



Royal Ceramics Lanka PLC (RCL.N0000)

FY Ended 31 March 2016

BLOOMBERG RCL SL EQUITY

Group Profile

Royal Ceramics Lanka PLC (RCL) manufactures and sells wall tiles and floor tiles under the Rocell brand primarily in Sri Lanka. It operates through Tiles, Sanitary ware, Paints, Plantation, Packaging Material, and Other segments. The company provides glazed ceramic, vitrified glazed porcelain, and porcelain tiles, as well as polished tiles. The company also manufactures and markets sanitary ware products under the Rocell Bath ware brand; and paint and allied products under the ColorBrite brand. With two top-of-the-line tile production facilities, the brand is the essential interior market innovative, providing artistic masterpieces that work faultlessly. The company operates four fully owned subsidiaries, Royal Porcelain (Private) limited, Rocell Bath ware Limited and Ever Paint and Chemical Industries (Private) Limited and Rocell Pty Limited (Australia). In 2013 Royal Ceramics Lanka PLC gained a controlling stake in Lanka Ceramic PLC and its subsidiaries, including Lanka Wall tiles, Lanka Tiles, Horana Plantations, Swisstek and Uni-Dil Packaging. As a result of this landmark acquisition, Lanka Wall tiles and Lanka Floor tiles came under the Rocell umbrella, giving Royal Ceramics a dominant share in both the local wall and floor tile markets. As per data published in the year 2015 Lanka Wall Tiles and Lanka Tiles had a market share of 56% and 23% respectively, while RCL's market share of the domestic floor tile market was estimated to be nearly 60%. RCL's existence as the sole sanitary ware manufacturer in the country, holds nearly 50% of the market.

RCL ventured in to Australian market in the year 2015, which values quality and standards by investing in an established tile retail business. Having acquired the company's residual stock and a full fleet of staff, they now have a firm footing on that continent and are looking forward to expand the business and establish their brand in Australia in upcoming years.

During the period company achieved the Green Labelling Certification for sustainable building materials & products and SLS 1181:2005 was awarded confirming the requirements specified in the Sri Lanka Standards Specification for Ceramic Tiles. The company also achieved the ISO 9001 : 2008 Quality Management System Certification after demonstrating its ability to consistently provide a product that meets applicable statutory and regulatory requirements. Another tremendous achievement was gaining the CE marks certification for products against EN 14441:2012 and ISO 013006:2012. The CE mark is required for certain products to be placed on the market in any EU member state.

Recommendation

Buy / Hold (Medium / Long Term)

Price as at 01st June 2016

LKR 118.40

Target Value Range

LKR 125 / - to LKR 135/-

GROUP DATA

Issued Share Capital (Mn)	110.79
Stated Capital (LKR Mn)	1,368.67
Market Cap (LKR Mn)	13,117.46
Market Cap (USD Mn)	89.23
Average Daily T/O (LKR Mn)	6.46
Average Daily Volume (Mn)	0.05
Beta Values Against ASPI	1.50
Beta Values Against S&P SL20	1.40
52wk Hi/Lo (LKR)	137/95
Last Traded Price (01.06.2016) (LKR)	118.40
Earnings per share (LKR)	26.49
Net Assets per share (LKR)	132.05
PER (RCL) (Times)	4.47
PER (Sector) (Times)	8.50
PBV (RCL) (Times)	0.90
PBV (Sector) (Times)	1.60

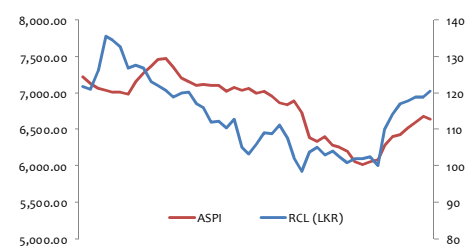
MAJOR SHAREHOLDERS (%) 31-Mar-16

1 Vallibel One PLC.	51.00
2 Employees Provident Fund	14.00
3 HSBC Intl Nominees Ltd - BBH - Grandeur peak emerging market	3.24
4 Sri Lanka Insurance Corporation Ltd -General Fund	2.46
5 Employees Trust Fund Board	1.77

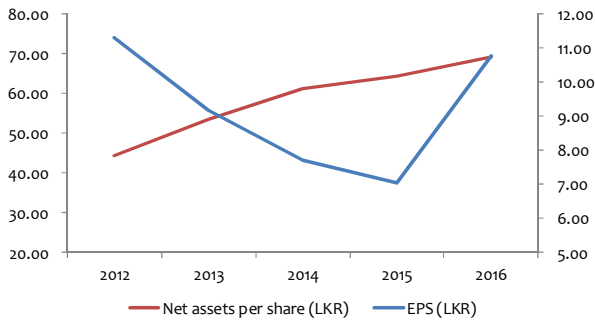
BOARD OF DIRECTORS - AS AT 01ST JUNE 2016

Mr. K D D Perera - Chairman
 Mr. A M Weerasinghe - Deputy Chairman
 Mr. W D N H Perera - Managing Director
 Mr. T G Thoradeniya - Director Marketing & Business Development
 Mr. R N Asirwatham
 Mr. G A R D Prasanna
 Mr. S.H.Amarasekera
 Mr. L N D S Wijeyeratne
 Mr. L T Samarawickrema
 Ms. N R Thambiyah

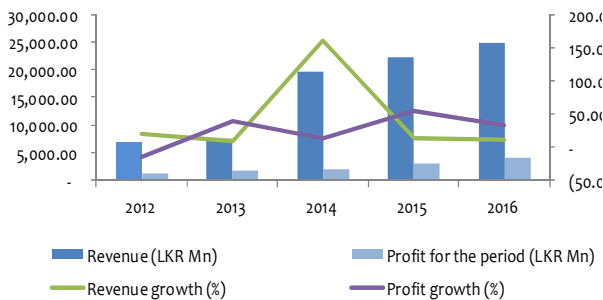
PRICE VS ASPI - 52 WEEKS (MAY 2015 TO MAY 2016)



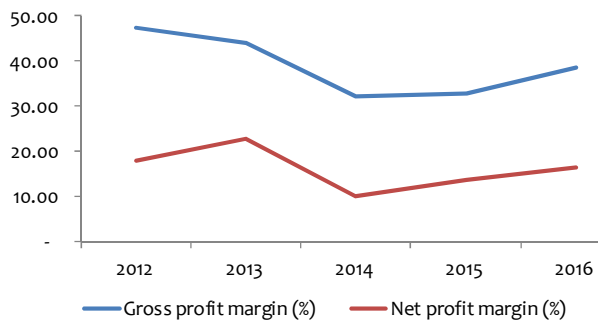
Company - EPS & Net Assets per Share



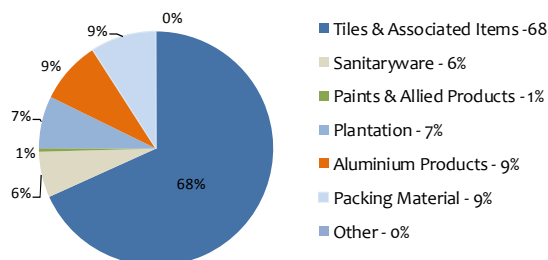
Group - Revenue & Profit for the period



Group GP Margin and NP Margin



FY 16 - Contribution to Group Revenue



FY 16 Topline of the Group increased by 11% and bottom line increased by 33%.

RCL group for the financial year 2015/2016 recorded net revenue of LKR 24.9Bn (+ 11% YoY) and gross profit (LKR 9.55Bn) reflected an enormous increase of 31%. Lower fuel prices during the year resulted major reduction of the manufacturing and sales costs in the tiles and sanitary ware sectors together with the improved operational efficiencies in the manufacturing plants and collective cost reduction initiatives helped achieve lower cost of production despite increases in other costs. Export sales contributed 6% towards to the group revenue with a year on year drop of 6%. The lower export revenue is due to low priced products from China and India, which dominates the world market with their economies of scale in the face of global price competition. Tiles & associated items contributed LKR 16.98Bn (68%) to net revenue while recording a 13% YOY growth. Aluminium products (LKR 2.16Bn), Paints and Allied Products (LKR 119Mn) and Sanitary ware (LKR 1.57Bn) recorded a 42%, 25% and 17% increase respectively. Distribution expenses (LKR 3.24Bn) and administrative expenses (LKR 1.39Bn) increased by 33% and 6% YOY respectively. Finance costs were LKR 753.93Mn (-22% YoY). Profit before tax reflected a virtuous increase of 57% to record LKR 5.7Bn while profit for the year showed a favorable increase of 33% to mark LKR 4.09Bn. Increase in sales volumes, effective cost management and reduction in finance costs were the main reasons for the increase in profitability of the group. Net profits attributable to the owners of the parent company (LKR 2.93Bn) increased by 37% due to higher net profits attributable to the parent company by its profitable subsidiaries. Group's CAGR of revenue for the FY ended March 2012 to 2016 was 38% and CAGR of profit before tax and profit for the year for the same period were 45% and 35% respectively.

Group incurred as capital expenditure LKR 1.9 Bn for the year, in order to purchase and upgrade plant and machinery, to adopt new technologies to meet future demands, showroom developments and other improvements. Group's current asset ratio improved to 1.44X from 1.30X in 2015 and quick asset ratio also improved to 0.66X from 0.53X in 2015. Total asset base of the group increased by 12% to record LKR 39.17Bn. Group paid a super gain tax of LKR 263.5Mn being a one-off expenditure in the financial statements relating to the year of assessment 2013/14.

Net revenue of the **company** was LKR 3.4Bn (+29% YoY) and the gross profit increased by 41% to record LKR 1.74Bn. Decreasing global oil prices helped the company and the industry at large to



bring down the production cost compared to previous years. Other operating income (net) was LKR 1.44Bn (+16% YoY). Administrative expenses (LKR 656.49Mn) recorded a massive increase of 53% YoY. Distribution expenses (LKR 1Bn) and Net Finance expenses (LKR 360.76Mn) each decreased by 4% YOY. Profit before tax reflected an enormous increase of 85% to record LKR 1.17Bn while profit for the year showed a favorable increase of 53% to mark LKR 1.19Bn. Company's CAGR of revenue for the FY ended March 2012 to 2016 was 12% and CAGR of profit before tax and profit after tax for the year of the same period were (-) 2% and (-) 1% respectively. Current asset ratio of the company increased to 0.71X from 0.66X in 2015 and quick asset ratio of the company marginally increased to 0.35X from 0.3X in 2015 while total current assets of the company increased by 11% during the year. Other non-financial assets (LKR 355.4Mn) and trade & other receivables (LKR 543.98Mn) increased by 48% and 77% respectively.

Dividends

In 2015, RCL has paid a dividend of LKR 5.00 per share and in the year 2016 dividend of LKR 8.00 per share has been paid. RCL recorded a dividend payout ratio of 30.20% in 2016 while giving a 6.76% dividend yield for 2016, calculated at the current market price.

Global Tile Industry

The **global ceramic tile market** is expected to reach \$125.32 Bn by 2020, according to a study by Grand View Research, Inc. Construction industry growth in BRICS countries (Brazil, Russia, India, China and South Africa), coupled with rising demand for new residential structures in emerging markets of China and India due to urbanization, is expected to drive the market demand for ceramic tile over the forecast period. Stringent environment regulations pertaining to carbon emissions caused during the production of ceramic tile have forced market players to increase their R&D expenditure on eco-friendly products, which is likely to open new market avenues in the near future. In 2014 world tile *production and consumption* continued to expand, although more slowly than in previous years, with increases of 3.6% and 4.2% respectively over 2013. The slowdown in import and export growth was even more evident, increasing by just 1%.

As the world's largest producer of ceramic tiles, the sheer scale of **China's** volumes has been the driving force behind world growth in production, consumption and exports for over 15 years. Corresponding with 2014, export sales and export volume of China ceramic tile had a trifling rise in 2015. According to the data issued by customs, export volume of China ceramic tile reached up to 1.06 Bn sq.m in 2015, with a YOY growth of 0.08%. Export sales reached \$8.32 Bn, with a 6.55% increase YOY. Compared with 2013 and 2014, the export sales of 2015 hit the highest of the previous three years as a result of the larger export growth in the beginning and at the end of the year. In terms of competition pattern, China building ceramics industry features a low market concentration rate. The top ten manufacturers have total annual capacity of 676 Mn sq. m, only occupying 4.12% of the whole industry. With the implementation of new environmental protection laws, some of backward capacity will be phased out; meanwhile, the slow development of China's economy and real estate industry will lead to the fiercer market competition in the architectural ceramics industry, and mergers and acquisitions will be the normal of the industry.

India is the strongest growing ceramics market worldwide. Today, India is among the top three countries in the field of tile production and further development is proceeding through massive strides. Ceramic tiles that accounts for close to 60% of the total tiles demand in India is expected to grow at a CAGR of 8.7% for the period 2014-2019. The potential seems to be great, particularly as the housing sector, retail, IT & BPO sectors have been witnessing an unprecedented boom in recent times. Overall the bullish growth estimates in the Indian economy has significantly influenced the



growth of the Indian Ceramic tile industry. The industry also enjoys the unique distinction of being highly native with an abundance of raw materials, technical skills, infrastructural facilities despite being fairly capital intensive.

The **EU ceramics industry** is a world leader in producing uniquely designed high quality ceramic products such as tiles, bricks, sanitary ware, or vitreous clay pipes which has an ability to establish trends in the global market. The Italian ceramic industry is largely driven by small- and medium-sized entities (SMEs) in the wall and floor tile sector that offer innovative, specialized ceramic products that target niche segments of the market. The major export destinations for Italian ceramic tiles include the U.S., France, Germany, Greece, Austria, Belgium and Canada. The export market for ceramic tile in Italy has grown considerably over the years due to the country's competence in low-cost manufacturing and technically trained manpower. Domestic overcapacity and better price realization in the overseas market have also led to an inclining trend over the years.

Sri Lanka Tile Industry

Tile consumption of a country has a direct link with the GDP per capita income of that country. As Sri Lanka is expecting an increase in the GDP per capita income it will be a positive sentiment for the Sri Lankan tile manufacturers. In 2015 GDP per capita increased to US \$ 3,924 from US \$ 3,853 in the previous year.

The Sri Lankan tile manufacturing industry is dominated by a few key players focusing mainly on servicing the domestic market for tiles. As the demand for tiles remain strongly connected to the prospects of the domestic construction and housing sector, the recent expansion in the demand for tiles is deemed to be a direct consequence of the construction boom taking place within the country. This has also led to a rapid increase in size of the market, allowing the industry players to double their sales volumes within the last 15 years. Moreover, the country's recent growth has also boosted the tourism industry, where the strong tourist arrivals continue to drive more and more refurbishments and expansions in the hotel industry, encouraging prospects for the tile cluster in the coming years.

While the high cost of production continues to be a drawback, locally manufactured tiles do still command a premium price and have been able to retain market share, mainly owing to high quality and durability of the offerings. However, in the recent past, the biggest threats to the local tile industry have been the lack of streamlining of the mining and quarrying sector, and the inadequately governed imported tile market. Notwithstanding negative BOI concessions, the imported tiles sector remains to flourish, accounting for a weighty 30% of market share, threatening local businesses and causing a drain of foreign exchange.

Company Outlook

RCL is looking forward with a dual strategy of market diversification and growth through acquisition. A strategy of expansion and value creation will continue to drive RCL's growth, as they are concentrating on adding more showrooms to existing network in order to increase their reach. As a global strategy RCL is hoping to execute four more openings in Melbourne, Australia and two store openings are to take place in Pakistan and Maldives in the near future. Further in order to position them for better growth prospects the company is committed to expand capacity and upgrade machinery and equipment. They are currently implementing plans to expand the warehousing operation with the addition of the latest equipment.



Multiples based analysis and valuation

The Group's performance has been overwhelmingly steady over the last 5-years with a CAGR of 38% for its revenue, 45% for Profit before tax and 35% for Profit after tax whilst the CAGR for the Company on its own were 12% for revenue (-)2% for PBT and (-)1% for PAT. Current Assets grew by 11% YoY for 2016. The dividend payout has been growing and was Rs.8/- share for 2016.

The Current Asset Ratio and Quick Asset ratios are below the standard levels and have to be improved to healthy levels. Gross Profit and Net Profit margins have shown steady improvement and currently stand at 38.37% and 16.43 % respectively.

The Manufacturing sector is a highly diversified sector and an appropriate discount has been applied to the sector multiple to determine the correct value of the share. During the last 52Weeks average daily turnover of RCL was LKR 6.46Mn and the average daily volume was 54,913 shares.

The basic earnings per share (EPS) of the Group for the year ended 31 March 2016 was LKR 26.49 (LKR 19.27 – 31st March 2015). The net assets per share at the year-end increased to LKR 132.05 (LKR 107.18 in 31st March 2015).The Group's last traded share price is LKR 118.40. The share price was moving within a range of LKR 95.00 to LKR 137.00 during the last 52-weeks. The current market capitalization of the Group was LKR 13,117.46Mn as at 01st June 2016.

RCL is currently trading (as at 1st June 2016) at a PER of 4.5X and PBV of 0.9X which are well below the Manufacturing sector PER of 8.5X and PBV of 1.6X.

In terms of Sector multiples discounted appropriately and Peer based Earnings multiples the share reflects a value averaging around LKR 149.55 and LKR 137.61 in terms of Net Asset Value. Given the group's and company's steady growth in performance with increasing growth in Asset value and given the current volatile market sentiments a target value of around LKR 125/- to LKR 135/- in the medium term is justifiable which is slightly higher than the current market price which gives and Upside potential to the investor in the medium to long term. It is important to bear in mind that the market price would depend on prevailing market sentiments, political and economic stability and the government policy with regard to the sector in which the company operates which may affect the performance of the company.

RCL is a fairly liquid stock and is favoured amongst local retail, institutional and foreign investors.

Five Years Price Movement



Technical Analysis Report

Royal Ceramics Lanka PLC (Bloomberg Code: RCL)

RCL (CMP: 118.50) is presently consolidating on monthly charts. From here we expect a breakout in the stock and expect it to head towards 135 and 140 levels.



Source: Phillip Capital (India) Private Limited

Ratios and Other Information

GROUP	2012	2013	2014	2015	2016
Revenue (LKR Mn)	6,956.11	7,611.40	19,748.80	22,379.07	24,904.75
Gross profit (LKR Mn)	3,292.39	3,341.60	6,338.35	7,308.03	9,556.99
Profit Before Tax (LKR Mn)	1,296.66	1,739.25	2,293.81	3,643.58	5,707.56
Profit for the period (LKR Mn)	1,243.28	1,727.12	1,975.28	3,066.91	4,091.75
EPS (LKR)	17.68	15.08	10.16	19.27	26.49
Gross profit margin (%)	47.33	43.90	32.09	32.66	38.37
Net profit margin (%)	17.87	22.69	10.00	13.70	16.43
Current Asset Ratio (times)	1.18	1.25	1.22	1.30	1.44
Quick Asset ratio (times)	0.57	0.61	0.49	0.53	0.66

COMPANY	2012	2013	2014	2015	2016
Revenue (LKR Mn)	2,178.91	2,296.29	2,413.82	2,649.93	3,405.54
Gross profit (LKR Mn)	1,025.85	987.53	1,098.32	1,239.60	1,748.42
Profit Before Tax (LKR Mn)	1,270.33	918.76	668.86	635.64	1,177.68
Profit for the period (LKR Mn)	1,254.61	1,017.87	854.64	779.52	1,192.99
EPS (LKR)	11.32	9.19	7.71	7.04	10.77
Gross profit margin (%)	47.08	43.01	45.50	46.78	51.34
Net profit margin (%)	57.58	44.33	35.41	29.42	35.03
Current Asset Ratio (times)	0.99	1.00	0.81	0.66	0.71
Quick Asset ratio (times)	0.73	0.70	0.39	0.30	0.35
Net assets per share (LKR)	44.47	53.59	61.27	64.34	69.13



Peer Companies Multiples

Company	CMP	FY 16 EPS	PER (x)	NAV	PBV (x)
RCL	118.40	26.49	4.47	132.05	0.90
LWL	113.80	24.39	4.67	158.59	0.72
TILE	115.00	22.28	5.16	109.04	1.05
TKYO	40.50	5.73	7.07	34.10	1.19

Dividend Yield of RCL

	2014	2015	2016
Dividend Paid (LKR)	1.00	5.00	8.00
Div Yield (%)	0.84	4.22	6.76
Div Payout (%)	9.84	25.95	30.20

Detailed Financial Statements

INCOME STATEMENT - GROUP	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2015-2016	2017 E	2018 E	
LKR ' Mn							Change %		
Net Revenue	6,956.11	7,611.40	19,748.80	22,379.07	24,904.75	11	26,981.56	29,544.81	
Cost of Sales	(3,663.72)	(4,269.80)	(13,410.45)	(15,071.04)	(15,347.76)	2	(16,917.44)	(18,170.06)	
Gross Profit	3,292.39	3,341.60	6,338.35	7,308.03	9,556.99	31	10,064.12	11,374.75	
Other Operating Income - Net	8.05	8.68	197.60	236.29	191.49	(19)	507.58	549.12	
Distribution Expenses	(863.39)	(1,114.76)	(2,041.95)	(2,442.51)	(3,243.41)	33	(3,777.42)	(4,402.18)	
Administrative Expenses	(399.06)	(442.48)	(1,220.99)	(1,319.49)	(1,399.34)	6	(1,539.27)	(1,693.20)	
Interest Expense - Net	(822.75)	(613.15)	(1,367.78)	(969.28)	(753.93)	(22)	(859.60)	(707.98)	
Share of Associate Company's Profit	81.41	559.37	388.60	830.55	1,355.76	63	882.78	997.95	
Profit Before Tax	1,296.66	1,739.25	2,293.81	3,643.58	5,707.56	57	5,278.20	6,118.47	
Income Tax Expense	(53.37)	(103.25)	(318.53)	(576.67)	(1,615.81)	180	(842.22)	(806.31)	
Net Profit After Tax from Continuing Operation	1,243.28	1,636.00	1,975.28	3,066.91	4,091.75	33	4,435.98	5,312.16	
Profit After Tax from Discontinued Operations	-	91.12	-	-	-	-	-	-	
Net Profit for the Year	1,243.28	1,727.12	1,975.28	3,066.91	4,091.75	33	4,435.98	5,312.16	

Source: Company Annual Reports & APSL Research Estimates

Segment	2016		2015		(2015 - 2016)
	LKR	Contribution to Revenue (%)	LKR	Contribution to Revenue (%)	YoY Increase / (Decrease) (%)
Tiles & Associated Items	16,986,149	68	15,004,780	67	13
Sanitaryware	1,578,466	6	1,353,789	6	17
Aluminium Products	2,160,187	9	1,525,987	7	42
Paints & Allied Products	119,898	0	96,191	0	25
Other	2,749	0	7,810	0	(65)
Plantation	1,798,734	7	2,164,350	10	(17)
Packing Material	2,258,569	9	2,226,161	10	1
Total	24,904,752	100	22,379,068	100	11



STATEMENT OF FINANCIAL POSITION GROUP - LKR ' Mn	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2015-2016 Change %
Non-Current Assets						
Property Plant & Equipment - Net	4,274.38	5,502.35	16,267.16	16,903.85	19,264.41	14
Investments in Associate	3,146.81	3,426.48	3,804.67	4,222.62	4,867.05	15
Intangible Assets	148.69	182.92	1,220.91	1,273.70	1,269.81	(0)
Deferred Tax Assets	-	19.06	195.83	361.70	336.22	(7)
Long Term Investments	192.40	196.47	465.82	267.20	274.08	3
Total Non-Current Assets	7,762.27	9,327.28	21,954.39	23,029.07	26,011.57	13
Current Assets						
Inventories	1,917.06	2,179.68	6,842.34	7,127.13	7,086.87	(1)
Trade and Other Receivables	514.66	1,175.23	3,307.25	2,754.56	2,542.91	(8)
Other Non Financial Assets	327.68	393.16	700.04	641.66	1,119.67	74
Other Financial assets	804.67	291.79	128.96	131.73	56.77	(57)
Income Tax Recoverable	8.73	9.58	20.95	83.33	32.84	(61)
Cash and Equivalents	121.27	240.54	377.67	1,329.06	2,322.40	75
Total Current Assets	3,694.07	4,289.97	11,377.21	12,067.46	13,161.47	9
Total Assets	11,456.34	13,617.25	33,331.60	35,096.53	39,173.04	12
EQUITY AND LIABILITIES						
Capital and Reserves						
Stated Capital	1,368.67	1,368.67	1,368.67	1,368.67	1,368.67	(0)
Reserves	100.73	514.57	679.08	707.81	1,375.86	94
Retained Earnings	5,069.42	6,518.23	8,346.66	9,798.32	11,885.27	21
Non-Controlling Interest	-	-	5,197.61	6,136.01	7,828.99	28
Total Equity	6,538.83	8,401.47	15,592.02	18,010.81	22,458.79	25
Non-Current Liabilities						
Interest Bearing Loans & Borrowings	1,582.79	1,586.23	6,832.07	5,985.99	5,347.95	(11)
Deferred Tax Liabilities	69.27	40.83	604.14	753.55	1,082.52	44
Retirement Benefit Liability	132.83	157.27	883.35	963.37	1,004.61	4
Deferred income & Capital grants	-	-	118.41	121.61	134.30	10
Total Non-Current Liabilities	1,784.89	1,784.33	8,437.98	7,824.52	7,569.38	(3)
Current Liabilities						
Trade and Other Payables	391.80	546.10	2,033.00	2,094.50	1,997.72	(5)
Other Non Financial Liabilities	196.97	259.45	369.24	582.14	808.02	39
Dividend Payable	26.67	31.18	46.46	102.77	163.34	59
Income Tax Liabilities	-	16.50	27.26	173.48	639.59	269
Interest Bearing Loans & Borrowings	2,517.17	2,578.22	6,825.65	6,308.31	5,536.20	(12)
Total Current Liabilities	3,132.62	3,431.45	9,301.61	9,261.20	9,144.86	(1)
Total Equity and Liabilities	11,456.34	13,617.25	33,331.60	35,096.53	39,173.04	12



INCOME STATEMENT - COMPANY	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2015-2016
LKR ' Mn						Change %
Net Revenue	2,178.91	2,296.29	2,413.82	2,649.93	3,405.54	29
Cost of Sales	(1,153.06)	(1,308.77)	(1,315.50)	(1,410.33)	(1,657.12)	17
Gross Profit	1,025.85	987.53	1,098.32	1,239.60	1,748.42	41
Other Operating Income - Net	1,937.90	1,395.58	1,409.61	1,246.98	1,446.82	16
Distribution Expenses	(756.94)	(817.44)	(930.23)	(1,045.84)	(1,000.31)	(4)
Administrative Expenses	(292.89)	(312.12)	(391.40)	(429.68)	(656.49)	53
Interest Expense - Net	(643.60)	(334.79)	(517.45)	(375.42)	(360.76)	(4)
Share of Associate Company's Profit						
Profit Before Tax	1,270.33	918.76	668.86	635.64	1,177.68	85
Income Tax Expense	(15.72)	67.72	185.78	143.88	15.32	(89)
Net Profit After Tax from Continuing Operation	1,254.61	986.49	854.64	779.52	1,192.99	53
Profit After Tax from Discontinued Operations	-	31.39	-	-	-	
Net Profit for the Year	1,254.61	1,017.87	854.64	779.52	1,192.99	53



STATEMENT OF FINANCIAL POSITION COMPANY - LKR ' Mn	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2015-2016 Change %
Non-Current Assets						
Property Plant & Equipment - Net	1,261.33	2,237.93	2,762.44	3,062.54	3,199.24	4
Investments in Subsidiaries	1,500.40	1,500.40	4,667.76	4,990.60	4,883.28	(2)
Investments in Associate	3,102.15	3,116.40	3,162.94	3,162.94	3,162.94	(0)
Intangible Assets	76.82	111.05	156.92	207.68	203.61	(2)
Deferred Tax Assets	-	-	165.34	309.35	323.69	5
Long Term Investments	192.40	196.47	197.21	-	-	-
Total Non-Current Assets	6,133.10	7,162.26	11,112.60	11,733.10	11,772.76	0
Current Assets						
Inventories	538.08	620.79	992.78	1,226.22	1,256.03	2
Trade and Other Receivables	462.51	774.01	362.95	307.48	543.98	77
Other Non Financial Assets	164.48	177.67	272.21	239.91	355.40	48
Other Financial assets	804.67	291.79	128.96	131.73	56.77	(57)
Income Tax Recoverable	7.00	7.50	11.30	23.19	31.67	37
Cash and Equivalents	85.88	178.04	160.88	287.32	215.34	(25)
Total Current Assets	2,062.62	2,049.80	1,929.08	2,215.85	2,459.18	11
Total Assets	8,195.72	9,212.05	13,041.69	13,948.96	14,231.93	2
EQUITY AND LIABILITIES						
Capital and Reserves						
Stated Capital	1,368.67	1,368.67	1,368.67	1,368.67	1,368.67	(0)
Reserves		213.63	213.63	213.63	213.63	(0)
Retained Earnings	3,558.59	4,354.88	5,205.38	5,545.48	6,076.31	10
Total Equity	4,927.26	5,937.19	6,787.69	7,127.79	7,658.61	7
Non-Current Liabilities						
Interest Bearing Loans & Borrowings	1,009.63	1,079.74	3,708.06	3,315.57	2,895.29	(13)
Deferred Tax Liabilities	68.63	22.27	-	-	-	-
Retirement Benefit Liability	104.92	124.13	151.06	171.68	192.73	12
Total Non-Current Liabilities	1,183.18	1,226.14	3,859.12	3,487.25	3,088.02	(11)
Current Liabilities						
Trade and Other Payables	973.13	877.99	1,145.87	1,392.58	1,146.65	(18)
Other Current Liabilities	78.54	90.11	262.54	507.34	773.80	53
Dividend Payable	26.67	31.18	25.85	36.15	99.95	176
Interest Bearing Loans & Borrowings	1,006.94	1,049.45	960.62	1,397.84	1,464.90	5
Total Current Liabilities	2,085.28	2,048.73	2,394.87	3,333.91	3,485.31	5
Total Equity and Liabilities	8,195.72	9,212.05	13,041.69	13,948.96	14,231.94	2



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