

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise: **Building Materials Corporation Ltd.**
541, Sangaraja Mawatha,
Colombo 10.

2 Mission:
"To supply quality Building Materials and equipment at Competitive prices throughout the Country."

3 Major Activities:

- * To establish and preserve financial viability
- * To develop and improve Wealth and resources
- * To provide incentive to workers, develop and appraise their skills, ability and to maintain a healthy working relationship
- * To contribute towards National Development

4 Brief comments on financial performance

There has been a sharp decline in the operations of the Company during the year and no significant operational activities being carried out during the year.

Total revenue and the gross margins have dropped substantially.

The Company has been continuously incurring heavy losses and the accumulated loss have eroded the entire capital employed.

The equity and the working capital have been negative and the company is facing a severe liquidity crisis.

The Company has been undergoing a restructuring process and 500 employees have already been retired under the VRS at a cost of Rs.200mn funded by the GOSL.

Currently the salary bill of the Corporation is being funded by the Treasury.

5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003 D*	2004 B	
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	47,750	40,414	36,094	39,652	26,957
2	Total Current Assets as at end of year	(Rs.' 000)	349,887	311,451	253,913	194,524	185,650
3	Total Equity as at end of year	(Rs.' 000)	(66,987)	(141,537)	(257,476)	(333,200)	(133,344)
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	127,174	132,572	175,764	169,105	72,370
5	Total Current Liabilities as at end of year	(Rs.' 000)	337,450	360,830	371,719	398,271	273,581
6	Total Revenue for the year	(Rs.' 000)	1,337,675	1,392,837	1,367,255	401,547	248,225
7	Gross Profit for the year	(Rs.' 000)	188,701	165,890	108,230	37,652	27,032
8	Net Profit bef. Tax for the year	(Rs.' 000)	(32,794)	(74,550)	(115,860)	(75,753)	(22,595)
9	Financial Charges for the year	(Rs.' 000)	23,184	33,996	24,480	15,753	22,624
10	Total Capital Expenditure for the year	(Rs.' 000)	12,824	1,414	3,844	1,449	-
11	Total Cost of Employment for the year	(Rs.' 000)	117,039	124,335	138,101	127,480	70,684
12	Total Number of Employees as at end of year	(Nos.)	995	1,052	1,065	1,064	362
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	48.96%	52.67%	45.00%	22.73%	16.94%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	-2.42%	-11.53%	-31.51%	-25.62%	0.01%
c)	Total Cost of Employment per employee	(Rs.' 000)	117.63	118.19	129.67	119.81	195.26

*Annual Accounts not yet available. Information is based on the Draft Accounts.

397,637
397,637
351,865
351,865
290,007
290,007
234,176
234,176
212,607
212,607