.50
MRS S N FERNANDO	550,000	0.50
AMAYA LEISURE PLC	521,600	0.47
EMPLOYEES TRUST FUND BOARD	479,349	0.43
MAS CAPITAL (PRIVATE) LIMITED	473,095	0.43
BANK OF CEYLON NO 2 A/C	469,410	0.42
MR D L B C PERERA & MRS I V KARIYAKARAWANA	329,242	0.30
SEYLAN BANK PLC/W.D.N.H.PERERA	312,768	0.28
PINNACLE TRUST (PVT) LIMITED	266,491	0.24
HSBC INTL NOM LTD-BBH-GRANDEUR PEAK GLOBAL MICRO CAP FUND	224,570	0.20

3. The percentage of shares held by the public as at 30th September 2018 - 42.45% comprising of 10,864 shareholders

4. The float adjusted market capitalization as at 30th September 2018 - Rs. 3,738,691,894/-

5. The float adjusted market capitalization of the Company falls under Option 04 of Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under said option.

6. Directors' shareholding

	No of shares As at 30th September 2018	No of shares As at 30th September 2017
Mr. K D D Perera	200,772	200,772
Mr. A M Weerasinghe	812,401	749,928
Mr. M Y A Perera	220	220
Mr. T G Thoradeniya (Alternate Director to Mr.Dhammika Perera)	185,680	185,680
Mr. L T Samarawickrama	2,000	2,000
Mr. G A R D Prasanna	5,000	5,000
Mr. R N Asirwatham	-	-
Mr. S H Amarasekera	-	-
Ms. N R Thambiyah	-	-
Mr. L N de S Wijeyeratne	-	-

ROYAL CERAMICS LANKA PLC

CORPORATE INFORMATION

NAME OF THE COMPANY	ROYAL CERAMICS LANKA PLC
COMPANY REGISTRATION NO	PQ 125
LEGAL FORM	A Public Quoted Company with limited liability incorporated under the provisions of Companies Act No.7 of 2007.
DATE OF INCORPORATION	29th August 1990
NATURE OF BUSINESS	Manufacture and Sale of Porcelain & Ceramic Tiles
HEAD OFFICE AND REGISTERED OFFICE	20, R A De Mel Mawatha, Colombo 3
	Telephone 114799400
	Fax 114720077
	E- Mail ho.gen@rcl.lk
	Website www.rocell.com
BOARD OF DIRECTORS	Mr. K D D Perera - Chairman Mr. A M Weerasinghe - Deputy Chairman Mr. M Y A Perera - Managing Director Mr. T G Thoradeniya - Director Marketing & Business Development Mr. L T Samarawickrema Mr. R N Asirwatham Mr. G A R D Prasanna Mr. S H Amarasekera Ms. N R Thambiayah Mr. L N D S Wijeyeratne
SUBSIDIARY COMPANIES	Royal Porcelain (Pvt) Ltd Rocell Bathware Ltd Royal Ceramics Distributors (Pvt) Ltd Ever Paint and Chemical Industries (Pvt) Ltd Rocell Ceramics Limited Rocell Pty Ltd - Australia Nilano Garments (Pvt) Ltd Lanka Ceramic PLC Lanka Walltiles PLC & its Subsidiaries
ASSOCIATED COMPANIES	Delmege Limited LB Finance PLC
SECRETARIES	PW Corporate Secretarial (Pvt) Ltd No. 3/17 ,Kynsey Road, Colombo - 08 Telephone (94-11) 4640360-3 Fax (94-11) 4740588
AUDITORS	Ernst & Young, Chartered Accountants 201, De Saram Place, P.O. Box 101, Colombo 10.
BANKERS	Commercial Bank of Ceylon PLC Hatton National Bank PLC Seylan Bank PLC Bank of Ceylon Standard Chartered Bank Ltd Sampath Bank PLC PABC Bank PLC DFCC Bank PLC HSBC Ltd MCB Bank Ltd