Ceylon Cold Stores PLC
(CCS.N0000)

ASHA PHILLIP SECURITIES LTD
Sri Lanka

Bloomberg Code: CCS SL EQUITY

Current Fair Value: LKR 416/- per share

Value based on Multiples: LKR 610/- per share

Recommendation:
SELL (Short to Medium term)
BUY (Long term)

Group Profile

Ceylon Cold Stores PLC (CCS) was founded in 1866 and managed by Arthur Von Possner, as the Colombo Ice Company, which imported and used the country's first ice making machine. The Company came under the umbrella of John Keells Holdings PLC (JKH) with the acquisition of the Whittalls Group in 1991. At present JKH has a 70.61% holding in CCS. The CCS as a Company contributes approximately 79% to the Group's (John Keells Holding PLC) profits and accounts for 72% of Group's (John Keells Holding PLC) total assets. CCS is the market leader in Sri Lanka's Carbonated Soft Drinks with a 41% market share and Frozen Confectionery with a 52% market share. The Company has a heritage of over 150 years.

CCS offers 18 flavours of soft drinks and 32 flavours of ice creams to the discerning consumer. Its manufacturing facilities for the production of beverages and frozen confectionery are located at Ranala, Kaduwela. CCS manufactures and distributes to the domestic market and exports to the European, Middle Eastern, Australian and Maldivian markets a range of soft drinks and ice creams under the brand name 'Elephant House'.

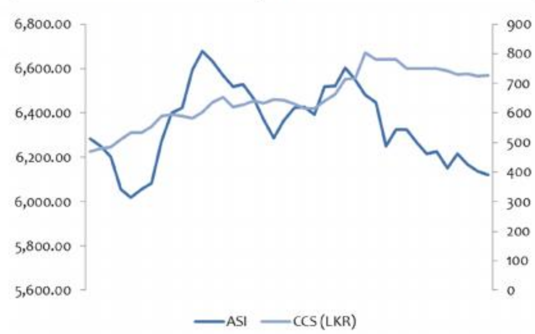
The Company's retail arm, Jaykay Marketing Services (Pvt) Ltd (JMSL) (wholly owned subsidiary of CCS) was set up in 1990 and is 26 years old. It operates the Keells Supermarkets chain, which through its network of 50 branches has redefined modern trade industry standards in customer convenience and service quality. The principal activity of the Associate Company Waterfront Properties (Pvt) Limited (29.04% holding) is developing of Hotels, Apartments and Shopping Malls. John Keells Holdings PLC (JKH), the Parent Company, made an announcement to the Colombo Stock Exchange in January 2016 that the project encountered some unforeseen delays, during the year 2015/2016, and as such, the construction of "Cinnamon Life" is now expected to be completed in the calendar year 2019. JKH also announced in June 2015 that the facility agreement for the USD 395 Mn syndicated project development facility with Standard Chartered Bank was finalised, thus concluding the required debt financing for the project.

The Colombo Ice Company (Private) Limited (CICL) was incorporated in May 2016 as a wholly owned subsidiary of Ceylon Cold Stores PLC (CCS). CICL entered in to an agreement with the Board of Investment of Sri Lanka (BOI) in July 2016 to lease a land extent of 9 acres for a period of 50 years for the establishment of an Ice Cream factory. A total of LKR 270Mn rupees has been infused by CCS as equity in CICL

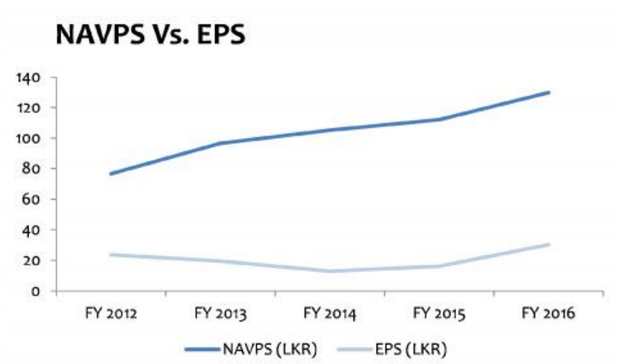
GROUP DATA	
Issued Share Capital (Mn)	95.04
Stated Capital (LKR Mn)	918.20
Market Cap (LKR Mn)	68,999.04
Market Cap (USD Mn)	475.86
Average Daily T/O (LKR Mn)	5.00
Average Daily Volume	8,931.00
Beta Values Against ASPI	1.70
Beta Values Against S&P SL20	1.33
52wk Hi/Lo (LKR)	865.00/400.10
Last Traded Price (14.2.2017) (LKR)	726.00
Trailing Earnings per share (LKR)	38.89
Net Assets per share (LKR)	142.43
Trailing PER (CCS) (Times)	18.67
PER (Sector) (Times)	14.90
PBV (CCS) (Times)	5.10
PBV (Sector) (Times)	3.30

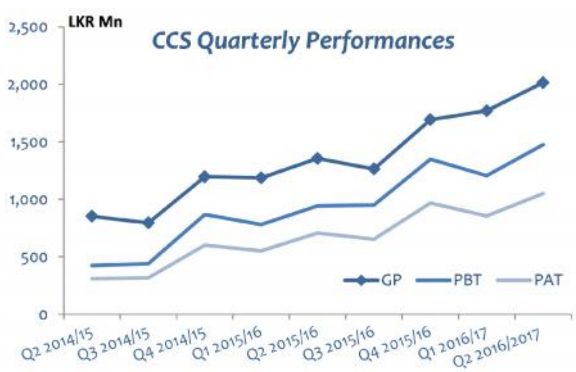
MAJOR SHAREHOLDERS (%)		31-Dec-16
1	John Keells Holdings PLC	70.61
2	Whittall Boustead (Pvt) Ltd	10.70
3	Standard Chartered Bank Mauritius S/A Chambers Street Global Fund , LP	3.01
4	GF Capital Global Limited	2.18
5	A N Sethna	0.83

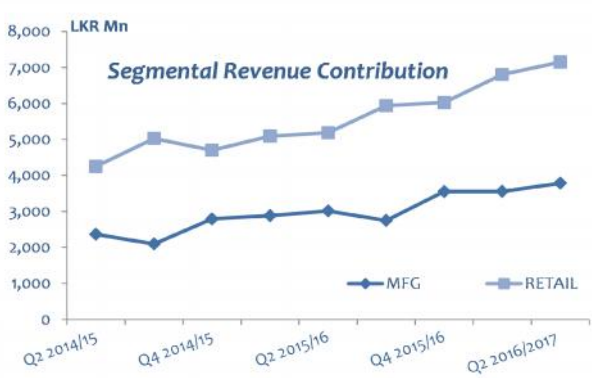
Market Price VS ASPI - 52 Weeks

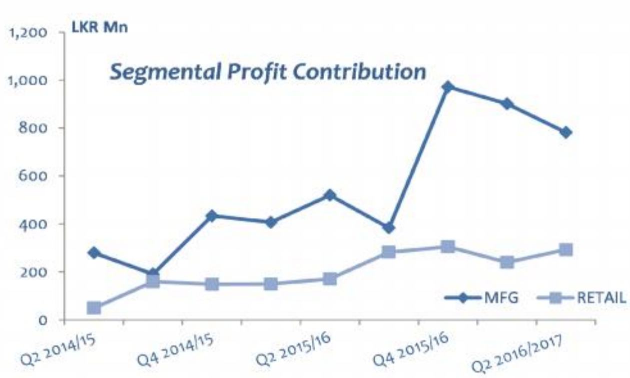


Analyst: Nishani Ruwanpathirana









as at 31st December 2016 for a LKR 3Bn for the ice cream factory which is expected to be commissioned in two years since its announcement in July 2016.

As a result of research studies carried out on reducing sugar and increasing natural flavours to its products to appeal to the growing health conscious consumers, the company recently launched its first non-carbonated soft drink to the market in 200 millilitre tetra packs.

The CCS Group's value creation is driven by a team of 3,370 employees. The Company's products have a wide geographical footprint and are distributed to consumers in all districts through a multi-channel network comprising of general trade outlets, modern trade outlets as well as hotels and restaurants.

FY15/16 Strong performance through continuing positive sentiments.

Revenue for FY15/16 increased by 23% to LKR 34.07Bn which outperformed the 17% revenue growth achieved during the FY14/15. The core contribution was from the retail sector which showed a 21% increase during the FY 15/16 and made a contribution of 65% to the top line by posting revenue of LKR 22.155Bn. Manufacturing sector recorded a year-on-year growth of 25% with revenue of LKR 12.19Bn which accounted for 36% of the total revenue of the group.

FY 15/16 Profit after Tax grew by 88% to LKR 2.87Bn with a contribution of 79% from the manufacturing sector and a contribution of 31% from the retail sector. High operations cost inherent to the super market sector drained profit contribution from the retail sector.

Group's CAGR of revenue for the FY ended March 2011 to 2016 was 16.34% and CAGR of profit before tax and profit after tax for the year for the same period were 52.78% and 70.50% respectively. A higher portion of the profit is contributed by the manufacturing segment, with the retail segment contributing higher revenue and lower profits.

High competition in the domestic carbonated soft drinks market with wide range of domestic and international brands and cut throat competition through promotions and offers to improve the volumes has created an adverse impact to the net margins during the year. Improved supply chain activities in the retail sector and strong supplier relations has led to better margins from the suppliers and the expansion of operations with new outlets and other synergetic factors of the group which has led to the increase in profit margins of the retail sector during the FY15/16.

9Months ended December 2016 Net Profits up by 43%

For Q3 FY 2016/17, CCS recorded revenue of LKR 32.44Bn which shows a year-on-year growth of 30%. The segmental contribution witnessed considerable improvements compared to FY 2015/16 where retail sector recorded revenue of LKR 22.06Bn (+34% YoY) while manufacturing sector recorded revenue of LKR 10.58Bn (+22% YoY).

Favorable momentum arose during the FY 2015/16 that continued to support the revenue performance of CCS during current period as well. Regardless of increasing interest rate environment, the life style change supported by the increasing spending power promoted consumption.

CCS posted 43% year-on-year growth in the bottom line to record a profit of LKR 2.73 Bn. The retail sector continued its encouraging performance with steady growth in footfall contributing towards a year on year growth in same store sales, coupled with the incremental contribution from recently established outlets. During the December quarter, CCS opened three new Keells Super outlets bringing the total store count to 61. The retail sector contributed LKR 887.65Mn profits after tax accounted for 33% of the group's bottom line.

Key Figures and Ratios

Ratios and Other Information - Group

Year ended 31st March	2009	2010	2011	2012	2013	2014	2015	2016
Dividend per Share (Rs.) - Paid	1.00	4.00	4.00	4.00	4.00	4.00	11.00	22.00
Dividend Payout (%)	15.48	37.76	43.31	16.91	20.49	31.22	68.53	72.73
Net Asset per Share (Rs.)	26.25	27.75	46.81	76.64	96.54	105.22	112.12	129.9
Market Value per Share (Rs.)	69.5	172	750.6	90	135.9	140.7	298.2	430
Debt / Equity Ratio (%)	59.62	36.98	46.37	18.11	16.68	14.5	6.65	5.41
Interest Cover (No.of Times)	2.39	4.45	6.38	16.53	9.93	11.06	35.59	333.77
Earnings per Share (Rs.)	1.48	2.42	2.11	23.66	19.52	12.81	16.05	30.25
Price Earnings Ratio (No.of Times)	10.76	16.23	81.25	3.8	6.96	10.98	18.58	14.22
Current Ratio (No.of Times)	0.76	0.79	0.71	1.03	0.91	0.95	1.1	1.15
Return on Total Assets (%)	2.22	3.56	2.47	20.7	13.86	8	9.51	15.83
Return on Equity (%)	5.73	8.68	4.49	38.11	22.55	9.69	14.62	24.53
Dividend Yield (%)	6.29	10.17	2.33	4.44	2.94	2.84	3.69	4.19
Earnings Yield (%)	9.29	6.16	1.23	26.29	14.37	9.11	5.38	7.03

Profit before and after Tax during "FY2011/12" & "FY 2012/13" were both boosted by Change in fair value of investment property (contribution of LKR 1.0 - 1.2Bn). FY13/14 showed a 34% reduction due to the unavailability of the previous valuation gains, which resulted in a ROA of 8% which was recorded as 13.86% during the FY12/13. Further this resulted in a ROE of 9.69% during the FY13/14 which stood at 22.55% during the FY12/13. The aggressive performance recorded during the "FY 2014/15" & "FY 2015/16" showed a recovery of the above ratios where ROA stood at 9.51%, 15.83% and ROE recorded as 14.62%, 24.53% respectively. The continuous reduction in Debt to Equity ratio and continuous increase in current ratio shows the soundness of the solvency and liquidity levels of the group.

Dividends

CCS has continuously maintained a high Dividend Payout ratio and it was above 65% during last two financial years. Company is expected to maintain its dividend pattern during coming years as well. CCS has paid a dividend of LKR 4.00 per share in FY 2012/13, and in FY 2013/14, a dividend of LKR 11.00 per share in FY 2014/15 and it was increased to LKR 22.00 in FY 2015/16. An interim dividend of LKR 8.00 per share has been paid for the FY 2016/2017.

Industry Outlook

During FY 2015/16 Sri Lanka's GDP growth was 4.8%. Policies implemented by the new Government, such as the public sector wage increases, reduction in overall tax rate and downward revision in fuel and energy costs, contributed towards increased purchasing power of Sri Lankan consumers. Relatively low policy interest rates also contributed to high levels of consumption during last year. Private consumption expenditure grew by approximately 8.3% during 2015 and accounted for 70.1% of gross national income.

With the Central Bank allowing greater flexibility in the determination of exchange rates, the Sri Lankan Rupee depreciated by around 10% against the US Dollar. Exchange rate pressures were offset to an extent by the decline in prices of imported raw materials. Inflation remained benign during 2015. The resultant consumption boom was favourable for top line growth in both business segments.

In February & July 2016, the Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) was increased by 100 bps, indicative of the Central Bank's intentions of tightening monetary policy, as a pre-emptive measure of containing inflationary pressures. Tightening economic conditions and monetary policy is likely to result in a moderation of the increased consumption witnessed during the 2016/17 financial year which may impact top line growth.

With the country's transition to a middle-income earning country, rising disposable incomes and a growing middle class has resulted in increased customer sophistication. This has resulted in rising demand for premium products and retail services. In the food and Beverages industry, there is growing preference for non-price characteristics such as convenience, quality and dietary diversity. In retail, Sri Lanka's penetration of modern trade has increased to 15% to 20%, although relatively lower than its regional counterparts.

CCS Outlook

Company continues investments in research & development, which is expected to ensure the maintaining and increasing of the current market share. Globally and domestically, the rising incidence of obesity and diabetes have affected sales of carbonated soft drinks, with global demand projected to grow at a Compound Annual Growth Rate (CAGR) of just over 2% over the period 2014-2019. The inequitable enforcement of regulations pertaining to product labelling can distort competition, particularly between locally manufactured Beverages and imported products. Over the medium to long-term the stringency of labelling regulations to include content of sugar levels in all consumption drinks and food products is anticipated to increase, impacting demand for CCS products and affecting growth.

Given the rise in incidence of Non-communicable diseases such as diabetes, Cancer in Sri Lanka and globally, CCS has launched New products in recent years including an isotonic drink in two flavours, fruit flavour based green tea, the launch of "Lime Crush" and four major flavours reducing the sugar calories significantly with the introduction of a sweetener extract from the Stevia plant which has a zero calorie-count. In ice cream, CCS has introduced two sugar free variants in the form of Vanilla Lite and Choco Lite. Both sugar free flavours have a substantially lower calorie-count.

Packaging continues to play an important role and the investment made by CCS in the PET plant (LKR 2.5Mn) is expected to become functional during this year. In the Frozen Confectionery segment, production of the impulse range of products is near maximum capacity. Sri Lanka's per capita consumption of soft drinks and ice creams is still relatively low in comparison to regional and developed economies, signalling the potential for growth in manufacturing segment.

CCS products are available to consumers island-wide, through a network of over 30,000 retail outlets and approximately 350 three wheeler units which make up its mobile distribution arm. Availability of the necessary infrastructure including freezers and an uninterrupted power supply is vital in preserving products. Strengthened supply chain with farmers enabled the delivery of fresh produce to supermarkets. The entirety of the agriculture based ingredients (excluding sugar) which are input to the production of ice cream is sourced locally. Accordingly, company procures vanilla, treacle, ginger and cashew from an island-wide network of over 1,950 farmers.

Turnover from exports increased by 7% during FY 2015/16, CCS is the market leader for ice cream in Maldives and pursued growth in Beverage exports with focus on catering to the ethnic channels in the European, Middle Eastern and Australian regions. CCS has been successful in marketing its products through mainstream retail channels in these regions, including supermarket chains such as TESCO and ASDA in the United Kingdom.

The country's total retail sales are estimated at around LKR 4.50Tn and are estimated to have grown at a CAGR of around 10% between 2010 -2014. Modern trade is estimated to be approximately 15% of Sri Lanka's total retail market. During FY 2015/16 Company's Retail segment achieved its best-ever performances. Performance was upheld by both organic growth, reflected by an increase in same store sales as well as inorganic growth. JMSL procures fresh fruits and vegetables from a network of over 550 farmers through four collection centres in Thambuttegama, Suriyawewa, Nuwara Eliya, Sigiriya and Jaffna.

Future outlook

Favorable domestic and global macro -economic conditions will have a positive impact on the performance of CCS. However, the current negativity prevailing in the global economic scenario could have a negative impact on the Sri Lankan economy and thus CCS has to hedge itself against such external shocks.

- ✓ If the prices of essential goods and services remain the same, it will drive impulse buying of carbonated drinks and the demand for frozen confectionary products.
- ✓ Higher interest rate and inflationary environment will hinder the consumption levels, Present low electricity and fuel prices will ease the pressure on margins.
- ✓ The exchange rate fluctuations will demoralize the imports and allow the domestic producers to face the price war in the oligopoly markets, but CCS has considerable import cost for its ingredients.
- ✓ The continuous and rigorous efforts in product development strategies to widen the product portfolio and to be up to date with global trends to cater the ever changing customer needs as well as the expected expansions of both retail and manufacturing sector predicts a brighter future for CCS.

In our forecasted Income Statement for 2017 and 2018, we have assumed revenue to grow at 15% in 2017 and 12% in 2018.Gross profit margin will be maintained at 15% for the next two years. Net Income would grow at 24% and 18% in 2017 and 2018 respectively.

Valuation

Residual Income Method of Valuation

Residual Income = Net Income – (Book Value of Equity X Required Return on Equity)

Assumptions	
10 Year Treasury Bond Rate	11.0%
β against ASPI	0.59
Equity Risk Premium	5.0%
Cost of Equity	**14.0%**

LKR MN	2017 F	2018 F	2019 F	2020 F
Net Income	3,747	4,687	5,624	6,749
Equity Charge	(1,722)	(2,245)	(2,899)	(3,683)
Residual Income	2,025	2,442	2,726	3,066

LKR MN	Equity value
Current book value of equity	12,346
Explicit period	5,500
Terminal Value	13,035
Value of CCS	30,881
No of Issued Shares	95.04
Value per share	**324.92**

Based on the Residual Income Approach the total equity value of CCS amounts to **LKR 30.88 Bn with a per share value of LKR 324.92**

Justified PBV Method of Valuation

$$\text{Justified PBV Ratio} = \frac{\text{Return on Equity} - \text{Sustainable growth rate}}{\text{Cost of Equity} - \text{Sustainable growth rate}}$$

LKR MN	2017 F	2018 F	2019 F	2020 F	Average
Return On Equity (%)	23.3	22.6	21.3	20.4	**21.9**
Earnings Retention Ratio (%)	40.1	38.7	35.9	37.5	**38.1**
Forecast Sustainable Growth (%)	9.3	8.7	7.6	7.6	**8.3**

Justified PBV	
Forecast Average ROE% (a)	21.9
Forecast Sustainable Growth % (b)	8.3
Cost of Equity % (‘C)	14.0
Justified PBV (a-b)/(c-b)	2.41
Current book value of equity (LKR Mn)	12,346
Equity Value (LKR Mn)	29,778
No of Issued Shares (Mn)	95.04
Value per share	**313.32**

Based on the Justified PBV Approach the total equity value of CCS amounts to **LKR 29.78 Bn with a per share value of LKR 313.32**

Multiple Based Analysis Valuation

Peer Company	CMP	EPS	PER (x)	NAV	PBV (x)
CCS	726.00	38.89	18.67	142.43	5.10
NEST	2,019.10	77.80	25.95	85.53	23.61
CARG	195.00	10.48	18.61	68.40	2.85
BFL	170.00	46.31	3.67	196.54	0.86
LMF	120.00	8.61	13.94	290.16	0.41
Mean			**12.43**		**5.55**

In terms of Sector multiples discounted appropriately and Peer based Earnings multiples the CCS share is currently trading above its comparative earnings multiples and reflects a value averaging around LKR 537.47 in terms of Earnings and is trading below its Peer Net assets multiples and reflects and average value of LKR 688.67 in terms of Net Asset Value. Given the group's and company's steady growth in performance with increasing growth in Asset value coupled with the strength and reputation of the key shareholders and management of the Company and subjected to a discount for any negative sentiments on the market and company a target value of around **LKR 610/- based on market multiples** in the short to medium term is envisaged. This is lower than the current market price and gives an downside potential to the investor in the short to medium. However in the long term horizon the market value is expected to improve given the high dividend payout ratio and the continuous steady growth of the Company.

VALUATION

VALUATION AND RECOMMENDATION

The current market price of LKR 726/- is factoring in high optimism because of market share gain with significantly improved performance in FY 2015/16 and 2016/17 quarterly performances coupled with high dividend payments. However, considering a discount for the performance over the last 5 years an appropriate discount has to be factored in to the valuation of the CCS share. At the current market price, the share is trading at a trailing PER of 18.67x, and the average PER over the last 5 years of the CCS share amounts to 10.9x. The sector PER is around 14.9x.

Thus the share is currently trading well above its 5-year average earnings multiple and sector earnings multiple.

Given the Company's business fundamentals, intrinsic and market multiple based valuation and the industry dynamics we believe that the share would have a fair value of **Rs 416/-** per share. This reflects a PER of 10.69x and a PBV of 2.92x.

It is important to bear in mind that the market price that the counter could fetch would depend on prevailing market and Company sentiments, political and economic stability and the government policy with regard to the FMCG/Manufacturing sector in which the company operates which may affect the performance of the company.

CCS is a moderately liquid stock and is traded among local and foreign investors.

Daily Price Chart

SWOT Analysis

STRENGTHS	WEAKNESSESS
• CCS is the market leader in Sri Lanka's Carbonated Soft Drinks with a 41% market share and Frozen Confectionery with a 52% market share. • The Company has a legacy of over 150 years. • Company's products are distributed to consumers in all districts through a multi-channel network comprising of general trade outlets, modern trade outlets as well as hotels and restaurants. • Brand Equity – 'Elephant House' brand has developed into a much loved household name in both urban and rural markets alike. Elephant House Cream Soda won "People's Beverage Brand of The Year" for a 10th consecutive year at the SLIM Nielsen Peoples Awards. The "People's Youth Choice Beverage Brand of the year" was shared between Elephant House Cream Soda and Necto.	• Company's future expansion plans through debt financing and share of loss from equity accounted investee (Waterfront project) could shrink profits in the future. • Absence in health beverages – Non Communicable diseases is a major problem affecting people nowadays. The business environment is changing and people are taking measures to ensure that they are not obese. Carbonated beverages are one of the major reasons for fat intake and CCS is a manufacturer of Carbonated beverages.

• Strong corporate governance foundation - The Group's corporate governance philosophy is institutionalized at all levels through a strong set of corporate values. • Strong Management - The Group Management Committee of the Consumer Foods and Retail sectors operate under the leadership of the respective Presidents and are dedicated and focused towards implementing strategies and policies determined by the Board and designing, implementing and monitoring the best practices in their respective functions, strategic business units or even at departmental level where appropriate and material.	
OPPORTUNITIES	**THREATS**
• Modern trade is estimated to be approximately 15% of Sri Lanka's total retail market. Therefore Jaykay Marketing Services (Pvt) Ltd (wholly owned subsidiary of CCS) has more capacity to grow in the future. • Sri Lanka's transition to a middle-income earning country, rising disposable income and a growing middle class has resulted in increased customer sophistication. This has resulted in rising demand for premium products and retail services. • There is growing demand in food and Beverages industry for non-price characteristics such as convenience, quality and dietary diversity.	• If the prices of essential goods and services remain the same, it will drive impulse buying of carbonated drinks and the demand for frozen confectionary products. • Stringent labelling regulations to include content of sugar levels in all consumption drinks and food products will have a negative impact on CCS products and its growth.

Detail Financial Statements

INCOME STATEMENT - GROUP LKR Mn	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2015-2016 Change %	2017 E	2018 E	3Q FY 2016	3Q FY 2017	3Q 2016-2017 Change %
Revenue	20,191	22,251	23,614	27,699	34,069	23	40,883	49,060	24,888	32,439	30
Cost of sales	(17,147)	(19,548)	(20,797)	(24,029)	(28,573)	19	(34,751)	(41,701)	(20,747)	(27,002)	30
Gross Profit	**3,044**	**2,703**	**2,817**	**3,670**	**5,496**	**50**	**6,132**	**7,359**	**4,142**	**5,437**	**31**
Other Operating Income	585	734	1,164	1,197	1,556	30	1,945	2,431	764	925	21
Selling and distribution expenses	(1,171)	(1,264)	(1,222)	(1,312)	(1,473)	12	(1,840)	(2,355)	(1,094)	(1,183)	8
Administrative Expenses	(594)	(744)	(794)	(886)	(1,100)	24	(1,265)	(1,392)	(818)	(912)	11
Other operating expenses	(353)	(426)	(422)	(509)	(583)	15	(653)	(718)	(399)	(546)	37
Results from operating activities	**1,512**	**1,004**	**1,541**	**2,160**	**3,896**	**80**	**4,973**	**6,044**	**2,594**	**3,721**	**43**
Finance cost	(91)	(101)	(120)	(61)	(12)	(81)	(12)	(14)	(9)	(5)	(44)
Finance income	15	23	34	56	140	151	210	315	96	180	87
Change in fair value of investment property	1,107	1,275	72	9	17	89	57	199			-
Share of results of equity accounted investees	-	-	18	(18)	(21)	18	(22)	(34)	(8)	(13)	64
Profit before tax	**2,542**	**2,201**	**1,545**	**2,147**	**4,020**	**87**	**5,205**	**6,510**	**2,673**	**3,883**	**45**
Income tax expense / (reversal)	(306)	(345)	(327)	(621)	(1,145)	84	(1,457)	(1,823)	(765)	(1,154)	51
Net Income	**2,235**	**1,856**	**1,218**	**1,525**	**2,875**	**88**	**3,747**	**4,687**	**1,908**	**2,729**	**43**

Source: CCS Annual Reports , APSL Research Estimates

STATEMENT OF FINANCIAL POSITION GROUP - LKR Mn	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2015-2016 Change %	3Q FY 2017	2016-1 Q 2017 Change %
Non - current Assets								
Property Plant & Equipment	4,072	5,180	5,447	5,365	6,123	14	7,308	19
Lease rentals paid in advance							176	100
Intangible assets	165	169	162	153	143	(6)	135	(6)
Investment property	3,766	5,041	85	94	111	18	111	-
Investment in associate	-	-	5,262	5,362	5,887	10	5,995	2
Differed tax assets	27	92	37	-	-	-		-
Other non-current financial assets	80	85	76	93	131	41	157	20
Other non-current assets	15	209	285	287	383	33	507	32
Total Non - current Assets	**8,124**	**10,777**	**11,355**	**11,355**	**12,778**	**13**	**14,388**	13
Current Assets								
Inventories	1,816	2,102	2,065	2,383	2,720	14	3,517	29
Trade and other receivables	1,333	1,254	1,348	1,481	1,746	18	2,000	15
Amounts due from related parties	7	9	4	7	6	(12)	6	(1)
Tax Recoverable	124	103	111	41	-	(100)	-	-
Other current assets	324	97	151	254	293	15	503	72
Short term investments	15	134	181	808	2,065	155	1,791	(13)
Cash in hand and at bank	212	354	382	166	224	35	443	98
Total Current Assets	**3,831**	**4,054**	**4,242**	**5,140**	**7,053**	**37**	**8,260**	**17**
Total Assets	**11,955**	**14,831**	**15,597**	**16,495**	**19,831**	**20**	**22,648**	**14**
Equity and liabilities								
Capital and reserves								
Stated capital	918	918	918	918	918	-	918	-
Capital reserves	4	-	-	-	-	-	-	-
Revenue reserves	3,465	5,005	8,286	8,764	9,745	11	10,672	10
Other components of equity	2,896	3,252	796	974	1,683	73	1,946	16
Total Shareholders Equity	**7,284**	**9,175**	**10,000**	**10,656**	**12,346**	**16**	**13,536**	**10**
Non-current liabilities								
Borrowings	244	325	185	84	15	(82)		(100)
Deferred tax liabilities	81	318	439	566	771	36	922	20
Employee benefit liabilities	354	325	365	376	394	5	432	9
Other non-current liabilities	213	198	143	118	132	11	167	27
Other deferred liabilities	8	15	20	25	26	6	58	121
Total Non-current liabilities	**900**	**1,182**	**1,153**	**1,170**	**1,339**	**14**	**1,579**	**18**
Current Liabilities								
Trade and other payables	2,201	2,709	2,567	2,982	4,039	35	5,026	24
Amounts due to related parties	132	110	116	126	123	(3)	182	48
Income tax liabilities	125	54	35	330	687	108	561	(18)
Short term borrowings	240	93	-	-	-	-		-
Current portion of borrowings	115	140	140	101	69	(32)	23	(67)
Other current liabilities	238	394	461	605	646	7	900	39
Bank overdrafts	720	973	1,126	524	583	11	841	44
Current Liabilities	**3,771**	**4,473**	**4,443**	**4,669**	**6,147**	**32**	**7,533**	**23**
Total liabilities	**4,671**	**5,655**	**5,597**	**5,839**	**7,486**	**28**	**9,112**	**22**
Total equity and liabilities	**11,955**	**14,831**	**15,597**	**16,495**	**19,831**	**20**	**22,648**	**14**

Source: CCS Annual Reports , APSL Research Estimates

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