

INTERIM FINANCIAL STATEMENTS

PEOPLE'S LEASING & FINANCE PLC

For the six months ended 30th September 2015



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STATEMENT OF FINANCIAL POSITION

As at	30.09.2015 Rs. Mn. Unaudited*	Company 31.03.2015 Rs. Mn. Audited	Change %	30.09.2015 Rs. Mn. Unaudited*	Group 31.03.2015 Rs. Mn. Audited	Change %
Assets						
Cash and cash equivalents	1,712	3,139	(45.5)	2,021	3,414	(40.8)
Balances with banks & financial institutions	335	326	2.8	1,750	1,831	(4.4)
Derivative financial instrument	24	-	100.0	24	-	100.0
Financial assets held-for-trading	261	196	33.2	589	503	17.1
Loans and receivables	103,302	98,411	5.0	103,487	97,997	5.6
Insurance and reinsurance receivables	-	-	-	261	187	39.6
Financial investments – Available-for-sale	822	939	(12.5)	1,930	2,043	(5.5)
Financial investments – Held-to-maturity	5,469	5,266	3.9	5,469	5,266	3.9
Investments in subsidiaries	1,875	1,875	-	-	-	-
Investments in associates	586	-	100.0	579	-	100.0
Property, plant and equipment	1,139	1,109	2.7	3,965	3,805	4.2
Goodwill and intangible assets	338	338	-	345	346	(0.3)
Investment property	83	-	100.0	-	-	-
Other assets	693	724	(4.3)	1,240	1,769	(29.9)
Total assets	116,639	112,323	3.8	121,660	117,161	3.8
Liabilities						
Due to banks	25,036	21,229	17.9	26,160	22,391	16.8
Due to customers	34,287	34,023	0.8	34,180	33,930	0.7
Debt securities issued	27,245	28,690	(5.0)	27,137	28,586	(5.1)
Other financial liabilities	3,385	3,234	4.7	3,256	3,166	2.8
Derivative financial instrument	-	92	(100.0)	-	92	(100.0)
Insurance and reinsurance payable	-	-	-	3,102	2,894	7.2
Current tax liabilities	581	550	5.6	659	618	6.6
Deferred tax liabilities	1,949	1,949	-	1,976	1,976	-
Other liabilities	1,450	1,420	2.1	1,494	1,455	2.7
Total liabilities	93,933	91,187	3.0	97,964	95,108	3.0
Equity						
Capital	13,036	12,936	0.8	13,036	12,936	0.8
Statutory reserve fund	1,317	1,204	9.4	1,317	1,204	9.4
Retained earnings	7,749	6,490	19.4	8,749	7,404	18.2
Other reserves	604	506	19.4	594	509	16.7
Total equity	22,706	21,136	7.4	23,696	22,053	7.5
Total liabilities and equity	116,639	112,323	3.8	121,660	117,161	3.8
Contingencies	457	426	7.3	457	426	7.3
Commitments	3,061	3,974	(23.0)	3,602	4,882	(26.2)
Net assets value per ordinary share (Rs.)	14.37	13.38	7.4	15.00	13.96	7.4

CERTIFICATION

We 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 & Finance PLC and the Group as at 30th September 2015 and its profit for the six months ended 30th September 2015.

(sgd.)
Sanjeewa Bandaranayake
Chief Financial Officer

(sgd.)
D.P. Kumarage
Chief Executive 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.)
Hemasiri Fernando
Chairman

(sgd.)
M.P. Amirthanayagam
Deputy Chairman

20th October 2015
Colombo.

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

STATEMENT OF PROFIT OR LOSS - COMPANY

	For the six months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs. Mn.	Rs. Mn.	%	Rs. Mn.	Rs. Mn.	%
	Unaudited	Unaudited		Unaudited	Unaudited	
Interest income	8,998	9,851	(8.7)	4,479	4,917	(8.9)
Less: Interest expense	3,874	5,083	(23.8)	1,887	2,462	(23.4)
Net interest income	5,124	4,768	7.5	2,592	2,455	5.6
Net fee and commission income	436	421	3.6	225	235	(4.3)
Net trading income	12	47	(74.5)	5	32	(84.4)
Other operating income	259	168	54.2	187	140	33.6
Total operating income	5,831	5,404	7.9	3,009	2,862	5.1
Less: Impairment charges for loans and receivables	380	869	(56.3)	82	252	(67.5)
Net operating income	5,451	4,535	20.2	2,927	2,610	12.1
Less:						
Personnel expenses	856	764	12.0	433	384	12.8
Depreciation of property, plant and equipment	97	100	(3.0)	47	51	(7.8)
Amortisation and impairment of intangible assets	1	8	(87.5)	1	4	(75.0)
Other operating expenses	1,061	1,048	1.2	552	569	(3.0)
Total operating expenses	2,015	1,920	4.9	1,033	1,008	2.5
Operating profit before value added tax (VAT)	3,436	2,615	31.4	1,894	1,602	18.2
Less: Value added tax (VAT) on financial services	246	167	47.3	138	101	36.6
Operating profit after value added tax (VAT)	3,190	2,448	30.3	1,756	1,501	17.0
Less: Income tax expense	928	701	32.4	500	426	17.4
Profit for the period	2,262	1,747	29.5	1,256	1,075	16.8
Basic/Diluted earnings per ordinary share (Rs.)	1.43	1.11	28.8	0.80	0.68	17.6

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

STATEMENT OF PROFIT OR LOSS - GROUP

	For the six months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs. Mn. Unaudited	Rs. Mn. Unaudited	%	Rs. Mn. Unaudited	Rs. Mn. Unaudited	%
Interest income	9,185	10,041	(8.5)	4,576	5,007	(8.6)
Less: Interest expense	3,921	5,145	(23.8)	1,910	2,486	(23.2)
Net interest income	5,264	4,896	7.5	2,666	2,521	5.8
Net earned premiums	1,585	1,449	9.4	817	732	11.6
Net fee and commission income	223	243	(8.2)	118	146	(19.2)
Net trading income	20	102	(80.4)	2	72	(97.2)
Other operating income	246	160	53.8	145	85	70.6
Total operating income	7,338	6,850	7.1	3,748	3,556	5.4
Less: Impairment charges for loans and receivables	396	894	(55.7)	87	260	(66.5)
Net operating income	6,942	5,956	16.6	3,661	3,296	11.1
Less:						
Personnel expenses	984	878	12.1	497	441	12.7
Depreciation of property, plant and equipment	137	135	1.5	67	68	(1.5)
Amortisation and impairment of intangible assets	3	14	(78.6)	1	7	(85.7)
Benefits, claims and underwriting expenditure	1,107	1,076	2.9	586	566	3.5
Other operating expenses	1,069	1,036	3.2	575	560	2.7
Total operating expenses	3,300	3,139	5.1	1,726	1,642	5.1
Operating profit before value added tax (VAT)	3,642	2,817	29.3	1,935	1,654	17.0
Less: Value added tax (VAT) on financial services	252	170	48.2	141	103	36.9
Operating profit after value added tax (VAT)	3,390	2,647	28.1	1,794	1,551	15.7
Share of profit/(loss) of an associate (net of tax)	(7)	-	(100.0)	(7)	-	(100.0)
Profit before income tax	3,383	2,647	27.8	1,787	1,551	15.2
Less: Income tax expense	1,034	773	33.8	547	460	18.9
Profit for the period	2,349	1,874	25.3	1,240	1,091	13.7
Basic/Diluted earnings per ordinary share (Rs.)	1.49	1.19	25.2	0.78	0.69	13.0

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

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	For the six months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs. Mn. Unaudited	Rs. Mn. Unaudited	%	Rs. Mn. Unaudited	Rs. Mn. Unaudited	%
Profit for the period	2,262	1,747	29.5	1,256	1,075	16.8
Other comprehensive income/(expenses)						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):</i>						
Cash flow hedges						
Gains/ (losses) on derivative financial Assets	15	(59)	(125.4)	13	23	(43.5)
Available-for-sale financial assets						
Gains/ (losses) on re-measuring available-for-sale financial assets	69	151	(54.3)	(12)	106	(111.3)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	84	92	(8.7)	1	129	(99.2)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):</i>						
Revaluation of land and buildings	14	-	100.0	14	-	100.0
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	14	-	100.0	14	-	100.0
Other comprehensive income for the period, net of taxes	98	92	6.5	15	129	(88.4)
Total comprehensive income for the period	2,360	1,839	28.3	1,271	1,204	5.6

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

STATEMENT OF COMPREHENSIVE INCOME - GROUP

	For the six months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs. Mn. Unaudited	Rs. Mn. Unaudited	%	Rs. Mn. Unaudited	Rs. Mn. Unaudited	%
Profit for the period	2,349	1,874	25.3	1,240	1,091	13.7
Other comprehensive income/(expenses)						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):</i>						
Cash flow hedges						
Gains/ (losses) on derivative financial Assets	15	(59)	(125.4)	13	23	(43.5)
Available-for-sale financial assets						
Gains/ (losses) on re-measuring available-for-sale financial assets	70	159	(56.0)	(13)	114	(111.4)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	85	100	(15.0)	-	137	(100.0)
Other comprehensive income for the period, net of taxes	85	100	(15.0)	-	137	(100.0)
Total comprehensive income for the period	2,434	1,974	23.3	1,240	1,228	1.0

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

STATEMENT OF CHANGES IN EQUITY - COMPANY

	Capital		Statutory Reserve		General Reserve		Tax Equalisation Fund		Other Reserves		Cash Flow Hedge Reserve		Total Equity
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	
Balance as at 01.04.2014	12,736	1,016	300	100	1,096	(56)	-	1	4,002	19,195			
Total comprehensive income for the six months ended 30.09.2014	-	-	-	-	-	-	-	-	1,747	1,747			
Profit for the six months ended 30.09.2014	-	-	-	-	-	-	-	-	1,747	1,747			
Other comprehensive income (net of tax)	-	-	-	-	-	151	-	(59)	-	92			
Total comprehensive income for the six months ended 30.09.2014	-	-	-	-	-	151	-	(59)	1,747	1,839			
Transactions with equity holders, recognised directly in equity													
Transfer from preference shares on redemption	100	-	-	-	-	-	-	-	(100)	-			
Transfers to reserves during the period	-	87	-	-	79	-	-	-	(166)	-			
Dividend paid	-	-	-	-	-	-	-	-	(790)	(790)			
Total transactions with equity holders	100	87	-	-	79	-	-	-	(1,056)	(790)			
Balance as at 30.09.2014	12,836	1,103	300	100	1,175	95	-	(58)	4,693	20,244			
Balance as at 01.04.2015	12,936	1,204	300	100	-	99	-	7	6,490	21,136			
Total comprehensive income for the six months ended 30.09.2015	-	-	-	-	-	-	-	-	2,262	2,262			
Profit for the six months ended 30.09.2015	-	-	-	-	-	-	-	-	2,262	2,262			
Other comprehensive income (net of tax)	-	-	-	-	-	69	14	15	-	98			
Total comprehensive income for the six months ended 30.09.2015	-	-	-	-	-	69	14	15	2,262	2,360			
Transactions with equity holders, recognised directly in equity													
Transfer from preference shares on redemption	100	-	-	-	-	-	-	-	(100)	-			
Transfers to reserves during the period	-	113	-	-	-	-	-	-	(113)	-			
Dividend paid	-	-	-	-	-	-	-	-	(790)	(790)			
Total transactions with equity holders	100	113	-	-	-	-	-	-	(1,003)	(790)			
Balance as at 30.09.2015	13,036	1,317	300	100	-	168	14	22	7,749	22,706			

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

STATEMENT OF CHANGES IN EQUITY - GROUP

	Capital		Statutory Reserve Fund		General Reserve		Tax Equalisation Fund		Other Reserves		Cash Flow Hedge Reserve	Retained Earnings	Total Equity		
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.				Rs. Mn.	Rs. Mn.
Balance as at 01.04.2014	12,736	1,016	300	100	1,096	51	1	4,570	19,768						
Total comprehensive income for the six months ended 30.09.2014	-	-	-	-	-	-	-	1,874	1,874						
Profit for the six months ended 30.09.2014	-	-	-	-	-	159	(59)	-	100						
Other comprehensive income (net of tax)	-	-	-	-	-	159	(59)	-	100						
Total comprehensive income for the six months ended 30.09.2014	-	-	-	-	-	159	(59)	1,874	1,974						
Transactions with equity holders, recognised directly in equity															
Share issue expenses	-	-	-	-	-	-	-	(2)	(2)						
Transfer from preference shares on redemption	100	-	-	-	-	-	-	(100)	-						
Transfers to reserves during the period	-	87	-	-	79	-	-	(166)	-						
Dividend paid	-	-	-	-	-	-	-	(790)	(790)						
Total transactions with equity holders	100	87	-	-	79	-	-	(1,058)	(792)						
Balance as at 30.09.2014	12,836	1,103	300	100	1,175	108	(58)	5,386	20,950						
Balance as at 01.04.2015	12,936	1,204	300	100	-	102	7	7,404	22,053						
Total comprehensive income for the six months ended 30.09.2015															
Profit for the six months ended 30.09.2015	-	-	-	-	-	-	-	2,349	2,349						
Other comprehensive income (net of tax)	-	-	-	-	-	70	15	-	85						
Total comprehensive income for the six months ended 30.09.2015	-	-	-	-	-	70	15	2,349	2,434						
Transactions with equity holders, recognised directly in equity															
Transfer from preference shares on redemption	100	-	-	-	-	-	-	(100)	-						
Transfers to reserves during the period	-	113	-	-	-	-	-	(113)	-						
Dividend paid	-	-	-	-	-	-	-	(790)	(790)						
Total transactions with equity holders	100	113	-	-	-	-	-	(1,003)	(790)						
Balance as at 30.09.2015	13,036	1,317	300	100	-	172	22	8,749	23,696						

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

STATEMENT OF CASH FLOWS

For the six months ended 30th September	Company		Group	
	2015	2014	2015	2014
	Rs. Mn. Unaudited	Rs. Mn. Unaudited	Rs. Mn. Unaudited	Rs. Mn. Unaudited
Cash flows from operating activities				
Profit before tax	3,190	2,448	3,390	2,647
Adjustment for:				
Non-cash items included in profit before tax	477	938	528	948
Change in operating assets	(5,720)	(2,878)	(5,837)	(2,286)
Change in operating liabilities	410	753	525	822
Dividend income from investments	(162)	(111)	(28)	(22)
Gratuity paid	(2)	(1)	(2)	(1)
Tax paid	(876)	(631)	(945)	(714)
Net cash generated from operating activities	(2,683)	518	(2,369)	1,394
Cash flows from investing activities				
Purchase of property, plant and equipment	(196)	(247)	(298)	(722)
Proceeds from the sale of property, plant and equipment	4	5	4	5
Purchase of intangible assets	(2)	(5)	(2)	(10)
Investment in Associate	(285)	-	(285)	-
Dividend received from investments	162	111	28	22
Net cash (used in) investing activities	(317)	(136)	(553)	(705)
Cash flows from financing activities				
Net borrowings	2,629	(5,450)	2,566	(5,822)
Dividend paid to shareholders	(790)	(790)	(790)	(790)
Redemption of preference shares	(100)	(100)	(100)	(100)
Net cash (used in) financing activities	1,739	(6,340)	1,676	(6,712)
Net increase/(decrease) in cash & cash equivalents	(1,261)	(5,958)	(1,246)	(6,023)
Cash and cash equivalents at the beginning of the period	2,443	10,504	2,641	10,705
Cash and cash equivalents at the end of the period	1,182	4,546	1,395	4,682
Cash and cash equivalents	1,712	5,242	2,021	5,455
Bank overdraft	(530)	(696)	(626)	(773)
	1,182	4,546	1,395	4,682

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

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

COMPANY

As at 30th September 2015	FVTPL Rs. Mn.	HTM Rs. Mn.	L & R Rs. Mn.	AFS Rs. Mn.	Total Rs. Mn.
ASSETS					
Cash and cash equivalents	-	-	1,712	-	1,712
Balances with banks & financial institutions	-	-	335	-	335
Financial investments - Held-for-trading	261	-	-	-	261
Loans and receivables	-	-	103,302	-	103,302
Financial investments - Available-for-sale	-	-	-	822	822
Financial investments - Held-to maturity	-	5,469	-	-	5,469
Other financial assets	-	-	162	-	162
Total financial assets	261	5,469	105,511	822	111,901

As at 30th September 2015	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
LIABILITIES			
Due to banks	-	25,036	25,036
Due to customers	-	34,287	34,287
Debt Securities issued	-	27,245	27,245
Other Financial liabilities	-	3,385	3,385
Derivative financial instruments	-	-	-
Total financial liabilities	-	89,953	89,953

COMPANY

As at 31st March 2015	FVTPL Rs. Mn.	HTM Rs. Mn.	L & R Rs. Mn.	AFS Rs. Mn.	Total Rs. Mn.
ASSETS					
Cash and cash equivalents	-	-	3,139	-	3,139
Balances with banks & financial institutions	-	-	326	-	326
Financial investments - Held-for-trading	196	-	-	-	196
Loans and receivables	-	-	98,411	-	98,411
Financial investments - Available-for-sale	-	-	-	939	939
Financial investments - Held-to maturity	-	5,266	-	-	5,266
Other financial assets	-	-	149	-	149
Total financial assets	196	5,266	102,025	939	108,426

As at 31st March 2015	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
LIABILITIES			
Due to banks	-	21,229	21,229
Due to customers	-	34,023	34,023
Debt Securities issued	-	28,690	28,690
Other Financial liabilities	-	3,234	3,234
Total financial liabilities	-	87,176	87,176

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

GROUP

As at 30th September 2015	FVTPL Rs. Mn.	HTM Rs. Mn.	L & R Rs. Mn.	AFS Rs. Mn.	Total Rs. Mn.
ASSETS					
Cash and cash equivalents	-	-	2,021	-	2,021
Balances with banks & financial institutions	-	-	1,750	-	1,750
Financial investments - Held-for-trading	589	-	-	-	589
Loans and receivables	-	-	103,487	-	103,487
Financial investments – Available-for-sale	-	-	-	1,930	1,930
Financial investments – Held-to maturity	-	5,469	-	-	5,469
Total financial assets	589	5,469	107,258	1,930	115,246

As at 30th September 2015	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
LIABILITIES			
Due to banks	-	26,160	26,160
Due to customers	-	34,180	34,180
Debt Securities issued	-	27,137	27,137
Other Financial liabilities	-	3,256	3,256
Derivative financial instruments	-	-	-
Total financial liabilities	-	90,733	90,733

GROUP

As at 31st March 2015	FVTPL Rs. Mn.	HTM Rs. Mn.	L & R Rs. Mn.	AFS Rs. Mn.	Total Rs. Mn.
ASSETS					
Cash and cash equivalents	-	-	3,414	-	3,414
Balances with banks & financial institutions	-	-	1,831	-	1,831
Financial investments - Held-for-trading	503	-	-	-	503
Loans and receivables	-	-	97,997	-	97,997
Financial investments – Available-for-sale	-	-	-	2,043	2,043
Financial investments – Held-to maturity	-	5,266	-	-	5,266
Total financial assets	503	5,266	103,242	2,043	111,054

As at 31st March 2015	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
LIABILITIES			
Due to banks	-	22,391	22,391
Due to customers	-	33,930	33,930
Debt Securities issued	-	28,586	28,586
Other Financial liabilities	-	3,166	3,166
Total financial liabilities	-	88,073	88,073

SEGMENTAL ANALYSIS - GROUP

For the six months ended 30th September	Lease & HP		Loans		Islamic		Insurance		Other		Eliminations		Group	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Interest income	6,552	7,640	1,993	1,587	398	390	137	151	219	406	(114)	(133)	9,185	10,041
Net earned premiums							1,623	1,487			(38)	(38)	1,585	1,449
Net fee and commission income	329	436	100	90	20	22	-	-	138	22	(364)	(327)	223	243
Net trading income	-	-	-	-	-	-	8	56	12	-	-	-	20	56
Other operating income	190	234	58	49	12	12	32	28	127	13	(173)	(130)	246	206
Gross revenue	7,071	8,310	2,151	1,726	430	424	1,800	1,722	496	441	(689)	(628)	11,259	11,995
Interest expenses	2,801	4,020	852	835	170	205	-	-	197	213	(99)	(128)	3,921	5,145
Total Operating income	4,270	4,290	1,299	891	260	219	1,800	1,722	299	228	(590)	(500)	7,338	6,850
Credit losses	353	891	38	3	5	-	-	-	-	-	-	-	396	894
Net operating income	3,917	3,399	1,261	888	255	219	1,800	1,722	299	228	(590)	(500)	6,942	5,956
Depreciation	78	92	26	19	8	5	5	12	1	5	22	16	140	149
Segment result	2,255	1,908	686	498	137	123	574	281	158	128	(168)	(121)	3,642	2,817
VAT on financial services													252	170
Share of profit/(loss) of an associate (net of tax)													(7)	-
Income tax expenses													1,034	773
Profit attributable to equity holder													2,349	1,874
As at 30th September														
Segment Assets	79,751	80,114	26,561	19,332	8,292	6,672	5,167	4,581	6,879	8,712	(4,990)	(4,881)	121,660	114,530
Total Assets	79,751	80,114	26,561	19,332	8,292	6,672	5,167	4,581	6,879	8,712	(4,990)	(4,881)	121,660	114,530
Segment Liabilities	63,657	64,578	21,201	15,582	6,619	5,378	3,689	3,692	5,491	7,022	(2,693)	(2,672)	97,964	93,580
Total Liabilities	63,657	64,578	21,201	15,582	6,619	5,378	3,689	3,692	5,491	7,022	(2,693)	(2,672)	97,964	93,580

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

INFORMATION ON ORDINARY SHARES OF THE COMPANY

MARKET PRICE

	2015 Rs.	2014 Rs.
Highest price during the quarter ended 30th September :	26.50	20.00
Lowest price during the quarter ended 30th September :	21.90	15.80
Closing price as at 30th September :	22.10	19.90

ISSUED CAPITAL

Issued Capital as at 30th September 2015 was represented by the number of shares in issue as given below;

As at 30th September 2015 Number	As at 30th September 2014		Rs.	Rs.
	Rs.	Number		
Ordinary shares	1,579,862,482	11,886,073,308	1,579,862,482	11,886,073,308
Transfer from preference shares on redemption	-	1,150,000,000	-	950,000,000
Total	1,579,862,482	13,036,073,308	1,579,862,482	12,836,073,308

SHAREHOLDERS' INFORMATION

TWENTY LARGEST ORDINARY SHAREHOLDERS AS AT 30TH SEPTEMBER 2015

Twenty largest ordinary shareholders of the Company as at 30th September 2015 were as follows;

No.	Name of the Shareholder	No. of Shares	%
1	People's Bank	1,184,896,862	75.00
2	BNYM SA/NV-Neon Liberty Lorikeet Master Fund LP	63,069,853	3.99
3	National Savings Bank	44,990,757	2.85
4	Employees Provident Fund	43,643,831	2.76
5	HSBC Intl Nom Ltd - SSBT -Wasatch Frontier Emerging Small Countries Fund	24,753,100	1.57
6	Bank of Ceylon No. 1 Account	11,453,600	0.72
7	BNYM SA/NV-Frontier Market Opportunities Master FD,L.P.	10,150,000	0.64
8	BNY-CF Ruffer Investment Funds: CF Ruffer Pacific Fund	10,000,000	0.63
9	Mellon Bank N.A. - Acadian Frontier Markets Equity Fund	8,329,273	0.53
10	Northern Trust Company S/A Ashmore Emerging Markets Frontier Equity Fund	8,183,492	0.52
11	Mr. Y.S.H.I. Silva	7,445,555	0.47
12	BNYM SA/NV-Frontier Market Select Fund II L.P.	7,370,008	0.47
13	AIA Insurance Lanka PLC A/C No. 07	5,376,721	0.34
14	Ceylon Investment PLC A/C # 01	4,954,891	0.31
15	BNYM SA/NV-NLCF Fund LP	4,916,003	0.31
16	Sri Lanka Insurance Corporation Ltd - General Fund	4,033,000	0.26
17	Union Assurance PLC/No - 01A/C	3,821,672	0.24
18	CB NY S/A Wasatch Frontier Emerging Small Countries CIT Fund	3,732,745	0.24
19	Northern Trust Global Services Ashmore Sicav Emerging Markets Frontier Equity Fund a Sub Fund of Ash	2,383,305	0.15
20	Deutsche Bank AG as Trustee to Candor Growth Fund	2,358,804	0.15

PUBLIC HOLDING

The percentage of ordinary shares held by the public as at 30th September 2015 was 24.84% and the number of shareholders representing the public holding was 8,989.

DIRECTORS'/ CEO'S HOLDING IN SHARES AS AT 30TH SEPTEMBER 2015

The number of ordinary shares held by the directors and CEO as at 30th September 2015 were as follows;

Name	Position	No. of Shares
Mr. Hemasiri Fernando	Chairman	-
Mr. Michael Pradeep Amirthanayagam	Deputy Chairman	-
Mr. Jehan Prasanna Amaratunga	Director	-
Mr. N. Vasantha Kumar	Director	1,000,000
Mr. Johnson Anthony Fernando	Director	-
Mr. Mohamed Anise Mohamed Rizwan	Director	-
Mr. Rathnayake Mudiyansele Jayasena	Director	-
Dr. Ali Asgar Shabbir Gulamhusein	Director	50,000
Mr. Don Padmasiri Kumarage	CEO	573,258

EXPLANATORY NOTES

1. There are no significant changes in the accounting policies and methods of computation since the publication of financial statements in the annual report for the year 2014/15.
2. The Interim Financial Statements for the six months ended 30th September 2015 are drawn up from unaudited accounts of the Company, its subsidiary companies: People's Leasing Property Development Limited, People's Leasing Fleet Management Limited, People's Insurance Limited, People's Leasing Havelock Properties Limited, People's Microfinance Limited and its associate: People's Merchant Finance PLC ('PMB').
3. The Interim Financial Statements are in compliance with the Sri Lanka Accounting Standard - LKAS 34: 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. All known expenses including management fees and similar expenses have been provided for in these financial statements.
5. During the six months ended 30th September 2015 the Company redeemed 10,000,000 preference shares at Rs. 10/- each. (5,000,000 on 30th April 2015 and 5,000,000 on 30th September 2015).
6. Mr. Rathnayake Mudiyansele Jayasena and Dr. Ali Asgar Shabbir Gulamhusein were appointed as Independent, Non-Executive Directors with effect from 7th May 2015 and 23rd July 2015 respectively.
7. The Company paid a final dividend of Rs. 0.50 (Cents Fifty) per share totaling to Rs. 789.9 million for the financial year 2014/15 on 10th July 2015.
8. In June 2015 the Company received Rs. 19,800,000/-, Rs. 6,750,000/- and Rs. 4,500,000/- from People's Leasing Property Development Limited, People's Leasing Fleet Management Limited and People's Microfinance Limited respectively as the final dividend for the financial year 2014/15.

On the 30th of September 2014 the Company received Rs. 108,626,843/- from People's Insurance Limited as an interim dividend for the financial year 2015.

9. People's Leasing & Finance PLC and People's Bank ('Joint Offerors') on 3rd July 2015 acquired a total of 6,461,543 ordinary shares at a price of Rs. 22 per share representing 9.57% of the voting rights in People's Merchant Finance PLC ('PMF'). Consequent to the aforesaid purchase of ordinary shares, the Joint Offerors owned 32,921,519 voting shares (48.77%) of PMF and as a result, the Joint Offerors were required to make a mandatory offer to the remaining shareholders of PMF.

On 7th July 2015 Joint Offerors announced a mandatory offer to purchase the remaining 34,578,481 ordinary shares aggregating to a total of 51.23% of the shares in issue of PMF at a price of Rs. 22 per share, being the highest price paid by the Joint Offerors during the period of one year prior to the date of the above acquisition.

On 28th August 2015 acceptances of the offer were received in respect of 25,948,729 ordinary shares. From such shares 12,974,364 ordinary shares were purchased by People's Leasing & Finance PLC thereby increasing its holding in PMF to 37.06% and PMF became an associate of People's Leasing & Finance PLC during the month of September 2015.

10. Pursuant to a direction issued by the Monetary Board of the Central Bank of Sri Lanka, the Company assumed duties as the Managing Agent of People's Merchant Finance PLC with effect from 14th July 2015.
11. As proposed in the interim budget presented to the parliament on 29th January 2015 one-off "Super Gain Tax" of 25% is to be levied on any company which posted a profit exceeding Rs. 2,000 million for the year of assessment 2013/14. Having recorded a post-tax profit of Rs. 3,123.7 million for the financial year 2013/14 People's Leasing & Finance PLC is subject to this proposal. However, the impact cannot be assessed at this point as the details of the computation is not yet known.
12. Except for note 11, there have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements.
13. There has been no significant change in the nature of the contingent liabilities for the six months ended 30th September 2015 which were disclosed in the Annual Report for the year ended 31st March 2015

DEBENTURE INFORMATION

MARKET PRICES FOR THE QUARTER ENDED 30TH SEPTEMBER 2015

Debenture Type	Highest Rs.	Lowest Rs.	Last Traded Rs.
2013 - 4 Years - 16.50% p.a. payable semi-annually	110.72	108.00	108.00
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		

INTEREST RATES

Debenture Type	Coupon Rate (%)	Annual Effective Rate (%)
2013 - 4 Years - 16.50% p.a. payable semi annually	16.50	17.18
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

INTEREST RATES OF COMPARABLE GOVERNMENT SECURITIES

6 Months Treasury Bill	7.07%
1 Year Treasury Bill	7.18%
3 Year Treasury Bond	8.18%
4 Year Treasury Bond	9.50%
5 Year Treasury Bond	9.58%
(Above rates are excluding 10% withholding tax)	

CURRENT YIELD & YIELD TO MATURITY

Debenture Type	Current Yield (%)	Yield to Maturity (%)
2013 - 4 Years - 16.50% p.a. payable semi-annually	14.90%	9.51%
2013 - 5 Years - 16.75% p.a. payable semi-annually	14.11%	9.42%
2013 - 5 Years - 17.00% p.a. payable annually	13.84%	8.77%
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%

RATIOS

	As at 30.09.2015	As at 31.03.2015
Debt to Equity Ratio (Times)	2.17	2.37
Interest Cover (Times)	1.82	1.58
Quick Asset Ratio (%)	79.38	69.62

RELATED PARTY DISCLOSURE

TRANSACTIONS WITH RELATED ENTITIES

Company

The Company had the under mentioned financial dealings during the financial year with the following related entities.

	Immediate Parent		Subsidiaries		Affiliates	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
Items in Statement of Profit or Loss						
Interest on term loans & bank overdraft	190,829	5,150	112,803	129,368	-	-
Building rent income	-	-	-	306	-	-
Building rent expenses	15,284	11,700	123,343	114,643	-	-
Shared fee income	-	-	44,722	30,471	-	-
Interest on deposits and savings	2,534	17,060	2,974	7,022	-	-
Interest on repo investments	3,659	7,881	-	-	-	-
Interest on treasury bills	125,564	154,855	-	-	-	-
Interest on preference shares	23,347	33,291	-	-	-	-
Interest on Asset backed securities	38,971	-	-	-	-	-
Dividend income	-	-	154,500	109,750	-	-
Expense on vehicle services & hiring	-	-	23,737	20,289	-	-
Insurance premium paid in respect of own policies	-	-	33,145	34,679	-	-
Service charges received	-	-	176,784	167,518	-	-
Introducing commission	-	-	478	-	-	-
Income on lease	2,924	5,777	-	-	-	-
Items in Statement of Financial Position						
Assets						
Current account balance	1,072,368	1,180,764	-	-	-	-
Fixed deposits, savings & RFC	93,745	135,012	-	-	-	-
Repo investments	-	413,918	-	-	-	-
Insurance service charges receivable	-	-	162,374	154,377	-	-
Amount due from	-	-	936,063	1,233,113	-	-
Investment in shares	-	-	1,875,000	1,875,000	586,427	205,160
Investment in treasury bills	3,890,489	3,658,976	-	-	-	-
Lease rental	37,413	93,959	-	-	-	-
Term loans	-	-	774,252	554,993	-	-
Liabilities						
Term loans & bank overdraft	5,679,277	695,646	-	-	-	-
Insurance premium payable in respect of customers introduced by the Company	-	-	610,941	543,333	-	-
Debentures	-	-	108,332	108,327	-	-
Deposits and savings	-	-	106,782	86,521	-	-
Investment in Asset backed securities	1,052,000	-	-	-	-	-
Placement fees on Asset backed securities	13,714	-	-	-	-	-
Investment in preference shares	230,866	450,999	-	-	-	-
Building rent payable	9,071	1,550	-	-	-	-
Transactions						
Transaction cost on debenture issue and securitisation	23,935	-	-	-	-	-
Off- Balance Sheet Items						
Guarantees	2,500	2,500	-	-	-	-
Undrawn facilities	50,000	50,000	325,000	225,000	-	-

CORPORATE INFORMATION

NAME OF COMPANY

People's Leasing & Finance PLC
(Subsidiary of People's Bank)

LEGAL FORM

Public Limited Liability Company
(Incorporated and domiciled in Sri Lanka)

DATE OF INCORPORATION

22nd August 1995

COMPANY REGISTRATION NUMBER

PB 647 PQ

ACCOUNTING YEAR-END

Mar-31

STOCK EXCHANGE LISTING

The Ordinary shares of the Company were quoted on the Main Board of the Colombo Stock Exchange (CSE) on 24th November 2011.

Senior, Unsecured, Redeemable, four year (2013/17) and five year (2013/18) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 4th April 2013.

Senior, Unsecured, Redeemable, three year (2014/17) and four year (2014/18) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 3rd October 2014.

REGISTERED OFFICE & PRINCIPLE PLACE OF BUSINESS

1161, Maradana Road, Borella
Colombo 08, Sri Lanka.
Postal Code: 00200
Telephone +94 11 2631631
Fax +94 11 2631980/81
Email: plclease@plc.lk
Web Address: www.plc.lk

COMPANY SECRETARY

Mr. Rohan Pathiraga

REGISTRARS

SSP Corporate Services (Pvt) Ltd
No. 101, Inner Flower Road,
Colombo 03, Sri Lanka.
Telephone: +94 11 2573894, +94 11 2576871
Fax: +94 11 2573609
E-mail: sspsec@sltnet.lk

AUDITORS

M/s. Ernst & Young
Chartered Accountants,
201, De Saram Place,
P.O. Box 101,
Colombo 10,
Sri Lanka.

BANKERS

People's Bank
Sampath Bank PLC
Bank of Ceylon

Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
HSBC
National Development Bank PLC
Nations Trust Bank PLC
Seylan Bank PLC
Standard Chartered Bank
Deutsche Bank
Habib Bank
Union Bank of Colombo PLC
Public Bank Berhad
Citibank N.A.
Indian Bank
Indian Overseas Bank
Pan Asia Banking Corporation PLC
Axis Bank

BRANCH OFFICES

Akuressa, Ambalangoda, Ambalanthota, Ampara, Anuradhapura, Awissawella, Badulla, Balangoda, Bandarawela, Battaramulla, Batticaloa, Benthotta, Chilaw, Chunnakam, Colpetty, Dambulla, Dehiwala, Deniyaya, Digana, Elpitiya, Embilipitiya, Galle, Gampaha, Gampola, Giriulla, Grandpass, Hambantota, Hatton, Havelock, Homagama, Horana, Ja-Ela, Jaffna, Kadawatha, Kaduwela, Kalawanchikudi, Kalmunai, Kalutara, Kandy, Kandy - Alsafa, Kanthale, Kattankudy, Kegalle, Kekirawa, Kelaniya, Kilinochchi, Kirindiwela, Kuliypitiya, Kurunegala, Mahaiyawa, Maharagama, Mahiyanganaya, Mannar, Matale, Matara, Mathugama,, Melsiripura, Merigama, Metropolitan, Minuwangoda, Monaragala, Moratuwa,, Mutur, Nawalapitiya, Negombo, Neluwa, Nittambuwa, Nugegoda, Nuwara Eliya, Panadura, Pettah, Pilimathalawa, Piliyandala, Polonnaruwa, Puttalam, Ratnapura, Tangalle, Thambuttegama, Thissamaharamaya, Trincomalee, Union Place, Vavuniya, Ward Place, Wariyapola, Wattala, Welimada, Wellawaya, Wellawatta, Wennappuwa

BOARD OF DIRECTORS AND BOARD SUB-COMMITTEES

BOARD OF DIRECTORS

Mr. Hemasiri Fernando - Chairman
Mr. M.P. Amirthanayagam - Deputy Chairman
Mr. J.P. Amaratunga
Mr. N.V. Kumar
Mr. J.A. Fernando
Mr. M.A.M. Rizwan
Mr. R.M. Jayasena
Dr. A.A.S. Gulamhusein

BOARD SUB-COMMITTEES

Integrated Risk Management Committee

Mr. M.P. Amirthanayagam - Chairman
Mr. N. Vasantha Kumar
Mr. D. P. Kumarage
Mr. Sanjeewa Bandaranayake
Mr. L. Fernando
Mr. R. Tennakoon

Board Audit Committee

Mr. J.P. Amaratunga - Chairman
Mr. M.P. Amirthanayagam
Mr. M.A.M. Rizwan

Remuneration & Nomination Committee

Mr. J.P. Amaratunga - Chairman
Mr. M.P. Amirthanayagam
Mr. J.A. Fernando

Related Party Transactions Review Committee

Mr. M.P. Amirthanayagam - Chairman
Mr. J.A. Fernando
Mr. M.A.M. Rizwan

Strategic Evaluation Committee

Mr. M.P. Amirthanayagam - Chairman
Mr. J.P. Amaratunga
Mr. N. Vasantha Kumar

SUBSIDIARY AND ASSOCIATE COMPANY SUBSIDIARY COMPANIES

People's Leasing Fleet Management Limited
People's Leasing Property Development Limited
People's Leasing Havelock Properties Limited
People's Insurance Limited
People's Microfinance Limited

ASSOCIATE COMPANY

People's Merchant Finance PLC

CORPORATE MEMBERSHIPS

Asian Leasing and Finance Association
Credit Information Bureau of Sri Lanka
Financial Ombudsman-Sri Lanka
Leasing Association of Sri Lanka

VEHICLE YARDS

No. 429, 2nd Division, Darly Road, Colombo 10, Sri Lanka.
No. 496, Makola North, Makola, Sri Lanka.
No. 225/D, Nayagala Road, Heiyanthuduwa, Mabima, Sri Lanka.
No.8, Pothuvil Road, Monaragala, Sri Lanka
Ketalagolla, Beligamuwa, Galewela, Sri Lanka

TAX PAYER IDENTITY NUMBER (TIN)

114 156396 0000

VAT REGISTRATION NUMBER

114 156396 7000

CENTRAL BANK REGISTRATION NUMBER

046 (Under the Finance Business Act No.42 of 2011)

CREDIT AGENCY STATUS

An approved Credit Agency under the Mortgage Act No.6 of 1949 and the Trust Receipt Ordinance No.12 of 1947 by the Department of Commerce.

CREDIT RATING

'AA-' (Ika) stable by Fitch Ratings Lanka Limited
'B+/B' stable by Standard & Poor's Rating Services
'B+' stable by Fitch Ratings International

**INTERIM
FINANCIAL
STATEMENTS**



PEOPLE'S LEASING & FINANCE PLC