

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 MARCH 2016



Abans
FINANCE

ABANS FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

	For the Twelve Months Ended March		For the Quarter Ended March	
	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.
Income	1,314,752,458	958,110,639	341,397,982	263,292,741
Interest Income	1,189,278,894	853,772,285	310,403,604	231,682,791
Interest Expenses	(481,221,503)	(409,914,041)	(125,170,076)	(100,151,262)
Net Interest Income	708,057,391	443,858,244	185,233,528	131,531,529
Fee and Commission Income	111,586,811	91,787,158	26,198,592	26,234,520
Fee and Commission Expenses	(76,888,915)	(45,314,982)	(13,020,444)	(14,199,761)
Net Fee and Commission Income	34,697,896	46,472,176	13,178,148	12,034,759
Net Gain/(Loss) From Trading	(582,293)	1,830,282	(1,057,259)	(653,380)
Other Operating Income (net)	14,469,046	10,720,913	5,853,046	6,028,810
Total Operating Income	756,642,040	502,881,616	203,207,463	148,941,718
Impairment (Charges) / Reversal	(225,840,117)	(115,592,554)	(76,471,262)	(47,160,614)
Net Operating Income	530,801,923	387,289,061	126,736,201	101,781,104
Operating Expenses				
Personnel Costs	(165,287,692)	(118,587,829)	(50,950,969)	(36,723,852)
Other Operating Expenses	(210,204,921)	(160,067,903)	(47,318,215)	(39,808,855)
Operating Profit/(Loss) before VAT on FS	155,309,310	108,633,330	28,467,017	25,248,397
Value Added Tax on Financial Services	(25,972,812)	(11,123,943)	(5,400,470)	(3,998,713)
Profit / (Loss) before Taxation from Operations	129,336,498	97,509,387	23,066,547	21,249,684
Income Tax (Expence)/Reversal	(38,957,000)	(24,707,819)	(7,087,000)	(8,017,819)
Profit/(Loss) for the Period	90,379,498	72,801,568	15,979,547	13,231,865
Other Comprehensive Income				
Gains & Losses arising on re-measuring Available for Sale Financial Assets - Investment in Unit Trust	(130,255)	130,255	(2,225,716)	(2,245,302)
Net Other Comprehensive Income to be re classified to profit or loss	(130,255)	130,255	(2,225,716)	(2,245,302)
Other Comprehensive Income not To Be Classified to Profit or Loss				
Actuarial Gains/(Losses) on Defined Benefit Plan	-	(1,328,677)	-	(1,328,677)
Deferred Tax effect on above	-	372,030	-	372,030
Net Other Comprehensive Loss not to be re classified to profit or loss	-	(956,647)	-	(956,647)
Other Comprehensive Loss for the Year, Net of Tax	(130,255)	(826,392)	(2,225,716)	(3,201,949)
Total Comprehensive Income for the Period	90,249,243	71,975,176	13,753,831	10,029,916
Earnings Per Share	2.44	1.97	0.43	0.36

The figures presented above are provisional and subject to Audit.

ABANS FINANCE PLC**STATEMENT OF FINANCIAL POSITION**

AS AT 31 MARCH 2016

	MARCH '2016 Rs.	MARCH '2015 Rs. (Audited)
Assets		
Cash and Bank Balances	61,866,501	68,497,383
Placements with Banks	224,098,165	283,645,333
Securities Purchased under Repurchase Agreement	630,158,527	426,888,521
Financial Assets - Held for Trading	6,915,241	7,370,358
Financial Investments - Debt Securities	-	49,278,340
Loans and Advances	1,188,546,842	637,248,600
Lease Rentals Receivable & Stock Out on Hire	3,596,251,781	2,903,285,248
Financial Investments - Available for Sale	80,400	100,210,655
Financial Investments - Held to Maturity	21,669,813	21,150,414
Other Financial Assets	73,835,033	42,129,334
Real Estate Stock	88,111,407	97,139,978
Other Non Financial Assets	97,894,824	81,785,327
Deferred Tax Asset	18,446,150	18,446,150
Intangible Assets	15,608,895	10,241,083
Property, Plant & Equipment	75,811,265	26,807,373
Total Assets	6,099,294,844	4,774,124,097
Liabilities		
Due to Banks	58,818,423	155,850,542
Due to Customers	4,539,362,221	3,591,961,005
Debt Inst. Issued and Other Borrowed Funds	31,110,631	-
Other Financial Liabilities	821,725,568	461,616,857
Other Non Financial Liabilities	7,904,470	1,859,218
Retirement Benefit Liability	13,148,889	11,474,701
Current Tax Liabilities	12,105,228	26,491,603
Total Liabilities	5,484,175,430	4,249,253,926
Shareholders' Funds		
Stated Capital	382,373,630	382,373,630
Statutory Reserve	44,529,000	44,529,000
Retained Earnings	188,216,784	97,837,286
Accumulated Other Comprehensive Income	-	130,255
Total Shareholders' Funds	615,119,414	524,870,171
Total Liabilities and Shareholders' Funds	6,099,294,844	4,774,124,097
Commitments and Contingencies	-	-
Net Assets Per Share	16.62	14.19

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

23rd May 2016
Colombo

ABANS FINANCE PLC
STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED

	Stated Capital	Retained Earnings	Statutory Reserve	Investment Fund Reserve	Accumulated Other Comprehensive Income	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 April 2014	382,373,630	22,099,123	29,968,000	18,454,242	-	452,894,995
Net Profit / (Loss) for the Period	-	72,801,568	-	-	-	72,801,567
Other Comprehensive Income Net of Tax	-	(956,647)	-	-	130,255	(826,391)
Transfer to / (from) during the Period	-	(14,561,000)	14,561,000	-	-	-
Transfer to / (from) Investment Fund Reserve	-	18,454,242	-	(18,454,242)	-	-
Balance as at 31 March 2015	<u>382,373,630</u>	<u>97,837,286</u>	<u>44,529,000</u>	<u>-</u>	<u>130,255</u>	<u>524,870,171</u>
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	-	90,379,498	-	-	-	90,379,498
Other Comprehensive Income Net of Tax	-	-	-	-	(130,255)	(130,255)
Transfer to / (from) during the Period	-	-	-	-	-	-
Balances as at 31 March 2016	<u>382,373,630</u>	<u>188,216,784</u>	<u>44,529,000</u>	<u>-</u>	<u>-</u>	<u>615,119,414</u>

23rd May 2016
Colombo

ABANS FINANCE PLC**CASH FLOW STATEMENT**

FOR THE PERIOD ENDED

	31st March '2016 Rs.	31st March '2015 Rs.
Cash Flows From / (Used in) Operating Activities		
Profit / (Loss) Before Income Tax Expense	129,336,498	97,509,387
Adjustments for		
Depreciation	11,416,893	7,804,503
Amortisation of Intangible Assets	1,491,717	4,607,033
Impairment Chargers	225,840,117	115,592,554
Loss/(Profit) from Sale of Investments	-	3,032,079
Loss/(Profit) from Sale of Unit Trust	(8,924,199)	
Diminution/(Appreciation) in value of investments	827,662	(4,594,180)
Loss/(Profit) on Disposal of Property, Plant & Equipment	19,829	36,642
Provision/(reversal) for Defined Benefit Plans	2,160,000	2,803,208
Dividend Received	(245,369)	(268,181)
Operating Profit before Working Capital Changes	361,923,148	226,523,045
(Increase)/Decrease in Real Estate Stock	(19,065,503)	33,720,879
(Increase)/Decrease in Loans and Advances	(552,542,103)	98,094,905
(Increase)/Decrease in Lease Rentals Receivable & Stock out on hire	(838,275,886)	(873,935,508)
(Increase)/Decrease in Other Financial Assets	(110,992,598)	(83,998,656)
(Increase)/Decrease in Other Non Financial Assets	(16,109,498)	13,512,285
Increase/(Decrease) in Amounts Due to Customers	947,401,216	991,841,460
Increase/(Decrease) in Other Financial Liabilities	360,108,711	208,996,298
Increase/(Decrease) in Other Non Financial Liabilities	6,045,251	(1,020,540)
Cash Generated from Operations	138,492,738	613,734,168
Retirement Benefit Liabilities Paid	(485,813)	(69,000)
Taxes Paid	(53,343,374)	(22,011,703)
Net Cash From/(Used in) Operating Activities	84,663,551	591,653,465
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(32,378,791)	(16,726,387)
Acquisition of Intangible Assets	(6,859,530)	(5,507,394)
Proceeds from Sales of Property, Plant & Equipment	32,250	35,000
Acquisition of Financial Investment Held - for -Trading	(372,546)	(5,164,166)
Proceeds from Sale of Financial Investments Held -for-Trading	-	6,406,045
Sale/(Purchase) of Placement with banks	(2,807)	(3,299)
Sale/(Purchase) of Financial Investments-Held to Maturity	(519,398)	(454,674)
Acquisition of Financial Investments - Available for Sale	(100,000,000)	(100,000,000)
Sale/(Purchase) of Financial Investments- Unit Trust	208,924,199	
Investment in Debt Securities	-	158,422
Proceeds from Disposal of Debt Securities	49,278,340	-
Dividends Received	245,369	268,180
Net Cash Flows from/(Used in) Investing Activities	118,347,086	(120,988,273)
Cash Flows from / (Used in) Financing Activities		
Repayment of Borrowings	(96,643,162)	(102,939,722)
Payment under Finance Lease Liabilities		
Cash Flow from Debt Instruments Issued and Other borrowings	31,110,631	(122,265,623)
Dividends Paid	-	
Net Cash Flows from/(Used in) Financing Activities	(65,532,531)	(225,205,345)
Net Increase in Cash and Cash Equivalents	137,478,106	245,459,847
Cash and Cash Equivalents at the beginning of the year	745,027,800	499,567,953
Cash and Cash Equivalents at the end of the year	882,505,906	745,027,800

The figures presented above are provisional and subject to Audit.

23rd May 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	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Assets										
Cash and Bank Balances	-	-	-	-	61,866,501	68,497,383	-	-	61,866,501	68,497,383
Placements with Banks	-	-	-	-	224,098,165	283,645,333	-	-	224,098,165	283,645,333
Repurchase Agreements	-	-	-	-	630,158,527	426,888,521	-	-	630,158,527	426,888,521
Financial Investments - Held for Trading	6,915,241	7,370,358	-	-	-	-	-	-	6,915,241	7,370,358
Financial Investments - Debt Securities	-	-	-	-	-	49,278,340	-	-	-	49,278,340
Loans and Advances	-	-	-	-	1,188,546,842	637,248,600	-	-	1,188,546,842	637,248,600
Lease rentals receivable & Stock out on hire	-	-	-	-	3,596,251,781	2,903,285,248	-	-	3,596,251,781	2,903,285,248
Financial Investments - Available for Sale	-	-	-	-	-	-	80,400	100,210,655	80,400	100,210,655
Financial Investments - Held to Maturity	-	-	21,669,813	21,150,414	-	-	-	-	21,669,813	21,150,414
Other financial assets	-	-	-	-	73,835,033	42,129,334	-	-	73,835,033	42,129,334
Total Financial Assets	6,915,241	7,370,358	21,669,813	21,150,414	5,774,756,849	4,410,972,759	80,400	100,210,655	5,803,422,303	4,539,704,186

OFL

	OFL		Total	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Rs.	Rs.	Rs.	Rs.
Liabilities				
Due to Banks	58,818,423	155,850,542	58,818,423	155,850,542
Due to Customers	4,539,362,221	3,591,961,005	4,539,362,221	3,591,961,005
Debt Instruments Issued & Other borrowed funds	31,110,631	-	31,110,631	-
Other Financial Liabilities	821,725,568	461,616,857	821,725,568	461,616,857
Total Financial Liabilities	5,451,016,843	4,209,428,404	5,451,016,843	4,209,428,404

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 31 MARCH	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.	2016 Rs.	2015 Rs.
Interest Income	933,631,256	505,660,046	56,032,551	124,017,025	130,926,781	170,636,149	68,688,307	53,459,065	1,189,278,894	853,772,285
Fee Based Income & Others	97,689,895	78,404,649	1,167,893	6,641,968	12,729,023	6,740,541	254,543	882,763	111,841,354	92,669,921
Unallocated Income							13,632,210	11,668,433	13,632,210	11,668,433
Total Revenue	1,031,321,151	584,064,695	57,200,444	130,658,993	143,655,804	177,376,690	82,575,060	66,010,261	1,314,752,458	958,110,639
Interest Expences	(282,643,578)	(202,940,779)	(21,755,502)	(52,642,312)	(85,509,237)	(70,819,620)	(91,313,186)	(83,511,330)	(481,221,503)	(409,914,041)
Fee Based Expences & Others	(52,012,635)	(38,615,011)	-	(192,545)	(109,903)	(161,550)	(24,766,377)	(6,345,876)	(76,888,915)	(45,314,982)
Impairment Reversal / (Provision)	(126,967,604)	(69,994,275)	(18,922,217)	25,755,598	(1,243,861)	(6,906,233)	(78,706,435)	(64,447,644)	(225,840,117)	(115,592,554)
Net Operating Income	569,697,334	272,514,630	16,522,725	103,579,734	56,792,803	99,489,286	(112,210,938)	(88,294,589)	530,801,923	387,289,062
Unallocated Expenses									(401,465,425)	(289,779,675)
Profits/ (Loss) before Tax									129,336,498	97,509,387
Income Tax expenses									(38,957,000)	(24,707,819)
Net Profit / (Loss) for the period									90,379,498	72,801,568
Segment Assets	3,488,564,623	2,546,448,364	107,687,158	356,836,885	1,188,546,842	637,248,600	964,037,912	985,683,599	5,748,836,535	4,526,217,449
Unallocated Assets									350,458,309	247,906,648
Total Assets	3,488,564,623	2,546,448,364	107,687,158	356,836,885	1,188,546,842	637,248,600	964,037,912	985,683,599	6,099,294,844	4,774,124,098
Unallocated Liabilities									6,099,294,844	4,774,124,097
Total Liabilities									6,099,294,844	4,774,124,097

ABANS FINANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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

	31st March 2016	31st March 2015
Highest	Rs.45.00	Rs.28.70
Lowest	Rs.31.00	Rs.24.00
Closing	Rs.38.20	Rs.25.50

(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 2015.

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 provisional and subject to audit.

(c). COMMITMENTS AND CONTINGENCIES

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

(d). PUBLIC HOLDING

- Public Share holding as at 31st March 2016 is, 10.33%
- Number of Public Share Holders as at 31st March 2016 is, 677.

(e). EVENTS OCCURRING AFTER THE REPORTING DATE

The Company has issued 7,400,000 ordinary shares by way of a Rights Issue in the proportion of One (01) Ordinary Share for every Five (05) Ordinary shares in the capital of the Company (which is ranked pari passu) and raised Rs. 185,000,000 subsequently, thereby increased the Stated Capital of the company from Rupees Three hundred & Eighty Two Million Three Hundred & seventy Three Thousand Six Hundred & Thirty (Rs.382,372,630/-) being the Stated Capital representing Thirty Seven Million (37,000,000) shares, to Rupees Five Hundred & Sixty Seven Million Three Hundred & Seventy Three Thousand Six Hundred & Thirty (Rs.567,373,630/-) representing Forty Four Million Four Hundred Thousand (44,400,000) shares.

(f). DIRECTORS AND CEO's SHAREHOLDING

NAME OF THE DIRECTOR	31st December 2015		31st March 2015	
	NO.OF SHARES	(%)	NO.OF SHARES	(%)
Mr. R Pestonjee	153,237 *	0.41	147,887 *	0.40
Mr. C D Pathirana	NIL	-	NIL	-
Mr. K B Wanigasekara	NIL	-	NIL	-
Mr. V K Choksy	NIL	-	NIL	-
Mr. A S Ratnayake	NIL	-	NIL	-

* This includes 20,000 Shares Held Jointly.

ABANS FINANCE PLC**NOTES TO THE FINANCIAL STATEMENTS (Cont.)
FOR THE PERIOD ENDED 31 MARCH 2016****(g). TWENTY LARGEST SHAREHOLDERS**

Name Of The Shareholder	31st March 2016	
	No.of Shares	(%)
Abans PLC	33,025,006	89.26
Mr. P N Pestonjee	633,000	1.71
Mr. K Kunenthiran	419,671	1.13
Mr. P K Pestonjee	370,100	1.00
Mrs. H G S Chandrakanthi	370,000	1.00
Mrs. C V Sumanadasa	370,000	1.00
Mr. B Pestonjee	214,000	0.58
Mrs. S Dubash	133,334	0.36
Mr. R Pestonjee	133,237	0.36
A B Cold Storage (Private) Limited	100,000	0.27
Ab Securitas (Private) Limited	100,000	0.27
Cleantech (Pvt) Ltd	100,000	0.27
Tks Finance Ltd/ K Jayakody	94,512	0.26
Mrs. A Pestonjee	66,667	0.18
Mrs. H I Salgado	66,600	0.18
Tks Finance Ltd/S T Selvi	40,640	0.11
Mr. G C Goonetilleke	40,000	0.11
Tks Finance Ltd/L S Vithya	28,951	0.08
Mr. K Poologasundram	25,000	0.07
Mrs. W G S D Chandrathilaka	21,710	0.06
	<u>36,352,428</u>	<u>98.25</u>
Others	647,572	1.75
Total	<u>37,000,000</u>	<u>100.00</u>