

**VALLIBEL ONE PLC**  
**INTERIM FINANCIAL STATEMENTS**

**Vallibel | ONE**

**For the Six Months ended 30th September 2013**

**VALLIBEL ONE PLC**  
**STATEMENT OF FINANCIAL POSITION**

As at	Company		Group	
	30.09.2013 Rs.'000	31.03.2013 Rs.'000	30.09.2013 Rs.'000	31.03.2013 Rs.'000
<b>ASSETS</b>				
Cash and Bank	26,204	5,212	3,254,440	4,970,491
Fair Value Through P&L - Financial Assets	315,633	210,329	495,000	580,632
Short Term Investments	1,240,000	1,728,000	440,000	615,000
Loans and Receivable	375,000	375,000	17,412,880	16,895,092
Lease Rentals receivables and Stock out on hire	-	-	29,671,180	28,260,005
Available for Sales - Financial Assets	826,863	857,083	2,381,408	1,524,176
Other Financial Assets	-	-	2,362,614	1,487,399
Trade and Other Receivables	93,967	123,331	7,048,003	4,061,330
Other Non Financial Assets	-	-	1,763,949	1,759,796
Investments in Subsidiaries	17,118,514	17,118,514	-	-
Investment in Associate	7,304,772	7,304,772	7,881,551	7,738,469
Amounts Due From Related Parties	183,791	146,635	16,295	21,007
Deferred Tax Assets	-	-	226,759	221,214
Income Tax Recoverable	5,197	8,155	33,244	49,102
Inventories	-	-	9,530,006	4,939,039
Investment property	-	-	269,294	-
Intangible Assets	-	-	13,328,073	12,181,908
Property, Plant and Equipment	38,622	40,860	21,143,589	11,814,448
<b>Total Assets</b>	<b>27,528,563</b>	<b>27,917,891</b>	<b>117,258,284</b>	<b>97,119,106</b>
<b>LIABILITIES</b>				
Due to Banks	-	5,609	6,823,394	8,295,497
Due to Customers	-	-	42,024,312	37,591,184
Interest Bearing Loans and Borrowings	-	-	17,890,126	9,394,045
Trade and Other Payables	252,843	236,854	5,237,637	3,921,286
Other Financial Liabilities	-	-	503,571	-
Other Non Financial Liabilities	-	-	1,188,935	895,580
Amounts Due To Related Parties	-	25	2,565	1,039
Dividend Payable	-	1,607	27,190	32,790
Capital Grants	-	-	117,800	-
Employee Benefit Liabilities	1,763	1,763	996,484	376,222
Income Tax Liabilities	8,877	25,233	24,891	192,809
Deferred Tax Liabilities	2,633	2,829	524,986	71,852
<b>Total Liabilities</b>	<b>266,116</b>	<b>273,920</b>	<b>75,361,891</b>	<b>60,772,306</b>
<b>Shareholders' Funds</b>				
<b>Equity Attributable to Equity Holders of the Parent</b>				
Stated Capital	27,163,984	27,163,984	27,163,984	27,163,984
Reserves	98,464	479,988	3,223,646	3,498,715
	27,262,447	27,643,972	30,387,630	30,662,699
<b>Non Controlling Interest</b>	-	-	11,508,764	5,684,101
<b>Total Equity</b>	<b>27,262,447</b>	<b>27,643,972</b>	<b>41,896,393</b>	<b>36,346,800</b>
<b>Total Equity and Liabilities</b>	<b>27,528,563</b>	<b>27,917,891</b>	<b>117,258,284</b>	<b>97,119,106</b>

<b>Net Asset Per Share (Rs.)</b>	<b>25.09</b>	<b>25.44</b>	<b>27.97</b>	<b>28.22</b>
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These Financial Statements are in Compliance with the requirements of Companies Act No. 07 of 2007.

Sgd.  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements signed for and on behalf of the board by.

Sgd.  
Director

Sgd.  
Director

**VALLIBEL ONE PLC**  
STATEMENT OF INCOME

For the period ended 30th September	Company					Group				
	Quarter		Cumulative		Variance %	Quarter		Cumulative		Variance %
	2013 Rs.'000	2012 Rs.'000	2013 Rs.'000	2012 Rs.'000		2013 Rs.'000	2012 Rs.'000	2013 Rs.'000	2012 Rs.'000	
Revenue	-	-	-	-	-	11,539,964	8,329,418	20,796,484	15,594,527	33
Cost of Sales	-	-	-	-	-	(8,577,368)	(5,764,515)	(15,500,638)	(10,755,963)	44
<b>Gross Profit</b>	-	-	-	-	-	2,962,596	2,564,903	5,295,846	4,838,564	9
Dividend income	217,497	169,493	350,915	265,109	32	12,984	62,387	14,172	62,387	100
Other operating income	-	-	-	-	-	138,861	128,195	321,008	201,489	59
Administrative Expenses	(18,488)	(21,429)	(35,967)	(38,420)	(6)	(944,331)	(850,797)	(1,705,020)	(1,491,778)	14
Distribution Expenses	-	-	-	-	-	(614,509)	(452,189)	(1,106,523)	(828,088)	34
Other Operating Expenses	-	-	-	-	-	(252,833)	(232,759)	(998,060)	(719,682)	39
<b>Results from Operating activities</b>	<b>199,009</b>	<b>148,064</b>	<b>314,948</b>	<b>226,689</b>	39	<b>1,302,768</b>	<b>1,219,740</b>	<b>1,821,423</b>	<b>2,062,893</b>	(12)
Finance Cost	(2,793)	16,141	(9,426)	(6,020)	57	(547,042)	(193,604)	(1,036,288)	(596,139)	74
Finance Income	65,798	82,835	153,867	152,109	1	36,276	32,609	116,848	161,012	(27)
<b>Net Finance cost</b>	63,005	98,976	144,440	146,089	(1)	(510,766)	(160,995)	(919,440)	(435,127)	111
Provision for fall in value of Investments	(36,954)	(11,151)	(15,430)	(21,675)	(29)	(36,219)	(11,151)	(15,430)	(21,675)	(29)
Share of results of equity accounted Investees	-	-	-	-	-	128,363	164,491	225,570	349,872	(36)
<b>Profit Before Value Added Tax</b>	<b>225,060</b>	<b>235,889</b>	<b>443,958</b>	<b>351,103</b>	26	<b>884,146</b>	<b>1,212,084</b>	<b>1,112,123</b>	<b>1,955,962</b>	(43)
Value Added Tax on Financial Services	-	-	-	-	-	(13,424)	(44,158)	(38,488)	(85,449)	(55)
<b>Profit Before Tax</b>	<b>225,060</b>	<b>235,889</b>	<b>443,958</b>	<b>351,103</b>	26	<b>870,722</b>	<b>1,167,926</b>	<b>1,073,635</b>	<b>1,870,513</b>	(43)
Income Tax Expense	(15,113)	(3,974)	(34,671)	(18,734)	85	(290,105)	(310,809)	(417,361)	(530,015)	(21)
<b>Profit for the Period</b>	<b>209,947</b>	<b>231,915</b>	<b>409,287</b>	<b>332,369</b>	23	<b>580,617</b>	<b>857,116</b>	<b>656,274</b>	<b>1,340,498</b>	(51)
<b>Attributable to :</b>										
Equity holders of the Parent	209,947	231,915	409,287	332,369	23	279,489	539,831	425,772	908,263	(53)
Non - Controlling Interests	-	-	-	-	-	301,129	317,285	230,502	432,235	(47)
	<b>209,947</b>	<b>231,915</b>	<b>409,287</b>	<b>332,369</b>	23	<b>580,617</b>	<b>857,116</b>	<b>656,274</b>	<b>1,340,498</b>	(51)
Earnings Per Share (Rs.)	0.19	0.21	0.38	0.31		0.26	0.50	0.39	0.84	

**VALLIBEL ONE PLC**  
STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30th September

**Other Comprehensive Income**

**Net Profit for the Period**

Share of other comprehensive income of equity accounted investees

Income tax effect

Net Gain/(Loss) on Available for sale Financial Assets

Income tax effect

Revaluation of Land & Building

Income tax effect

Exchange difference on translation of foreign operations

**Other Comprehensive Income for the period, net of tax**

**Total Comprehensive Income for the period, net of tax**

**Total Comprehensive income attributable to :**

Equity holders of the Parent

Non - Controlling Interests

	Company					Group				
	Quarter		Cumulative		Variance %	Quarter		Cumulative		Variance %
	2013 Rs.'000	2012 Rs.'000	2013 Rs.'000	2012 Rs.'000		2013 Rs.'000	2012 Rs.'000	2013 Rs.'000	2012 Rs.'000	
<b>Net Profit for the Period</b>	209,947	231,915	409,287	332,369	23	580,617	857,116	656,274	1,340,498	(51)
Share of other comprehensive income of equity accounted investees	-	-	-	-	-	2,301	20,736	66,423	116,399	(43)
Income tax effect	-	-	-	-	-	-	-	-	-	-
Net Gain/(Loss) on Available for sale Financial Assets	(63,852)	114,649	(30,220)	16,007	(289)	(85,744)	115,546	(37,588)	22,449	(267)
Income tax effect	-	-	-	-	-	-	(601)	-	(1,909)	(100)
Revaluation of Land & Building	-	-	-	-	-	488	(56,209)	488	160,679	(100)
Income tax effect	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	(5,243)	33,109	31,870	76,712	(58)
<b>Other Comprehensive Income for the period, net of tax</b>	(63,852)	114,649	(30,220)	16,007	(289)	(88,198)	112,580	61,193	374,330	(84)
<b>Total Comprehensive Income for the period, net of tax</b>	146,095	346,564	379,067	348,376	9	492,419	969,696	717,467	1,714,828	(58)
<b>Total Comprehensive income attributable to :</b>										
Equity holders of the Parent	146,095	346,564	379,067	348,376	9	201,246	663,285	473,425	1,163,896	(59)
Non - Controlling Interests	-	-	-	-	-	291,173	306,411	244,042	550,931	(56)
	<b>146,095</b>	<b>346,564</b>	<b>379,067</b>	<b>348,376</b>	<b>9</b>	<b>492,419</b>	<b>969,696</b>	<b>717,467</b>	<b>1,714,828</b>	<b>(58)</b>

**VALLIBEL ONE PLC**  
STATEMENT OF CHANGES IN EQUITY- COMPANY

For the Period ended 30th September	Stated Capital Rs.'000	Available for Sale Reserve Rs.'000	Retained Earnings/ (Losses) Rs.'000	Total Rs.'000
<b>Balance as at 01 April 2012</b>	27,163,984	(21,604)	411,791	27,554,171
Profit for the period	-	-	332,369	332,369
<b>Other Comprehensive Income</b>				
Net gain or loss on available for sale financial assets	-	16,007	-	16,007
<b>Total Other Comprehensive income</b>	-	16,007	-	16,007
Dividend Paid	-	-	(325,968)	(325,968)
<b>Balance as at 30 September 2012</b>	<u>27,163,984</u>	<u>(5,597)</u>	<u>418,193</u>	<u>27,576,579</u>
<b>Balance as at 01 April 2013</b>	27,163,984	(202,472)	682,460	27,643,972
Profit for the period	-	-	409,287	409,287
<b>Other Comprehensive Income</b>				
Net gain or loss on available for sale financial assets	-	(30,220)	-	(30,220)
<b>Total Other Comprehensive income</b>	-	(30,220)	-	(30,220)
Dividend Paid	-	-	(760,592)	(760,592)
<b>Balance as at 30 September 2013</b>	<u>27,163,984</u>	<u>(232,692)</u>	<u>331,155</u>	<u>27,262,447</u>



**VALLIBEL ONE PLC**  
STATEMENT OF CHANGES IN EQUITY- GROUP

For the Period ended 30th September Rs.'000	Stated Capital	Treasury Shares	Capital Reserves		Other Component of Equity			Revenue Reserve		Hedge Reserve	Shareholder's Fund	Non Controlling Interest	Total Equity
			Reserve	Investment	Available for Sale Reserve	Foreign Currency Translation Reserve	Revaluation Reserve	General Reserve	Retained Earnings				
			Fund	Fund Reserve	Rs.	Rs.	Rs.	Rs.	Rs.				
<b>Balance as at 01st April 2012</b>	27,163,984	(66,372)	237,111	109,614	(605,573)	166,411	-	50,665	1,922,766	-	28,978,607	5,157,259	34,135,867
Profit for the period	-	-	-	-	-	-	-	-	908,263	-	908,263	432,235	1,340,498
<b>Other Comprehensive Income</b>													
Share of other comprehensive income of equity accounted investees	-	-	-	-	116,399	-	-	-	-	-	116,399	-	116,399
Exchange difference on translation of foreign operations	-	-	-	-	-	38,356	-	-	-	-	38,356	38,356	76,712
Net Gain/(Loss) on Available for sale	-	-	-	-	18,916	-	-	-	-	-	18,916	1,624	20,540
Revaluation of Land & Buildings	-	-	-	-	-	-	81,962	-	-	-	81,962	78,717	160,679
Gain / Loss on Cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other Comprehensive Income</b>	-	-	-	-	135,315	38,356	81,962	-	-	-	255,634	118,696	374,330
Non controlling interest arising on business combinations	-	-	-	-	-	-	-	-	-	-	-	248,383	248,383
Transfers	-	-	121,172	152,865	-	-	-	14,303	(288,341)	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	(325,254)	-	(325,254)	(124,026)	(449,280)
<b>Balance as at 30th September 2012</b>	27,163,984	(66,372)	358,284	262,479	(470,257)	204,767	81,962	64,969	2,217,435	-	29,817,250	5,832,547	35,649,797
<b>Balance as at 01st April 2013</b>	27,163,984	(66,372)	455,904	263,175	(832,781)	155,398	81,962	50,179	3,376,900	14,349	30,662,699	5,684,101	36,346,800
Profit for the Year	-	-	-	-	-	-	-	-	425,772	-	425,772	230,502	656,274
<b>Other Comprehensive Income</b>													
Share of other comprehensive income of equity accounted investees	-	-	-	-	84,817	-	-	-	-	-	84,817	-	84,817
Exchange difference on translation of foreign operations	-	-	-	-	-	15,935	-	-	-	-	15,935	15,935	31,870
Net Gain/(Loss) on Available for Sale	-	-	-	-	(34,954)	-	-	-	-	-	(34,954)	(2,634)	(37,588)
Revaluation of Land & Buildings	-	-	-	-	-	-	249	-	-	-	249	239	488
Gain / Loss on Cash flow hedge	-	-	-	-	-	-	-	-	-	(18,394)	(18,394)	-	(18,394)
<b>Total other Comprehensive Income</b>	-	-	-	-	49,863	15,935	249	-	-	(18,394)	47,653	13,540	61,193
Transfers	-	-	78,652	162,799	-	-	-	18,564	(260,015)	-	-	14,372	14,371.76
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	5,944,048	5,944,048
Effect on changes in holding	-	-	-	-	-	-	-	-	9,321	-	9,321	(218,623)	(209,302)
Written back on unclaimed Dividend	-	-	-	-	-	-	-	1,228	-	-	1,228	-	1,228
Dividend Paid	-	-	-	-	-	-	-	-	(759,043)	-	(759,043)	(159,176)	(918,219)
<b>Balance as at 30th September 2013</b>	27,163,984	(66,372)	534,556	425,974	(782,918)	171,333	82,211	69,971	2,792,935	(4,045)	30,387,630	11,508,764	41,896,393

**VALLIBEL ONE PLC**  
**CASH FLOW STATEMENT**

For the Period ended

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Profit/ (Loss) before Taxation

**ADJUSTMENTS FOR**

Profit / Loss on sale of Property, Plant & equipment

Depreciation

Provision For Fall in Value of Investments

Amortization

Share of results of equity accounted investees

Net gain / (loss) on foreign exchange

Provision for impairment of assets

Provision For Defined Benefit Plan Costs

Profit/ (Loss) from sale of Available for Sale Financial Assets

Dividend Received

Finance Cost

Finance Income

**Operating Profit/ (Loss) before Working Capital Changes**

(Increase)/Decrease in Loans and Advances

(Increase)/Decrease in Trade & Other Debtors, Deposits & Prepayments

(Increase)/Decrease in Other Financial Assets

(Increase)/Decrease in Lease Rental Receivable

(Increase)/Decrease in Other Financial Liabilities

(Increase)/Decrease in Other Non Financial Assets

Increase/(Decrease) in Due to Banks

Increase/(Decrease) in Due to Customers

Increase/(Decrease) in Trade & Other Payables

(Increase)/Decrease in Other Non Financial Liabilities

(Increase)/Decrease in Inventories

Increase/(Decrease) in Amounts Due to Related Companies

Increase/(Decrease) in Amounts Due from Related Companies

**Cash Generated from Operations**

Retirement Benefits Liabilities paid

Interest Received

Finance Cost Paid

Taxes Paid

**Net Cash from/(Used in) Operating Activities**

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Property, Plant & Equipment

Proceeds from Sale of Property, Plant & Equipment

Acquisition of Intangible Assets

Purchase / Proceeds from short term investmrt

Proceeds of Fair Value through Profit and Loss Financial Assets

Purchase of Fair Value through Profit and Loss Financial Assets

Investment on Associate

Acquisition of Subsidiary - Note 11

Interest Received

Purchase of AFS

Dividend Received

**Net Cash used in Investing Activities**

**CASH FLOWS FROM FINANCING ACTIVITIES**

Principal Payment under Finance Lease Liability

Issue of Shares to NCI

Proceeds from Interest Bearing Loans & Borrowings

Increase in Interest in Subsidiary

Repayment of Interest Bearing Loans & Borrowings

Capital Grant Received

Dividend Paid

**Net Cash from Financing Activities**

**Net Increase / (Decrease) in Cash & Cash Equivalents**

**Cash and Cash Equivalents at the beginning of the Period**

**Cash and Cash Equivalents at the end of the Period**

	Company		Group	
	30.09.2013 Rs.'000	30.09.2012 Rs.'000	30.09.2013 Rs.'000	30.09.2012 Rs.'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net Profit/ (Loss) before Taxation	443,958	351,103	1,073,635	1,870,513
<b>ADJUSTMENTS FOR</b>				
Profit / Loss on sale of Property, Plant & equipment	-	-	(63,283)	(9,770)
Depreciation	4,270	3,903	752,491	497,659
Provision For Fall in Value of Investments	15,430	21,675	82,366	(1,956)
Amortization	-	-	26,507	25,289
Share of results of equity accounted investees	-	-	(225,570)	(349,872)
Net gain / (loss) on foreign exchange	9,426	6,020	31,870	(76,712)
Provision for impairment of assets	-	-	689,667	239,433
Provision For Defined Benefit Plan Costs	-	860	123,285	55,398
Profit/ (Loss) from sale of Available for Sale Financial Assets	-	11	-	-
Dividend Received	-	-	(5,691)	(11,202)
Finance Cost	-	-	1,036,288	596,139
Finance Income	(153,867)	(152,120)	(116,848)	(161,012)
<b>Operating Profit/ (Loss) before Working Capital Changes</b>	<b>319,218</b>	<b>231,453</b>	<b>3,404,717</b>	<b>2,673,907</b>
(Increase)/Decrease in Loans and Advances	-	-	(900,379)	(2,877,766)
(Increase)/Decrease in Trade & Other Debtors, Deposits & Prepayments	68	(691)	(886,564)	(694,969)
(Increase)/Decrease in Other Financial Assets	-	-	(875,215)	(79,072)
(Increase)/Decrease in Lease Rental Receivable	-	-	(1,667,826)	(2,288,278)
(Increase)/Decrease in Other Financial Liabilities	-	-	503,571	310,346
(Increase)/Decrease in Other Non Financial Assets	-	-	(4,153)	456,535
Increase/(Decrease) in Due to Banks	-	-	1,212,895	(1,409,520)
Increase/(Decrease) in Due to Customers	-	-	4,433,127	6,722,696
Increase/(Decrease) in Trade & Other Payables	961	20	(540,104)	(37,304)
(Increase)/Decrease in Other Non Financial Liabilities	-	-	293,355	(83,909)
(Increase)/Decrease in Inventories	-	-	(794,986)	(435,388)
Increase/(Decrease) in Amounts Due to Related Companies	(25)	-	1,526	18,563
Increase/(Decrease) in Amounts Due from Related Companies	(37,156)	24,702	4,712	8,407
<b>Cash Generated from Operations</b>	<b>283,066</b>	<b>255,484</b>	<b>4,184,675</b>	<b>2,284,248</b>
Retirement Benefits Liabilities paid	-	-	(44,548)	(17,126)
Interest Received	183,163	136,830	-	-
Finance Cost Paid	-	-	(1,036,288)	(564,983)
Taxes Paid	(48,264)	(18,875)	(550,396)	(594,906)
<b>Net Cash from/(Used in) Operating Activities</b>	<b>417,964</b>	<b>373,439</b>	<b>2,553,443</b>	<b>1,107,233</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant & Equipment	(2,032)	(4,742)	(1,013,228)	(798,002)
Proceeds from Sale of Property, Plant & Equipment	-	-	226,108	9,814
Acquisition of Intangible Assets	-	-	(34,136)	(569)
Purchase / Proceeds from short term investmrt	488,000	685,327	189,412	695,132
Proceeds of Fair Value through Profit and Loss Financial Assets	-	-	223,851	26,402
Purchase of Fair Value through Profit and Loss Financial Assets	(120,735)	(740,467)	(182,967)	(314,473)
Investment on Associate	-	(285)	-	(285)
Acquisition of Subsidiary - Note 11	-	-	(3,597,150)	(326,361)
Interest Received	-	-	116,848	49,226
Purchase of AFS	-	-	(932,437)	(321,227)
Dividend Received	-	-	138,200	158,717
<b>Net Cash used in Investing Activities</b>	<b>365,234</b>	<b>(60,168)</b>	<b>(4,865,500)</b>	<b>(821,627)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Principal Payment under Finance Lease Liability	-	-	(14,044)	(14,818)
Issue of Shares to NCI	-	-	14,372	-
Proceeds from Interest Bearing Loans & Borrowings	-	-	10,851,797	7,492,417
Increase in Interest in Subsidiary	-	-	(209,302)	-
Repayment of Interest Bearing Loans & Borrowings	-	-	(6,430,073)	(6,153,485)
Capital Grant Received	-	-	5,255	-
Dividend Paid	(756,597)	(323,611)	(922,591)	(449,280)
<b>Net Cash from Financing Activities</b>	<b>(756,597)</b>	<b>(323,611)</b>	<b>3,295,414</b>	<b>874,834</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>26,601</b>	<b>(10,341)</b>	<b>983,358</b>	<b>1,160,440</b>
<b>Cash and Cash Equivalents at the beginning of the Period</b>	<b>(397)</b>	<b>16,838</b>	<b>2,139,975</b>	<b>(480,997)</b>
<b>Cash and Cash Equivalents at the end of the Period</b>	<b>26,204</b>	<b>6,497</b>	<b>3,123,333</b>	<b>679,443</b>

# VALLIBEL ONE PLC

## Reconciliation of Comprehensive Income Statements For the Six Months Ended 30th September 2012

	Notes to the Reconciliation	Company			Group		
		SLAS for the six months ended 30th September 2012	Effect of Transition to SLFRS/LKAS	SLFRS/LKAS for the six months ended 30th September 2012	SLAS for the six months ended 30th September 2012	Effect of Transition to SLFRS/LKAS	SLFRS/LKAS for the six months ended 30th September 2012
Revenue	<b>A</b>	-	-	-	15,229,005	365,522	15,594,527
Cost of Sales	<b>B</b>	-	-	-	(10,764,104)	8,141	(10,755,963)
<b>Gross Profit/ (Loss)</b>		-	-	-	4,464,901	373,663	4,838,564
Dividend Income	<b>C</b>	265,109	-	265,109	158,717	(96,330)	62,387
Other Operating Income	<b>D</b>	152,109	(152,109)	-	708,129	(506,640)	201,489
Administrative Expenses	<b>E</b>	(38,420)	-	(38,420)	(1,431,086)	(60,692)	(1,491,778)
Distribution Expenses	<b>F</b>	-	-	-	(1,332,160)	504,072	(828,088)
Other Operating Expenses	<b>G</b>	-	-	-	-	(719,683)	(719,683)
Finance Cost		(6,020)	-	(6,020)	(596,139)	-	(596,139)
Finance Income	<b>H</b>	-	152,109	152,109	-	161,012	161,012
Provision for fall in value of Investments	<b>I</b>	(5,668)	(16,007)	(21,675)	(41,197)	19,522	(21,675)
Bad and Doubtful Loans and Write Offs	<b>I</b>	-	-	-	(56,179)	56,179	-
Amortization of Intangible Assets	<b>J</b>	-	-	-	(22,622)	22,622	-
Negative Goodwill	<b>K</b>	-	-	-	112	(112)	-
Depreciation PPE		-	-	-	-	-	-
Retirement benefit		-	-	-	-	-	-
Staff cost		-	-	-	-	-	-
<b>Profit From Operations</b>		<b>367,110</b>	<b>(16,007)</b>	<b>351,103</b>	<b>1,852,476</b>	<b>(246,387)</b>	<b>1,606,089</b>
Value Added Tax on Financial Services	<b>L</b>	-	-	-	(86,473)	1,024	(85,449)
<b>Profit /(Loss) before tax</b>		<b>367,110</b>	<b>(16,007)</b>	<b>351,103</b>	<b>1,766,003</b>	<b>(245,362)</b>	<b>1,520,640</b>
Share of results of equity accounted Investees		-	-	-	3,029	346,843	349,872
Income Tax Expense	<b>L</b>	(18,734)	-	(18,734)	(502,756)	(27,259)	(530,015)
<b>Net Profit / (Loss) for the Year</b>		<b>348,376</b>	<b>(16,007)</b>	<b>332,369</b>	<b>1,266,276</b>	<b>74,222</b>	<b>1,340,498</b>
<b>Group</b>					796,525	111,738	908,263
<b>NCI</b>					469,751	(37,515)	432,235
					<b>1,266,276</b>	<b>74,222</b>	<b>1,340,498</b>
<b>Other Comprehensive Income</b>							
Share of other comprehensive income of equity accounted investees					-	116,399	116,399
Net Gain/(Loss) on Available for sale Financial Assets		-	-	-	-	22,449	22,449
Exchange difference on translation of foreign operations		-	16,007	16,007	-	76,712	76,712
Revaluation surplus		-	-	-	-	160,679	160,679
Income tax effect		-	-	-	-	(1,909)	(1,909)
<b>Other Comprehensive income for the year</b>		<b>-</b>	<b>16,007</b>	<b>16,007</b>	<b>-</b>	<b>374,330</b>	<b>374,330</b>
<b>Total Comprehensive Income for the year</b>		<b>348,376</b>	<b>-</b>	<b>348,376</b>	<b>1,266,276</b>	<b>448,551</b>	<b>1,714,827</b>
<b>Group</b>					796,525	367,371	1,163,896
<b>NCI</b>					469,751	81,181	550,931
					<b>1,266,276</b>	<b>448,552</b>	<b>1,714,828</b>



# VALLIBEL ONE PLC

## Notes to the Reconciliation

	Company	Group
<b>A Revenue</b>		
Reclassified from Other Operating Income	-	331,384
Adjustment/ Reclassified	-	34,138
	-	<u>365,522</u>
<b>B Cost of Sales</b>		
Reclassified to Other Operating Expense	-	8,141
	-	<u>8,141</u>
<b>C Dividend Income</b>		
<b>Group</b>		
The Group accounted investment in Sampath bank PLC as an equity accounted investees with effect from 1st April 2011 since company exercise significant influence on governing financial and operating policies of the said company		
Dividend on equity accounted investees	-	(95,616)
Dividend on Treasury Shares	-	(714)
	-	<u>(96,330)</u>
<b>D Other Operating Income</b>		
Reclassified to Revenue	-	(331,384)
Reclassified to Finance Income	(152,109)	(168,435)
Reclassified to Other Comprehensive Income	-	(6,821)
	(152,109)	<u>(506,640)</u>
<b>E Administrative Expenses</b>		
Reclassified from Distribution Expenses	-	(506,383)
Reclassified to Other Operating Expense	-	445,690
	-	<u>(60,693)</u>
<b>F Distribution Expenses</b>		
Reclassified to Administrative Expenses	-	506,383
Total lease payments under operating leases be recognized as an expense on a straight line basis over the lease term.	-	-
	-	(2,310)
	-	<u>504,073</u>
<b>G Other Operating Expenses</b>		
Reclassified From Provison for fall in fair value investment	-	(35,529)
Reclassified From Bad and Doubtful Loans and write Offs	-	(56,179)
Reclassified from cost of sales	-	(8,141)
Reclassified from Administrative Expenses	-	(445,690)
Reclassified from Amotization of Intangible Assets	-	(22,622)
Impairment Gain / (Loss) on financial Investment	-	(151,521)
	-	<u>(684,153)</u>
<b>H Finance Income</b>		
Reclassified from Other operating Income	152,109	168,435
Reclassified from Negative Goodwill	-	112
Fair Value Adjustment on Treasury Shares	-	(7,535)
	152,109	<u>161,012</u>
<b>I Provision for fall in value of Investments,Bad and Doubtful Loans</b>		
Reclassified to Other Operating Expense	-	(35,529)
Reclassified to Other Comprehensive Income	(16,007)	(16,007)
	(16,007)	<u>(51,536)</u>
<b>I Bad and Doubtful Loans and Write offs</b>		
Reclassified to other Operating Expenses	-	56,179
	-	<u>56,179</u>
<b>J Amotization of Intangible Assets</b>		
Reclassified to Other Operating Expense	-	22,622
	-	<u>22,622</u>
<b>K Negative Goodwill</b>		
Reclassified to Finance Income	-	(112)
	-	<u>(112)</u>
<b>L Current tax liabilities</b>		
<b>Group</b>		
The Group accounted investment in sampath bank PLC as an equity accounted investees with effect from 1st April 2011 since company exercise significant influence on governing financial and operating policies of the said company		
Income Tax / WHT on equity accounted investees		(31,557,179)
Other SLFRS transition impact to Income Tax		4,298,640
		<u>(27,258,539)</u>

**VALLIBEL ONE PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

- 1 Financial year of the company ends on 31st March.
- 2 The above figures are provisional & subject to audit.
- 3 Number of fully paid ordinary shares as at 30th September 2013 is 1,086,559,353 (30th September 2012- 1,086,559,353).
- 4 There has no significant change in the nature of the contingencies and other commitments, which were disclosed in the contingencies and other commitments in the annual report for the year ended 31 March 2013.
- 5 The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual report for the year ended 31st March 2013 and comply with the Sri Lanka Accounting Standards (SLFRS/LKAS). These interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31st March 2013. They also provide the information required by the Colombo stock Exchange and LKAS 34.
- 6 Where necessary, Comparative figures have been re-stated to confirm with SLFRS/LKAS
- 7 The Consolidated Financial Statements of the Company for the period ended 30th September 2013 comprise of the Company, its Subsidiaries and Associates. The details of Subsidiaries and Associates are as follows:

**Subsidiary Companies**

Royal Ceramics Lanka PLC  
L B Finance PLC  
Greener Water Ltd  
Delmege Limited  
Orit Apparels Lanka (Private) Limited

**Associate Companies**

Sampath Bank PLC  
Waskaduwa Beach Resort PLC

- 8 The company paid Rs.0.70 (Seventy Cents) per share, interim dividend on August 07, 2013.
- 9 No other circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements.

**10 Related Part Transactions**

	<b>Company</b>	
	<b>2013</b>	<b>2012</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>
For the Six months ended 30th September		
<b>Subsidiaries</b>		
Loans Taken / (Given)	-	-
Loan Interest Received / (Paid)	8,423	5,681
Fixed Deposits (FD) - (Investment) / Withdrawals	468,000	1,425,327
FD Interest Received / (Paid)	76,009	89,596
Fund Transfers	31,900	300
Dividend received	206,629	158,945
Operating Expenses	7,503	3,592
<b>Associates</b>		
Loans Taken / (Given)	-	-
Loan Interest Received / (Paid)	-	-
Fixed Deposits - (Investment) / Withdrawals	-	-
FD Interest Received / (Paid)	-	-
Dividend received	132,509	95,616
Equity Investments	-	285
<b>Key management personnel (KMP)</b>		
(Receiving) / rendering of services	-	-
Directors Remuneration	1,800	1,800
<b>Close family members of KMP</b>		
(Receiving) / rendering of services	-	-
<b>Companies controlled / jointly controlled / significantly influenced by KMP and their close family members</b>		
Fixed Deposits - (Investment) / Withdrawals	307,901	300,000
FD Interest Received / (Paid)	69,348	32,277
Dividend Received	9,822	8,730
Equity Investments	120,735	386,695

## VALLIBEL ONE PLC

### 11 BUSINESS COMBINATIONS

On 6th May 2013, Royal Ceramics Lanka PLC has acquired 76.54% of the voting shares of Lanka Ceramic PLC incorporated and domiciled in Sri Lanka engages in the business of mining and processing, manufacturing, retail and wholesale trading of ceramic tiles and allied products. At the date of the acquisition Lanka Ceramic PLC held 62.19% equity holding of Lanka Walltiles PLC.

#### Assets acquired and liabilities assumed

The fair value of the identifiable assets and liabilities of Lanka Ceramic PLC together with its subsidiary as at the date of acquisition were as follows

	<b>Fair Value</b> <b>As at</b> <b>01-05-2013</b> <b>Rs.000's</b>
<b>Assets</b>	
Property, Plant & Equipment	9,148,263
Leasehold right over land	2,479
Investment Properties	349,294
Intangible Assets	14,534
Deferred Tax Assets	22,369
Inventories	3,846,405
Debtors and Other Receivables	2,100,109
Income tax receivable	24,490
Short Term Deposits with Banks	14,412
Cash in hand and at bank	129,203
	15,651,559
	15,651,559
<b>Liabilities</b>	
Interest Bearing Loans & Borrowings	(4,088,400)
Retirement Benefit Liability	(541,525)
Deferred Tax Liability	(480,427)
Capital Grants	(112,545)
Trade and Other Payables	(1,856,454)
Income Tax Liabilities	(11,396)
Bank Overdraft	(880,197)
	(7,970,944)
	(7,970,944)
Non Controlling Interest	(5,067,267)
Total Identifiable net assets at fair value	2,613,347
Total net assets acquired at fair value (39.04%)	(1,020,130)
Good Will	(1,124,003)
Good Will attributable to Non - Controlling Interest	(685,243)
Good Will attributable to the Parent	(438,760)
	(1,401,678)
Purchase Consideration attributable to Non controlling interest	(1,401,678)
Purchase Consideration attributable to Parent	(1,458,890)
	(2,860,568)
Purchase consideration paid	(2,860,568)
	(2,860,568)
Cash and cash equivalents of subsidiaries acquired	(736,582)
	(736,582)
Net Cash Outflow on acquisition of subsidiaries	(3,597,150)
	(3,597,150)

## VALLIBEL ONE PLC

### 12 Operating Segment information For the period ended 30th September Rs'000

	Investment		Tiles		Sanitarywear		Plantation		Bank & Finance		Leisure	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue	-	-	5,644,330	2,862,013	371,052	440,221	835,409	-	5,818,576	5,168,858	-	-
Cost of Sales	-	-	(3,653,406)	(1,535,661)	(251,432)	(275,492)	(792,166)	-	(3,507,371)	(2,595,848)	-	-
<b>Gross Profit/ (Loss)</b>	-	-	1,990,924	1,326,352	119,620	164,728	43,243	-	2,311,204	2,573,010	-	-
Dividend income	11,777	10,548	-	46,820	-	-	-	-	2,395	2,329	-	-
Other income & gains	-	(95,277)	72,283	29,801	(2,648)	280	(231)	-	73,496	73,328	-	77
Administrative Expenses	(35,967)	(38,420)	(490,409)	(198,128)	(2,932)	(9,596)	(38,100)	-	(802,921)	(650,962)	(2,839)	(2,285)
Distribution Expenses	-	-	(792,447)	(499,857)	(16,909)	(24,878)	-	-	-	-	-	-
Other Operating Expenses	-	-	(12,587)	(26,522)	-	-	-	-	(762,366)	(671,566)	-	-
Finance Cost	(9,426)	(6,020)	(620,374)	(261,029)	(19,817)	(20,196)	(25,441)	-	-	-	(15)	-
Finance Income	69,435	144,574	24,727	16,326	-	-	-	-	(112)	-	134	-
Provision for fall in value of Investments	(15,430)	(21,675)	-	-	-	-	-	-	-	-	-	-
Share of results of equity accounted investees	-	-	-	-	-	-	-	-	225,570	346,843	-	3,029
<b>Profit Before Value Added Tax</b>	20,388	(6,270)	172,117	433,764	77,314	110,339	(20,529)	-	1,047,266	1,672,983	(2,721)	821
Value Added Tax on Financial Services	-	-	-	-	-	-	-	-	(38,488)	(85,449)	-	-
<b>Profit / (Loss) Before Tax</b>	20,388	(6,270)	172,117	433,764	77,314	110,339	(20,529)	-	1,008,778	1,587,534	(2,721)	821
Income Tax Expense	(34,671)	(36,394)	(112,283)	(6,305)	-	-	(1,321)	-	(216,572)	(450,096)	(16)	(21)
<b>Profit / (Loss) for the period</b>	(14,283)	(42,665)	59,834	427,459	77,314	110,339	(21,850)	-	792,206	1,137,437	(2,737)	800

### 13 Segment Assets and Liabilities

<b>Total Assets</b>	10,415,062	14,145,153	25,415,413	7,432,614	2,804,148	2,453,616	3,117,444	-	61,947,866	61,623,478	417,194	698,318
<b>Total Liabilities</b>	266,762	274,565	13,918,998	4,472,650	655,711	377,903	1,706,024	-	50,097,795	47,742,742	12,321	10,139

### 14 Other Segment Information

Total cost incurred during the period to acquire Property, Plant & Equipment	2,032	4,742	91,972	310,206	35,884	4,505	194,265	-	359,602	379,644	32,615	13,617
Depreciation	4,270	3,903	347,949	158,626	48,351	48,957	42,378	-	155,996	144,580	13	13
provision for retirement benefit Liability	-	-	32,981	(2,272)	1,350	1,764	32,467	-	21,721	20,693	-	-

## VALLIBEL ONE PLC

### 12 Operating Segment information For the period ended 30th September Rs'000

	Consumer		Life style		Heath care		Apparel		Other		Group	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue	849,725	902,999	627,043	697,946	558,709	1,014,907	4,865,236	4,252,106	1,226,404	255,477	20,796,484	15,594,527
Cost of Sales	(672,252)	(756,071)	(458,480)	(508,623)	(464,019)	(908,606)	(4,677,687)	(4,156,763)	(1,023,824)	(18,899)	(15,500,638)	(10,755,963)
<b>Gross Profit/ (Loss)</b>	<b>177,473</b>	<b>146,928</b>	<b>168,563</b>	<b>189,323</b>	<b>94,690</b>	<b>106,301</b>	<b>187,550</b>	<b>95,344</b>	<b>202,579</b>	<b>236,578</b>	<b>5,295,846</b>	<b>4,838,564</b>
Dividend income	-	-	-	(157)	-	820	-	1	-	2,025	14,172	62,387
Other income & gains	2,350	10,279	12,806	12,959	4,124	17,362	130,575	92,592	28,252	60,088	321,008	201,489
Administrative Expenses	(73,753)	(100,451)	(75,110)	(67,620)	(34,188)	(63,775)	-	(154,558)	(148,799)	(205,984)	(1,705,020)	(1,491,778)
Distribution Expenses	(132,092)	(195,348)	(57,453)	(58,390)	(38,526)	(28,508)	-	-	(69,095)	(21,107)	(1,106,523)	(828,088)
Other Operating Expenses	(170)	(3,427)	-	(1,755)	(965)	(7,151)	(221,248)	3,452	(725)	(12,712)	(998,060)	(719,682)
Finance Cost	(102,543)	(128,995)	(39,257)	(17,654)	(19,791)	(17,869)	(143,606)	(106,304)	(56,018)	(38,072)	(1,036,288)	(596,139)
Finance Income	1,897	-	3,425	-	-	-	-	-	17,343	112	116,848	161,012
Provision for fall in value of Investments	-	-	-	-	-	-	-	-	-	-	(15,430)	(21,675)
Share of results of equity accounted investees	-	-	-	-	-	-	-	-	-	-	225,570	349,872
<b>Profit Before Value Added Tax</b>	<b>(126,839)</b>	<b>(271,014)</b>	<b>12,974</b>	<b>56,707</b>	<b>5,343</b>	<b>7,178</b>	<b>(46,729)</b>	<b>(69,474)</b>	<b>(26,462)</b>	<b>20,928</b>	<b>1,112,123</b>	<b>1,955,962</b>
Value Added Tax on Financial Services	-	-	-	-	-	-	-	-	-	-	(38,488)	(85,449)
<b>Profit / (loos) Before Tax</b>	<b>(126,839)</b>	<b>(271,014)</b>	<b>12,974</b>	<b>56,707</b>	<b>5,343</b>	<b>7,178</b>	<b>(46,729)</b>	<b>(69,474)</b>	<b>(26,462)</b>	<b>20,928</b>	<b>1,073,635</b>	<b>1,870,513</b>
Income Tax Expense	-	-	(130)	(19,627)	-	(308)	-	-	(52,368)	(17,263)	(417,361)	(530,015)
<b>Profit / (Loss) for the period</b>	<b>(126,839)</b>	<b>(271,014)</b>	<b>12,844</b>	<b>37,080</b>	<b>5,343</b>	<b>6,871</b>	<b>(46,729)</b>	<b>(69,474)</b>	<b>(78,830)</b>	<b>3,665</b>	<b>656,274</b>	<b>1,340,498</b>

### 13 Segment Assets and Liabilities

<b>Total Assets</b>	661,820	803,949	1,750,297	869,496	991,733	1,052,218	5,878,483	5,579,465	3,858,824	2,460,799	117,258,285	97,119,106
<b>Total Liabilities</b>	1,586,885	1,585,962	608,117	523,674	810,317	928,233	4,313,570	4,001,857	1,385,390	854,581	75,361,891	60,772,306

### 14 Other Segment Information

Total cost incurred during thr period toacquire Property , Plant & Equipment	392	3,460	4,126	19,063	1,948	-	156,154	48,441	41,913	63,587	920,904	847,265
Depreciation	1,582	1,778	5,942	4,997	867	922	113,702	107,726	31,454	15,329	752,504	486,831
provision for retirement benefit Liability	1,853	1,188	1,504	1,318	225	685	21,773	4,099	4,568	23,167	118,442	50,642



**VALLIBEL ONE PLC**  
**SHARE INFORMATION**

**1 Market prices of the shares for quarter ended 30th September**

	<u>2013</u> Rs.	<u>2012</u> Rs.
Highest	18.70	24.50
Lowest	14.50	13.80
Closing	15.90	21.50

**2 Directors Shareholding**

Name	No of shares As at 30th September 2013	No of shares As at 30th September 2012
K D D Perera	689,726,471	689,726,471
W D N H Perera	Nil	Nil
S H Amarasekera	1,000,000	1,000,000
J A S S Adhihetty	100,000	100,000
K Fernando	800,000	800,000
R N Asirwatham	800	800

**3 The Twenty Major Share Holders As At 30th Sep 2013.**

	No of Shares	(% of issued Capital
1 Mr. K D D Perera	689,726,471	63.478
2 Vallibel Investments (Private) Limited	91,966,451	8.464
3 Vallibel Leisure (Private) Limited	91,929,063	8.461
4 Employees Provident Fund	67,067,958	6.173
5 Bank of Ceylon A/c Ceybank Unit Trust	7,065,080	0.650
6 Mercantile Investments and Finance PLC	5,176,000	0.476
7 First Capital Markets Ltd / Mr. S N Kumar	4,647,772	0.428
8 Rosewood (Pvt) Limited-Account No.2	4,303,300	0.396
9 Mellon Bank N. A. -UPS Group Trust	2,800,000	0.258
10 Merrill J Fernando & Sons (Pvt) Limited	2,299,000	0.212
11 Esna Holding (Pvt) Ltd	2,225,000	0.205
12 Mr. M Sritharan	2,185,101	0.201
13 Mr. A N Esufally	2,090,000	0.192
14 Standard Chartered Bank Singapore S/A HL Bank Singapore Branch	2,090,000	0.192
15 Mr. H R S Wijeratne	2,069,000	0.190
16 Employees Trust Fund Board	2,024,600	0.186
18 Mr. A M Weerasinghe	2,000,000	0.184
19 Wickramaratnes (Pvt) Limited	1,865,000	0.172
20 Prof M.T.A Furkhan	1,672,000	0.154
21 Mr A Sithampalam	1,567,000	0.144
	<hr/>	
	986,768,796	90.816
Others	99,790,557	9.184
Total	<hr/> <b>1,086,559,353</b> <hr/>	<b>100.000</b>

**4 Public Shareholding**

The percentage of shares held by the public as at 30th September 2013 – 19.41%

**VALLIBEL ONE PLC**  
CORPORATE INFORMATION

**Name of Company**

Vallibel One PLC

**Legal Form**

A Public quoted company with limited liability  
Incorporated under the Provisions of the Companies Act, No. 07 of 2007.

**Date of Incorporation**

09 th June 2010

**Company Registration Number**

PB 3831 PQ

**Nature of the Business**

Diversified holding company with strategic investments.

**Board of Directors**

K D D Perera – Chairman  
W D N H Perera - Executive Deputy Chairman  
S H Amarasekera  
J A S S Adhihetty  
K Fernando  
R N Asirwatham

**Head Office and Registered Office**

29, West Tower, World Trade Center  
Echelon Square, Colombo 01  
Telephone: 011 2445577  
Fax: 011 2441444

**Subsidiary Companies**

Royal Ceramics Lanka PLC  
L B Finance PLC  
Greener Water Limited  
Delmege Limited  
Orit Apparels Lanka (Private) Limited

**Associate Companies**

Sampath Bank PLC  
Waskaduwa Beach Resort PLC

**Company Secretaries**

P W Corporate Secretarial (Private) Ltd  
No.3/17, Kynsey Road,  
Colombo 08.  
Telephone: 011 4640360  
Fax: 011 4740588  
E-mail:pwcs@pwcs.lk

**Auditors**

Ernst & Young  
Chartered Accountants  
No.201, De Saram Place  
Colombo 10.

**Bankers**

Hatton National Bank PLC  
Pan Asia Banking corporation PLC  
Sampath Bank PLC