



SOFTLOGIC HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED
31 MARCH 2016

Softlogic Holdings PLC

CONSOLIDATED INCOME STATEMENT

In Rs.	Unaudited 12 months to 31-03-2016	Audited 12 months to 31-03-2015	Change as a %	Unaudited 3 months to 31-03-2016	Unaudited 3 months to 31-03-2015	Change as a %
Revenue	56,077,694,540	39,563,884,110	41.74	13,928,083,914	11,777,725,913	18.26
Cost of sales	(37,430,538,003)	(25,447,258,306)	47.09	(8,887,784,889)	(7,681,192,792)	15.71
Gross profit	18,647,156,537	14,116,625,804	32.09	5,040,299,025	4,096,533,121	23.04
Other operating income	1,179,982,956	1,162,561,036	1.50	391,662,990	259,677,731	50.83
Distribution expenses	(2,815,029,845)	(2,016,859,252)	39.57	(691,422,701)	(376,746,342)	83.52
Administrative expenses	(10,589,021,186)	(9,010,634,418)	17.52	(3,094,263,234)	(2,985,532,344)	3.64
Results from operating activities	6,423,088,462	4,251,693,170	51.07	1,646,276,080	993,932,166	65.63
Finance income	1,040,683,222	1,122,173,265	(7.26)	180,082,402	142,683,887	26.21
Finance expenses	(3,250,588,476)	(2,692,809,554)	20.71	(879,070,383)	(629,046,858)	39.75
Net finance cost	(2,209,905,254)	(1,570,636,289)	40.70	(698,987,981)	(486,362,971)	(43.72)
Change in fair value of investment property	13,052,000	526,702,000	(97.52)	13,052,000	526,702,000	(97.52)
Change in insurance contract liabilities	(1,028,927,838)	(944,348,980)	8.96	(181,056,535)	(194,205,120)	6.77
Share of profit of equity accounted investees	18,619,910	5,290,016	251.98	4,685,857	(2,190,430)	313.92
Profit before tax	3,215,927,280	2,268,699,917	41.75	783,969,421	837,875,645	(6.43)
Tax expense	(969,309,940)	(449,618,026)	115.59	(268,613,912)	(121,948,764)	120.27
Profit for the year	2,246,617,340	1,819,081,891	23.50	515,355,509	715,926,881	(28.02)
Attributable to:						
Equity holders of the parent	675,794,417	555,779,746	21.59	135,034,124	233,268,447	(42.11)
Non controlling interest	1,570,822,923	1,263,302,145	24.34	380,321,385	482,658,434	(21.20)
	2,246,617,340	1,819,081,891	23.50	515,355,509	715,926,881	(28.02)
Earnings per share - Basic (Rs.)	0.87	0.72	21.64	0.17	0.30	(42.09)
Dividend per share	0.25	-	-	-	-	-

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In Rs.	Unaudited 12 months to 31-03-2016	Audited 12 months to 31-03-2015	Change as a %	Unaudited 3 months to 31-03-2016	Unaudited 3 months to 31-03-2015	Change as a %
Profit for the year	2,246,617,340	1,819,081,891	23.50	515,355,509	715,926,881	(28.02)
Other comprehensive income						
Other comprehensive income to be reclassified to income statement in subsequent periods						
Currency translation of foreign operations	(36,720,573)	48,583,081	(175.58)	(4,518,026)	16,526,983	(127.34)
Net (loss) / gain on available-for-sale financial assets	(2,005,991,049)	16,245,855	(12,447.71)	(873,663,048)	(395,402,467)	120.96
	(2,042,711,622)	64,828,936	(3,250.93)	(878,181,074)	(378,875,484)	131.79
Other comprehensive income not to be reclassified to income statement in subsequent periods						
Revaluation of land and buildings	2,693,309,566	369,616,947	628.68	2,693,309,566	369,616,947	628.68
Net change in fair value on derivative financial instruments	(106,930,240)	30,540,342	(450.13)	(106,930,240)	-	-
Actuarial gains/ (loss) on retirement benefits	66,638,543	(84,380,473)	178.97	71,722,172	(54,399,292)	231.84
Share of other comprehensive income of equity accounted investments	(365,031)	134,233	(371.94)	(365,031)	134,233	(371.94)
	2,652,652,838	315,911,049	739.68	2,657,736,467	315,351,888	742.78
Tax on other comprehensive income	(36,720,573)	(39,411,524)	(6.83)	(36,720,573)	(39,411,524)	6.83
Other comprehensive income for the year, net of tax	573,220,643	341,328,461	67.94	1,742,834,820	(102,935,120)	1,793.14
Total comprehensive income for the year, net of tax	2,819,837,983	2,160,410,352	30.52	2,258,190,329	612,991,761	268.39
Attributable to:						
Equity holders of the parent	1,650,924,460	760,741,038	117.02	1,664,448,579	214,333,094	676.57
Non-controlling interest	1,168,913,523	1,399,669,314	(16.49)	593,741,750	398,658,667	48.93
	2,819,837,983	2,160,410,352	30.52	2,258,190,329	612,991,761	268.39

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In Rs.	Unaudited as at 31-03-2016	Audited as at 31-03-2015
ASSETS		
Non-current assets		
Property, plant and equipment	30,801,630,879	24,909,536,887
Lease rentals paid in advance	853,758,966	854,795,905
Investment property	682,400,000	94,848,000
Intangible assets	8,700,935,194	8,857,003,875
Investments in associates	30,086,712	26,216,105
Other non-current financial assets	12,262,893,535	9,087,649,679
Rental receivable on lease assets and hire purchase	487,804,264	3,669,327,302
Other non current assets	337,935,981	292,792,966
Deferred tax assets	240,193,891	318,527,576
	54,397,639,422	48,110,698,295
Current assets		
Inventories	8,504,169,022	7,669,562,845
Trade and other receivables	9,099,643,303	6,622,803,106
Loans and advances	10,442,982,998	5,524,162,085
Rental receivable on lease assets and hire purchase	1,097,811,795	2,881,969,879
Amounts due from related parties	976,859	572,053
Other current assets	3,749,419,616	3,760,097,208
Short term investments	4,479,619,443	8,392,441,152
Cash in hand and at bank	3,122,739,522	1,926,725,822
	40,497,362,558	36,778,334,150
Investment property held for sale	-	2,698,000,000
	40,497,362,558	39,476,334,150
Total assets	94,895,001,980	87,587,032,445
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Stated capital	5,089,000,000	5,089,000,000
Revenue reserves	1,461,430,397	1,167,195,634
Other components of equity	2,402,382,559	1,368,340,826
	8,952,812,956	7,624,536,460
Non controlling interests	8,409,956,415	8,157,436,153
Total equity	17,362,769,371	15,781,972,613
Non-current liabilities		
Insurance contract liabilities	6,158,200,177	5,129,272,339
Interest bearing borrowings	21,163,978,232	22,844,291,422
Public deposits	1,521,942,995	2,214,295,787
Deferred tax liabilities	325,198,905	314,257,283
Employee benefit liabilities	686,939,485	655,925,545
Other deferred liabilities	2,068,813	3,044,433
Other non current financial liabilities	28,732,581	31,710,620
	29,887,061,188	31,192,797,429
Current liabilities		
Trade and other payables	8,212,087,197	7,041,840,113
Amounts due to related parties	17,339,959	15,970,784
Income tax liabilities	585,305,739	322,656,391
Short term borrowings	14,648,422,145	14,787,184,778
Current portion of interest bearing borrowings	7,381,101,907	4,616,956,512
Other current financial liabilities	9,356,707	-
Other current liabilities	1,208,221,723	2,330,891,786
Public deposits	12,167,907,949	9,838,760,403
Bank overdrafts	3,415,428,095	1,658,001,636
	47,645,171,421	40,612,262,403
Total equity and liabilities	94,895,001,980	87,587,032,445

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007.

-sgd-

Group Chief Financial Officer

The Board of directors is responsible for the preparation and presentation of these financial statements.

-sgd-

Director

-sgd-

Director

31 May 2016
Colombo

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to equity holders of parent									Non controlling interest	Total equity
	Stated capital	Treasury Shares	Revaluation reserve	Exchange translation reserve	Available-for-sale reserve	Statutory reserve fund	Other reserves	Revenue reserve	Total		
In Rs.											
As at 01 April 2015	5,089,000,000	(55,921,185)	1,636,375,397	(26,775,781)	200,328,059	116,532,044	(502,197,708)	1,167,195,634	7,624,536,460	8,157,436,153	15,781,972,613
Profit for the year	-	-	-	-	-	-	-	675,794,417	675,794,417	1,570,822,923	2,246,617,340
Other comprehensive income	-	-	2,012,024,634	(11,538,604)	(905,138,488)	-	-	(95,035,531)	1,000,312,011	(401,909,400)	598,402,611
Total Comprehensive income	-	-	2,012,024,634	(11,538,604)	(905,138,488)	-	-	580,758,886	1,676,106,428	1,168,913,523	2,845,019,951
Direct cost on issue of shares/ share repurchase	-	-	-	-	-	-	-	(20,113,895)	(20,113,895)	(12,653,369)	(32,767,264)
Transfer to reserve fund	-	-	-	-	-	72,808,153	-	(72,808,153)	-	-	-
Acquisitions, disposals and changes in holding	-	-	-	-	-	-	(134,113,962)	-	(134,113,962)	258,647,721	124,533,759
Dividend paid	-	-	-	-	-	-	-	(193,602,075)	(193,602,075)	-	(193,602,075)
Subsidiary dividend to non controlling interest	-	-	-	-	-	-	-	-	-	(1,162,387,613)	(1,162,387,613)
As at 31 March 2016	5,089,000,000	(55,921,185)	3,648,400,031	(38,314,385)	(704,810,429)	189,340,197	(636,311,670)	1,461,430,397	8,952,812,956	8,409,956,415	17,362,769,371
As at 01 April 2014	5,089,000,000	(55,921,185)	1,461,774,873	(75,358,862)	176,573,503	149,167,942	(572,303,697)	628,907,045	6,801,839,619	6,548,905,153	13,350,744,772
Profit for the year	-	-	-	-	-	-	-	555,779,746	555,779,746	1,263,302,145	1,819,081,891
Other comprehensive income	-	-	171,272,900	48,583,081	23,754,556	-	-	(38,649,245)	204,961,292	136,367,169	341,328,461
Total Comprehensive income	-	-	171,272,900	48,583,081	23,754,556	-	-	517,130,501	760,741,038	1,399,669,314	2,160,410,352
Direct cost on share issue	-	-	-	-	-	-	-	(11,477,810)	(11,477,810)	(2,847,938)	(14,325,748)
Transfer to reserve fund	-	-	-	-	-	(32,635,898)	-	32,635,898	-	-	-
Deferred tax reversal on depreciation impact of revaluation	-	-	3,327,624	-	-	-	-	-	3,327,624	-	3,327,624
Acquisitions, disposals and changes in holding	-	-	-	-	-	-	70,105,989	-	70,105,989	726,589,317	796,695,306
Subsidiary dividend to non controlling interest	-	-	-	-	-	-	-	-	-	(514,879,693)	(514,879,693)
As at 31 March 2015	5,089,000,000	(55,921,185)	1,636,375,397	(26,775,781)	200,328,059	116,532,044	(502,197,708)	1,167,195,634	7,624,536,460	8,157,436,153	15,781,972,613

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

CONSOLIDATED CASH FLOW STATEMENT

In Rs.	Unaudited 12 months to 31-03-2016	Audited 12 months to 31-03-2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,215,927,280	2,268,699,917
Adjustments for:		
Finance income	(1,040,683,222)	(1,122,173,265)
Finance cost	3,250,588,476	2,692,809,554
Change in fair value of investment property	(13,052,000)	(526,702,000)
Share of results of associates	(18,619,910)	(5,290,016)
Gratuity provision and related costs	200,337,874	140,196,129
Provisions for/ write off of impaired receivables	191,909,768	96,689,666
Provision for impairment of inventories	100,448,249	190,001,431
Depreciation of property, plant and equipment	1,537,956,820	1,189,997,919
(Profit)/ loss on sale of property, plant and equipment	8,299,888	(24,486,006)
Profit on sale of investment property	(2,000,000)	-
Profit on sale of investments	(337,613,301)	(644,439,532)
Unrealised (gain)/ loss on foreign exchange	(21,626,519)	(65,919,502)
Amortisation/ impairment of intangible assets	279,841,124	248,049,626
Amortisation of prepaid lease rentals	1,036,939	1,036,939
Increase / (decrease) in deferred income	22,948,322	64,246,524
Provision for put option liability	3,096,355	-
Impairment & derecognition of property, plant & equipment and Intangible assets	21,357,917	29,141,735
Profit before working capital changes	7,400,154,060	4,531,859,119
(Increase) / decrease in inventories	(935,054,426)	(1,317,762,392)
(Increase) / decrease in trade and other receivables	(2,668,749,965)	(1,974,792,070)
(Increase) / decrease in loans and advances	(6,429,515,021)	(5,344,525,114)
(Increase) / decrease in investments in lease and hire purchase	4,965,681,123	1,828,266,427
(Increase) / decrease in other current assets	10,677,592	(1,083,438,824)
(Increase) / decrease in amounts due from related parties	(404,806)	206,407
Increase / (decrease) in trade and other payables	1,170,247,084	1,033,858,656
Increase / (decrease) in amounts due to related parties	1,369,175	(3,537,818)
Increase / (decrease) in other current liabilities	53,405,996	1,394,780,108
Increase / (decrease) in public deposits	1,636,794,753	2,749,310,843
Increase / (decrease) in insurance provision	1,028,927,838	944,348,982
Cash generated from/ (used in) operations	6,233,533,403	2,758,574,324
Finance income received	1,019,484,796	653,876,070
Finance expenses paid	(3,223,597,171)	(2,619,644,709)
Dividend received	8,998,000	1,000,000
Tax paid	(473,232,238)	(296,639,907)
Gratuity paid	(102,701,781)	(71,288,846)
Net cash flow from/ (used in) operating activities	3,462,485,009	425,876,932
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Purchase and construction of property, plant and equipment	(4,977,750,993)	(4,023,075,585)
Addition to prepaid lease rentals	-	(702,520,660)
Addition to intangible assets	(131,742,624)	(71,178,662)
(Increase)/ decrease in other non current assets	(45,143,015)	(114,585,768)
(Purchase) / disposal of short term investments (net)	(651,447,604)	3,007,229,282
Dividends received	135,944,407	141,855,097
(Purchase) / disposal of other non current financial assets	(1,589,575,718)	(858,863,791)
Proceeds from disposal of controlling interest	-	347,856,250
Acquisition of business, net of cash acquired	-	(5,817,191,859)
Proceeds from sale of investment property	1,500,000,000	-
Proceeds from sale of property, plant and equipment	122,655,576	124,167,193
Net cash flow from/ (used in) investing activities	(5,637,059,971)	(7,966,308,503)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Dividend paid to non controlling interest	(226,530,673)	(514,879,693)
Dividend paid to equity holders of parent	(193,602,075)	-
Proceeds from shareholders with non-controlling interest on issue of rights in subsidiaries	-	311,113,243
Proceeds from shareholders with non-controlling interest on issue of shares in subsidiaries	845,708,336	-
Proceeds paid on repurchase of non controlling interest	(368,726,833)	-
Proceeds from long term borrowings	11,771,282,315	18,538,930,076
(Increase) / decrease of controlling interest	(1,669,115,884)	(179,401,247)
(Increase) / decrease in other non current financial liabilities	3,282,313	25,450,268
Repayment of long term borrowings	(11,083,630,513)	(8,799,899,215)
Proceeds from / (repayment of) short term borrowings (net)	(138,762,633)	2,140,258,979
Direct cost on issue of shares/ repurchase of shares	(32,767,264)	(14,325,748)
Unamortisation of debenture issue expense/ loan processing fee	-	(17,878,920)
Net cash flow from financing activities	(1,092,862,911)	11,489,367,743
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,267,437,873)	3,948,936,172
CASH AND CASH EQUIVALENTS AT THE BEGINNING	5,648,046,408	1,700,038,527
Effect of exchange rate changes	(146,438)	(928,291)
CASH AND CASH EQUIVALENTS AT THE END	2,380,462,097	5,648,046,408
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Favourable balances		
Cash in hand and at bank	3,122,739,522	1,926,725,822
Short term investments	2,673,150,670	5,379,322,222
Unfavourable balances		
Bank overdrafts	(3,415,428,095)	(1,658,001,636)
Cash and cash equivalents	2,380,462,097	5,648,046,408

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY INCOME STATEMENT

In Rs.	Unaudited 12 months to 31-12-2016	Audited 12 months to 31-03-2015	Change as a %	Unaudited 03 months to 31-03-2016	Unaudited 03 months to 31-03-2015	Change as a %
Revenue	600,385,932	416,018,805	44.32	156,457,797	104,335,757	49.96
Cost of sales	(179,629,772)	(80,991,653)	121.79	(45,710,950)	(19,745,393)	131.50
Gross profit	420,756,160	335,027,152	25.59	110,746,847	84,590,364	30.92
Dividend income	1,169,827,933	961,271,765	21.70	23,550,599	846,274,110	(97.22)
Other operating income	719,453,832	108,111,472	565.47	701,048,282	8,157,359	8,494.06
Administrative expenses	(374,586,997)	(347,890,153)	7.67	(129,669,463)	(148,335,021)	(12.58)
Results from operating activities	1,935,450,928	1,056,520,236	83.19	705,676,265	790,686,812	(10.75)
Finance income	359,796,925	201,540,615	78.52	108,985,717	48,842,910	123.14
Finance expenses	(1,220,414,677)	(1,006,903,157)	21.20	(357,350,716)	(271,749,148)	31.50
Net finance cost	(860,617,752)	(805,362,542)	6.86	(248,364,999)	(222,906,238)	11.42
Change in fair value of investment property	95,383,063	40,736,886	134.14	95,383,063	40,736,886	134.14
Profit before tax	1,170,216,239	291,894,580	300.90	552,694,329	608,517,460	(9.17)
Tax expense	(163,758,189)	28,417,501	(676.26)	(127,366,897)	57,014,815	(323.39)
Profit for the year	1,006,458,050	320,312,081	214.21	425,327,432	665,532,275	(36.09)

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY INCOME STATEMENT

In Rs.	Unaudited 12 months to 31-03-2016	Audited 12 months to 31-03-2015	Change as a %	Unaudited 3 months to 31-03-2016	Unaudited 3 months to 31-03-2015	Change as a %
Profit for the year	1,006,458,050	320,312,081	214.21	425,327,432	665,532,275	(36.09)
Other comprehensive income						
Other comprehensive income not to be reclassified to income statement in subsequent periods						
Actuarial gains/ (loss) on retirement benefits	(7,236,739)	(2,634,546)	174.69	(7,236,739)	(2,634,546)	174.69
	(7,236,739)	(2,634,546)	174.69	(7,236,739)	(2,634,546)	174.69
Tax on other comprehensive income	-	737,672	(100.00)	-	737,672	(100.00)
Other comprehensive income for the year, net of tax	(7,236,739)	(1,896,874)	281.51	(7,236,739)	(1,896,874)	281.51
Total comprehensive income for the year, net of tax	999,221,311	318,415,207	213.81	418,090,693	663,635,401	(37.00)

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY STATEMENT OF FINANCIAL POSITION

In Rs.	Unaudited as at 31-03-2016	Audited as at 31-03-2015
ASSETS		
Non-current assets		
Property, plant and equipment	130,772,377	121,538,318
Investment property	546,500,000	442,641,386
Intangible assets	2,510,822	1,723,508
Investments in subsidiaries	12,073,825,177	10,592,900,172
Investments in associates	11,000,000	11,000,000
Other non current financial assets	468,957,025	1,277,947,548
Deferred tax assets	-	68,817,557
	13,233,565,401	12,516,568,489
Current assets		
Trade and other receivables	251,924,056	241,724,591
Amounts due from related parties	5,183,549,885	2,290,507,881
Other current assets	45,288,342	21,724,101
Short term investments	2,110,363,247	3,670,748,138
Cash in hand and at bank	105,683,489	42,695,145
	7,696,809,019	6,267,399,856
Total assets	20,930,374,420	18,783,968,345
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Stated capital	5,089,000,000	5,089,000,000
Revenue reserves	1,345,884,535	541,413,224
Total equity	6,434,884,535	5,630,413,224
Non-current liabilities		
Interest bearing borrowings	4,533,628,352	5,767,785,189
Employee benefit liabilities	43,389,551	30,669,730
Other non current financial liabilities	165,000,000	509,915,332
Deferred tax liabilities	22,689,470	-
	4,764,707,373	6,308,370,251
Current liabilities		
Trade and other payables	46,554,131	29,531,350
Amounts due to related parties	270,683,835	148,005,634
Income tax liabilities	75,000,000	-
Short term borrowings	6,727,193,704	4,191,598,768
Current portion of interest bearing borrowings	2,354,816,617	2,368,998,067
Other current liabilities	15,141,231	24,009,337
Bank overdrafts	241,392,994	83,041,714
	9,730,782,512	6,845,184,870
Total equity and liabilities	20,930,374,420	18,783,968,345

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007.

-sgd-
Group Chief Financial Officer

The Board of directors is responsible for the preparation and presentation of these financial statements.

-sgd-
Director

-sgd-
Director

31 May 2016
Colombo

Softlogic Holdings PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

COMPANY

In Rs.	Stated capital	Revenue reserve	Total
As at 01 April 2015	5,089,000,000	541,413,224	5,630,413,224
Profit for the year	-	1,006,458,050	1,006,458,050
Other comprehensive loss	-	(7,236,739)	(7,236,739)
Total comprehensive income	-	999,221,311	999,221,311
Dividend paid	-	(194,750,000)	(194,750,000)
As at 31 March 2016	5,089,000,000	1,345,884,535	6,434,884,535
As at 01 April 2014	5,089,000,000	222,998,017	5,311,998,017
Profit for the year	-	320,312,081	320,312,081
Other comprehensive loss	-	(1,896,874)	(1,896,874)
Total comprehensive income	-	318,415,207	318,415,207
As at 31 March 2015	5,089,000,000	541,413,224	5,630,413,224

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY STATEMENT OF CASH FLOW

In Rs.	Unaudited 12 months to 31-03-2016	Audited 12 months to 31-03-2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,170,216,239	291,894,580
Adjustments for:		
Finance income	(359,796,925)	(201,540,615)
Dividend income	(1,169,827,933)	(961,271,765)
Finance costs	1,220,414,677	1,006,903,157
Change in fair value of investment property	(95,383,063)	(40,736,886)
Gratuity provision and related costs	6,988,842	6,520,501
Provision for impairment of receivables	80,737,770	61,416,769
Fair value adjustment for asset held for sale	10,844,208	8,250,980
Depreciation of property, plant and equipment	21,199,039	24,239,655
Loss/ (profit) on sale of property, plant and equipment	63,245	(6,368,059)
Profit on sale of investments	(700,929,730)	(80,981,615)
Amortisation / impairment of intangible assets	7,752,608	2,624,845
Impairment & derecognition of property, plant & equipment	142,878	995,249
Profit before working capital changes	192,421,855	111,946,796
(Increase) / decrease in trade and other receivable	(10,199,464)	(74,554,750)
(Increase) / decrease in other current assets	(23,564,241)	1,999,042
(Increase) / decrease in amount due from related parties	(2,843,042,004)	(1,662,568,488)
Increase / (decrease) in trade and other payables	41,547,118	14,961,522
Increase / (decrease) in amount due to related parties	122,678,201	(294,537,636)
Increase / (decrease) in other current liabilities	(8,868,106)	5,980,569
Cash generated from / (used in) operations	(2,529,026,641)	(1,896,772,945)
Finance income received	359,796,925	199,719,324
Finance expenses paid	(1,215,009,583)	(994,129,825)
Dividend received	169,648,939	961,271,765
Tax paid	-	(32,249,264)
Gratuity paid	(1,505,760)	(2,767,813)
Net cash flow from / (used in) operating activities	(3,216,096,120)	(1,764,928,758)
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Purchase and construction of property, plant and equipment	(10,902,646)	(5,539,092)
Addition to investment property	(8,475,551)	(7,904,500)
Addition to intangible assets	(3,133,957)	(1,861,900)
Increase in interest in subsidiaries	(1,888,945,320)	(1,305,012,469)
(Purchase) / disposal of other non current financial assets	808,990,523	-
Proceeds from disposal of controlling interest	1,979,727,343	1,787,901,615
Acquisition of business	-	(2,789,975,487)
Proceeds from sale of property, plant and equipment	18,758,978	17,405,813
Net cash flow used in investing activities	896,019,370	(2,304,986,020)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from long term borrowings	2,524,765,770	5,738,547,536
Repayment of long term borrowings	(3,845,522,243)	(1,517,981,903)
Proceeds from / (repayment of) short term borrowings (net)	2,535,594,936	270,787,996
Increase/ (decrease) in other non current financial liabilities	(344,915,332)	-
Dividend paid to equity holders of parent	(194,750,000)	-
Net cash flow from financing activities	675,173,131	4,491,353,629
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,644,903,619)	421,438,851
CASH AND CASH EQUIVALENTS AT THE BEGINNING	2,159,194,114	1,737,755,263
CASH AND CASH EQUIVALENTS AT THE END	514,290,495	2,159,194,114
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Favourable balances		
Cash in hand and at bank	105,683,489	42,695,145
Short term investments	650,000,000	2,199,540,683
Unfavourable balances		
Bank overdrafts	(241,392,994)	(83,041,714)
Cash and cash equivalents	514,290,495	2,159,194,114

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

OPERATING SEGMENT INFORMATION

REVENUE AND PROFIT For the twelve months ended 31 March	Information Technology		Leisure & property		Retail		Auto Mobiles		Financial Services		Healthcare Services		Others		Group	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue																
Total revenue	17,084,944,135	9,912,024,862	1,108,409,611	704,941,030	19,371,253,131	12,925,183,030	1,323,594,183	780,445,604	9,529,211,274	8,133,617,536	9,952,384,806	8,591,960,503	617,444,582	424,290,305	58,987,241,722	41,472,462,870
Inter group	(1,020,441,938)	(660,043,444)	(181,858,199)	(76,887,251)	(776,632,530)	(590,893,505)	(153,851,839)	(37,001,897)	(172,297,734)	(131,853,450)	-	-	(604,464,942)	(411,899,213)	(2,909,547,182)	(1,908,578,760)
Total external revenue	16,064,502,197	9,251,981,418	926,551,412	628,053,779	18,594,620,601	12,334,289,525	1,169,742,344	743,443,707	9,356,913,540	8,001,764,086	9,952,384,806	8,591,960,503	12,979,640	12,991,092	56,077,694,540	39,563,884,110
Operating profit/ (loss)	778,035,947	705,335,615	64,867,536	(58,680,236)	1,804,641,282	878,265,229	(111,489,856)	(43,633,906)	1,572,591,559	1,022,155,789	2,365,895,367	1,810,926,609	(51,453,373)	(62,675,930)	6,423,088,462	4,251,693,170
Finance income	5,324,556	4,788,785	6,182,229	6,584,627	32,501,459	76,771,232	236,013	99,955	823,698,479	935,095,599	168,585,363	91,275,550	4,155,123	7,557,517	1,040,683,222	1,122,173,265
Finance cost	(297,377,642)	(302,058,048)	(134,220,472)	(90,195,304)	(1,043,691,234)	(627,715,710)	(90,042,533)	(53,890,522)	(122,212,152)	(168,137,069)	(707,128,897)	(635,347,411)	(855,915,546)	(815,465,490)	(3,250,588,476)	(2,692,809,554)
Change in fair value of investment property	-	-	24,500,000	-	(11,448,000)	13,338,000	-	-	-	-	-	513,364,000	-	-	13,052,000	526,702,000
Share of results of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	18,619,910	5,290,016	18,619,910
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(1,028,927,838)	(944,348,980)	-	-	-	-	(1,028,927,838)	(944,348,980)
Profit/ (loss) before taxation	485,982,861	408,066,352	(38,670,707)	(142,290,913)	782,003,507	340,658,751	(201,296,376)	(97,424,473)	1,245,150,048	844,765,339	1,827,351,833	1,780,218,748	(884,593,886)	(865,293,887)	3,215,927,280	2,268,699,917
Taxation	(131,888,156)	(137,462,759)	(14,085,650)	(486,175)	(279,581,595)	(69,453,877)	(18,362,689)	(8,889,061)	(63,554,745)	(60,292,650)	(168,369,435)	(163,562,844)	(293,467,670)	(9,470,660)	(969,309,940)	(449,618,026)
Profit/ (loss) after taxation	354,094,705	270,603,593	(52,756,357)	(142,777,088)	502,421,912	271,204,874	(219,659,065)	(106,313,534)	1,181,595,303	784,472,689	1,658,982,398	1,616,655,904	(1,178,061,556)	(874,764,547)	2,246,617,340	1,819,081,891
Depreciation of property, plant & equipment (PPE)	66,953,834	47,744,677	197,836,578	104,096,529	356,265,580	200,924,164	41,919,064	28,925,768	155,083,143	117,172,301	698,456,868	660,951,774	21,441,753	30,182,706	1,537,956,820	1,189,997,919
Amortisation of lease rentals paid in advance	-	-	-	-	-	-	-	-	-	-	1,036,939	1,036,939	-	-	1,036,939	1,036,939
Amortisation of intangible assets	20,390,565	13,146,053	48,541,865	47,629,767	58,473,344	33,283,406	-	-	141,566,830	142,843,678	8,521,877	8,521,877	2,346,643	2,624,845	279,841,124	248,049,626
Retirement benefit obligations and related cost	28,033,680	20,102,679	3,519,617	2,056,554	25,785,104	18,549,287	2,372,294	1,885,619	22,647,521	20,582,591	111,766,762	70,250,850	6,212,896	6,659,372	200,337,874	140,086,952
Purchase and construction of PPE	52,816,729	54,752,664	2,711,260,249	2,092,996,338	1,159,742,046	786,544,835	20,825,524	283,818,892	210,221,486	275,807,176	1,093,741,439	930,849,409	54,928,870	13,713,477	5,303,536,343	4,438,348,791
Additions to intangible assets	63,360,178	3,662,518	6,405,486	314,826	44,526,445	267,976,420	-	-	14,316,558	39,095,592	-	-	3,133,957	1,861,900	131,742,624	312,911,256
Additions to lease rentals paid in advance	-	-	-	-	-	-	-	-	-	-	-	702,520,660	-	-	-	702,520,660

REVENUE AND PROFIT For the three months ended 31 March	Information Technology		Leisure & property		Retail		Auto Mobiles		Financial Services		Healthcare Services		Others		Group	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue																
Total revenue	3,770,270,514	3,172,502,805	407,922,650	316,647,515	4,710,906,384	3,930,217,101	307,096,211	189,423,433	2,655,250,467	2,155,216,187	2,645,123,754	2,230,478,128	160,476,298	109,748,981	14,657,046,278	12,104,234,150
Inter group	(216,317,426)	(18,359,694)	(56,224,336)	(21,038,265)	(163,155,859)	(123,302,607)	(109,523,666)	(18,267,433)	(25,983,912)	(38,955,950)	-	-	(157,757,163)	(106,584,288)	(728,962,364)	(326,508,237)
Total external revenue	3,553,953,088	3,154,143,111	351,698,314	295,609,250	4,547,750,525	3,806,914,494	197,572,545	171,156,000	2,629,266,555	2,116,260,237	2,645,123,754	2,230,478,128	2,719,135	3,164,693	13,928,083,914	11,777,725,913
Operating profit/ (loss)	128,563,073	125,996,117	92,080,686	72,605,121	441,222,749	180,300,179	(64,363,872)	(15,497,870)	496,484,820	399,334,367	571,014,216	300,972,135	(18,725,592)	(69,777,883)	1,646,276,080	993,932,166
Finance income	2,022,651	2,403,105	(1,511,455)	1,680,836	12,313,251	39,294,535	93,525	99,955	114,200,888	69,849,002	50,891,937	23,970,654	2,071,605	5,385,800	180,082,402	142,683,887
Finance cost	(73,939,672)	(62,816,895)	(50,610,060)	(39,817,898)	(287,451,465)	(162,135,526)	(23,471,200)	(15,173,241)	(38,964,041)	(34,056,764)	(304,875,306)	(128,174,350)	(200,978,759)	(188,872,184)	(879,070,383)	(629,046,858)
Change in fair value of investment property	-	-	24,500,000	-	(11,448,000)	13,338,000	-	-	-	-	-	513,364,000	-	-	13,052,000	526,702,000
Share of results of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	4,685,857	(2,190,430)	4,685,857
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(181,056,535)	(194,205,120)	-	-	-	-	(181,056,535)	(194,205,120)
Profit/ (loss) before taxation	56,646,052	65,582,327	165,679,291	34,468,059	154,636,535	70,797,188	(87,741,547)	(30,571,156)	390,665,132	240,921,485	317,030,847	710,132,439	(212,946,889)	(253,454,697)	783,969,421	837,875,645
Taxation	16,561,301	(52,310,335)	(8,537,011)	(11,122,985)	(117,751,740)	(60,747,171)	(12,695,494)	(7,773,327)	(53,989,993)	(11,264,791)	28,100,856	(12,295,355)	(120,301,831)	33,565,200	(268,613,912)	(121,948,764)
Profit/ (loss) after taxation	73,207,353	13,271,992	157,142,280	23,345,074	36,884,795	10,050,017	(100,437,041)	(38,344,483)	336,675,139	229,656,694	345,131,703	697,837,084	(333,248,720)	(219,889,497)	515,355,509	715,926,881
Depreciation of property, plant & equipment (PPE)	18,633,110	19,333,568	67,964,426	24,084,308	92,211,999	66,769,132	14,214,857	12,995,307	41,414,856	34,040,740	178,643,881	167,242,673	4,615,312	10,429,763	417,698,441	334,895,491
Amortisation of lease rentals paid in advance	-	-	-	-	-	-	-	-	-	-	259,239	259,239	-	-	259,239	259,239
Amortisation of intangible assets	5,535,459	9,763,181	12,335,941	12,009,126	16,335,303	26,543,036	-	-	30,185,536	36,131,061	2,130,469	2,130,469	927,571	384,353	67,450,279	86,961,226
Retirement benefit obligations and related cost	13,210,350	7,868,159	(2,091,383)	(1,181,446)	8,450,832	8,775,585	474,104	466,492	7,186,849	9,495,871	67,254,063	27,234,192	208,657	1,179,422	94,693,472	53,838,275
Purchase and construction of PPE	21,860,768	(559,946)	1,083,292,121	432,209,389	253,051,642	484,977,679	1,744,677	67,845,715	40,351,106	111,060,952	415,544,543	501,054,757	4,184,809	5,009,965	1,820,029,666	1,601,598,511
Additions to intangible assets	46,432,030	1,261,120	-	10,013	1,624,289	253,161,481	-	-	2,412,857	6,785,858	-	-	-	-	50,469,176	261,218,472
Additions to lease rentals paid in advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

OPERATING SEGMENT INFORMATION

As at 31 March	Information Technology		Leisure		Retail		Auto Mobiles		Financial Services		Healthcare Services		Others		Group	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Property, plant and equipment	216,147,508	226,953,170	8,419,317,467	6,278,865,626	6,290,347,043	4,618,394,111	350,026,052	377,645,319	905,564,682	780,512,241	12,322,259,328	10,823,681,819	131,493,112	122,259,126	28,635,155,192	23,228,311,412
Lease rentals paid in advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	853,758,966	854,795,905
Investment property	217,620,000	233,000,000	1,991,000,000	1,045,292,349	83,400,000	94,848,000	-	-	-	-	853,758,966	854,795,905	-	-	442,641,387	1,815,781,736
Intangible assets	211,886,943	172,487,509	5,808,498	356,760	369,327,215	387,674,115	-	-	86,070,852	87,691,123	-	-	-	-	2,510,822	675,604,330
Other non current financial assets	5,587,237	5,023,408	-	-	14,161,569	7,403,862	-	-	-	-	11,833,047,872	8,473,811,327	407,596,857	598,882,418	2,528,664	12,262,893,535
Rental receivable on lease assets and hire purchase	-	-	-	-	-	126,505,603	-	-	487,804,264	1,530,406,410	-	-	-	-	-	487,804,264
Other non current assets	16,578,165	12,706,949	8,456,000	1,456,000	161,586,913	172,101,507	2,327,169	2,327,169	143,654,400	97,868,006	5,333,334	6,333,335	-	-	337,935,981	
Segment non current assets	667,819,853	650,171,036	10,424,581,965	7,325,970,735	6,918,822,740	5,406,927,198	352,353,221	379,972,488	13,456,142,070	10,970,289,107	13,588,948,485	12,283,693,477	683,003,934	569,152,685	46,091,627,268	37,586,176,726
Investments in associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,086,712	26,216,105
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,115,823,525	4,115,823,525
Intangible assets through business combinations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,909,507,339	4,091,247,335
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	240,193,891	318,527,576
Eliminations/ adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,355,687	1,972,707,028
Total non current assets	667,819,853	650,171,036	10,424,581,965	7,325,970,735	6,918,822,740	5,406,927,198	352,353,221	379,972,488	13,456,142,070	10,970,289,107	13,588,948,485	12,283,693,477	683,003,934	569,152,685	54,397,639,422	48,110,698,295
Inventories	1,444,444,564	1,357,795,215	20,890,866	18,730,434	5,380,141,463	4,831,209,253	684,940,406	437,289,869	529,887,709	643,475,335	443,864,014	381,062,739	-	-	8,504,169,022	7,669,562,845
Investment property held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,698,000,000	2,698,000,000
Trade and other receivables	2,642,515,836	1,893,274,480	139,479,643	163,100,663	4,811,106,175	3,182,598,483	29,110,895	135,578,478	1,084,172,382	835,695,086	382,232,969	300,561,558	11,025,403	111,994,358	9,099,643,303	6,622,803,106
Loans and advances	-	-	-	-	-	-	-	-	10,442,982,998	5,524,162,085	-	-	-	-	10,442,982,998	5,524,162,085
Rental receivable on lease assets and hire purchase	-	-	-	-	-	-	-	-	1,097,811,795	4,894,385,167	-	-	-	-	1,097,811,795	4,894,385,167
Other current assets	659,208,867	347,502,003	187,775,272	128,769,657	1,231,946,462	1,237,152,558	124,884,841	215,829,612	918,418,532	1,438,401,554	581,884,350	375,083,931	45,301,292	17,357,893	3,749,419,616	3,760,097,208
Short term investments	13,187,687	273,773,507	315,221	332,460	31,765,057	124,778,113	1,500,000	1,500,000	3,650,994,858	4,628,754,611	-	-	1,031,151,896	781,856,620	2,332,150,565	4,479,619,443
Cash in hand and at bank	414,123,629	299,506,237	275,907,504	131,561,486	687,944,914	326,103,928	15,772,328	17,335,786	716,522,755	887,298,353	903,990,819	218,238,185	108,477,573	46,681,847	3,122,739,522	1,926,725,822
Segment current assets	5,173,480,583	4,171,851,442	624,368,506	442,494,700	12,142,904,071	9,701,842,335	856,208,470	807,533,745	18,440,791,029	18,852,172,191	2,311,972,152	5,004,098,309	946,660,888	2,508,184,663	40,496,385,699	41,488,749,438
Amounts due from related parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	976,859	572,053
Total current assets	5,173,480,583	4,171,851,442	624,368,506	442,494,700	12,142,904,071	9,701,842,335	856,208,470	807,533,745	18,440,791,029	18,852,172,191	2,311,972,152	5,004,098,309	946,660,888	2,508,184,663	40,497,362,558	41,488,749,438
Total assets															94,895,001,980	89,599,447,733
Insurance contract liabilities	-	-	-	-	-	-	-	-	6,158,200,177	5,129,272,339	-	-	-	-	6,158,200,177	5,129,272,339
Interest bearing borrowings	38,000,000	103,404,274	5,090,200,766	3,211,708,823	2,292,291,317	4,313,107,439	109,047,981	143,009,930	2,880,841,601	2,448,174,951	6,219,968,215	7,067,100,816	4,533,628,352	5,767,785,191	21,163,978,232	23,054,291,424
Public deposits	-	-	-	-	-	-	-	-	1,521,942,995	2,214,295,787	-	-	-	-	1,521,942,995	2,214,295,787
Employee benefit liabilities	97,405,766	95,782,724	9,759,733	9,134,018	96,179,191	99,296,869	4,087,620	4,142,559	84,774,084	71,639,427	350,865,542	344,721,139	43,867,549	31,208,809	686,939,485	655,925,545
Other deferred liabilities	1,277,155	1,065,277	-	-	791,658	1,979,156	-	-	-	-	-	-	-	-	2,068,813	3,044,433
Other non current financial liabilities	28,732,581	25,450,268	-	-	-	-	-	-	-	6,260,352	-	-	-	-	28,732,581	31,710,620
Segment non current liabilities	165,415,502	225,702,543	5,099,960,499	3,220,842,841	2,389,262,166	4,414,383,464	113,135,601	147,152,489	10,645,758,857	9,869,642,856	6,570,833,757	7,411,821,955	4,577,495,901	5,798,994,000	29,561,862,283	31,088,540,148
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	325,198,905	314,257,283
Eliminations/ adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(210,000,002)
Total non current liabilities	165,415,502	225,702,543	5,099,960,499	3,220,842,841	2,389,262,166	4,414,383,464	113,135,601	147,152,489	10,645,758,857	9,869,642,856	6,570,833,757	7,411,821,955	4,577,495,901	5,798,994,000	29,887,061,188	31,192,797,429
Trade and other payables	2,041,655,645	1,507,752,162	343,083,465	201,077,037	2,193,869,094	2,035,910,916	11,596,704	273,945,919	2,507,270,360	2,360,310,618	1,078,980,783	632,777,866	35,631,146	30,065,595	8,212,087,197	7,041,840,113
Short term borrowings	2,557,581,098	2,947,855,009	27,273,303	-	6,983,382,554	5,516,758,202	360,071,339	277,919,687	1,192,011,729	3,199,590,318	-	-	6,727,193,704	4,191,598,768	17,847,513,727	16,133,721,984
Current portion of interest bearing borrowings	69,457,174	95,757,208	396,121,561	194,143,391	2,766,364,891	418,579,581	28,492,884	28,977,351	1,044,743,835	492,471,999	935,157,847	1,076,324,813	2,354,816,617	2,368,998,068	7,595,154,809	4,675,252,411
Other current financial liabilities	-	-	-	-	-	-	-	-	9,356,707	-	-	-	-	-	9,356,707	-
Other current liabilities	370,628,638	296,889,800	12,909,571	77,916,408	247,632,528	207,006,468	27,838,304	5,609,903	406,649,427	378,186,433	136,108,132	1,341,102,283	15,811,823	24,180,491	1,217,578,423	2,330,891,786
Public deposits	-	-	-	-	-	-	-	-	12,167,907,949	9,838,760,403	-	-	-	-	12,167,907,949	9,838,760,403
Bank overdrafts	91,035,250	70,521,669	49,064,591	31,895,624	844,501,345	311,887,092	45,629,473	27,658,863	1,334,268,495	876,193,386	809,535,947	256,724,918	241,392,994	83,120,094	3,415,428,095	1,658,001,636
Segment current liabilities	5,130,357,805	4,918,775,848	828,452,491	505,032,460	13,035,750,412	8,490,142,259	473,628,704	614,111,723	18,662,208,502	17,145,513,157	2,959,782,709	3,306,929,880	9,374,846,284	6,697,963,006	50,465,026,907	41,678,468,333
Income tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	585,305,739	322,656,391
Amounts due to related parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,339,959	15,970,784
Eliminations/ adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,422,501,184)	(1,404,833,105)
Total current liabilities	5,130,357,805	4,918,775,848	828,452,491	505,032,460	13,035,750,412	8,490,142,259	473,628,704	614,111,723	18,662,208,502	17,145,513,157	2,959,782,709	3,306,929,880	9,374,846,284	6,697,963,006	47,645,171,421	40,612,262,403
Total liabilities															77,532,232,609	71,805,059,832
Total segment assets	5,841,300,436	4,822,022,478	11,048,950,471	7,768,465,435	19,061,726,811	15,108,769,533	1,208,561,691	1,187,506,233	31,896,933,099	29,822,461,298	15,900,920,637	17,287,791,786	1,629,664,822	3,077,337,348	86,588,057,967	79,074,354,111
Total segment liabilities	5,295,773,307	5,144,478,391	5,928,412,990	3,725,875,301	15,425,012,578	12,904,525,723	586,764,305	761,264,212	29,307,967,359	27,015,156,013	9,530,616,466	10,718,751,835	13,952,342,18			

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Softlogic Holdings PLC, is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

The interim financial statements of the Group and the Company for the twelve months ended 31 March 2016 were authorised for issue by the Board of directors on 31 May 2016.

2. BASIS OF PREPARATION

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2015.

The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

The interim financial statements are presented in Sri Lankan Rupees.

3. CHANGE IN LIFE INSURANCE CONTRACT LIABILITIES

The results of Asian Alliance Insurance PLC's life business segment is consolidated line by line into the Group's consolidated income statement. The change in life insurance contract liabilities represents the difference between all income and expenditure attributable to life policy holders during the period.

4. SHARE INFORMATION

4.1 Public Share Holdings

The percentage of shares held by the public as at 31 March 2016 was 28.27% (number of public shareholders - 13,601)

4.2 Directors' Share Holdings

The number of shares held by the Board of directors are as follows:

As at	31-03-2016
A K Pathirage - Chairman/ Managing Director	364,715,322
G W D H U Gunawardena	57,527,300
R J Perera	60,836,700
H K Kaimal	64,870,800
M P R Rasool	Nil
Dr S Selliah	2,000,000
W M P L De Alwis, PC	Nil
G L H Premaratne	Nil
R A Ebell	Nil
	<u>549,950,122</u>

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

4.3 Twenty Largest Shareholders of the Company are as follows:

As at	Number of shares 31-03-2016	%
1 Mr. A K Pthirage	325,765,322	41.82
2 Mr. H K Kaimal	64,870,800	8.33
3 Mr. R J Perera	60,836,700	7.81
4 Mr. G W D H U Gunawardena	57,527,300	7.38
5 Pemberton Asian Opportunities Fund	46,000,000	5.91
6 Commercial Bank of Ceylon PLC/ A K Pathirage	38,950,000	5.00
7 Rubber Investment Trust Ltd - A/C #01	7,801,117	1.00
8 Employees Provident Fund	7,230,500	0.93
9 Asian Alliance Insurance PLC - A/C #02 (Life Fund)	4,591,702	0.59
10 Bank of Ceylon A/C Ceybank Unit Trust	4,322,784	0.55
11 Mrs. A Selliah	4,236,000	0.54
12 Deutsche Bank AG As Trustee for Namal Acuity Value Fund	3,996,497	0.51
13 Arunodhaya Investments (Pvt) Ltd	3,950,000	0.51
14 Arunodhaya Industries (Pvt) Ltd	3,950,000	0.51
15 Arunodhaya (Pvt) Ltd	3,950,000	0.51
16 Miss. S Subramaniam	3,800,000	0.49
17 Mr. V Kailasapillai	3,800,000	0.49
18 Mrs. A Kailasapillai	3,800,000	0.49
19 Ceylon Investment PLC - A/C #01	3,671,578	0.47
20 Mr. K Aravinthan	3,500,000	0.45

5. STATED CAPITAL MOVEMENTS

5.1 No of shares

	No of shares
As at 01 April 2015	779,000,000
As at 31 March 2016	779,000,000

5.2 Value of shares

	Rs
As at 01 April 2015	5,089,000,000
As at 31 March 2016	5,089,000,000

6. INVESTOR INFORMATION

6.1 Market Value of Shares

31-03-2016

The market value of an ordinary share of Softlogic Holdings PLC was as follows.

Closing price on (Rs.)	13.30
Highest price recorded for the three months ending (Rs.)	15.70
Lowest price recorded for the three months ending (Rs.)	12.30
Market Capitalisation (Rs. mn)	10,360.70

6.2 Ratios

Net assets per share at the period end (Rs.)	11.56
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6.3 Share Trading information from 01 January 2016 to 31 March 2016

Number of shares traded	7,547,937
Value of shares traded (Rs.)	105,362,875

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

7. LISTED DEBENTURES

7.1 Details regarding the listed debentures are as follows;

10,000,000 rated unsecured redeemable debentures at the face value of Rs. 100.00 each with an annual effective interest rate of 16.70% were issued on 09 September 2013 which will be matured on 09 September 2016.

Interest rate of comparable Government Securities as at 31 March, 2016 - 9.29% (net of tax)

7.2 Ratios

31-03-2016

Debt/ equity ratio	2.70
Quick asset ratio	1.80
Interest cover	3.70

7.3 Debenture Trading information from 01 January 2016 to 31 March 2016

31-03-2016

Closing price on	N/A
Highest price recorded for the three months ending	N/A
Lowest price recorded for the three months ending	N/A
Interest Yield	N/A
Year to maturity of trade	N/A

Debentures were not traded during the period from 01 January 2016 to 31 March 2016.

8. CONTINGENCIES

CONTINGENT LIABILITIES

There were no significant contingent liabilities as at the date of the statement of financial position other than those disclosed below, which require adjustments to or disclosures in the financial statements.

8.1 Softlogic Holdings PLC

Softlogic Holdings PLC received an income tax assessments from The Department of Inland Revenue for the years of assessment 2009/10 and 2010/11. The company has lodged an appeal against the said assessment and The Department of Inland Revenue has issued their determination. The Management and the tax consultants has submitted an appeal to the Tax Appeal Commission on that determination.

Based on the information available and the advice of the tax consultants, the Directors are confident that the ultimate resolution of the above contingency is unlikely to have a material adverse effect on the company or on the group.

8.2 Asian Alliance Insurance PLC

VAT Assessments were received by Asian Alliance Insurance PLC in October 2011 and April 2013 in relation to taxable periods ended 31 December 2009 and 31 December 2010 amounting to Rs. 9.60 mn and Rs. 52.30 mn respectively.

The Company has filed an appeal in November 2011 on the basis that the underlying computation includes items which are exempt /out of scope of the Value Added Tax Act. The Commissioner General of Inland Revenue has determined the assessment and the Company has appealed to the Tax Appeals Commission and awaiting the final decision.

Based on the information available and the advice of the tax consultants, the Directors are confident that the ultimate resolution of the above contingency is unlikely to have a material adverse effect on the company or on the group.

8.3 Odel PLC

Odel PLC received an income tax assessment from The Department of Inland Revenue for the year of assessment 2009/10 amounting to Rs. 16.02 mn.

The company has lodged appeal against the said assessment and The Department of Inland Revenue has issued their determination. The Management and the tax consultants have submitted appeal to the Tax Appeal Commission on that determination.

Based on the information available and the advice of the tax consultants, the Directors are confident that the ultimate resolution of the above contingencies is unlikely to have a material adverse effect on the respective companies or on the group.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

8. CONTINGENCIES (cont.....)

CONTINGENT LIABILITIES

8.4 Odel Properties (Pvt) Ltd

Odel Properties (Pvt) Ltd received an income tax assessments from The Department of Inland Revenue for the years of assessment 2011/12 and 2012/13 amounting to Rs. 10.50 mn. The company has lodged appeals against the said assessments.

Based on the information available and the advice of the tax consultants, the Directors are confident that the ultimate resolution of the above contingencies is unlikely to have a material adverse effect on the respective companies or on the group.

9. CAPITAL COMMITMENTS

As at 31 March 2016, the group had capital commitments contracted but not provided in the financial statements amounting to Rs. 6,158 mn (31 March 2015 - 4,568 mn).

10. EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to the date of the statement of financial position, which require disclosure in the financial statements other than the following.

10.1 Dividend Announcement - Softlogic Holdings PLC

The directors of Softlogic Holdings PLC declared a final dividend of Rs. 0.50 per share for the financial year ended 31 March 2016.

As required by section 56 (2) of the companies Act No. 07 of 2007, the board of directors has confirmed that the company satisfies the solvency test in accordance with section 57 of the companies Act No. 07 of 2007.

10.2 Dividend Announcement - Asiri Hospital Holdings PLC

The directors of Asiri Hospital Holdings PLC, a subsidiary of Softlogic Holdings PLC declared an interim dividend of Rs. 0.45 per share for the financial year ended 31 March 2016.

As required by section 56 (2) of the companies Act No. 07 of 2007, the board of directors has confirmed that the company satisfies the solvency test in accordance with section 57 of the companies Act No. 07 of 2007, and has obtained a certificate of solvency from the auditors to this effect.

10.3 Dividend Announcement - Asiri Surgical Hospital PLC

The directors of Asiri Surgical Hospital PLC, a subsidiary of Softlogic Holdings PLC declared an interim dividend of Rs. 0.40 per share for the financial year ended 31 March 2016.

As required by section 56 (2) of the companies Act No. 07 of 2007, the board of directors has confirmed that the company satisfies the solvency test in accordance with section 57 of the companies Act No. 07 of 2007, and has obtained a certificate of solvency from the auditors to this effect.

10.4 Investment in Asiri Hospital Holdings PLC by Softlogic Holdings PLC

Softlogic Holdings PLC purchased 19,983,030 and 28,595,244 shares held by Softlogic Information Technologies (Pvt) Ltd and Softlogic International (Pvt) Ltd respectively in Asiri Hospital Holdings PLC on 01 April 2016 for a total consideration of Rs. 1,165,878,576.00. Immediately after the acquisition, the direct controlling stake of the entity increased to 50.37% from 46.10%.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

11. RELATED PARTY TRANSACTIONS

11.1 Transactions with related parties

In Rs.	Group		Company	
	Unaudited 12 months to 31-03-2016	Audited 12 months to 31-03-2015	Unaudited 12 months to 31-03-2016	Audited 12 months to 31-03-2015
Subsidiaries				
(Purchases) / sales of goods	-	-	(34,321,202)	19,841,281
(Receiving) / rendering of services	-	-	530,978,944	378,449,744
(Purchases) / sale of property plant & equipment	-	-	(7,173,245)	(3,512,615)
Loans given / (obtained)	-	-	2,182,195,397	132,223,001
Interest received / (paid)	-	-	218,721,935	76,146,109
Rent received / (paid)	-	-	48,549,727	22,477,477
Dividend received	-	-	1,161,729,733	960,371,765
Guarantee charges received	-	-	125,233,016	77,702,041
Profit on disposal of group investments	-	-	700,929,730	-
Guarantees given / (obtained)	-	-	20,187,600,000	9,525,800,000
Associates				
(Purchases) / sale of property plant & equipment	9,875,514	2,851,064	-	-
(Receiving) / rendering of services	5,508,902	6,308,272	12,557,137	12,251,592
Dividend received	-	-	8,098,200	900,000
Key management personnel (KMP)				
Loans given/ (received)	(12,281,135)	(11,438,933)	(1,992,157)	(1,992,157)
Guarantees given / (obtained)	(940,000,000)	(1,361,000,000)	(100,000,000)	(130,000,000)
Loans given/ (deposits received)	(77,117,364)	(44,212,192)	-	-
Close family members of KMP				
(Receiving) / rendering of services	-	-	-	-

11.2 Terms and conditions of transactions with related parties

Transactions with related parties are carried out in the ordinary course of the business. Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash. Interest bearing borrowings are at pre-determined interest rates and terms.

Softlogic Holdings PLC

CORPORATE INFORMATION

Name of Company

Softlogic Holdings PLC

Legal Form

Public Limited Liability Company.

Incorporated in Sri Lanka on 25 February 1998 as a Private Limited Liability Company under the Companies Act No. 17 of 1982.

Re-registered on 17 December 2007 as a Public Limited Liability Company under the Companies Act No. 07 of 2007.

The status of the Company was changed to a Public Limited Company on 10 December 2008. Subsequent to the listing of shares on the Main Board of Colombo Stock Exchange, the name of the Company was changed to Softlogic Holdings PLC on 25 August 2011.

Company Registration No

PV 1536 PB/PQ

Registered Office of the Company

14, De Fonseka Place,
Colombo 05
Sri Lanka

Contact Details

14, De Fonseka Place,
Colombo 05
Sri Lanka

Tel : +94 11 5575 000

Fax : +94 11 2595 441

E-mail : info@softlogic.lk

Web : www.softlogic.lk

Directors

A K Pathirage - Chairman/ Managing Director

Dr S Selliah

G L H Premaratne

G W D H U Gunawardena

H K Kaimal

M P R Rasool

R A Ebell

R J Perera

W M P L De Alwis, PC

Audit Committee

R A Ebell - Chairman

Dr S Selliah

W M P L De Alwis, PC

Remuneration Committee

W M P L De Alwis - Chairman

G L H Premaratne

R A Ebell

Related Party Transaction Committee

Dr S Selliah - Chairman

W M P L De Alwis, PC

H K Kaimal

Secretaries and Registrars

Softlogic Corporate Services (Pvt) Ltd

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Bankers

Bank of Ceylon

Cargills Bank Ltd

Commercial Bank of Ceylon PLC

Deutsche Bank AG, Colombo

DFCC Bank PLC

Hatton National Bank PLC

Hongkong & Shanghai Banking Corporation

Muslim Commercial Bank

National Development Bank PLC

Nations Trust Bank PLC

Pan Asia Banking Corporation PLC

People's Bank

Sampath Bank PLC

Seylan Bank PLC

Union Bank of Colombo PLC

Auditors

Ernst & Young

Chartered Accountants

201, De Saram Place,

Colombo 10