

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30 JUNE 2016

A decorative graphic in the bottom right corner of the page. It features a purple triangular shape pointing towards the bottom left. Inside this shape, there is a collage of various coins, including a 5 Euro coin and a 2 Euro coin, with the year 2016 visible on one of them. The text 'Abans FINANCE' is printed in white on the purple background.

Abans
FINANCE

ABANS FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

For the Quarter ended June

	2016 Rs.	2015 Rs.
Income	375,639,792	299,856,143
Interest Income	345,992,418	263,285,459
Interest Expenses	(131,221,223)	(107,315,861)
Net Interest Income	214,771,195	155,969,598
Fee and Commission Income	24,719,749	35,301,545
Fee and Commission Expenses	(11,728,199)	(20,227,340)
Net Fee and Commission Income	12,991,550	15,074,205
Net Gain/(Loss) From Trading	364,417	318,668
Other Operating Income (net)	4,563,208	950,471
Total Operating Income	232,690,370	172,312,942
Impairment (Charges) / Reversal	(60,245,820)	(49,746,190)
Net Operating Income	172,444,550	122,566,752
Operating Expenses		
Personnel Costs	(48,362,530)	(32,406,979)
Other Operating Expenses	(61,227,357)	(50,091,798)
Operating Profit/(Loss) before VAT on FS	62,854,663	40,067,975
Value Added Tax on Financial Services	(11,335,255)	(3,750,525)
Profit / (Loss) before Taxation from Operations	51,519,409	36,317,450
Income Tax (Expense)/Reversal	(17,279,050)	(10,190,000)
Profit/(Loss) for the Period	34,240,359	26,127,450
Other Comprehensive Income		
Gains & Losses arising on re-measuring Available for Sale Financial Assets - Investment in Unit Trust	1,155,796	2,269,486
Other Comprehensive Income for the Period, Net of Tax	1,155,796	2,269,486
Total Comprehensive Income for the Period	35,396,155	28,396,936
Earnings Per Share	0.77	0.71

The figures presented above are provisional and subject to Audit.

01st August 2016
Colombo

ABANS FINANCE PLC**STATEMENT OF FINANCIAL POSITION**

AS AT 30 JUNE 2016

	JUNE '2016 Rs.	MARCH '2016 Rs. (Audited)
Assets		
Cash and Bank Balances	46,705,746	73,385,295
Placements with Banks	224,769,089	224,098,165
Securities Purchased under Repurchase Agreement	466,041,322	630,158,527
Financial Assets - Held for Trading	7,199,723	6,915,241
Loans and Advances	1,821,155,296	1,188,546,845
Lease Rentals Receivable & Stock Out on Hire	3,299,218,821	3,596,251,779
Financial Investments - Available for Sale	52,169,603	80,400
Financial Investments - Held to Maturity	22,178,278	21,669,813
Other Financial Assets	90,487,012	73,802,179
Real Estate Stock	80,979,145	83,066,481
Other Non Financial Assets	36,449,092	97,894,824
Deferred Tax Asset	61,419,537	61,419,536
Intangible Assets	20,912,338	15,608,896
Property, Plant & Equipment	74,680,963	75,811,265
Total Assets	6,304,365,965	6,148,709,246
Liabilities		
Due to Banks	66,891,350	47,004,092
Due to Customers	4,863,683,022	4,539,362,221
Debt Inst. Issued and Other Borrowed Funds	-	31,110,631
Other Financial Liabilities	458,897,404	837,025,511
Other Non Financial Liabilities	12,264,121	8,086,521
Retirement Benefit Liability	16,079,338	15,249,338
Current Tax Liabilities	52,414,917	56,345,826
Total Liabilities	5,470,230,152	5,534,184,140
Shareholders' Funds		
Stated Capital	567,373,630	382,373,630
Statutory Reserve	62,554,000	62,554,000
Retained Earnings	203,052,387	169,597,476
Reserve on Available for Sale Financial Instruments	1,155,796	-
Total Shareholders' Funds	834,135,813	614,525,106
Total Liabilities and Shareholders' Funds	6,304,365,965	6,148,709,246
Commitments and Contingencies	-	-
Net Assets Per Share	18.79	16.61

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

P.W.K.Roshan (Sgnd.)
Head Of Finance

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

Rusi Pestonjee (Sgnd.)
Director

K.B.Wanigasekara (Sgnd.)
Director

01st August 2016
Colombo

ABANS FINANCE PLC
STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED

	Stated Capital	Retained Earnings	Statutory Reserve	Reserve on Available for Sale Financial Instruments	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 April 2015	382,373,630	97,837,286	44,529,000	130,255	524,870,171
Net Profit / (Loss) for the Period	-	26,127,450	-	-	26,127,450
Other Comprehensive Income Net of Tax	-	-	-	2,269,486	2,269,486
Transfer to / (from) during the Period	-	-	-	-	-
Transfer to / (from) Investment Fund Reserve	-	-	-	-	-
Balance as at 30 June 2015	<u>382,373,630</u>	<u>123,964,736</u>	<u>44,529,000</u>	<u>2,399,741</u>	<u>553,267,107</u>
Balance as at 1 April 2016	382,373,630	169,597,476	62,554,000	-	614,525,106
Issue of Rights	185,000,000	-	-	-	185,000,000
Direct Cost of Right Issue	-	(785,448)	-	-	(785,448)
Net Profit / (Loss) for the Period	-	34,240,359	-	-	34,240,359
Other Comprehensive Income Net of Tax	-	-	-	1,155,796	1,155,796
Transfer to / (from) during the Period	-	-	-	-	-
Balances as at 30 June 2016	<u>567,373,630</u>	<u>203,052,387</u>	<u>62,554,000</u>	<u>1,155,796</u>	<u>834,135,813</u>

01st August 2016
Colombo

ABANS FINANCE PLC**CASH FLOW STATEMENT**

FOR THE PERIOD ENDED

	30th JUNE '2016 Rs.	30th JUNE '2015 Rs.
Cash Flows From / (Used in) Operating Activities		
Profit / (Loss) Before Income Tax Expense	51,519,409	36,317,450
Adjustments for		
Depreciation	3,543,314	2,326,050
Amortisation of Intangible Assets	571,757	1,669,449
Impairment Chargers	60,245,820	49,746,191
Loss/(Profit) from Sale of Unit Trust	(933,407)	-
Diminution/(Appreciation) in value of investments	(284,482)	(197,181)
Loss/(Profit) on Disposal of Property, Plant & Equipment	-	19,829
Provision/(reversal) for Defined Benefit Plans	890,000	540,000
Dividend Received	(79,936)	(121,487)
Operating Profit before Working Capital Changes	115,472,475	90,300,301
(Increase)/Decrease in Real Estate Stock	2,087,336	1,814,497
(Increase)/Decrease in Loans and Advances	(640,957,459)	10,904,897
(Increase)/Decrease in Lease Rentals Receivable & Stock out on hire	271,727,074	(611,106,697)
(Increase)/Decrease in Other Financial Assets	(43,275,760)	(19,516,640)
(Increase)/Decrease in Other Non Financial Assets	61,445,730	25,081,575
Increase/(Decrease) in Amounts Due to Customers	324,320,801	442,361,055
Increase/(Decrease) in Other Financial Liabilities	(378,128,107)	190,763,463
Increase/(Decrease) in Other Non Financial Liabilities	4,177,600	992,836
Cash Generated from Operations	(283,130,310)	131,595,287
Retirement Benefit Liabilities Paid	(60,000)	(238,313)
Taxes Paid	(21,209,958)	(5,136,972)
Net Cash From/(Used in) Operating Activities	(304,400,267)	126,220,002
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(2,413,012)	(4,628,270)
Acquisition of Intangible Assets	(5,875,200)	(2,712,689)
Proceeds from Sales of Property, Plant & Equipment	-	32,250
Acquisition of Financial Investment Held - for -Trading	-	(16,776)
Sale/(Purchase) of Placement with banks	(782)	(662)
Sale/(Purchase) of Financial Investments-Held to Maturity	(508,465)	(495,114)
Acquisition of Financial Investments - Available for Sale	(100,000,000)	-
Sale/(Purchase) of Financial Investments- Unit Trust	50,000,000	-
Dividends Received	79,936	121,487
Net Cash Flows from/(Used in) Investing Activities	(58,717,523)	(7,699,774)
Cash Flows from / (Used in) Financing Activities		
Repayment of Borrowings	(18,054,888)	(25,712,770)
Cash Flow from Debt Instruments Issued and Other borrowings	(31,110,631)	-
Cash Flow from Right Issue of Shares	185,000,000	-
Expences on Right Issue of Shares	(785,447)	-
Net Cash Flows from/(Used in) Financing Activities	135,049,034	(25,712,770)
Net Increase in Cash and Cash Equivalents	(228,068,757)	92,807,458
Cash and Cash Equivalents at the beginning of the year	905,839,030	745,027,800
Cash and Cash Equivalents at the end of the year	677,770,273	837,835,258

The figures presented above are provisional and subject to Audit.

01st August 2016
Colombo

ABANS FINANCE PLC

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

As at	HFT at Fair Value		HTM at Amortized Cost		L&R at Amortized Cost		AFS at Fair Value		Total	
	30.06.2016	31.03.2016	30.06.2016	31.03.2016	30.06.2016	31.03.2016	30.06.2016	31.03.2016	30.06.2016	31.03.2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Assets										
Cash and Bank Balances	-	-	-	-	46,705,746	73,385,295	-	-	46,705,746	73,385,295
Placements with Banks	-	-	-	-	224,769,089	224,098,165	-	-	224,769,089	224,098,165
Repurchase Agreements	-	-	-	-	466,041,322	630,158,527	-	-	466,041,322	630,158,527
Financial Investments - Held for Trading	7,199,723	6,915,241	-	-	-	-	-	-	7,199,723	6,915,241
Financial Investments - Debt Securities	-	-	-	-	-	-	-	-	-	-
Loans and Advances	-	-	-	-	1,821,155,296	1,188,546,845	-	-	1,821,155,296	1,188,546,845
Lease rentals receivable & Stock out on hire	-	-	-	-	3,299,218,821	3,596,251,779	-	-	3,299,218,821	3,596,251,779
Financial Investments - Available for Sale	-	-	-	-	-	-	52,169,603	80,400	52,169,603	80,400
Financial Investments - Held to Maturity	-	-	22,178,278	21,669,813	-	-	-	-	22,178,278	21,669,813
Other financial assets	-	-	-	-	90,487,012	73,802,180	-	-	90,487,012	73,802,180
Total Financial Assets	7,199,723	6,915,241	22,178,278	21,669,813	5,948,377,286	5,786,242,790	52,169,603	80,400	6,029,924,890	5,814,908,243

	OFL		Total	
	30.06.2016	31.03.2016	30.06.2016	31.03.2016
	Rs.	Rs.	Rs.	Rs.
Liabilities				
Due to Banks	66,891,350	47,004,092	66,891,350	47,004,092
Due to Customers	4,863,683,022	4,539,362,221	4,863,683,022	4,539,362,221
Debt Instruments Issued & Other borrowed funds	-	31,110,631	-	31,110,631
Other Financial Liabilities	458,897,404	837,025,511	458,897,404	837,025,511
Total Financial Liabilities	5,389,471,776	5,454,502,455	5,389,471,776	5,454,502,455

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

	Leasing		Hirepurchase		Term Loans		Others		Total	
FOR THE PERIOD ENDED 30 JUNE	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.
Interest Income	232,598,570	195,843,077	7,055,812	18,540,322	86,287,824	33,776,534	20,050,212	15,125,526	345,992,418	263,285,459
Fee Based Income & Others	11,794,086	34,182,791	225,629	339,091	12,700,034	779,663	615,906	572,264	25,335,655	35,873,809
Unallocated Income							4,311,719	696,875	4,311,719	696,875
Total Revenue	244,392,656	230,025,869	7,281,441	18,879,413	98,987,857	34,556,198	24,977,838	16,394,664	375,639,792	299,856,143
Interest Expences	(75,167,753)	(56,542,976)	(2,412,478)	(10,693,218)	(33,861,849)	(15,752,530)	(19,779,142)	(24,327,137)	(131,221,223)	(107,315,861)
Fee Based Expences & Others	(4,658,162)	(18,601,309)	-	-	(151,508)	(34,700)	(6,918,529)	(1,591,331)	(11,728,199)	(20,227,340)
Impairment Reversal / (Provision)	(31,885,472)	(27,984,993)	6,579,587	(492,035)	(8,349,006)	(4,171,211)	(26,590,928)	(17,097,952)	(60,245,820)	(49,746,190)
Net Operating Income	132,681,269	126,896,591	11,448,549	7,694,160	56,625,494	14,597,756	(28,310,762)	(26,621,756)	172,444,551	122,566,752
Unallocated Expenses									(120,925,142)	(86,249,301)
Profits/ (Loss) before Tax									51,519,409	36,317,450
Income Tax expenses									(17,279,050)	(10,190,000)
Net Profit / (Loss) for the period									34,240,359	26,127,450
Segment Assets	3,192,480,552	3,197,716,833	106,738,269	288,198,086	1,821,155,296	622,172,492	793,967,834	1,167,559,029	5,914,341,951	5,275,646,440
Unallocated Assets									390,024,014	209,479,790
Total Assets	3,192,480,552	3,197,716,833	106,738,269	288,198,086	1,821,155,296	622,172,492	793,967,834	1,167,559,029	6,304,365,965	5,485,126,230
Unallocated Liabilities									6,304,365,965	5,485,126,230
Total Liabilities									6,304,365,965	5,485,126,230

ABANS FINANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

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

	30th June 2016	30th June 2015
Highest	Rs.69.90	Rs.37.50
Lowest	Rs.33.20	Rs.25.00
Closing	Rs.41.20	Rs.32.50

(b).

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.

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 2016.

(c). COMMITMENTS AND CONTINGENCIES

There were no significant capital commitments as at the reporting date.

(d). PUBLIC HOLDING

- Public Share holding as at 30th June 2016 is, 10.13%
- Number of Public Share Holders as at 30th June 2016 is, 698.

(e). EVENTS OCCURRING AFTER THE REPORTING DATE

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

(f). DIRECTORS AND CEO's SHAREHOLDING

NAME OF THE DIRECTOR	30th JUNE 2016	
	NO.OF SHARES	(%)
Mr. R Pestonjee	183,884 *	0.41
Mr. C D Pathirana	NIL	-
Mr. K B Wanigasekara	NIL	-
Mr. V K Choksy	NIL	-
Mr. A S Ratnayake	NIL	-

* This includes 24,000 Shares Held Jointly.

ABANS FINANCE PLC

NOTES TO THE FINANCIAL STATEMENTS (Cont.) FOR THE PERIOD ENDED 30 JUNE 2016

(g). TWENTY LARGEST SHAREHOLDERS

NAME OF THE SHAREHOLDER	30th JUNE 2016	
	NO.OF SHARES	(%)
1 Mess Abans PLC	39,717,534	89.45
2 Mr Peston Nadirshah Pestonjee	759,600	1.71
3 Mr Kurusamy Kunenthiran	472,968	1.07
4 Mr Phiroze Kevin Pestonjee	444,120	1.00
5 Mrs Srimathie Chandrakanthi Henagama Gama	444,000	1.00
6 Mrs Champika Vilasini Sumanadasa	444,000	1.00
7 Mr Behman Pestonjee	256,800	0.58
8 Mr Rusi Pestonjee *	183,884	0.41
9 Mrs Saroshi Dubash	160,353	0.36
10 Mess A B Cold Storage (Private) Limited	120,000	0.27
11 Mess A B Securitas (Private) Limited	120,000	0.27
12 Mess Cleantech Pvt Ltd	120,000	0.27
13 Mrs Aban Pestonjee	66,667	0.15
14 Mrs Helena Irene Salgado	66,600	0.15
15 Mess TKS Finance Ltd/ K. Jayakody	59,143	0.13
16 Mr Gajath Chrysantha Goonetilleke	48,105	0.11
17 Mr Joseph Suresh Adrian Perera	40,001	0.09
18 Mess Nation Lanka Capital Ltd/ Karagoda Loku	32,300	0.07
19 Dr Kandasamy Poologasundram	30,000	0.07
20 Mr Ravindra Erlerambukwelle	27,507	0.06
	43,613,582	98.23
OTHERS	786,418	1.77
TOTAL	44,400,000	100.00

* This includes 24,000 Shares Held Jointly