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SATHOSA MOTORS PLC
INTERIM REPORT
SIX MONTHS ENDED 30th SEPTEMBER 2016

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SATHOSA MOTORS PLC
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

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Group

Rs. 000

Company

Rs. 000

	Quarter ended 30th September			Six months ended 30th September			Quarter ended 30th September			Six months ended 30th September		
	2016	2015	Variance	2016	2015	Variance	2016	2015	Variance	2016	2015	Variance
	Unaudited	Unaudited		Unaudited	Unaudited		Unaudited	Unaudited		Unaudited	Unaudited	
Gross Turnover	1,391,446	993,254	40%	2,606,782	1,774,492	47%	1,189,543	705,471	69%	1,990,481	1,284,175	55%
NET	(5,247)	(4,727)		(11,546)	(9,168)		(2,048)	(1,255)		(3,433)	(2,337)	
Net Turnover	1,386,199	988,527	40%	2,595,236	1,765,324	47%	1,187,495	704,216	64%	1,987,048	1,281,838	55%
Cost of Sales	(1,151,235)	(760,246)		(2,127,248)	(1,283,426)		(1,008,158)	(541,854)		(1,703,458)	(1,008,062)	
Gross Profit	234,966	228,281	3%	467,988	481,898	-3%	149,336	162,362	-8%	283,550	273,776	4%
Other Income/(Loss)	41,500	8,694	377%	58,773	14,705	300%	15,055	9,213	63%	32,242	15,163	113%
Administrative Expenses	(137,930)	(115,795)	19%	(271,545)	(225,660)	19%	(66,288)	(51,959)	28%	(128,786)	(100,778)	28%
Selling & Distribution Expenses	(24,630)	(21,121)	17%	(55,787)	(41,350)	35%	(7,717)	(6,665)	16%	(15,033)	(15,890)	-5%
Other Operating Expenses	(43)	363		(600)	(55)		-	-		-	-	
Results from operating Activities	113,863	100,432	13%	198,799	229,538	-13%	90,384	112,953	-20%	171,973	172,371	0%
Finance Expenses	(21,689)	(6,041)		(45,678)	(13,452)		(9,593)	(2,002)		(16,984)	(4,886)	
Profits/(Loss) before Taxation	92,174	94,391	-2%	153,121	216,086	-28%	80,791	110,951	-27%	154,989	167,385	-7%
Income Tax Expenses	(12,846)	(28,816)		(34,621)	(64,017)		(20,167)	(33,285)		(34,384)	(30,216)	
Profits/(Loss) after taxation	79,328	65,571	19%	120,500	152,069	-21%	60,624	77,666	-22%	120,405	117,169	3%
Other Comprehensive Income												
Employee benefit plan actuarial gain	-	-		-	-		-	-		-	-	
Total comprehensive Income	79,328	65,571	-	120,500	152,069	-	60,624	77,666	-	120,405	117,169	-
Total attributable to :												
Equity holders of the parent	83,905	71,326		120,483	134,327		60,624	77,666		120,405	117,169	
Non-controlling interest	(5,577)	(5,755)		47	17,742		-	-		-	-	
	78,328	65,571	-	120,500	152,069	-	60,624	77,666	-	120,405	117,169	-

Earnings per Share

Rs.
13.91

Rs.
11.82

Rs.
19.96

Rs.
22.26

Rs.
10.05

Rs.
12.87

Rs.
19.96


Rs.
19.42

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


Sgd S J G Perera
CHAIRMAN
24/10/2016


Sgd T D Gunasekera
MANAGING DIRECTOR

Share Prices	April to September	
	2016/2017	2015/2016
Lowest	Rs. 290.10	Rs. 260.10
Highest	Rs. 358.80	Rs. 345.00
Last Traded	Rs. 290.10	Rs. 300.00


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SATHISA MOTORS PLC
STATEMENT OF FINANCIAL POSITION

	Group			Company		
	As at	As at	As at	As at	As at	As at
	30/09/2016	30/09/2015	31/03/2016	30/09/2016	30/09/2015	31/03/2016
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	Rs. 000					
ASSETS						
Non Current Assets						
Property Plant & Equipment	555,350	456,930	512,781	175,175	120,344	128,145
Intangible Assets	2,531	3,875	3,255	-	-	-
Pre Paid Lease Payment	72,824	5,400	80,362	5,724	5,400	5,365
Investment Property	-	24,192	45,360	-	24,192	45,360
Investment in subsidiary company	-	-	-	65,000	65,000	65,000
Investment in Donations	620,640	290,574	676,579	621,640	290,574	676,579
	1,231,148	780,971	1,318,267	866,099	505,510	920,374
Current Assets						
Inventories	1,065,389	1,161,013	1,191,751	842,418	925,140	969,510
Trade and Other Receivables	767,836	799,044	699,358	549,547	472,419	436,513
Amount due from Related Parties	5,713	74,310	10,622	-	-	-
Cash and Cash Equivalents	32,523	19,811	7,338	20,511	18,214	5,288
	1,869,491	2,044,178	1,879,069	1,411,976	1,413,773	1,411,311
Total Assets	3,100,639	2,825,149	3,197,290	3,278,075	1,919,283	2,331,685
EQUITY AND LIABILITIES						
Share Capital and Reserves						
Share Capital	115,924	115,924	115,924	115,924	115,924	115,924
Reserves	-	-	-	-	-	-
Retained Earnings	1,312,754	1,207,151	1,282,785	1,270,806	1,153,399	1,240,803
Total equity attributable to equity holders of the parent	1,428,678	1,323,075	1,398,709	1,386,730	1,269,323	1,356,727
Non controlling Interest	106,928	118,670	106,881	-	-	-
Total Equity	1,535,606	1,441,745	1,505,590	1,386,730	1,269,323	1,356,727
Non Current Liabilities						
Finance Bearing Borrowings	152,435	180,510	164,355	-	-	-
Asset Related Grants	6,362	6,531	6,362	6,362	6,531	6,362
Employee Benefit	26,731	27,280	26,272	20,538	23,853	21,080
Deferred Tax Liabilities	27,925	6,020	27,925	9,312	3,285	9,312
	213,453	220,421	224,894	36,412	33,769	35,954
Current Liabilities						
Trade and Other Payables	351,668	364,601	357,721	556,171	377,603	721,705
Amount due to Related Parties	22,410	1,672	19,521	-	-	-
Finance Bearing Borrowings	373,615	153,328	203,526	257,500	-	-
Dividend Payable	2,716	1,630	1,907	2,516	1,630	1,907
Income Tax Payable	38,367	68,160	67,425	5,318	22,989	53,412
Bank Overdraft	83,074	73,699	236,585	33,427	15,969	181,596
	1,251,600	1,163,000	1,066,806	854,932	418,191	938,622
Total Liabilities	1,566,053	1,383,411	1,691,700	891,342	451,960	974,576
Total Equity and Liabilities	3,100,639	2,825,149	3,197,290	3,278,075	1,919,283	2,331,685
	Rs	Rs	Rs	Rs	Rs	Rs
Net Asset Value per Share	236.78	219.28	231.82	229.83	210.37	224.88

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STATEMENT OF CHANGES IN EQUITY

Group				Rs.000
	Stated Capital	Accumulated Profit	Minority Interest	Total
Balance as at 1st April 2015	115,924	1,115,042	101,578	1,332,544
Net Profit for the Period	-	134,327	17,742	152,069
Other Comprehensive Income	-	-	-	-
Dividend Paid	-	(42,235)	(650)	(42,885)
Balance as at 30th September 2015	115,924	1,207,134	118,670	1,441,728
Balance as at 1st April 2016	115,924	1,282,785	106,881	1,505,590
Net Profit for the Period	-	120,453	47	120,500
Other Comprehensive Income	-	-	-	-
Dividend Paid	-	(90,504)	-	(90,504)
Balance as at 30th September 2016	115,924	1,312,734	106,928	1,535,586
Company				
	Stated Capital	Accumulated Profit	Total	
Balance as at 1st April 2015	115,924	1,078,464	1,194,388	
Net Profit for the Period	-	117,170	117,170	
Other Comprehensive Income	-	-	-	
Dividend Paid	-	(42,235)	(42,235)	
Balance as at 30th September 2015	115,924	1,153,399	1,269,323	
Balance as at 1st April 2016	115,924	1,240,905	1,356,829	
Net Profit for the Period	-	120,405	120,405	
Other Comprehensive Income	-	-	-	
Dividend Paid	-	(90,504)	(90,504)	
Balance as at 30th September 2016	115,924	1,270,806	1,386,730	

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SUMMARISED CASH FLOW STATEMENT

	Group		Company	
	Unaudited 2016	Unaudited 2015	Unaudited 2016	Rs.000 Unaudited 2015
For the Six months ended 30th September				
Profit before taxation	155,121	216,085	154,989	167,385
Adjustments	73,962	27,545	15,401	5,327
Operating profit before Working Capital changes	229,083	243,630	170,390	172,712
Increase/(Decrease) in Working Capital	(70,458)	(4,894)	(151,376)	62,552
Cash Generated from Operations	158,625	238,736	19,014	235,264
Income Tax & Gratuity Paid	(84,480)	(61,355)	(64,649)	(57,355)
Net Cash Flow from/(used in) Operating Activities	74,145	177,381	(45,635)	177,909
Net Cash Flows from/(used in) Investing Activities	(77,320)	(337,556)	(70,434)	(212,318)
Net Cash used in Financing Activities	179,422	61,317	279,343	(46,721)
Net Increase/(Decrease) in Cash & Cash Equivalents	176,247	(98,858)	163,274	(81,130)
Cash & Cash Equivalents at the beginning of the year	(229,348)	45,060	(176,390)	83,375
Cash & Cash Equivalents at the end of the year	(53,101)	(53,798)	(13,116)	2,245
Analysis of Cash & Cash Equivalents				
Cash at Bank and Hand	30,523	19,811	20,311	18,214
Bank Overdrafts	(83,624)	(73,609)	(33,427)	(15,969)
	(53,101)	(53,798)	(13,116)	2,245

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Explanatory Notes

- (1) Same accounting policies & methods are followed as compared with the most recent annual financial statement as at 31st March 2016.
- (2) There has not been a significant change in the nature of the contingent liabilities other than which were disclosed in the Annual Report for the year ended 31st March 2016.
- (3) The Interim financial statements have been presented, the current period figures based on SLFRS with effect from 01st April 2012.
- (4) There were no material events subsequent to the Interim period.
- (5) Stated capital represented by 6,033,622 ordinary shares.
- (6) Dividend 2015/2016 (final) was paid on 5th July 2016. Gross dividend Rs.90.5Mn and dividend per share Rs. 15/=.
- (7) Independence of non executive directors - It is confirmed that all directors have submitted declaration of their independence including non executive directors as at 31.03.2016.
- (8) Reference to rule 7.6 (vi) of SEC - There was no material issues pertaining to employees and industrial relations of the company during the year under review.
- (9) Consolidated financial statements- Company's consolidated financial statements comprises the company and its subsidiary having 50% ownership by the parent.
- (10) The value of fully depreciated assets are Rs. 72.63Mn. as at 30.09.2016 of the parent.

(11) Transaction between Related Parties

period ended 30.09.2016

Related Party	Nature of Transaction	Amount (paid) / received Group	Amount (paid) / received Company	Nature of interest
Access International Pvt Ltd	Supply of workshop repair services		428,891	Affiliate Company
Access International Projects Pvt Ltd	Sale of Truck		3,800,000	
Access Natural Water Pvt Ltd	Purchase of mineral water	(174,407)	(155,994)	Affiliate Company
ZPMC Lanka company Pvt Ltd	Supply of workshop repair services		142,170	Affiliate Company
SML Frontier Automotive Pvt Ltd	Supply of extended warranty		(300,000)	Subsidiary
Access Engineering PLC	Rent for Boralesgamuwa land	(3,612,840)		Parent Company
	Supply of workshop repair services		112,733	
Repographics Pvt Ltd	Purchase of toner & photocopy machine	(508,025)	(366,500)	Affiliate Company
Access Real Estate Pvt Ltd	Service Advance	(44,949)		Affiliate Company
Mrs R.S.Fernando	Directors salary	(1,200,000)		Director
Mr. Sheran Fernando	Directors salary	(1,800,000)		Managing Director
Mr. Darshana Munasinghe	Service Income	(187,449)		Director

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SATHOSA MOTORS PLC
TOP 20 SHAREHOLDER LIST AS AT 30th SEPTEMBER 2016

	NAME OF SHAREHOLDER	NO OF SHARES	%
1	ACCESS ENGINEERING PLC	5,093,745	84.423
2	LAKSHMANS HOUSING AND CONSTRUCTION CO (PVT) LTD	614,521	10.185
3	MR M MAHIBALAN	24,686	0.409
4	BANK OF CEYLON NO. 1 ACCOUNT	16,000	0.265
5	MR T D GUNASEKARA	5,875	0.097
6	MR S G N HERATH, MRS. A N HERATH AND MS N E HERATH	5,442	0.090
7	MR R D LEELARATNA	5,286	0.088
8	MR U I SURIYABANDARA	4,997	0.083
9	MR G C GOONETILLEKE	4,050	0.067
10	MR R D U A RANAMUKA	4,000	0.066
11	MR K C VIGNARAJAH	3,749	0.062
12	MR N A N D D GUNASEKARA	3,600	0.060
13	MR A H M UNASINGHA	3,598	0.060
14	MR S GOWRISANGAR	3,300	0.055
15	TEA CEYLON INVESTMENTS (PVT) LTD	2,850	0.047
16	MRS S A KALEEL	2,400	0.040
17	MR N L DIAS (DECEASED)	2,400	0.040
18	MR P K SAMBASIVAM	2,260	0.037
19	DR N I WIKRAMANAYAKE	2,206	0.037
20	MRS R R RUMY	2,059	0.034
		5,807,024	96.245

(ii)	OTHERS	226,598	3.756
		6,033,622	100.00

DIRECTORS' HOLDING AS AT 30-09-2016

Name of Shareholder	No of Shares	%
Mr. T D Gunasekara	5,875	0.097
Mr. M M N De Silva	1,100	0.018

(iii) The percentage of shares held by the public as at 30th September 2016 is 15.462%

(iv) Number of public shareholders is 1170

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