

## CIEL TEXTILE LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2016

### CONDENSED INCOME STATEMENTS

	THE GROUP			
	Half Year ended 31 Dec 2016 UNAUDITED	Half Year ended 31 Dec 2015 UNAUDITED	Quarter ended 31 Dec 2016 UNAUDITED	Quarter ended 31 Dec 2015 UNAUDITED
	Rs '000	Rs '000	Rs '000	Rs '000
<b>Revenue</b>	<b>5,442,212</b>	5,537,048	<b>2,415,407</b>	2,528,436
<b>Earnings before interest, tax, depreciation and amortisation</b>	<b>533,479</b>	569,193	<b>263,477</b>	272,423
Depreciation and amortisation	(122,361)	(104,021)	(62,552)	(53,269)
<b>Earnings before interest and tax</b>	<b>411,118</b>	465,172	<b>200,925</b>	219,154
Net finance costs	(40,599)	(24,271)	(25,497)	(11,390)
<b>Profit before taxation</b>	<b>370,519</b>	440,901	<b>175,428</b>	207,764
Income tax expense	(62,174)	(67,708)	(22,519)	(43,753)
<b>Profit for the period</b>	<b>308,345</b>	373,193	<b>152,909</b>	164,011
<b>Attributable to:-</b>				
Owners of the Company	<b>255,727</b>	347,727	<b>125,262</b>	142,696
Non-Controlling Interests	<b>52,618</b>	25,466	<b>27,647</b>	21,315
	<b>308,345</b>	373,193	<b>152,909</b>	164,011
<b>Earnings per Share</b>				
Earnings attributable to Owners of the Company (Rs '000)	<b>255,727</b>	347,727	<b>125,262</b>	142,696
Number of shares used in calculation ('000)	<b>101,808</b>	101,808	<b>101,808</b>	101,808
Earnings per Share (Rs/Cs)	<b>2.51</b>	3.42	<b>1.23</b>	1.40

### CONDENSED SEGMENTAL RESULTS - BY CLUSTER

THE GROUP	Half Year ended 31 Dec 2016			Half Year ended 31 Dec 2015		
	Knitwear, Knits and Retail UNAUDITED	Woven UNAUDITED	Total UNAUDITED	Knitwear, Knits and Retail UNAUDITED	Woven UNAUDITED	Total UNAUDITED
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
<b>Revenue</b>	<b>2,374,846</b>	3,067,366	<b>5,442,212</b>	2,853,599	2,683,449	<b>5,537,048</b>
<b>Earnings before interest and tax</b>	<b>36,867</b>	374,251	<b>411,118</b>	213,651	251,521	<b>465,172</b>
Net finance costs	(30,541)	(10,058)	(40,599)	(16,959)	(7,312)	(24,271)
<b>Profit before taxation</b>	<b>6,326</b>	364,193	<b>370,519</b>	196,692	244,209	<b>440,901</b>
Income tax expense	(14,357)	(47,817)	(62,174)	(19,653)	(48,055)	(67,708)
<b>(Loss)/Profit after taxation</b>	<b>(8,031)</b>	316,376	<b>308,345</b>	177,039	196,154	<b>373,193</b>
Non-controlling interests	-	(52,618)	(52,618)	-	(25,466)	(25,466)
<b>(Loss)/Profit attributable to Owners of the Company</b>	<b>(8,031)</b>	263,758	<b>255,727</b>	177,039	170,688	<b>347,727</b>
	Quarter ended 31 Dec 2016			Quarter ended 31 Dec 2015		
	Knitwear, Knits and Retail UNAUDITED	Woven UNAUDITED	Total UNAUDITED	Knitwear, Knits and Retail UNAUDITED	Woven UNAUDITED	Total UNAUDITED
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
<b>Revenue</b>	<b>897,883</b>	1,517,524	<b>2,415,407</b>	1,101,483	1,426,953	<b>2,528,436</b>
<b>Earnings before interest and tax</b>	<b>(40,364)</b>	241,289	<b>200,925</b>	58,206	160,948	<b>219,154</b>
Net finance costs	(17,431)	(8,066)	(25,497)	(6,649)	(4,741)	(11,390)
<b>(Loss)/Profit before taxation</b>	<b>(57,795)</b>	233,223	<b>175,428</b>	51,557	156,207	<b>207,764</b>
Income tax expense	(5,265)	(17,254)	(22,519)	(9,985)	(33,768)	(43,753)
<b>(Loss)/Profit after taxation</b>	<b>(63,060)</b>	215,969	<b>152,909</b>	41,572	122,439	<b>164,011</b>
Non-controlling interests	-	(27,647)	(27,647)	-	(21,315)	(21,315)
<b>(Loss)/Profit attributable to Owners of the Company</b>	<b>(63,060)</b>	188,322	<b>125,262</b>	41,572	101,124	<b>142,696</b>

### CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP			
	Half Year ended 31 Dec 2016 UNAUDITED	Half Year ended 31 Dec 2015 UNAUDITED	Quarter ended 31 Dec 2016 UNAUDITED	Quarter ended 31 Dec 2015 UNAUDITED
	Rs '000	Rs '000	Rs '000	Rs '000
<b>Profit for the period</b>	<b>308,345</b>	373,193	<b>152,909</b>	164,011
<b>Other comprehensive income:</b>				
Amount recognised in cash flow hedge reserve net of deferred tax	(67,865)	97,988	(24,955)	44,331
Exchange differences on retranslation of foreign subsidiaries	5,996	(10,382)	(18,591)	(3,961)
<b>Other comprehensive (loss) / income for the period</b>	<b>(61,869)</b>	87,606	<b>(43,546)</b>	40,370
<b>Total comprehensive income for the period</b>	<b>246,476</b>	460,799	<b>109,363</b>	204,381
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>190,192</b>	437,169	<b>81,513</b>	178,881
Non Controlling Interests	<b>56,284</b>	23,630	<b>27,850</b>	25,500
	<b>246,476</b>	460,799	<b>109,363</b>	204,381

### 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	-	-	255,727	<b>255,727</b>	52,618	<b>308,345</b>
Other comprehensive (loss)/ income for the period	-	(65,535)	-	<b>(65,535)</b>	3,666	<b>(61,869)</b>
Ordinary Dividends paid by holding company	-	-	(127,259)	<b>(127,259)</b>	-	<b>(127,259)</b>
Ordinary Dividends paid by foreign subsidiary	-	-	-	-	(70,781)	<b>(70,781)</b>
Foreign Tax paid on dividends by foreign subsidiary	-	-	(14,409)	<b>(14,409)</b>	(14,409)	<b>(28,818)</b>
<b>At 31 December 2016</b>	<b>685,865</b>	<b>719,650</b>	<b>3,036,780</b>	<b>4,442,295</b>	301,010	<b>4,743,305</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	-	-	347,727	<b>347,727</b>	25,466	<b>373,193</b>
Other comprehensive income for the period	-	89,442	-	<b>89,442</b>	(1,836)	<b>87,606</b>
Ordinary Dividends	-	-	(127,259)	<b>(127,259)</b>	-	<b>(127,259)</b>
<b>At 31 December 2015</b>	<b>685,865</b>	<b>857,524</b>	<b>2,848,014</b>	<b>4,391,403</b>	284,827	<b>4,676,230</b>

### CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP	
	As at 31 Dec 2016 UNAUDITED	As at 30 June 2016 AUDITED
	Rs '000	Rs '000
<b>ASSETS EMPLOYED</b>		
<b>Non Current Assets</b>		
Property, Plant and Equipment	3,751,267	3,608,366
Investments and Others	119,464	113,416
	<b>3,870,731</b>	3,721,782
<b>Current Assets</b>	<b>5,530,350</b>	6,054,750
<b>Total Assets</b>	<b>9,401,081</b>	9,776,532
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share Capital	685,865	685,865
Revaluation and Other Reserves	719,650	785,185
Retained Earnings	3,036,780	2,922,721
<b>Owners' Interests</b>	<b>4,442,295</b>	4,393,771
Non Controlling Interests	301,010	329,916
<b>Total Equity</b>	<b>4,743,305</b>	4,723,687
<b>Non Current Liabilities</b>	<b>571,317</b>	597,449
<b>Current Liabilities</b>	<b>4,086,459</b>	4,455,396
<b>Total Equity and Liabilities</b>	<b>9,401,081</b>	9,776,532
<b>Net Interest Bearing Debts</b>	<b>2,291,496</b>	2,160,430
<b>Net Assets Value per Share (Rs.cs)</b>	<b>43.63</b>	43.16

### CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP	
	Half Year ended 31 Dec 2016 UNAUDITED	Half Year ended 31 Dec 2015 UNAUDITED
	Rs '000	Rs '000
Net Cash generated from Operating Activities	<b>593,663</b>	851,463
Net Cash used in Investing Activities	<b>(281,675)</b>	(412,812)
Net Cash used in Financing Activities	<b>(347,610)</b>	(116,643)
<b>(Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(35,622)</b>	322,008
Opening Cash and Cash Equivalents	<b>(368,849)</b>	(219,648)
<b>Closing Cash and Cash Equivalents</b>	<b>(404,471)</b>	102,360

### Comments on the Condensed Unaudited Financial Statements for the half year and quarter ended 31 December 2016

#### Results

CIEL Textile posted a profit after tax of Rs 308.3m for the half-year under review compared to Rs 373.2m in the previous year.

The Woven cluster remained the main contributor to the Group's profitability with good performances noted in the region as well as in India.

The Knits and Knitwear cluster experienced a difficult semester due to continuously evolving market conditions, the launch of the Knits operations in India, and the restructuring costs of the Knitwear activities in the region.

#### Outlook

Our order book for the second semester is showing a marginal improvement compared to last year. CIEL Textile's results for the second semester will therefore be closely linked to our operational effectiveness.

By Order of the Board

**CIEL Corporate Services Ltd**  
Secretaries

14 February 2017

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 (IFRS).

Copies of the report are available free of charge at the registered office of the Company, 5<sup>th</sup> Floor, Ebene Skies, Rue de l'Institut, Ebene.

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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