

**FINANCIAL STATEMENTS**  
**For the three months ended 30th June 2012**



**PEOPLE'S LEASING COMPANY PLC**

## INCOME STATEMENT

For the three months ended	Group			Company		
	30.06.2012	30.06.2011	Growth	30.06.2012	30.06.2011	Growth
	Rs. Mn.	Rs. Mn.	%	Rs. Mn.	Rs. Mn.	%
	Unaudited	Unaudited		Unaudited	Unaudited	
<b>Revenue</b>	<b>4,367</b>	3,443	26.8	<b>3,785</b>	3,056	23.9
Interest and similar income	<b>3,823</b>	2,950	29.6	<b>3,384</b>	2,660	27.2
Interest and similar expenses	<b>2,259</b>	1,428	58.2	<b>1,890</b>	1,273	48.5
<b>Net interest income</b>	<b>1,564</b>	1,522	2.8	<b>1,494</b>	1,387	7.7
Net trading income from sale of vehicles	<b>2</b>	22	(90.9)	<b>2</b>	22	(90.9)
Fees and commission income	<b>81</b>	61	32.8	<b>133</b>	94	41.5
Net income from Islamic finance	<b>169</b>	62	172.6	<b>4</b>	14	(71.4)
Other operating income	<b>208</b>	61	241.0	<b>204</b>	29	603.4
<b>Total operating income</b>	<b>2,024</b>	1,728	17.1	<b>1,837</b>	1,546	18.8
<b>Less : Operating expenses</b>						
Employee benefits	<b>295</b>	233	26.6	<b>248</b>	194	27.8
Depreciation	<b>68</b>	39	74.4	<b>38</b>	27	40.7
Amortisation of intangible assets	<b>5</b>	2	150.0	<b>3</b>	2	50.0
Provision charge/(reversal) for credit losses	<b>225</b>	(1,506)	(114.9)	<b>199</b>	(1,518)	(113.1)
Other operating expenses	<b>261</b>	286	(8.7)	<b>300</b>	260	15.4
<b>Profit from operations</b>	<b>1,170</b>	2,674	(56.2)	<b>1,049</b>	2,581	(59.4)
Less : Value Added Tax on Financial Services	<b>79</b>	175	(54.9)	<b>70</b>	168	(58.3)
<b>Profit before taxation</b>	<b>1,091</b>	2,499	(56.3)	<b>979</b>	2,413	(59.4)
Income tax expense	<b>371</b>	765	(51.5)	<b>279</b>	735	(62.0)
Profit for the period	<b>720</b>	1,734	(58.5)	<b>700</b>	1,678	(58.3)
Attributable to:						
Equity holders of the parent	<b>710</b>	1,728	(58.9)	<b>700</b>	1,678	(58.3)
Minority interest	<b>10</b>	6	66.7	<b>-</b>	-	
<b>Net profit for the period</b>	<b>720</b>	1,734	(58.5)	<b>700</b>	1,678	(58.3)
Earnings per share (Basic/ Diluted) (Rs.)	<b>0.43</b>	1.44	(70.1)	<b>0.43</b>	1.40	(69.3)

The above figures are provisional and subject to audit.  
 Figures in brackets indicate deductions.

**BALANCE SHEET**

As at	Group			Company		
	30.06.2012 Rs. Mn. Unaudited	31.03.2012 Rs. Mn. Audited	Growth %	30.06.2012 Rs. Mn. Unaudited	31.03.2012 Rs. Mn. Audited	Growth %
<b>ASSETS</b>						
Cash and short term funds	3,146	2,693	16.8	1,586	1,338	18.5
Investments in government securities	1,138	1,563	(27.2)	-	-	-
Deposits with banks & financial institutions	1,151	896	28.5	273	393	(30.5)
Inventories	57	115	(50.4)	55	112	(50.9)
Dealing securities	123	112	9.8	33	29	13.8
Investment securities	305	305	-	305	305	-
Loans and other advances	5,622	5,580	0.8	4,135	4,170	(0.8)
Rentals receivable on lease, hire-purchase & Islamic finance	78,792	78,915	(0.2)	67,137	67,387	(0.4)
Deferred tax assets	1	1	-	-	-	-
Investment in subsidiaries	-	-	-	3,118	3,118	-
Investment in Associate	-	-	-	-	-	-
Long term receivables	168	132	27.3	-	-	-
Other assets	2,496	2,599	(4.0)	1,950	2,062	(5.4)
Property, plant & equipment	2,830	2,811	0.7	601	621	(3.2)
Investment property	-	-	-	56	56	-
Intangible assets	361	351	2.8	38	37	2.7
<b>Total assets</b>	<b>96,190</b>	<b>96,073</b>	<b>0.1</b>	<b>79,287</b>	<b>79,628</b>	<b>(0.4)</b>
<b>LIABILITIES &amp; SHAREHOLDERS' FUNDS</b>						
<b>LIABILITIES</b>						
Deposits from customers	9,526	8,684	9.7	-	-	-
Bank overdrafts	1,806	2,309	(21.8)	1,527	2,073	(26.3)
Other liabilities evidenced by paper	29,783	30,694	(3.0)	28,233	28,514	(1.0)
Tax payable	329	279	17.9	299	225	32.9
Deferred tax liabilities	849	766	10.8	762	720	5.8
Borrowings	26,295	26,911	(2.3)	23,998	24,702	(2.8)
Other liabilities	9,018	7,715	16.9	6,328	5,124	23.5
<b>Total liabilities</b>	<b>77,606</b>	<b>77,358</b>	<b>0.3</b>	<b>61,147</b>	<b>61,358</b>	<b>(0.3)</b>
<b>SHAREHOLDERS' FUNDS</b>						
Stated capital	12,958	12,958	-	12,958	12,958	-
General reserve	300	300	-	300	300	-
Tax equalisation fund	100	100	-	100	100	-
Reserve fund	707	654	8.1	600	565	6.2
Investment fund reserve	637	543	17.3	606	517	17.2
Retained earnings	3,681	3,948	(6.8)	3,576	3,830	(6.6)
	18,383	18,503	(0.6)	18,140	18,270	(0.7)
Minority interest	201	212	(5.2)	-	-	-
<b>Total shareholders' funds</b>	<b>18,584</b>	<b>18,715</b>	<b>(0.7)</b>	<b>18,140</b>	<b>18,270</b>	<b>(0.7)</b>
<b>Total liabilities &amp; shareholders' funds</b>	<b>96,190</b>	<b>96,073</b>	<b>0.1</b>	<b>79,287</b>	<b>79,628</b>	<b>(0.4)</b>
Contingencies	389	377	3.2	369	352	4.8
Capital commitments	1,101	1,724	(36.1)	505	476	6.1
Net assets value per ordinary share (Rs.)	11.24	11.28	(0.4)	11.08	11.13	(0.4)
<b>Memorandum Information</b>						
Number of employees				1,063	1,050	
Number of branches				34	34	

**CERTIFICATION**

I certify that the above Interim Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007 and give a true and fair view of the state of affairs of People's Leasing Company PLC and the group as at 30th June 2012 and its profit for the period ended 30th June 2012.

(Sgd.)  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Interim Financial Statements.  
Approved and Signed for and on behalf of the Board:

(Sgd.)  
Chairman

(Sgd.)  
Director

(Sgd.)  
Chief Executive Officer

31st July 2012  
Colombo.

The above figures are provisional and subject to audit.

**STATEMENT OF CHANGES IN EQUITY - COMPANY**

	<b>Stated Capital</b>	<b>General Reserve</b>	<b>Tax Equalization Fund</b>	<b>Reserve Fund</b>	<b>Investment Fund Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>
Balance as at 01.04.2011	1,850	300	100	355	70	5,767	8,442
Redemption of preference shares	-	-	-	-	-	(50)	(50)
Net profit for the three months ended 30.06.2011	-	-	-	-	-	1,678	1,678
Capitalisation of reserves	4,088	-	-	-	-	(4,088)	-
Transfer into / (out) from reserve	-	-	-	84	183	(267)	-
Dividends - Preference shares	-	-	-	-	-	(3)	(3)
<b>Balance as at 30.06.2011</b>	<b>5,938</b>	<b>300</b>	<b>100</b>	<b>439</b>	<b>253</b>	<b>3,037</b>	<b>10,067</b>
Redemption of preference shares	-	-	-	-	-	(100)	(100)
Issue of shares	7,020	-	-	-	-	-	7,020
Share issue expenses	-	-	-	-	-	(221)	(221)
Net profit for the nine months ended 31.03.2012	-	-	-	-	-	2,529	2,529
Transfer into / (out) from reserve	-	-	-	126	264	(390)	-
Dividends - Preference shares	-	-	-	-	-	(170)	(170)
- Ordinary shares	-	-	-	-	-	(855)	(855)
<b>Balance as at 31.03.2012</b>	<b>12,958</b>	<b>300</b>	<b>100</b>	<b>565</b>	<b>517</b>	<b>3,830</b>	<b>18,270</b>
Redemption of preference shares	-	-	-	-	-	(50)	(50)
Net profit for the three months ended 30.06.2012	-	-	-	-	-	700	700
Transfer into / (out) from reserve	-	-	-	35	89	(124)	-
Dividends - Ordinary shares	-	-	-	-	-	(780)	(780)
<b>Balance as at 30.06.2012</b>	<b>12,958</b>	<b>300</b>	<b>100</b>	<b>600</b>	<b>606</b>	<b>3,576</b>	<b>18,140</b>

The above figures are provisional and subject to audit.  
Figures in brackets indicate deductions.

**STATEMENT OF CHANGES IN EQUITY - GROUP**

**Attributable to Equity Holders of the Company**

	<b>Stated Capital</b>	<b>General Reserve</b>	<b>Tax Equalization Fund</b>	<b>Reserve Fund</b>	<b>Investment Fund Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>	<b>Minority Interest</b>	<b>Total</b>
	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>
Balance as at 01.04.2011	1,850	300	100	376	70	5,686	8,382	100	8,482
Redemption of preference shares	-	-	-	-	-	(50)	(50)	-	(50)
Net profit for the three months ended 30.06.2011	-	-	-	-	-	1,728	1,728	6	1,734
Capitalization of reserves	4,088	-	-	-	-	(4,088)	-	-	-
Transfer into/ (out) from reserves	-	-	-	95	190	(285)	-	-	-
Increment due to right issue	-	-	-	-	-	-	-	65	65
Dividends - Preference shares	-	-	-	-	-	(3)	(3)	-	(3)
<b>Balance as at 30.06.2011</b>	<b>5,938</b>	<b>300</b>	<b>100</b>	<b>471</b>	<b>260</b>	<b>2,988</b>	<b>10,057</b>	<b>171</b>	<b>10,228</b>
Redemption of preference shares	-	-	-	-	-	(100)	(100)	-	(100)
Issue of shares	7,020	-	-	-	-	-	7,020	-	7,020
Share issue expenses	-	-	-	-	-	(224)	(224)	-	(224)
Disposal and changes in holding	-	-	-	-	-	-	-	18	18
Net profit for the three months ended 31.12.2012	-	-	-	-	-	2,775	2,775	33	2,808
Transfer into / (out) from reserve	-	-	-	183	283	(466)	-	-	-
Dividends - Preference shares	-	-	-	-	-	(170)	(170)	-	(170)
- Ordinary shares	-	-	-	-	-	(855)	(855)	(10)	(865)
<b>Balance as at 31.03.2012</b>	<b>12,958</b>	<b>300</b>	<b>100</b>	<b>654</b>	<b>543</b>	<b>3,948</b>	<b>18,503</b>	<b>212</b>	<b>18,715</b>
Redemption of preference shares	-	-	-	-	-	(50)	(50)	-	(50)
Net profit for the three months ended 30.06.2012	-	-	-	-	-	710	710	10	720
Transfer into / (out) from reserve	-	-	-	53	94	(147)	-	-	-
Dividends - Ordinary shares	-	-	-	-	-	(780)	(780)	(21)	(801)
<b>Balance as at 30.06.2012</b>	<b>12,958</b>	<b>300</b>	<b>100</b>	<b>707</b>	<b>637</b>	<b>3,681</b>	<b>18,383</b>	<b>201</b>	<b>18,584</b>

The above figures are provisional and subject to audit.  
Figures in brackets indicate deductions.

## CASH FLOW STATEMENT

For the three months ended 30th June

	Group		Company	
	2012 Rs. Mn. Unaudited	2011 Rs. Mn. Unaudited	2012 Rs. Mn. Unaudited	2011 Rs. Mn. Unaudited
<b>Cash Flow from Operating Activities</b>				
Interest and similar income	3,638	2,858	3,199	2,558
Interest and similar expenses	(2,068)	(1,216)	(1,731)	(1,056)
Net trading income from sale of vehicles	2	22	2	22
Fees and commission income	81	55	133	89
Income from Islamic credits	170	63	4	14
Other operating income	208	61	204	25
Cash payments to employees and suppliers	(629)	(519)	(589)	(442)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>1,402</b>	<b>1,324</b>	<b>1,222</b>	<b>1,210</b>
(Increase)/decrease in other assets	251	72	299	367
(Increase)/decrease in inventories	57	172	57	191
Net investment in advances	105	(9,618)	(114)	(6,652)
Increase/(decrease) in amounts payable	482	(113)	293	(1,050)
<b>Net cash used for operations</b>	<b>2,297</b>	<b>(8,163)</b>	<b>1,757</b>	<b>(5,934)</b>
Tax paid	(72)	(350)	(39)	(345)
Gratuity paid	-	(1)	-	(1)
<b>Net cash used for operating activities</b>	<b>2,225</b>	<b>(8,514)</b>	<b>1,718</b>	<b>(6,280)</b>
<b>Cash flow from Investing Activities</b>				
Acquisition of property, plant & equipment	(363)	(282)	(27)	(77)
Investments in subsidiaries	-	-	-	(75)
Purchase of rights in subsidiaries	-	-	-	(503)
Investments in securities/ dealing securities	(14)	-	(10)	-
Proceeds on sale of shares	5	-	5	-
Deposits with banks & financial institutions	(254)	124	119	-
Proceeds on disposal of property, plant & equipment	79	21	12	22
Dividend/ interest received	13	1	11	21
<b>Net cash used for investing activities</b>	<b>(534)</b>	<b>(136)</b>	<b>110</b>	<b>(612)</b>
<b>Cash flow from Financing Activities</b>				
Proceeds from rights issue	-	65	-	-
Deposits from customers	842	1,488	-	-
Borrowings	(1,527)	6,044	(984)	5,733
Dividends paid	-	(3)	-	(3)
Redemption of preference shares	(50)	(50)	(50)	(50)
<b>Net cash flow from financing activities</b>	<b>(735)</b>	<b>7,544</b>	<b>(1,034)</b>	<b>5,680</b>
Net increase in cash & cash equivalents	956	(1,106)	794	(1,212)
Cash & cash equivalents at the beginning of the period	384	971	(735)	(304)
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>1,340</b>	<b>(135)</b>	<b>59</b>	<b>(1,516)</b>
<b>Analysis of Cash &amp; Cash Equivalents at the End of the Period</b>				
Cash in hand	343	66	88	64
Cash at bank	1,299	1,867	1,005	699
Bank overdraft	(1,806)	(3,320)	(1,527)	(2,279)
Deposits at call on short notice	1,504	1,252	493	-
	<b>1,340</b>	<b>(135)</b>	<b>59</b>	<b>(1,516)</b>

The above figures are provisional and subject to audit.  
Figures in brackets indicate deductions.

**SEGMENTAL ANALYSIS - GROUP**

	Advances & Leases		Sale of Imported Vehicles		Fee based Activities		Other Activities		Total	
	2012 Rs. Mn.	2011 Rs. Mn.	2012 Rs. Mn.	2011 Rs. Mn.	2012 Rs. Mn.	2011 Rs. Mn.	2012 Rs. Mn.	2011 Rs. Mn.	2012 Rs. Mn.	2011 Rs. Mn.
<b>For the three months ended 30th June</b>										
<b>Revenue</b>										
Interest and similar income	3,823	2,950	-	-	-	-	-	-	3,823	2,950
Trading income from sale of vehicles	-	-	59	255	-	-	-	-	59	255
Fees and commission	-	-	-	-	81	61	-	-	81	61
Other operating income	-	-	-	-	-	-	404	177	404	177
Segment revenue	3,823	2,950	59	255	81	61	404	177	4,367	3,443
Inter segment revenue	1	2	(1)	(2)	-	-	-	-	-	-
Total segment revenue	3,824	2,952	58	253	81	61	404	177	4,367	3,443
Segment result									1,091	2,499
Income tax expenses									371	765
Net profit									720	1,734
Total assets	84,214	64,844	1,304	5,602	1,778	1,340	8,894	3,890	96,190	75,676
Total liabilities	67,943	56,080	1,052	4,844	1,435	1,159	7,176	3,364	77,606	65,447

## INFORMATION ON ORDINARY SHARES OF THE COMPANY

### Market Price

Market Prices per share for the quarter ended 30th June 2012 were as follows;

	<u>Rs.</u>
Highest :	12.00
Lowest :	10.40
Closing :	11.70

### Stated Capital

Stated Capital as at 30th June 2012 was represented by the number of shares in issue as given below;

	<u>Number</u>	<u>Rs.</u>
<b>Ordinary shares</b>		
Ordinary shares as at 30th June 2012	1,560,000,160	11,608,000,800
<b>Fully paid cumulative redeemable preference shares</b>	<b>85,000,000</b>	<b>1,350,000,000</b>
<b>Total</b>	<b><u>1,645,000,160</u></b>	<b><u>12,958,000,800</u></b>



## SHAREHOLDERS' INFORMATION

### Twenty Largest Shareholders as at 30th June 2012

Twenty largest shareholders of the Company as at 30th June 2012 were as follows;

No.	Name of the Shareholder	No. of Shares	%
1	People's Bank	1,170,000,120	75.00
2	National Savings Bank	58,809,840	3.77
3	Employees Provident Fund	55,555,500	3.56
4	Distilleries Company of Sri Lanka PLC	24,517,300	1.57
5	HSBC INTL Nominees Ltd- Credit Suisse AG Zurich	18,000,000	1.15
6	HSBC INTL NOM Ltd JPMCB-J.P. Morgan Clearing Corp	14,857,500	0.95
7	Ceylon Guardian Investment Trust PLC A/C # 01	13,086,600	0.84
8	Bank of Ceylon No. 1 Account	11,453,600	0.73
9	Bny-CF Ruffer Investment Funds: CF Ruffer Pacific Fund	10,000,000	0.64
10	Sanasa Development Bank Limited	9,864,800	0.63
11	Ceylon Investment PLC A/C # 01	9,820,700	0.63
12	Capital Alliance Holdings Ltd	9,295,200	0.60
13	Sampath Bank Limited A/C No. 1	5,901,600	0.38
14	Northern Trust CO S/A Prince Street Opportunities Ltd	5,050,000	0.32
15	Mr . D. P. Kumarage	5,000,000	0.32
16	Gampaha District Co-operative Rural Bank Union Ltd	4,921,800	0.32
17	Capital Development and Investment Company PLC	3,288,800	0.21
18	HSBC INTL NOM Ltd- Jpmire-GAM Star Fund PLS	3,000,000	0.19
19	David Pieris Motor Company Limited	2,356,801	0.15
20	Ms. N.T.M.S.Cooray	1,786,500	0.11

### Public Holdings

The percentage of ordinary shares held by the public as at 30th June 2012 was 24.60%.

### Directors'/ CEO's Holding in Shares as at 30th June 2012

The number of ordinary shares held by the directors and CEO as at 30th June 2012 was as follows;

Name	Position	No. of Shares
Mr. Weraduwage Karunajeewa	Chairman	-
Dr. Don Joseph Douglas Jayakody	Director	50,000
Mr. Hennek Gedara Wajira Swarna Sri Bandara	Director	-
Mr. Namasivayam Vasantha Kumar	Director	1,000,000
Mr. Palihawadana Arachchige Irenius Sirinimal Perera	Director	20,000
Mrs. Manoli Gonaduwa Jinadasa	Director	-
Mr. Don Padmasiri Kumarage	CEO	5,000,000

## EXPLANATORY NOTES

1. There are no significant changes in accounting policies and methods of computation since the publication of financial statements in the annual report for the year 2011/12.
2. The Interim Financial Statements for the three months ended 30th June 2012 are drawn up from unaudited accounts of the Company, its subsidiary companies and its associate.
3. The Interim Financial Statements are in compliance with the Sri Lanka Accounting Standards 35: Interim Financial Reporting and the provisions of the Companies Act No. 7 of 2007 and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
4. According to the new ruling issued by the Institute of Chartered Accountants of Sri Lanka, Companies are required to prepare interim financial statements as per LKAS 34 for financial periods beginning on or after 1st January 2012. However, the Institute of Chartered Accountants of Sri Lanka has allowed Companies to prepare interim financial statements during the first financial year commencing on or after 1st January 2012 in accordance with the Sri Lanka Accounting Standards which existed immediately prior to 1st January 2012, with disclosures on impact to the Statement of Comprehensive Income for the period and Net Assets based on SLFRS/ LKAS.

The Company is in the process of quantifying the impact to the Net Assets as well as to the Statement of Comprehensive Income for the period based on SLFRS/ LKAS, which will be disclosed in future reporting.

5. The consolidated financial statements of the Company comprises of the Company and its subsidiaries: People's Leasing Property Development Limited, People's Leasing Fleet Management Limited, People's Finance PLC, People's Insurance Limited, People's Leasing Havelock Properties Limited and People's Microfinance Limited and the Group's interest in its associate: City Finance Corporation Limited (formerly known as Industrial Finance Limited).
6. All known expenses including management fees and similar expenses have been provided for in these financial statements.
7. There has been no significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31st March 2012.
8. The Company did not raise funds through share issue, rights issue, or debenture issue during the period ended 30th June 2012.
9. In June 2011, upon the continuous review of lending portfolio, the remaining general provision of Rs. 1,611,476,404/- was reversed to the Income Statement due to continuous increase in the quality of the Company's lending portfolio and the improved economic conditions of the country in all key sectors including leasing industry and low exposure to market risk. (three months period ended 30th June 2012- Nil)  
  
This has resulted in the increase in net profit by Rs. 1,063,026,355/- for the three months period ended 30th June 2011. (three months period ended 30th June 2012- Nil)
10. Net assets per share have been calculated, for all periods, based on the number of shares in issue as at 30th June 2012.
11. On the 30th of April 2012, the Company redeemed 5,000,000 preference shares at Rs. 10/- each.
12. On the 5th of April 2012 the Company received a sum of Rs. 10,823,199/= from People's Insurance Limited, a subsidiary of People's Leasing Company PLC, as the final dividend of Rs. 0.20 per share for the financial year 2011.
13. On the 29th of June 2012, People's Finance PLC, a subsidiary of People's Leasing Company PLC, paid a sum of Rs. 186,442,448/- as the interim dividend of Rs. 2.50 per share for the financial year 2012/13. Accordingly, People's Leasing Company PLC has recorded a net dividend of Rs.148,975,388/-.

14. Pursuant to the approval given by the shareholders of the Company at the 16th Annual General Meeting held on the 29th of June 2012, the Company paid a final dividend of Rs. 0.50 per ordinary share on the 11th July 2012 for the financial year ended 31st March 2012.
15. On the 17th of July 2012, the Directors of the Company duly authorised the issue of up to US\$ 150,000,000/- in an aggregate principal amount of senior unsecured notes to be offered and sold outside the United States in accordance with Regulation S under the United States Securities Act of 1933, as amended and outside of Sri Lanka. The Company has made an application for the listing of the Notes on the Singapore Exchange Securities Trading Limited.
16. On the 12th of June 2012, the Company made an application to the Monetary Board of the Central Bank of Sri Lanka for registration as a Licensed Finance Company under the Finance Business Act No. 42 of 2011.
17. On the 5th of July 2012, Fitch Ratings Lanka upgraded the Company's National Long-Term rating to 'AA-(lka)' from 'A+(lka)'; Stable Outlook.
18. There have been no material events except given in notes 14, 15, 16 and 17 subsequent to the balance sheet date, which require disclosures in the interim financial statements.

## SELECTED PERFORMANCE INDICATORS

	Company	
	As at 30.06.2012	As at 31.03.2012
<b>Regulatory Capital Adequacy</b>		
Core Capital (Tier1 Capital) - Rs. Mn	15,215.37	15,551.78
Total Capital Base - Rs.Mn	15,215.37	15,551.78
Core Capital Ratio (Minimum 5%)	25.42%	25.50%
Total Capital Ratio (Minimum 10%)	25.42%	25.50%
<b>Asset Quality</b>		
Gross Non-Performing Advances Ratio	0.92%	0.65%
Net Non-Performing Advances Ratio	-0.11%	-0.16%
<b>Profitability (Annualized)</b>		
Interest Margin	8.30%	10.02%
Return on Assets (before Tax)	4.93%	8.83%
Return on Equity	15.31%	32.62%
<b>Debt Security Related Ratios</b>		
Debt Equity Ratio (Times)	4.07	3.23
Interest Cover (Times)	1.52	1.97