

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 DECEMBER 2013

A decorative graphic in the bottom right corner of the page. It features a purple triangular shape pointing upwards and to the right. Inside this shape, there is a pattern of Euro coins, including a 5 Euro coin and a 2 Euro coin, with the year 2013 visible on one of them.

Abans
FINANCE

ABANS FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

LKR

	For the Nine Months Ended DECEMBER		For the Quarter Ended DECEMBER	
	2013	2012	2013	2012
Income	535,922,307	419,157,879	194,944,069	143,498,706
Interest Income	500,763,716	400,251,001	177,427,632	136,329,315
Interest Expenses	(288,630,420)	(239,334,463)	(98,008,243)	(85,239,941)
Net Interest Income	212,133,296	160,916,538	79,419,389	51,089,374
Fee and Commission Income	31,764,690	15,919,010	16,092,394	6,922,635
Fee and Commission Expenses	(11,395,000)	(4,392,829)	(5,773,304)	(1,684,251)
Net Fee and Commission Income	20,369,689	11,526,181	10,319,090	5,238,384
Net Gain/(Loss) From Trading	14,099	260,845	196,926	(552,042)
Other Operating Income (net)	3,379,802	2,727,023	1,227,118	798,798
Total Operating Income	235,896,887	175,430,587	91,162,522	56,574,514
Impairment (Charges) / Reversal	(94,522,383)	68,030	(29,088,552)	(515,060)
Net Operating Income	141,374,504	175,498,617	62,073,970	56,059,453
Operating Expenses				
Personnel Costs	(57,778,609)	(54,392,598)	(19,469,191)	(18,805,618)
Other Operating Expenses	(80,875,450)	(64,326,727)	(29,635,437)	(23,742,712)
Operating Profit before Value Added Tax on FS	2,720,445	56,779,292	12,969,343	13,511,123
Value Added Tax on Financial Services	(1,748,727)	(5,657,332)	(330,011)	(1,305,832)
Profit before Taxation from Operations	971,718	51,121,961	12,639,332	12,205,291
Provision for Income Taxation	-	(14,724,254)	-	(2,514,941)
Profit for the Period	971,718	36,397,707	12,639,332	9,690,351
Other Comprehensive Income	-	-	-	-
Other Comprehensive Income for the Period, Net of Tax	-	-	-	-
Total Comprehensive Income for the Period	971,718	36,397,707	12,639,332	9,690,351
Earnings Per Share (Rs)	0.04	1.31	1.37	1.05

The figures presented above are provisional and subject to Audit.

10th February 2014
Colombo

ABANS FINANCE PLC**STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2013

	DEC '2013 Rs.	LKR ' MAR '2013 Rs.
Assets		
Cash and Bank Balances	52,725,176	33,802,530
Placements with Banks	112,511,485	125,140,325
Financial Assets - Held for Trading	6,959,380	8,336,547
Financial Investments - Debt Securities	101,740,396	-
Loans and Advances	825,876,158	836,056,102
Lease Rentals Receivable & Stock Out on Hire	1,839,091,158	1,549,447,291
Financial Investments - Available for Sale	80,400	80,400
Financial Investments - Held to Maturity	226,974,845	168,522,407
Other Financial Assets	21,742,761	15,933,472
Real Estate Stock	127,629,945	133,841,502
Other Non Financial Assets	67,334,051	25,467,071
Tax Recoverable	10,920,664	-
Intangible Assets	11,434,489	12,268,902
Property, Plant & Equipment	15,555,904	16,608,243
Total Assets	3,420,576,812	2,925,504,791
Liabilities		
Due to Banks	370,139,238	359,435,796
Due to Customers	2,211,536,202	1,765,882,547
Debt Inst. Issued and Other Borrowed Funds	169,626,611	174,325,059
Other Financial Liabilities	213,231,266	168,376,894
Other Non Financial Liabilities	950,640	1,459,519
Retirement Benefit Liability	7,306,222	5,833,972
Current Tax Liabilities	-	3,376,089
Deferred Tax Liability	2,589,527	2,589,526
Total Liabilities	2,975,379,705	2,481,279,402
Shareholders' Funds		
Stated Capital	382,373,630	382,373,630
Statutory Reserve	28,228,500	28,228,500
Investment Fund	17,775,825	14,723,671
Retained Earnings	16,819,153	18,899,588
Total Shareholders' Funds	445,197,107	444,225,389
Total Liabilities and Shareholders' Funds	3,420,576,812	2,925,504,791
Commitments and Contingencies	-	-
Net Assets Per Share (Rs.)	12.03	12.01

The figures presented above are provisional and subject to Audit.

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

A.Rathnamali (Sgnd.)
Chief Finance Officer

The Board of Directors is responsible for the preparation & and presentation of these Financial Statements.
Signed for and on behalf of the Board by,

K.B.Wanigasekara (Sgnd.)
Director

Rusi Pestonjee (Sgnd.)
Director

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

FOR THE PERIOD ENDED	LKR '				
	Stated Capital Rs.	Retained Earnings Rs.	Statutory Reserve Rs.	Investment Fund Reserve Rs.	Total Rs.
Balance as at 1 April 2012	382,373,630	(6,316,722)	20,201,500	7,833,381	404,091,789
Net profit for the Period	-	36,397,707	-	-	36,397,707
Other Comprehensive Income Net of Tax	-	-	-	-	-
Transfer to / (from) during the Period	-	(5,075,129)		5,075,129	-
Balance as at 31 December 2012	<u>382,373,630</u>	<u>25,005,856</u>	<u>20,201,500</u>	<u>12,908,510</u>	<u>440,489,496</u>
Balance as at 1 April 2013	382,373,630	18,899,588	28,228,500	14,723,671	444,225,389
Net profit for the Period	-	971,718	-	-	971,718
Other Comprehensive Income Net of Tax	-	-	-	-	-
Transfer to / (from) during the Period	-	(3,052,153)	-	3,052,153	-
Balances as at 31 December 2013	<u>382,373,630</u>	<u>16,819,153</u>	<u>28,228,500</u>	<u>17,775,824</u>	<u>445,197,107</u>

10th February 2014
Colombo

ABANS FINANCE PLC**CASH FLOW STATEMENT**

FOR THE PERIOD ENDED

	31st DEC '2013 Rs.	LKR' 31st DEC '2012 Rs.
Cash Flows From / (Used in) Operating Activities		
Profit / (Loss) Before Income Tax Expense	971,718	51,121,961
Adjustments for		
Depreciation	4,224,084	4,475,005
Amortisation of Intangible Assets	3,212,145	1,740,383
Impairment provision	94,522,383	(68,030)
Loss/(Profit) from Sale of Investments	(367,759)	-
Diminution/(Appreciation) in value of investments	461,043	(101,013)
Loss/(Profit) on Disposal of Property, Plant & Equipment	(6,187)	(553)
Provision/(reversal) for Defined Benefit Plans	1,620,000	1,350,000
Dividend Received	(107,383)	(159,831)
Deferred Tax		
Withholding Tax attributed to Fixed Deposit & professional fees		
Operating Profit before Working Capital Changes	104,530,044	58,357,921
(Increase)/Decrease in Real Estate Stock	6,211,556	5,318,070
(Increase)/Decrease in Loans and Advances	(22,734,688)	197,280,353
(Increase)/Decrease in Lease Rentals Receivable & Stock out on hire	(339,172,957)	(222,656,800)
(Increase)/Decrease in Other Financial Assets	(17,887,950)	4,082,603
(Increase)/Decrease in Other Non Financial Assets	(41,866,980)	3,714,713
Increase/(Decrease) in Amounts Due to Customers	445,653,655	10,366,455
Increase/(Decrease) in Other Financial Liabilities	44,854,372	(16,610,533)
Increase/(Decrease) in Other Non Financial Liabilities	(508,880)	19,902
Cash Generated from Operations	179,078,172	39,872,682
Retirement Benefit Liabilities Paid	(147,750)	(293,138)
Taxes Paid	(14,295,666)	(3,880,386)
Net Cash From/(Used in) Operating Activities	164,634,756	35,699,158
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(3,177,931)	(3,088,944)
Acquisition of Intangible Assets	(2,377,732)	
Proceeds from Sales of Property, Plant & Equipment		12,499
Investments /T Bond	(712,650)	(6,891,918)
Acquisition of Financial Investment held - for - trading	(848,023)	-
Proceeds from Financial investments held -for- trading	2,131,906	-
Sale/(Purchase) of Placement with banks	(36,608,357)	15,988,044
Sale/(Purchase) of financial investments- held to maturity	(125,480,173)	32,158,380
Investment In Debt Securities	(101,740,396)	-
Dividend Received	107,383	159,831
Net Cash Flows from/(Used in) Investing Activities	(268,705,972)	38,337,892
Cash Flows from / (Used in) Financing Activities		
Borrowings	78,953,090	33,467,880
Payment under Finance Lease Liabilities		
Cash Flow from Debt Instruments Issued and Other borrowings	(4,698,448)	67,895,482
Dividends Paid	-	
Net Cash Flows from/(Used in) Financing Activities	74,254,642	101,363,362
Net Increase in Cash and Cash Equivalents	(29,816,574)	175,400,413
Cash and Cash Equivalents at the beginning of the year	179,932,943	37,146,178
Cash and Cash Equivalents at the end of the year	150,116,369	212,546,591

The figures presented above are provisional and subject to Audit.

10th February 2014
Colombo

ABANS FINANCE PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS
LKR'

As at	HFT at Fair Value		HTM at Amortized Cost		L&R at Amortized Cost		AFS at Fair Value		Total	
	31.12.2013	31.03.2013	31.12.2013	31.03.2013	31.12.2013	31.03.2013	31.12.2013	31.03.2013	31.12.2013	31.03.2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Assets										
Cash and Bank Balances	-	-	-	-	52,725,176	33,802,530	-	-	52,725,176	33,802,530
Placements with Banks	-	-	-	-	112,511,485	125,140,325	-	-	112,511,485	125,140,325
Financial Investments - Held for Trading	6,959,380	8,336,547	-	-	-	-	-	-	6,959,380	8,336,547
Financial Investments - Debt Securities	-	-	-	-	101,740,396	-	-	-	101,740,396	-
Loans and Advances	-	-	-	-	825,876,158	836,056,102	-	-	825,876,158	836,056,102
Lease rentals receivable & Stock out on hire	-	-	-	-	1,839,091,158	1,549,447,291	-	-	1,839,091,158	1,549,447,291
Financial Investments - Available for Sale	-	-	-	-	-	-	80,400	80,400	80,400	80,400
Financial Investments - Held to Maturity	-	-	226,974,845	168,522,407	-	-	-	-	226,974,845	168,522,407
Other financial assets	-	-	-	-	21,742,761	15,933,472	-	-	21,742,761	15,933,472
Total Financial Assets	<u>6,959,380</u>	<u>8,336,547</u>	<u>226,974,845</u>	<u>168,522,407</u>	<u>2,953,687,134</u>	<u>2,560,379,720</u>	<u>80,400</u>	<u>80,400</u>	<u>3,187,701,759</u>	<u>2,737,319,073</u>

	OFL		Total	
	31.12.2013	31.03.2013	30.06.2013	31.03.2013
	Rs.	Rs.	Rs.	Rs.
Liabilities				
Due to Banks	370,139,238	359,435,796	370,139,238	359,435,796
Due to Customers	2,211,536,202	1,765,882,547	2,211,536,202	1,765,882,547
Debt Instruments Issued & Other borrowed funds	169,626,611	174,325,059	169,626,611	174,325,059
Other Financial Liabilities	213,231,266	168,376,894	213,231,266	168,376,894
Total Financial Liabilities	<u>2,964,533,316</u>	<u>2,468,020,296</u>	<u>2,964,533,316</u>	<u>2,468,020,296</u>

HFT - Held for Trading

HTM - Held to Maturity

L & R - Loans and Receivables

AFS - Available for Sale

OFL - Other Financial Liabilities

ABANS FINANCE PLC

FINANCIAL REPORTING BY SEGMENT

LKR'

	Leasing		Hirepurchase		Term Loans		Others		Total	
FOR THE PERIOD ENDED 31 DECEMBER	2013 Rs.	2012 Rs.	2013 Rs.	2012 Rs.	2013 Rs.	2012 Rs.	2013 Rs.	2012 Rs.	2013 Rs.	2012 Rs.
Interest Income	162,064,604	78,571,716	149,313,771	141,859,997	161,829,448	157,546,361	28,098,087	22,272,928	501,305,910	400,251,001
Fee Based Income & Others	23,123,855	3,533,143	2,934,041	4,084,427	2,307,658	5,362,285	3,399,136	2,939,155	31,764,690	15,919,010
Unallocated Income							2,851,708	2,987,867	2,851,708	2,987,867
Total Revenue	185,188,458	82,104,859	152,247,812	145,944,424	164,137,106	162,908,646	34,348,931	28,199,950	535,922,307	419,157,879
Interest Expenses	(88,064,171)	(47,942,933)	(73,476,798)	(75,552,788)	(79,203,982)	(80,053,640)	(47,885,470)	(35,785,101)	(288,630,420)	(239,334,463)
Fee Based Expenses & Others	(8,763,129)	(1,650,898)	(512,325)	(1,334,915)	(140,680)	(208,587)	(1,978,867)	(1,198,429)	(11,395,000)	(4,392,829)
Impairment Reversal / (Provision)	(32,629,740)	972,531	(16,746,196)	1,230,422	(32,914,632)	(922,666)	(12,231,814)	(1,348,317)	(94,522,383)	68,030
Net Operating Income	55,731,418	33,483,559	61,512,493	70,287,143	51,877,812	81,723,753	(27,747,219)	(10,131,897)	141,374,504	175,498,617
Unallocated Expenses									(140,402,786)	(124,376,656)
Profits/ (Loss) before Tax									971,718	51,121,961
Income Tax expenses									-	(14,724,254)
Net Profit / (Loss) for the period									971,718	36,397,707
Segment Assets	1,154,228,882	580,861,505	684,862,276	877,988,525	825,876,158	776,122,742	568,856,670	395,109,193	3,233,823,987	2,630,081,966
Unallocated Assets									186,752,826	(22,259,275)
Total Assets	1,154,228,882	580,861,505	684,862,276	877,988,525	825,876,158	776,122,742	568,856,670	395,109,193	3,420,576,812	2,607,822,691
Unallocated Liabilities									3,420,576,812	2,607,822,691
Total Liabilities									3,420,576,812	2,607,822,691

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2013****(a). MARKET VALUE PER SHARE FOR THE QUARTER ENDED,**

	31st DEC 2013
Highest	Rs.33.60
Lowest	Rs.25.10
Closing	Rs.28.20

(b).

These Interim Financial Statements of the Company have been prepared based on the Sri Lanka Accounting Standards that came into effect from 01st April 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies and method of computation since the publication of the Audited Financial Statements for the year ended 31st March 2013.

These Interim Financial Statements have been prepared in accordance with LKAS 34 - Interim Financial Reporting and present information required by Listing Rules of Colombo Stock Exchange. These Financial Statements are drawn up from the unaudited financial Statements of the company unless otherwise indicated.

(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 2013 is, 10.03%

(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 2013	
	NO.OF SHARES	(%)
MRS. SAROSHI DUBASH	133,334	0.36
MR. R PESTONJEE	106,801	0.29
MR. C D PATHIRANA	NIL	0.00
MR. K B WANIGASEKARA	NIL	0.00
MR. V K CHOKSY	NIL	0.00

(g). TWENTY LARGEST SHAREHOLDERS

NAME OF THE SHAREHOLDER	31st December 2013	
	NO.OF SHARES	(%)
1 ABANS LIMITED	33,030,306	89.27
2 MR. P N PESTONJEE	679,000	1.84
3 MR. P K PESTONJEE	370,100	1.00
4 MRS. H G S CHANDRAKANTHI	370,000	1.00
5 MR. K KUNENTHIRAN	370,000	1.00
6 MRS. C V SUMANADASA	370,000	1.00
7 MRS. S DUBASH	133,334	0.36
8 MR. R PESTONJEE	106,801	0.29
9 AB SECURITAS (PRIVATE) LIMITED	100,000	0.27
10 CLEANTECH (PRIVATE) LIMITED	100,000	0.27
11 A B COLD STORAGE (PRIVATE) LIMITED	100,000	0.27
12 MR. A W A KUMARADASA	91,063	0.25
13 MRS. K S RODRIGO	90,000	0.24
14 MRS. S F ZUBAIR	69,339	0.19
15 MRS. A PESTONJEE	66,667	0.18
16 MRS. H I SALGADO	66,600	0.18
17 PARAMADAMMA BUDDHIST INSTITUTE	51,208	0.14
18 MR. A G JAGATH	36,000	0.10
19 MR. G C GOONETILLEKE	32,644	0.09
20 DR. K POOLOGASUNDRAM	25,000	0.07
	36,258,062	97.99
OTHERS	741,938	2.01
TOTAL	37,000,000	100