

Aitken Spence

Interim Statement
for the year ended 31st March 2015

Aitken Spence[®] 

Aitken Spence PLC

CONSOLIDATED INCOME STATEMENTS

	Quarter ended 31st March		Year ended 31st March	
	2015 Rs.'000	2014 Rs.'000 (Re-stated)	2015 Rs.'000	2014 Rs.'000 (Re-stated)
Revenue	9,456,813	11,187,403	35,318,891	35,059,123
Revenue taxes	(41,736)	(104,917)	(388,398)	(481,744)
Net revenue	9,415,077	11,082,486	34,930,493	34,577,379
Other operating income	37,916	247,975	507,572	466,891
Changes in inventories of finished goods and work-in-progress	(82,926)	3,798	58,757	94,604
Raw materials and consumables used	(1,619,166)	(4,006,743)	(9,023,459)	(10,837,263)
Employee benefits expense	(1,319,721)	(1,453,287)	(5,183,101)	(4,633,215)
Depreciation, amortisation and impairment of intangible assets and finance lease receivables	(1,350,741)	(409,146)	(2,398,555)	(1,460,578)
Other operating expenses-direct	(1,882,239)	(1,765,097)	(7,712,699)	(7,315,595)
Other operating expenses-indirect	(1,319,670)	(1,843,126)	(5,522,299)	(5,388,111)
Profit from operations	1,878,530	1,856,860	5,656,709	5,504,112
Finance income	148,228	203,546	623,857	787,443
Finance expenses	(95,928)	(262,578)	(901,530)	(1,276,070)
Net finance income/(expense)	52,300	(59,032)	(277,673)	(488,627)
Share of profit of equity-accounted investees (net of tax)	135,972	155,632	330,887	429,461
Profit before tax	2,066,802	1,953,460	5,709,923	5,444,946
Income tax expenses	(209,553)	(306,398)	(826,323)	(865,457)
Profit for the period	1,857,249	1,647,062	4,883,600	4,579,489
Attributable to:				
Equity holders of the parent	1,383,717	1,365,270	3,579,008	3,671,870
Non-controlling interests	473,532	281,792	1,304,592	907,619
Profit for the period	1,857,249	1,647,062	4,883,600	4,579,489
Earnings per share				
Basic/Diluted (Rs.)	3.41	3.36	8.82	9.04

The above figures are subject to audit.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Quarter ended 31st March		Year ended 31st March	
	2015 Rs.'000	2014 Rs.'000 (Re-stated)	2015 Rs.'000	2014 Rs.'000 (Re-stated)
Profit for the period	1,857,249	1,647,062	4,883,600	4,579,489
Other comprehensive income				
Revaluation of property, plant and equipment	90,961	983,545	90,961	1,164,688
Actuarial gains/(losses) on defined benefit obligations	(48,207)	(51,302)	(48,207)	(51,302)
Exchange differences on translation of foreign operations	39,512	8,515	(111,954)	183,465
Net change in fair value of available-for-sale financial assets	61,884	(16,638)	71,109	(24,397)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	20,521	–	9,432	1,817
Share of other comprehensive income of equity-accounted investees	(15,912)	6,634	(15,912)	6,880
Income tax on other comprehensive income	7,478	8,228	7,478	8,228
Other comprehensive income for the period, net of tax	156,237	938,982	2,907	1,289,379
Total comprehensive income for the period	2,013,486	2,586,044	4,886,507	5,868,868
Attributable to:				
Equity holders of the parent	1,500,174	2,248,790	3,573,506	4,797,863
Non-controlling interests	513,312	337,254	1,313,001	1,071,005
Total comprehensive income for the period	2,013,486	2,586,044	4,886,507	5,868,868

The above figures are subject to audit.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	31.03.2015 Rs.'000	31.03.2014 Rs.'000 (Re-stated)	01.04.2013 Rs.'000 (Re-stated)
ASSETS			
Non-current assets			
Property, plant & equipment	28,696,632	24,799,321	23,534,930
Investment property	1,648,300	1,648,301	1,661,596
Intangible assets	507,171	600,927	350,368
Leasehold property	1,906,527	1,461,100	1,463,930
Pre-paid operating leases	1,072,370	1,010,199	980,681
Finance lease receivables	–	2,245,884	2,325,091
Investments in equity-accounted investees	5,403,518	3,367,589	3,059,987
Deferred tax assets	215,907	224,495	225,749
Other financial assets	325,057	387,248	462,117
	<u>39,775,482</u>	<u>35,745,064</u>	<u>34,064,449</u>
Current assets			
Inventories	1,484,504	1,728,738	1,878,791
Pre paid operating leases	930	50	50
Finance lease receivables	1,333,200	146,948	168,964
Trade and other receivables	7,770,650	9,049,705	9,691,280
Current tax receivable	229,366	243,779	182,233
Deposits and prepayments	799,353	867,318	1,021,509
Other financial assets	10,901,545	10,466,668	6,678,453
Cash and short-term deposits	2,911,135	2,672,100	2,059,378
	<u>25,430,683</u>	<u>25,175,306</u>	<u>21,680,658</u>
Assets classified as held for sale	226,923	149,125	149,125
Total Assets	<u>65,433,088</u>	<u>61,069,495</u>	<u>55,894,232</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Stated capital	2,135,140	2,135,140	2,135,140
Reserves	13,864,351	13,884,656	12,695,793
Retained earnings	19,022,310	16,238,762	13,222,324
	<u>35,021,801</u>	<u>32,258,558</u>	<u>28,053,257</u>
Non-controlling interests	7,257,649	6,667,889	5,560,028
Total Equity	<u>42,279,450</u>	<u>38,926,447</u>	<u>33,613,285</u>
Non-current liabilities			
Interest bearing liabilities	9,436,495	7,312,336	6,216,851
Deferred tax liabilities	655,224	635,979	495,385
Employee benefits	635,684	545,527	421,726
	<u>10,727,403</u>	<u>8,493,842</u>	<u>7,133,962</u>
Current liabilities			
Interest bearing liabilities	2,723,741	1,626,693	1,363,236
Provisions	–	462,771	277,103
Trade and other payables	7,074,023	6,402,721	7,448,976
Current tax payable	538,103	594,741	489,222
Other financial liabilities	639	–	–
Bank overdrafts and other short-term borrowings	2,089,729	4,562,280	5,568,448
	<u>12,426,235</u>	<u>13,649,206</u>	<u>15,146,985</u>
Total Equity and Liabilities	<u>65,433,088</u>	<u>61,069,495</u>	<u>55,894,232</u>
Net Assets per share (Rs.)	86.26	79.46	69.10

The above figures are subject to audit.

The Chief Financial Officer certifies that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.
D.H.S. Jayawardena
Chairman

Sgd.
J.M.S. Brito
Managing and Finance Director

Sgd.
Ms. N. Sivapragasam
Chief Financial Officer

Colombo,
22nd May 2015

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2015

	Attributable to equity holders of the parent						Retained earnings	Total	Non-controlling interests	Total equity
	Stated capital	Capital reserves	General reserves	Revaluation reserve	Foreign currency translation reserve	Available for sale reserve				
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2014										
(Re-stated) *	2,135,140	127,521	6,390,190	6,541,269	818,882	6,794	16,238,762	32,258,558	6,667,889	38,926,447
Profit for the period	–	–	–	–	–	–	3,579,008	3,579,008	1,304,592	4,883,600
Other comprehensive income for the period	–	–	–	67,757	(89,742)	68,106	(51,623)	(5,502)	8,409	2,907
Total comprehensive income for the period	–	–	–	67,757	(89,742)	68,106	3,527,385	3,573,506	1,313,001	4,886,507
Share of net assets of equity-accounted investees	–	–	–	–	–	–	(1,827)	(1,827)	(625)	(2,452)
Effect of acquisitions, disposals and change in percentage holding in subsidiaries	–	–	–	–	–	–	3,556	3,556	(133,675)	(130,119)
Transfer of revaluation reserve on disposed land	–	–	–	(221,126)	–	–	221,126	–	–	–
Transfer to general reserve	–	–	154,700	–	–	–	(154,700)	–	–	–
Dividends for 2013/2014	–	–	–	–	–	–	(811,992)	(811,992)	–	(811,992)
Dividends paid by subsidiary companies to minority shareholders	–	–	–	–	–	–	–	–	(588,941)	(588,941)
Total contributions and distributions, recognised directly in equity	–	–	154,700	(221,126)	–	–	(743,837)	(810,263)	(723,241)	(1,533,504)
Balance as at 31st March 2015	2,135,140	127,521	6,544,890	6,387,900	729,140	74,900	19,022,310	35,021,801	7,257,649	42,279,450

For the year ended 31st March 2014

	Attributable to equity holders of the parent						Retained earnings	Total	Non-controlling interests	Total equity
	Stated capital	Capital reserves	General reserves	Revaluation reserve	Foreign currency translation reserve	Available for sale reserve				
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2013										
(Re-stated) *	2,135,140	127,521	6,359,580	5,478,094	707,064	23,534	13,222,324	28,053,257	5,560,028	33,613,285
Profit for the period	–	–	–	–	–	–	3,671,870	3,671,870	907,619	4,579,489
Other comprehensive income for the period	–	–	–	1,063,175	111,818	(16,740)	(32,260)	1,125,993	163,386	1,289,379
Total comprehensive income for the period	–	–	–	1,063,175	111,818	(16,740)	3,639,610	4,797,863	1,071,005	5,868,868
Share of net assets of equity accounted investees	–	–	–	–	–	–	10,385	10,385	(239)	10,146
Effect of acquisitions, disposals and change in percentage holding in subsidiaries	–	–	–	–	–	–	6,047	6,047	439,526	445,573
Transfer to general reserve	–	–	30,610	–	–	–	(30,610)	–	–	–
Dividends for 2012/2013	–	–	–	–	–	–	(608,994)	(608,994)	–	(608,994)
Dividends paid by subsidiary companies to minority shareholders	–	–	–	–	–	–	–	–	(402,431)	(402,431)
Total contributions and distributions, recognised directly in equity	–	–	30,610	–	–	–	(623,172)	(592,562)	36,856	(555,706)
Balance as at 31st March 2014	2,135,140	127,521	6,390,190	6,541,269	818,882	6,794	16,238,762	32,258,558	6,667,889	38,926,447

* Refer note 7 of the financial statements.

COMPANY INCOME STATEMENTS

	Quarter ended 31st March		Year ended 31st March	
	2015 Rs.'000	2014 Rs.'000	2015 Rs.'000	2014 Rs.'000
Revenue	121,344	148,890	593,174	612,246
Revenue taxes	(2,312)	(3,141)	(10,990)	(11,519)
Net revenue	119,032	145,749	582,184	600,727
Other operating income	166,585	29,006	847,437	650,785
Employee benefits expense	(105,581)	(106,919)	(412,093)	(375,091)
Depreciation and amortisation	(15,793)	(16,131)	(64,627)	(63,540)
Other operating expenses-indirect	(106,079)	(267,840)	(333,355)	(491,257)
Profit from operations	58,164	(216,135)	619,546	321,624
Finance income	105,316	137,835	449,815	620,066
Finance expenses	(91,501)	(116,564)	(394,123)	(518,614)
Net finance income/(expense)	13,815	21,271	55,692	101,452
Profit before tax	71,979	(194,864)	675,238	423,076
Income tax expenses	10,863	(7,577)	(52,050)	(13,653)
Profit for the period	82,842	(202,441)	623,188	409,423
Earnings per share				
Basic/Diluted (Rs.)	0.20	(0.50)	1.53	1.01

The above figures are subject to audit.

COMPANY STATEMENTS OF COMPREHENSIVE INCOME

	Quarter ended 31st March		Year ended 31st March	
	2015 Rs.'000	2014 Rs.'000	2015 Rs.'000	2014 Rs.'000
Profit for the period	82,842	(202,441)	623,188	409,423
Other comprehensive income				
Actuarial gains/(losses) on defined benefit obligations	(6,915)	(2,200)	(6,915)	(2,200)
Net change in fair value of available-for-sale financial assets	699	20	2,404	(2,476)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	–	–	(6,212)	–
Other comprehensive income for the period, net of tax	(6,216)	(2,180)	(10,723)	(4,676)
Total comprehensive income for the period	76,626	(204,621)	612,465	404,747

The above figures are subject to audit.

COMPANY STATEMENT OF FINANCIAL POSITION

As at	31.03.2015 Rs.'000	31.03.2014 Rs.'000
ASSETS		
Non-current assets		
Property, plant & equipment	143,187	143,967
Investment property	3,437,195	3,439,945
Intangible assets	30,862	53,059
Investments in subsidiaries and joint ventures-unquoted	5,616,176	5,583,951
Investments in subsidiaries-quoted	2,458,287	2,458,287
Investments in equity-accounted investees	165,000	165,000
Other financial assets	135,444	181,878
	<u>11,986,151</u>	<u>12,026,087</u>
Current assets		
Inventories	1,999	2,167
Trade and other receivables	2,849,860	2,768,751
Current tax receivable	204,687	215,560
Deposits and prepayments	34,350	44,151
Other financial assets	4,817,742	4,274,439
Cash and short-term deposits	185,561	62,504
	<u>8,094,199</u>	<u>7,367,572</u>
Assets classified as held for sale	135,035	57,237
Total Assets	<u>20,215,385</u>	<u>19,450,896</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Stated capital	2,135,140	2,135,140
Reserves	6,507,996	6,357,104
Retained earnings	4,086,727	4,437,146
Total Equity	<u>12,729,863</u>	<u>12,929,390</u>
Non-current liabilities		
Interest bearing liabilities	2,690,920	3,426,394
Employee benefits	98,240	86,426
	<u>2,789,160</u>	<u>3,512,820</u>
Current liabilities		
Interest bearing liabilities	1,161,334	371,837
Trade and other payables	3,279,879	2,324,439
Other financial liabilities	530	-
Bank overdrafts and other short-term borrowings	254,619	312,410
	<u>4,696,362</u>	<u>3,008,686</u>
Total Equity and Liabilities	<u>20,215,385</u>	<u>19,450,896</u>
Net Assets per share (Rs.)	31.35	31.85

The above figures are subject to audit.

The Chief Financial Officer certifies that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.
D.H.S. Jayawardena
Chairman

Colombo,
22nd May 2015

Sgd.
J.M.S. Brito
Managing and Finance Director

Sgd.
Ms. N. Sivapragasam
Chief Financial Officer

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2015

	Stated capital	General reserve	Available for sale reserve	Retained earnings	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01st April 2014	2,135,140	6,363,478	(6,374)	4,437,146	12,929,390
Profit for the period	–	–	–	623,188	623,188
Other comprehensive income for the period	–	–	(3,808)	(6,915)	(10,723)
Total comprehensive income for the period	–	–	(3,808)	616,273	612,465
Transfer to general reserve	–	154,700	–	(154,700)	–
Dividends for 2013/2014	–	–	–	(811,992)	(811,992)
Balance as at 31st March 2015	2,135,140	6,518,178	(10,182)	4,086,727	12,729,863

For the year ended 31st March 2014

	Stated capital	General reserve	Available for sale reserve	Retained earnings	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01st April 2013	2,135,140	6,332,868	(3,898)	4,669,527	13,133,637
Profit for the period	–	–	–	409,423	409,423
Other comprehensive income for the period	–	–	(2,476)	(2,200)	(4,676)
Total comprehensive income for the period	–	–	(2,476)	407,223	404,747
Transfer to general reserve	–	30,610	–	(30,610)	–
Dividends for 2012/2013	–	–	–	(608,994)	(608,994)
Balance as at 31st March 2014	2,135,140	6,363,478	(6,374)	4,437,146	12,929,390

CASH FLOW STATEMENTS

For the year ended 31st March

	Group		Company	
	2015 Rs. '000	2014 Rs. '000 (Re-stated)	2015 Rs. '000	2014 Rs. '000
Cash flow from operating activities				
Net profit before taxation	5,709,923	5,444,946	675,238	423,076
Adjustments for				
Depreciation and amortisation	1,391,376	1,410,578	64,627	63,541
Impairment of goodwill	1,007,179	50,000	–	–
Interest expense	806,365	1,174,238	384,516	509,732
(Gain)/loss on disposal of property plant & equipment	(16,100)	96,669	(8,011)	(5,689)
(Gain)/loss on disposal of investment property	–	12,544	–	12,544
(Gain)/loss on losing control of subsidiaries	(6,724)	–	128,974	–
Gain on disposal of available-for-sale financial assets reclassified from equity	9,315	(26,570)	(6,212)	–
Interest income	(623,857)	(787,443)	(449,815)	(620,066)
Share of equity-accounted investees' (profit)/loss after tax	(330,887)	(429,461)	–	–
Impairment of investments	–	–	14,292	159,198
Impairment of inventories	152	133,177	27	–
Impairment of trade & other receivables	(20,051)	427,270	3,635	26,881
Movement in assets held for sale	(77,798)	–	–	–
Net foreign exchange (gain)/loss	(70,929)	(77,674)	5,867	(17,969)
Provision for retirement benefit obligations	127,216	103,867	18,669	17,222
	<u>2,195,257</u>	<u>2,087,195</u>	<u>156,569</u>	<u>145,394</u>
Operating profit before working capital changes	7,905,180	7,532,141	831,807	568,470
(Increase)/decrease in trade and other receivables	997,620	542,659	(84,744)	519,876
(Increase)/decrease in inventories	116,210	23,924	141	317
(Increase)/decrease in deposits & prepayments	65,417	215,923	9,801	8,924
Increase/(decrease) in trade and other payables	927,200	(1,346,871)	819,245	(32,091)
Increase/(decrease) in provisions	(457,751)	185,668	–	–
	<u>1,648,696</u>	<u>(378,697)</u>	<u>744,443</u>	<u>497,026</u>
Cash generated from/(used in) operations	9,553,876	7,153,444	1,576,250	1,065,496
Interest paid	(795,702)	(1,166,270)	(373,853)	(501,764)
Income tax paid	(841,593)	(729,835)	(41,177)	(60,618)
Retirement benefit obligations paid	(81,785)	(53,355)	(13,770)	(6,402)
	<u>(1,719,080)</u>	<u>(1,949,460)</u>	<u>(428,800)</u>	<u>(568,784)</u>
Net cash flow from operating activities	7,834,796	5,203,984	1,147,450	496,712
Cash flow from investing activities				
Interest received from deposits	635,116	775,423	462,106	606,918
Investment in subsidiaries & equity-accounted investees	(1,013,638)	(216,692)	(270,540)	(796,742)
Purchase of equity and debt securities	(5,000)	–	(5,000)	–
Proceeds from disposal of subsidiary	17,252	–	17,252	–
Cash and cash equivalents on disposal of subsidiary	272,335	–	–	–
Purchase of property, plant and equipment	(6,477,417)	(1,307,212)	(42,601)	(40,291)
Purchase of intangible assets	(7,541)	(6,756)	(332)	(1,530)
Purchase of leasehold rights and pre-paid operating leases	(508,845)	–	–	–
Proceeds from disposal of property, plant and equipment	191,565	404,275	12,044	7,535
Receipts of finance lease receivables	147,725	176,776	–	–
Proceeds from sale of equity and debt securities	144,684	331,096	60,346	47,708
Proceeds/(purchase) of other financial assets & liabilities (net)	(450,742)	(4,028,461)	(561,572)	(1,033,890)
Dividends and dividend taxes paid by subsidiary companies to outside shareholders	(588,941)	(402,431)	–	–
Dividends received from equity-accounted investees	186,259	186,384	–	–
	<u>(7,457,188)</u>	<u>(4,087,598)</u>	<u>(328,297)</u>	<u>(1,210,292)</u>
Net cash flow from investing activities	(7,457,188)	(4,087,598)	(328,297)	(1,210,292)

CASH FLOW STATEMENTS – CONTD.

For the year ended 31st March

	Group		Company	
	2015 Rs. '000	2014 Rs. '000 (Re-stated)	2015 Rs. '000	2014 Rs. '000
Cash flow from financing activities				
Proceeds from interest bearing liabilities	5,825,248	2,500,162	394,560	1,265,363
Repayment of interest-bearing liabilities	(2,729,268)	(1,468,032)	(382,500)	(172,500)
Proceeds from minority shareholders on issue of shares by subsidiaries	2,382	–	–	–
Dividends paid	(675,796)	(607,561)	(675,796)	(607,561)
Net cash flow from financing activities	2,422,566	424,569	(663,736)	485,302
Net increase/(decrease) in cash and cash equivalents	2,800,174	1,540,955	155,417	(228,278)
Cash and cash equivalents at the beginning of the period (Note A)	(1,978,768)	(3,431,135)	(224,475)	(21,628)
Cash and cash equivalents at the end of the period	821,406	(1,890,180)	(69,058)	(249,906)
Cash and cash equivalents at the end of the period				
Cash at bank and in hand & deposits	2,911,135	2,672,100	185,561	62,504
Short-term bank borrowings	(2,089,729)	(4,562,280)	(254,619)	(312,410)
Cash and cash equivalents at the end of the period	821,406	(1,890,180)	(69,058)	(249,906)
Note A				
Cash and cash equivalents at the beginning of the period				
Cash at bank and in hand & deposits	2,672,100	2,059,378	62,504	62,885
Short-term bank borrowings	(4,562,280)	(5,568,448)	(312,410)	(99,881)
Cash and cash equivalents as previously reported	(1,890,180)	(3,509,070)	(249,906)	(36,996)
Effect of exchange rate changes	(88,588)	77,935	25,431	15,368
Cash and cash equivalents as restated	(1,978,768)	(3,431,135)	(224,475)	(21,628)

NOTES TO THE FINANCIAL STATEMENTS

1. Segment analysis

1.1 Segment analysis of Group revenue and profit

	Tourism sector		Maritime & Logistics sector		Strategic investments		Services sector		Total	
	2015 Rs. '000	2014 Rs. '000 (Re-stated)	2015 Rs. '000	2014 Rs. '000 (Re-stated)	2015 Rs. '000	2014 Rs. '000 (Re-stated)	2015 Rs. '000	2014 Rs. '000 (Re-stated)	2015 Rs. '000	2014 Rs. '000 (Re-stated)
<i>For the year ended 31st March</i>										
Total revenue generated	17,829,448	16,965,337	7,738,781	7,447,979	15,165,971	16,196,090	1,086,304	943,434	41,820,504	41,552,840
Inter - segmental revenue	23,496	21,972	290,652	294,784	213,041	197,193	178,086	176,517	705,275	690,466
Intra-segmental revenue	985,772	1,037,701	219,414	242,581	56,365	64,473	29,619	30,320	1,291,170	1,375,075
Total revenue with equity-accounted investees	16,820,180	15,905,664	7,228,715	6,910,614	14,896,565	15,934,424	878,599	736,597	39,824,059	39,487,299
Share of equity-accounted investees' revenue	(3,006,134)	(2,807,867)	(482,162)	(545,496)	(1,015,408)	(1,074,813)	(1,464)	-	(4,505,168)	(4,428,176)
Revenue from external customers	13,814,046	13,097,797	6,746,553	6,365,118	13,881,157	14,859,611	877,135	736,597	35,318,891	35,059,123
Profit from operations	3,974,501	4,029,969	706,411	643,871	825,635	599,215	150,162	231,057	5,656,709	5,504,112
Finance income	265,989	276,243	44,839	51,703	297,811	439,311	15,218	20,186	623,857	787,443
Finance expenses	(237,587)	(236,451)	(60,596)	(71,602)	(595,628)	(960,192)	(7,719)	(7,825)	(901,530)	(1,276,070)
Share of profit of equity-accounted investees (net of tax)	227,326	257,197	44,830	81,401	84,772	121,080	(26,041)	(30,217)	330,887	429,461
Profit before tax	4,230,229	4,326,958	735,484	705,373	612,590	199,414	131,620	213,201	5,709,923	5,444,946
Income tax expense	(551,968)	(602,566)	(121,611)	(137,465)	(103,644)	(83,927)	(49,100)	(41,499)	(826,323)	(865,457)
Profit for the year	3,678,261	3,724,392	613,873	567,908	508,946	115,487	82,520	171,702	4,883,600	4,579,489

1.2 Segment analysis of Group assets

	Tourism sector		Maritime & Logistics sector		Strategic investments		Services sector		Total	
	31.03.15 Rs. '000	31.03.14 Rs. '000 (Re-stated)	31.03.15 Rs. '000	31.03.14 Rs. '000 (Re-stated)	31.03.15 Rs. '000	31.03.14 Rs. '000 (Re-stated)	31.03.15 Rs. '000	31.03.14 Rs. '000 (Re-stated)	31.03.15 Rs. '000	31.03.14 Rs. '000 (Re-stated)
<i>As at</i>										
Segment assets	29,979,652	24,866,153	7,235,126	7,179,046	19,426,671	22,019,546	2,713,376	2,990,215	59,359,845	57,054,960
Investments in equity -accounted investees	3,546,481	1,881,534	633,300	623,894	1,009,540	754,001	214,197	108,160	5,403,518	3,367,589
Goodwill on consolidation	-	-	-	-	-	-	-	-	447,821	497,821
Assets classified as held for sale	-	-	-	-	-	-	-	-	226,923	149,125
Total assets	33,526,133	26,747,687	7,868,426	7,802,940	20,436,211	22,773,547	2,927,573	3,098,375	65,438,107	61,069,495

- The Financial Statements of the company and those consolidated with such for the interim period have been prepared on the same basis as the most recent audited financial statements and are in compliance with Sri Lanka Accounting Standards - LKAS 34 - Interim Financial Reporting.
 - A first & final ordinary dividend of Rs. 2.00 per share for the year ended 31st March 2014 was paid on 09th July 2014, after it was approved at the Annual General Meeting on the 30th June 2014. The total dividend payment for the year ended 31st March 2014 amounted to Rs. 811,992,090.
 - There were no liabilities for management fees or any other similar expenditure not provided for in the interim financial statements.
 - During the period under review there were no material change in the nature of contingent liabilities disclosed in the annual report for the year ended 31st March 2014.
 - Aitken Spence Hotel International (Pvt) Ltd., a subsidiary of Aitken Spence Group, invested USD 5 million in Ace Resorts (Pvt) Ltd., to acquire the leasehold rights of Raafushi island in Noonu Atol of the Republic of Maldives.
- There were no other material events that occurred after the balance sheet date that require adjustments to or disclosure in the financial statements.
- The accounting policies adopted by the Group are consistent with those adopted in the previous financial year except for changes described as below.

NOTES TO THE FINANCIAL STATEMENTS – CONTD.

7.1. SLFRS 10 - Consolidated financial statements

With the adoption of SLFRS 10 in Sri Lanka with effect from 1st January 2014, the Group changed its accounting policy for determining whether an investee is a subsidiary based on the definition of control. The Group considers that control exists when the Company has power over an investee; has exposure or rights to variable returns from its involvement with the investee and when it has ability to use its power over the investee to affect the amount of the Company's returns.

With the adoption of SLFRS 10, the Group reassessed the control conclusion for its investees and changed the control conclusion for Shipping & Cargo Logistics (Pvt) Ltd., Spence Maldives (Pvt) Ltd., Ace Aviation Services Maldives (Pvt) Ltd., Aitken Spence Garments Ltd., and MMBL Money Transfer (Pvt) Ltd., and treated them as subsidiaries based on de facto circumstances. These investees where applicable were previously accounted for as Joint Ventures using the proportionate consolidation method.

7.2. SLFRS 11 - Joint arrangements

With the adoption of SLFRS 11 in Sri Lanka, the Group changed its accounting policy for its interests in joint arrangements. Under SLFRS 11, the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification.

The Group re-evaluated its involvement in its joint arrangements and identified the investments in Aitken Spence Travels Ltd and its subsidiaries, Ace Bangladesh Ltd., Delta Shipping (Pvt) Ltd., Colombo International Nautical & Engineering College (Pvt) Ltd., and Aitken Spence C & T Investments (Pvt) Ltd., as joint ventures. Application of this standard impacted the Group financial statements by replacing proportionate consolidation of these companies with the equity method of accounting.

Changes to the basis of accounting of the companies mentioned in 8.1 and 8.2 above were applied with retrospective effect as per the transitional provisions under the relevant standards.

7.3. SLFRS 12 - Disclosure of interests in other entities

SLFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. Non of these disclosure requirements are applicable for interim financial statements, unless significant events and transactions in the interim period requires that they are provided. Accordingly, the Group has not made such disclosures.

7.4. SLFRS 13 - Fair value measurement

SLFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other SLASs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Application of this standard has not materially impacted the fair value measurements carried out by the Group.

NOTES TO THE FINANCIAL STATEMENTS – CONTD.

7.5. Summary of quantitative impact

The following tables summarise the material impacts for the comparative periods resulting from the above changes in accounting policies on the Group's financial statements.

(a) Impact on consolidated income statement for the year ended 31st March 2014.

	Application of SLFRS 10 Rs.'000	Application of SLFRS 11 Rs.'000
Revenue	1,814,391	(3,353,363)
Revenue tax	(278)	8,259
Net revenue	1,814,113	(3,345,104)
Other operating income	35,453	(23,655)
Changes in inventories of finished goods and work-in-progress	36,709	-
Raw materials and consumables used	(401,974)	-
Employee benefits expense	(199,964)	274,095
Depreciation amortisation and impairment expense	(13,000)	51,842
Other operating expenses-direct	(1,033,123)	2,544,642
Other operating expenses-indirect	(152,462)	213,548
Profit from operations	85,752	(284,632)
Finance income	234	(13,512)
Finance expenses	(9,599)	(15,802)
Net financing income/(expenses)	(9,365)	(29,314)
Share of equity-accounted investees profits	-	273,394
Profit before tax	76,387	(40,552)
Income tax expenses	(5,533)	40,552
Net Profit for the period	70,854	-
Attributable to:		
Equity holders of the parent	-	-
Minority interest	70,854	-
Net Profit for the period	70,854	-

(b) Impact on consolidated statements of financial position

	As at 31.03.2014 Application of SLFRS 10 Rs.'000	Application of SLFRS 11 Rs.'000	As at 01.04.2013 Application of SLFRS 10 Rs.'000	Application of SLFRS 11 Rs.'000
Property, plant & equipment	71,424	(493,023)	63,711	(570,561)
Investment property	-	(89,274)	-	-
Intangible assets	208	(301,881)	363	(304,051)
Investments in equity-accounted investees	-	1,273,093	-	1,128,782
Deferred tax assets	4,768	(294)	3,863	(261)
Inventories	92,255	(2,917)	55,547	(1,479)
Trade and other receivables	219,541	(482,503)	190,725	(472,072)
Current tax receivable	2,629	(80)	1,507	(192)
Deposits and prepayments	13,370	(205,740)	15,779	(124,113)
Other financial assets	283	(121,187)	847	(86,557)
Cash and short-term deposits	74,517	(130,931)	76,811	(235,427)
Total Assets	478,995	(554,737)	409,153	(665,931)
Interest bearing liabilities	23,980	(41,838)	14,370	(49,727)
Deferred tax liabilities	1,761	(5,268)	1,561	(10,919)
Employee benefits	23,896	(54,785)	18,283	(43,947)
Trade and other payables	187,911	(361,643)	136,640	(401,302)
Current tax payable	4,732	(7,784)	3,141	(15,157)
Bank overdrafts and other short-term borrowings	88,532	(83,419)	124,574	(144,879)
Total Liabilities	330,812	(554,737)	298,569	(665,931)
Non-controlling interests	148,183	-	110,584	-
Total Equity	148,183	-	110,584	-

There is no material impact on interim consolidated other comprehensive income and cash flows.

NON FINANCIAL INFORMATION

	31.03.2015
1. Stated Capital	
Number of shares represented by the stated capital (31.03.2014 - 405,996,045)	405,996,045
Number of Public Shareholders	4,313
Percentage of shares held by the Public	38.65%
2. Shares Traded	
Market Price per Share - Last traded (Rs.)	99.50
Market Price per Share - Highest (Rs.)	120.50
Market Price per Share - Lowest (Rs.)	96.00

3. Share Holding of Directors

The number of shares held by the Board of Directors are as follows;

Name of Director	Position	31.03.2015	31.03.2014
1 D. H. S. Jayawardena	Chairman	Nil	Nil
2 J. M. S. Brito	Managing and Finance Director	304,495	294,495
3 R. M. Fernando	Director	Nil	Nil
4 M. P. Dissanayake	Director	Nil	Nil
5 D.S.T. Jayawardena	Director	27,839	N/A
6 G.C. Wickremasinghe	Director	7,308,240	7,308,240
7 C. H. Gomez	Director	Nil	Nil
8 N. J. de Silva Deva Aditya	Director	Nil	Nil
9 V. M. Fernando	Director	Nil	Nil
10 R. N. Asirwatham	Director	1,000	1,000

4. Substantial Shareholdings

The twenty largest shareholding as at 31st March 2015, are as follows;

Name of the Shareholder	Shareholding	%
1 Melstacorp (Private) Limited	167,376,598	41.23
2 Rubicond Enterprises Limited	65,990,145	16.25
3 HSBC International Nominees Limited-BPSS LUX-Aberdeen Global-Asian Smaller Companies Fund	32,671,142	8.05
4 HSBC International Nominees Limited -BP2S London-Aberdeen Asia Pasific Equity Fund	17,192,300	4.24
5 Mr. G.C. Wickremasinghe	7,308,240	1.80
6 Employees' Provident Fund	7,047,833	1.74
7 HSBC International Nominees Limited -BP2S Luxembourg-Aberdeen Global-Frontier Markets Equity Fund	6,780,000	1.67
8 HSBC International Nominees Limited- SSBT-Aberdeen Institutional Commingled funds, LLC	5,795,500	1.43
9 Placidrange Holdings Limited	5,521,500	1.36
10 HSBC International Nominees Limited -BP2S London-Aberdeen New Dawn Investment Trust Xcc6	4,503,555	1.11
11 Milford Exports (Ceylon) (Private) Limited	4,321,500	1.06
12 HSBC International Nominees Limited -BP2S London-Aberdeen Asia Smaller Companies Investment Trust	3,400,000	0.84
13 Stassen Exports Limited	3,244,500	0.80
14 Ms. A.T. Wickremasinghe	3,211,975	0.79
15 Ms. K. Fernando	3,135,070	0.77
16 Mellon Bank N.A.-Florida Retirement System	3,100,000	0.76
17 Mr. G.Wickremasinghe	3,019,090	0.74
18 Employees' Trust Fund Board	2,621,870	0.65
19 National Savings Bank	2,593,516	0.64
20 Bank of Ceylon No. 1 Account	1,905,885	0.47

CORPORATE INFORMATION

as at 31st March 2015

DIRECTORS

Deshamanya D. H. S. Jayawardena - Chairman

Mr. J.M.S. Brito - Managing and Finance Director

Dr. R. M. Fernando

Dr. M. P. Dissanayake

Miss. D.S.T. Jayawardena

Mr. G. C. Wickremasinghe

Mr. C. H. Gomez

Mr. V. M. Fernando

Mr. N. J. de Silva Deva Aditya

Mr. R. N. Asirwatham

Mr. A. L. Gooneratne (Alternate Director to Mr. N.J. de Silva Deva Aditya)

SECRETARY

Mr. R. E. V. Casie Chetty

REGISTERED OFFICE

Aitken Spence Tower II

315, Vauxhall Street,

Colombo 02,

Sri Lanka.