



HEMAS HOLDINGS PLC INTERIM REPORT - 3RD QUARTER 2015/16

ENERGIZE. EXPLORE.

CEO's REVIEW

Hemas Holdings PLC (HHL) and its subsidiaries achieved consolidated revenues of Rs.28.3Bn, year-on-year (YoY) growth of 19.7% for the nine months ended December 31, 2015. During this period operating profit reached Rs.2.8Bn and earnings Rs.1.9Bn, growth of 25.6% and 65.2% respectively. Eliminating the one off transactions in the preceding year and the additional interest income of Rs.196Mn earned from investing the proceeds of the rights issue, underlying operating profit and earnings maintained a healthy growth of 30.8% and 30.2% respectively.

The FMCG sector achieved total revenues of Rs.11.2Bn for the nine months, a 24.4% YoY increase over the previous financial year. Operating profits were Rs.1.4Bn, 54.4% YoY growth, whilst earnings grew at 32.9% to stand at Rs.1.1Bn. Excluding the one-off capital gains recorded previous year, underlying earnings growth was 49.3%. This performance has been driven by our Bangladesh operation maintaining excellent revenue and profit growth, strong sales across all our major brands in the domestic market and relatively weak commodity prices for key raw material inputs.

Overall healthcare sector revenue for the nine months under review stood at Rs.11.9Bn, a YoY increase of 18.3% whilst earnings grew at 25.8%. During the quarter, Hemas Hospitals opened its first wellness centre at Orion City responding to a call to provide top quality healthcare services to the 6,000 plus employee strength, at Colombo's premier IT park. This marks another novel concept by Hemas Hospitals in the development of the Sri Lankan healthcare industry. Our hospitals growth in revenue contributed 31.0% of the overall segments revenue growth. Hemas pharmaceutical distribution operation registered a YoY topline growth of 12.1% maintaining its market leadership position. Our pharmaceutical sales growth continues to be driven by our strong presence in growing therapeutic segments.

J. L. Morison posted a YoY growth of 28.6% and earnings growth of 71.7% for the nine months ended December 31, 2015. Revenue growth was largely driven by the increase in sales from the buyback arrangement with Government of Sri Lanka and sales growth in key diagnostics agencies. The significant growth in operating profit resulted from the increases in revenues in both consumer/OTC products and pharmaceuticals segments and last year's earnings being depressed by closure of the factory in Q1 FY 2014/15.

Transportation sector reported a revenue of Rs.1.3Bn, a 15.2% YoY topline growth. The increase in revenue resulted from growth in our domestic logistics and maritime operations with warehouses operating at high levels of capacity, new customers for our distribution operation and higher levels of container handling and repair activity. Aviation businesses continued to experience challenges due to lower yields of ticketing income despite increases in volumes. Triggered by limited revenue growth from the aviation segment, transportation sector registered an operating profit of Rs.271Mn indicating a de - growth of 6.1%.

During December, our leisure sector opened our newest hotel property, Anantara Peace Haven Tangalle Resort. We believe that this property will establish a new benchmark for luxury travellers to Sri Lanka seeking authentic cultural experiences. The hotels first month of operation has been encouraging. The leisure segment recorded a total revenue of Rs.2.2Bn, reflecting a 9.2% YoY growth for the nine months

under consideration. Serendib Hotels posted a revenue growth of 11%, driven by strong performances from AVANI Bentota and Hotel Sigiriya with an overall occupancy of 78%.

Finally in technology, N-Able posted a YoY revenue growth of 21.3%, despite the revenue growth, earnings were impacted by project delays and high operational leverage.

We continue to work hard to try and sustain our strong growth in the final quarter of the financial year and achieve our highest ever levels of revenue and profitability.

A handwritten signature in black ink, appearing to read 'S. Enderby', is centered on a light gray background.

Steven Enderby

Chief Executive Officer

February 09, 2016

Consolidated Statement of Profit or Loss

Rs '000	Three Months Ended		Change %	Nine Months Ended		Change %
	31.12.2015	31.12.2014		31.12.2015	31.12.2014	
Continuing Operations						
Revenue	9,875,357	8,241,675	19.8	28,287,001	23,640,114	19.7
Cost of Sales	(6,236,870)	(5,233,318)	19.2	(17,978,094)	(15,134,528)	18.8
Gross Profit	3,638,487	3,008,357	20.9	10,308,907	8,505,586	21.2
Other Operating Income	83,244	32,924	152.8	217,673	192,069	13.3
Selling and Distribution Costs	(918,917)	(862,420)	6.6	(2,986,131)	(2,456,872)	21.5
Administrative Expenses	(1,585,685)	(1,447,982)	9.5	(4,677,527)	(4,170,685)	12.2
Share of results of Joint ventures & Associates	(44,130)	38,878	(213.5)	(78,374)	143,796	(154.5)
Operating Profit	1,172,999	769,757	52.4	2,784,548	2,213,894	25.8
Finance Cost	(125,902)	(115,120)	9.4	(366,280)	(342,318)	7.0
Finance Income	178,969	32,496	450.7	448,150	95,628	368.6
Profit Before Tax	1,226,066	687,133	78.4	2,866,418	1,967,204	45.7
Income Tax Expense	(306,690)	(158,469)	93.5	(830,615)	(466,482)	78.1
Profit for the period from Continuing Operations	919,376	528,664	73.9	2,035,803	1,500,722	35.7
Discontinued Operations						
Profit/ (Loss) after tax from Discontinued operations	-	(185,006)	(100.0)	-	(194,392)	(100.0)
Profit for the period	919,376	343,658	167.5	2,035,803	1,306,330	55.8
Attributable to:						
Equity Holders of the Parent	858,662	268,573	219.7	1,908,971	1,155,480	65.2
Non-Controlling Interests	60,714	75,085	(19.1)	126,832	150,850	(15.9)
	919,376	343,658	167.5	2,035,803	1,306,330	55.8
Earnings Per Share (Rs)	1.50	0.52		3.33	2.24	
Earnings Per Share for Continuing Operations (Rs)	1.50	0.92		3.33	2.73	
Annualised Earnings Per Share (Rs)	6.00	4.15		4.45	4.11	
Diluted Earnings Per Share	1.53	0.52		3.39	2.24	
Dividend per share	0.40	0.40		1.10	1.10	

Consolidated Statement of Comprehensive Income

Rs '000	Three Months Ended		Nine Months Ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Profit for the Period	919,376	343,658	2,035,803	1,306,330
Other Comprehensive Income				
Net (loss)/gain on available-for-sale financial assets	(3,468)	(3,641)	(10,907)	(3,108)
Exchange differences on translation of foreign operations	10,293	(77)	24,961	223
Net movement on cash flow hedges	2,391	23,232	(43,837)	91,545
Revaluation of land and buildings	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-
Other Comprehensive Income for the period, net of tax	9,216	19,514	(29,783)	88,660
Total Comprehensive Income for the period, net of tax	928,592	363,172	2,006,020	1,394,990
Attributable to:				
Equity Holders of the Parent	867,843	276,260	1,901,849	1,192,685
Non-Controlling Interests	60,749	86,912	104,171	202,305
	928,592	363,172	2,006,020	1,394,990

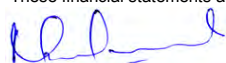
The above figures are provisional and subject to audit.

Consolidated Statement of Financial Position

As at	31.12.2015	31.12.2014	31.03.2015
Rs '000			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	11,521,506	11,030,784	11,465,089
Investment Properties	1,763,665	1,683,130	1,763,665
Leasehold Right	99,625	121,325	109,545
Intangible Assets	732,387	732,458	755,953
Investment in Joint Ventures	1,349,285	1,292,299	1,235,763
Investment in Associates	352,138	388,623	383,561
Other Non Current Financial Assets	468,738	471,391	1,060,198
Deferred Tax Assets	56,463	55,028	72,731
	16,343,807	15,775,038	16,846,505
Current Assets			
Inventories	4,749,601	3,868,847	4,135,584
Trade and Other Receivables	8,070,199	7,309,882	7,214,110
Tax Recoverable	128,937	51,562	59,229
Other Current Financial Assets	580,015	617,611	446,479
Cash and Short Term Deposits	10,522,311	5,030,875	5,736,413
	24,051,063	16,878,777	17,591,815
Total Assets	40,394,870	32,653,815	34,438,320
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	5,722,837	1,600,603	1,600,603
Other Capital and Revenue Reserves	50,116	196,390	35,681
Other Components of Equity	1,285,184	875,014	1,292,039
Retained Earnings	13,378,497	12,110,469	12,730,653
Equity attributable to equity holders of the parent	20,436,634	14,782,476	15,658,976
Non-Controlling Interests	2,254,923	2,127,413	2,263,623
Total Equity	22,691,557	16,909,889	17,922,599
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	3,399,009	3,439,181	3,420,154
Other Non Current Financial Liabilities	10,311	29,785	29,883
Deferred Tax Liabilities	302,582	271,321	260,979
Employee Benefit Liability	592,220	435,779	533,599
	4,304,122	4,176,066	4,244,615
Current Liabilities			
Trade and Other Payables	9,905,913	8,263,336	8,964,237
Income Tax Liabilities	454,199	100,047	146,207
Interest Bearing Loans and Borrowings	2,059,111	2,083,222	1,649,242
Bank Overdraft	979,968	1,121,255	1,511,420
	13,399,191	11,567,860	12,271,106
Total Equity and Liabilities	40,394,870	32,653,815	34,438,320
Net Asset per share - (Rs)	35.69	28.69	30.39

The above figures are provisional and subject to audit.

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Malinga Arsakularatne
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,



Husein Esufally
Chairman
Colombo
February 09, 2016



Steven Enderby
Chief Executive Officer

Consolidated Statement of Changes in Equity

	Attributable to Equity Holders of the Parent						Retained Earnings	Total	Non Controlling Interests	Total Equity
	Stated Capital	Other Capital & Revenue Reserves	Other Component Of Equity							
			Revaluation Reserve	Exchange Reserve	Available for sale Reserve	Cash flow hedge Reserve				
<i>Rs '000</i>										
Balance as at 1 April 2014	1,600,603	400,289	951,147	(3,515)	7,370	(32,451)	11,377,081	14,300,524	3,329,111	17,629,635
Profit for the period	-	-	-	-	-	-	1,155,480	1,155,480	150,850	1,306,330
Other comprehensive income	-	-	-	101	(3,108)	40,212	-	37,205	51,455	88,660
Total comprehensive income	-	-	-	101	(3,108)	40,212	1,155,480	1,192,685	202,305	1,394,990
Dividends Paid- Ordinary Shares							(566,820)	(566,820)	(30,524)	(597,344)
Transfer to/from during the period										
- Overhaul Reserve/ Heat and Lube oil Reserve	-	(291,924)	-	-	-	-	218,943	(72,981)	72,981	-
- Revaluation Reserve	-	-	218	-	-	-	-	218	176	394
Transaction cost on Issue of shares	-	-	-	-	-	-	(6,188)	(6,188)	(1,281)	(7,469)
Adjustment in respect of changes in Group Holding	-	88,025	(84,960)	-	-	-	(68,027)	(64,962)	(1,445,355)	(1,510,317)
Balance as at 31 December 2014	1,600,603	196,390	866,405	(3,414)	4,262	7,761	12,110,469	14,782,476	2,127,413	16,909,889
Balance as at 1 April 2015	1,600,603	35,681	1,249,962	(2,288)	6,831	37,534	12,730,653	15,658,976	2,263,623	17,922,599
Super Gain Tax							(565,524)	(565,524)	(22,969)	(588,493)
Profit for the period	-	-	-	-	-	-	1,908,971	1,908,971	126,832	2,035,803
Other comprehensive income	-	-	-	24,677	(10,885)	(20,914)	-	(7,122)	(22,661)	(29,783)
Total comprehensive income	-	-	-	24,677	(10,885)	(20,914)	1,343,447	1,336,325	81,202	1,417,527
Rights Issue	4,122,234	-	-	-	-	-	-	4,122,234	-	4,122,234
Dividends Paid - Ordinary Shares							(629,800)	(629,800)	-	(629,800)
Transfer to/from during the period										
- Deferred Tax Attributable to Revaluation Reserve	-	-	267	-	-	-	-	267	152	419
Exercise of Share Options	-	14,435	-	-	-	-	-	14,435	-	14,435
Transaction cost on Rights Issue	-	-	-	-	-	-	(66,749)	(66,749)	-	(66,749)
Dividends to Non Controlling Interests	-	-	-	-	-	-	-	-	(100,965)	(100,965)
Adjustment in respect of changes in Group Holding	-	-	-	-	-	-	946	946	10,911	11,857
Balance as at 31 December 2015	5,722,837	50,116	1,250,229	22,389	(4,054)	16,620	13,378,497	20,436,634	2,254,923	22,691,557

Statement of Profit or Loss (Company)

<i>Rs '000</i>	Three Months Ended		Change %	Nine Months Ended		Change %
	31.12.2015	31.12.2014		31.12.2015	31.12.2014	
Revenue	174,894	156,206	12.0	498,105	492,445	1.1
Cost of Sales	-	-	-	-	-	-
Gross Profit	174,894	156,206	12.0	498,105	492,445	1.1
Other Operating Income	7,500	(208,653)	103.6	299,242	78,375	281.8
Administrative Expenses	(171,344)	(171,313)	0.0	(486,969)	(455,429)	6.9
Operating Profit	11,050	(223,760)	104.9	310,378	115,391	169.0
Finance Cost	(50,802)	(58,739)	(13.5)	(160,601)	(164,647)	(2.5)
Finance Income	139,485	21,395	552.0	362,466	80,480	350.4
Profit Before Tax	99,733	(261,104)	138.2	512,243	31,224	1,540.5
Income Tax Expenses	608	5,109	(88.1)	(34,076)	(29,224)	16.6
Profit for the Period	100,341	(255,995)	139.2	478,167	2,000	23,808.4

Statement of Comprehensive Income (Company)

<i>Rs '000</i>	Three Months Ended		Nine Months Ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Profit for the Period	100,341	(255,995)	478,167	2,000
Other Comprehensive Income/ (Expense)				
Net (loss)/gain on available-for-sale financial assets	(2,999)	(3,640)	(10,712)	(3,107)
Exchange differences on translation of foreign operations	-	-	-	-
Net movement on cash flow hedges	-	-	-	-
Revaluation of land and buildings	-	-	-	-
Actuarial Gain/(losses) on defined benefit plans	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-
Other Comprehensive Income/ (Expense) for the period, net of tax	(2,999)	(3,640)	(10,712)	(3,107)
Total Comprehensive Income for the period, net of tax	97,342	(259,635)	467,455	(1,107)

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Statement of Financial Position (Company)

As at	31.12.2015	31.12.2014	31.03.2015
<i>Rs '000</i>			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	137,113	144,516	146,940
Investment Properties	675,750	617,615	675,750
Intangible Assets	19,255	20,812	27,299
Investment in Subsidiaries	4,548,889	4,541,949	4,532,536
Investment in Joint Ventures	-	30,044	-
Other Non Current Financial Assets	410,644	488,653	423,355
	5,791,651	5,843,589	5,805,880
Current Assets			
Trade and Other Receivables	743,980	355,716	1,229,648
Tax Recoverable	11,043	11,298	17,054
Other Current Financial Assets	1,503,759	835,781	1,129,426
Cash and Short Term Deposits	5,702,702	2,466,143	1,992,990
	7,961,484	3,668,938	4,369,118
Total Assets	13,753,135	9,512,527	10,174,998
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	5,722,837	1,600,603	1,600,603
Other Capital Reserves	271,467	257,032	257,032
Other Components of Equity	(4,692)	3,518	6,020
Retained Earnings	4,881,378	4,413,293	5,130,187
Total Equity	10,870,990	6,274,446	6,993,842
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	1,428,521	1,715,299	1,680,698
Other Non Current Financial Liabilities	5,051	8,840	9,434
Deferred Tax Liabilities	51,669	63,369	53,002
Employee Benefit Liability	27,595	20,484	27,686
	1,512,836	1,807,992	1,770,820
Current Liabilities			
Trade and Other Payables	434,340	196,846	387,445
Interest Bearing Loans and Borrowings	677,043	776,430	290,201
Bank Overdraft	257,926	456,813	732,690
	1,369,309	1,430,089	1,410,336
Total Equity and Liabilities	13,753,135	9,512,527	10,174,998
Net Asset per share - (Rs)	18.99	12.18	13.57

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Malinga Arakularatne

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,



Husein Esufally

Chairman

Colombo

February 09, 2016



Steven Enderby

Chief Executive Officer

Statement of Changes in Equity (Company)

	Stated Capital	Other Capital Reserves	Other Component Of Equity		Total Equity
			Available for Sale Reserve	Retained Earnings	
<i>Rs '000</i>					
Balance as at 1 April 2014	1,600,603	257,032	6,625	4,978,113	6,842,373
Profit for the period	-	-	-	2,000	2,000
Other comprehensive income	-	-	(3,107)	-	(3,107)
Total comprehensive income	-	-	(3,107)	2,000	(1,107)
Final dividend paid 2013/2014				(360,703)	(360,703)
Interim dividend paid 2014/2015				(206,117)	(206,117)
Balance as at 31 December 2014	1,600,603	257,032	3,518	4,413,293	6,274,446
Balance as at 1 April 2015	1,600,603	257,032	6,020	5,130,187	6,993,842
Super Gain Tax				(31,615)	(31,615)
Profit for the period	-	-	-	478,167	478,167
Other comprehensive income	-	-	(10,712)	-	(10,712)
Total comprehensive income	-	-	(10,712)	446,552	435,840
Rights Issue	4,122,234	-	-	-	4,122,234
Transaction cost of Rights issue	-	-	-	(65,561)	(65,561)
Exercise of Share Option	-	14,435	-	-	14,435
Final Dividend Paid 2014/15	-	-	-	(229,018)	(229,018)
Interim dividend paid 2015/2016				(400,782)	(400,782)
Balance as at 31 December 2015	5,722,837	271,467	(4,692)	4,881,378	10,870,990

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Statement of Cash Flows

For nine months ended 31 December Rs '000	Group		Company	
	2015	2014	2015	2014
Operating Activities				
Profit before tax from continuing operations	2,866,418	1,967,204	512,243	31,224
Profit/(loss) before tax from discontinued operations	-	(181,059)	-	-
Adjustments for				
Depreciation	652,617	597,561	41,373	38,181
(Gain)/Loss on Disposal of Property, Plant and Equipment	(13,282)	(103,689)	(5,566)	(104)
(Gain)/Loss on Sale of Non-Current Investments	-	300,998	1,086	300,423
Provision for Share based payment expense	14,435	-	3,336	-
Amortisation/ Impairment of Intangible Assets	24,717	16,770	-	-
Amortisation of Leasehold Rights	9,920	10,903	-	-
Impairment Property, Plant and Equipment/ Leasehold Rights	-	1,500	-	-
Exchange Gain or Loss on Foreign Currency Borrowings	10,741	7,071	-	-
Finance Cost	366,280	374,792	160,601	164,647
Finance Income	(448,150)	(94,960)	(362,466)	(80,480)
Share of results of Associates/Joint Ventures	78,374	(7,177)	-	-
Investment Income	-	-	(288,954)	(373,350)
Movement in Employee Benefit Liability	78,311	64,288	2,775	6,182
Working Capital Adjustments				
(Increase)/Decrease in Inventories	(614,017)	(52,370)	-	-
(Increase)/Decrease in Trade and Other Receivables	(856,089)	(1,080,225)	496,767	(38,073)
Increase/(Decrease) in Trade and Other Payables	941,676	731,632	46,895	63,395
Increase/(Decrease) in Other Non Current Financial Liabilities	(19,572)	-	(4,383)	-
Finance Cost Paid	(365,621)	(298,665)	(160,601)	(164,647)
Finance Income Received	444,675	81,916	362,466	76,983
Income Tax Paid	(524,417)	(383,414)	(29,403)	(13,127)
Employee Retirement Benefit Paid	(19,693)	(45,590)	(2,866)	(19,507)
Net Cash flows from/(Used in) Operating Activities	2,627,323	1,907,486	773,303	(8,253)
Investing Activities				
Purchase of Property, Plant and Equipment	(802,917)	(820,717)	(42,988)	(11,458)
Investment in Intangible Assets	(1,149)	(20,175)	(134)	(2,448)
Disposal of/ Investment in Financial Assets	450,492	(29,930)	303,243	104,727
Investment in Subsidiaries/Joint Ventures	(250,512)	(3,000)	(16,352)	(188,489)
Acquisition of Subsidiaries	-	(536,665)	-	1,680,962
Disposal/derecognition of Joint ventures	-	531,753	-	-
Proceeds from Disposal of Subsidiary	-	950,625	-	-
Dividend Received from Joint Venture/ Associate	80,700	39,000	-	-
Investment Income Received	-	-	288,953	373,350
Proceeds on Disposal of Property, Plant and Equipment/ Intangible As / Leasehold Property	106,666	169,734	25,188	3,167
Net Cash flows from/(Used in) Investing Activities	(416,720)	280,625	557,910	1,959,811
Financing Activities				
Interest Bearing Loans and Borrowings (Net)	334,146	867,407	(541,995)	358,298
Transaction Cost on Share Issue	(66,749)	(7,469)	(65,561)	-
Proceeds from Share Issue	4,122,234	-	4,122,234	-
Proceeds to Non-Controlling Interests	10,911	(70,038)	-	-
Dividends Paid - Equity Holders of the Parent	(629,800)	(566,820)	(629,800)	(566,820)
- Non-Controlling Interests	(100,965)	(30,524)	-	-
Net Cash flows from/(Used in) Financing Activities	3,669,777	192,556	2,884,878	(208,522)
Net Increase/(Decrease) in Cash and Cash Equivalents	5,880,380	2,380,667	4,216,091	1,743,036
Super Gain Tax	(588,493)	-	(31,615)	-
Net Foreign Exchange Difference	25,463	30	-	-
Cash and Cash Equivalents at the beginning of the Year	4,224,993	1,528,923	1,260,300	266,294
Cash and Cash Equivalents at the end of the period	9,542,343	3,909,620	5,444,776	2,009,330

The above figures are provisional and subject to audit

Segmental Information

For three months ended 31 December	FMCG		Healthcare		Leisure		Transportation		Power		Others		Group	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Rs '000														
Revenue														
Segmental Revenue - Gross	3,793,912	3,032,456	4,210,440	3,604,641	856,361	765,013	454,581	390,568	-	-	876,535	703,394	10,191,829	8,496,072
Intra Segmental Revenue	(28,145)	-	(44,331)	(37,027)	-	-	-	-	-	-	(23,620)	(22,085)	(96,096)	(59,112)
Segmental Revenue	3,765,767	3,032,456	4,166,109	3,567,614	856,361	765,013	454,581	390,568	-	-	852,915	681,309	10,095,733	8,436,960
Inter Segmental Revenue	-	-	-	-	-	-	-	-	-	-	(220,376)	(195,285)	(220,376)	(195,285)
Total Revenue	3,765,767	3,032,456	4,166,109	3,567,614	856,361	765,013	454,581	390,568	-	-	632,539	486,024	9,875,357	8,241,675
Segmental Results														
Finance Cost	-	(69)	(48,556)	(46,737)	(3,850)	(8,362)	(14,632)	(4,819)	-	-	(58,864)	(55,133)	(125,902)	(115,120)
Finance Income	33,073	10,369	1,422	2,377	3,683	4,191	5,744	7,139	-	-	135,047	8,420	178,969	32,496
Share of results of Joint ventures & Associates	-	-	-	-	(69,399)	1,271	25,269	37,607	-	-	-	-	(44,130)	38,878
Profit/(Loss) before Tax	621,896	286,732	479,162	325,095	31,043	91,125	104,022	138,446	-	-	(10,057)	(154,265)	1,226,066	687,133
Income Tax	(166,414)	(43,613)	(110,343)	(61,496)	(14,438)	(7,187)	(12,346)	(23,344)	-	-	(3,149)	(22,829)	(306,690)	(158,469)
Profit / (Loss) from Continuing Operations	455,482	243,119	368,819	263,599	16,605	83,938	91,676	115,102	-	-	(13,206)	(177,094)	919,376	528,664
Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	(185,006)	-	-	-	(185,006)
Profit / (Loss) for the Period	455,482	243,119	368,819	263,599	16,605	83,938	91,676	115,102	-	(185,006)	(13,206)	(177,094)	919,376	343,658
Attributable to:														
Equity Holders of the Parent	452,199	241,157	355,513	260,142	(22,902)	40,392	87,498	109,811	-	(203,571)	(13,646)	(179,358)	858,662	268,573
Non-Controlling Interests	3,283	1,962	13,306	3,457	39,507	43,546	4,178	5,291	-	18,565	440	2,264	60,714	75,085
	455,482	243,119	368,819	263,599	16,605	83,938	91,676	115,102	-	(185,006)	(13,206)	(177,094)	919,376	343,658

The above figures are provisional and subject to audit

Segmental Information

For Nine months ended 31 December	FMCG		Healthcare		Leisure		Transportation		Power		Others		Group	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Rs '000														
Revenue														
Segmental Revenue - Gross	11,257,678	8,971,191	12,017,944	10,166,057	2,165,502	1,982,694	1,283,364	1,113,915	-	-	2,470,194	2,176,036	29,194,682	24,409,893
Intra Segmental Revenue	(99,987)	-	(112,211)	(99,601)	-	-	-	-	-	-	(75,393)	(68,849)	(287,591)	(168,450)
Segmental Revenue	11,157,691	8,971,191	11,905,733	10,066,456	2,165,502	1,982,694	1,283,364	1,113,915	-	-	2,394,801	2,107,187	28,907,091	24,241,443
Inter Segmental Revenue	-	-	-	-	-	-	-	-	-	-	(620,090)	(601,329)	(620,090)	(601,329)
Total Revenue	11,157,691	8,971,191	11,905,733	10,066,456	2,165,502	1,982,694	1,283,364	1,113,915	-	-	1,774,711	1,505,858	28,287,001	23,640,114
Segmental Results														
Finance Cost	1,383,847	896,400	1,285,415	995,299	191,242	137,362	271,196	288,722	-	-	(268,778)	(247,685)	2,862,922	2,070,098
Finance Income	(16)	(1,697)	(146,207)	(155,918)	(16,801)	(27,453)	(24,909)	(16,957)	-	-	(178,347)	(140,293)	(366,280)	(342,318)
Share of results of Joint ventures & Associates	55,223	19,121	5,611	6,009	10,113	10,709	20,733	21,531	-	-	356,470	38,258	448,150	95,628
	-	-	-	-	(157,819)	34,036	79,445	109,760	-	-	-	-	(78,374)	143,796
Profit/(Loss) before Tax	1,439,054	913,824	1,144,819	845,390	26,735	154,654	346,465	403,056	-	-	(90,655)	(349,720)	2,866,418	1,967,204
Income Tax	(367,544)	(107,422)	(274,243)	(164,624)	(33,361)	(22,161)	(50,175)	(57,855)	-	-	(105,292)	(114,420)	(830,615)	(466,482)
Profit / (Loss) from Continuing Operations	1,071,510	806,402	870,576	680,766	(6,626)	132,493	296,290	345,201	-	-	(195,947)	(464,140)	2,035,803	1,500,722
Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	(194,392)	-	-	-	(194,392)
Profit / (Loss) for the Period	1,071,510	806,402	870,576	680,766	(6,626)	132,493	296,290	345,201	-	(194,392)	(195,947)	(464,140)	2,035,803	1,306,330
Attributable to:														
Equity Holders of the Parent	1,066,883	802,789	849,696	675,176	(83,655)	66,141	276,993	328,812	-	(248,985)	(200,946)	(468,453)	1,908,971	1,155,480
Non-Controlling Interests	4,627	3,613	20,880	5,590	77,029	66,352	19,297	16,389	-	54,593	4,999	4,313	126,832	150,850
	1,071,510	806,402	870,576	680,766	(6,626)	132,493	296,290	345,201	-	(194,392)	(195,947)	(464,140)	2,035,803	1,306,330

The above figures are provisional and subject to audit

Notes to the Financial Statements

1 Basis of preparation

The condensed interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS- 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2015. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.

The previous years'/periods' figures and phrases have been amended where relevant, for better presentation and to be comparable with those of the current period.

- 2 The ten million, rated (A+Ika, by Fitch Rating Lanka Limited) unsecured redeemable debentures carrying a coupon rate of 11% p.a., payable semi-annually issued on 20th April 2014 are to be matured on 29th April 2019.
- 3 The company paid a final dividend of Rs. 0.70 per share for the financial year ended 31 March 2015.
- 4 The company paid an interim dividend of Rs. 0.40 per share for the financial year ending 31 March 2016.
- 5 Hemas Holdings PLC (HHL) announced a Rights Issue of 57,254,513 shares to the value of Rs. 4,122,324,936/- (at the proportion of One Ordinary Share for every Nine Ordinary Shares at a consideration of Rs. 72 per share) after obtaining the principal approval from the Securities Exchange Commission and by its shareholders on the Extraordinary General Meeting dated 10th April 2015 and has successfully completed on 26th May 2015.
- 6 The Board of Directors, with the approval in principal of the Colombo Stock Exchange, and authorized by the shareholders on an Extraordinary General Meeting dated 10th April 2015, to create a Employee Share Option Scheme (ESOS) to offer 13,900,000 ordinary shares being 2.4% of the total number of shares in issue to Executive Directors and Senior Executives of the company and its subsidiaries whom the Board deems to be eligible to be awarded the shares.

Accordingly, 3,053,750 employee share options were granted to the Executive Directors and Senior Executives of the company and its subsidiaries at the exercise price of Rs.82/- with a vesting period of one year starting from 27th July 2015 and exercise period of 3 years starting from 27th August 2016.

- 7 As per the provision of part III of the Finance Act No. 10 of 2015, the Group and the Company was liable for Super Gain Tax (SGT) of Rs. 588 Mn and Rs. 32 Mn respectively. The SGT has been Accounted in accordance with the requirements of the said Act as recommended by the Statement of Alternative Treatment (SoAT) on accounting for SGT issued by the Institute of Chartered Accountants of Sri Lanka, dated 24th November 2015 since the Act requires to treat SGT as an expenditure for year of assessment 2013/14 and the Act supersedes the provisions of the Sri Lanka Accounting Standards.
- 8 There have been no other events subsequent to the reporting date, which require disclosure in the interim financial statements.
- 9 There have been no significant changes in the nature of the contingent liabilities which were disclosed in the Audited Financial Statements for the year ended 31 March 2015.

Investor Information

Nine Months Ended

	31.12.2015	31.12.2014
Market Value of Shares		
Closing Price on 31 December (Rs)	93.00	74.30
Highest Price during the Period (Rs)	93.00	76.00
Lowest Price during the Period (Rs)	80.00	58.00
Market Capitalization on 31 December (Rs Mn)	53,247	38,286
Ratios		
Net Asset Per Share on 31 December (Rs)	35.69	28.69
Price Earnings Ratio on 31 December (times)	20.92	23.58
Debt security related ratios		
Debt/Equity Ratio	28%	39%
Quick Asset Ratio	1.44	1.12
Interest Cover	8.83	6.75
Interest yield as at date of last trade (13 November 2015)	10.47%	10.42%
Yield to maturity of trade done on 13 November 2015	10.47%	10.42%
Interest rate of comparable Government security (5 Year Treasury Bond rate)	9.79%	7.18%
Share Trading		
No of transactions during the Period	1,123	3,098
No of shares traded during the Period	4,153,338	19,236,416
Value of shares traded during the Period (Rs Mn)	357	1,303
Number of Shares	572,545,133	515,290,620
Debentures 11% fixed - Unsecured redeemable		
Closing Price on 31 December (Rs)	101.49	102.17
Highest Price during the Period (Rs)	101.49	102.17
Lowest Price during the period (Rs)	101.49	102.17
Number of Debentures	10,000,000	10,000,000

Share Information

LIST OF 20 MAJOR SHAREHOLDERS	31.12.2015	%	31.12.2014	%
	No. of Shares		No. of Shares	
1 A Z Holdings (Pvt) Ltd.	90,762,875	15.85	90,762,875	17.61
2 Saraz Investments (Pvt) Ltd.	86,396,035	15.09	86,396,035	16.77
3 Blueberry Investments (Pvt) Ltd.	85,781,250	14.98	85,781,250	16.65
4 Amagroup (Pvt) Limited	85,780,665	14.98	85,780,665	16.65
5 HSBC Intl Nominees Ltd-JPMU-Franklin Templeton Investment Funds	56,968,238	9.95	37,153,700	7.21
6 HSBC Intl. Nominees Ltd. -JPMCB- Templeton Global Investment Trust-Templeton Emerging Markets S	14,964,257	2.61	-	-
7 HSBC Intl. Nom Ltd-SSBT-National Westminster Bank PLC as depository of First State Indian Subcontinent	11,962,613	2.09	9,732,370	1.89
8 Pemberton Asian Opportunities Fund	10,000,000	1.75	10,000,000	1.94
9 HSBC Intl. Nom Ltd-SSBT-National Westminster Bank PLC as a depository of First State Asia Pacific Susta	8,286,047	1.45	6,272,899	1.22
10 HSBC Intl. Nominees Ltd. -JPMCB- Scottish ORL SML TR GTI 6018	8,006,561	1.40	5,149,500	1.00
11 Mr. M.A.H. Esufally	5,946,500	1.04	5,946,500	1.15
12 Mr. H.N. Esufally	5,836,705	1.02	5,836,705	1.13
13 HSBC Intl. Nom. LTD-BBH-Matthews Emerging Asia Fund	5,038,636	0.88	-	-
14 HSBC Intl Nom Ltd-SSBT- National Westminster Bank PLC as Depository of First State Asia Pacific Fund	4,935,960	0.86	-	-
15 Mr. I.A.H. Esufally	4,424,000	0.77	4,424,000	0.86
16 HSBC Intl Nom Ltd-JPMCB- Pacific Assests Trust PLC	4,344,132	0.76	3,051,800	0.59
17 HSBC Intl Nom Ltd-State Street Luxembourg c/o SSBT - Alliancebernstein Next 50 Emerging Markets (Maste)	3,949,115	0.69	2,915,348	0.57
18 HSBC Intl Nom Ltd-SSBT- Wasatch Frontier Emerging Small Countries Fund	3,940,185	0.69	3,868,367	0.75
19 HSBC Intl. Nom. LTD-BBH-Grandeur Peak Emerging Markets Opportunities Fund	3,571,426	0.62	2,492,145	0.48
20 HSBC Intl Nom Ltd-SSBT- National Westminster Bank PLC as Depository of First State Global Emerging MA	3,317,420	0.58	-	-
	31.12.2015		31.12.2014	
DIRECTORS' SHAREHOLDING	No. of Shares		No. of Shares	
DIRECTORS' INDIRECT SHAREHOLDING				
A Z Holdings (Pvt) Ltd.	90,762,875		90,762,875	
Saraz Investments (Pvt) Ltd.	86,396,035		86,396,035	
Blueberry Investments (Pvt) Ltd.	85,781,250		85,781,250	
Amagroup (Pvt) Ltd.	85,780,665		85,780,665	
DIRECTORS' DIRECT SHAREHOLDING				
Mr. H.N. Esufally (Chairman)	5,836,705		5,836,705	
Mr. A.N. Esufally	2,283,585		2,283,585	
Mr. I.A.H. Esufally	4,424,000		4,424,000	
Mr. M.E. Wickremesinghe	12,500		11,250	
Mr. M. A. H. Esufally	5,946,500		5,946,500	
Mr. Pradipta Kumar Mohapatra	-		-	
Mr. R. Gopalakrishnan	-		-	
Dr S.A.B Ekanayake	-		-	
Mr. D.S. Weerakkody	-		-	
Mr. S.M Enderby (Chief Executive Officer)	-		-	
Mr. W.M.De F. Arsakularatne	-		-	
	367,224,115		367,222,865	
	31.12.2015		31.12.2014	
PUBLIC HOLDING	No. of Shares		No. of Shares	
Issued Share Capital	572,545,133		515,290,620	
Less:Directors' Direct and Indirect Shareholding	367,224,115		367,222,865	
Close Family Members	2,500,000		2,500,000	
Public Holding	202,821,018		145,567,755	
Public Holding as a % of Issued Share Capital	35.42%		28.25%	
Total Number of Shareholders	4,544		4,723	
Number of persons holdings Shares Excluded when computing Public Holding %	12		12	
Number of Shareholders representing the Public Holding	4,532		4,711	

Corporate Information

Legal Form

Quoted Public Company with limited liability listed on the Colombo Stock Exchange on 15 October 2003

Date of Incorporation

10 December 1948

Date of Re-Registration

30 May 2007

New Registration Number

PQ 6

Accounting year end

31 March

Registered Office

Hemas House
No. 75, Braybrooke Place, Colombo 2.

Website

www.hemas.com

Auditors

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

Directors

Husein Esufally (Chairman)
Steven Enderby (CEO)
Imtiaz Esufally
Murtaza Esufally
Abbas Esufally
Maithri Wickremesinghe (resigned w.e.f. 31 December 2015)
Pradipta Mohapatra
Ramabadran Gopalakrishnan
Dr Anura Ekanayake
Dinesh Weerakkody
Malinga Arsakularatne(CFO)
Amitha Saktha Amaratunga (appointed w.e.f. 1 January 2016)

Secretaries

Hemas Corporate Services (Pvt) Ltd.
No.75, Braybrooke Place, Colombo 02.
Telephone: 4 731731 (hunting)
Facsimile: 4 731777

Registrars

SSP Corporate Services (Pvt) Ltd
101, Inner Flower Road
Colombo 03

Lawyers to the Company

D.L. & F De Saram
No. 47, Alexandra Place, Colombo 7

Bankers

Commercial Bank of Ceylon PLC
Deutsche Bank AG
Hong Kong & Shanghai Banking Corp. Ltd.
Hatton National Bank PLC
Standard Chartered Bank
Nations Trust Bank PLC
People's Bank
National Development Bank PLC
Sampath Bank PLC