

CHEVRON LUBRICANTS LANKA PLC
INTERIM FINANCIAL STATEMENTS
30TH SEPTEMBER 2014

CHEVRON LUBRICANTS LANKA PLC

INTERIM FINANCIAL STATEMENTS - 30TH SEPTEMBER 2014

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Interim Comprehensive Income Statement - by function of expenses

(Amounts in Rs.000's)

	Note Three months ended 30th September			Nine months ended 30th September		
	2014	2013	Change %	2014	2013	Change %
Revenue	3,082,531	2,782,229	11	8,777,145	8,374,860	5
Cost of sales	(1,821,357)	(1,760,074)	3	(5,120,336)	(5,239,514)	(2)
Gross profit	1,261,174	1,022,155	23	3,656,809	3,135,346	17
Distribution costs	(120,267)	(130,882)	(8)	(370,582)	(324,128)	14
Administrative expenses	(153,023)	(129,970)	18	(400,124)	(375,834)	6
Other operating income	2,777	1,586	75	8,281	5,052	64
Operating profit	990,661	762,890	30	2,894,384	2,440,436	19
Finance income	25,366	67,733	(63)	90,356	212,732	(58)
Finance costs	2	(98)	(102)	(437)	(116)	277
Profit before income tax	1,016,030	830,525	22	2,984,304	2,653,052	12
Income tax expense	(266,124)	(221,119)	20	(795,455)	(711,276)	12
Profit for the period	749,906	609,406	23	2,188,849	1,941,776	13
Total comprehensive income for the period	749,906	609,406	23	2,188,849	1,941,776	13
Earnings per share attributable to the equity holders of the company during the year						
Basic earnings per share (expressed in LKR)	6.25	5.08		18.24	16.18	

Notes -The above figures are not audited.

Figures in brackets indicate deductions.

Chevron Lubricants Lanka PLC

Interim Statement of Financial Position

(Amounts in Rs.000's)

Note	30th September 2014	31st December 2013
ASSETS		
Non-current assets		
Property, plant and equipment	2,001,260	1,296,651
Trade and other receivables	61,835	81,152
Deferred income tax assets	11,100	8,723
	2,074,195	1,386,526
Current assets		
Inventories	2,109,697	1,928,704
Trade and other receivables	1,304,678	1,252,068
Cash and cash equivalents	2,216,015	2,485,174
	5,630,390	5,665,946
Total assets	7,704,585	7,052,472
EQUITY AND LIABILITIES		
Capital & reserves		
Stated capital	600,000	600,000
Retained earnings	5,348,869	4,240,020
	5,948,869	4,840,020
Non-current liabilities		
Retirement benefit obligations	132,873	122,060
	132,873	122,060
Current liabilities		
Trade and other payables	1,028,501	1,599,802
Current income tax liabilities	594,342	490,590
	1,622,843	2,090,392
Total liabilities	1,755,716	2,212,452
Total equity and liabilities	7,704,585	7,052,472
Net Assets per Share (Rs.)	49.57	40.33

Note: The above figures are not audited.

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act No 07 of 2007.

(Sgd) Erande De Silva
Manager Finance & Planning

The Board of Directors is responsible for the preparation and presentation of these financial statements. The financial statements were authorised for issue by the Board of Directors on 28th October 2014.

(Sgd) Kishu Gomes
Managing Director / CEO
28th October 2014

(Sgd) Anura Perera
Director / Chief Financial Officer

Chevron Lubricants Lanka PLC

Interim Statement of Cash Flows

(Amounts in Rs.000's)

	Note	Period ended 30th September	
		2014	2013
Cash flows from operating activities			
Cash generated from operations	(i)	2,725,111	2,251,103
Interest paid		437	(116)
Retirement benefits paid		(7,473)	(513)
Income tax paid		(694,081)	(671,935)
Net cash generated from operating activities		2,023,994	1,578,539
Cash flows from investing activities			
Purchase of Property, Plant & Equipment		(736,246)	(635,176)
Proceeds from disposal of Property, Plant & Equipment		1,888	-
Interest received		61,205	179,815
Net cash used in investing activities		(673,153)	(455,361)
Cash flows from financing activities			
Dividends paid		(1,620,000)	(1,080,000)
Net cash used in financing activities		(1,620,000)	(1,080,000)
Net increase / (decrease) in cash and cash equivalents		(269,159)	43,178
Movement in cash and cash equivalents			
Cash and cash equivalents at beginning of period		2,485,174	2,517,244
Increase in cash and cash equivalents		(269,159)	43,178
Cash and cash equivalents at end of period		2,216,015	2,560,422

Note (i)

	Year ended 30th September	
	2014	2013
Cash generated from operations		
Profit before taxation	2,984,304	2,653,052
Adjustments for :		
Depreciation	31,603	35,022
Property, plant and equipment Writtenoff	34	7.16
Amortisation of marketing support fee paid	22,260	21,605
(Profit)/Loss on disposal of property, plant and equipment	(1,888)	0
Interest income	(61,205)	(179,815)
Interest expense	(437)	116
Changes in working capital		
- trade and other receivables	(55,552)	(336,862)
- inventories	(180,994)	140,998
- payables	(31,301)	(97,880)
Defined benefit obligations	18,286	14,860
Cash generated from operations	2,725,111	2,251,103

Chevron Lubricants Lanka PLC

Interim Statement of Changes in Equity

(Amounts in Rs.000's)

	<u>Stated Capital</u>	<u>Retained Earnings</u>	<u>Total Equity</u>
Balance as at 1st January 2013	600,000	3,525,818	4,125,818
Profit for the period	Nil	1,941,776	1,941,776
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners			
- Dividends	Nil	(720,000)	(720,000)
Balance as at 30th September 2013	600,000	4,747,594	5,347,594
Balance as at 1st January 2014	600,000	4,240,020	4,840,020
Profit for the period	Nil	2,188,849	2,188,849
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners			
- Dividends		(1,080,000)	(1,080,000)
Balance as at 30th September 2014	600,000	5,348,869	5,948,869

Chevron Lubricants Lanka PLC

Notes to the Financial Statement for the period ended 30/09/2014

1 General information

Chevron Lubricants Lanka PLC carries on the business of importing, blending, distributing and marketing of lubricant oils and greases. The Company is a public limited liability company incorporated and domiciled in Sri Lanka. The address of its registered office is Chevron House, 490, Galle Road, Colombo 03.

The Company has its primary listing on the Colombo Stock Exchange.

These financial statements have been approved for issue by the Board of Directors on 28th October 2014.

2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC are for the nine months ended 30th September 2014. They have been prepared in accordance LKAS 34. These interim financial statements have been prepared in accordance with those SLFRS standards and IFRIC interpretations issued and effective as at the time of preparing these statements. The condensed interim financial statements do not include all of the information required for full annual financial statements.

3 Accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as described below;

Financial instruments

As required by Sri Lanka Accounting Standards - LKAS 39 Financial Instruments; Recognition and measurement, trade receivables, trade payables and staff loans are recognised as financial instruments. The initial and subsequent measurement basis of the said financial instruments should be the fair value and the amortised cost respectively. Provision for doubtful debt is replaced with the impairment testing for trade receivables.

4 Net assets per share has been computed based on number of shares in issue as at 30/09/2014.

5 No Circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the Financial Statements.

6 There has not been a significant change in the nature of the contingent Liabilities which were disclosed in the Annual Report for the year ended 31st December 2013.

7 Share price movement

The market prices during the quarter	2014	2013	Year ended 31.12.2013
Highest price Rs.	348.00	318.90	375.00
Lowest price Rs.	290.00	251.00	202.00
Last traded price Rs.	335.80	270.00	267.80

8 Stated Capital is represented by 120,000,000 ordinary Shares.

Notes to the Financial Statement for the year ended 30/09/2014 *Continued*

9 Names and the Number of Shares held by the largest 20 shareholders as at 30th September 2014 :

	Name of Shareholders	Number of Shares	%
1	Chevron Ceylon Limited	61,200,000	51.00
2	HSBC INTL NOM LTD-SSBT WASATCH FRONTIER EMERGING SMALL Countries Fund	5,300,185	4.42
3	HSBC International Nominees Ltd-BPSS Lux Aberdeen Global- Asian smaller companies fund	4,164,700	3.47
4	Caceis Bank Luxembourg S/A BARCA GLOBAL MASTER FUND LPOGIER	2,716,306	2.26
5	HSBC International Nominees Ltd-BP2S London- Aberdeen Asia Smaller Comp Investment Trust	2,690,800	2.24
6	Citigroup Global Markets Limited Agency Trading Prop Securities A/C	2,683,411	2.24
7	BNYM SA/NV-BLACKROCK FRONTIERS INVESTMENT TRUST PLC	2,260,528	1.88
8	HSBC INTL NOM LTD-SSBT ABERDEEN INSTITUTIONAL COMMINGLED FUNDS LLC	1,880,000	1.57
9	HSBC INTL NOM LTD-BP2S LUXEMBOURG-ABERDEEN GLOBAL FRONTIER MARKETS EQUITY FUND	1,830,800	1.53
10	RBC Investor services Bank- COELI SCAV I- Frontier Markets Funds	1,723,027	1.44
11	Cargo Boat Development Company Limited	1,400,000	1.17
12	Renuka Hotels Limited	1,400,000	1.17
13	HSBC INTL NOM LTD-JPMCB-INVESTERINGSFORENINGEN BANKINVEST,AFD NEW EMERGING MARKETS AKTIER	1,340,344	1.12
14	NORTHERN TRUST GLOBAL SERVICES LONDON S/A VERDIPAPIRFONDET ODIN EMERGING MARKETS	1,191,184	0.99
15	Mellon Bank N.A.- Florida Retirement system	1,100,000	0.92
16	Employees Provident Fund	1,007,958	0.84
17	Crescent Launderers & Dry Cleaners (Pvt) Ltd	1,000,000	0.83
18	HSBC International Nominees Ltd-BPSS Lux Aberdeen Global- Emerging markets smaller companies fund	1,000,000	0.83
19	RBC Investor services Bank- J O HAMBRO CAPITAL MANAGEMENT UMBRELLA FUND PLC- J O HAMBRO CAPITAL MANAGE	877,045	0.73
20	Bank of Ceylon- No 2 A/C	775,800	0.65
		97,542,088	81.30

10 Public Holding : 49%. The Number of shareholders representing the public holding was 3219.

11 None of the Directors hold shares in the company except A.M.Anura Perera who holds 200 shares.

12 Mr. Kishu Gomes is the Managing Director and the Chief Executive Officer of the Company.

Chevron Lubricants Lanka PLC

Corporate Information

Name of Company

Chevron Lubricants Lanka PLC

Legal Form

Public Limited Liability Company
(Incorporated in 1992 and listed on the
Colombo Stock Exchange)

Company Registration Number

PQ 54

Registered Office

Chevron House
No.490, Galle Road, Colombo 3.

Directors

Farrukh Saeed - *Chairman*
Kishu Gomes - *Managing Director / CEO*
Harsha Amarasekera
Devasiri Rodrigo
Richard Brown
Anura Perera

Secretary

Anura Perera
Chevron House
No.490, Galle Road, Colombo 3.

Registrars to the Company

S S P Corporate Services (Private)Limited
546, Galle Road,
Colombo 3

Auditors to the Company

PricewaterhouseCoopers
Chartered Accountants
P.O.Box 918,100, Braybrooke Place ,Colombo 2.

Lawyers to the Company

Julius & Creasy
Attorneys-at-Law and Notaries Public
No.41, Janadhipathi Mawatha ,Colombo 1.

Principal Bankers

Citibank NA
Deutsche Bank
Commercial Bank

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