

**CHEVRON LUBRICANTS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**30TH JUNE 2015**

**CHEVRON LUBRICANTS LANKA PLC**

**INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2015**

**CONTENTS**

---

Interim Comprehensive Income Statement

Interim Statement of Financial Position

Interim Statement of Changes in Equity

Interim Statement of Cash Flows

Selective Notes to the Interim Financial Statements

Corporate Information

## Chevron Lubricants Lanka PLC

### Interim Comprehensive Income Statement - by function of expenses

(Amounts in Rs.000's)

	Note	Three months ended 30th June			Six months ended 30th June		
		2015	2014	Change %	2015	2014	Change %
Revenue		2,796,862	2,705,788	3	5,608,373	5,694,613	(2)
Cost of sales		(1,519,149)	(1,550,763)	(2)	(3,134,850)	(3,298,813)	(5)
<b>Gross profit</b>		<b>1,277,713</b>	<b>1,155,025</b>	<b>11</b>	<b>2,473,523</b>	<b>2,395,800</b>	<b>3</b>
Distribution costs		(131,040)	(124,566)	5	(221,758)	(250,464)	(11)
Administrative expenses		(129,397)	(132,008)	(2)	(237,398)	(247,118)	(4)
Other operating income		5,283	4,113	28	6,917	5,504	26
<b>Operating profit</b>		<b>1,022,559</b>	<b>902,564</b>	<b>13</b>	<b>2,021,284</b>	<b>1,903,723</b>	<b>6</b>
Finance income		42,462	20,086	111	71,239	64,990	10
Finance costs		0	(404)	(100)	(1)	(439)	(100)
<b>Profit before income tax</b>		<b>1,065,021</b>	<b>922,246</b>	<b>15</b>	<b>2,092,522</b>	<b>1,968,274</b>	<b>6</b>
Income tax expense		(267,871)	(246,944)	8	(552,673)	(529,331)	4
<b>Profit for the period</b>		<b>797,150</b>	<b>675,302</b>	<b>18</b>	<b>1,539,849</b>	<b>1,438,942</b>	<b>7</b>
<b>Total comprehensive income for the period</b>		<b>797,150</b>	<b>675,302</b>	<b>18</b>	<b>1,539,849</b>	<b>1,438,942</b>	<b>7</b>
<b>Earnings per share attributable to the equity holders of the company during the year</b>							
Basic earnings per share (expressed in LKR)		6.64	5.63		12.83	11.99	

**Notes** -The above figures are not audited.

Figures in brackets indicate deductions.

## Chevron Lubricants Lanka PLC

### Interim Comprehensive Income Statement - *Continued*

(Amounts in Rs.000's)

	Note	Three months ended 30th June			Six months ended 30th June		
		2015	2014	Change %	2015	2014	Change %
<b>Profit for the period</b>		<b>797,150</b>	<b>675,302</b>	<b>18</b>	<b>1,539,849</b>	<b>1,438,942</b>	<b>7</b>
<b>Other comprehensive income:</b>							
Actuarial (loss)/gain on retirement benefit obligations		-	-	-	-	-	-
Tax on other comprehensive income		-	-	-	-	-	-
<b>Other Comprehensive (loss)/ income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>797,150</b>	<b>675,302</b>	<b>18</b>	<b>1,539,849</b>	<b>1,438,942</b>	<b>7</b>

# Chevron Lubricants Lanka PLC

## Interim Statement of Financial Position

(Amounts in Rs.000's)

Note	30th June 2015	31st December 2014
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	2,186,525	2,243,616
Trade and other receivables	81,894	66,274
	<b>2,268,419</b>	<b>2,309,890</b>
<b>Current assets</b>		
Inventories	1,782,119	1,746,241
Trade and other receivables	1,201,667	1,130,140
Cash and cash equivalents	2,804,610	1,290,528
	<b>5,788,396</b>	<b>4,166,909</b>
<b>Total assets</b>	<b>8,056,815</b>	<b>6,476,799</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Stated capital	600,000	600,000
Retained earnings	5,539,059	4,599,210
<b>Total equity</b>	<b>6,139,059</b>	<b>5,199,210</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Retirement benefit obligations	127,341	119,902
Deferred tax liabilities	136,022	101,595
	<b>263,363</b>	<b>221,497</b>
<b>Current liabilities</b>		
Trade and other payables	1,140,683	652,962
Current income tax liabilities	513,710	403,130
	<b>1,654,393</b>	<b>1,056,092</b>
<b>Total liabilities</b>	<b>1,917,756</b>	<b>1,277,589</b>
<b>Total equity and liabilities</b>	<b>8,056,815</b>	<b>6,476,799</b>
Net Assets per Share (Rs.)	51.16	43.33

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 12th August 2015.

(Sgd) Kishu Gomes  
Managing Director / CEO  
12th August 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 30th June	
		2015	2014
<b>Cash flows from operating activities</b>			
Cash generated from operations	(i)	2,473,109	1,068
Interest paid		(1)	(439)
Retirement benefits paid		(2,161)	(2,696)
Income tax paid		(407,667)	(406,027)
<b>Net cash generated from operating activities</b>		<b>2,063,280</b>	<b>(408,094)</b>
<b>Cash flows from investing activities</b>			
Purchase of Property, Plant & Equipment		(13,341)	(416,084)
Proceeds from disposal of Property, Plant & Equipment		105	-
Interest received		64,037	37,055
<b>Net cash used in investing activities</b>		<b>50,801</b>	<b>(379,029)</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(600,000)	(1,020,000)
<b>Net cash used in financing activities</b>		<b>(600,000)</b>	<b>(1,020,000)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>1,514,081</b>	<b>(1,807,123)</b>
<b>Movement in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of period		1,290,529	2,485,174
Increase in cash and cash equivalents		1,514,081	(1,807,124)
<b>Cash and cash equivalents at end of period</b>		<b>2,804,610</b>	<b>678,050</b>

Note (i)

	Year ended 30th June	
	2015	2014
<b>Cash generated from operations</b>		
Profit before taxation	2,092,523	1,968,274
Adjustments for :		
Depreciation	70,320	22,320
Property, plant and equipment Writtenoff	113	-
Amortisation of marketing support fee paid	12,004	14,969
(Profit)/Loss on disposal of property, plant and equipment	(105)	0
Interest income	(64,037)	(37,055)
Interest expense	1	439
(Reversal of provision)/Provision for impairment on trade receivables	3,269	-
Changes in working capital		
- trade and other receivables	(102,422)	(222,403)
- inventories	(35,878)	(1,104,710)
- payables	487,721	(652,957)
Defined benefit obligations	9,600	12,191
<b>Cash generated from operations</b>	<b>2,473,109</b>	<b>1,068</b>

## 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>
<b>Balance as at 1st January 2014</b>	<b>600,000</b>	<b>4,240,020</b>	<b>4,840,020</b>
Profit for the period	Nil	1,438,942	1,438,942
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners			
- Dividends	Nil	(480,000)	(480,000)
<b>Balance as at 30th June 2014</b>	<b>600,000</b>	<b>5,198,962</b>	<b>5,798,962</b>
<b>Balance as at 1st January 2015</b>	<b>600,000</b>	<b>4,599,210</b>	<b>5,199,210</b>
Profit for the period	Nil	1,539,849	1,539,849
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners			
- Dividends		(600,000)	(600,000)
<b>Balance as at 30th June 2015</b>	<b>600,000</b>	<b>5,539,059</b>	<b>6,139,059</b>

# Chevron Lubricants Lanka PLC

## Notes to the Financial Statement for the period ended 30/06/2015

### 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 12th August 2015.

### 2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC are for the six months ended 30th June 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 amortized 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 30/06/2015.

5 Apart from the following disclosure, no circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the Financial Statements.

A Draft Bill 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 Bill, The Company would be liable to pay Rs.847,363,811 as Super Gains Tax. The Company has not provided for this liability as this Draft Bill is yet to be 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.	410.00	295.00	400.00
Lowest price Rs.	365.00	265.00	263.00
Last traded price Rs.	367.70	295.00	399.60

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



## Notes to the Financial Statement for the year ended 30/06/2015 *Continued*

9 Names and the Number of Shares held by the largest 20 shareholders as at 30th June 2015 :

	<b>Name of Shareholders</b>	<b>Number of Shares</b>	<b>%</b>
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	2,286,888	1.91
6	Nothern Trust CO S/A- Northern Trust Fiduciary Services (Ireland) Ltd AS TRUSTEE TO BARING ASEAN FRO	2,117,032	1.76
7	RBC Investor Services Bank- COELI SICAV I- FRONTIER MARKETS FUND	2,023,027	1.69
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	1,256,947	1.05
15	Mellon Bank N.A.- Florida Retirement System	1,095,406	0.91
16	HSBC International Nominees Ltd-SSBT-PARAMETRIC EMERGING MARKETS FUND	1,018,398	0.85
17	Employees Provident Fund	1,007,958	0.84
18	Crescent Launderers & Dry Cleaners (Pvt) Ltd	1,000,000	0.83
19	CB NY S/A WASATCH FRONTIER EMERGING SMALL COUNTRIES CIT FUND	950,060	0.79
20	HSBC INTL NOM LTD-JPMCB-INVESTERINGSFORENINGEN BANKINVEST, AFD NEW EMERGING MARKETS AKTIER	826,144	0.69
		<b>96,454,964</b>	<b>80.39</b>

10 Public Holding : 49%. The Number of shareholders representing the public holding was 3264.

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](http://www.chevron.lk)

**Email** : [contactus@chevron.com](mailto:contactus@chevron.com)

**Telephone** : 94 11 4524524

**Facsimile** : 94 11 4524566