Income Statement for the 9 months ended 30th September

(In Rs. 000's)

	2010	2009	Change	Year ended
Sales	7,092,863	6,599,484	% 7	31.12.2009 8,690,554
Cost of sales	(4,754,583)	(4,267,461)	11	(5,595,052)
Gross profit	2,338,280	2,332,023	0	3,095,502
Other operating income	542	1,462	(63)	1,531
Distribution costs	(310,744)	(398,392)	(22)	(547,508)
Administrative expenses	(250,599)	(223,966)	12	(304,561)
Operating profit	1,777,479	1,711,127	4	2,244,964
Finance income	57,863	62,945	(8)	99,406
Profit before tax	1,835,342	1,774,072	3	2,344,370
Тах	(651,744)	(655,109)	(1)	(849,465)
Net profit after tax	1,183,598	1,118,963	6	1,494,905

9.86

9.32

12.46

Basic earnings per share (Rs.)

Figures in brackets indicate deductions.

Income Statement for the 3 months ended 30th September

(In Rs. 000's)

	2010	2009	Change %	Year ended 31.12.2009
Sales	2,510,305	2,197,310	78 14	8,690,554
Cost of sales	(1,695,655)	(1,287,759)	32	(5,595,052)
Gross profit	814,650	909,551	(10)	3,095,502
Other operating income	249	741	(66)	1,531
Distribution costs	(116,891)	(108,185)	8	(547,508)
Administrative expenses	(90,178)	(74,193)	(74,193) 22 (304,56	
Operating profit	607,831	727,914	(16)	2,244,964
Finance income	17,569	29,451	(40)	99,406
Profit before tax	625,400	757,365	(17)	2,344,370
Тах	(230,293)	(270,588)	(15)	(849,465)
Net profit after tax	395,107	486,777	(19)	1,494,905
Basic earnings per share (Rs.)	3.29	4.06		12.46

Figures in brackets indicate deductions.

Balance sheet as at

(In Rs. 000's)

(
	30th Sept	31st Dec
	2010	2009
ASSETS		
Non-current assets		
Property,plant and equipment	214,647	260,080
Non current receivables	41,885	33,526
Deferred tax asset	30,539	46,708
	287,071	340,314
Current assets		
Inventories	1,975,676	1,428,521
Receivables and prepayments	1,064,891	868,475
Cash and cash equivalents	611,945	1,394,235
	3,652,512	3,691,231
Total assets	3,939,583	4,031,545
EQUITY AND LIABILITIES		
Capital and reserves		
Stated Capital	600,000	600,000
Retained earnings	2,039,853	1,606,255
-	2,639,853	2,206,255
Non-current liabilities		
Defined benefit obligation	129,951	118,978
	129,951	118,978
Current liabilities		
Trade and other payables	733,325	1,099,145
Current tax liabilities	436,454	607,167
	1,169,779	1,706,312
Total liabilities	1,299,730	1,825,290
Total equity and liabilities	3,939,583	4,031,545
Net Assets per Share (Rs.)	22.00	18.39

The Income Statement, Balance Sheet , Cash Flow Statement and the Statement in Changes of Equity have been drawn from unaudited accounts of the Company. I certify that these financial statements comply with the requirements of the Companies Act no 07 of 2007.

.....

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 13th October 2010.

Kishu Gomes CEO / Managing Director 15th October 2010

Aberere

Anura Perera Director / General Manager-Finance

Chevron Lubricants Lanka PLC Notes to the Financial Statements

- 1. The Company has followed the same accounting policies and methods of computation as disclosed in the Annual Report for the year ended 31.12.2009. The above financial statements comply with SLAS 35.
- 2. The presentation & classification of figures for the corresponding period of the previous year have been amended to be comparable with those for the current year.
- 3. Net assets per share has been computed based on number of shares in issue as at 30/09/2010.
- 4. The Board of Directors has declared a third interim dividend of Rs.3 per share which will amount to Rs. 360 Million, payable on 8th November 2010. Except for this dividend declaration no circumstances have arisen since the Balance Sheet date, which would require adjustment to or disclosure in the financial statements.
- 5. There has been no major change in the contingent liablities which were diclosed in the last Annual Report for year ended 2009.

6. Share price movement for the Quarter	Sep	Sep
	2010	2009
Highest price Rs.	175.00	155.00
Lowest price Rs.	150.00	119.00
Last traded price Rs.	170.20	153.00

Cash flow statement for the 9 months ended 30th September

(In Rs. 000's)

(11 KS. 000 S)	Notes	2010	2009
Operating activities			
Cash generated from operations	(i)	1,496,910	2,410,987
Interest received		66,414	79,953
Interest paid		(186)	(2,118)
Defined benefit obligation paid		(5,724)	(6,773)
Tax paid		(806,286)	(405,207)
Net cash from operating activities		751,128	2,076,842
Investing activities			
Purchase of property, plant & equipment		(3,428)	(4,850)
Proceeds from disposal of property, plant & equipment		10	-
Net cash used in investing activities		(3,418)	(4,850)
—			
Financing activities		(4,500,000)	(400,000)
Dividends paid to shareholders		(1,530,000)	(480,000)
Net cash used in financing activities		(1,530,000)	(480,000)
Increase in cash & cash equivalents		(782,290)	1,591,992
Management in a set 9 as a service lasts			
Movement in cash & cash equivalents		1 204 225	00 452
At start of year Increase / (Decrease)		1,394,235 (782,290)	90,453 1,591,992
At end of 9 months		<u>611,945</u>	1,682,445
		011,040	1,002,440
Note (i)			
Cash generated from operations			
Profit before taxation		1,835,342	1,774,072
Adjustments for :			
Depreciation		48,856	62,904
Property, plant and equipment Written off		4	4,312
(Profit)/Loss on disposal of property, plant and equipmer	nt	(10)	-
Interest income		(66,414)	(79,953)
Interest expense		186	2,118
Provision for bad & doubtful debts		4	1,774
Changes in working capital			
- trade & other receivables		(204,780)	132,799
- inventories		(547,154)	367,790
- payables		414,180	124,451
Defined benefit obligations		16,696	20,720
Cash generated from operations		1,496,910	2,410,987

Statement of Changes in Equity

(In Rs. 000's)

	Share Capital	Retained Earnings	Total
Balance as at 1st January 2009	600,000	1,551,350	2,151,350
Net profit for the period	Nil	1,118,963	1,118,963
Dividends	Nil	(420,000)	(420,000)
Unaudited balance as at 30th September 2009	600,000	2,250,313	2,850,313
Audited balance as at 31st December 2009	600,000	1,606,255	2,206,255
Net profit for the period	Nil	1,183,598	1,183,598
Dividends	Nil	(750,000)	(750,000)
Unaudited balance as at 30th September 2010	600,000	2,039,853	2,639,853

Financial Statement for the 9 months ended 30/09/2010

Additional Notes

1 Stated Capital is represented by 120,000,000 ordinary Shares. (2009 :120,000,000)

2 Names and the Number of Shares held by the largest 20 shareholders as at 30th September 2010 :

		As at 30th Sep 2010 Number of		As at 30th June 2010 Number of	
	Name of Shareholders	Shares	%	Shares	%
1	Chevron Ceylon Limited	61,200,000	51.00	61,200,000	51.00
2	HSBC International Nominees Ltd-BPSS Lux Aberdeen Global	11,869,200	9.89	9,869,200	8.22
3	HSBC International Nominees Ltd-BP2 S London- Aberdeen Asia Smaller Comp	3,580,800	2.98	3,580,800	2.98
4	Caceis Bank Luxembourg S/A BARCA GLOBAL MASTER FUND LPOGIER	3,414,600	2.85	3,414,600	2.85
5	Employees Provident Fund	3,111,500	2.59	3,361,500	2.80
6	HSBC International Nominees Ltd-BPSS Lux Aberdeen Global- EME	2,166,200	1.81	-	-
7	Cargo Boat Development Company Limited	2,000,000	1.67	2,000,000	1.67
8	Renuka Hotels Limited	1,400,000	1.17	1,400,000	1.17
9	National Savings Bank	1,276,200	1.06	1,261,200	1.05
10	Employees Trust Fund Board	1,270,400	1.06	1,250,400	1.04
11	Crescent Launderers & Dry Cleaners (Pvt) Ltd	1,000,000	0.80	1,000,000	0.83
12	Mellon Bank N.A Florida Retirement system	747,200	0.62	-	-
13	Bank of Ceylon No 1 Account	612,800	0.51	-	-
14	DFCC Bank- Account No 1	609,400	0.51	609,400	0.51
15	Nothern Trust CO S/A the Royal Bank of Scotland as Trustee	500,000	0.42	-	-
16	Freudenberg Shipping Agencies Limited	500,000	0.42	438,600	0.37
17	Danske Bank A/S	500,000	0.42	-	-
18	Bartlee Financial Services Limited	494,900	0.41	-	-
19	Mr.Mahipala Udabage	476,500	0.40	476,500	0.40
20	Pershing LLC S/A Averbach Grauson & Co	463,000	0.39	1,024,400	0.85
		97,192,700	80.98	90,886,600	75.74

3 Public Holding : 49%

4 None of the Directors hold shares in the company except A.M.Anura Perera who holds 400 shares.

5 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 in the Colombo Stock Exchange)

Company Registration Number PQ 54

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

Directors

Kevin Martin Kelly - *Chairman* Kishu Gomes - *Managing Director / CEO* Rob Otteson Ken Balendra Daham Wimalasena Deva rRodrigo Anura Perera

Secretary

A.M.A. Perera Chevron House No.490, Galle Road, Colombo 3.

Registrars to the Company

Secretaries & Registrars Limited 1st Floor, KPMG Building 32A, Sir Mohammed Macan Marker Mawatha 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 Standard Chartered Bank Commercial Bank