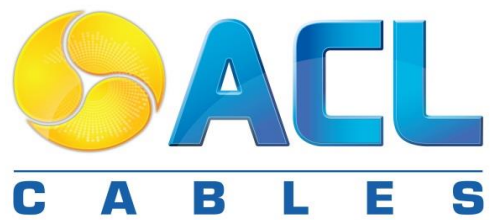


**INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED 30 JUNE 2018
UNAUDITED**



ACL CABLES PLC (PQ 102)

ACL CABLES PLC
INCOME STATEMENT

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June	Group		Company	
	2018	2017	2018	2017
Revenue	3,532,657	3,403,224	2,337,169	1,754,085
Cost of sales	(3,031,570)	(3,037,202)	(2,134,142)	(1,622,671)
Gross profit	501,087	366,022	203,027	131,414
Other income	9,150	16,867	6,916	13,936
Distribution costs	(201,658)	(186,203)	(104,116)	(71,426)
Administrative costs	(114,682)	(110,389)	(46,477)	(46,326)
Results from operating activities	193,897	86,298	59,350	27,599
Net finance costs	(88,015)	(81,366)	(24,095)	(48,221)
Share of profit of investments accounted for using the equity method	20,400	2,402	-	-
Profit before income tax	126,282	7,334	35,255	(20,622)
Income tax expenses	(39,105)	(12,792)	(14,784)	-
Profit for the year	87,177	(5,458)	20,471	(20,622)
Profit attributable to :				
- Owners of the parent	84,712	(12,293)	20,471	(20,622)
- Non-controlling interests	2,465	6,835	-	-
	87,177	(5,458)	20,471	(20,622)
Earnings per share (Rs.)	0.71	(0.10)	0.17	(0.17)

ACL CABLES PLC
STATEMENT OF COMPREHENSIVE INCOME

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June

	Group		Company	
	2018	2017	2018	2017
Profit for the year	87,177	(5,458)	20,471	(20,622)
Other comprehensive income/(expenses)				
Net change in fair value of available-for-sale financial assets	874	4,963	(198)	1,582
Share of other comprehensive income of equity accounted investee, net of tax	1,669	186	-	-
Other comprehensive income for the year, net of tax	2,543	5,149	(198)	1,582
Total comprehensive income for the year, net of tax	89,720	(309)	20,273	(19,040)
Total comprehensive income attributable to:				
- Owners of the parent	86,882	(8,321)	20,273	(19,040)
- Non-controlling interests	2,838	8,012	-	-
Total comprehensive income for the year, net of tax	89,720	(309)	20,273	(19,040)

ACL CABLES PLC
STATEMENT OF FINANCIAL POSITION

Unaudited

(all amounts in Sri Lanka Rupees thousands)

As at	Group		Company	
	30 June 2018	31 March 2018	30 June 2018	31 March 2018
ASSETS				
Non-current assets				
Property, plant and equipment	4,196,470	4,151,266	1,728,708	1,717,804
Work in progress	39,497	97,469	2,709	2,303
Investment property	638,000	638,000	358,000	358,000
Intangible assets	7,219	7,704	1,225	1,711
Pre paid lease rentals	1,643	1,644	-	-
Investment in subsidiaries	-	-	576,243	576,243
Investment in equity accounted investee	299,275	277,206	345,093	345,093
Available-for-sale Financial assets	275,364	274,488	12,462	12,660
Deferred income tax assets	3,960	3,959	-	-
	5,461,428	5,451,736	3,024,440	3,013,814
Current assets				
Inventories	4,477,278	4,763,792	2,207,675	2,311,360
Trade and other receivables	6,438,824	6,350,481	4,681,049	3,924,446
Pre paid lease rentals	17	22	-	-
Held-to-maturity financial assets	-	466,800	-	466,800
Cash and cash equivalents	1,580,948	2,113,345	422,359	395,842
	12,497,067	13,694,440	7,311,083	7,098,448
TOTAL ASSETS	17,958,495	19,146,176	10,335,523	10,112,262
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital	299,488	299,488	299,488	299,488
Capital reserve	2,277,718	2,277,718	1,002,568	1,002,568
General reserve	1,123,825	1,123,825	680,266	680,266
Available-for-sale Reserve	8,507	8,006	2,630	2,828
Retained earnings	6,705,950	6,619,568	3,414,642	3,394,171
Equity attributable to owners of the parent	10,415,488	10,328,605	5,399,594	5,379,321
Non-controlling interests	1,247,913	1,245,074	-	-
Total equity	11,663,401	11,573,679	5,399,594	5,379,321
Non-current liabilities				
Defined benefit obligations	310,532	297,977	184,502	177,918
Deferred tax liability	577,624	577,689	278,776	278,776
Borrowings	332,550	350,101	83,333	100,000
	1,220,706	1,225,767	546,611	556,694
Current liabilities				
Trade and other payables	2,166,884	2,805,971	2,758,947	2,048,750
Current income tax liability	764,003	809,069	394,626	403,403
Borrowings	1,185,319	1,863,854	487,886	949,019
Bank overdraft	958,182	867,836	747,859	775,075
	5,074,388	6,346,730	4,389,318	4,176,247
Total liabilities	6,295,094	7,572,497	4,935,929	4,732,941
Total equity and liabilities	17,958,495	19,146,176	10,335,523	10,112,262
Net asset value per share	86.95	86.22	45.08	44.91
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs.)			43.90	44.70
Lowest price (Rs.)			38.50	41.00
Last traded price (Rs.)			38.60	41.00

It is certified that these financial statements have been prepared in compliance with the requirements of Companies Act, No. 07 of 2007.

Sgd
Champika Coomasaru
Group Chief Financial Officer

Sgd
U. G. Madanayake
Chairman
09 August 2018
Colombo

Sgd
Suren Madanayake
Managing Director

ACL CABLES PLC
STATEMENT OF CHANGES IN EQUITY - GROUP

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June 2018

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit			
Balance at 1 April 2018	299,488	2,277,718	1,123,825	8,006	6,619,569	10,328,606	1,245,075	11,573,681
Net profit	-	-	-	-	84,712	84,712	2,465	87,177
Fair value adjustment for available-for-sale financial assets	-	-	-	501	-	501	373	874
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	1,669	1,669	-	1,669
Total comprehensive income	-	-	-	501	86,381	86,882	2,838	89,720
Balance at 30 June 2018	299,488	2,277,718	1,123,825	8,507	6,705,950	10,415,488	1,247,913	11,663,401

For the year ended 31 March 2018

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit			
Balance at 1 April 2017	299,488	1,790,589	1,123,825	6,752	6,110,597	9,331,251	1,135,318	10,466,569
Net profit	-	-	-	-	(12,293)	(12,293)	6,835	(5,458)
Fair value adjustment for available-for-sale financial assets	-	-	-	3,786	-	3,786	1,177	4,963
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	186	186	-	186
Total comprehensive income	-	-	-	3,786	(12,107)	(8,321)	8,012	(309)
Balance at 30 June 2017	299,488	1,790,589	1,123,825	10,538	6,098,490	9,322,930	1,143,330	10,466,260
Balance at 1 July 2017	299,488	1,790,589	1,123,825	10,538	6,098,490	9,322,930	1,143,330	10,466,260
Net profit	-	-	-	-	709,574	709,574	58,620	768,194
Fair value adjustment for available-for-sale financial assets	-	-	-	(2,532)	-	(2,532)	(1,325)	(3,857)
Re-measurements of post employment benefit obligation	-	-	-	-	(19,948)	(19,948)	-	(19,948)
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	5,586	5,586	-	5,586
Gain on revaluation of Land and Building	-	831,432	-	-	-	831,432	68,460	899,892
Deferred tax on revaluation surplus	-	(336,800)	-	-	-	(336,800)	-	(336,800)
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	(3,735)	(3,735)	-	(3,735)
Impact on transfer of NCI balance to retained earning of equity investee	-	-	-	-	(1,138)	(1,138)	-	(1,138)
Total comprehensive income	-	494,632	-	(2,532)	690,339	1,182,439	125,755	1,308,194
Transfers upon disposal of available-for-sale investments	-	-	-	-	-	-	-	-
Transfer from revaluation reserve	-	(10,420)	-	-	10,420	-	-	-
Deferred tax on transfer from revaluation reserve	-	2,917	-	-	-	2,917	-	2,917
Dividends	-	-	-	-	(179,681)	(179,681)	(24,011)	(203,692)
Balance at 31 March 2018	299,488	2,277,718	1,123,825	8,006	6,619,569	10,328,606	1,245,075	11,573,679

ACL CABLES PLC
STATEMENT OF CHANGES IN EQUITY - COMPANY

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June 2018

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
Balance at 1 April 2018	299,488	1,002,568	680,266	2,828	3,394,171	5,379,321
Net profit	-	-	-	-	20,471	20,471
Fair value adjustment for available-for-sale financial assets	-	-	-	(198)	-	(198)
Total comprehensive income	-	-	-	(198)	20,471	20,273
Balance at 30 June 2018	299,488	1,002,568	680,266	2,630	3,414,642	5,399,594

No of shares as at 30 June 2018

119,787,360

For the year ended 31 March 2018

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
Balance at 1 April 2017	299,488	795,582	680,266	1,296	3,107,775	4,884,407
Net profit	-	-	-	-	(20,622)	(20,622)
Fair value adjustment for available-for-sale financial assets	-	-	-	1,582	-	1,582
Total comprehensive income	-	-	-	1,582	(20,622)	(19,040)
Balance at 30 June 2017	299,488	795,582	680,266	2,878	3,087,153	4,865,367
Balance at 1 July 2017	299,488	795,582	680,266	2,878	3,087,153	4,865,367
Net profit	-	-	-	-	499,066	499,066
Fair value adjustment for available-for-sale financial assets	-	-	-	(50)	-	(50)
Re-measurements of post employment benefit obligation	-	-	-	-	(17,176)	(17,176)
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	4,809	4,809
Gain on revaluation of Land and Building	-	367,818	-	-	-	367,818
Deferred tax on revaluation surplus	-	(160,832)	-	-	-	(160,832)
Total comprehensive income	-	206,986	-	(50)	486,699	693,635
Dividends	-	-	-	-	(179,681)	(179,681)
Balance at 31 March 2018	299,488	1,002,568	680,266	2,828	3,394,171	5,379,321

No of shares as at 31 March 2018

119,787,360

ACL CABLES PLC
STATEMENT OF CASH FLOWS

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June

	GROUP		COMPANY	
	2018	2017	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	126,282	7,334	35,255	(20,622)
Adjustments for:				
Depreciation of property, plant and equipment	65,284	55,056	23,160	22,501
share of profit from equity accounted investee (net of tax)	(20,400)	(2,402)	-	-
Dividend income	(154)	(189)	(154)	(189)
Interest expense/(income)	88,015	85,029	24,095	51,101
Exchange gain on investment in Sri Lanka development bonds	(4,830)	(3,663)	(4,830)	(2,880)
Amortization of leasehold properties	6	6	-	-
Defined benefit obligations	14,998	15,480	8,076	8,076
Changes in working capital:				
(Increase)/Decrease in;				
Inventories	286,514	(744,546)	103,685	(397,657)
Receivables and prepayments	(88,343)	(486,146)	(756,603)	(1,125,028)
Increase/(Decrease) in;				
Trade and other payables	(639,087)	224,081	710,197	626,949
Cash generated from/ (used in) operations	(171,716)	(849,960)	142,881	(837,749)
Interest received/(paid)	(88,015)	(85,029)	(24,095)	(51,101)
Defined benefit obligations paid	(2,443)	(1,619)	(1,491)	(780)
Income tax paid less refund received	(84,242)	(86,971)	(23,561)	(21,391)
Net cash (used in)/from operating activities	(346,416)	(1,023,579)	93,734	(911,021)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase and construction of property, plant and equipment	(52,026)	(21,786)	(33,984)	(7,591)
Investment in held-to-maturity investments	-	(457,020)	-	(457,020)
Dividend received	154	189	154	189
Sales proceeds from held-to-maturity investments	471,630	238,609	471,630	238,609
Net cash from/(used in) investing activities	419,758	(240,008)	437,799	(225,813)
CASH FLOW FROM FINANCING ACTIVITIES				
Short term borrowings net of payments	(678,535)	741,380	(461,133)	870,502
Long term borrowings net of payments	(17,551)	(31,000)	(16,667)	(25,000)
Net cash generated from/ (used in) financing activities	(696,086)	710,380	(477,800)	845,502
Net increase/(decrease) in cash & cash equivalents	(622,743)	(553,207)	53,733	(291,332)
Cash and cash equivalents at the beginning of the year	1,245,509	1,192,692	(379,233)	(12,537)
Cash and cash equivalents at the end of the year	622,766	639,485	(325,500)	(303,869)

(all amounts in Sri Lanka Rupees thousands)

1. Segment information

(a) Business segment information

<i>For the period months ended 30 June</i>	Manufacturing cables 2018	Manufacturing PVC compound 2018	Others 2018	Total 2018	Total 2017
Revenue					
Total revenue	4,220,818	315,245	1,554,618	6,090,681	4,670,476
Inter-segment sales	(325,060)	(300,928)	(1,932,036)	(2,558,024)	(1,267,252)
External sales	3,895,758	14,317	(377,418)	3,532,657	3,403,224
Results					
Profit/(loss) before other income and finance cost	70,506	10,145	104,096	184,747	69,431
Other income	9,150	-	-	9,150	16,867
Finance (cost)/income	(37,625)	(4,074)	(46,316)	(88,015)	(81,366)
Share of profit of equity accounted investee and gain on bargain purchase	-	-	-	20,400	2,402
Taxation	(17,995)	(2,310)	(18,800)	(39,105)	(12,792)
Profit/(loss) after taxation	24,036	3,761	38,980	87,177	(5,458)
Capital expenditure					
Segment capital expenditure	44,779	43	7,204	52,026	21,786
Total capital expenditure				52,026	21,786
Depreciation and amortisation					
Segment depreciation	52,616	4,160	8,367	65,143	55,056
Total depreciation and amortisation				65,143	55,056

<i>For the period months ended 30 June</i>	Manufacturing cables 2018	Manufacturing PVC compound 2018	Others 2018	Total 2018	Total 31 March 2017
Assets					
Segment assets	14,591,855	947,208	1,680,764	17,219,827	15,974,301
Unallocated corporate assets				738,668	591,163
Total assets				17,958,495	19,146,176
Liabilities					
Segment liabilities	4,048,700	297,902	1,945,203	6,291,805	6,094,748
Unallocated corporate liabilities				3,289	4,148
Total liabilities				6,295,094	7,572,497

(b) Geographical segment information - revenue

<i>For the period months ended 30 June</i>	Group		Company	
	2018	2017	2018	2017
Local sales	3,052,609	2,853,509	2,107,651	1,484,853
Export sales	480,048	549,715	229,518	269,232
	3,532,657	3,403,224	2,337,169	1,754,085

- 2.** The consolidated interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31 March 2018 and are in compliance with Sri Lanka Accounting Standards - LKAS 34 - Interim Financial Reporting.
- 3.** Where necessary, the presentation and classification of the financial statements of the previous period have been adjusted for better presentation and to be comparable with year end reporting.
- 4.** There were no liabilities for management fees or any other similar expenditures in the interim financial statements.
- 5.** There were no funds raised through an IPO/Rights/Debenture issues by the group of companies.
- 6.** There have been no other events subsequent to the balance sheet date, which require disclosures in the interim financial statements.
- 7.** There were no significant changes in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2018.

ACL CABLES PLC
NON FINANCIAL INFORMATION

Twenty largest shareholders as at 30 June 2018

Shareholder Name	Number of shares	Holdings %
1 Mr. U. G. Madanayake	45,694,432	38.15%
2 Mr. Suren Madanayake	26,604,792	22.21%
3 SEB AB-Tundra Frontier Opportunities Fund	6,044,156	5.05%
4 Employees Provident Fund	5,907,432	4.93%
5 Employees Trust Fund Board	4,427,057	3.70%
6 Mrs. N.C. Madanayake	2,064,200	1.72%
7 Bnymsanv Re-Compass Asia Partners,L.P.	2,000,000	1.67%
8 FAB Foods (Private) Ltd	1,535,040	1.28%
9 Bank of Ceylon-No 2 A/C	1,320,800	1.10%
10 MAS Capital (Private) Limited	1,128,964	0.94%
11 Bank Of Ceylon No. 1 Account	1,005,246	0.84%
12 Perera R.D.M.	701,864	0.59%
13 Selliah A & Selliah S	700,000	0.58%
14 Sir Cyril De Zoysa Trust	682,072	0.57%
15 Sri Lanka Insurance Corporation LTD-Life Fund	675,647	0.56%
16 Arunodhaya (Private) Limited	500,000	0.42%
17 Arunodhaya Industries (Private) Limited	500,000	0.42%
18 Arunodhaya Investments (Private) Limited	500,000	0.42%
104 Andysel Private Limited	400,000	0.33%
20 Kailasapillai A	400,000	0.33%
	102,791,702	85.81%

Share holding of directors as at 30 June 2018

Director Name	Number of shares	Holdings %
01. Mr. U. G. Madanayake - Chairman	45,694,432	38.15%
02. Mr. Suren Madanayake - Managing Director	26,604,792	22.21%
03. Mrs. N.C. Madanayake	2,064,200	1.72%
04. Dr.Sivakumar Selliah	700,000	0.58%
05. Mr. Ajit Jayaratne	-	-
06. Mr. Hemaka Amarasuriya	-	-
07. Mr. D.D. Wahalthanthri	-	-
08. Mr. Rajiv Casie Chitty	-	-

Total held by Directors

75,063,424 62.66%

Shares held by public as at 30 June 2018

44,723,936 37.34%

Total No of Shares as at 30 June 2018

119,787,360 100.00%

No of public share holders as at 30 June 2018

2,554