

CHEVRON LUBRICANTS LANKA PLC
INTERIM FINANCIAL STATEMENTS
31ST MARCH 2015

CHEVRON LUBRICANTS LANKA PLC

INTERIM FINANCIAL STATEMENTS - 31ST MARCH 2015

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Interim Comprehensive Income Statement - by function of expenses

(Amounts in Rs.000's)

	Note	Three months ended 31st Mar	
		2015	2014
Revenue		2,811,511	2,988,825
Cost of sales		(1,615,700)	(1,748,050)
Gross profit		1,195,811	1,240,775
Distribution costs		(90,718)	(125,898)
Administrative expenses		(108,001)	(115,109)
Other operating income		1,634	1,391
Operating profit		998,726	1,001,158
Finance income		28,776	44,904
Finance costs		(1)	(35)
Profit before income tax		1,027,501	1,046,027
Income tax expense		(284,802)	(282,387)
Profit for the period		742,699	763,640
Earnings per share attributable to the equity holders of the company during the year			
(expressed in LKR per share)			
Basic earnings per share		6.19	6.36

Note: The above figures are provisional and subject to audit

Chevron Lubricants Lanka PLC

Interim Comprehensive Income Statement - *Continued*

(Amounts in Rs.000's)

	Note	Three months ended 31st Mar	
		2015	2014
Profit for the period		742,699	763,640
Other comprehensive income:			
Actuarial (loss)/gain on retirement benefit obligations		-	-
Tax on other comprehensive income		-	-
Other Comprehensive (loss)/ income for the year		-	-
Total comprehensive income for the period		742,699	763,640

Chevron Lubricants Lanka PLC

Interim Statement of Financial Position

(Amounts in Rs.000's)

Note	31 March 2015	31 December 2014
ASSETS		
Non-current assets		
Property, Plant & Equipment	2,216,260	2,243,616
Trade and other receivables	66,534	66,274
	2,282,794	2,309,890
Current assets		
Inventories	1,553,420	1,746,241
Trade and other receivables	1,279,364	1,130,140
Cash and cash equivalents	2,337,754	1,290,528
	5,170,538	4,166,909
Total assets	7,453,332	6,476,799
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Stated capital	600,000	600,000
Retained earnings	5,341,909	4,599,210
Total equity	5,941,909	5,199,210
Liabilities		
Non-current liabilities		
Retirement benefit obligations	124,702	119,902
Deferred tax liabilities	118,201	101,595
	242,903	221,497
Current liabilities		
Trade and other payables	821,888	652,962
Current income tax liabilities	446,632	403,130
	1,268,520	1,056,092
Total liabilities	1,511,423	1,277,589
Total equity and liabilities	7,453,332	6,476,799
Net Assets per Share (Rs.)	49.52	43.33

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 22nd April 2015.

(Sgd) Kishu Gomes
CEO / Managing Director
22nd April 2015

(Sgd) Anura Perera
Director / Chief Financial Officer

Chevron Lubricants Lanka PLC

Interim Statement of Cash Flows

(Amounts in Rs.000's)

	Note	Period ended 31st March	
		2015	2014
Cash flows from operating activities			
Cash generated from operations	(i)	1,254,081	(350,277)
Interest paid		(1)	(35)
Retirement benefits paid		-	-
Income taxes paid		(224,694)	(198,870)
Net cash generated from operating activities		1,029,386	(549,182)
Cash flows from investing activities			
Purchase of Property, Plant & Equipment		(7,542)	(203,774)
Proceeds from disposal of Property, Plant & Equipment		-	-
Interest received		25,381	28,683
Net cash used in investing activities		17,840	(175,091)
Cash flows from financing activities			
Dividends paid		-	(540,000)
Net cash used in financing activities		-	(540,000)
Net (decrease)/ increase in cash, cash equivalents		1,047,225	(1,264,273)
Movement in cash and cash equivalents			
Cash and cash equivalents at beginning of period		1,290,529	2,485,174
(Decrease) / increase in cash and cash equivalents		1,047,225	(1,264,273)
Cash and cash equivalents at end of period		2,337,754	1,220,901

Note (i)

	Period ended 31st March	
	2015	2014
Cash generated from operations		
Profit before taxation	1,027,501	1,046,027
Adjustments for :		
Depreciation	34,860	11,063
Property, plant and equipment written off	38	-
Amortisation of marketing support fee paid	5,882	7,505
(Profit)/Loss on disposal of property, plant and equipment	-	-
Interest income	(25,381)	(28,683)
Interest expense	1	35
Changes in working capital		
- trade and other receivables	(155,366)	(286,474)
- inventories	192,820	(1,379,272)
- payables	168,926	273,427
Defined benefit obligations	4,800	6,095
Cash generated from operations	1,254,081	(350,277)

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 2014	600,000	4,240,020	4,840,020
Profit for the period	Nil	763,640	763,640
Other comprehensive income for the period	Nil	-	-
Transactions with owners - Dividends	Nil	-	-
Balance as at 31st March 2014	600,000	5,003,660	5,603,660
Balance as at 1st January 2015	600,000	4,599,210	5,199,210
Profit for the period	Nil	742,699	742,699
Other comprehensive income for the period	Nil	-	-
Transactions with owners - Dividends	Nil	-	-
Balance as at 31st March 2015	600,000	5,341,909	5,941,909

Chevron Lubricants Lanka PLC

Notes to the Financial Statement for the period ended 31/03/2015

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 22nd April 2015.

2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC are for the period ended 31st March 2015. 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 recognized 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 31/03/2015.

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

A Draft Act has been gazetted by the Government for the imposition of the Super Gains Tax as announced in the Budget presented on 29th January 2015. As per the provisions of the Draft Act, The Company will be liable to pay a total of Rs.847,363,811 as Super Gains Tax in three equal instalments due on 15th of May, July and September 2015. The Company has not provided for the liability that would arise if the Draft Act is enacted by the Parliament.

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 2014.

7 Share price movement

The market prices during the quarter	2015	2014	Year ended 31.12.2014
Highest price Rs.	460.00	294.90	400.00
Lowest price Rs.	390.00	263.00	263.00
Last traded price Rs.	392.90	264.30	399.60

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

Notes to the Financial Statement for the year ended 31/03/2015 *Continued*

9 Names and the Number of Shares held by the largest 20 shareholders as at 31st March 2015 :

	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	6,300,185	5.25
3	Citigroup Global Markets Limited Agency Trading Prop Securities A/C	3,073,550	2.56
4	Caceis Bank Luxembourg S/A BARCA GLOBAL MASTER FUND LPOGIER	2,716,306	2.26
5	BNYM SA/NV- Blackrock Frontiers Investment Trust PLC	2,316,888	1.93
6	RBC Investor Services Bank- COELI SICAV I- FRONTIER MARKETS FUND	2,223,027	1.85
7	Nothern Trust CO S/A- Nothern Trust Fiduciary Services (Ireland) Ltd AS TRUSTEE TO BARING ASEAN FRO	2,117,032	1.76
8	HSBC International Nominees 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	HSBC International Nominees Ltd-BPSS Lux Aberdeen Global Asian Small companies fund	1,687,566	1.41
11	Renuka Hotels Limited	1,400,000	1.17
12	Cargo Boat Development Company Limited	1,400,000	1.17
13	HSBC INTL NOMINEES LTD-BP2S LONDON- ABERDEEN ASIA SMALLER COMPANIES INVESTMENT TRUST	1,384,697	1.15
14	Nothern Trust Global Services London S/A VERDIPAPIRONDET ODIN EMERGING MARKETS	1,191,184	0.99
15	Mellon Bank N.A.- Florida Retirement System	1,095,406	0.91
16	Employees Provident Fund	1,007,958	0.84
17	Crescent Launderers & Dry Cleaners (Pvt) Ltd	1,000,000	0.83
18	HSBC INTL NOM LTD-JPMCB-INVESTERINGSFORENINGEN BANKINVEST, AFO NEW EMERGING MARKETS AKTIER	993,444	0.83
19	HSBC International Nominees Ltd-SSBT-PARAMETRIC EMERGING MARKETS FUND	956,727	0.80
20	CB NY S/A WASATCH FRONTIER EMERGING SMALL COUNTRIES CIT FUND	950,060	0.79
		96,724,830	80.60

10 Public Holding : 49%. The Number of shareholders representing the public holding was 3144.

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

Web Address : www.chevron.lk

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