

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED

31 DECEMBER 2012



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ABANS FINANCE PLC

BALANCE SHEET

As at	31 Dec. 2012 (Unaudited)	31 Dec. 2011 (Unaudited)	31 Mar. 2012 (Audited)
ASSETS			
Cash and amounts due from banks	22,505,872	16,880,154	24,020,124
Investments held to Maturity	151,244,089	262,871,907	207,005,224
Placements with Banks	101,021,701	44,194,050	24,346,356
Dealing Securities	8,186,941	8,407,338	8,085,928
Investment Securities	80,400	80,400	80,400
Loans and Advances	785,518,663	923,792,292	985,293,071
Lease rentals receivable & Stock out on hire	1,456,642,254	1,080,904,514	1,237,789,597
Real Estate & Vehicle Stock	139,299,130	143,719,566	144,617,200
Other Debtors, Deposits and Prepayments	35,133,704	40,134,126	42,533,174
Tax Recoverable	-	-	6,602,174
Property, Plant & Equipment	16,879,126	19,460,329	18,561,357
Deferred Taxation	3,190,302	25,118,991	3,190,302
TOTAL ASSETS	2,719,702,182	2,565,563,667	2,702,124,907
LIABILITIES			
Deposits from Customers	1,628,941,538	1,550,094,123	1,633,434,319
Borrowings	460,323,371	460,722,574	480,550,471
Other Liabilities	194,382,853	164,958,913	184,097,820
Total Liabilities	2,283,647,762	2,175,775,610	2,298,082,610
SHAREHOLDERS' FUNDS			
Stated Capital	382,373,630	382,373,630	382,373,630
Reserve Fund	20,201,500	9,519,900	20,201,500
Investment Fund	12,908,510	5,948,164	7,833,381
Retained Earnings	20,570,780	(8,053,637)	(6,366,214)
Total Equity	436,054,420	389,788,057	404,042,297
TOTAL EQUITY AND LIABILITIES	2,719,702,182	2,565,563,667	2,702,124,907
Net Assets Per Share (Rs.)	11.79	10.53	10.92

The Interim Financial Statements for the Nine Months period ended 31st December 2012 are provisional and subject to Audit.

These Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007.

R.M.C.K. Bandara (Sgnd)
Chief Finance Officer

The Board of Directors is responsible for the preparation and presentation of the Financial Statements.
Signed for and on behalf of the board by;

R. Pestonjee (Sgnd)
Director

K.B. Wanigasekara (Sgnd)
Director

13-Feb-2013
Colombo

ABANS FINANCE PLC**INCOME STATEMENT**

	Three Months Ended		Nine Months Ended	
	31.12.2012 (Unaudited) Rs.	31.12.2011 (Unaudited) Rs.	31.12.2012 (Unaudited) Rs.	31.12.2011 (Unaudited) Rs.
Income	140,879,196	115,138,939	422,612,690	338,040,925
Interest Income	133,709,805	110,348,807	403,706,365	321,896,644
Interest Expense	(85,239,941)	(54,187,217)	(239,334,462)	(159,955,063)
Net Interest Income	48,469,864	56,161,590	164,371,903	161,941,581
Other Income	7,169,391	4,790,132	18,906,325	16,144,281
	55,639,255	60,951,722	183,278,228	178,085,862
Less: Operating Expenses				
Staff Costs	(21,207,902)	(15,623,712)	(59,372,464)	(45,938,448)
General & Administration Expenses	(22,340,626)	(21,823,615)	(61,686,978)	(61,255,907)
Provision for Bad and Doubtful Debts	(3,812,763)	9,717,565	(9,825,077)	(7,541,931)
Profit/(Loss) before VAT on Financial Service and Income Tax	8,277,964	33,221,960	52,393,709	63,349,576
Value Added Tax on Financial Services	(1,305,832)	(3,102,199)	(5,657,332)	(6,222,703)
Profit/(Loss) before Income Tax	6,972,132	30,119,761	46,736,377	57,126,873
Income Tax (Expenses) / Reversal	(2,514,941)	(12,293,953)	(14,724,254)	(17,973,491)
Net Profit / (Loss) for the period	4,457,191	17,825,808	32,012,123	39,153,382
Earnings/(Loss) Per Share - Basic & Diluted (Rs.)	0.12	0.48	0.87	1.06

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13-Feb-2013
Colombo

ABANS FINANCE PLC**STATEMENT OF CHANGES IN EQUITY**

For the Nine Months Period Ended 31st December 2012

	Stated Capital	Reserve Fund	Investment Fund	Retained Earnings / (Losses)	Total
Balance As at 31 March 2011	382,373,630	9,519,900	-	(41,258,855)	350,634,675
Net Profit for the Period (Nine Months)	-	-	-	39,153,382	39,153,382
Transfer To / From	-	-	5,948,164	(5,948,164)	-
Balance As at 31 December 2011	382,373,630	9,519,900	5,948,164	(8,053,637)	389,788,057

Balance As at 31 March 2012	382,373,630	20,201,500	7,833,381	(6,366,214)	404,042,297
Net Profit for the Period (Nine Months)	-	-	-	32,012,123	32,012,123
Transfer To / From	-	-	5,075,129	(5,075,129)	-
Balance As at 31 December 2012	382,373,630	20,201,500	12,908,510	20,570,780	436,054,420

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ABANS FINANCE PLC

CASH FLOW STATEMENT

For the Nine Months Period Ended 31st December

	2012 Rs.	2011 Rs.
Cash Flows From / (Used in) Operating Activities		
Interest Received	403,706,365	321,896,644
Receipts from Other Income	18,804,759	18,840,018
Interest Paid	(217,431,424)	(154,067,444)
Cash Payments to Employees & Expenses	(138,867,231)	(124,376,867)
Profit from operation before Working Capital Changes	66,212,469	62,292,351
(Increase)/ Decrease in Real Estate Stock & Vehicle Stock	5,318,070	(7,836,496)
(Increase)/ Decrease in Lease Rentals Receivable and Stock out on hire	(218,852,658)	(185,651,413)
(Increase)/ Decrease in Loans and Advances	199,774,409	(134,184,795)
(Increase) /Decrease in Other Debtors, Deposits, Prepayments	(15,134,010)	(6,835,203)
(Increase)/ Decrease in Placements with Banks	(76,675,344)	20,252,919
Increase/ (Decrease) in Deposits from Non Bank Customers	(4,492,781)	63,736,567
Increase/ (Decrease) in Accrued Charges	5,655,836	20,754,309
Cash Generated from Operations	(38,194,009)	(167,471,761)
Retirement Benefit liabilities paid	(293,138)	-
Net Cash Flow from/(used in) Operating Activities before Tax Payments	(38,487,146)	(167,471,761)
Income Tax payments	3,919,303	4,831,455
Net Cash used in Operating Activities	(34,567,843)	(162,640,306)
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(2,492,946)	(7,503,404)
Proceeds from Disposal of Property, Plant & Equipment	12,500	-
Investments in Govt. Securities	24,630,473	21,152,215
Investment Securities	-	(1,728,231)
Proceeds from Disposal of Investment Securities	-	2,335,829
Net Cash Flow from/(used in) Investing Activities	22,150,027	14,256,409
Cash Flows from (Used in) Financing Activities		
Increase/ (Decrease) in Borrowings	94,319,557	329,257,105
Net Cash Flow from/(used in) Financing Activities	94,319,557	329,257,105
Net Increase/(Decrease) in Cash and Cash Equivalents	81,901,741	180,873,208
Cash and Cash Equivalents at the beginning of the period	26,731,442	(2,158,794)
Cash and Cash Equivalents at the end of the period	108,633,183	178,714,414

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ABANS FINANCE PLC
FINANCIAL REPORTING BY SEGMENT

	Lease & Stock Out on Hire		Term Loans		Real Estate		Others		Total	
For the Nine Months period ended 31st December	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Interest	226,761,806	163,975,539	154,671,631	144,228,803	-	-	22,272,928	13,692,302	403,706,365	321,896,644
Real Estate	-	-	-	-	-	-	-	-	-	-
Fee Based Income & Others	7,617,570	7,492,598	5,362,285	2,278,689	-	-	5,926,470	3,168,394	18,906,325	12,939,681
Total Revenue	234,379,376	171,468,137	160,033,916	146,507,492	-	-	28,199,398	16,860,696	422,612,690	334,836,325
Unallocated Expenses									(375,876,312)	(280,914,051)
Profits/ (Loss) before Tax									46,736,378	53,922,274
Income Tax expenses									(14,724,254)	(17,973,491)
Net Profit /(Loss) for the period									<u>32,012,124</u>	<u>35,948,783</u>
Segment Assets	1,456,642,254	1,080,904,514	785,518,663	923,792,292	139,299,130	140,673,966	-	-	2,381,460,047	2,145,370,772
Unallocated Assets	-	-	-	-	-	-	338,242,135	420,192,895	338,242,135	420,192,895
Total Assets	1,456,642,254	1,080,904,514	785,518,663	923,792,292	139,299,130	140,673,966	338,242,135	420,192,895	2,719,702,182	2,565,563,667
Unallocated Liabilities									2,719,702,182	2,565,563,667
Total Liabilities									<u>2,719,702,182</u>	<u>2,565,563,667</u>

ABANS FINANCE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the Nine Months Ended 31st December 2012

(a). MARKET VALUE PER SHARE FOR THE NINE MONTHS ENDED,

	31st December 2012	31st March 2012
Highest	RS.47.00	RS.116.20
Lowest	RS.31.10	RS.37.00
Closing	RS.38.00	RS.40.30

(b).

The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st March 2012. Further, the Interim Financial Statements are in compliance with Sri Lanka Accounting Standards 35 - Interim Financial Reporting and the provisions of the new Companies Act No. 07 of 2007.

The company is required to prepare interim financial statements in accordance with Sri Lanka Financial Reporting Standards (LKAS 34) - Interim Financial Reporting. However, the Institute of Chartered Accountants of Sri Lanka has decided to allow companies to prepare interim financial statements during the first financial year commencing on or after January 01, 2012 in accordance with Sri Lanka Accounting Standards (SLAS) that existed immediately prior to that date with disclosures on impact to the Statement of Comprehensive Income for the period and Net assets based on Sri Lanka Financial Reporting Standards (SLFRS). If determinations of that impact is impracticable, the companies are required to disclose that fact.

The Company is in the process of developing a system to convert the financial statements according to the new Sri Lanka Accounting Standards (LKAS/SLFRS)

(c). COMMITMENTS AND CONTINGENCIES

There were no significant capital commitments as at the Balance Sheet date.

(d). PUBLIC HOLDING

Public Share holding as at 31st December 2012 is, 10.65%.

(e). EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There have been no material events occurring after the Balance Sheet date that require adjustment or disclosure in the Financial Statements

(f). DIRECTORS AND CEO'S SHAREHOLDING

NAME OF THE DIRECTOR	31st December 2012		31st March 2012	
	NO.OF SHARES	(%)	NO.OF SHARES	(%)
MRS. SAROSHI DUBASH	133,334	0.36	133,334	0.36
MR. R PESTONJEE	106,801	0.29	106,801	0.29
MRS. ABAN PESTONJEE	NIL	0.00	NIL	0.00
MRS. G N M ALLES	NIL	0.00	NIL	0.00
MR. S SOTHIVADIVEL	NIL	0.00	NIL	0.00
MR. C D PATHIRANA	NIL	0.00	NIL	0.00
MR. K B WANIGASEKARA	NIL	0.00	NIL	0.00
MR. V K CHOKSY	NIL	0.00	NIL	0.00
MR. T SOMESHWARAN	NIL	0.00	NIL	0.00

(g). TWENTY LARGEST SHAREHOLDERS

NAME OF THE SHAREHOLDER	31st December 2012		31st March 2012	
	NO.OF SHARES	(%)	NO.OF SHARES	(%)
1 ABANS (PVT) LIMITED	31,195,367	84.31	31,195,367	84.31
2 MR. P N PESTONJEE	679,560	1.84	674,899	1.82
3 MR. B PESTONJEE	533,334	1.44	533,334	1.44
4 MR. D S KARUNAKARAN	370,000	1.00	370,000	1.00
5 MISS. C V SUMANADASA	370,000	1.00	370,000	1.00
6 MR. K KUNENTHIRAN	370,000	1.00	370,000	1.00
7 MR. P K PESTONJEE	370,000	1.00	370,000	1.00
8 MRS. H G S CHANDRAKANTHI	370,000	1.00	370,000	1.00
9 MR. A H A JAYASINGHE	370,000	1.00	370,000	1.00
10 MR. N N PERERA	370,000	1.00	370,000	1.00
11 MRS. M V I F FERNANDO	370,000	1.00	370,000	1.00
12 MISS. I N JALALDEEN	366,400	0.99	366,400	0.99
13 MRS. S DUBASH	133,334	0.36	133,334	0.36
14 MR. R PESTONJEE	106,801	0.29	106,801	0.29
15 A B COLD STORAGE (PRIVATE) LIMITED	100,000	0.27	100,000	0.27
16 CLEANTECH PVT LTD	100,000	0.27	100,000	0.27
17 AB SECURITAS (PRIVATE) LIMITED	100,000	0.27	100,000	0.27
18 MRS. ABAN PESTONJEE	66,667	0.18	66,667	0.18
19 MR. S G SALGADO	66,600	0.18	66,600	0.18
20 MR. G C GOONETILLEKE	30,000	0.08	30,000	0.08
	36,438,063	98.48	36,433,402	98.47
OTHERS	561,937	1.52	566,598	1.53
TOTAL	37,000,000	100	37,000,000	100