

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

**CHEVRON LUBRICANTS LANKA PLC**

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

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## Chevron Lubricants Lanka PLC

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

(Amounts in Rs.000's)

	Note	Three months ended 30th September			Nine months ended 30th September		
		2015	2014	Change %	2015	2014	Change %
Revenue		2,997,614	3,082,532	(3)	8,605,987	8,777,145	(2)
Cost of sales		(1,621,325)	(1,821,522)	(11)	(4,756,175)	(5,120,336)	(7)
<b>Gross profit</b>		<b>1,376,289</b>	<b>1,261,010</b>	<b>9</b>	<b>3,849,812</b>	<b>3,656,809</b>	<b>5</b>
Distribution costs		(143,251)	(120,118)	19	(365,008)	(370,582)	(2)
Administrative expenses		(145,524)	(153,007)	(5)	(382,922)	(400,124)	(4)
Other operating income		2,638	2,777	(5)	9,555	8,281	15
<b>Operating profit</b>		<b>1,090,152</b>	<b>990,662</b>	<b>10</b>	<b>3,111,437</b>	<b>2,894,384</b>	<b>7</b>
Finance income		48,147	25,366	90	119,386	90,356	32
Finance costs		(33)	2	(1,570)	(34)	(437)	(92)
<b>Profit before income tax</b>		<b>1,138,266</b>	<b>1,016,030</b>	<b>12</b>	<b>3,230,789</b>	<b>2,984,303</b>	<b>8</b>
Income tax expense		(303,502)	(266,124)	14	(856,175)	(795,455)	8
<b>Profit for the period</b>		<b>834,764</b>	<b>749,906</b>	<b>11</b>	<b>2,374,614</b>	<b>2,188,848</b>	<b>8</b>
<b>Total comprehensive income for the period</b>		<b>834,764</b>	<b>749,906</b>	<b>11</b>	<b>2,374,614</b>	<b>2,188,848</b>	<b>8</b>
<b>Earnings per share attributable to the equity holders of the company during the year</b>							
Basic earnings per share (expressed in LKR)		6.96	6.25		19.79	18.24	

**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 September			Nine months ended 30th September		
		2015	2014	Change %	2015	2014	Change %
Profit for the period		834,764	749,906	11	2,374,614	2,188,848	8
<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>Total comprehensive income for the period</b>		<b>834,764</b>	<b>749,906</b>	<b>11</b>	<b>2,374,614</b>	<b>2,188,848</b>	<b>8</b>

**Chevron Lubricants Lanka PLC**  
**Interim Statement of Financial Position**

(Amounts in Rs.000's)

Note	30th September 2015	31st December 2014
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	2,175,481	2,243,616
Trade and other receivables	80,682	66,274
	<b>2,256,163</b>	<b>2,309,890</b>
<b>Current assets</b>		
Inventories	1,410,064	1,746,241
Trade and other receivables	1,237,714	1,130,140
Cash and cash equivalents	2,820,747	1,290,528
	<b>5,468,525</b>	<b>4,166,909</b>
<b>Total assets</b>	<b>7,724,688</b>	<b>6,476,799</b>
<b>EQUITY AND LIABILITIES</b>		
Stated capital	600,000	600,000
Retained earnings	5,653,824	4,599,210
<b>Total equity</b>	<b>6,253,824</b>	<b>5,199,210</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Retirement benefit obligations	129,372	119,902
Deferred tax liabilities	154,366	101,595
	<b>283,738</b>	<b>221,497</b>
<b>Current liabilities</b>		
Trade and other payables	606,703	652,962
Current income tax liabilities	580,423	403,130
	<b>1,187,126</b>	<b>1,056,092</b>
<b>Total liabilities</b>	<b>1,470,864</b>	<b>1,277,589</b>
<b>Total equity and liabilities</b>	<b>7,724,688</b>	<b>6,476,799</b>
Net Assets per Share (Rs.)	52.12	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 2nd November 2015.

(Sgd) Kishu Gomes  
 Managing Director / CEO  
 2nd November 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 September	
		2015	2014
<b>Cash flows from operating activities</b>			
Cash generated from operations	(i)	3,407,997	2,725,110
Interest paid		(33)	437
Retirement benefits paid		(4,929)	(7,473)
Income tax paid		(626,113)	(694,081)
<b>Net cash generated from operating activities</b>		<b>2,776,922</b>	<b>2,023,993</b>
<b>Cash flows from investing activities</b>			
Purchase of Property, Plant & Equipment		(38,495)	(736,246)
Proceeds from disposal of Property, Plant & Equipment		232	1,888
Interest received		111,559	61,205
<b>Net cash used in investing activities</b>		<b>73,296</b>	<b>(673,153)</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(1,320,000)	(1,620,000)
<b>Net cash used in financing activities</b>		<b>(1,320,000)</b>	<b>(1,620,000)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>1,530,218</b>	<b>(269,160)</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		1,530,218	(269,160)
<b>Cash and cash equivalents at end of period</b>		<b>2,820,747</b>	<b>2,216,014</b>

Note (i)

	Period ended 30th September	
	2015	2014
<b>Cash generated from operations</b>		
Profit before taxation	3,230,789	2,984,303
Adjustments for :		
Depreciation	106,463	31,603
Property, plant and equipment Writtenoff	167	34.08
Amortisation of marketing support fee paid	18,011	22,260
(Profit)/Loss on disposal of property, plant and equipment	(232)	(1,888)
Interest income	(111,559)	(61,205)
Interest expense	33	(437)
(Reversal of provision)/Provision for impairment on trade receivables	(2,757)	-
Changes in working capital		
- trade and other receivables	(137,236)	(55,552)
- inventories	336,177	(180,994)
- payables	(46,259)	(31,301)
Defined benefit obligations	14,400	18,286
<b>Cash generated from operations</b>	<b>3,407,997</b>	<b>2,725,110</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	2,188,848	2,188,848
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners			
- Dividends	Nil	(1,080,000)	(1,080,000)
<b>Balance as at 30th September 2014</b>	<b>600,000</b>	<b>5,348,868</b>	<b>5,948,868</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	2,374,614	2,374,614
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners			
- Dividends		(1,320,000)	(1,320,000)
<b>Balance as at 30th September 2015</b>	<b>600,000</b>	<b>5,653,824</b>	<b>6,253,824</b>

# Chevron Lubricants Lanka PLC

## Notes to the Financial Statement for the period ended 30/09/2015

### 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 2nd November 2015.

### 2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC are for the nine months ended 30th September 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 30/09/2015.

### 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.

The Finance Bill incorporating the Super Gain Tax as proposed in the Government Budget presented by the Minister of Finance on 29th January 2015 was passed by the Parliament on 20th October 2015 and certified by the Speaker on 30th October 2015.

As per the provisions of the Finance Bill, the Company would be liable to pay Rs.847,363, 811/- as Super Gain Tax in three equal instalments, which fall due on or before 31st October, 30th November and 31st December 2015.

No adjustment has been made to the interim financial statements as the Finance Bill had not been enacted as at the Balance Sheet date.

### 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.	419.90	348.00	400.00
Lowest price Rs.	370.00	290.00	263.00
Last traded price Rs.	370.00	335.80	399.60

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

## Notes to the Financial Statement for the year ended 30/09/2015 *Continued*

9 Names and the Number of Shares held by the largest 20 shareholders as at 30th September 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	2,961,409	2.47
4	BNYM SA/NV- Blackrock Frontiers Investment Trust PLC	2,286,888	1.91
5	HSBC International Nominees Ltd-SSBT-Aberdeen Institutional Commingled Funds, LLC	1,880,000	1.57
6	RBC Investor Services Bank- COELI SICAV I- FRONTIER MARKETS FUND	1,864,851	1.55
7	HSBC INTL NOM LTD-BP2S LUXEMBOURG-ABERDEEN GLOBAL FRONTIER MARKETS EQUITY FUND	1,830,800	1.53
8	HSBC International Nominees Ltd-BPSS Lux Aberdeen Global Asian Small companies fund	1,675,287	1.40
9	Caceis Bank Luxembourg S/A BARCA GLOBAL MASTER FUND LPOGIER	1,607,208	1.34
10	Renuka Hotels Limited	1,400,000	1.17
11	Cargo Boat Development Company Limited	1,400,000	1.17
12	HSBC INTL NOMINEES LTD-BP2S LONDON- ABERDEEN ASIA SMALLER COMPANIES INVESTMENT TRUST	1,384,697	1.15
13	Nothern Trust CO S/A- Nothern Trust Fiduciary Services (Ireland) Ltd AS TRUSTEE TO BARING ASEAN FRO	1,272,128	1.06
14	Nothern Trust Global Services London S/A VERDIPAPIRONDET ODIN EMERGING MARKETS	1,256,947	1.05
15	BNYM SA/NV-NEON LIBERTY EMERGING MARKETS FUND LP	1,109,098	0.92
16	Mellon Bank N.A.- Florida Retirement System	1,095,406	0.91
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 International Nominees Ltd-SSBT-PARAMETRIC EMERGING MARKETS FUND	920,603	0.77
		<b>94,403,525</b>	<b>78.68</b>

10 Public Holding : 49%. The Number of shareholders representing the public holding was 3360.

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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