

# **DIPPED PRODUCTS PLC**

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INTERIM REPORT FOR THE NINE MONTHS ENDED 31ST DECEMBER 2014

# CORPORATE INFORMATION

## LEGAL FORM

A Public Limited Company  
Incorporated in Sri Lanka in 1976

## COMPANY NUMBER

PQ60

## DIRECTORS

A.M. Pandithage - Chairman  
Dr. K .I. M. Ranasoma - Managing Director  
R.K.Witanachchi - Deputy Managing Director  
F. Mohideen  
K.A.L.S. Fernando  
S.C.Ganegoda  
Dhammika Perera  
M. Bottino  
V.R.Gunasekara (Resigned w.e.f. 25.06.2014)  
S. Rajapakse  
Ms. D.S.N. Weerasooriya - Alternate Director to Dhammika Perera (Resigned w.e.f. 31.05.2014)  
N.A.R.R.S.Nanayakkara (Appointed w.e.f. 01.07.2014)  
S.P.Peiris (Appointed w.e.f. 18.07.2014)

## SUBSIDIARIES

### Hand Protection

Palma Limited  
Grossart (Private) Limited  
Venigros (Private) Limited  
Neoprex (Private) Limited  
Texnil (Private) Limited  
Feltex (Private) Limited  
Dipped Products (Thailand) Limited  
ICOGUANTI S.p.A  
Hanwella Rubber Products Limited  
D P L Premier Gloves Limited  
D P L Universal Gloves Limited

### Plantations

DPL Plantations (Private) Limited  
Kelani Valley Plantations PLC  
Kalupahana Power Company (Private) Limited  
Kelani Valley Instant Tea (Private) Limited  
Mabroc Teas (Private) Limited  
Hayleys Global Beverages (Private ) Limited  
Hayleys Plantation Services (Private) Limited  
Talawakelle Tea Estates PLC  
TTEL Hydro Power Company (Private) Limited  
TTEL Somerset Hydro Power (Private) Limited

## SECRETARIES

Hayleys Group Services (Private) Limited  
400, Deans Road, Colombo 10, Sri Lanka  
Telephone: 2627650-6 (7 Lines)  
Fax: 2627645  
E-mail: info.sec@hayleys.com

## STOCK EXCHANGE LISTING

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

## REGISTERED OFFICE

400, Deans Road, Colombo 10, Sri Lanka  
Telephone: 2627000  
Fax: 2699018 & 2699299  
E-mail: postmast@dplgroup.com  
Website: www.dplgroup.com

## PRINCIPAL LINES OF BUSINESS

Manufacture and marketing of industrial, general purpose and  
medical rubber gloves, Management of tea and rubber plantations.

## DIPPED PRODUCTS PLC

## INCOME STATEMENTS

Group		Group			Group		
Audited year to 31.03.2014 Rs.'000		Unaudited 09 months to 31.12.2014 Rs.'000	Unaudited 09 months to 31.12.2013 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 31.12.2014 Rs.'000	Unaudited 03 months to 31.12.2013 Rs.'000	Increase/ (Decrease) %
23,092,215	<b>Turnover</b>	<b>21,268,089</b>	17,384,255	22	<b>6,194,277</b>	5,473,897	13
(18,933,023)	Cost of sales	<b>(17,684,100)</b>	(14,402,775)	23	<b>(4,959,660)</b>	(4,604,795)	8
4,159,192	Gross profit	<b>3,583,989</b>	2,981,480	20	<b>1,234,617</b>	869,102	42
185,139	Other income and gains	<b>146,734</b>	71,970	104	<b>29,709</b>	35,007	(15)
(527,862)	Distribution costs	<b>(425,168)</b>	(402,261)	6	<b>(113,905)</b>	(119,912)	(5)
(2,102,995)	Administrative expenses	<b>(1,625,304)</b>	(1,467,558)	11	<b>(519,855)</b>	(487,637)	7
(54,324)	Other expenses	<b>(13,815)</b>	(14,702)	(6)	<b>(4,198)</b>	(7,157)	(41)
(299,787)	Finance costs	<b>(295,713)</b>	(228,481)	29	<b>(94,402)</b>	(75,968)	24
159,883	Finance income	<b>22,779</b>	129,197	(82)	<b>3,583</b>	19,674	(82)
1,519,246	<b>Profit before tax</b>	<b>1,393,502</b>	1,069,645	30	<b>535,549</b>	233,109	130
(362,189)	Tax expense	<b>(316,340)</b>	(268,511)	18	<b>(110,152)</b>	(70,660)	56
<b>1,157,057</b>	<b>Profit for the period</b>	<b>1,077,162</b>	<b>801,134</b>	34	<b>425,397</b>	<b>162,449</b>	162
	<b>Attributable to :</b>						
795,078	Equity holders of the parent	<b>852,220</b>	578,908	47	<b>326,168</b>	95,429	242
361,979	Non-controlling interest	<b>224,942</b>	222,226	1	<b>99,229</b>	67,020	48
<b>1,157,057</b>	<b>Profit for the period</b>	<b>1,077,162</b>	<b>801,134</b>	34	<b>425,397</b>	<b>162,449</b>	162
13.28	Basic earnings per ordinary share for the period (Rs.) *	<b>14.24</b>	9.67		<b>5.45</b>	1.59	
13.28	Diluted earnings per ordinary share for the period (Rs.) *	<b>14.24</b>	9.67		<b>5.45</b>	1.59	
5.50	Dividend per share (Rs)	-	-		-	-	

\*Computed based on 59,861,512 ordinary shares on issue as at December 31, 2014.

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

*The figures in brackets indicate deductions*

## DIPPED PRODUCTS PLC

## INCOME STATEMENTS

<u>Company</u>	<u>Company</u>			<u>Company</u>		
Audited year to 31.03.2014 Rs.'000	<b>Unaudited 09 months to 31.12.2014 Rs.'000</b>	Unaudited 09 months to 31.12.2013 Rs.'000	Increase/ (Decrease) %	<b>Unaudited 03 months to 31.12.2014 Rs.'000</b>	Unaudited 03 months to 31.12.2013 Rs.'000	Increase/ (Decrease) %
2,434,997	<b>2,036,553</b>	1,702,385	20	<b>603,257</b>	634,842	(5)
(2,010,521)	<b>(1,582,236)</b>	(1,404,001)	13	<b>(482,600)</b>	(566,412)	(15)
424,476	<b>454,317</b>	298,384	52	<b>120,657</b>	68,430	76
493,570	<b>57,615</b>	183,909	(69)	<b>50,642</b>	178,323	(72)
(18,275)	<b>(23,169)</b>	(38,976)	(41)	<b>(11,874)</b>	(11,900)	(0)
(393,325)	<b>(289,055)</b>	(304,166)	(5)	<b>(97,896)</b>	(120,812)	(19)
(15,077)	<b>(12,510)</b>	(12,417)	1	<b>(3,835)</b>	(6,059)	(37)
(100,000)	<b>(5,000)</b>	-	-	-	-	-
(21,680)	<b>(55,406)</b>	(14,859)	273	<b>(22,662)</b>	(8,289)	173
24,624	<b>5,568</b>	15,902	(65)	<b>1,509</b>	6,511	(77)
394,313	<b>132,360</b>	127,777	4	<b>36,541</b>	106,204	(66)
(2,403)	<b>(13,672)</b>	(1,818)	652	<b>172</b>	2,536	(93)
<b>391,910</b>	<b>118,688</b>	125,959	(6)	<b>36,713</b>	108,740	(66)
6.55	<b>1.98</b>	2.10		<b>0.61</b>	1.82	
6.55	<b>1.98</b>	2.10		<b>0.61</b>	1.82	
5.50	-	-		-	-	

\*Computed based on 59,861,512 ordinary shares on issue as at December 31, 2014.

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

*The figures in brackets indicate deductions*

**DIPPED PRODUCTS PLC**  
**OTHER COMPREHENSIVE INCOME**

<b>Group</b>		<b>Group</b>			<b>Group</b>		
		<b>Unaudited</b>	Unaudited	Increase/ (Decrease)	<b>Unaudited</b>	Unaudited	Increase/ (Decrease)
		<b>09 months to 31.12.2014 Rs.'000</b>	09 months to 31.12.2013 Rs.'000		<b>03 months to 31.12.2014 Rs.'000</b>	03 months to 31.12.2013 Rs.'000	
Audited year to 31.03.2014 Rs.'000							
1,157,057	<b>Profit for the period</b>	<b>1,077,162</b>	801,134	34	<b>425,397</b>	162,449	162
17,064	Net exchange differences on translation of foreign operations	<b>(79,944)</b>	64,048	(225)	<b>(74,184)</b>	47,948	(255)
(5,304)	Net gain/(loss) on available for sale financial assets	<b>(7)</b>	(3)	133	-	-	-
65,655	Actuarial gain/(loss) on defined benefit plans	<b>(2,631)</b>	-	-	-	-	-
(10,812)	Income tax effect	<b>574</b>	-	-	-	-	-
66,603	<b>Other comprehensive income for the period, net of tax</b>	<b>(82,008)</b>	64,045	(228)	<b>(74,184)</b>	47,948	(255)
815,446	<b>Attributable to :</b> Equity holders of the parent	<b>806,605</b>	621,869	30	<b>281,817</b>	127,229	122
408,214	Non-controlling interest	<b>188,549</b>	243,310	(23)	<b>69,396</b>	83,168	(17)
1,223,660	<b>Total comprehensive income for the period, net of tax</b>	<b>995,154</b>	865,179	15	<b>351,213</b>	210,397	67

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

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**DIPPED PRODUCTS PLC**  
**OTHER COMPREHENSIVE INCOME**

<b>Company</b>	<b>Company</b>			<b>Company</b>		
Audited year to 31.03.2014 Rs.'000	<b>Unaudited</b> <b>09 months to</b> <b>31.12.2014</b> <b>Rs.'000</b>	Unaudited 09 months to 31.12.2013 Rs.'000	Increase/ (Decrease) %	<b>Unaudited</b> <b>03 months to</b> <b>31.12.2014</b> <b>Rs.'000</b>	Unaudited 03 months to 31.12.2013 Rs.'000	Increase/ (Decrease) %
1,157,057	<b>118,688</b>	125,959	(6)	<b>36,713</b>	108,740	(66)
(5,011)	-	-	-	-	-	-
601	-	-	-	-	-	-
(4,410)	-	-	-	-	-	-
1,152,647	<b>118,688</b>	125,959	(6)	<b>36,713</b>	108,740	(66)

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

*The figures in brackets indicate deductions*

**DIPPED PRODUCTS PLC**  
**Statements of Financial Position**

<u>Group</u>		<u>Company</u>		<u>Group</u>		<u>Company</u>	
Audited as at 31.03.2014 Rs.'000	Audited as at 31.03.2014 Rs.'000			Unaudited as at 31.12.2013 Rs.'000	Unaudited as at 31.12.2014 Rs.'000	Unaudited as at 31.12.2013 Rs.'000	Unaudited as at 31.12.2014 Rs.'000
<b>ASSETS</b>							
<b>Non-Current Assets</b>							
Tangible assets							
10,414,861	414,754	Property, plant and equipment	<b>11,670,093</b>	10,420,880	<b>427,497</b>	673,133	
219,404	64,012	Formers (moulds)	<b>234,687</b>	212,592	<b>36,036</b>	78,124	
397,515	305,969	Investment Property	<b>392,985</b>	217,894	<b>301,439</b>	217,894	
266,508	-	Biological assets	<b>270,147</b>	238,070	-	-	
177,991	-	Intangible assets	<b>176,040</b>	177,177	-	-	
-	2,627,684	Investment in subsidiaries	-	-	<b>2,939,584</b>	2,352,684	
17	-	Other non-current financial assets	<b>10</b>	19	-	-	
17,025	16,667	Deferred tax assets	<b>13,570</b>	18,827	<b>13,212</b>	18,542	
<b>11,493,321</b>	<b>3,429,086</b>		<b>12,757,532</b>	<b>11,285,459</b>	<b>3,717,768</b>	<b>3,340,377</b>	
<b>Current Assets</b>							
3,618,367	542,331	Inventories	<b>3,412,323</b>	3,290,773	<b>352,633</b>	569,559	
4,223,498	758,067	Trade and other receivables	<b>4,761,206</b>	4,179,855	<b>883,443</b>	637,726	
334,094	75,774	Advance and prepayments	<b>289,520</b>	255,347	<b>91,539</b>	71,937	
-	376,110	Amounts due from related parties	-	-	<b>1,253,940</b>	345,545	
375,745	22,674	Cash and short term deposits	<b>312,629</b>	1,235,514	<b>57,553</b>	612,749	
8,551,704	1,774,957		<b>8,775,678</b>	8,961,489	<b>2,639,108</b>	2,237,516	
<b>20,045,025</b>	<b>5,204,043</b>	<b>Total assets</b>	<b>21,533,210</b>	<b>20,246,948</b>	<b>6,356,876</b>	<b>5,577,893</b>	
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
598,615	598,615	Stated capital (Issued and fully paid 59,861,512 ordinary shares)	<b>598,615</b>	598,615	<b>598,615</b>	598,615	
457,251	179,085	Capital reserves	<b>428,288</b>	457,251	<b>179,085</b>	179,085	
11	-	Available-for-sale reserve	<b>6</b>	11	-	-	
6,271,286	2,350,086	Revenue reserves	<b>6,928,621</b>	6,231,129	<b>2,289,190</b>	2,238,198	
7,327,163	3,127,786	<b>Equity attributable to equity holders of the parent</b>	<b>7,955,530</b>	7,287,006	<b>3,066,890</b>	3,015,898	
2,322,191	-	Non-controlling interest	<b>2,401,201</b>	2,220,933	-	-	
<b>9,649,354</b>	<b>3,127,786</b>	<b>Total equity</b>	<b>10,356,731</b>	<b>9,507,939</b>	<b>3,066,890</b>	<b>3,015,898</b>	
<b>Non-Current Liabilities</b>							
1,451,593	-	Interest-bearing loans and borrowings	<b>1,230,015</b>	1,439,809	-	-	
667,163	-	Deferred income	<b>653,932</b>	676,514	-	-	
2,344,592	297,076	Defined benefit obligations	<b>2,547,875</b>	2,446,046	<b>316,479</b>	316,662	
59,576	-	Agents' indemnity fund	<b>52,061</b>	60,119	-	-	
458,093	-	Deferred tax liabilities	<b>482,956</b>	416,128	-	-	
<b>4,981,017</b>	<b>297,076</b>		<b>4,966,839</b>	<b>5,038,616</b>	<b>316,479</b>	<b>316,662</b>	
<b>Current liabilities</b>							
2,892,314	514,794	Trade and other payables	<b>3,089,931</b>	2,527,662	<b>343,392</b>	446,844	
16,655	16,655	Unclaimed dividends / dividends payable	<b>6,690</b>	5,506	<b>6,690</b>	5,506	
2,104,466	475,117	Short-term loans and bank overdrafts	<b>2,704,835</b>	2,768,609	<b>653,743</b>	552,035	
360,893	-	Interest-bearing loans and borrowings	<b>340,284</b>	333,616	-	-	
-	772,615	Amounts due to related parties	-	-	<b>1,969,682</b>	1,240,948	
40,326	-	Income tax payable	<b>67,900</b>	65,000	-	-	
<b>5,414,654</b>	<b>1,779,181</b>		<b>6,209,640</b>	<b>5,700,393</b>	<b>2,973,507</b>	<b>2,245,333</b>	
<b>10,395,671</b>	<b>2,076,257</b>	<b>Total liabilities</b>					
<b>20,045,025</b>	<b>5,204,043</b>	<b>Total equity and liabilities</b>	<b>21,533,210</b>	<b>20,246,948</b>	<b>6,356,876</b>	<b>5,577,893</b>	

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

The Financial Position as at December 31, 2014, and Income Statements, Statement of Changes in Equity and Statements of Cash Flow for the nine months then ended are drawn up from the unaudited financial statements of the Company and its subsidiaries and provide the information required by the Colombo Stock Exchange.

It is certified that the interim financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

sgd.  
**N.A.R.R.S. Nanayakkara**  
Director Finance  
**Signed on behalf of the Board**

sgd.  
**A.M.Pandithage**  
Chairman

February 02, 2015

sgd.  
**Dr. K.I.M. Ranasoma**  
Managing Director

**DIPPED PRODUCTS PLC**  
**STATEMENTS OF CHANGES IN EQUITY**

**Group**  
For the period ended December 31, 2014

	-----Attributable to equity holders of the Company-----									Non-controlling Interest	Total Equity	
	Stated Capital	Capital Reserves	Other Components of Equity			Revenue Reserves	Reserves		Total			
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000			
		Reserve on scrip Issue	Revaluation Reserve	Other capital reserves	Available-for-sale Reserve	General Reserve	Timber Reserve	Retained Earnings	Exchange Fluctuation Reserve			
<b>Balance as at April 1, 2014</b>	598,615	167,409	259,108	30,734	11	1,169,700	64,404	4,797,049	240,133	7,327,163	2,322,191	9,649,354
Profit for the period	-	-	-	-	-	-	-	852,220	-	852,220	224,942	1,077,162
Other comprehensive income	-	-	-	-	(5)	-	-	(1,464)	(44,146)	(45,615)	(36,391)	(82,006)
Dividends	-	-	-	-	-	-	-	(179,584)	-	(179,584)	(75,825)	(255,409)
Acquisition of non-controlling interest	-	-	-	-	-	21,250	283	(20,187)	-	1,346	(33,716)	(32,370)
Transfers/adjustments	-	-	(35,224)	6,261	-	-	27,830	1,133	-	-	-	-
<b>Balance as at December 31, 2014</b>	<b>598,615</b>	<b>167,409</b>	<b>223,884</b>	<b>36,995</b>	<b>6</b>	<b>1,190,950</b>	<b>92,517</b>	<b>5,449,167</b>	<b>195,987</b>	<b>7,955,530</b>	<b>2,401,201</b>	<b>10,356,731</b>
For the period ended December 31, 2013												
Balance as at April 1, 2013	598,615	167,409	259,108	26,361	14	1,169,700	47,231	4,329,150	247,134	6,844,722	2,068,640	8,913,362
Profit for the period	-	-	-	-	-	-	-	578,908	-	578,908	222,226	801,134
Other comprehensive income	-	-	-	-	(3)	-	-	-	42,964	42,961	21,084	64,045
Dividends	-	-	-	-	-	-	-	(179,585)	-	(179,585)	(90,706)	(270,291)
Transfers/adjustments	-	-	-	4,373	-	-	-	(4,373)	-	-	(311)	(311)
<b>Balance as at December 31, 2013</b>	<b>598,615</b>	<b>167,409</b>	<b>259,108</b>	<b>30,734</b>	<b>11</b>	<b>1,169,700</b>	<b>47,231</b>	<b>4,724,100</b>	<b>290,098</b>	<b>7,287,006</b>	<b>2,220,933</b>	<b>9,507,939</b>

**Company**

For the period ended December 31, 2014

	Stated Capital	Capital Reserves	--Revenue Reserves--		Total
	Revaluation Reserve	Capital Redemption Reserve Fund	Retained Earnings		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
<b>Balance as at April 1, 2014</b>	598,615	178,905	180	2,350,086	3,127,786
Profit for the period	-	-	-	118,688	118,688
Dividends	-	-	-	(179,584)	(179,584)
<b>Balance as at December 31, 2014</b>	<b>598,615</b>	<b>178,905</b>	<b>180</b>	<b>2,289,190</b>	<b>3,066,890</b>
For the period ended December 31, 2013					
Balance as at April 1, 2013	598,615	178,905	180	2,291,824	3,069,524
Profit for the period	-	-	-	125,959	125,959
Dividends	-	-	-	(179,585)	(179,585)
<b>Balance as at December 31, 2013</b>	<b>598,615</b>	<b>178,905</b>	<b>180</b>	<b>2,238,198</b>	<b>3,015,898</b>

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.  
The figures in brackets indicate deductions.



## DIPPED PRODUCTS PLC CASH FLOW STATEMENTS

<u>Group</u>		<u>Company</u>		<u>Group</u>		<u>Company</u>	
Audited year to 31.03.2014 Rs.'000	Audited year to 31.03.2014 Rs.'000	Unaudited 09 months to 31.12.2014 Rs.'000	Unaudited 09 months to 31.12.2013 Rs.'000	Unaudited 09 months to 31.12.2014 Rs.'000	Unaudited 09 months to 31.12.2013 Rs.'000	Unaudited 09 months to 31.12.2014 Rs.'000	Unaudited 09 months to 31.12.2013 Rs.'000
<b>Cash flows from operating activities</b>							
2,621,904	85,540	2,437,958	1,920,940	405,873	606,823		
(269,570)	(21,680)	(234,898)	(201,289)	(27,754)	(14,859)		
(308,539)	(36,710)	(239,205)	(205,274)	(1,852)	(36,709)		
(310,872)	(44,624)	(226,170)	(227,903)	(18,746)	(15,307)		
(2,680)	-	(6,522)	-	-	-		
1,730,243	(17,474)	1,731,163	1,286,474	357,521	539,948		
<b>Cash flows from investing activities</b>							
(1,214,696)	(71,784)	(1,980,389)	(771,506)	(49,523)	(228,861)		
(46,080)	(15,190)	(40,033)	(46,589)	25,054	(27,195)		
(1,246)	-	(240)	(846)	-	-		
4,429	-	22,361	4,546	-	-		
34,871	2,744	119,060	4,221	-	1,568		
(3,422)	-	(3,639)	(3,049)	-	-		
-	(300,000)	-	-	(341,900)	-		
69,839	14,432	14,175	50,045	5,568	7,568		
-	481,147	-	-	49,082	175,500		
(154,663)	-	(108,201)	(91,017)	-	-		
(1,310,968)	111,349	(1,976,906)	(854,195)	(311,719)	(71,420)		
<b>Cash flows from financing activities</b>							
89,884	-	228,362	-	-	-		
(313,142)	-	(448,994)	(176,391)	-	-		
(2,623)	-	(7,561)	(5,372)	-	-		
(318,095)	(318,095)	(189,549)	(179,591)	(189,549)	(179,591)		
(543,976)	(318,095)	(417,742)	(361,354)	(189,549)	(179,591)		
(124,701)	(224,220)	(663,485)	70,925	(143,747)	288,937		
(1,604,020)	(228,223)	(1,728,721)	(1,604,020)	(452,443)	(228,223)		
(1,728,721)	(452,443)	(2,392,206)	(1,533,095)	(596,190)	60,714		
<b>A</b>							
<b>Cash generated from operations</b>							
1,519,246	-	1,393,502	1,069,645	132,360	127,777		
<b>Profit before tax</b>							
<b>Adjustments for:</b>							
269,570	21,680	234,898	201,289	27,754	14,859		
(28,065)	-	-	-	-	-		
675,644	44,223	608,553	462,944	36,780	32,331		
36,912	-	-	-	-	-		
5,336	5,336	4,530	4,002	4,530	4,002		
17,323	7,112	24,750	24,644	2,922	5,005		
1,866	-	2,191	2,280	-	-		
838	-	-	6,137	-	-		
(18,575)	(1,175)	(43,603)	(2,343)	-	-		
(36,321)	-	(35,592)	(27,086)	-	-		
3,332	485	(1,372)	7,131	(790)	(305)		
393,251	46,241	431,051	346,898	38,149	41,521		
5,339	-	3,818	3,928	-	-		
-	100,000	-	-	5,000	-		
132,230	3,411	(63,349)	40,688	1,881	6,035		
(69,839)	(495,579)	(14,175)	(50,045)	(54,650)	(183,068)		
87,447	-	(63,296)	51,608	-	-		
2,995,534	(268,266)	2,481,906	2,141,720	193,936	48,157		
(79,950)	(565,308)	(555,532)	(60,332)	(985,780)	(340,504)		
25,673	(17,340)	44,574	104,420	(15,765)	(13,503)		
(483,413)	(173,652)	269,393	(64,276)	187,817	(203,504)		
164,060	715,793	197,617	(200,592)	1,025,665	1,116,177		
(373,630)	(40,507)	(43,948)	(220,780)	211,937	558,666		
2,621,904	(308,773)	2,437,958	1,920,940	405,873	606,823		
<b>B</b>							
<b>Analysis of cash &amp; cash equivalents at end of the period</b>							
159,173	22,674	294,777	385,190	57,553	108,823		
216,572	-	17,852	850,324	-	503,926		
(2,104,466)	(475,117)	(2,704,835)	(2,768,609)	(653,743)	(552,035)		
(1,728,721)	(452,443)	(2,392,206)	(1,533,095)	(596,190)	60,714		

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.  
The figures in brackets indicate deductions

# DIPPED PRODUCTS PLC

## NOTES TO THE FINANCIAL STATEMENTS

1. These Interim Financial Statements which have not been audited, comply with the LKAS 34 - Interim Financial Reporting and also provide the information required by the Colombo Stock Exchange.
2. These Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31.03.2014.
3. Financial year end of Kelani Valley Plantations PLC (KVPL) and Hayleys Plantation Services (Pvt) Ltd., (HPSL) changed to 31 March from 31 December. Accordingly financial statements of KVPL and HPSL for the period from 01.01.2014 to 31.12.2014 have been consolidated with Group financial statements.
4. Considering the deterioration of net assets value, the management has decided to make a further provision of Rs.50 Mn during the period against the investment in Texnil (Pvt) Ltd. Also impairment loss provision on investment and other amounts due from Palma Ltd of Rs.45 Mn was reversed during the period.

### 5. Changes in accounting policies

#### SLFRS 10 - Consolidated financial statements

With the adoption of SLFRS 10 in Sri Lanka with effect from 01-01-2014, 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.

However this change is not applicable to DPL Group as there are no Joint Arrangements.

#### 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.

6. No other circumstances have arisen since the balance sheet date, which would require adjustments to or disclosure in the financial statements other than those disclosed.
7. There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31.03.2014.
8. Where necessary, comparative figures have been re-stated to conform with SLFRS/LKAS.

# DIPPED PRODUCTS PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 9. Industry Segment Turnover

<u>Group</u> Audited year to 31.03.2014		<u>Group</u> Unaudited 09 months to 31.12.2014	Unaudited 09 months to 31.12.2013
Rs'000		Rs'000	Rs'000
13,400,322	Hand Protection	<b>10,900,108</b>	10,176,033
10,436,850	Plantations *	<b>10,840,251</b>	7,773,006
23,837,172		<b>21,740,359</b>	17,949,039
(744,957)	Inter - segment sales / services	<b>(472,270)</b>	(564,784)
<b>23,092,215</b>		<b>21,268,089</b>	17,384,255

### 10. Industry Segment Results

<u>Group</u> Audited year to 31.03.2014		<u>Group</u> Unaudited 09 months to 31.12.2014	Unaudited 09 months to 31.12.2013
Rs. '000		Rs. '000	Rs. '000
905,575	Hand Protection	<b>1,160,327</b>	772,479
891,075	Plantations *	<b>506,109</b>	533,950
1,796,650		<b>1,666,436</b>	1,306,429
(137,500)	Inter - segment results	-	(137,500)
1,659,150	Segment results	<b>1,666,436</b>	1,168,929
(299,787)	Finance cost	<b>(295,713)</b>	(228,481)
159,883	Finance income	<b>22,779</b>	129,197
<b>1,519,246</b>	Profit before tax	<b>1,393,502</b>	1,069,645

\* Current year Plantations figures are for 12 months as per the Note 3 on page 9.

## DIPPED PRODUCTS PLC

### INVESTOR INFORMATION

	31.12.2014 Rs.	31.12.2013 Rs.
<b>Market Value of Shares</b>		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on	143.00	90.00
Highest price recorded for the nine months ending	147.50	134.00
Lowest price recorded for the nine months ending	87.00	88.00
Highest price recorded for the three months ending	147.50	100.00
Lowest price recorded for the three months ending	125.30	88.00
Market Capitalisation (Rs. M)	8,560	5,388
<b>Ratios</b>		
Net assets per share at the year end*	132.90	121.73
Price earnings ratio annualised (times)	7.5	7.0
<b>Share Trading information from April 1, 2014 to December 31, 2014</b>		
Number of transactions	2,448	1,339
Number of shares traded	4,126,138	1,245,338
Value of shares traded (Rs.)	529,927,421.00	137,214,865.90

#### Dividend Payments

Final dividend 2013/14 Rs.3.00 per share paid on 07.07.2014

\*Computed based on 59,861,512 shares on issue as at December 31, 2014

#### First twenty shareholders as at December 31, 2014

	Shareholder	No.of Shares as at December 31, 2014	%
1	Hayleys PLC	25,210,938	42.12
2	Employees Provident Fund	7,820,256	13.06
3	Volanka (Pvt) Limited	4,873,640	8.14
4	Promar Overseas SA	4,080,516	6.82
5	Haycarb PLC	4,068,746	6.80
6	Union Bank of Colombo PLC / Perpetual Equities (Pvt) Ltd	927,149	1.55
7	Ravi Industries Limited	567,000	0.95
8	E. W. Balasuriya & Co. (Pvt) Ltd	500,673	0.84
9	Seylan Bank PLC /Symphony Capital Ltd Waldock Mackenzie Ltd/Symphony Capital Ltd	489,125 6,000	0.83
10	Mr.H.A.Pieris	471,797	0.79
11	Dr.D.Jayanntha	415,000	0.69
12	Renuka Properties Limited	324,934	0.54
13	Hotel International Ltd	300,000	0.50
14	Mr.A.M.Weerasinghe	300,000	0.50
15	Mr. N. G. Wickremeratne	246,224	0.41
16	Hallsville Trading Group Inc.	204,024	0.34
17	HSBC International Nominees Ltd-SSBT Deutsche Bank AG Singapore A/C No.01	200,044	0.33
18	Commercial Bank of Ceylon PLC A/C No. 04	200,000	0.33
19	National Savings Bank	190,812	0.32
20	Mr.S.Krishnananthan	163,044	0.27
	<b>TOTAL</b>	<b>51,559,922</b>	<b>86.13</b>

The percentage of shares held by public as per Colombo Stock Exchange Rules as at December 31, 2014 was 41.85%.

Total number of shareholders representing the public holding as at December 31, 2014 was 2,213.

#### Directors' shareholding as at December 31, 2014

Name of Director	No.of Shares as at December 31, 2014
Mr.A.M.Pandithage	-
Dr.K.I.M.Ranasoma - Managing Director	300
Mr. R.K.Witanachchi - Deputy Managing Director	2,112
Mr.F.Mohideen	-
Mr.K.A.L.S.Fernando	56,264
Mr.S.C.Ganegoda	-
Mr.Dhammika Perera*	1,000
Mr.M.Bottino	-
Mr.V.R.Gunasekara (Resigned w.e.f. 25.06.2014)	-
Mr.S. Rajapakse	-
Ms. D.S.N.Weerasooriya - Alternate to Mr.Dhammika Perera (Resigned w.e.f.31.05.2014)	-
Mr.N.A.R.R.S.Nanayakkara (Appointed w.e.f.01.07.2014)	14,526
Mr.S.P.Peiris (Appointed w.e.f.18.07.2014)	4,800
<b>TOTAL</b>	<b>79,002</b>

\*Mr.Dhammika Perera holds 48.38% directly and indirectly of the total issued shares of Hayleys PLC which holds 25,210,938 shares in Dipped Products PLC.

There were no non-voting shares as at December 31, 2014.