

CIEL TEXTILE LIMITED AND ITS SUBSIDIARIES  
UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2016



CONDENSED INCOME STATEMENTS

	THE GROUP	
	UNAUDITED 30 September 2016	UNAUDITED 30 September 2015
	Rs '000	Rs '000
<b>Revenue</b>	<b>3,026,805</b>	<b>3,008,612</b>
<b>Earnings before interest, tax, depreciation and amortisation</b>	<b>270,002</b>	<b>296,770</b>
Depreciation and amortisation	(59,809)	(50,752)
<b>Earnings before interest and tax</b>	<b>210,193</b>	<b>246,018</b>
Net finance costs	(15,102)	(12,881)
<b>Profit before taxation</b>	<b>195,091</b>	<b>233,137</b>
Income tax expense	(39,655)	(23,955)
<b>Profit for the period</b>	<b>155,436</b>	<b>209,182</b>
<b>Attributable to:-</b>		
Owners of the Company	130,465	205,031
Non-controlling Interests	24,971	4,151
	<b>155,436</b>	<b>209,182</b>
<b>Earnings per Share</b>		
Number of shares used in calculation ('000)	101,808	101,808
Earnings per Share (Rs.Cs)	1.28	2.01

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP	
	UNAUDITED 30 September 2016	UNAUDITED 30 September 2015
	Rs '000	Rs '000
<b>Profit for the period</b>	<b>155,436</b>	<b>209,182</b>
<b>Other comprehensive income:</b>		
Amount recognised in cash flow hedge reserve net of deferred tax	(42,910)	53,657
Exchange Differences on retranslation of foreign subsidiaries	24,587	(6,421)
<b>Other comprehensive income for the period</b>	<b>(18,323)</b>	<b>47,236</b>
<b>Total comprehensive income for the period</b>	<b>137,113</b>	<b>256,418</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	108,679	258,288
Non Controlling Interests	28,434	(1,870)
	<b>137,113</b>	<b>256,418</b>

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP	
	UNAUDITED 30 September 2016	AUDITED 30 June 2016
	Rs '000	Rs '000
<b>ASSETS EMPLOYED</b>		
<b>Non Current Assets</b>		
Property, Plant and Equipment	3,706,248	3,608,366
Investments and Others	110,560	113,416
	<b>3,816,808</b>	<b>3,721,782</b>
Current Assets	5,917,289	6,054,750
<b>TOTAL ASSETS</b>	<b>9,734,097</b>	<b>9,776,532</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share Capital	685,865	685,865
Revaluation and Other Reserves	763,399	785,185
Retained Earnings	3,053,186	2,922,721
Owners' Interests	4,502,450	4,393,771
Non Controlling Interests	358,350	329,916
<b>Total Equity</b>	<b>4,860,800</b>	<b>4,723,687</b>
Non Current Liabilities	581,047	597,449
Current Liabilities	4,292,250	4,455,396
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,734,097</b>	<b>9,776,532</b>
<b>Interest Bearing Debt (Rs '000)</b>	<b>2,326,564</b>	<b>2,160,430</b>
<b>Debt to Capital Employed</b>	<b>32%</b>	<b>31%</b>
<b>Net Assets Value per Share (Rs.cs)</b>	<b>44.22</b>	<b>43.16</b>

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP	
	UNAUDITED Quarter ended 30 September 2016	UNAUDITED Quarter ended 30 September 2015
	Rs '000	Rs '000
Net Cash generated from Operating Activities	166,765	569,519
Net Cash used in Investing Activities	(125,214)	(152,458)
Net Cash used in Financing Activities	(279,354)	(139,078)
<b>(Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(237,803)</b>	<b>277,983</b>
Opening Cash and Cash Equivalents at 1 July,	(368,849)	(167,463)
<b>Closing Cash and Cash Equivalents</b>	<b>(606,652)</b>	<b>110,520</b>

CONDENSED SEGMENTAL RESULTS - BY CLUSTER

THE GROUP	30 September 2016			30 September 2015		
	Knitwear, Knits and Retail Rs '000	Woven Rs '000	Total Rs '000	Knitwear, Knits and Retail Rs '000	Woven Rs '000	Total Rs '000
<b>Revenues from external customers</b>	1,476,963	1,549,842	<b>3,026,805</b>	1,752,116	1,256,496	<b>3,008,612</b>
<b>Earnings before interest and tax</b>	77,231	132,962	<b>210,193</b>	155,445	90,573	<b>246,018</b>
Net finance costs	(13,110)	(1,992)	<b>(15,102)</b>	(10,310)	(2,571)	<b>(12,881)</b>
<b>Profit before taxation</b>	64,121	130,970	<b>195,091</b>	145,135	88,002	<b>233,137</b>
Income tax expense	(9,092)	(30,563)	<b>(39,655)</b>	(9,668)	(14,287)	<b>(23,955)</b>
<b>Profit after taxation</b>	55,029	100,407	<b>155,436</b>	135,467	73,715	<b>209,182</b>
Non-controlling interests	-	(24,971)	<b>(24,971)</b>	-	(4,151)	<b>(4,151)</b>
<b>Profit attributable to owners of the parent</b>	55,029	75,436	<b>130,465</b>	135,467	69,564	<b>205,031</b>

CONDENSED STATEMENTS OF CHANGES IN EQUITY

	THE GROUP					
	Share Capital Rs '000	Revaluation and Other Reserves Rs '000	Retained Earnings Rs '000	Sub Total Rs '000	Non Controlling Interests Rs '000	Total Rs '000
At 1 July 2016	685,865	785,185	2,922,721	<b>4,393,771</b>	329,916	<b>4,723,687</b>
Profit for the period	-	-	130,465	<b>130,465</b>	24,971	<b>155,436</b>
Other comprehensive income	-	(21,786)	-	<b>(21,786)</b>	3,463	<b>(18,323)</b>
<b>At 30 September 2016</b>	<b>685,865</b>	<b>763,399</b>	<b>3,053,186</b>	<b>4,502,450</b>	<b>358,350</b>	<b>4,860,800</b>
At 1 July 2015	685,865	768,082	2,627,546	<b>4,081,493</b>	261,197	<b>4,342,690</b>
Profit for the period	-	-	205,031	<b>205,031</b>	4,151	<b>209,182</b>
Other comprehensive income	-	53,258	-	<b>53,258</b>	(6,021)	<b>47,237</b>
<b>At 30 September 2015</b>	<b>685,865</b>	<b>821,340</b>	<b>2,832,577</b>	<b>4,339,782</b>	<b>259,327</b>	<b>4,599,109</b>

Comments on the Condensed Unaudited Financial Statements for the period ended 30 September 2016 Results

CIEL Textile achieved a reduced profit after tax of Rs 155.4m (2015 : Rs 209.2m) for the quarter under review.

The Knitwear Cluster has experienced a significant drop in profitability as a result of lower sales volumes, drop in margins and reorganisation costs incurred both in Mauritius and Madagascar.

The Knits Cluster has performed slightly below expectations as it is still being impacted by the start of its operations in India.

The Woven Cluster continues to show strong operational results, with improved performance from its operations in India. The cluster remains the main contributor to the Group's results.

Outlook

On the operational side, much focus is being placed on achieving steady progress towards operational excellence in our new factories in India (Knits Cluster) and Madagascar (Knitwear Cluster).

The current international retail environment remains challenging especially in UK, notably with the recent Brexit referendum. Strong sales and marketing initiatives, combined with aggressive cost management, remain key priorities across all our clusters.

By order of the Board

**CIEL Corporate Services Ltd**  
Secretaries

9 November 2016

The condensed financial statements of CIEL Textile Limited and all its subsidiaries are unaudited and have been prepared in accordance with International Financial Reporting Standards (IFRSs). Copies of the report are available free of charge at the registered office of the Company, 5<sup>th</sup> Floor, Ebène Skies, Rue de l'Institut, Ebène.

These unaudited condensed financial statements are issued pursuant to DEM Rule 17 and the Securities Act 2005. The statement of direct and indirect interests of Insiders pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge, at the registered office of the Company. The Board of Directors of CIEL Textile Limited accepts full responsibility for the accuracy of the information contained in the report.

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