

Aitken Spence

Interim Statements

for the six months ended 30th September 2018

Aitken Spence[®] 

Aitken Spence PLC

CONSOLIDATED INCOME STATEMENTS

	Quarter ended 30th September		Six months ended 30th September	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Revenue	12,409,455	12,277,376	22,976,185	23,912,276
Revenue taxes	(140,894)	(129,408)	(266,266)	(254,047)
Net revenue	12,268,561	12,147,968	22,709,919	23,658,229
Other operating income	139,988	382,150	193,207	477,833
Changes in inventories of finished goods and work-in-progress	137,519	(99,627)	135,628	(80,654)
Raw materials and consumables used	(2,416,808)	(2,956,332)	(4,338,532)	(6,399,042)
Employee benefits expense	(2,051,424)	(1,929,360)	(4,181,698)	(3,954,237)
Depreciation and amortisation	(718,032)	(669,601)	(1,417,060)	(1,312,715)
Other operating expenses-direct	(4,270,786)	(3,610,153)	(7,570,255)	(6,592,158)
Other operating expenses-indirect	(1,942,773)	(1,963,510)	(3,664,548)	(3,584,681)
Profit from operations	1,146,245	1,301,535	1,866,661	2,212,575
Finance income	187,924	178,244	370,550	366,424
Finance expenses	(453,599)	(435,769)	(921,361)	(913,781)
Net finance expense	(265,675)	(257,525)	(550,811)	(547,357)
Share of profit of equity-accounted investees (net of tax)	90,779	79,143	135,322	136,211
Profit before tax	971,349	1,123,153	1,451,172	1,801,429
Income tax expenses	(365,902)	(284,048)	(580,216)	(474,948)
Profit for the period	605,447	839,105	870,956	1,326,481
Attributable to:				
Equity holders of the company	483,608	583,875	694,327	938,673
Non-controlling interests	121,839	255,230	176,629	387,808
Profit for the period	605,447	839,105	870,956	1,326,481
Earnings per share				
Basic/Diluted (Rs.)	1.19	1.44	1.71	2.31

The above figures are subject to audit.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended 30th September		Six months ended 30th September	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Profit for the period	605,447	839,105	870,956	1,326,481
Other comprehensive income				
<i>Items that are or may be reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	1,114,606	(40,947)	1,267,960	130,278
Net change in fair value of available-for-sale financial assets	(4,552)	(1,812)	(6,751)	2,165
Net movement on cash flow hedges	(335,064)	(270,242)	(55,255)	(744,499)
Share of other comprehensive income of equity-accounted investees (net of tax)	89,570	12,096	70,616	45,499
	864,560	(300,905)	1,276,570	(566,557)
Other comprehensive income for the period, (net of tax)	864,560	(300,905)	1,276,570	(566,557)
Total comprehensive income for the period	1,470,007	538,200	2,147,526	759,924
Attributable to:				
Equity holders of the company	1,195,684	376,739	1,605,707	742,025
Non-controlling interests	274,323	161,461	541,819	17,899
Total comprehensive income for the period	1,470,007	538,200	2,147,526	759,924

The above figures are subject to audit.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

<i>As at</i>	30.09.2018 Rs.'000	31.03.2018 Rs.'000
ASSETS		
Non-current assets		
Property, plant & equipment	64,653,277	59,274,780
Investment properties	1,632,230	1,632,360
Intangible assets	926,254	890,378
Biological assets	47,398	47,293
Leasehold properties	2,160,737	2,023,903
Pre-paid operating leases	2,334,318	2,241,358
Investments in equity-accounted investees	6,515,506	6,334,455
Deferred tax assets	558,353	563,391
Other financial assets	<u>846,034</u>	<u>873,340</u>
	<u>79,674,107</u>	<u>73,881,258</u>
Current assets		
Inventories	1,942,600	1,526,162
Pre-paid operating leases	73,133	67,466
Trade and other receivables	10,013,217	13,557,531
Current tax receivable	208,847	243,352
Deposits and prepayments	2,238,354	1,480,413
Other financial assets	8,413,828	7,300,814
Cash and short-term deposits	<u>6,076,439</u>	<u>9,636,419</u>
	<u>28,966,418</u>	<u>33,812,157</u>
Assets classified as held for sale	<u>149,125</u>	<u>149,125</u>
Total Assets	<u>108,789,650</u>	<u>107,842,540</u>
EQUITY AND LIABILITIES		
Equity		
Stated capital	2,135,140	2,135,140
Reserves	21,412,336	20,500,926
Retained earnings	<u>22,045,923</u>	<u>22,163,669</u>
Total equity attributable to equity holders of the company	<u>45,593,399</u>	<u>44,799,735</u>
Non-controlling interests	<u>11,817,287</u>	<u>11,484,969</u>
Total Equity	<u>57,410,686</u>	<u>56,284,704</u>
Non-current liabilities		
Interest-bearing liabilities	23,426,781	19,683,396
Deferred tax liabilities	2,075,618	1,949,193
Employee benefits	1,144,721	1,046,605
Other liabilities	<u>1,729,138</u>	<u>881,272</u>
	<u>28,376,258</u>	<u>23,560,466</u>
Current liabilities		
Interest-bearing liabilities	3,160,831	5,780,868
Trade and other payables	12,007,507	12,604,616
Current tax payable	268,810	454,427
Bank overdrafts and other short-term borrowings	<u>7,565,558</u>	<u>9,157,459</u>
	<u>23,002,706</u>	<u>27,997,370</u>
Total Equity and Liabilities	<u>108,789,650</u>	<u>107,842,540</u>
Net assets per share (Rs.)	112.30	110.35

The above figures are subject to audit.

The 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.
D.H.S. Jayawardena
Chairman

Colombo,
13th November 2018

Sgd.
J.M.S. Brito
Deputy Chairman and
Managing Director

Sgd.
Ms. N. Sivapragasam
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th September 2018

	Attributable to equity holders of the company										Total equity
	Stated capital	Other capital reserves	General reserves	Revaluation reserve	Exchange fluctuation reserve	Fair value reserve	Cash flow hedge reserve	Retained earnings	Total	Non-controlling interests	
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2018	2,135,140	148,440	9,669,422	8,610,352	2,467,348	34,604	(429,240)	22,163,669	44,799,735	11,484,969	56,284,704
Profit for the period	-	-	-	-	-	-	-	694,327	694,327	176,629	870,956
Other comprehensive income for the period	-	-	-	-	942,827	(6,751)	(24,696)	-	911,380	365,190	1,276,570
Total comprehensive income for the period	-	-	-	-	942,827	(6,751)	(24,696)	694,327	1,605,707	541,819	2,147,526
Acquisition and changes in non-controlling interest	-	-	-	-	-	-	-	(51)	(51)	51	-
Transfer to reserves	-	-	30	-	-	-	-	(30)	-	-	-
Final dividends for 2017/2018	-	-	-	-	-	-	-	(811,992)	(811,992)	-	(811,992)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(209,552)	(209,552)
Total contributions and distributions, recognised directly in equity	-	-	30	-	-	-	-	(812,073)	(812,043)	(209,501)	(1,021,544)
Balance as at 30th September 2018	2,135,140	148,440	9,669,452	8,610,352	3,410,175	27,853	(453,936)	22,045,923	45,593,399	11,817,287	57,410,686

For the six months ended 30th September 2017

	Attributable to equity holders of the company										Total equity
	Stated capital	Other capital reserves	General reserves	Revaluation reserve	Exchange fluctuation reserve	Fair value reserve	Cash flow hedge reserve	Retained earnings	Total	Non-controlling interests	
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2017	2,135,140	148,440	7,976,675	6,580,537	2,110,655	33,072	-	20,492,912	39,477,431	11,315,985	50,793,416
Profit for the period	-	-	-	-	-	-	-	938,673	938,673	387,808	1,326,481
Other comprehensive income for the period	-	-	-	-	133,933	2,165	(332,746)	-	(196,648)	(369,909)	(566,557)
Total comprehensive income for the period	-	-	-	-	133,933	2,165	(332,746)	938,673	742,025	17,899	759,924
Transfer on disposal of subsidiary	-	-	-	(44,190)	-	-	-	44,190	-	-	-
Transfer to reserves	-	-	2,922	-	-	-	-	(2,922)	-	-	-
Final dividends for 2016/2017	-	-	-	-	-	-	-	(202,998)	(202,998)	-	(202,998)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(201,404)	(201,404)
Total contributions and distributions, recognised directly in equity	-	-	2,922	(44,190)	-	-	-	(161,730)	(202,998)	(201,404)	(404,402)
Balance as at 30th September 2017	2,135,140	148,440	7,979,597	6,536,347	2,244,588	35,237	(332,746)	21,269,855	40,016,458	11,132,480	51,148,938

COMPANY INCOME STATEMENTS

	Quarter ended 30th September		Six months ended 30th September	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Revenue	185,503	177,311	431,355	399,328
Revenue taxes	(3,129)	(3,130)	(7,256)	(6,915)
Net revenue	182,374	174,181	424,099	392,413
Other operating income	295,628	458,889	800,615	517,373
Employee benefits expense	(98,158)	(113,057)	(222,251)	(225,458)
Depreciation and amortisation	(10,196)	(11,741)	(22,873)	(25,278)
Other operating expenses-indirect	(74,495)	(75,691)	(173,551)	(134,733)
Profit from operations	295,153	432,581	806,039	524,317
Finance income	199,131	194,999	408,649	392,418
Finance expenses	(294,271)	(239,862)	(559,494)	(473,557)
Net finance expense	(95,140)	(44,863)	(150,845)	(81,139)
Profit before tax	200,013	387,718	655,194	443,178
Income tax expenses	(31,394)	3,916	(50,530)	11,874
Profit for the period	168,619	391,634	604,664	455,052
Earnings per share				
Basic/Diluted (Rs.)	0.42	0.96	1.49	1.12

The above figures are subject to audit.

COMPANY STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended 30th September		Six months ended 30th September	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Profit for the period	168,619	391,634	604,664	455,052
Other comprehensive income				
Items that are or may be reclassified to profit or loss				
Net change in fair value of available-for-sale financial assets	<u>(1,009)</u>	<u>(540)</u>	<u>(1,531)</u>	<u>(364)</u>
Other comprehensive income for the period, (net of tax)	<u>(1,009)</u>	<u>(540)</u>	<u>(1,531)</u>	<u>(364)</u>
Total comprehensive income for the period	<u>167,610</u>	<u>391,094</u>	<u>603,133</u>	<u>454,688</u>

The above figures are subject to audit.

COMPANY STATEMENT OF FINANCIAL POSITION

<i>As at</i>	30.09.2018 Rs.'000	31.03.2018 Rs.'000
ASSETS		
Non-current assets		
Property, plant & equipment	115,355	134,565
Investment properties	3,427,556	3,428,933
Intangible assets	5,325	5,592
Investments in subsidiaries	8,995,933	7,995,933
Investments in equity-accounted investees	2,711,379	2,711,379
Deferred tax assets	292,135	303,115
Other financial assets	<u>73,493</u>	<u>95,194</u>
	15,621,176	14,674,711
Current assets		
Inventories	2,436	2,179
Trade and other receivables	3,655,951	4,786,472
Current tax receivable	178,236	213,054
Deposits and prepayments	112,809	100,169
Other financial assets	7,785,750	6,459,242
Cash and short-term deposits	<u>1,333,876</u>	<u>1,094,468</u>
	13,069,058	12,655,584
Assets classified as held for sale	<u>57,237</u>	<u>57,237</u>
Total Assets	<u>28,747,471</u>	<u>27,387,532</u>
EQUITY AND LIABILITIES		
Equity		
Stated capital	2,135,140	2,135,140
Reserves	9,625,596	9,627,127
Retained earnings	<u>3,106,056</u>	<u>3,313,384</u>
Total Equity	<u>14,866,792</u>	<u>15,075,651</u>
Non-current liabilities		
Interest-bearing liabilities	719,138	1,254,628
Employee benefits	<u>150,046</u>	<u>134,999</u>
	869,184	1,389,627
Current liabilities		
Interest-bearing liabilities	1,349,857	1,287,811
Trade and other payables	7,492,603	5,842,265
Bank overdrafts and other short-term borrowings	<u>4,169,035</u>	<u>3,792,178</u>
	13,011,495	10,922,254
Total Equity and Liabilities	<u>28,747,471</u>	<u>27,387,532</u>
Net assets per share (Rs.)	36.62	37.13

The above figures are subject to audit.

The 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.
D.H.S. Jayawardena
Chairman

Colombo,
13th November 2018

Sgd.
J.M.S. Brito
Deputy Chairman and Managing Director

Sgd.
Ms. N. Sivapragasam
Chief Financial Officer

COMPANY STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th September 2018

	Stated capital	General reserve	Fair value reserve	Retained earnings	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 01st April 2018	2,135,140	9,639,788	(12,661)	3,313,384	15,075,651
Profit for the period	–	–	–	604,664	604,664
Other comprehensive income for the period	–	–	(1,531)	–	(1,531)
Total comprehensive income for the period	–	–	(1,531)	604,664	603,133
Final Dividends for 2017/2018	–	–	–	(811,992)	(811,992)
Balance as at 30th September 2018	<u>2,135,140</u>	<u>9,639,788</u>	<u>(14,192)</u>	<u>3,106,056</u>	<u>14,866,792</u>

For the six months ended 30th September 2017

	Stated capital	General reserve	Fair value reserve	Retained earnings	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 01st April 2017	2,135,140	7,949,963	(12,473)	3,338,642	13,411,272
Profit for the period	–	–	–	455,052	455,052
Other comprehensive income for the period	–	–	(364)	–	(364)
Total comprehensive income for the period	–	–	(364)	455,052	454,688
Final dividends for 2016/2017	–	–	–	(202,998)	(202,998)
Balance as at 30th September 2017	<u>2,135,140</u>	<u>7,949,963</u>	<u>(12,837)</u>	<u>3,590,696</u>	<u>13,662,962</u>

STATEMENTS OF CASH FLOWS

For the six months ended 30th September	Group		Company	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Cash flow from operating activities				
Profit before taxation	1,451,172	1,801,429	655,194	443,178
Adjustments for				
Depreciation and amortisation	1,417,060	1,312,715	22,873	25,278
Interest expense	828,912	843,407	557,936	471,662
Gain on disposal of property plant and equipment	(44,399)	(8,760)	(2,246)	(4,958)
Gain on disposal of group investments	-	(307,616)	-	-
Loss on disposal of equity securities classified as available-for-sale financial assets	-	316	-	-
Interest income	(370,550)	(366,424)	(408,649)	(392,418)
Share of profit of equity-accounted investees (net of tax)	(135,322)	(136,211)	-	-
Impairment losses and write offs of trade & other receivables	16,312	28,825	-	-
Net foreign exchange (gain)/loss	499,675	51,747	133,363	22,873
Provision for retirement benefit obligations	118,457	122,925	15,047	11,322
	<u>2,330,145</u>	<u>1,540,924</u>	<u>318,324</u>	<u>133,759</u>
Operating profit before working capital changes	3,781,317	3,342,353	973,518	576,937
(Increase) / decrease in trade and other receivables	3,521,023	2,384,731	1,129,251	(765,382)
(Increase) / decrease in inventories	(416,438)	267,427	(257)	(575)
(Increase) / decrease in deposits and prepayments	(757,941)	(144,005)	(12,640)	(813)
Increase / (decrease) in trade and other payables	(541,226)	(1,109,153)	1,661,425	1,164,895
Increase / (decrease) in other liabilities	626,280	-	-	-
	<u>2,431,698</u>	<u>1,399,000</u>	<u>2,777,779</u>	<u>398,125</u>
Cash generated from operations	6,213,015	4,741,353	3,751,297	975,062
Interest paid	(1,071,851)	(840,570)	(556,756)	(468,799)
Income tax paid	(618,703)	(587,024)	(4,733)	(27,661)
Retirement benefit obligations paid	(27,926)	(59,414)	-	(2,161)
	<u>(1,718,480)</u>	<u>(1,487,008)</u>	<u>(561,489)</u>	<u>(498,621)</u>
Net cash flow from operating activities	4,494,535	3,254,345	3,189,808	476,441
Cash flow from investing activities				
Interest received from deposits	375,059	366,397	408,878	392,418
Investment in subsidiaries and equity-accounted investees	-	-	(1,000,000)	-
Investment in equity and debt securities	(20,080)	(100,000)	(20,080)	-
Net cash flow on divestment of subsidiaries	-	722,725	-	-
Purchase of property, plant and equipment	(4,790,244)	(2,682,341)	(4,593)	(13,557)
Purchase of intangible assets	(11,841)	(940)	(930)	(821)
Purchase of biological assets	(2,336)	(4,278)	-	-
Proceeds from disposal of property, plant and equipment	83,400	23,274	5,750	10,746
Proceeds from disposal of intangible assets	-	10	-	-
Proceeds from sale of equity and debt securities	33,359	46,543	20,833	23,570
Proceeds / (purchase) of other financial assets and liabilities (net)	(1,103,323)	1,092,871	(1,306,105)	118,919
Dividends paid to non-controlling interests	(209,552)	(201,404)	-	-
Dividends received from equity-accounted investees	24,888	28,800	-	-
	<u>(5,620,670)</u>	<u>(708,343)</u>	<u>(1,896,247)</u>	<u>531,275</u>
Net cash flow from investing activities	(5,620,670)	(708,343)	(1,896,247)	531,275

STATEMENTS OF CASH FLOWS – CONTD.

<i>For the six months ended 30th September</i>	Group		Company	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Cash flow from financing activities				
Proceeds from interest-bearing liabilities	6,207,156	3,388,604	-	-
Repayment of interest-bearing liabilities	(6,301,041)	(4,384,489)	(651,406)	(750,081)
Dividends paid to equity holders of the parent	(807,193)	(704,947)	(807,193)	(704,947)
Net cash flow from financing activities	<u>(901,078)</u>	<u>(1,700,832)</u>	<u>(1,458,599)</u>	<u>(1,455,028)</u>
Net increase/(decrease) in cash and cash equivalents	(2,027,213)	845,170	(165,038)	(447,312)
Cash and cash equivalents at the beginning of the period (Note A)	538,094	(2,320,130)	(2,670,121)	(1,860,361)
Cash and cash equivalents at the end of the period	<u>(1,489,119)</u>	<u>(1,474,960)</u>	<u>(2,835,159)</u>	<u>(2,307,673)</u>
Cash and cash equivalents at the end of the period				
Cash at bank and in hand & deposits	6,076,439	4,250,714	1,333,876	434,703
Short-term bank borrowings	(7,565,558)	(5,725,674)	(4,169,035)	(2,742,376)
Cash and cash equivalent at the end of the period	<u>(1,489,119)</u>	<u>(1,474,960)</u>	<u>(2,835,159)</u>	<u>(2,307,673)</u>
Note A				
Cash and cash equivalents at the beginning of the period				
Cash at bank and in hand & deposits	9,636,419	6,032,612	1,094,468	1,400,611
Short-term bank borrowings	(9,157,459)	(8,427,318)	(3,792,178)	(3,260,932)
Cash and cash equivalent as previously reported	478,960	(2,394,706)	(2,697,710)	(1,860,321)
Effect of exchange rate changes	59,134	74,576	27,589	(40)
Cash and cash equivalent as restated	<u>538,094</u>	<u>(2,320,130)</u>	<u>(2,670,121)</u>	<u>(1,860,361)</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Segment analysis

1.1 Segment analysis of Group revenue and profit

For the six months ended 30th September	Tourism sector		Maritime & logistics sector		Strategic investments		Services sector		Total	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Total revenue generated	12,059,086	11,124,032	5,620,336	5,101,137	7,431,770	9,959,588	1,281,174	904,336	26,392,366	27,089,093
Less: Inter-segmental revenue	10,320	12,972	151,051	180,298	247,359	219,488	138,758	105,023	547,488	517,781
Less: Intra-segmental revenue	881,213	832,286	164,877	157,297	339,954	364,089	33,976	40,161	1,420,020	1,393,833
Total revenue with equity-accounted investees	11,167,553	10,278,774	5,304,408	4,763,542	6,844,457	9,376,011	1,108,440	759,152	24,424,858	25,177,479
Share of equity-accounted investees' revenue	(175,153)	(156,694)	(861,795)	(652,629)	(395,236)	(452,814)	(16,489)	(3,066)	(1,448,673)	(1,265,203)
Revenue from external customers	10,992,400	10,122,080	4,442,613	4,110,913	6,449,221	8,923,197	1,091,951	756,086	22,976,185	23,912,276
Profit / (loss) from operations	(95)	550,313	745,521	607,389	933,894	882,797	187,341	172,076	1,866,661	2,212,575
Finance income	298,924	285,291	22,601	27,346	40,249	48,879	8,776	4,908	370,550	366,424
Finance expenses	(561,332)	(576,460)	(49,030)	(59,131)	(301,963)	(271,020)	(9,036)	(7,170)	(921,361)	(913,781)
Share of profit / (loss) of equity- accounted investees (net of tax)	(85,854)	(87,358)	170,332	155,742	55,106	78,596	(4,262)	(10,769)	135,322	136,211
Profit / (loss) before tax	(348,357)	171,786	889,424	731,346	727,286	739,252	182,819	159,045	1,451,172	1,801,429
Income tax expense	(284,112)	(209,879)	(178,222)	(161,860)	(77,314)	(47,596)	(40,568)	(55,613)	(580,216)	(474,948)
Profit / (loss) for the period	(632,469)	(38,093)	711,202	569,486	649,972	691,656	142,251	103,432	870,956	1,326,481

1.2 Segment analysis of Group assets

As at	Tourism sector		Maritime & logistics sector		Strategic investments		Services sector		Total	
	30.09.2018 Rs.'000	31.03.2018 Rs.'000	30.09.2018 Rs.'000	31.03.2018 Rs.'000	30.09.2018 Rs.'000	31.03.2018 Rs.'000	30.09.2018 Rs.'000	31.03.2018 Rs.'000	30.09.2018 Rs.'000	31.03.2018 Rs.'000
Segment assets	62,681,172	63,890,431	11,716,040	10,209,845	29,364,825	29,483,972	4,569,895	4,062,292	108,331,932	107,646,540
Investments in equity -accounted investees	1,075,145	1,161,000	4,229,280	3,988,331	1,117,806	1,087,587	93,275	97,537	6,515,506	6,334,455
Goodwill on consolidation	–	–	–	–	–	–	–	–	887,440	853,060
Assets classified as held for sale	–	–	–	–	–	–	–	–	149,125	149,125
Eliminations / adjustments	–	–	–	–	–	–	–	–	(7,094,353)	(7,140,640)
Total assets	63,756,317	65,051,431	15,945,320	14,198,176	30,482,631	30,571,559	4,663,170	4,159,829	108,789,650	107,842,540

NOTES TO THE FINANCIAL STATEMENTS - CONTD.

2. The Financial Statements of the company and those consolidated with such for the interim period have been prepared on the same basis as the most recent audited financial statements and are in compliance with Sri Lanka Accounting Standards - LKAS 34 - Interim Financial Reporting.
3. The final ordinary dividend of Rs. 2.00 per share for the year ended 31st March 2018 was paid on 10th July 2018, after it was approved at the Annual General Meeting on the 29th June 2018. Total dividend paid was Rs. 811,992,090.
4. There were no liabilities for management fees or any other similar expenditure not provided for in the interim financial statements.
5. During the period under review there were no material change in the nature of contingent liabilities disclosed in the annual report for the year ended 31st March 2018.
6. There were no material events that occurred after the reporting date that require adjustments to or disclosure in the financial statements.
7. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year except for changes described in note 8. These changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31st March 2019.

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

8. New accounting standards and interpretations

8.1. SLFRS 9 – Financial Instruments

The final version of SLFRS 9 - Financial Instruments that replaces LKAS 39 - Financial Instruments: Recognition and Measurement and all previous versions of SLFRS 9. This standard brings together all three aspects of the accounting for the financial instruments i.e. classification and measurement, impairment and hedge accounting. SLFRS 9 is effective for financial periods beginning on or after 1st January 2018. SLFRS 9 requires retrospective application of the standard except for hedge accounting where requirements are generally applied prospectively with some limited exceptions.

However the Institute of Chartered Accountants of Sri Lanka has issued a “Statement of Alternative Treatment (SoAT) on the Figures in the Interim Financial Statements” in which the companies were granted with an option to prepare interim financial statements continuing with the application of LKAS 39 with disclosures on impact to the statement of comprehensive income for the period if SLFRS 9 had been applied during financial year commencing on or after 1st January 2018.

The Group having opted to use the exemption granted under the above SoAT, prepared the Interim Financial Statements for the six months ended 30th September 2018 based on LKAS 39.

Based on the high-level impact assessment of all three aspects of SLFRS 9 on the group companies, the Group concluded that the impact of the new standard on its financial statements are not material.

8.2. SLFRS 15 – Revenue from Contracts with Customers

SLFRS 15 became effective for financial periods beginning on or after 1st January 2018. This accounting standard supersedes LKAS 11 Construction Contract, LKAS 18 Revenue and revenue relate IFRICs and SICs and establishes a five-step model to account for revenue arising from contracts with customers. Under SLFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group adopted SLFRS 15 with effect from the beginning of the current financial year -1st April 2018 using the full retrospective method and has recognised revenue for the six months ended 30th September 2017 (comparative period) and 2018 based on this standard.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the interim consolidated financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS - CONTD.

NON FINANCIAL INFORMATION

30.09.2018

1. Stated Capital

Number of shares represented by the stated capital (31.03.2018 - 405,996,045)	405,996,045
Number of Public Shareholders	4,855
Percentage of shares held by the Public	46.10%
Floated adjusted market capitalisation - Rs.'000	8,029,735

As the floated adjusted market capitalisation is over 7.5 billion, Aitken Spence PLC complies under option 2 with the minimum public holding requirement.

2. Shares Traded

Market Price per Share - Last traded (Rs.)	42.90
Market Price per Share - Highest (Rs.)	52.50
Market Price per Share - Lowest (Rs.)	42.50

3. Shareholding of Directors

The number of shares held by the Board of Directors are as follows ;

Name of Director	Position	30.09.2018	31.03.2018
1 D.H.S. Jayawardena	Chairman	Nil	Nil
2 J.M.S. Brito	Deputy Chairman and Managing Director	505,495	505,495
3 R.M. Fernando	Director	Nil	Nil
4 D.S.T. Jayawardena	Director	27,839	27,839
5 G.C. Wickremasinghe	Director	7,308,240	7,308,240
6 C.H. Gomez	Director	Nil	Nil
7 N. J. de Silva Deva Aditya	Director	Nil	Nil
8 R.N. Asirwatham	Director	1,000	1,000
9 A.L. Gooneratne	Alternate Director to Mr. N.J. de Silva Deva Aditya	Nil	Nil

4. Substantial Shareholdings

The twenty largest shareholding as at 30th September 2018 are as follows ;

	Name of the Share Holder	Shareholding	%
1	Melstacorp PLC	203,414,171	50.10
2	Rubicond Enterprises Limited	65,990,145	16.25
3	Employees' Provident Fund	20,590,978	5.07
4	HSBC International Nominees Limited-BPSS LUX-Aberdeen Global-Asian Smaller Companies Fund	9,775,090	2.41
5	Mr. G.C. Wickremasinghe	7,308,240	1.80
6	Placidrange Holdings Limited	5,521,500	1.36
7	Renuka Hotels Limited	5,479,990	1.35
8	Milford Exports (Ceylon) (Pvt) Limited	4,321,500	1.06
9	HSBC International Nominees Limited -BP2S London-Aberdeen Asia Smaller Companies Investment Trust	3,400,000	0.84
10	Northern Trust Company S/A Hosking Global Fund PLC	3,308,810	0.81
11	Stassen Exports (Pvt) Limited	3,244,500	0.80
12	Ms. A.T. Wickremasinghe	3,211,975	0.79
13	Mrs. K. Fernando	3,135,070	0.77
14	Mr. G.Wickremasinghe	3,019,090	0.74
15	Seylan Bank PLC / W.D.N.H. Perera	2,689,126	0.66
16	Employees Trust Fund Board	2,621,870	0.65
17	Bank of Ceylon No. 1 Account	2,596,230	0.64
18	National Savings Bank	2,493,516	0.61
19	The Ceylon Guardian Investment Trust PLC A/c No. 02	1,674,000	0.41
20	The Ceylon Investment PLC A/c No. 02	1,674,000	0.41

NOTES TO THE FINANCIAL STATEMENTS - CONTD.

CORPORATE INFORMATION

as at 30th September 2018

DIRECTORS

Deshamanya D.H.S. Jayawardena - Chairman

Mr. J.M.S. Brito - Deputy Chairman and Managing Director

Dr. R.M. Fernando

Miss. D.S.T. Jayawardena

Mr. G.C. Wickremasinghe

Mr. C.H. Gomez

Mr. N.J. de Silva Deva Aditya

Mr. R.N. Asirwatham

Mr. A.L. Gooneratne (Alternate Director to Mr. N.J. de Silva Deva Aditya)

SECRETARIES

Aitken Spence Corporate Finance (Private) Limited.

REGISTERED OFFICE

Aitken Spence Tower II

315, Vauxhall Street,

Colombo 02,

Sri Lanka.