**People’s Leasing & Finance PLC**

**(A Subsidiary of People’s Bank)**

Rated AA-(lka) by Fitch Ratings Lanka and Internationally rated B+/B by Standard & Poor’s and B by Fitch Ratings International.

**Interim Financial Statements for the six months ended 30th September 2017**

**STATEMENT OF PROFIT OR LOSS**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Company** | **Group** |
| **For the six months ended 30th September** |  | **2017** |  | **2016** |  | **Change** |  | **2017** |  | **2016** |  | **Change** |
|  |  |  **Rs. '000**  |  | **Rs. '000** |  | **%** |  |  **Rs. '000**  |  | **Rs. '000** |  | **%** |
|  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |
| Interest income  |   |  12,825,790  |   |  10,082,342  |   |  27.2  |   |  13,207,631  |   |  10,444,128  |   |  26.5  |
| Less: Interest expense |   |  7,146,674  |   |  5,224,058  |   |  36.8  |   |  7,203,016  |   |  5,269,402  |   |  36.7  |
| **Net interest income**  |  |  **5,679,116**  |  |  **4,858,284**  |  |  16.9  |  |  **6,004,615**  |  |  **5,174,726**  |  |  16.0  |
| Fee and commission income |  |  559,655  |  |  535,262  |  |  4.6  |  |  295,290  |  |  294,922  |  |  0.1  |
| Fee and commission expenses |  |  **-**  |  |  **-**  |  |  -  |  |  **-**  |  |  **-**  |  |  -  |
| **Net fee and commission income** |  |  **559,655**  |  |  **535,262**  |  |  **4.6**  |  |  **295,290**  |  |  **294,922**  |  |  **0.1**  |
| Net earned premiums  |  |  -  |   |  -  |  |  **-**  |  |  1,967,639  |   |  1,774,169  |   |  10.9  |
| Net gain/(loss) from trading |  |  20,178  |   |  27,787  |  |  (27.4) |  |  58,522  |   |  82,987  |   |  (29.5) |
| Net gain/(loss) from financial investments |  |  -  |   |  -  |  |  **-**  |  |  -  |   |  -  |   |  -  |
| Other operating income (net) |   |  240,332  |   |  380,962  |   |  (36.9) |   |  210,231  |   |  321,124  |   |  (34.5) |
| **Total operating income**  |  |  **6,499,281**  |  |  **5,802,295**  |  |  12.0  |  |  **8,536,297**  |  |  **7,647,928**  |  |  11.6  |
| Less: Impairment for loans and other losses  |  |   |   |   |  |   |  |   |   |   |   |   |
|  Individual impairment |  |  31,826  |   |  21,157  |  |  50.4  |  |  31,826  |   |  21,157  |   |  50.4  |
|  Collective impairment |  |  860,376  |   |  (152,760) |  |  (663.2) |  |  882,650  |   |  (125,556) |   |  (803.0) |
|  Other losses |  |  44,614  |  |  65,781  |  |  (32.2) |  |  44,614  |  |  65,781  |  |  (32.2) |
| **Net operating income**  |  |  **5,562,465**  |  |  **5,868,117**  |  |  (5.2) |  |  **7,577,207**  |  |  **7,686,546**  |  |  (1.4) |
| Less: |  |   |   |   |  |   |  |   |   |   |   |   |
| Personnel expenses  |   |  1,337,759  |   |  1,227,217  |   |  9.0  |   |  1,526,702  |   |  1,403,217  |   |  8.8  |
| Depreciation of property, plant and equipment  |   |  89,660  |   |  91,011  |   |  (1.5) |   |  136,463  |   |  138,403  |   |  (1.4) |
| Amortisation and impairment of intangible assets  |  4,787  |   |  5,590  |   |  (14.4) |   |  6,040  |   |  1,761  |   |  243.0  |
| Benefits, claims and underwriting expenditure |   |  -  |   |  -  |   |  -  |   |  1,396,712  |   |  1,309,582  |   |  6.7  |
| Other operating expenses  |  |  1,395,227  |  |  1,205,894  |  |  15.7  |  |  1,424,457  |  |  1,264,870  |  |  12.6  |
| Total operating expenses  |   |  2,827,433  |   |  2,529,712  |   |  11.8  |   |  4,490,374  |   |  4,117,833  |   |  9.0  |
|  |  |   |  |  |  |  |  |   |  |  |  |  |
| **Operating profit before value added tax (VAT) and nation building tax (NBT) on financial services**  |  |  **2,735,032**  |  |  **3,338,405**  |  |  (18.1) |  |  **3,086,833**  |  |  **3,568,713**  |  |  (13.5) |
| Less: VAT & NBT on financial services  |   |  548,581  |   |  401,161  |   |  36.7  |   |  559,781  |   |  411,162  |   |  36.1  |
| **Operating profit after VAT & NBT on financial services** |  |  **2,186,451**  |  |  **2,937,244**  |  |  (25.6) |  |  **2,527,052**  |  |  **3,157,551**  |  |  (20.0) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Share of profit/(loss) of an associate (net of tax) |   |  -  |   |  -  |   |  -  |   |  (25,121) |   |  (17,970) |   |  39.8  |
| **Profit before income tax** |  |  **2,186,451**  |  |  **2,937,244**  |  |  (25.6) |  |  **2,501,931**  |  |  **3,139,581**  |  |  (20.3) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Less: Income tax expense  |  |  599,006  |  |  780,956  |  |  (23.3) |  |  674,829  |  |  865,226  |  |  (22.0) |
| **Profit for the period**  |  |  **1,587,445**  |  |  **2,156,288**  |  |  (26.4) |  |  **1,827,102**  |  |  **2,274,355**  |  |  (19.7) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Profit attributable to:**  |  |  |  |  |  |  |  |  |  |  |  |  |
| Equity holders of the parent  |   |  1,587,445  |   |  2,156,288  |   |  (26.4) |   |  1,733,873  |   |  2,193,314  |   |  (20.9) |
| Minority interest |  |  -  |  |  -  |  |  -  |  |  93,229  |  |  81,041  |  |  15.0  |
|   |   |  1,587,445  |   |  2,156,288  |   |  (26.4) |   |  1,827,102  |   |  2,274,355  |   |  (19.7) |
| Basic/Diluted earnings per ordinary share (Rs.) |   |  1.00  |   |  1.36  |   |  (26.5) |   |  1.16  |   |  1.44  |   |  (19.4) |
|  |  |   |  |  |  |  |  |   |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| The above figures are provisional and subject to audit. |  |  |  |  |  |  |  |  |  |  |
| Figures in brackets indicate deductions. |  |  |  |  |  |  |  |  |  |  |  |  |

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| --- |
| **STATEMENT OF COMPREHENSIVE INCOME** |
|  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|   |  |  | **Company** |  | **Group** |   |
|   | **For the six months ended 30th September** |  | **2017** |  | **2016** |  | **Change** |  | **2017** |  | **2016** |  | **Change** |   |
|   |  |  | **Rs. '000** |  | **Rs. '000** |  | **%** |  | **Rs. '000** |  | **Rs. '000** |  | **%** |   |
|   |  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |  |  **Unaudited**  |  |  **Unaudited**  |  |   |   |
|   |  |  |   |  |  |  |  |  |   |  |  |  |  |   |
|  | **Profit for the period** |  |  **1,587,445**  |  |  **2,156,288**  |  |  (26.4) |  |  **1,827,102**  |  |  **2,274,355**  |  |  (19.7) |  |
|   |  |  |   |  |  |  |  |  |  |  |  |  |  |   |
|  | **Other comprehensive income/(expenses) (net of tax)** |  |  |  |  |  |   |  |  |  |  |  |   |  |
|  | Actuarial gains and losses on defined benefit plans  |   |  -  |  |  -  |  |  -  |  |  -  |  |  -  |  |  -  |  |
|  | Gains/ (losses) on derivative financial assets  |   |  (879) |  |  9,951  |  |  (108.8) |  |  (879) |  |  9,951  |  |  (108.8) |  |
|   | Gains/ (losses) on re-measuring available-for-sale financial assets  |   |  (7,401) |   |  (60,626) |   |  (87.8) |   |  (358) |   |  (47,170) |   |  (99.2) |   |
|   | Revaluation of land and buildings |  |  -  |  |  -  |   |  -  |  |  -  |  |  -  |  |  -  |   |
|   | Less: Tax expense/(income) relating to components of other comprehensive income  |  |  -  |  |  -  |  |  -  |  |  -  |  |  -  |  |  -  |   |
|  | **Other comprehensive income for the period, net of taxes**  |  **(8,280)** |  |  **(50,675)** |  |  (83.7) |  |  **(1,237)** |  |  **(37,219)** |  |  (96.7) |  |
|  | **Total comprehensive income for the period** |  |  **1,579,165**  |  |  **2,105,613**  |  |  (25.0) |  |  **1,825,865**  |  |  **2,237,136**  |  |  (18.4) |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **Profit attributable to:**  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Equity holders of the parent  |   |  (8,280) |   |  (50,675) |   |  (83.7) |   |  (2,998) |   |  (40,583) |   |  (92.6) |  |
|  | Minority interest |  |  -  |  |  -  |  |  -  |  |  1,761  |  |  3,364  |  |  (47.7) |  |
|  |  |  |  **(8,280)** |  |  **(50,675)** |  |  (83.7) |  |  **(1,237)** |  |  **(37,219)** |  |  (96.7) |  |
|   |   |   |  1,579,165  |   |  2,105,613  |   |  (25.0) |   |  1,825,865  |   |  2,237,136  |   |  (18.4) |   |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
|   | The above figures are provisional and subject to audit. |  |  |  |  |  |  |  |  |  |  |  |  |   |
|   | Figures in brackets indicate deductions. |  |  |  |  |  |  |  |  |  |  |  |  |   |

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| **DEBENTURE INFORMATION** |
| **Market Prices for the quarter ended 30th September 2017** |  |  |
|  |  |  |  |
| **Debenture Type** | **Highest** | **Lowest**  | **Last Traded** |
| **Rs.** | **Rs.** | **Rs.** |
| 2013 - 5 Years - 16.75% p.a. payable semi-annually |  Has not been traded  |
| 2013 - 5 Years - 17.00% p.a. payable annually |  Has not been traded  |
| 2014 - 3 Years - 8.75% p.a. payable annually |  Has not been traded  |
| 2014 - 4 Years - 9.63% p.a. payable annually |  Has not been traded  |
| 2015 - 4 Years - 9.60% p.a. payable semi-annually |  Has not been traded  |
| 2015 - 5 Years - 9.95% p.a. payable annually |  Has not been traded  |
| 2016 - 3 Years - 11.90% p.a. payable semi-annually |  Has not been traded  |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually |  Has not been traded  |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually |  Traded only once  |  99.96  |
|  |  |  |  |
|  |  |  |  |
| **Interest Rates** |  |  |   |
|  |  |  |  |
| **Debenture Type** |   |  **Coupon Rate (%)**  |  **Annual Effective Rate (%)**  |
| 2013 - 5 Years - 16.75% p.a. payable semi annually |   |  16.75  |  17.45  |
| 2013 - 5 Years - 17.00% p.a. payable annually |   |  17.00  |  17.00  |
| 2014 - 3 Years - 8.75% p.a. payable annually |   |  8.75  |  8.75  |
| 2014 - 4 Years - 9.63% p.a. payable annually |   |  9.63  |  9.63  |
| 2015 - 4 Years - 9.60% p.a. payable semi-annually |   |  9.60  |  9.83  |
| 2015 - 5 Years - 9.95% p.a. payable annually |   |  9.95  |  9.95  |
| 2015 - 5 Years - 9.95% p.a. payable annually |   |  11.90  |  12.25  |
| 2016 - 3 Years - 11.90% p.a. payable semi-annually |   |  12.25  |  12.63  |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually |   |  12.60  |  13.00  |
|  |  |  |  |

|  |  |  |
| --- | --- | --- |
| **Interest Rates of Comparable Government Securities** |  |   |
| 6 Months Treasury Bill | **9.01%** |  |   |
| 1 Year Treasury Bill | **9.10%** |  |   |
| 2 Year Treasury Bond | **9.83%** |  |   |
| 4 Year Treasury Bond | **11.14%** |  |   |
| 5 Year Treasury Bond | **10.43%** |  |  |
| ( Above rates are excluding 10% withholding tax) |  |  |  |
|  |  |  |  |
| **Current Yield & Yield to Maturity**  |  |  |   |
|  |  |  |  |
| **Debenture Type** |   | **Current Yield (%)** | **Yield to Maturity (%)** |
| 2013 - 5 Years - 16.75% p.a. payable semi-annually |   | 15.88% | 12.48% |
| 2013 - 5 Years - 17.00% p.a. payable annually |   | 15.81% | 11.22% |
| 2014 - 3 Years - 8.75% p.a. payable annually |   | 8.59% | 7.97% |
| 2014 - 4 Years - 9.63% p.a. payable annually |   | 9.27% | 8.36% |
| 2015 - 4 Years - 9.60% p.a. payable semi-annually |   | 9.60% | 9.60% |
| 2015 - 5 Years - 9.95% p.a. payable annually |   | 9.95% | 9.95% |
| 2016 - 3 Years - 11.90% p.a. payable semi-annually |   | 11.90% | 11.90% |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually |   | 12.25% | 12.25% |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually |   | 12.61% | 12.61% |
|  |  |  |  |
| **Ratios** |  |  |   |
|  |  |  |  |
|  |  | **As at**  | **As at**  |
|  |   | **30.09.2017** | **31.03.2017** |
| Debt to Equity Ratio (Times) |   |  **2.44**  |  3.02  |
| Interest Cover (Times) |   |  **1.31**  |  1.46  |
| Quick Asset Ratio (%) |   |  **82.59**  |  80.87  |

|  |
| --- |
| **STATEMENT OF FINANCIAL POSITION** |
|  |  | **Company** | **Group** |
| **As at** |  |  **30.09.2017**  |  **30.09.2016**  |  **Change**  |  **31.03.2017**  |  **30.09.2017**  |  **30.09.2016**  |  **Change**  |  **31.03.2017**  |
|  |  |  **Rs. '000**  |  **Rs. '000**  |  **%**  |  **Rs. '000**  |  **Rs. '000**  |  **Rs. '000**  |  **%**  |  **Rs. '000**  |
|  |  |  **Unaudited**  |  **Unaudited**  |  |  **Audited**  |  **Unaudited**  |  **Unaudited**  |  |  **Audited**  |
| **Assets**  |   |   |   |   |   |   |   |   |   |
| Cash and cash equivalents |  3,681,684  |  6,809,883  |  (45.9) |  5,591,170  |  4,071,184  |  7,281,414  |  (44.1) |  6,379,909  |
| Balances with banks & financial institutions  |  3,475,730  |  81,415  |  4,169.2  |  2,089,989  |  5,750,322  |  1,691,833  |  239.9  |  3,789,047  |
| Financial assets held-for-trading  |  188,081  |  221,042  |  (14.9) |  201,215  |  412,107  |  557,703  |  (26.1) |  529,301  |
| Loans and receivables - Leases |  80,371,567  |  70,015,776  |  14.8  |  76,522,513  |  80,371,567  |  70,015,776  |  14.8  |  70,015,776  |
| Loans and receivables - Hire purchase |  3,060,438  |  7,598,443  |  (59.7) |  4,909,224  |  4,377,334  |  8,893,425  |  (50.8) |  8,893,425  |
| Loans and receivables - Others |  51,454,175  |  48,902,322  |  5.2  |  52,622,965  |  51,564,921  |  49,001,264  |  5.2  |  56,560,582  |
| Insurance and reinsurance receivables |  -  |  -  |  -  |  -  |  329,126  |  310,168  |  6.1  |  267,523  |
| Financial investments – Available-for-sale  |  277,082  |  308,849  |  (10.3) |  275,703  |  1,302,607  |  1,641,480  |  (20.6) |  1,094,569  |
| Financial investments – Held-to-maturity  |  5,176,535  |  4,994,347  |  3.6  |  2,968,042  |  5,176,535  |  4,994,347  |  3.6  |  2,968,042  |
| Investments in subsidiaries  |  2,075,000  |  1,975,000  |  5.1  |  2,075,000  |  -  |  -  |  -  |  -  |
| Investments in associate |  586,427  |  586,427  |  -  |  586,427  |  451,261  |  532,287  |  (15.2) |  476,382  |
| Investment property |  1,208,201  |  90,752  |  1,231.3  |  100,800  |  -  |  -  |  -  |  -  |
| Property, plant and equipment  |  333,220  |  1,174,859  |  (71.6) |  1,254,744  |  4,989,788  |  4,614,211  |  8.1  |  5,015,558  |
| Goodwill and intangible assets  |  100,800  |  324,373  |  (68.9) |  320,183  |  332,194  |  326,089  |  1.9  |  320,411  |
| Deferred tax assets  |  -  |  -  |  -  |  -  |  26,196  |  -  |  100.0  |  26,234  |
| Other assets  |  |  1,051,026  |  1,110,988  |  (5.4) |  938,788  |  1,114,635  |  1,152,575  |  (3.3) |  1,026,638  |
| **Total assets**  |  |  **153,039,966**  |  **144,194,476**  |  6.1  |  **150,456,763**  |  **160,269,777**  |  **151,012,572**  |  6.1  |  **157,363,397**  |
|  |  |   |  |  |  |   |  |  |  |
| **Liabilities**  |   |   |   |   |   |   |   |   |   |
| Due to banks |   |  28,437,313  |  37,447,898  |  (24.1) |  35,584,408  |  29,948,487  |  39,182,775  |  (23.6) |  37,085,398  |
| Due to customers |   |  58,542,589  |  39,257,406  |  49.1  |  44,722,552  |  58,170,972  |  39,037,020  |  49.0  |  44,465,568  |
| Debt securities issued |  33,441,730  |  35,618,645  |  (6.1) |  38,673,277  |  33,333,382  |  35,510,283  |  (6.1) |  38,569,262  |
| Other financial liabilities  |  3,379,946  |  3,765,810  |  (10.2) |  2,725,166  |  3,164,392  |  3,684,494  |  (14.1) |  2,563,187  |
| Derivative financial instrument  |  -  |  10,550  |  100.0  |  8,363  |  -  |  10,550  |  100.0  |  8,363  |
| Insurance and reinsurance payable  |  -  |  -  |  -  |  -  |  3,769,993  |  3,433,059  |  9.8  |  3,537,110  |
| Current tax liabilities  |  263,073  |  531,969  |  (50.5) |  289,978  |  312,614  |  576,382  |  (45.8) |  337,291  |
| Deferred tax liabilities  |  1,797,331  |  1,821,897  |  (1.3) |  1,923,171  |  1,849,672  |  1,836,263  |  0.7  |  1,975,528  |
| Other liabilities  |   |  1,691,459  |  1,652,751  |  2.3  |  1,832,555  |  1,809,048  |  1,691,769  |  6.9  |  1,896,911  |
| **Total liabilities**  |  |  **127,553,441**  |  **120,106,926**  |  6.2  |  **125,759,470**  |  **132,358,560**  |  **124,962,595**  |  5.9  |  **130,438,618**  |
|  |  |  |  |  |  |  |  |  |  |
| **Equity**  |  |  |  |  |  |  |  |  |  |
| Capital |   |  13,236,073  |  13,236,073  |  -  |  13,236,073  |  13,236,073  |  13,236,073  |  -  |  13,236,073  |
| Statutory reserve fund  |  1,701,319  |  1,529,298  |  11.2  |  1,621,946  |  1,701,319  |  1,529,298  |  11.2  |  1,621,946  |
| Retained earnings  |  10,118,223  |  8,840,771  |  14.4  |  9,400,084  |  11,424,145  |  9,792,301  |  16.7  |  10,560,834  |
| Other reserves  |   |  430,910  |  481,408  |  (10.5) |  439,190  |  419,721  |  472,356  |  (11.1) |  420,957  |
| **Total Equity attributable to equity holders of the Company** |  **25,486,525**  |  **24,087,550**  |  **5.8**  |  **24,697,293**  |  **26,781,258**  |  **25,030,028**  |  **7.0**  |  **25,839,810**  |
| Non-controlling interest |  -  |  -  |  -  |  -  |  1,129,959  |  1,019,949  |  10.8  |  1,084,969  |
| **Total Equity** |  |  **25,486,525**  |  **24,087,550**  |  **5.8**  |  **24,697,293**  |  **27,911,217**  |  **26,049,977**  |  **7.1**  |  **26,924,779**  |
| **Total liabilities and equity**  |  **153,039,966**  |  **144,194,476**  |  **6.1**  |  **150,456,763**  |  **160,269,777**  |  **151,012,572**  |  **6.1**  |  **157,363,397**  |
|  |  |  |  |  |  |  |  |  |  |
| Contingencies |  |  824,103  |  820,937  |  0.4  |  978,275  |  824,103  |  820,937  |  0.4  |  978,275  |
| Commitments |  |  3,788,254  |  5,013,894  |  (24.4) |  5,461,703  |  3,926,492  |  5,612,186  |  (30.0) |  5,737,249  |
|  |  |  |  |  |  |  |  |  |  |
| Net assets value per ordinary share (Rs.) |  16.13  |  15.25  |  5.8  |  15.63  |  16.95  |  15.84  |  7.0  |  16.36  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| **CERTIFICATION** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| We, the undersigned, being the Chief Executive Officer and the Chief Financial Officer of People's Leasing & Finance PLC certify jointly that: |
| a) the above statements have been prepared in compliance with the format and the definitions prescribed by the Central Bank of Sri Lanka; |
| b) the information contained in these statements have been extracted from the unaudited financial statements of People's Leasing & Finance PLC unless indicated as audited. |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (sgd.) |  |  |  |  |  |  |  | (sgd.) |  |  |  |  |  |  |  |  |
| **A.S. Ibrahim** |  |  |  |  |  |  |  | **Sanjeewa Bandaranayake** |  |  |  |  |  |  |
| *Chief Executive Officer* |  |  |  |  |  |  | *Chief Financial Officer* |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Approved and Signed for and on behalf of the Board : |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (sgd.) |  |  |  |  |  |  |  | (sgd.) |  |  |  |  |  |  |  |  |
| **Hemasiri Fernando**  |  |  |  |  |  |  |  | **M.P. Amirthanayagam** |  |  |  |  |  |  |
| Chairman |  |  |  |  |  |  |  | Deputy Chairman |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 10/25/2017 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Colombo* |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| **SELECTED PERFORMANCE INDICATORS** |
|  | **Company** |
|  | **As at**  | **As at**  |
|  | **30.09.2017** | **30.09.2016** |
| **Regulatory Capital Adequacy** |  |  |
|  |  |  |
| Core Capital (Tier1 Capital) - Rs. '000 |  **23,441,231**  |  21,432,961  |
| Total Capital Base - Rs. '000 |  **21,811,046**  |  19,845,619  |
| Core Capital to Risk Weighted Assets Ratio (Minimum 5%) (%) |  **16.93**  |  16.28  |
| Total Capital to Risk Weighted Assets Ratio (Minimum 10%) (%) |  **15.76**  |  15.08  |
| Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%) (%) |  **44.81**  |  59.67  |
|   |  |  |
| **Asset Quality (Quality of Loan Portfolio)** |  |  |
|  |  |  |
| Gross Non-Performing Advances - Rs. '000 |  **3,700,044**  |  2,004,942  |
| Gross Non-Performing Advances Ratio (%) |  **2.69**  |  1.57  |
| Net- Non-Performing Advances Ratio (%) |  **0.60**  |  0.24  |
|   |  |   |
| **Profitability** *(Annualized)* |  |  |
|  |  |  |
| Interest Margin (%) |  **7.96**  |  7.70  |
| Return on Average Assets (before Tax) (%) |  **2.88**  |  3.96  |
| Return on Average Equity (after tax) (%) |  **12.65**  |  18.41  |
|   |  |   |
| **Regulatory Liquidity - Rs. '000** |  |  |
|  |  |  |
| Required Minimum Amount of Liquid Assets |  **9,212,159**  |  6,524,214  |
| Available Amount of Liquid Assets |  **10,236,015**  |  9,558,372  |
| Required Minimum Amount of Government Securities |  **4,939,014**  |  3,856,800  |
| Available Amount of Government Securities |  **5,460,529**  |  8,283,494  |
|   |  |   |
| **Memorandum information** |  |   |
|  |  |   |
| Number of employees |  **2,100**  |  2,014  |
| Number of branches |  **103**  |  92  |
| Number of service centers |  **101**  |  111  |
| Number of pawning centers |  **-**  |  -  |
|  |  |  |

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|  |  |  |  |  |  |  |  |  |
|   |   |   |   |   |   |   |   |   |
| **Market Price**  |   |   |   |   |   |   |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | **2017** | **2016** |
|   |   |   |   |   |   |   | **Rs.** | **Rs.** |
| Highest price during the quarter ended 30th September :  |   |  18.00  |  19.30  |
| Lowest price during the quarter ended 30th September :  |   |  16.70  |  17.80  |
| Closing price as at 30th September :  |   |   |   |  17.00  |  18.70  |
|  |  |  |  |  |  |  |   |  |
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| --- | --- | --- | --- | --- | --- | --- |
| **Capital** |   |   |   |   |   |   |
| Capital as at 30th September 2017 was represented by the number of shares in issue as given below; |
|  |  |  |  |  | **As at 30th September 2017** | **As at 30th September 2016** |
|   |   |   |   |   | **Number** | **Rs.** | **Number** | **Rs.** |
|  |  |  |  |  |  |  |  |  |
| Ordinary shares |   |   | 1,579,862,482  |  11,886,073,308  |  1,579,862,482  |  11,886,073,308  |
| Transfer from preference shares on redemption |  -  |  1,350,000,000  |  -  |  1,350,000,000  |
|  |  |  |  |  |   |   |  |  |
| **Total** |   |   |   | **1,579,862,482** | **13,236,073,308** | **1,579,862,482** | **13,236,073,308** |
|  |  |  |  |  |  |  |  |  |

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| **SHAREHOLDERS' INFORMATION** |
|  |  |  |  |
|   |   |   |   |
| Twenty largest ordinary shareholders of the Company as at 30th September 2017 were as follows; |   |   |
|  |  |  |  |
| **No.** | **Name of the Shareholder** | **No. of Shares** | **%** |
| 1 | People's Bank |  1,184,896,862  |  75.00  |
| 2 | Employees Provident Fund |  85,748,846  |  5.43  |
| 3 | BNYM SA/NV RE-Neon Liberty Lorikeet Master Fund LP |  69,278,641  |  4.39  |
| 4 | National Savings Bank |  43,668,157  |  2.76  |
| 5 | CitiBank Newyork S/A Norges Bank Account 2 |  23,775,303  |  1.50  |
| 6 | Bank of Ceylon No. 1 Account |  11,453,600  |  0.72  |
| 7 | Rubber Investment Trust Limited A/C # 01 |  8,798,883  |  0.56  |
| 8 | Sri Lanka Insurance Corporation Ltd-General Fund |  7,022,962  |  0.44  |
| 9 | AIA Insurance Lanka PLC A/C No.07 |  5,197,515  |  0.33  |
| 10 | Ceylon Investment PLC A/C # 01 |  4,954,891  |  0.31  |
| 11 | Union Assurance PLC/No-01A/C |  3,821,672  |  0.24  |
| 12 | BNYM SA/NV RE-NLCF Fund LP |  3,805,389  |  0.24  |
| 13 | The Ceylon Guardian Investment Trust PLC A/C # 02 |  3,340,505  |  0.21  |
| 14 | Caceis Bank Luxembourg-Intereffekt Investments Funds N.V. |  2,887,743  |  0.18  |
| 15 | Employees Trust Fund Board |  2,356,087  |  0.15  |
| 16 | Sampath Bank PLC/Dr. Thirugnanasambandar Senthilverl |  1,909,975  |  0.12  |
| 17 | Akbar Brothers Pvt Ltd A/C No 1 |  1,894,014  |  0.12  |
| 18 | Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund) |  1,843,700  |  0.12  |
| 19 | First Capital Limited |  1,700,000  |  0.11  |
| 20 | Mr. Merrill Joseph Fernando |  1,600,000  |  0.10  |

|  |  |  |
| --- | --- | --- |
| **Public Holding** |   |   |
| The percentage of ordinary shares held by the public as at 30th September 2017 was 24.94% and the number of shareholders representing the public holding was 8,825. |
|  |  |  |  |
| **Directors'/ CEO's Holding in Shares as at 30th September 2017** |   |   |
| The number of ordinary shares held by the directors and CEO as at 30th September 2017 were as follows; |   |

|  |  |  |
| --- | --- | --- |
| **Name**  | **Position** | **No. of Shares** |
| Mr. Hemasiri Fernando  | Chairman |  -  |
| Mr. Michael Pradeep Amirthanayagam | Deputy Chairman |  10,000  |
| Mr. Jehan Prasanna Amaratunga | Director |  -  |
| Mr. Goluhewage Bindu Rasitha Poojitha Gunawardana | Director |  -  |
| Mr. Johnson Anthony Fernando | Director |  -  |
| Mr. Mohamed Anise Mohamed Rizwan | Director |  -  |
| Mr. Rathnayake Mudiyanselage Jayasena | Director |  -  |
| Dr. Ali Asgar Shabbir Gulamhusein | Director |  -  |
| Mr. Ahamed Sabry Ibrahim | CEO |  -  |