



# Senkadagala Finance PLC

**Interim Financial Statement for the period ended  
30<sup>th</sup> June 2017**



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

**Senkadagala Finance PLC**

## ***Income statement***

<b><i>For the three months period ended 30th June</i></b>	<b>Company</b>		<b>Group</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Interest income	1,492,105,892	1,053,045,351	1,492,616,009	1,053,430,690
Interest expense	(810,044,406)	(491,163,199)	(809,090,127)	(490,632,581)
Net interest income	682,061,486	561,882,152	683,525,882	562,798,109
Fee and commission income	30,259,171	36,780,727	63,959,574	61,067,135
Fee and commission expense	(3,577,565)	(2,547,235)	(3,577,565)	(2,547,235)
Net fee and commission income	26,681,606	34,233,492	60,382,009	58,519,900
Net gain from trading	-	201,120	-	201,120
Net loss from financial instruments designated at fair value through profit or loss	8,529,978	1,419,495	8,529,978	1,419,495
Other operating income	15,308,776	19,692,506	18,981,676	23,244,506
Total operating income	732,581,846	617,428,765	771,419,545	646,183,130
Impairment (charge) / reversal on individual impairment	(5,752,748)	2,272,218	(5,752,748)	2,272,218
Impairment charge on collective impairment	(31,953,532)	(1,882,157)	(31,953,532)	(1,882,157)
Other loan losses reversal	13,576,861	7,629,088	13,576,861	7,629,088
Net operating income	708,452,427	625,447,914	747,290,126	654,202,279
Personnel expenses	(147,230,108)	(118,955,205)	(148,247,895)	(120,230,280)
Depreciation of property, plant and equipment	(70,593,761)	(58,767,755)	(71,655,179)	(59,880,216)
Amortization of intangible assets	(3,741,811)	(3,500,957)	(3,741,811)	(3,500,957)
Other expenses	(216,809,360)	(165,995,199)	(217,865,543)	(166,834,230)
Operating profit before value added tax on financial services	270,077,387	278,228,798	305,779,698	303,756,596
Value added tax on financial services	(46,110,488)	(43,917,257)	(46,110,488)	(43,917,257)
Profit before income tax	223,966,899	234,311,541	259,669,210	259,839,339
Income tax expense	(78,468,761)	(108,947,634)	(87,324,949)	(116,117,130)
Profit for the period	145,498,138	125,363,907	172,344,261	143,722,209
Earnings per share - Basic / (Diluted)	2.17	1.90	2.57	2.18

*Figures in brackets indicate deductions.*

*The above figures are provisional and subject to audit*

***Statement of other comprehensive income***

<b><i>For the three months period ended 30th June</i></b>	<b>Company</b>		<b>Group</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Profit for the period	145,498,138	125,363,907	172,344,261	143,722,209
<b>Other comprehensive income</b>				
<b>Items that are or may be reclassified to profit or loss</b>				
Net change in fair value of available for sale financial assets	5,243,389	-	5,243,389	-
	5,243,389	-	5,243,389	-
Other comprehensive income for the period net of tax	5,243,389	-	5,243,389	-
Total comprehensive income for the period net of tax	150,741,527	125,363,907	177,587,650	143,722,209

*Figures in brackets indicate deductions.*

*The above figures are provisional and subject to audit*

## Statement of financial position

As at	Company			Group		
	30.06.2017 Rs.	31.03.2017 Rs.	30.06.2016 Rs.	30.06.2017 Rs.	31.03.2017 Rs.	30.06.2016 Rs.
<b>Assets</b>						
Cash and cash equivalents	577,536,901	604,224,835	497,730,205	599,152,768	620,729,074	512,807,422
Deposits with licensed commercial banks	1,151,475,334	2,424,623,839	713,637,364	1,151,475,334	2,424,623,839	713,637,364
Repurchase agreements	406,185,465	1,000,000,000	856,016,502	406,185,465	1,000,000,000	856,016,502
Financial assets held at fair value through profit or loss	90,031,552	80,032,551	84,548,466	90,031,552	80,032,551	84,548,466
Finance leases	21,148,275,401	20,014,694,207	15,273,545,730	21,148,275,401	20,014,694,207	15,273,545,730
Hire purchases	478,301,588	645,872,482	1,581,268,390	478,301,588	645,872,482	1,581,268,390
Other loans and receivables	3,687,161,302	3,097,021,373	1,180,842,126	3,687,161,302	3,097,021,373	1,180,842,126
Financial assets available for sale	109,943,509	79,700,121	66,400,083	109,943,509	79,700,121	66,400,083
Financial assets held to maturity	909,633,121	894,901,371	840,855,668	909,633,121	894,901,371	840,855,668
Investments in subsidiaries	320,000,000	320,000,000	320,000,000	-	-	-
Investment property	78,721,895	78,721,895	78,949,173	272,355,236	273,106,521	275,587,652
Property, plant and equipment	1,364,376,141	1,367,244,075	1,148,896,035	1,369,997,706	1,373,175,773	1,157,367,484
Intangible assets	67,183,042	70,924,853	65,393,788	132,003,256	135,745,067	130,214,002
Amounts due from related company	-	25,976	3,502,139	-	-	-
Current tax recoverable	72,045,431	64,822,514	-	54,918,561	46,858,845	-
Other assets	289,725,790	176,016,521	328,514,481	290,564,569	176,489,334	328,674,633
<b>Total assets</b>	<b>30,750,596,472</b>	<b>30,918,826,613</b>	<b>23,040,100,150</b>	<b>30,699,999,368</b>	<b>30,862,950,558</b>	<b>23,001,765,522</b>
<b>Liabilities</b>						
Due to banks	6,462,557,721	6,980,977,714	5,377,891,109	6,475,769,517	6,984,829,734	5,383,426,442
Deposits from customers	7,706,537,247	7,230,872,565	6,533,711,397	7,654,287,234	7,204,514,552	6,499,180,758
Other borrowings	6,617,103,697	6,762,753,851	4,262,714,714	6,617,103,697	6,762,753,851	4,262,714,714
Debt securities issued	3,007,103,596	3,683,045,483	1,374,172,030	3,007,103,596	3,683,045,483	1,374,172,030
Subordinated debentures	1,307,971,721	1,309,740,125	1,276,883,965	1,307,971,721	1,309,740,125	1,276,883,965
Deferred tax liabilities	669,435,580	607,702,150	473,492,043	671,524,863	610,885,348	476,345,953
Amounts payable to related company	3,729,780	-	-	-	-	-
Current tax liabilities	-	-	17,891,885	-	-	33,063,961
Other liabilities	542,012,001	603,617,339	582,594,425	550,112,584	611,964,611	589,825,818
Employee benefits	81,122,018	78,499,749	61,162,254	81,506,410	78,848,705	61,413,695
<b>Total liabilities</b>	<b>26,397,573,361</b>	<b>27,257,208,976</b>	<b>19,960,513,822</b>	<b>26,365,379,622</b>	<b>27,246,582,409</b>	<b>19,957,027,336</b>
<b>Equity</b>						
Stated capital	1,587,862,680	1,008,062,200	1,008,062,200	1,587,862,680	1,008,062,200	1,008,062,200
Statutory reserve fund	310,036,033	310,036,033	265,036,033	310,190,064	310,190,064	265,059,033
Available for sale reserve	9,604,572	4,361,183	3,774,586	9,604,572	4,361,183	3,774,586
Retained earnings	2,445,519,826	2,339,158,221	1,802,713,509	2,426,962,430	2,293,754,702	1,767,842,367
<b>Total equity</b>	<b>4,353,023,111</b>	<b>3,661,617,637</b>	<b>3,079,586,328</b>	<b>4,334,619,746</b>	<b>3,616,368,149</b>	<b>3,044,738,186</b>
<b>Total liabilities and equity</b>	<b>30,750,596,472</b>	<b>30,918,826,613</b>	<b>23,040,100,150</b>	<b>30,699,999,368</b>	<b>30,862,950,558</b>	<b>23,001,765,522</b>
<b>Net assets per share</b>	<b>60.06</b>	<b>56.14</b>	<b>47.21</b>	<b>59.81</b>	<b>55.44</b>	<b>46.68</b>

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 and the Finance Business Act No.42 of 2011

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

Sgd.

L Balasuriya  
Chief Executive Officer/Managing Director

Colombo, Sri Lanka  
2nd August 2017

## Statement of changes in equity

	Stated capital	Statutory reserve fund	Available-for-sale reserve	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Company</b>					
Balance as at 1st April 2016	1,008,062,200	265,036,033	3,774,586	1,716,486,135	2,993,358,954
Total comprehensive income for the period					
Profit for the period	-	-	-	125,363,907	125,363,907
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	-	125,363,907	125,363,907
<i>Transactions with equity holders recognized directly in equity</i>					
Dividends paid	-	-	-	(39,136,533)	(39,136,533)
Balance as at 30th June 2016	1,008,062,200	265,036,033	3,774,586	1,802,713,509	3,079,586,328
Balance as at 1st April 2017	1,008,062,200	310,036,033	4,361,183	2,339,158,221	3,661,617,637
Total comprehensive income					
Profit for the period	-	-	-	145,498,138	145,498,138
Other comprehensive income, net of tax	-	-	5,243,389	-	5,243,389
Total comprehensive income for the period	-	-	5,243,389	145,498,138	150,741,527
<i>Transactions with equity holders recognized directly in equity</i>					
Rights issue of shares	579,800,480	-	-	-	579,800,480
Dividends paid	-	-	-	(39,136,533)	(39,136,533)
Balance as at 30th June 2017	1,587,862,680	310,036,033	9,604,572	2,445,519,826	4,353,023,111
<b>Group</b>					
Balance as at 1st April 2016	1,008,062,200	265,059,033	3,774,586	1,663,256,691	2,940,152,510
Total comprehensive income for the period					
Profit for the period	-	-	-	143,722,209	143,722,209
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	-	143,722,209	143,722,209
<i>Transactions with equity holders recognized directly in equity</i>					
Dividends paid	-	-	-	(39,136,533)	(39,136,533)
Balance as at 30th June 2016	1,008,062,200	265,059,033	3,774,586	1,767,842,367	3,044,738,186
Balance as at 1st April 2017	1,008,062,200	310,190,064	4,361,183	2,293,754,702	3,616,368,149
Total comprehensive income for the period					
Profit for the period	-	-	-	172,344,261	172,344,261
Other comprehensive income, net of tax	-	-	5,243,389	-	5,243,389
Total comprehensive income for the period	-	-	5,243,389	172,344,261	177,587,650
<i>Transactions with equity holders recognized directly in equity</i>					
Rights issue of shares	579,800,480	-	-	-	579,800,480
Dividends paid	-	-	-	(39,136,533)	(39,136,533)
Balance as at 30th June 2017	1,587,862,680	310,190,064	9,604,572	2,426,962,430	4,334,619,746

Figures in brackets indicate deductions.

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## Statement of cash flows

For the period ended 30th June	Company		Group	
	2017 Rs.	2016 Rs.	2017 Rs.	2016 Rs.
<b>Cash flows from operating activities</b>				
Interest and commission receipts	1,300,021,271	1,014,336,561	1,334,231,791	1,039,008,308
Interest payments	(884,055,151)	(439,816,123)	(883,100,872)	(439,285,505)
Recoveries of bad debts	14,190,800	13,122,122	14,190,800	13,122,122
Other operating income	1,836,249	1,724,083	5,509,149	5,276,083
Operating expenditure	(267,111,395)	(217,952,124)	(268,167,578)	(218,791,155)
Cash payments to employees	(144,133,533)	(115,858,630)	(145,115,884)	(117,101,200)
<b>Operating cash flow before changes in operating assets and liabilities (Note A)</b>	<b>20,748,241</b>	<b>255,555,889</b>	<b>57,547,406</b>	<b>282,228,653</b>
<b>Changes in operating assets and liabilities</b>				
Net funds advanced to customers	(1,371,512,717)	(1,051,637,491)	(1,371,512,717)	(1,051,637,491)
Deposits from customers	475,664,682	23,678,291	449,772,682	13,169,841
Deposits with licensed commercial banks	1,273,148,505	520,379,054	1,273,148,505	520,379,054
Government and other securities	579,082,785	107,783,265	579,082,785	107,783,265
Other assets	(109,953,513)	(99,953,810)	(114,075,235)	(103,370,188)
Other liabilities	(58,116,208)	62,092,450	(62,360,494)	55,540,994
	788,313,534	(437,658,241)	754,055,526	(458,134,525)
<b>Net cash flow from operating activities before taxation</b>	<b>809,061,775</b>	<b>(182,102,352)</b>	<b>811,602,932</b>	<b>(175,905,872)</b>
Taxes paid	(27,615,953)	(32,774,289)	(34,405,258)	(37,714,126)
Gratuity paid	(474,306)	(1,375,033)	(474,306)	(1,375,033)
<b>Net cash generated / (used) in operating activities</b>	<b>780,971,516</b>	<b>(216,251,674)</b>	<b>776,723,368</b>	<b>(214,995,031)</b>
<b>Cash flows from investing activities</b>				
Net investment in trading securities	(1,469,024)	(690,834)	(1,469,024)	(690,834)
Net investment in financial assets available for sale	(25,000,000)	(50,000,000)	(25,000,000)	(50,000,000)
Dividends received on investments	798,966	923,514	798,966	923,514
Purchase of property, plant and equipment	(78,251,223)	(179,973,049)	(78,251,223)	(186,376,819)
Purchase of intangible assets	-	(335,800)	-	(335,800)
Proceeds from sale of property, plant and equipment	23,199,002	36,509,500	23,199,002	36,509,500
<b>Net cash used in investing activities</b>	<b>(80,722,279)</b>	<b>(193,566,669)</b>	<b>(80,722,279)</b>	<b>(199,970,439)</b>
<b>Cash flows from financing activities</b>				
Proceeds from right issue	579,800,480	-	579,800,480	-
Securitized loans obtained	-	1,400,000,000	-	1,400,000,000
Repayment of loans	(729,126,804)	(513,256,296)	(729,126,804)	(513,256,296)
Redemption of debenture	(585,753,500)	(414,246,500)	(585,753,500)	(414,246,500)
Dividends paid	(38,967,958)	(38,957,584)	(38,967,958)	(38,957,584)
<b>Net cash (used) / generated in financing activities</b>	<b>(774,047,782)</b>	<b>433,539,620</b>	<b>(774,047,782)</b>	<b>433,539,620</b>

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit

*Statement of cash flows (Continued)*

<i>For the period ended 30th June</i>	<b>Company</b>		<b>Group</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Net increase/ (decrease) in cash and cash equivalents	(73,798,545)	23,721,277	(78,046,693)	18,574,150
Cash and cash equivalents at the beginning of the period	433,920,646	298,162,589	446,572,865	312,851,600
Cash and cash equivalents at the end of the period	<u>360,122,101</u>	<u>321,883,866</u>	<u>368,526,172</u>	<u>331,425,750</u>
<b>Reconciliation of cash and cash equivalents</b>				
Cash and cash equivalents	577,536,901	497,730,205	599,152,768	512,807,422
Bank overdrafts	(217,414,800)	(175,846,339)	(230,626,596)	(181,381,672)
	<u>360,122,101</u>	<u>321,883,866</u>	<u>368,526,172</u>	<u>331,425,750</u>
<i>Note A</i>				
<b>Reconciliation of operating profit</b>				
Profit before income tax	223,966,899	234,311,541	259,669,210	259,839,339
Depreciation	74,335,572	62,268,712	75,396,990	63,381,173
Dividend receipts on investments	(798,966)	(923,514)	(798,966)	(923,514)
Profit on disposal of motor vehicles	(12,673,604)	(17,044,909)	(12,673,604)	(17,044,909)
Provision for defined benefit plan	3,096,575	3,096,575	3,132,011	3,129,080
Impairment charge/(reversal) of financial assets	37,706,280	(390,061)	37,706,280	(390,061)
Loan losses and write offs	-	601	-	601
Gain on mark to market valuation of shares	(8,529,978)	(1,419,495)	(8,529,978)	(1,419,495)
Gain on sale of shares	-	(201,120)	-	(201,120)
Interest accrued on loans and advances	(222,343,792)	(75,489,517)	(222,343,792)	(75,489,517)
Accrued interest on borrowings	17,946,046	45,893,256	17,946,046	45,893,256
Accrued interest on debentures	(91,956,791)	5,453,820	(91,956,791)	5,453,820
	<u>20,748,241</u>	<u>255,555,889</u>	<u>57,547,406</u>	<u>282,228,653</u>

*Figures in brackets indicate deductions.*

*The above figures are provisional and subject to audit*



<b>Segment report</b>																	
As at 30th June	Leasing		Hire Purchases		Pawning advances		Other Advances		Investments		Insurance Brokering		Unallocated		Total		
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
<i>Revenue</i>																	
<i>External customers</i>																	
Interest	1,124,083,745	794,263,950	47,348,738	139,564,952	34,196,231	11,159,970	182,141,545	46,681,413	104,845,750	61,760,405	-	-	-	-	1,492,616,009	1,053,430,690	
Trading	-	-	-	-	-	-	-	-	8,529,978	1,620,615	-	-	21,104	10,299	8,551,082	1,630,914	
Commissions	-	-	-	-	-	-	-	-	-	-	33,706,212	24,299,706	-	-	33,706,212	24,299,706	
Rent	-	-	-	-	-	-	-	-	4,727,900	4,107,000	-	-	-	-	4,727,900	4,107,000	
Dividends	-	-	-	-	-	-	-	-	798,966	923,514	-	-	-	-	798,966	923,514	
Other income	13,659,996	19,685,757	-	-	-	-	-	-	12,673,604	17,044,909	-	-	17,353,468	18,240,456	43,687,068	54,971,122	
Total revenue	1,137,743,741	813,949,707	47,348,738	139,564,952	34,196,231	11,159,970	182,141,545	46,681,413	131,576,198	85,456,443	33,706,212	24,299,706	17,374,572	18,250,755	1,584,087,237	1,139,362,946	
Profit before tax															259,669,210	259,839,339	
Taxation															(87,324,949)	(116,117,130)	
Profit after tax															172,344,261	143,722,209	
<i>Segment Assets</i>	21,148,275,401	15,273,545,730	478,301,588	1,581,268,390	735,458,773	250,946,523	2,951,702,529	929,895,603	4,177,550,059	3,854,697,079	27,612,559	23,392,871	1,181,098,459	1,088,019,326	30,699,999,368	23,001,765,522	
<i>Segment Liabilities</i>	19,330,721,111	14,550,352,852	804,473,992	2,479,479,520	581,007,639	200,069,576	3,094,657,683	845,431,334	2,235,532,218	1,523,460,776	16,762,763	22,805,392	302,224,216	335,427,886	26,365,379,622	19,957,027,336	
<i>Information on Cash flows</i>																	
Operating activities	(676,001,474)	(539,411,644)	39,472,146	70,825,500	(22,009,661)	(8,779,511)	(110,583,839)	(39,514,396)	1,642,034,332	387,333,950	(8,875,327)	(2,826,565)	(87,312,809)	(82,622,365)	776,723,368	(214,995,031)	
Investing activities	-	-	-	-	-	-	-	-	(25,670,058)	(49,767,320)	-	-	23,199,002	36,509,500	(2,471,056)	(13,257,820)	
Capital expenditure	(53,953,363)	(119,849,891)	(1,220,240)	(12,408,045)	(1,876,298)	(1,969,151)	(7,530,367)	(7,296,792)	(10,657,743)	(30,247,398)	-	-	(3,013,212)	(14,941,342)	(78,251,223)	(186,712,619)	
Financing activities	-	-	-	-	-	-	-	-	-	-	-	-	(774,047,782)	433,539,620	(774,047,782)	433,539,620	
Net cash flow	(729,954,837)	(659,261,535)	38,251,906	58,417,455	(23,885,959)	(10,748,662)	(118,114,206)	(46,811,188)	1,605,706,531	307,319,232	(8,875,327)	(2,826,565)	(841,174,801)	372,485,413	(78,046,693)	18,574,150	
<i>Depreciation and amortisation</i>	(59,334,925)	(49,490,254)	(1,341,953)	(5,123,720)	(2,063,449)	(813,132)	(8,281,481)	(3,013,103)	-	(303,038)	(303,929)	(355,524)	(4,071,253)	(4,282,402)	(75,396,990)	(63,381,173)	

**Senkadagala Finance PLC**

## ***Selected Performance Indicators***

<i>As at 30th June</i>	<b>2017</b>	<b>2016</b>	<b>Minimum Requirement</b>
<b>Regulatory Capital Adequacy</b>			
Core Capital (Tier 1 Capital) Rs. '000	4,237,057	2,989,584	
Total Capital Base (Tier 2) Rs. '000	4,722,288	3,728,177	
Core Capital Adequacy Ratio, as % of Risk Weighted Assets	15.68%	15.03%	5%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets	17.47%	18.74%	10%
Capital funds to Deposit Liabilities Ratio	56.48%	47.13%	
<b>Asset Quality (Quality of Loan Portfolio)</b>			
Gross Non-Performing Accommodations Rs. '000	468,205	477,282	
Gross Non-Performing Accommodations Ratio, %	1.82%	2.59%	
Net Non-Performing Accommodations Ratio, %	0.50%	0.50%	
<i>Computed as per CBSL guidelines (Net of IIS)</i>			
<b>Profitability</b>			
Interest Margin	11.07%	11.81%	
Return on Assets (before Tax)	4.02%	5.30%	
Return on Equity (after Tax)	15.66%	17.54%	
<b>Regulatory Liquidity (Rs. '000)</b>			
Required minimum amount of Liquid Assets	1,419,131	1,010,397	10%
Available amount of Liquid Assets	1,979,023	2,100,321	
Required minimum amount of Government securities	876,255	746,151	7.5%
Available amount of Government securities	899,935	1,522,289	
<i>Computed as per CBSL guidelines</i>			
<b>Debt</b>			
Debt-to-Equity ratio	4.00	3.99	
Interest cover	1.28	1.48	
Interest rate of comparable government securities			
6 month Treasury bill	10.29%	9.86%	
2 year Treasury bond	10.80%	11.42%	
3 year Treasury bond	11.10%	11.55%	
4 year Treasury bond	11.30%	11.75%	
5 year Treasury bond	11.40%	11.95%	
<b>Memorandum information</b>			
Number of employees	708	587	
Number of branches	49	39	
Number of service centers	41	41	
Number of pawning centers	19	14	

*The above figures are provisional and subject to audit.*

## 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, 2017 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 right issue 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,

Year	Dividend	Dividend per share Rs.	Total amount paid Rs.	Paid date
2016/17	Third interim	0.60	39,136,533.00	April 7, 2017
2016/17	Final dividend	0.95	68,851,307.95	July 11, 2017

### 5 Debenture Information

- 5.1 During the period, the company redeemed the senior unsecured redeemable listed debentures to the value of Rs.585.74 million.

#### 5.2 Debenture issue -November 2016

Utilization of funds raised via capital market Debenture Issue as at August 02, 2017

Objective Number	Objective as per Prospectus	Amount Allocated as per Prospectus	Proposed date of utilization as per prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amount utilized in LKR (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including whether the funds are invested
1	Leasing	LKR 2.7 Bn	Within 6 months from the date of allotment	LKR 2.7 Bn	90%	LKR 2.7 Bn	100%	N/A
2	Loans and advances	LKR 300 Mn	Within 6 months from the date of allotment	LKR 300 Mn	10%	LKR 300 Mn	100%	N/A

#### 5.3 Information on listed debenture

Type of Debenture	Last traded Rs.	Annual effective	Current yield	Yield to maturity
2 year - 12.50 % payable Semi- Annually	98	12.89%	12.76%	6.84%
3 year - 6 months gross T-bill rate + 1.50 % payable Semi-annually	Not traded	12.49%	Not traded	Not traded
3 year - 13.25 % payable Semi- Annually	Not traded	13.69%	Not traded	Not traded
4 year - 6 months gross T-bill rate + 1.75 % payable Semi-annually	Not traded	12.75%	Not traded	Not traded
4 year - 13.75 % payable Semi- Annually	Not traded	14.22%	Not traded	Not traded
4 year - 17.25% payable quarterly	Not traded	18.40%	Not traded	Not traded
4 year - 6 months gross T-bill rate +2.50% payable Semi-annually	Not traded	13.35%	Not traded	Not traded
5 year - 15.00% payable quarterly	100	15.87%	15%	3.75%

## Notes to the Financial Statements (contd.)

### 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	30.06.2017
1. Dr. A. Balasuriya	4,163,474
2. Dr. A. Balasuriya & Mr. D. Balasuriya	4,286
3. Dr. A. Balasuriya & Mr. S. Balasuriya	4,285
4. Dr. M. Balasuriya	4,172,046
5. Mrs. L. Fernando	3,490,125
6. Mr. L. Balasuriya & Ms. A. S. Balasuriya	2,086,023
7. Mr. L. Balasuriya & Mr. S. K. Balasuriya	2,086,022
8. Mr. W. A. T. Fernando	Nil
9. Dr. P. Ramanujam	Nil
10. Mr. S. D. Bandaranayake	Nil
11. Mr. D.T.P.Collure	Nil
12. Mr. W.M.R.S. Dias	Nil
13. Mr. Senanayakege R. Pushpakumara	Nil
14. Mrs. L. Fernando & Ms. S.A. Fernando	2,857
15. Mrs. L. Fernando & Mr. A. R.Fernando	2,856
16. Mrs. L. Fernando & Ms. A.L. Fernando	2,856
17. Mr. L. Balasuriya / The Trustee of the Capitalization Issue	15

#### 6.2 Key Management Shareholdings

The number of shares held by the Key Management Personnel.

As at	30.06.2017
1. Mr. P.P.K. Ikiriwatta	16,977
2. Mr. J.K. Jayathilake	16,963

#### 6.3 Stated Capital

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

As at	30.06.2017	31.03.2017
Ordinary shares	72,475,061	65,227,555

The Company made a rights issue of one (01) share for every (09) ordinary shares held, at a price of Rs. 80.00 per share with the approval of Central Bank of Sri Lanka and Colombo Stock Exchange during the month of April 2017.

## Notes to the Financial Statements (contd.)

6.4 The 20 largest shareholders of the company as at June 30, 2017 were:

Shareholder	Number of Shares	%
1. E. W. Balasuriya & Co. (Pvt) Limited	40,774,460	56.26
2. Hallsville Trading Group Inc.	5,954,393	8.22
3. Dr. M. Balasuriya	4,172,046	5.76
4. Dr. (Mrs.) G. Madan Mohan	4,172,045	5.76
5. Mr. R. Balasuriya	4,172,045	5.76
6. Dr. A. Balasuriya	4,163,474	5.74
7. Mrs. L. Fernando	3,490,125	4.82
8. Mr. L. Balasuriya & Mr. S. K. Balasuriya	2,086,023	2.88
9. Mr. L. Balasuriya & Ms. A. S. Balasuriya	2,086,022	2.88
10. Mr. D. K. C. R. Fernando	673,348	0.93
11. Mrs. C. Fernando	172,888	0.24
12. Estate of the late Mr. D. G. K. Hewamallika	172,888	0.24
13. Mrs. S. Thaha	158,483	0.22
14. Mr. I. M. Thaha	144,073	0.20
15. Mr. M. M. Ariyaratne	31,653	0.04
16. Mr. P. P. K. Ikiriwatte	16,977	0.02
17. Mr. J. K. Jayatileke	16,963	0.02
18. Dr. A. Balasuriya & Mr. D. Balasuriya	4,286	0.01
19. Dr. A. Balasuriya & Mr. S. Balasuriya	4,285	0.01
20. Mrs.L. Fernando & Ms.S.A. Fernando	2,857	0.004
	<b>72,469,334</b>	

6.5 The percentage of shares held by the public on June 30, 2017 was 21.60% (2016 - 21.60%) and is distributed among 09 Shareholders (2016 - 10 Shareholders) .

6.6 Rights issue - April 2017

Utilization of funds raised via the Rights Issue as at August 02, 2017

Objective No	Objective as per Circular	Amount Allocated as per Circular in LKR	Proposed date of utilization as per Circular	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amount utilized in LKR (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	Maintain a higher capital adequacy	LKR 579,800,480	31st March 2017	LKR 579,800,480	100%	LKR 579,800,480	100%	N/A
2	Increase the loan book	LKR 579,800,480	One month from receipt (i.e. 24th May 2017)	LKR 579,800,480	100%	LKR 579,800,480	100%	N/A

## Notes to the Financial Statements (contd.)

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### 6.7 Information on Ratios and Share Prices

As at	30.06.2017	30.06.2016
Dividend per share (Rs.)	0.60	0.60
Net Assets per share (Rs.)	60.06	47.21
Market Prices		
- Highest price	Not traded	Not traded
- Lowest price	Not traded	Not traded
- Last traded price	Not traded	Not traded

### 7 Events after the Reporting period

There have been no other events subsequent to the Balance Sheet date, 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.