



Senkadagala Finance PLC

**Interim Financial Statement for the period ended
31st March 2015**



**Fitch Ratings Lanka Limited:
BBB+(lka)**

Senkadagala Finance PLC
Income Statement

<i>For the three month period ended 31st March</i>	Company		Group	
	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.
Interest income	863,124,297	903,601,364	863,330,726	903,829,185
Interest expense	(405,038,331)	(456,191,823)	(404,070,171)	(454,840,994)
Net interest income	458,085,966	447,409,541	459,260,555	448,988,191
Fee and commission income	7,222,475	5,475,514	28,710,552	23,907,635
Fee and commission expense	(5,010,732)	(5,862,868)	(5,010,732)	1,601,726
Net fee and commission income	2,211,743	(387,354)	23,699,820	25,509,361
Net gain/(loss) from trading	577,105	1,164,457	577,105	1,164,457
Net gain from financial instruments designated at fair value through profit or loss	(3,514,042)	1,551,167	(3,514,042)	1,551,167
Other operating income	59,879,704	27,111,606	9,764,704	4,536,608
Total operating income	517,240,476	476,849,417	489,788,142	481,749,784
Impairment charge on individual impairment	1,199,282	(3,364,627)	1,199,282	(3,364,627)
Impairment charge on collective impairment	35,860,783	18,356,657	35,860,783	18,356,657
Other loan losses charge	(29,597,371)	(13,788,386)	(29,597,371)	(13,788,386)
Net operating income	524,703,170	478,053,061	497,250,836	482,953,428
Personnel expenses	(101,900,481)	(76,216,364)	(102,501,141)	(76,764,614)
Depreciation of property, plant and equipment	(32,893,678)	(40,972,057)	(33,175,123)	(41,241,307)
Amortization of intangible assets	(3,646,985)	(2,590,854)	(3,646,985)	(2,590,854)
Impairment loss of property, plant and equipment	-	(7,359,365)	-	(7,359,365)
Other expenses	(115,474,861)	(127,239,434)	(239,311,980)	(139,146,725)
Profit before VAT on financial services and Income Tax	270,787,165	223,674,987	118,615,607	215,850,563
Value Added Tax on financial services	(13,014,292)	(6,225,779)	(13,014,292)	(6,225,779)
Profit before Income Tax	257,772,873	217,449,208	105,601,315	209,624,784
Income tax expense	(181,885)	(61,793,500)	(6,037,346)	(66,939,143)
Profit for the period	257,590,988	155,655,708	99,563,969	142,685,641
Earnings per share	4.23	2.86	1.63	2.62

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

Senkadagala Finance PLC
Statement of other comprehensive income

<i>For the three month period ended 31st March</i>	Company		Group	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Profit for the period	257,590,988	155,655,708	99,563,969	142,685,641
Other comprehensive income				
Actuarial gain/(loss) on defined benefit plans	65,082	(8,023,818)	65,082	(8,023,818)
Deferred tax on actuarial loss/ (gain)	(18,223)	2,246,668	(18,223)	2,246,668
Total other comprehensive income	46,859	(5,777,150)	46,859	(5,777,150)
Other comprehensive income for the period net of tax	46,859	(5,777,150)	46,859	(5,777,150)
Total comprehensive income for the period net of tax	257,637,847	149,878,558	99,610,828	136,908,491

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

Senkadagala Finance PLC
Income Statement

<i>For the year ended 31st March</i>	Company		Group	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Interest income	3,584,165,290	3,528,336,289	3,584,905,129	3,529,357,482
Interest expense	(1,750,531,743)	(1,868,498,663)	(1,746,294,517)	(1,864,955,704)
Net interest income	1,833,633,547	1,659,837,626	1,838,610,612	1,664,401,778
Fee and commission income	35,172,125	27,562,744	108,314,672	84,132,853
Fee and commission expense	(24,371,280)	(22,459,884)	(24,371,280)	(22,459,884)
Net fee and commission income	10,800,845	5,102,860	83,943,392	61,672,969
Net gain/(loss) from trading	4,146,462	2,200,750	4,146,462	2,200,750
Net gain from financial instruments designated at fair value through profit or loss	15,761,153	6,579,963	15,761,153	6,579,963
Other operating income	76,139,913	58,606,185	25,799,913	26,806,187
Total operating income	1,940,481,920	1,732,327,384	1,968,261,532	1,761,661,647
Impairment charge on individual impairment	(67,433)	(3,981,203)	(67,433)	(3,981,203)
Impairment charge on collective impairment	(73,567,087)	(111,801,021)	(73,567,087)	(111,801,021)
Other loan losses charge	(94,320,114)	(21,492,599)	(94,320,114)	(21,492,599)
Net operating income	1,772,527,286	1,595,052,561	1,800,306,898	1,624,386,824
Personnel expenses	(362,361,297)	(302,156,842)	(364,871,212)	(304,280,843)
Depreciation of property, plant and equipment	(169,685,868)	(143,308,034)	(170,776,393)	(144,356,741)
Amortization of intangible assets	(12,604,089)	(9,793,311)	(12,604,089)	(9,793,311)
Impairment loss of property, plant and equipment	-	(7,359,365)	-	(7,359,365)
Other expenses	(525,376,403)	(475,380,558)	(651,637,187)	(481,544,124)
Profit before VAT on financial services and Income Tax	702,499,629	657,054,451	600,418,017	677,052,440
Value Added Tax on financial services	(49,585,791)	(34,637,168)	(49,585,791)	(34,637,168)
Profit before Income Tax	652,913,838	622,417,283	550,832,226	642,415,272
Income tax expense	(107,800,624)	(87,475,250)	(127,868,558)	(103,100,604)
Profit for the year	545,113,214	534,942,033	422,963,668	539,314,668
Earnings per share	8.94	9.83	6.94	9.91
Dividends per share	1.35	2.59		

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Senkadagala Finance PLC
Statement of other comprehensive income

<i>For the year ended 31st March</i>	Company		Group	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Profit for the year	545,113,214	534,942,033	422,963,668	539,314,668
Other comprehensive income				
Actuarial gain/(loss) on defined benefit plans	65,082	(8,023,818)	65,082	(8,023,818)
Deferred tax on actuarial loss/ (gain)	(18,223)	2,246,668	(18,223)	2,246,668
Total other comprehensive income	46,859	(5,777,150)	46,859	(5,777,150)
Other comprehensive income for the year net of tax	46,859	(5,777,150)	46,859	(5,777,150)
Total comprehensive income for the year net of tax	545,160,073	529,164,883	423,010,527	533,537,518

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Senkadagala Finance PLC
Statement of financial position

As at 31st March	Company		Group	
	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.
Assets				
Cash and cash equivalents	404,636,587	404,047,840	427,778,741	420,155,384
Deposit with licensed commercial banks	748,158,081	-	748,158,081	-
Repurchase agreements	581,122,998	1,114,280,206	581,122,998	1,114,280,206
Financial assets held at fair value through profit or loss	91,529,199	74,912,286	91,529,199	74,912,286
Finance leases	8,151,414,340	6,001,775,609	8,151,414,340	6,001,775,609
Hire purchases	4,925,414,552	6,167,957,766	4,925,414,552	6,167,957,766
Other loans and receivables	506,098,773	505,808,366	506,098,773	505,808,366
Financial assets available for sale	12,171,887	11,999,283	12,171,887	11,999,283
Financial assets held to maturity	1,062,930,849	554,773,253	1,062,930,849	554,773,253
Investments in subsidiary	320,000,000	20,000,000	-	-
Investment property	79,327,971	79,631,009	79,327,971	79,631,009
Property, plant and equipment	966,979,022	738,368,098	1,155,502,657	742,932,333
Intangible assets	82,027,681	39,732,996	82,027,681	39,732,996
Due from Related party	1,452,369	-	-	-
Other assets	143,839,814	156,389,777	144,117,918	156,524,777
Total assets	18,077,104,123	15,869,676,489	17,967,595,647	15,870,483,268
Liabilities				
Due to banks	2,928,337,801	1,406,252,190	2,940,860,735	1,419,144,263
Deposits from customers	6,541,895,759	5,624,399,485	6,519,521,274	5,587,138,393
Other borrowings	1,859,354,847	2,092,465,288	1,859,354,847	2,092,465,288
Debt securities issued	2,319,430,013	2,897,074,338	2,319,430,013	2,897,074,338
Deferred tax liability	197,115,561	155,731,632	197,139,902	155,767,756
Current tax liabilities	(1,384,413)	39,915,676	13,655,300	59,561,835
Other liabilities	372,039,311	239,667,291	374,248,215	240,018,643
Employee benefits	60,691,494	52,115,958	60,768,994	52,115,958
Subordinated liabilities	1,260,306,634	1,260,272,122	1,260,306,634	1,260,272,122
Total liabilities	15,537,787,007	13,767,893,980	15,545,285,914	13,763,558,596
Equity				
Stated capital	1,008,062,200	747,152,000	1,008,062,200	747,152,000
Statutory reserve fund	230,036,033	195,036,033	230,036,033	195,036,033
Investment fund account	-	170,628,603	-	170,628,603
Retained earnings	1,301,218,883	988,965,873	1,184,211,500	994,108,036
Total equity	2,539,317,116	2,101,782,509	2,422,309,733	2,106,924,672
Total liabilities and equity	18,077,104,123	15,869,676,489	17,967,595,647	15,870,483,268
Net assets per share	38.93	35.80	37.14	35.89

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.

S D Bandaranayake
Additional Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board.

Sgd.

W M R S Dias
Chairman

Colombo, Sri Lanka
25th May, 2015

Sgd.

Dr. M Balasuriya
Director

Senkadagala Finance PLC
Statement of changes in equity

<i>For the year ended 31st March</i>	Stated capital	Statutory reserve fund	Investment fund account	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Company					
Balance as at 1st April 2013	533,680,000	165,036,033	154,759,694	720,570,975	1,574,046,702
Total comprehensive income					
Profit for the year	-	-	-	534,942,033	534,942,033
Other comprehensive income, net of tax	-	-	-	(5,777,150)	(5,777,150)
Issue of shares	213,472,000	-	-	-	213,472,000
Transfers to reserves	-	30,000,000	15,868,909	(45,868,909)	-
Dividends paid	-	-	-	(214,901,076)	(214,901,076)
Balance as at 31st March 2014	<u>747,152,000</u>	<u>195,036,033</u>	<u>170,628,603</u>	<u>988,965,873</u>	<u>2,101,782,509</u>
Balance as at 1st April 2014	747,152,000	195,036,033	170,628,603	988,965,873	2,101,782,509
Total comprehensive income					
Profit for the year	-	-	-	545,113,214	545,113,214
Other comprehensive income, net of tax	-	-	-	46,859	46,859
Bonus issue of shares	260,910,200	-	-	(260,910,200)	-
Transfers to reserves	-	35,000,000	(170,628,603)	135,628,603	-
Dividends paid	-	-	-	(107,625,466)	(107,625,466)
Balance as at 31st March 2015	<u>1,008,062,200</u>	<u>230,036,033</u>	<u>-</u>	<u>1,301,218,883</u>	<u>2,539,317,116</u>
Group					
Balance as at 1st April 2013	533,680,000	165,036,033	154,759,694	721,340,503	1,574,816,230
Total comprehensive income					
Profit for the year	-	-	-	539,314,668	539,314,668
Other comprehensive income, net of tax	-	-	-	(5,777,150)	(5,777,150)
Issue of shares	213,472,000	-	-	-	213,472,000
Transfers to reserves	-	30,000,000	15,868,909	(45,868,909)	-
Dividends paid	-	-	-	(214,901,076)	(214,901,076)
Balance as at 31st March 2014	<u>747,152,000</u>	<u>195,036,033</u>	<u>170,628,603</u>	<u>994,108,036</u>	<u>2,106,924,672</u>
Balance as at 1st April 2014	747,152,000	195,036,033	170,628,603	994,108,036	2,106,924,672
Total comprehensive income					
Profit for the year	-	-	-	422,963,668	422,963,668
Other comprehensive income, net of tax	-	-	-	46,859	46,859
Bonus issue of shares	260,910,200	-	-	(260,910,200)	-
Transfers to reserves	-	35,000,000	(170,628,603)	135,628,603	-
Dividends paid	-	-	-	(107,625,466)	(107,625,466)
Balance as at 31st March 2015	<u>1,008,062,200</u>	<u>230,036,033</u>	<u>-</u>	<u>1,184,211,500</u>	<u>2,422,309,733</u>

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Senkadagala Finance PLC

Statement of cash flows

<i>For the year ended 31st March</i>	Company		Group	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities				
Interest and commission receipts	3,584,665,629	3,393,655,915	3,658,548,015	3,451,247,217
Interest payments	(1,833,991,872)	(1,825,474,151)	(1,829,754,646)	(1,821,931,192)
Recoveries of bad debts	38,180,282	38,542,988	38,180,282	38,542,988
Other operating income	10,270,655	8,319,392	9,970,655	8,019,394
Operating expenditure	(728,432,935)	(594,402,107)	(739,002,409)	(600,565,674)
Cash payments to employees	(351,360,321)	(291,104,599)	(353,792,736)	(293,228,599)
Operating cash flow before changes in operating assets and liabilities (Note A)	719,331,438	729,537,438	784,149,161	782,084,135
(Increase) / Decrease in operating assets and liabilities				
Net funds advanced to customers	(949,749,593)	(1,081,213,509)	(949,749,593)	(1,081,213,511)
Deposits from customers	917,496,274	2,211,935,395	932,382,881	2,184,697,224
Deposits with licensed commercial banks	(748,158,081)	1,061,779,016	(748,158,081)	1,061,779,016
Investments in government and other securities	24,999,612	(1,203,435,524)	24,999,612	(1,203,435,524)
Gratuity paid	(2,360,358)	(1,182,742)	(2,360,358)	(1,182,742)
Trade and other receivables	11,097,594	(26,454,691)	12,406,859	(26,589,691)
Other liabilities	186,002,838	6,797,596	188,897,396	11,731,087
	(560,671,714)	968,225,541	(541,581,284)	945,785,861
Net cash outflow from operating activities before taxation	158,659,724	1,697,762,979	242,567,877	1,727,869,996
Taxes paid	(110,350,861)	(105,786,833)	(137,056,527)	(107,016,274)
Net cash used in operating activities	48,308,863	1,591,976,146	105,511,349	1,620,853,722
Cash flows from investing activities				
Investments in subsidiary company	(300,000,000)	-	(299,735,937)	-
Net investment in trading securities	3,188,981	1,380,653	3,188,981	1,380,653
Net investment in investment securities	-	9,086,315	-	9,086,315
Purchase of financial assets available for sale	(172,604)	(166,150)	(172,604)	(166,150)
Dividend receipts on investments	52,374,192	33,595,081	2,334,192	2,095,081
Purchase of property, plant and equipment	(418,231,256)	(398,502,230)	(418,254,056)	(399,867,501)
Purchase of intangible assets	(54,898,774)	(9,011,798)	(54,898,774)	(9,011,798)
Proceeds from sale of property, plant and equipment	33,834,289	30,409,161	33,834,289	30,409,161
Net cash used in investing activities	(683,905,172)	(333,208,967)	(733,703,909)	(366,074,238)
Cash flows from financing activities				
Shares issued	-	213,472,000	-	213,472,000
Subordinated liabilities	-	1,250,000,000	-	1,250,000,000
Securitized loans obtained	3,382,550,000	1,860,000,000	3,382,550,000	1,860,000,000
Repayment of loans	(2,049,965,325)	(4,612,100,421)	(2,049,965,325)	(4,612,100,421)
Debentures issued	-	1,160,000,000	-	1,160,000,000
Redemption of debenture	(554,000,000)	(875,000,000)	(554,000,000)	(875,000,000)
Dividends paid	(158,640,430)	(161,253,503)	(158,640,430)	(161,253,503)
Net cash generated from financing activities	619,944,245	(1,164,881,924)	619,944,245	(1,164,881,924)

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Senkadagala Finance PLC
Statement of cash flows (Continued)

<i>For the year ended 31st March</i>	Company		Group	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Net increase / (decrease) in cash and cash equivalents	(15,652,064)	93,885,255	(8,248,315)	89,897,560
Cash and cash equivalents at the beginning of the year	328,341,651	234,456,396	331,557,122	241,659,562
Cash and cash equivalents at the end of the year	<u>312,689,587</u>	<u>328,341,651</u>	<u>323,308,807</u>	<u>331,557,122</u>
Reconciliation of cash and cash equivalents				
Cash and cash equivalents	404,636,587	404,047,840	427,778,741	420,155,384
Bank overdraft	(91,947,000)	(75,706,189)	(104,469,934)	(88,598,262)
	<u>312,689,587</u>	<u>328,341,651</u>	<u>323,308,807</u>	<u>331,557,122</u>
Note A				
Reconciliation of operating profit				
Profit before income tax	652,913,838	622,417,283	550,832,226	642,415,272
Depreciation	182,289,957	153,101,345	183,380,482	154,150,053
Dividend receipts on investments	(52,374,192)	(33,595,081)	(2,334,192)	(2,095,081)
Profit on disposal of motor vehicles	(13,596,788)	(11,264,964)	(13,596,788)	(11,264,964)
Provision for defined benefit plan	11,000,976	11,052,243	11,078,476	11,052,243
Impairment of financial assets	73,634,520	115,782,223	73,634,520	115,782,223
Impairment of investment of associate company	-	(13,957,555)	-	(13,957,555)
Loan losses and write offs	3,400,935	12,068,645	3,400,935	12,068,645
Gain on mark to market valuation of shares	(15,761,153)	(6,579,963)	(15,761,153)	(6,579,963)
Capital (gain)/ loss on sale of shares	(4,044,740)	(2,085,318)	(4,044,740)	(2,085,318)
Gains form sale of group investments	-	(5,542,180)	-	(5,542,180)
Interest accrued on loans and advances	(34,671,786)	(162,243,118)	(34,671,786)	(162,243,118)
Accrued interest on borrowings	(95,780,231)	21,050,858	(95,780,231)	21,050,858
Amortization of structural fees	35,929,915	17,908,588	35,929,915	17,908,588
Accrued interest on debenture	(23,609,813)	4,065,066	(23,609,813)	4,065,066
Impairment loss of property, plant and equipment	-	7,359,366	-	7,359,366
Impairment loss of goodwill acquired in a business combination	-	-	81,074,268	-
Amount Write-off during the year-NCL	-	-	34,617,042	-
	<u>719,331,438</u>	<u>729,537,438</u>	<u>784,149,161</u>	<u>782,084,135</u>

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Senkadagala Finance PLC
Segment report

As at 31st March	Leasing		Hire Purchases		Pawning advances		Other Advances		Investments / Property		Insurance		Unallocated		Total	
	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.
<i>Revenue</i>																
Interest	1,424,612,045	1,398,979,560	1,472,811,593	1,486,218,967	19,255,735	19,137,515	86,828,699	78,100,608	185,424,641	166,101,543	-	-	-	-	3,188,932,713	3,148,538,193
Trading	-	-	-	-	-	-	-	-	19,805,893	8,665,281	-	-	101,722	115,432	19,907,615	8,780,713
Commissions	-	-	-	-	-	-	-	-	-	-	73,766,050	57,205,778	-	-	73,766,050	57,205,778
Rent	-	-	-	-	-	-	-	-	1,686,607	1,659,821	-	-	-	-	1,686,607	1,659,821
Dividends	-	-	-	-	-	-	-	-	2,334,192	2,095,081	-	-	-	-	2,334,192	2,095,081
Other income	-	-	-	-	-	-	-	-	13,596,788	16,807,144	-	-	-	-	438,703,364	413,990,505
Total revenue	1,424,612,045	1,398,979,560	1,472,811,593	1,486,218,967	19,255,735	19,137,515	86,828,699	78,100,608	222,848,121	195,328,870	73,766,050	57,205,778	438,805,086	414,105,937	3,738,927,329	3,649,077,235
Profit before tax															550,832,226	642,415,272
Taxation															(127,868,558)	(103,100,604)
Profit after tax															422,963,668	539,314,668
<i>Segment Assets</i>	8,151,414,340	6,001,775,609	4,925,414,552	6,167,957,766	101,408,214	102,884,961	404,690,559	402,923,405	3,624,247,688	2,613,697,131	26,766,334	20,806,779	733,653,960	560,437,617	17,967,595,647	15,870,483,268
<i>Segment Liabilities</i>	6,030,687,842	5,347,873,660	6,234,726,849	5,681,363,398	81,513,650	73,156,903	367,564,476	298,554,887	943,363,815	746,682,904	28,765,890	32,925,708	1,858,663,392	1,583,001,136	15,545,285,914	13,763,558,596
<i>Information on Cash flows</i>																
Operating activities	368,674,446	900,000,200	914,464,165	1,007,520,399	3,944,137	9,017,499	26,843,455	37,677,503	(1,084,011,218)	(232,005,966)	53,265,261	25,634,613	(177,668,897)	(126,990,530)	105,511,349	1,620,853,722
Investing activities	-	-	-	-	-	-	-	-	(294,385,368)	12,395,900	-	-	33,834,289	30,409,161	(260,551,079)	42,805,060
Capital expenditure	(214,966,591)	(154,312,787)	(129,891,517)	(158,585,528)	(2,674,306)	(2,645,295)	(10,672,375)	(10,359,640)	(95,577,545)	(67,201,261)	(22,800)	(1,365,270)	(19,347,696)	(14,409,518)	(473,152,830)	(408,879,298)
Financing activities	-	-	-	-	-	-	-	-	-	-	-	-	619,944,245	(1,164,881,924)	619,944,245	(1,164,881,924)
Net cash flow	153,707,855	745,687,413	784,572,649	848,934,871	1,269,831	6,372,204	16,171,080	27,317,863	(1,473,974,131)	(286,811,327)	53,242,460	24,269,343	456,761,941	(1,275,872,810)	(8,248,315)	89,897,560
<i>Depreciation and amortisation</i>	(103,617,667)	(69,285,478)	(62,609,989)	(71,203,912)	(1,289,062)	(1,187,721)	(5,144,272)	(4,651,414)	(303,038)	(303,038)	(1,078,900)	(1,048,707)	(9,337,554)	(6,469,783)	(183,380,482)	(154,150,052)

Senkadagala Finance PLC**Performance indicators**

<i>As at 31st March</i>	2015	2014	MINIMUM STATUTORY REQUIREMENT
Capital Adequacy			
Core capital (Tier 1) Rs. mn.	2,539.32	1,931.15	
Total capital base (Tier 2) Rs. mn.	3,523.98	2,886.98	
Core capital ratio	16.6%	14.0%	5%
Total capital ratio	23.0%	20.9%	10%
Capital funds to Total deposits ratio	39.9%	34.3%	10%
Asset Quality (As per Central Bank of Sri Lanka regulations)			
Total advances Rs. mn.	14,015.72	13,144.60	
Gross non-performing advances Rs. Mn.	602.74	455.93	
Net non-performing advances Rs. Mn.	378.51	399.00	
Gross non-performing advances ratio	4.30%	3.48%	
Net non-performing advances ratio	2.70%	3.04%	
Profitability			
Net interest margin	11.8%	11.8%	
Return on average assets	4.1%	3.5%	
Return on equity	30.3%	29.1%	
Liquidity			
Total liquid assets Rs. Mn.	2,796.85	2,073.10	
Liquid assets ratio	32.60%	26.34%	10%
Government securities Rs. Mn.	1,062.93	379.86	
Government securities to average deposits ratio	17.47%	8.41%	7.5%
Debt			
Debt-to-Equity ratio	3.30 : 1	3.64 : 1	
Interest cover	1 : 37	1 : 33	
Interest rate of comparable government securities			
6 month treasury bill	6.70%	6.82%	
3 year treasury bond	8.40%	8.30%	
4 year treasury bond	8.80%	8.90%	
5 year treasury bond	8.85%	9.18%	

The above figures are provisional and subject to audit.

Senkadagala Finance PLC
Notes to the Financial Statements

1 General

The interim financial statements of the Company have been prepared on the basis of the accounting policies and methods of computation applied in the year ended March 31, 2014 and are in accordance with Sri Lanka Accounting Standards (LKAS/SLFRS). The interim financial statements are prepared in compliance with Sri Lanka Accounting Standard (LKAS) 34 - Interim Financial Reporting.

- 2 There were no material changes in the composition of assets, liabilities, contingent liabilities and the use of funds raised through debentures during the quarter.
- 3 All known expenses have been provided for in these financial statements.
- 4 The board of directors has declared following dividend payments with the approval of the Central Bank of Sri Lanka,

	Dividend per share (Rs.)	Total dividend payment (Rs.)	Payment date
3rd Interim dividend 2013/14	0.80	52,182,044	09-06-2014
Final dividend 2013/14	0.80	52,182,044	26-09-2014
1st Interim dividend 2014/2015	0.85	55,443,421	20-02-2015

The board has declared a second interim dividend approved by the Central Bank of Sri Lanka of Rs. 0.50 per share. Total amount to Rs. 32,613,777/50 paid on May 15, 2015.

5 *Debenture Information*

- 5.1 During the year ended, details of debenture movements are as follows,

Type of Debenture	New Issues Rs.	Reinvested Rs.	Redemptions Rs.
Unlisted privately placed 5 year Unsecured Redeemable Debentures	-	-	200 million
Unlisted privately placed 2 year Secured Redeemable Debentures	-	-	320 million
Rated Unlisted Debenture			340 million

5.2 Information on listed debenture

Type of Debenture	Last traded Rs.	Annual effective %	Current yield %	Yield to maturity %
3 year - 17.00% payable quarterly	111.90	18.11%	18.11%	18.11%
4 year - 17.25% payable quarterly	117.19	18.40%	18.40%	18.40%
4 year - 6 months gross T-bill rate +2.50% payable semi-annually	Not traded	13.96%	Not traded	Not traded
5 year - 15.00% payable quarterly	110.27	15.87%	11.48%	2.93%

6 *Share information*

6.1 Directors' shareholdings

The number of shares held by the board of directors and their close family members are as follows

	As at 31.03.2015
1. Dr. A. Balasuriya	3,747,127
2. Dr. A. Balasuriya & Mr. D. Balasuriya	3,858
3. Dr. A. Balasuriya & Mr. S. Balasuriya	3,857
4. Dr. M. Balasuriya	3,754,842
5. Mrs. L. Fernando	3,141,113
6. Mr. L. Balasuriya & Ms. A. S. Balasuriya	1,877,420
7. Mr. L. Balasuriya & Mr. K. S. Balasuriya	1,877,421
8. Mrs. L. Fernando & Ms. S.A. Fernando	2,572
9. Mrs. L. Fernando & Ms. A.R. Fernando	2,571
10. Mrs. L. Fernando & Ms. A.L. Fernando	2,571
11. Mr. L. Balasuriya - The Trustee of the Capitalisation Issue	15
12. Mr. W. A. T. Fernando	Nil
13. Dr. P. Ramanujam	Nil
14. Mr. S. S. Kulatunga	Nil
15. Mr. S. D. Bandaranayake	Nil
16. Mr. D.T.P.Collure	Nil
17. Mr. W.M.R.S. Dias	Nil

6.2 Stated Capital

Stated capital is represented by the number of shares in issue as set out below:

As at	31.03.2015	31.03.2014
Ordinary shares	65,227,555	58,704,800

Senkadagala Finance PLC
Notes to the Financial Statements (contd.)

6.3 The 20 largest shareholders of the company as at 31st March 2015 were:

Shareholder	Number of Shares	%
1. E. W. Balasuriya & Co. (Pvt) Limited	36,697,014	56.27
2. Hallsville Trading Group Inc.	5,164,444	7.92
3. Dr. M. Balasuriya	3,754,842	5.76
4. Dr. (Mrs.) G. Madan Mohan	3,754,841	5.76
5. Dr. A. Balasuriya	3,747,127	5.75
6. Mr. R. Balasuriya	3,406,480	5.22
7. Mrs. L. Fernando	3,141,113	4.82
8. Mr. L. Balasuriya & Ms. A. S. Balasuriya	1,877,421	2.88
9. Mr. L. Balasuriya & Mr. S. K. Balasuriya	1,877,420	2.88
10. Mr. D. K. C. R. Fernando	606,014	0.93
11. Mr. R. Balasuriya	348,362	0.53
12. Mrs. S. Thaha	172,890	0.27
13. Mrs. C. Fernando	172,888	0.27
14. Estate of the late Mr. D. G. K. Hewamallika	172,888	0.27
15. Mrs. Sheeraz Sellamuttu	129,666	0.20
16. Mr. Ifthikar Mubarak Thaha	129,666	0.20
17. Mr. M. M. Ariyaratne	28,488	0.04
18. Mr. P. P. K. Ikirowatte	15,280	0.02
19. Mr. J. K. Jayatileke	15,267	0.02
20. Dr. A. Balasuriya & Mr. D. Balasuriya	3,858	0.01
	65,215,969	

6.4 The percentage of shares held by the public on 31st March 2015 was 21.60% (2014 - 21.71%)

6.5 Information on Ratios and Share Prices

	31-Mar-2015	31-Mar-2014
Dividend per share (Rs.)	1.35	2.59
Net Assets per share (Rs.)	38.93	35.80
Market Prices		
- Highest price	60.00	50.00
- Lowest price	60.00	50.00
- Last traded price	60.00	50.00

7 There have been no other events subsequent to the Reporting period, which require disclosure in the Interim Financial Statement.

The company has been affirmed a long - term rating of BBB+ (lka) with a stable outlook by Fitch Ratings Lanka Limited.