

MARK OF DISTINCTION



Interim Report
Six months ended 30th September 2016

BROWN & COMPANY PLC
STATEMENT OF FINANCIAL POSITION

	Group			Company		
	As at 30.09.2016 (Un-Audited)	As at 30.09.2015 (Un-Audited)	As at 31.03.2016 (Audited)	As at 30.09.2016 (Un-Audited)	As at 30.09.2015 (Un-Audited)	As at 31.03.2016 (Audited)
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	25,119,970	20,103,502	22,499,974	2,929,594	4,466,975	2,814,103
Investment Properties	9,124,356	7,181,369	9,112,316	2,079,695	55,192	2,079,695
Prepaid Lease Rentals	1,200,032	1,179,553	1,212,254	122,485	124,300	123,392
Intangible Assets	1,621,204	1,451,081	1,587,350	1,642	15,669	5,492
Bearer Biological Assets	7,228,788	4,740,655	4,811,350	-	-	-
Consumable Biological Assets	6,591,700	6,388,495	6,150,989	-	-	-
Investments in Subsidiaries	-	-	-	8,819,643	7,955,624	7,989,642
Investments in Equity Accounted Investees	922,549	1,252,017	291,323	261,998	261,998	261,998
Other Financial Assets	973,011	874,409	1,024,588	-	-	-
Deferred Tax Assets	881,258	428,716	878,606	214,081	198,991	214,081
Loans to Related Parties	264,593	239,633	253,948	131,035	117,585	124,128
Amounts due from Related Parties	-	-	-	-	-	830,000
Deferred Expenses	266	-	-	-	-	-
	53,927,727	43,839,430	47,822,697	14,560,174	13,196,334	14,442,531
Current Assets						
Inventories	3,297,668	2,116,336	3,096,549	2,237,470	1,213,461	2,268,179
Trade and Other Receivables	6,056,879	4,701,795	5,245,649	2,482,662	2,403,577	2,513,612
Loans to Related Parties	745,501	638,969	772,526	2,125,530	2,725,292	2,291,051
Amounts due from Related Parties	131,286	61,060	113,540	622,342	729,766	460,086
Tax Recoverable	33,817	41,501	48,384	-	5,746	4,768
Other Financial Assets	3,002,920	3,732,986	2,592,277	2,275,783	2,501,740	2,108,623
Cash and Cash Equivalents	1,379,338	669,972	1,846,355	236,010	155,475	202,747
	14,647,409	11,962,619	13,715,280	9,979,797	9,735,057	9,849,066
Total Assets	68,575,136	55,802,049	61,537,978	24,539,972	22,931,391	24,291,597
EQUITY AND LIABILITIES						
Equity						
Stated Capital	2,005,601	2,005,601	2,005,601	2,005,601	2,005,601	2,005,601
Other Reserves	2,025,091	1,295,012	2,010,848	1,881,139	1,595,410	1,881,139
Revenue Reserve	11,728,017	12,408,816	11,997,076	11,330,023	11,315,553	11,203,509
Equity Attributable to Equity holders of Parent	15,758,709	15,709,429	16,013,525	15,216,763	14,916,564	15,090,249
Non-controlling Interests	16,606,139	16,879,696	18,145,839	-	-	-
Total Equity	32,364,848	32,589,125	34,159,364	15,216,763	14,916,564	15,090,249
Non-Current Liabilities						
Interest Bearing Borrowings	6,407,816	4,356,677	5,260,908	1,248,287	857,915	1,589,182
Finance Lease Obligations	269,887	326,560	316,574	430	1,686	430
Retirement Benefit Obligations	2,295,169	2,158,700	1,735,268	103,765	95,578	101,544
Deferred Tax Liabilities	1,566,003	1,016,570	1,611,206	-	-	-
Deferred Income	741,225	644,091	652,105	16,516	9,785	9,786
Loans from Related Parties	396,367	506,389	925,360	-	-	-
	11,676,467	9,008,987	10,501,421	1,368,999	964,964	1,700,942
Current Liabilities						
Trade and Other Payables	6,494,711	3,331,817	3,476,608	2,149,312	1,785,428	1,409,956
Interest Bearing Borrowings	3,381,411	2,737,815	3,169,098	699,290	507,782	734,290
Finance Lease Obligations	24,649	23,761	25,751	137	1,934	1,595
Loans from Related Parties	1,423,818	1,148,173	950,225	-	62,580	8,670
Amounts due to Related Parties	7,391,586	1,997,303	3,643,520	60,559	66,586	66,232
Income Tax Payable	112,906	40,166	96,916	51,502	-	28,925
Dividend Payable	73,677	60,104	64,308	60,645	51,345	55,010
Short Term Interest Bearing Borrowings	4,644,781	4,109,128	4,755,237	4,407,242	4,104,905	4,710,098
Bank Overdrafts	986,282	755,670	695,530	525,522	469,303	485,630
	24,533,821	14,203,937	16,877,193	7,954,210	7,049,863	7,500,406
	68,575,136	55,802,049	61,537,978	24,539,972	22,931,391	24,291,597
Net Assets per Share (Rs.)	222.35	221.65	225.94			

Note : All values are in Rupees '000s, unless otherwise stated.
Figures in brackets indicate deductions.

The Statement of Financial Position as at 30th September 2016 and related Income Statement, Statements of Other Comprehensive Income, Changes in Equity and Cash Flows for the six months ended 30th September 2016 are drawn up from the unaudited Financial Statements of the Company, its Subsidiaries, Associates, and Joint Ventures, and they provide the information required by the Colombo Stock Exchange.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. The Group Chief Financial Officer certifies that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd : Group Chief Financial Officer

Signed for and on behalf of the Board.

Sgd : Director

11th November 2016

Sgd : Director

Group Income Statement

	Quarter ended 30th September			Six months ended 30th September		
	2016 (Un-Audited)	2015 (Un-Audited)	% Change	2016 (Un-Audited)	2015 (Un-Audited)	% Change
Revenue	6,115,046	5,005,492	22.17	11,015,538	8,939,374	23.22
Cost of Sales	(4,736,327)	(4,117,575)	15.03	(8,653,489)	(7,307,500)	18.42
Gross profit	1,378,719	887,917	55.28	2,362,049	1,631,874	44.74
Other Income	276,297	53,554	415.92	500,975	361,328	38.65
Distribution Expenses	(348,460)	(122,393)	184.71	(598,587)	(232,540)	157.41
Administrative Expenses	(845,297)	(700,491)	20.67	(1,763,986)	(1,440,515)	22.46
Other Expenses	(23,771)	(35,801)	(33.60)	(40,709)	(46,274)	(12.03)
Finance Cost	(698,383)	(288,675)	141.93	(1,215,050)	(597,475)	103.36
Share of Gain / (Losses) of Equity Accounted Investees (Net of Taxation)	52,573	4,942	963.80	68,380	(565)	(12202.65)
Loss before Taxation	(208,322)	(200,947)	3.67	(686,928)	(324,167)	111.91
Income Tax Expense	(70,497)	(24,489)	187.87	(99,443)	(44,589)	123.02
Loss for the Period	(278,819)	(225,436)	23.68	(786,371)	(368,756)	113.25
Attributable to :						
Equity holders of the Company	(90,682)	85,691	(205.82)	(278,799)	119,752	(332.81)
Non-controlling interests	(188,138)	(311,127)	(39.53)	(507,572)	(488,508)	3.90
	(278,819)	(225,436)	23.68	(786,371)	(368,756)	113.25
Earnings/ (Loss) per share - Rs.	(1.28)	1.21		(3.93)	1.69	
Diluted Earnings/ (Loss) per share - Rs.	(1.28)	1.21		(3.93)	1.69	

Company Income Statement

	Quarter ended 30th September			Six months ended 30th September		
	2016 (Un-Audited)	2015 (Un-Audited)	% Change	2016 (Un-Audited)	2015 (Un-Audited)	% Change
Revenue	3,193,611	2,778,330	14.95	5,916,544	4,721,162	25.32
Cost of Sales	(2,524,782)	(2,179,617)	15.84	(4,704,400)	(3,699,060)	27.18
Gross Profit	668,829	598,713	11.71	1,212,144	1,022,102	18.59
Other Income	228,339	78,175	192.09	414,669	483,586	(14.25)
Distribution Expenses	(168,979)	(90,480)	86.76	(361,764)	(175,655)	105.95
Administrative Expenses	(303,289)	(255,327)	18.78	(608,434)	(499,445)	21.82
Other Expenses	-	(14,212)	(100.00)	-	(16,631)	(100.00)
Finance Cost	(228,022)	(106,770)	113.56	(433,146)	(202,141)	114.28
Profit before Taxation	196,879	210,099	(6.29)	223,470	611,816	(63.47)
Income Tax Expense	(32,850)	(13,946)	135.55	(61,519)	(18,698)	229.02
Profit for the Period	164,029	196,153	(16.38)	161,951	593,118	(72.69)

Note :

All values are in Rupees '000s, unless otherwise stated.
Figures in brackets indicate deductions.

	Group					
	Quarter ended 30th September			Six months ended 30th September		
	2016	2015	% Change	2016	2015	% Change
Loss for the Period	(278,819)	(225,436)	23.68	(786,371)	(368,756)	113.25
Other comprehensive income						
Items that may be reclassified to income statement in subsequent periods						
Exchange gain from translation of foreign operations	177	11,924	(98.51)	3,895	13,582	(71.32)
Net change in fair value of available-for-sale financial assets	382	(15,332)	(102.49)	32,829	31,884	2.96
Defined benefit plan actuarial gains for the period	-	270	(100.00)	-	270	(100.00)
Other comprehensive income for the year, net of tax	559	(3,138)	(117.82)	36,724	45,736	(19.70)
Total comprehensive income for the period	(278,260)	(228,574)	21.74	(749,647)	(323,020)	132.07
Total comprehensive income Attributable to :						
Equity holders of the Company	(90,476)	80,322	(212.64)	(264,556)	132,403	(299.81)
Non-controlling interests	(187,784)	(308,896)	(39.21)	(485,091)	(455,423)	6.51
	(278,260)	(228,574)		(749,647)	(323,020)	

	Company					
	Quarter ended 30th September			Six months ended 30th September		
	2016	2015	% Change	2016	2015	% Change
Profit for the Period	164,029	196,153	(16.38)	161,951	593,118	(72.69)
Other comprehensive income						
Items that may be reclassified to income statement in subsequent periods						
Net change in fair value of available-for-sale financial assets	-	-		-	(386)	(100.00)
Other comprehensive income for the period, net of tax	-	-	-	-	(386)	(100.00)
Total comprehensive income for the period	164,029	196,153	(16.38)	161,951	592,732	(72.68)

Note :

All values are in Rupees '000s, unless otherwise stated.
 Figures in brackets indicate deductions.

BROWN & COMPANY PLC
STATEMENT OF CHANGES IN EQUITY

	Group							
	Attributable to Equity holders of the Company					Total	Non-controlling Interests	Total
	Stated Capital	Revaluation Reserve	Available-for-Sale Reserve	Foreign Currency Translation Reserve	Retained Earnings			
Balance as at 1st April 2015	2,005,601	1,588,565	(305,822)	-	12,200,875	15,489,219	17,499,633	32,988,852
Profit / (Loss) for the period	-	-	-	-	119,752	119,752	(488,508)	(368,756)
Other comprehensive income for the period, net of tax								
Exchange gain from translation of foreign operations	-	-	-	-	-	-	13,582	13,582
Net change in fair value of available-for-sale financial assets	-	-	12,381	-	-	12,381	19,503	31,884
Defined benefit plan actuarial gains for the period	-	-	-	-	270	270	-	270
	-	-	12,381	-	270	12,651	33,085	45,736
Realized Revaluation on Disposals	-	(112)	-	-	112	-	-	-
Change in effective holding	-	-	-	-	87,807	87,807	(314,546)	(226,739)
Acquisition of Subsidiary	-	-	-	-	-	-	245,000	245,000
Dividend Paid	-	-	-	-	-	-	(94,968)	(94,968)
Balance as at 30th September 2015	2,005,601	1,588,453	(293,441)	-	12,408,816	15,709,429	16,879,696	32,589,125
Balance as at 1st April 2016	2,005,601	2,238,080	(238,496)	11,264	11,997,076	16,013,525	18,145,839	34,159,364
Loss for the period	-	-	-	-	(278,799)	(278,799)	(507,572)	(786,371)
Other comprehensive income for the period, net of tax								
Exchange gain from translation of foreign operations	-	-	-	1,209	-	1,209	2,686	3,895
Net change in fair value of available-for-sale financial assets	-	-	13,034	-	-	13,034	19,795	32,829
	-	-	13,034	1,209	-	14,243	22,481	36,724
Change in effective holding	-	-	-	-	45,178	45,178	(751,706)	(706,528)
Shares issued by subsidiaries	-	-	-	-	-	-	37,401	37,401
Acquisition of Subsidiary	-	-	-	-	-	-	128,492	128,492
Disposal of Subsidiary	-	-	-	-	-	-	(389,273)	(389,273)
Dividend Paid	-	-	-	-	(35,438)	(35,438)	(79,523)	(114,961)
Balance as at 30th September 2016	2,005,601	2,238,080	(225,462)	12,473	11,728,017	15,758,709	16,606,139	32,364,848

Note :

All values are in Rupees '000s, unless otherwise stated.

Figures in brackets indicate deductions.

BROWN & COMPANY PLC
STATEMENT OF CHANGES IN EQUITY

	Company				Total
	Stated Capital	Revaluation Reserve	Available for Sale Reserve	Retained Earnings	
Balance as at 1st April 2015	2,005,601	1,595,410	386	10,722,435	14,323,832
Profit for the period	-	-	-	593,118	593,118
Other comprehensive income for the period, net of tax					
Net change in fair value of available-for-sale financial assets	-	-	(386)	-	(386)
	-	-	(386)	-	(386)
Balance as at 30th September 2015	<u>2,005,601</u>	<u>1,595,410</u>	<u>-</u>	<u>11,315,553</u>	<u>14,916,564</u>
Balance as at 1st April 2016	2,005,601	1,881,139	-	11,203,509	15,090,249
Profit for the period	-	-	-	161,951	161,951
Other comprehensive income for the period, net of tax					
Dividend Paid	-	-	-	(35,438)	(35,438)
Balance as at 30th September 2016	<u>2,005,601</u>	<u>1,881,139</u>	<u>-</u>	<u>11,330,023</u>	<u>15,216,763</u>

Note :
All values are in Rupees '000s, unless otherwise stated.
Figures in brackets indicate deductions.

BROWN & COMPANY PLC
STATEMENT OF CASH FLOWS

	Group		Company	
	Six months ended 30th September		Six months ended 30th September	
	2016	2015	2016	2015
Cash Flows from Operating Activities				
Profit/ (Loss) before Taxation	(686,928)	(324,167)	223,470	611,816
Adjustment for:				
Share of Loss / (Gain) of Equity Accounted Investees	(68,380)	565	-	-
Gain on Disposal of Investments	-	1,031	-	(232,489)
Depreciation on Property, Plant and Equipment	365,729	282,803	34,949	35,616
Amortization of Prepaid Lease Rentals	2,347	907	907	907
Amortization of Intangible Assets	5,454	11,537	3,848	10,211
Provision for Retiring Gratuity	139,635	83,356	11,253	11,360
Provision for Bad & Doubtful Debts	222,815	16,138	94,048	32,759
Provision / (Reversal of Provision) for Slow Moving Stocks	43,729	(73,282)	32,257	(61,717)
Dividend Income	-	(344)	(2,261)	(344)
Interest Income	(73,060)	(112,381)	(186,709)	(160,306)
Gain on Sale of Consumable Biological Assets	(12,687)	-	-	-
Gain on Changes in Fair Value of Short term Investments	(167,160)	(50,088)	(167,160)	(49,147)
Gain on Disposal of Subsidiary	(196,207)	-	-	-
Net Gain on Disposal of Property, Plant and Equipment	(1,506)	(6,720)	(3,741)	(1,802)
Deferred income	(4,016)	11,210	6,731	663
Interest Expense	1,215,050	597,475	433,146	202,141
Operating Profit before Working Capital Changes	784,815	438,040	480,738	399,668
Changes in				
Inventories	(50,918)	(369,138)	(1,548)	(302,490)
Trade and Other Receivables	(714,680)	(420,232)	(63,052)	(378,423)
Amounts due from Related Companies	(83,047)	175,063	(162,260)	(336,495)
Trade & Other Payables	1,524,230	248,313	739,312	361,440
Amounts due to Related Companies	3,813,483	1,384,927	(5,672)	(37,973)
Cash Generated from Operations	5,273,884	1,456,973	987,518	(294,272)
Interest Paid	(1,215,050)	(597,475)	(433,053)	(201,778)
Income Tax / ESC Paid	(65,054)	(53,119)	(34,174)	(9,657)
Retiring Gratuity Paid	(178,917)	(153,902)	(9,032)	(1,151)
Net Cash Flows Generated from / (used in) Operating Activities	3,814,862	652,477	511,258	(506,859)
Cash Flows from Investing Activities				
Acquisition of Property, Plant and Equipment	(2,847,261)	(870,088)	(152,348)	(170,396)
Acquisition of Leasehold Properties	-	(362,320)	-	-
Acquisition of Investment Properties	(1,777)	(1,132)	-	-
Proceeds from Disposal of Property, Plant and Equipment	5,650	15,542	5,650	1,802
Net Investment in Bearer Biological Assets	(57,449)	(83,140)	-	-
Net (Investment)/ Proceeds from Consumable Biological Assets	22,713	(4,840)	-	-
Investment in Subsidiary	(365,186)	(226,739)	-	(1,472)
Proceeds from Disposal of Subsidiary	506,520	-	-	-
Acquisition of Non-controlling Interests	(706,528)	-	-	-
Investment in Equity Accounted Investees	(366,625)	-	-	-
Purchase of Investments	(140,901)	(426,371)	-	-
Net (Increase)/decrease in Loans to Related Companies	(24,282)	948,111	158,614	364,855
Proceeds from Sale of Investments	51,577	48,129	-	461
Dividend Received	-	344	2,261	344
Interest Received	73,060	112,381	186,709	160,306
Net Cash Flows Generated from / (used in) Investing Activities	(3,850,488)	(850,123)	200,885	355,898
Cash Flows from Financing Activities				
Proceeds from Interest Bearing Liabilities	1,245,291	1,723,406	1,089,662	1,708,405
Repayment of Interest Bearing Liabilities	(1,796,052)	(3,486,306)	(1,768,411)	(1,637,091)
Net (Increase)/decrease in Loans from Related Companies	(55,400)	1,401,716	(8,670)	(88,336)
Lease Rentals Paid	(47,789)	(44,467)	(1,551)	(1,828)
Shares Issued by Subsidiaries	37,401	245,000	-	-
Dividend Paid	(105,592)	(99,712)	(29,802)	(23)
Net Cash Flows used in Financing Activities	(722,141)	(260,363)	(718,772)	(18,873)
Net Decrease in Cash and Cash Equivalents during the period	(757,769)	(458,009)	(6,629)	(169,834)
Cash and Cash Equivalents at the beginning of the period	1,150,825	372,311	(282,883)	(143,994)
Cash and Cash Equivalents at the end of the period	393,056	(85,698)	(289,512)	(313,828)
Analysis of Cash and Cash Equivalents at the end of the period				
Cash at Bank and in Hand	1,379,338	669,972	236,010	155,475
Bank Overdraft	(986,282)	(755,670)	(525,522)	(469,303)
	393,056	(85,698)	(289,512)	(313,828)

Note :

All values are in Rupees '000s, unless otherwise stated.
Figures in brackets indicate deductions.

1 Corporate Information

Brown & Company PLC (“Company”) is a public limited company incorporated and domiciled in Sri Lanka, and listed on the Colombo Stock Exchange. The registered office of the Company is located at 481, T B Jayah Mawatha, Colombo 10.

The Interim Financial Statements of the Group and the Company for the six months ended 30th September 2016 were authorized for issue by the Board of Directors on 11th November 2016.

2 Basis of Preparation

The condensed interim financial statements of Brown & Company PLC have been prepared in accordance with LKAS 34-Interim Financial reporting. These Financial Statements have been prepared in accordance with SLFRS and LKAS. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2016.

The presentation and classification of the Financial Statements of the comparative period year have been amended, where relevant, for better presentation and to be comparable with those of the current period.

3 Stated Capital

Stated Capital is represented by number of shares in issue as given below:

30.09.2016	31.03.2016
70,875,000	70,875,000

4 Contingent Liabilities

There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the annual financial statements for the year ended 31st March 2016.

5 Events after the Balance Sheet Date

Subsequent to the Reporting date, no circumstances have arisen which would require adjustments to or disclosure in the Financial Statements other

a) Acquisition of Agalawatte Plantations PLC

In July 2016, Browns Power Holdings (Pvt) Ltd, a subsidiary of the Group acquired the controlling interest of Agalawatte Plantations PLC by purchasing 15.2 Mn voting shares (60.80%) for a consideration of Rs. 304 Mn.

b) Divestment of Browns Hydro Power PLC

The Group divested its controlling stake (71.24%) in Browns Hydro Power PLC for a consideration of Rs. 544 Mn.

c) Investment in Green Paradise Resorts (Pvt) Ltd.

The Browns Investment PLC, a subsidiary of the Group has acquired remaining 44% of Green Paradise Resorts (Pvt) Ltd for a consideration of Rs. 427Mn.

d) Investment in Nasandura Resorts (Pvt) Ltd.

During the quarter, Browns Hotels and Resorts Ltd, a subsidiary of the Group acquired 21.75% of Nasandura Resorts (Pvt) Ltd by purchasing 38.5 Mn voting shares for a consideration of Rs. 378 Mn.

6 The Browns Health Care (Pvt) Ltd, (BHCL) has issued 83Mn shares as at 29th April 2016 to Brown and Company PLC for Rs. 830 Mn against the advance paid in lieu of shares. This advance was used by BHCL to settle the borrowings.

BROWN & COMPANY PLC
NOTES TO THE FINANCIAL STATEMENTS

7 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments operating results are reviewed regularly by Group Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which detailed financial information is available.

Accordingly, the segments comprise of Trading, Manufacturing, Investments, Leisure, Real Estate, Plantation, Health Care and Others.

Segment Information - Group	Six months ended 30th September																		Group Total	
	Trading		Manufacturing		Investments		Plantation		Leisure		Real Estate		Health Care		Others		Adjustments		2016	2015
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	Rs.000	Rs.
a) Segment Result																				
Revenue	6,169,324	4,904,683	286,942	327,798	374,403	130,481	2,960,366	2,625,131	899,546	553,157	135,070	78,667	196,685	99,456	161,944	276,964	(168,741)	(56,964)	11,015,538	8,939,374
Cost of Sales	(4,903,744)	(3,839,948)	(208,787)	(243,150)	-	(37,465)	(2,890,277)	(2,761,880)	(490,659)	(283,637)	(21,966)	(4,376)	(62,120)	(24,674)	(85,801)	(114,651)	9,864	2,280	(8,653,489)	(7,307,500)
Gross Profit/ (Loss)	1,265,581	1,064,735	78,155	84,648	374,403	93,016	70,089	(136,749)	408,887	269,520	113,104	74,291	134,565	74,782	76,143	162,313	(158,878)	(54,684)	2,362,049	1,631,873
Add : Other Income	418,240	490,159	13,127	5,329	122,655	73,952	339,698	212,724	40,975	9,056	4,242	2,241	21,552	18,307	2,083	5,960	(461,596)	(456,401)	500,975	361,328
Share of Profit of Equity Accounted Investees (Net of Income Tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68,380	(565)	68,380	(565)
Less : Expenses	(1,465,323)	(940,360)	(233,939)	(83,120)	(553,421)	(248,112)	(584,609)	(275,173)	(783,862)	(650,498)	(60,376)	(43,379)	(210,053)	(173,505)	(139,124)	(100,573)	412,375	197,917	(3,618,333)	(2,316,802)
Profit/ (Loss) before Taxation	218,497	614,534	(142,657)	6,857	(56,363)	(81,144)	(174,823)	(199,198)	(334,000)	(371,922)	56,970	33,154	(53,936)	(80,415)	(60,898)	67,700	(139,719)	(313,733)	(686,928)	(324,167)
Income Tax Expense	(61,519)	(19,538)	-	(3,922)	(23,540)	(11,964)	(7,021)	1,064	(4)	(769)	(887)	(380)	-	-	(6,391)	(8,874)	(80)	(206)	(99,443)	(44,589)
Profit/ (Loss) for the Period	156,978	594,997	(142,657)	2,935	(79,903)	(93,108)	(181,844)	(198,134)	(334,004)	(372,692)	56,082	32,774	(53,936)	(80,415)	(67,289)	58,826	(139,799)	(313,939)	(786,371)	(368,756)
b) Segment Asset																				
Non-current Asset	14,730,615	13,257,176	37,428	28,267	23,198,133	12,161,621	17,281,328	13,044,453	19,778,935	13,788,713	6,574,768	2,845,613	1,437,917	1,414,458	3,860,415	4,265,712	(32,971,812)	(16,966,583)	53,927,727	43,839,430
Current Asset	10,330,165	10,035,308	482,357	492,720	4,132,193	4,569,754	1,915,535	1,187,866	2,688,697	1,263,259	466,961	158,531	319,515	349,275	415,465	1,040,454	(6,103,479)	(7,134,548)	14,647,409	11,962,619
	25,060,781	23,292,483	519,785	520,986	27,330,326	16,731,375	19,196,863	14,232,319	22,467,632	15,051,972	7,041,730	3,004,144	1,757,432	1,763,733	4,275,880	5,306,166	(39,075,291)	(24,101,130)	68,575,136	55,802,049
c) Segment Liabilities																				
Non-current Liabilities	1,372,067	967,325	10,966	9,334	1,151,387	1,378,008	7,498,460	4,121,583	1,313,060	1,650,635	154,192	274,545	1,211	447,441	1,716,981	190,851	(1,541,859)	(30,734)	11,676,467	9,008,987
Current Liabilities	8,316,996	7,238,299	537,018	358,997	8,074,878	3,470,207	4,316,254	2,517,746	6,782,249	4,210,557	290,477	678,400	559,473	808,370	523,854	1,840,411	(4,867,378)	(6,919,050)	24,533,821	14,203,937
	9,689,063	8,205,623	547,984	368,331	9,226,265	4,848,215	11,814,714	6,639,329	8,095,309	5,861,193	444,670	952,946	560,683	1,255,811	2,240,836	2,031,261	(6,409,237)	(6,949,784)	36,210,288	23,212,924

8 Early Adoption of Amendments to LKAS 16 and LKAS 41 (Agriculture : Bearer Plants)

With the transition from local financial reporting framework (SLAS) to corresponding International Financial Reporting Framework (SLFRS and LKAS) with effect from 1st January 2012, the Company opted to measure the bearer biological assets of rubber and coconut owned by the Company at fair value in compliance with LKAS 41 – “Agriculture”.

Pursuant to the amendments made to the International Financial Reporting Standards, the Institute of Chartered Accountants of Sri Lanka has issued the amendment “Agriculture: Bearer Plants” (Amendments to LKAS 16 and LAKS 41) in March 2015 which is to be effective for the annual financial reporting periods beginning on or after 1st January 2016 with early adoption being permitted. This amendment requires the bearer plants which were previously measured at fair value under LKAS 41 – “Agriculture” to be accounted within the scope of LKAS 16 – “Property, Plant and Equipment” at cost less accumulated depreciation and impairment.

The Company has decided to early adopt this amendment voluntarily for the year ended 31st Marh 2016 by restating the earliest period presented as required by LKAS 8 – “Accounting Policies, Changes in accounting estimates and Errors”. Accordingly, the amounts presented as at 30th September 2015 are restated as follows;

	Group		
	Six month ended 30th September 2015		
	As Previously Reported Rs.000	Re- measuremen Rs.000	Restated Rs.000
ASSETS			
Non-Current Assets			
Property, plant and equipment	20,103,502	-	20,103,502
Investment properties	7,181,369	-	7,181,369
Prepaid Lease Rentals	1,179,553	-	1,179,553
Intangible assets	1,451,081	-	1,451,081
Bearer biological assets	5,888,972	(1,148,317)	4,740,655
Consumable biological assets	6,388,495	-	6,388,495
Investments in equity accounted investees	1,252,017	-	1,252,017
Other financial assets	874,409	-	874,409
Deferred tax assets	428,716	-	428,716
Loans to related parties	239,633	-	239,633
	<u>44,987,747</u>	<u>(1,148,317)</u>	<u>43,839,430</u>
Current Assets			
Inventories	2,116,336	-	2,116,336
Trade and other receivables	4,701,795	-	4,701,795
Loans to related parties	638,969	-	638,969
Amounts due from related parties	61,060	-	61,060
Income tax recoverable	41,501	-	41,501
Other financial assets	3,732,986	-	3,732,986
Cash and cash equivalents	669,972	-	669,972
	<u>11,962,619</u>	<u>-</u>	<u>11,962,619</u>
Total Assets	<u>56,950,366</u>	<u>(1,148,317)</u>	<u>55,802,049</u>
EQUITY AND LIABILITIES			
Stated capital	2,005,601	-	2,005,601
Capital Reserves	1,295,012	-	1,295,012
Revenue Reserves	12,505,364	(96,547)	12,408,816
Equity attributable to equity holders of the Company	<u>15,805,977</u>	<u>(96,547)</u>	<u>15,709,429</u>
Non - controlling interests	17,981,081	(1,101,385)	16,879,696
Total Equity	<u>33,787,058</u>	<u>(1,197,933)</u>	<u>32,589,125</u>
Non-Current Liabilities			
Interest bearing borrowings	4,356,677	-	4,356,677
Finance lease obligations	326,560	-	326,560
Retirement benefit obligations	2,158,700	-	2,158,700
Deferred tax liabilities	1,121,379	(104,809)	1,016,570
Deferred income	489,666	154,425	644,091
Loans from related parties	506,389	-	506,389
	<u>8,959,371</u>	<u>49,616</u>	<u>9,008,987</u>
Current Liabilities			
Trade and other payables	3,331,817	-	3,331,817
Interest bearing borrowings	2,737,815	-	2,737,815
Finance lease obligations	23,761	-	23,761
Loans from related parties	1,148,173	-	1,148,173
Amounts due to related parties	1,997,303	-	1,997,303
Income tax payable	40,166	-	40,166
Dividend Payable	60,104	-	60,104
Short term interest bearing borrowings	4,109,128	-	4,109,128
Bank overdraft	755,670	-	755,670
	<u>14,203,937</u>	<u>-</u>	<u>14,203,937</u>
Total Equity and Liabilities	<u>56,950,366</u>	<u>(1,148,317)</u>	<u>55,802,049</u>
Net Assets per Share (Rs.)	223.01		221.65

Early Adoption of Amendments to LKAS 16 and LKAS 41 (Agriculture : Bearer Plants)

	Group		
	Six month ended 30th September 2015		
	As Previously Reported Rs.000	Re- measurement Rs.000	Restated Rs.000
Revenue	8,939,374	-	8,939,374
Cost of sales	(7,255,324)	(52,176)	(7,307,500)
Gross profit	1,684,050	(52,176)	1,631,874
Other income	328,954	32,374	361,328
Distribution expenses	(232,540)	-	(232,540)
Administrative expenses	(1,440,515)	-	(1,440,515)
Other expenses	(46,274)	-	(46,274)
Finance cost	(597,475)	-	(597,475)
Share of loss of equity accounted investees (Net of tax)	(565)	-	(565)
Loss before taxation	(304,365)	(19,802)	(324,167)
Taxation	(46,903)	2,314	(44,589)
Loss for the period	(351,268)	(17,488)	(368,756)
Other comprehensive income			
Exchange gain from translation of foreign operations	13,582	-	13,582
Net change in fair value of available-for-sale financial assets	31,884	-	31,884
Defined benefit plan actuarial gains for the period	270	-	270
Total other comprehensive income	45,736	-	45,736
Total comprehensive income for the period	(305,532)	(17,488)	(323,020)
Attributable to			
Equity holders of the Company	121,496	(1,744)	119,752
Non- controlling interest	(472,764)	(15,744)	(488,508)
	(351,268)	(17,488)	(368,756)
Basic/ Diluted earnings per share - Rs.	1.71		1.69

9 Share Information

9.1 Market Price per Share

The market value of an ordinary share of Brown & Company PLC was as follows:

Last traded price recorded for 3 months ended
Highest price recorded for 3 months ended
Lowest price recorded for 3 months ended

30.09.2016 Rs.	30.09.2015 Rs.
93.90	102.70
102.00	135.00
80.00	102.70

9.2 Public Shareholdings

No of Shares held by public
Number of public shareholders
Percentage of shares held by the public

30.09.2016	30.06.2016
32,122,524	32,122,524
2,557	2,557
45.32%	45.32%

9.3 Twenty Major Shareholders

Name of Shareholders	30.09.2016		Name of Shareholders	30.06.2016	
	Number of Shares	(%)		Number of Shares	(%)
1 Engineering Services (Pvt) Limited	16,588,962	23.41	1 Engineering Services (Pvt) Limited	16,588,962	23.41
2 Masons Mixture Limited	13,732,632	19.38	2 Masons Mixture Limited	13,732,632	19.38
3 Employees Provident Fund	6,914,625	9.76	3 Employees Provident Fund	6,914,625	9.76
4 Browns Holdings Limited	4,948,182	6.98	4 Browns Holdings Limited	4,948,182	6.98
5 Lanka Orix Leasing Company PLC	3,382,800	4.77	5 Lanka Orix Leasing Company PLC	3,382,800	4.77
6 Mr. Shanker Varadananda Somasunderam	3,267,331	4.61	6 Mr. Shanker Varadananda Somasunderam	3,196,671	4.51
7 ACE Bonus Investments Limited	1,755,000	2.48	7 ACE Bonus Investments Limited	1,755,000	2.48
8 Vyjanthi & Company Limited	1,155,897	1.63	8 Vyjanthi & Company Limited	1,155,897	1.63
9 National Savings Bank	985,000	1.39	9 National Savings Bank	985,000	1.39
10 Sri Lanka Insurance Corporation Ltd. - Life Fund	906,990	1.28	10 Sri Lanka Insurance Corporation Ltd. - Life Fund	906,990	1.28
11 Bank of Ceylon No. 1 Account	809,616	1.14	11 Bank of Ceylon No. 1 Account	809,616	1.14
12 Commercial Bank Of Ceylon PLC/S.A.Gulamhusein	782,093	1.10	12 Commercial Bank Of Ceylon PLC/S.A.Gulamhusein	781,893	1.10
13 Mrs. Pamela Christine Cooray	506,408	0.71	13 Est of Late Mariapillai Radhakrishnan (deceased)	575,640	0.81
14 Renaissance Capital (Pvt) Ltd	289,855	0.41	14 Mrs. Pamela Christine Cooray	506,408	0.71
15 LOLC Finance PLC/Mrs. J.M.S Rohini	269,075	0.38	15 Dr. Ruwanpura Rohitha De Silva	289,855	0.41
16 Miss Meenambigai Priyadarshini Radhakrishnan	192,880	0.27	16 LOLC Finance PLC/Mrs. J.M.S Rohini	269,075	0.38
17 Miss Andal Radhakrishnan	191,880	0.27	17 Dr. Iam David Gilchrist Donaldson	160,380	0.23
18 Mr. Maheswaran Radhakrishnan	191,880	0.27	18 Mr. Paul Carter	160,380	0.23
19 Mr. Rajan Sivanayagam Udhayanayahan	166,104	0.23	19 Mr. Bruce David Donaldson	160,380	0.23
20 Phillip Securities Pte Ltd	160,500	0.23	20 Sisira Investors Limited	148,500	0.21
	57,197,710	80.70		57,428,886	81.04

9.4 Directors' share holdings

Mr. I. C. Nanayakkara
Mr. W.D.K. Jayawardane
Mrs. K.U. Amarasinghe
Mr. R.M. Nayanakkara
Mr. H.P. Janaka de Silva
Mr. T. Bandaranayake

30.09.2016 Number of Shares	30.06.2016 Number of Shares
99,900	99,900
Nil	Nil
Nil	Nil
Nil	Nil
Nil	Nil
Nil	Nil
99,900	99,900

Name of the Company

Brown & Company PLC

Legal Form

A Public Limited Liability Company incorporated in Sri Lanka on 17th August 1892 under the Joint Stock Companies Ordinance 1861 and re-registered under the Companies Act No. 07 of 2007. The Company was listed in the Colombo Stock Exchange on 25th April 1991.

Company Registration Number

PQ 25

Board of Directors

I.C. Nanayakkara- Executive Chairman
W.D.K Jayawardena - Non-Executive Director
K.U. Amarasinghe - Non-Executive Director
R.M. Nanayakkara - Non-Executive Director
H.P. Janaka de Silva- Independent Non-Executive Director
T. Bandaranayake - Independent Non-Executive Director

Secretaries

S.F.L.Services (Pvt) Ltd.
No. 481, T.B. Jayah Mawatha
Colombo 10

Registered Office

No. 481, T.B. Jayah Mawatha, (Darley Road)
P.O. Box 200
Colombo 10
Fax No. : 2307380
Tel: 2663000
Website : www.brownsgroup.com

Business Office

No. 34, Sir Mohamed Macan Markar Mawatha
Colombo 3
Fax No. 2307380
Tel: 2663000
Website : www.brownsgroup.com

Auditors

Messrs. KPMG
Chartered Accountants
No. 32A, Sir Mohamed Macan Markar Mawatha
Colombo 3

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
Cargills Bank Ltd.
DFCC Bank
DFCC Varadhana Bank PLC
Deutsche Bank
Hatton National Bank PLC
ICICI Bank Ltd.
MCB Bank Ltd.
National Development Bank PLC
Peoples Bank
Pan Asia Banking Corporation PLC
Standard Chartered Bank PLC
Sampath Bank PLC
Seylan Bank PLC
Union Bank of Colombo PLC