**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. |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **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 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **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 | - |