

HAYCARB PLC

Co. Reg. No. PQ 59

No.400, Deans Road, Colombo-10, Sri Lanka



Interim Report

Nine months ended 31st December 2014

**Quarter-3
(2014/15)**

Corporate Information

NAME OF COMPANY

Haycarb PLC

(A quoted public company with limited liability, incorporated in Sri Lanka in 1973)

COMPANY REGISTRATION NUMBER

PQ 59

STOCK EXCHANGE LISTING

The ordinary shares of the company are listed with the Colombo Stock Exchange of Sri Lanka

DIRECTORS

Mohan Pandithage (Chairman)

Rajitha Kariyawasan (Managing Director)

Arjun Senaratna

Ranjeevan Seevaratnam - Retired on 25/06/2014

Dhammika Perera

Sarath Ganegoda

Ms Jeevani Abeyratne

Dushantha Ranaraja

Nimal Perera

Dr Sarath Abayawardana

Sujeewa Rajapakse

Ms Shyamalie Weerasooriya (Alternate director to Mr. Dhammika Perera) - Resigned on 31/05/2014

SUBSIDIARIES ASSOCIATE AND JOINT VENTURE

Carbokarn Co. Limited (Bangkok, Thailand)

CK Regen Systems Co. Limited (Bangkok, Thailand)

Shizuka Company Limited (Ratchaburi, Thailand)

Eurocarb Products Limited (Bristol, England)

Haycarb Holdings Australia (Pty) Limited (Victoria, Australia)

Haycarb Holdings Bitung Limited (Tortola, British Virgin Islands)

Haycarb USA Inc. (Woodlands, Texas, U.S.A)

PT Mapalus Makawanua Charcoal Industry (Bitung, Indonesia)

Puritas (Pvt) Limited

Recogen (Pvt) Limited

Ultracarb (Pvt) Limited

Haycarb Value Added Products (Pvt) Limited

PT. Haycarb Palu Mitra (Palu, Indonesia)

Carbotels (Pvt) Limited - Associate

Lakdiyatha (Pvt) Limited - Joint venture

Puricarb Pte.Ltd. (Singapore)

SECRETARIES

Hayleys Group Services (Pvt) Limited

400, Deans Road, Colombo 10, Sri Lanka.

Telephone +94 11 2696335

Fax: +94 11 2627645

E-mail: info.sec@hayleys.com

REGISTERED OFFICE

Hayley Building

400, Deans Road, Colombo 10, Sri Lanka.

Telephone: +94 11 2677364, 2687565, 2691289, 2677363

Fax: +94 11 2699630

E - mail : general@haycarb.com

Website: <http://www.haycarb.com>

Haycarb PLC

INCOME STATEMENTS

Audited year ended 31.03.14 Rs.'000	For the period ended	9 months to			3 months to	
		31.12.14 Rs.'000	31.12.13 Rs.'000	Change % +/(-)	31.12.14 Rs.'000	31.12.13 Rs.'000
CONSOLIDATED						
10,338,684	Revenue	8,008,336	7,612,949	5	2,804,061	2,559,565
(7,605,573)	Cost of sales	(6,201,838)	(5,663,822)	9	(2,125,280)	(1,960,544)
2,733,111	Gross profit	1,806,498	1,949,127	(7)	678,781	599,021
28,504	Other operating income	38,045	51,846	(27)	14,347	(6,687)
(123,081)	Selling & distribution expenses	(91,379)	(93,639)	(2)	(26,042)	(34,774)
(1,369,418)	Administrative expenses	(1,045,826)	(1,032,400)	1	(362,969)	(368,580)
92,657	Finance income	44,663	76,513	(42)	15,736	53,754
(342,433)	Finance cost	(162,101)	(206,895)	(22)	(84,238)	(59,313)
(249,776)	Net finance income/ (cost)	(117,438)	(130,382)	10	(68,502)	(5,559)
24,743	Share of profit of equity accounted investee (net of tax)	11,131	7,032	58	2,949	4,772
1,044,083	Profit before income tax	601,031	751,584	(20)	238,564	188,193
(152,106)	Income tax expense	(93,081)	(122,158)	(24)	(34,378)	(29,568)
891,977	Profit for the period	507,950	629,426	(19)	204,186	158,625
Attributable to:						
787,780	Equity holders of the company	415,535	551,625	(25)	123,699	123,771
104,197	Minority interest	92,415	77,801	19	80,487	34,854
891,977		507,950	629,426	(19)	204,186	158,625
Earnings per share						
26.51	Basic earnings per share (Rs.)	13.99	18.57		4.16	4.17
COMPANY						
5,271,186	Revenue	3,638,981	4,037,887	(10)	1,162,850	1,261,082
(4,243,455)	Cost of sales	(3,142,827)	(3,263,219)	(4)	(1,014,299)	(1,051,212)
1,027,731	Gross profit	496,154	774,668	(36)	148,551	209,870
227,063	Other operating income	163,884	77,755	111	43,423	25,215
(52,693)	Selling & distribution expenses	(22,828)	(36,416)	(37)	(4,973)	(14,438)
(584,085)	Administrative expenses	(463,431)	(477,042)	(3)	(152,319)	(160,942)
73,325	Finance income	26,950	56,662	(52)	6,836	(590)
(140,478)	Finance cost	(76,357)	(116,711)	(35)	(37,190)	(16,296)
(67,153)	Net finance income/(cost)	(49,407)	(60,049)	18	(30,354)	(16,886)
550,863	Profit before income tax	124,372	278,916	(55)	4,328	42,819
(27,630)	Income tax expense	(7,250)	(28,000)	(74)	(250)	(5,945)
523,233	Profit for the period	117,122	250,916	(53)	4,078	36,874
17.61	Basic earnings per ordinary share (Rs.)	3.94	8.44		0.14	1.24

Notes on pages 7 to 10 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Haycarb PLC
STATEMENTS OF OTHER COMPREHENSIVE INCOME

For the Nine months ended 31st December	Group		Company	
	2014 Rs. '000	2013 Rs. '000	2014 Rs. '000	2013 Rs. '000
Profit for the Period	507,950	629,426	117,122	250,916
Other comprehensive income				
Net Exchange differences on translation of foreign entities	(15,148)	(71,416)	-	-
Net gain/(loss) on available-for-sale financial assets	227,443	(85,443)	227,444	(85,443)
Other comprehensive income for the period (net of tax)	212,295	(156,859)	227,444	(85,443)
Total comprehensive income for the period (net of tax)	720,245	472,567	344,566	165,473
Attributable to:				
Equity holders of the parent	624,839	406,933	344,566	165,473
Non-controlling interests	95,406	65,634	-	-
	720,245	472,567	344,566	165,473

Haycarb PLC

STATEMENTS OF FINANCIAL POSITION

Group		Company		Group		Company	
Audited	Audited	As at 31st December		Un audited	Un audited	Un audited	Un audited
31.03.2014	31.03.2014			2014	2013	2014	2013
Rs.'000	Rs.'000			Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS							
Non-Current Assets							
3,474,558	956,028	Property, plant & equipment		3,738,514	3,365,142	1,012,643	938,128
36,846	36,845	Investment property		36,729	36,884	36,729	36,884
251,223	38,841	Intangible assets		242,451	242,025	29,242	39,984
-	1,341,765	Investments in subsidiaries		-	-	1,341,765	1,341,765
393,297	92,903	Investment in equity accounted investee		445,684	378,897	92,903	92,903
-	-	Non-current receivables from related parties		-	-	-	-
-	33,446	Non current receivables from subsidiaries		-	-	41,946	33,446
354,972	354,878	Other non-current financial assets		582,497	366,772	582,321	366,677
15,860	-	Deferred tax assets		16,538	3,221	-	-
<u>4,526,756</u>	<u>2,854,706</u>			<u>5,062,413</u>	<u>4,392,941</u>	<u>3,137,549</u>	<u>2,849,787</u>
Current Assets							
2,123,407	1,019,656	Inventories		2,732,862	2,361,024	1,376,046	1,170,211
1,883,475	1,073,519	Trade & other receivables		2,010,829	1,784,595	985,948	840,346
-	524,324	Amounts due from subsidiaries		-	-	646,805	435,556
20,511	9,908	Amounts due from related parties		21,053	27,576	4,275	24,864
228,622	65,701	Other current assets		243,301	226,417	86,206	101,573
730,734	381,030	Cash and cash equivalents		487,702	401,735	122,280	133,991
<u>4,986,749</u>	<u>3,074,138</u>			<u>5,495,747</u>	<u>4,801,347</u>	<u>3,221,560</u>	<u>2,706,541</u>
<u>9,513,505</u>	<u>5,928,844</u>	Total Assets		<u>10,558,160</u>	<u>9,194,288</u>	<u>6,359,109</u>	<u>5,556,328</u>
EQUITY & LIABILITIES							
Equity							
331,774	331,774	Stated capital		331,774	331,774	331,774	331,774
373,907	208,009	Capital reserves		373,907	373,907	208,009	208,009
4,061,796	2,753,566	Revenue reserves		4,638,939	3,998,468	3,008,995	2,598,092
		Total equity attributable to equity holders of the company		5,344,620	4,704,149	3,548,778	3,137,875
4,767,477	3,293,349	Non-controlling interests		563,825	520,269	-	-
<u>468,418</u>	<u>-</u>	Total equity		<u>5,908,445</u>	<u>5,224,418</u>	<u>3,548,778</u>	<u>3,137,875</u>
<u>5,235,895</u>	<u>3,293,349</u>						
Non-Current Liabilities							
689,322	559,329	Interest bearing loans & borrowings		621,308	818,770	449,417	673,723
21,219	8,100	Deferred tax liability		20,971	19,632	8,100	5,700
187,013	186,739	Retirement benefit obligations		199,166	183,092	198,892	182,845
<u>897,554</u>	<u>754,168</u>	Total non-current liabilities		<u>841,445</u>	<u>1,021,494</u>	<u>656,409</u>	<u>862,268</u>
Current Liabilities							
618,811	175,601	Trade & other payables		511,581	532,586	139,852	187,799
1,773,281	1,446,122	Interest bearing loans & borrowings		2,183,188	1,436,891	1,720,231	1,094,385
261,463	223,574	Other current liabilities		257,830	239,731	174,956	208,526
-	36,030	Amounts due to subsidiaries		-	-	82,280	45,113
659,132	-	Amounts due to related parties		809,871	679,163	29,353	11,350
67,369	-	Income tax payable		45,800	60,005	7,250	9,012
<u>3,380,056</u>	<u>1,881,327</u>	Total current liabilities		<u>3,808,270</u>	<u>2,948,376</u>	<u>2,153,922</u>	<u>1,556,185</u>
<u>4,277,610</u>	<u>2,635,495</u>	Total liabilities		<u>4,649,715</u>	<u>3,969,870</u>	<u>2,810,331</u>	<u>2,418,453</u>
<u>9,513,505</u>	<u>5,928,844</u>	Total equity and liabilities		<u>10,558,160</u>	<u>9,194,288</u>	<u>6,359,109</u>	<u>5,556,328</u>
160.45	110.84	Net assets per share (Rs.)		179.88	158.32	119.44	105.61

"It is certified that the financial statements set out on pages 2 to 10 have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007".

Sgd.

Ms. M J A S Abeyratne
Finance Director

Signed for and on behalf of the Board,

Sgd.

A M Pandithage
Chairman
5th February 2015

Sgd.

H S R Kariyawasan
Managing Director

STATEMENT OF CHANGES IN EQUITY

For the Nine months ended 31st December

	Attributable to equity holders of the parent						Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	Other Reserves			Retained earnings			
			Available -for-sale reserve	Exchange fluctuation on reserve	General reserve				
GROUP	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	
Balance as at 01.04.2013	331,774	373,907	411,460	390,478	519,353	2,354,585	4,381,557	344,247	4,725,804
Profit for the period	-	-	-	-	-	551,625	551,625	77,801	629,426
Other comprehensive income for the period	-	-	(85,443)	(59,249)	-	-	(144,692)	(12,167)	(156,859)
Cost on share issue	-	-	-	-	-	(1,001)	(1,001)	-	(1,001)
Incorporation of subsidiary	-	-	-	-	-	-	-	110,388	110,388
Movement in reserve in equity accounted investee	-	-	-	-	-	5,797	5,797	-	5,797
Dividends	-	-	-	-	-	(89,137)	(89,137)	-	(89,137)
Balance as at 31.12.2013	331,774	373,907	326,017	331,229	519,353	2,821,869	4,704,149	520,269	5,224,418
Balance as at 01.04.2014	331,774	373,907	314,217	278,503	519,353	2,949,723	4,767,477	468,418	5,235,895
Profit for the period	-	-	-	-	-	415,535	415,535	92,415	507,950
Other comprehensive income for the period	-	-	227,443	(18,139)	-	-	209,304	2,991	212,295
Movement in reserve in equity accounted investee	-	-	-	-	-	41,442	41,442	-	41,442
Dividends	-	-	-	-	-	(89,137)	(89,137)	-	(89,137)
Balance as at 31.12.2014	331,774	373,907	541,660	260,364	519,353	3,317,563	5,344,621	563,824	5,908,445

COMPANY	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained earnings	Total equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01.04.2013	331,774	208,009	519,353	411,460	1,590,943	3,061,539
Profit for the year	-	-	-	-	250,916	250,916
Other comprehensive income for the period	-	-	-	(85,443)	-	(85,443)
Dividends	-	-	-	-	(89,137)	(89,137)
Balance as at 31.12.2013	331,774	208,009	519,353	326,017	1,752,722	3,137,875
Balance as at 01.04.2014	331,774	208,009	519,353	314,217	1,919,996	3,293,349
Profit for the year	-	-	-	-	117,122	117,122
Other comprehensive income for the period	-	-	-	227,444	-	227,444
Dividends	-	-	-	-	(89,137)	(89,137)
Balance as at 31.12.2014	331,774	208,009	519,353	541,661	1,947,981	3,548,778

Cash Flow Statements

Group Audited 31.03.2014 Rs.' 000	Company Audited 31.03.2014 Rs.' 000	<i>For the Nine months ended 31st December</i>	Group 2014 Rs.' 000	2013 Rs.' 000	Company 2014 Rs.' 000	2013 Rs.' 000
CASH FLOWS FROM OPERATING ACTIVITIES						
1,044,083	550,863	Profit before tax	601,031	751,584	124,372	278,916
		Adjustments for :				
227,897	62,679	Depreciation and impairment of property, plant & equipment	193,145	175,079	53,795	45,887
7,956	7,881	Amortization of intangible assets	8,772	4,486	9,599	4,486
1,836	-	(Gain)/loss on disposal of property, plant & equipment	(491)	1,106	-	1,007
(126,121)	(5,325)	Gain/(loss) on translation on foreign currencies	(12,223)	(24,968)	(7,733)	(3,134)
(29,228)	-	Exchange difference on translation of foreign entities	(14,417)	(22,240)	-	-
(92,657)	(73,325)	Finance income	(44,663)	(76,514)	(26,950)	(57,543)
342,433	140,478	Finance cost	162,101	206,895	76,357	117,591
-	(124,655)	Dividend income - subsidiaries	-	-	(47,982)	-
(24,743)	-	Share of profit from equity accounted investee	(11,131)	(7,032)	-	-
(915)	(724)	Provision/(reversal) for slow moving inventory	1,500	1,800	1,500	1,800
10,812	-	Provision / (reversal) for unrealized profit on inventories	7,047	10,655	-	-
3,351	-	Provision / (reversal) of bad and doubtful debts	(2,108)	(3,419)	-	-
30,153	30,051	Provision for retiring gratuity	30,000	42,500	24,000	42,500
1,394,857	587,923	Operating cash flows before working capital changes	918,563	1,059,932	206,958	431,510
		Working Capital Adjustments:				
(276,586)	(208,766)	(Increase)/decrease in trade and other receivables and Prepaym	(139,925)	(173,636)	67,069	45,975
28,262	(158,340)	(Increase)/decrease in amounts receivable from related parties	(542)	16,661	(125,348)	(147,790)
44,741	25,584	(Increase)/decrease in inventories	(618,031)	(195,434)	(357,890)	(127,495)
243,935	89,000	Increase/(decrease) in trade and other payables	(109,172)	139,798	(36,426)	84,901
(59,373)	(10,341)	Increase/(decrease) in amount due to related parties	150,739	(38,716)	29,353	11,350
1,375,835	325,060		201,632	808,605	(216,284)	298,451
(138,765)	(74,213)	Interest paid	(116,901)	(107,398)	(50,225)	(54,835)
(223,296)	(53,156)	Income tax paid	(115,576)	(185,983)	-	(43,260)
(14,633)	(14,633)	Retiring gratuity paid	(17,847)	(12,901)	(11,847)	(12,901)
999,141	183,058	Net cash flows from operating activities	(48,692)	502,323	(278,356)	187,455
CASH FLOWS FROM INVESTING ACTIVITIES						
6,204	-	Proceeds from sale of property, plant & equipment	2,698	2,404	-	1,906
(1,023,667)	(193,199)	Purchase of property, plant & equipment	(459,923)	(790,671)	(110,295)	(161,459)
-	(318,268)	Investment in subsidiary Shares	-	-	-	(318,268)
(19,161)	(8,746)	Acquisition of intangible assets	-	(6,495)	-	(6,495)
12,915	10,545	Interest received	4,705	11,008	1,569	6,251
929	929	Dividend received from equity accounted investee	186	929	186	929
22,381	146,104	Other dividends received	12,021	12,208	60,002	12,206
-	-	Minority investment in subsidiary	-	110,388	-	-
(1,000,399)	(362,635)	Net cash flows used in investing activities	(440,313)	(660,229)	(48,538)	(464,930)
(1,258)	(179,577)	Net cash inflow/(outflow) before financing activities	(489,005)	(157,906)	(326,894)	(277,475)
CASH FLOWS FROM FINANCING ACTIVITIES						
(1,001)	-	Transaction costs on issue of shares	-	(1,001)	-	-
110,388	-	Investment made by minority share holders	-	-	-	-
384,607	384,606	Proceeds from borrowings	130,882	384,607	-	384,607
(215,239)	(122,942)	Repayment of borrowings	(207,077)	(171,489)	(115,137)	(93,371)
(178,274)	(178,274)	Dividends paid to equity holders of the parent company	(90,828)	(89,146)	(90,828)	(89,146)
(57,714)	-	Dividends paid to non-controlling interest	-	-	-	-
42,768	83,390	Net cash flows from / (used in) financing activities	(167,023)	122,971	(205,965)	202,090
41,510	(96,187)	Net increase/(decrease) in cash and cash equivalents	(656,028)	(34,935)	(532,859)	(75,385)
(820,882)	(799,036)	Cash and cash equivalents at the beginning of period	(779,239)	(820,882)	(895,223)	(799,036)
(779,372)	(895,223)	Cash and cash equivalents at the end of period (Note A)	(1,435,267)	(855,817)	(1,428,082)	(874,421)
Analysis of cash and cash equivalents as at 31st December						
556,824	253,648	A) Bank and cash balances	409,224	298,409	119,865	118,741
173,910	127,382	Short term deposits	78,478	103,326	2,415	15,250
730,734	381,030		487,702	401,735	122,280	133,991
(1,510,106)	(1,276,253)	Bank overdrafts & short term loans	(1,922,969)	(1,257,552)	(1,550,362)	(1,008,412)
(779,372)	(895,223)	Cash and cash equivalents	(1,435,267)	(855,817)	(1,428,082)	(874,421)

Haycarb PLC
Reconciliation of Income Statement
For the period ended

	31st March 2014			31st December 2013		
	With	SLFRS 11	With	With	SLFRS 11	With
	Proportionate Consolidation Rs.'000	Adjustment Rs.'000	Equity Method Rs.'000	Proportionate Consolidation Rs.'000	Adjustment Rs.'000	Equity Method Rs.'000
Revenue	10,348,066	(9,382)	10,338,684	7,619,987	(7,038)	7,612,949
Cost of sales	(7,608,179)	2,606	(7,605,573)	(5,667,131)	3,309	(5,663,822)
Gross profit	2,739,887	(6,776)	2,733,111	1,952,856	(3,729)	1,949,127
Other operating income	27,921	583	28,504	51,412	434	51,846
Selling & distribution expenses	(123,081)	-	(123,081)	(93,639)	-	(93,639)
Administrative expenses	(1,369,753)	335	(1,369,418)	(1,032,665)	265	(1,032,400)
Other operating expenses	-	-	-	-	-	-
Finance income	104,326	(11,669)	92,657	85,267	(8,754)	76,513
Finance cost	(347,631)	5,198	(342,433)	(210,959)	4,064	(206,895)
Net finance income/ (cost)	(243,305)	6,471	(249,776)	(125,692)	4,690	(130,382)
Share of profit of equity accounted investee (net of tax)	1,761	22,982	24,743	(688)	7,720	7,032
Profit before income tax	1,033,430	(10,653)	1,044,083	751,584	-	751,584
Income tax expense	(141,453)	(10,653)	(152,106)	(122,158)	-	(122,158)
Profit for the period	891,977	-	891,977	629,426	-	629,426
Reconciliation of Statement Of Comprehensive Income						
Profit for the period	891,977		891,977	629,426		629,426
Other comprehensive income						
Exchange differences on translation of foreign operations	(144,675)	-	(144,675)	(71,416)	-	(71,416)
Net gain/(loss) on available-for-sale financial assets	(97,243)	-	(97,243)	(85,443)	-	(85,443)
Actuarial gains and (losses) on defined benefit plans	(18,000)	-	(18,000)	-	-	-
Income tax on other comprehensive income	2,147	-	2,147	-	-	-
Other comprehensive income for the period, net of tax	(257,771)	-	(257,771)	(156,859)	-	(156,859)
Total comprehensive income for the period, net of tax	634,206	-	634,206	472,567	-	472,567
Total Comprehensive income for the period attributable to						
Owners of the company	562,709	-	562,709	406,933	-	406,933
Non- Controlling Interest	71,497	-	71,497	65,634	-	65,634
	634,206	-	634,206	472,567	-	472,567

Haycarb PLC

Reconciliation for the Statement Of Financial Position

	As at 31st March			As at 31st December		
	With		With	With		With
	Proportionate Consolidation Rs.'000	SLFRS 11 Adjustment Rs.'000	Equity Method Rs.'000	Proportionate Consolidation Rs.'000	SLFRS 11 Adjustment Rs.'000	Equity Method Rs.'000
ASSETS						
Non-Current Assets						
Property, plant & equipment	3,474,558	-	3,474,558	3,365,142	-	3,365,142
Investment property	36,846	-	36,846	36,884	-	36,884
Intangible assets	251,223	-	251,223	242,025	-	242,025
Investment in equity accounted investee	328,000	65,297	393,297	328,862	50,035	378,897
Other non-current financial assets	445,516	(90,544)	354,972	456,906	(90,134)	366,772
Deferred tax assets	31,889	(16,029)	15,860	8,596	(5,375)	3,221
	4,568,032	(41,276)	4,526,756	4,438,415	(45,474)	4,392,941
Current Assets						
Inventories	2,123,407	-	2,123,407	2,361,024	-	2,361,024
Trade & other receivables	1,899,386	(15,911)	1,883,475	1,793,651	(9,056)	1,784,595
Amounts due from related parties	17,969	2,542	20,511	27,576	-	27,576
Other current assets	230,042	(1,420)	228,622	227,649	(1,232)	226,417
Cash and cash equivalents	730,867	(133)	730,734	406,145	(4,410)	401,735
	5,001,671	(14,922)	4,986,749	4,816,045	(14,698)	4,801,347
Total Assets	9,569,703	(56,198)	9,513,505	9,254,460	(60,172)	9,194,288
EQUITY & LIABILITIES						
Equity						
Stated capital	331,774	-	331,774	331,774	-	331,774
Capital reserves	373,907	-	373,907	373,907	-	373,907
Revenue reserves	4,061,796	-	4,061,796	3,998,468	-	3,998,468
Total equity attributable to equity holders of the company	4,767,477	-	4,767,477	4,704,149	-	4,704,149
Non-controlling interests	468,418	-	468,418	520,269	-	520,269
Total equity	5,235,895	-	5,235,895	5,224,418	-	5,224,418
Non-Current Liabilities						
Interest bearing loans & borrowings	732,717	(43,395)	689,322	862,858	(44,088)	818,770
Deferred tax liability	21,219	-	21,219	19,632	-	19,632
Retirement benefit obligations	187,013	-	187,013	183,092	-	183,092
Total non-current liabilities	940,949	(43,395)	897,554	1,065,582	(44,088)	1,021,494
Current Liabilities						
Trade & other payables	619,961	(1,150)	618,811	537,824	(5,238)	532,586
Interest bearing loans & borrowings	1,782,152	(8,871)	1,773,281	1,445,407	(8,516)	1,436,891
Other current liabilities	262,133	(670)	261,463	239,731	-	239,731
Amounts due to related parties	661,244	(2,112)	659,132	681,493	(2,330)	679,163
Income tax payable	67,369	-	67,369	60,005	-	60,005
Total current liabilities	3,392,859	-12,803	3,380,056	2,964,460	(16,084)	2,948,376
Total liabilities	4,333,808	-56,198	4,277,610	4,030,042	-60,172	3,969,870
Total equity and liabilities	9,569,703	-56,198	9,513,505	9,254,460	-60,172	9,194,288
Net assets per share (Rs.)	160.45	0.00	160.45	158.32	0.00	158.32

Haycarb PLC
SEGMENT ANALYSIS

INDUSTRY SEGMENTS

Turnover-Net

	External Rs.'000	Intra-group Rs.'000	Group	
			31.12.2014 Rs.'000	31.12.2013 Rs.'000
Activated carbon	7,742,306	2,765,101	10,507,407	9,282,550
Environmental engineering	<u>266,030</u>	<u>10,417</u>	276,447	<u>196,612</u>
	8,008,336	2,775,518	10,783,854	9,479,162
Intra-group sales			(2,775,518)	(1,866,213)
			8,008,336	7,612,949

Industry segment results

Profit before tax

	Group	
	31.12.2014 Rs.'000	31.12.2013 Rs.'000
Activated carbon	625,749	739,786
Environmental engineering	37,355	26,471
Leisure-associate	(1,184)	(688)
	661,920	765,569
Consolidation adjustments	(53,842)	(1,656)
Unrealised profit on intra-group sales	(7,047)	(12,329)
	601,031	751,584

INVESTOR INFORMATION

	Nine months ended		Three months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Market value of shares				
Closing price	173.00	189.80	173.00	189.80
Highest price recorded for the period (Rs.)	200.00	215.00	193.90	195.00
	(24/09/2014)	(5/06/2013)	(18/11/2014)	(30/10/2013)
Lowest price recorded for the period (Rs.)	170.00	175.00	170.00	180.00
	(22/12/2014)	(2/04/2013)	(22/12/2014)	(30/12/2013)
Market capitalisation (Rs.)	5,140,240,875	5,639,408,775	5,140,240,875	5,639,408,775
P/E ratio			9.28	7.67
Dividend payments				
Final dividend 2013/14 Rs.3.00 per share (2012/13 Rs. 3.00 per share)	89,137,125	89,137,125	89,137,125	89,137,125
Share trading information				
No of transactions	946	1,116	209	218
No of shares traded	632,496	1,477,166	126,581	189,959
Value of shares traded (Rs.)	120,536,321	290,469,830	23,273,793	34,916,785

Haycarb PLC

Notes

As at 31st December	2014 Rs.'000	2013 Rs.'000
1. Issued and fully paid ordinary shares		
At the beginning of the year-29,712,375 (01.04.13 - 29,712,375)	331,774	331,774
As at 31st December	331,774	331,774

2. Disclosures

- 2.1 These interim financial statements which have not been audited, were prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31 March 2014 and comply with the Sri Lanka Accounting Standards (SLFRS/LKAS). They also provide the information required by the Colombo Stock Exchange and LKAS 34 - Interim Financial Reporting.
- 2.2 There are no material post balance sheet events that require adjustments to or disclosure in accounts.
- 2.3 There has not been a significant change in the nature of the contingent liabilities which are disclosed in the Annual Report for the year ended 31st March 2014
- 2.4 Where necessary, comparative figures have been re-classified to conform with the current period's presentation
- 2.5 **Changes in accounting policies**

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 the application of this standard has not materially impacted the fair value measurements carried out by the Group.

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 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 investment in Lakdiyatha (Pvt) Limited as a joint venture. Application of this standard impacted the Group financial statements by replacing proportionate consolidation of this company with the equity method of accounting.

Changes to the basis of accounting of the Lakdiyatha (Pvt) Ltd. was applied with retrospective effect as per the transitional provisions under the relevant standards.

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.

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.

HAYCARB PLC

FIRST TWENTY SHAREHOLDERS AS AT 31.12.2014

	Name of the Shareholder	No.of Shares as at 31/12/2014	%
1	Hayleys PLC No.3 Share Investment Account	20,125,103	67.73
2	Employees Provident Fund	1,417,565	4.77
3	Employees Trust Fund Board	777,701	2.62
4	National Savings Bank	447,491	1.51
5	Promar Overseas SA	397,682	1.34
6	Mr. T. Ueda	258,000	0.87
7	Bank of Ceylon No.1 Account	251,067	0.84
8	Mrs. J. K. P. Singh	214,700	0.72
9	M. Radhakrishnan (Deceased)	201,000	0.68
10	Dr. D. Jayantha	150,500	0.51
11	Dr. H. S. M. Singh & Mrs. J. K. P. Singh	150,000	0.50
12	E.W. Balasuriya & Co. (Pvt) Ltd	139,149	0.47
13	Mr. S. Krishnananthan	128,717	0.43
14	Mr. H. S. Gill	123,000	0.41
15	Hallsville Trading Group Inc.	120,000	0.40
16	Commercial Bank of Ceylon PLC A/C No.04	107,100	0.36
17	Mr. D. F. G. Dalpethado	106,547	0.36
18	Mr. J. S. A. B. Singh & Mrs. G. K. A. H. Singh	100,000	0.34
19	Mr. A. Arulthakshanan	71,078	0.24
20	Mr. H.G. Carimjee (Deceased)	70,494	0.24
	TOTAL	25,356,894	85.34

DIRECTORS SHAREHOLDING AS AT 31.12.2014

Name of the Director	No. of Shares as at 31.12.2014
Mr.A.M.Pandithage	2,379
Mr.S.C.Ganegoda	1,815
Mr.D.E.Ranaraja	10,000
Mr. H. S. R. Kariyawasan *	15,500
Total	29,694

* Shares held jointly with Mrs. K. H. S. Kariyawasan

PERCENTAGE OF PUBLIC HOLDING AS AT 31.12.2014	32.17
Total Number of shareholders representing the public holding	1,994

* Mr.K.D.D.Perera holds directly and indirectly 48.38% of the total issued shares of Hayleys PLC which holds 20,125,103 shares in Haycarb PLC.