



## **INTERIM FINANCIAL STATEMENTS**

For the six months ended 30th September 2018

**VALLIBEL FINANCE PLC**  
**Income Statement**

Amounts in Rupees '000

	Quarter ended 30th September			Six months ended 30th September		
	2018	2017	Change %	2018	2017	Change %
<b>Gross Income</b>	<b>2,123,880</b>	<b>1,665,795</b>	27.5	<b>4,092,644</b>	<b>3,210,169</b>	27.5
Interest Income	1,898,098	1,495,222	26.9	3,677,190	2,903,158	26.7
Interest Expense	(1,098,675)	(866,950)	26.7	(2,105,848)	(1,671,665)	26.0
<b>Net Interest Income</b>	<b>799,423</b>	<b>628,272</b>	27.2	<b>1,571,342</b>	<b>1,231,493</b>	27.6
Fee and Commission Income	90,342	55,310	63.3	170,359	107,142	59.0
<b>Net Fee and Commission Income</b>	<b>90,342</b>	<b>55,310</b>	63.3	<b>170,359</b>	<b>107,142</b>	59.0
Net Gain / (Loss) from Trading	(201)	(108)	87.0	(302)	(15)	1,909.1
Net Gain / (Loss) from Financial Investments	78	1,943	(96.0)	79	1,943	(96.0)
Other Operating Income	135,563	113,427	19.5	245,319	197,941	23.9
<b>Total Operating Income</b>	<b>1,025,205</b>	<b>798,844</b>	28.3	<b>1,986,797</b>	<b>1,538,503</b>	29.1
Impairment Charges for Loans and other losses	(62,945)	(23,856)	163.9	(101,887)	(50,640)	101.2
<b>Net Operating Income</b>	<b>962,260</b>	<b>774,988</b>	24.2	<b>1,884,910</b>	<b>1,487,863</b>	26.7
<b>Expenses</b>						
Personnel Expenses	(241,093)	(169,144)	42.5	(461,940)	(340,926)	35.5
Premises Equipment and Establishment Expenses	(40,252)	(29,563)	36.2	(73,480)	(57,134)	28.6
Other Operating Expenses	(164,312)	(143,407)	14.6	(314,774)	(282,436)	11.4
<b>Operating Profit Before Value Added Tax &amp; NBT</b>	<b>516,603</b>	<b>432,875</b>	19.3	<b>1,034,716</b>	<b>807,368</b>	28.2
Value Added Tax on Financial Services & NBT	(107,782)	(85,477)	26.1	(211,821)	(160,651)	31.9
<b>Profit Before Income Tax</b>	<b>408,821</b>	<b>347,398</b>	17.7	<b>822,895</b>	<b>646,717</b>	27.2
Income Tax Expense	(145,337)	(115,735)	25.6	(295,486)	(213,411)	38.5
<b>Profit for the Period</b>	<b>263,484</b>	<b>231,663</b>	13.7	<b>527,409</b>	<b>433,306</b>	21.7
<b>Earnings Per Share (Annualised)</b>	<b>19.02</b>	<b>21.46</b>	(11.4)	<b>19.03</b>	<b>20.07</b>	(5.2)

**VALLIBEL FINANCE PLC**  
**Statement of Profit or Loss and Other Comprehensive Income**

Amounts in Rupees '000

	Quarter ended 30th September			Six months ended 30th September		
	2018	2017	Change	2018	2017	Change
			%			%
<b>Profit for the period</b>	<b>263,484</b>	<b>231,663</b>	<b>13.7</b>	<b>527,409</b>	<b>433,306</b>	<b>21.7</b>
<b>Other Comprehensive Income for the Period , Net of Tax</b>						
<b>Items that will never be reclassified to Profit or Loss</b>						
Gains / (Losses) on Remeasurement of Defined Benefit Liability	-	-	-	-	-	-
Deferred Tax (Charge) / Reversal on Actuarial Gains / (Losses)	-	-	-	-	-	-
<b>Net Actuarial Gains / (Losses) on Defined Benefit Liability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Items that are or may be reclassified to Profit or Loss</b>						
Fair Value Gains / (Losses) that arose during the period, Net of Tax	(930)	6,626	(114.0)	(305)	11,758	(102.6)
Fair Value Gains / (Losses) realised to Income Statement on disposal, Net of Tax	-	(1,875)	(100.0)	-	(1,875)	(100.0)
<b>Net Fair Value Gains / (Losses) on remeasuring Available For Sale Financial Assets</b>	<b>(930)</b>	<b>4,751</b>	<b>(119.6)</b>	<b>(305)</b>	<b>9,883</b>	<b>(103.1)</b>
<b>Other Comprehensive Income for the Period, Net of Tax</b>	<b>(930)</b>	<b>4,751</b>	<b>(119.6)</b>	<b>(305)</b>	<b>9,883</b>	<b>(103.1)</b>
<b>Total Comprehensive Income for the Period</b>	<b>262,554</b>	<b>236,414</b>	<b>11.1</b>	<b>527,104</b>	<b>443,189</b>	<b>18.9</b>

**VALLIBEL FINANCE PLC**  
**Statement of Financial Position**

Amounts in Rupees '000

	As at 30th September 2018	As at 31st March 2018 (Audited)	Change %
<b>Assets</b>			
Cash and Cash Equivalents	896,586	1,021,652	(12.2)
Placements with Banks and Other Finance Companies	2,226,286	2,076,192	7.2
Reverse Repurchase Agreements	400,164	630,286	(36.5)
Financial Investments - Held for Trading	1,637	1,939	(15.6)
Assets Held for Sale	23,919	23,919	-
Loans and Receivables to Other Customers	21,693,682	18,073,714	20.0
Lease Rental and Hire Purchase Receivables	14,042,250	12,753,940	10.1
Financial Investments - Available for Sale	1,169,882	208,704	460.5
Financial Investments - Held to Maturity	1,104,659	1,920,722	(42.5)
Other Financial Assets	20,469	16,972	20.6
Property, Plant and Equipment	1,454,197	1,445,290	0.6
Intangible Assets	12,170	14,569	(16.5)
Deferred Tax Assets	16,020	16,020	-
Other Assets	161,291	202,358	(20.3)
<b>Total Assets</b>	<b>43,223,212</b>	<b>38,406,277</b>	<b>12.5</b>
<b>Liabilities</b>			
Bank Overdrafts	1,712,893	1,839,145	(6.9)
Rental Received in Advance	316,482	308,688	2.5
Deposits due to Customers	23,930,059	22,186,880	7.9
Interest bearing Borrowings	9,764,919	8,011,422	21.9
Subordinated Term Debts	1,549,668	1,550,967	(0.1)
Current Tax Liabilities	242,750	364,888	(33.5)
Deferred Tax Liabilities	385,537	385,537	-
Other Liabilities	387,848	400,427	(3.1)
Retirement Benefit Obligations	67,954	57,213	18.8
<b>Total Liabilities</b>	<b>38,358,110</b>	<b>35,105,167</b>	<b>9.3</b>
<b>Equity</b>			
Stated Capital	1,325,918	287,153	361.7
Statutory Reserve Fund	837,618	732,136	14.4
Available For Sale Reserve	(305)	-	(100.0)
General Reserve	7,500	7,500	-
Retained Earnings	2,694,371	2,274,321	18.5
<b>Total Equity</b>	<b>4,865,102</b>	<b>3,301,110</b>	<b>47.4</b>
<b>Total Liabilities and Equity</b>	<b>43,223,212</b>	<b>38,406,277</b>	<b>12.5</b>
<b>Net Assets Value Per Share (Rs.)</b>	<b>82.65</b>	<b>79.45</b>	<b>4.0</b>

The information contained in these statements have been extracted from the unaudited Financial Statements of the company unless indicated as audited.

**Certification**

These Financial Statements have been prepared and presented in compliance with the requirements of the Companies Act, No.07 of 2007.



K.D.Menaka Sameera  
**DGM - Finance & Administration**

The Board of Directors is responsible for the preparation and the presentation of these Financial Statements.

Approved and signed for and on behalf of the Board ;



Dhammika Perera  
**Executive Director**



S.B. Rangamuwa  
**Managing Director**

06th November 2018  
Colombo.

**VALLIBEL FINANCE PLC**  
**Statement of Changes in Equity**

	Amounts in Rupees '000					
	Stated Capital	Statutory Reserve Fund	Available For Sale Reserve	General Reserve	Retained Earnings	Total Equity
<b>Balance as at 01st April 2017</b>	<b>287,153</b>	<b>528,409</b>	<b>(6,835)</b>	<b>7,500</b>	<b>1,741,393</b>	<b>2,557,620</b>
<b>Total Comprehensive Income for the Period</b>						
Profit for the Period	-	-	-	-	433,306	433,306
<b>Other Comprehensive Income, net of Tax</b>						
Net Fair Value Gains / (Losses) on remeasuring Available For Sale Financial Assets	-	-	11,758	-	-	11,758
Net Fair Value Change realised to Income Statement on disposal of Available For Sale Financial Assets	-	-	(1,875)	-	-	(1,875)
Net Actuarial Gains / (Losses) on Retirement Benefit Obligation	-	-	-	-	-	-
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>9,883</b>	<b>-</b>	<b>433,306</b>	<b>443,189</b>
<b>Transactions with owners, recognised directly in equity, contributions and distributions to owners</b>						
Dividends to equity holders						
First and Final Dividend for 2016/17	-	-	-	-	(124,652)	(124,652)
Statutory Reserve Transfer	-	86,661	-	-	(86,661)	-
<b>Total Transactions with Equity Holders</b>	<b>-</b>	<b>86,661</b>	<b>-</b>	<b>-</b>	<b>(211,313)</b>	<b>(124,652)</b>
<b>Balance as at 30th September 2017</b>	<b>287,153</b>	<b>615,070</b>	<b>3,048</b>	<b>7,500</b>	<b>1,963,386</b>	<b>2,876,157</b>
<b>Balance as at 01st April 2018</b>	<b>287,153</b>	<b>732,136</b>	<b>-</b>	<b>7,500</b>	<b>2,274,321</b>	<b>3,301,110</b>
<b>Total Comprehensive Income for the Period</b>						
Profit for the Period	-	-	-	-	527,409	527,409
<b>Other Comprehensive Income, net of Tax</b>						
Net Fair Value Gains / (Losses) on remeasuring Available For Sale Financial Assets	-	-	(305)	-	-	(305)
Net Fair Value Change realised to Income Statement on disposal of Available For Sale Financial Assets	-	-	-	-	-	-
Net Actuarial Gains / (Losses) on Retirement Benefit Obligation	-	-	-	-	-	-
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>(305)</b>	<b>-</b>	<b>527,409</b>	<b>527,104</b>
<b>Transactions with owners, recognised directly in equity, contributions and distributions to owners</b>						
Proceeds from Rights Issue	1,038,765	-	-	-	-	1,038,765
Transaction Cost of Rights Issue	-	-	-	-	(1,877)	(1,877)
Statutory Reserve Transfer	-	105,482	-	-	(105,482)	-
<b>Total Transactions with Equity Holders</b>	<b>1,038,765</b>	<b>105,482</b>	<b>-</b>	<b>-</b>	<b>(107,359)</b>	<b>1,036,888</b>
<b>Balance as at 30th September 2018</b>	<b>1,325,918</b>	<b>837,618</b>	<b>(305)</b>	<b>7,500</b>	<b>2,694,371</b>	<b>4,865,102</b>

**VALLIBEL FINANCE PLC****Cash Flow Statement**

For the Period Ended	Amounts in Rupees '000	
	30th September 2018	30th September 2017
<b>Cash Flow From Operating Activities</b>		
Interest and Commission Receipts	3,664,191	2,964,394
Interest Payments	(2,073,929)	(1,587,554)
Cash Receipts from Customers	309,813	243,935
Cash Payments to Employees and Suppliers	(1,006,773)	(767,165)
<b>Operating Profit Before Changes in Operating Assets and Liabilities</b>	<b>893,302</b>	<b>853,610</b>
<b>( Increase ) / Decrease in Operating Assets</b>		
Short Term Funds	27,744	(67,728)
Deposits held for Regulatory or Monetary Control Purposes	770,762	564,537
Funds Advanced to Customers	(5,002,121)	(2,190,763)
Other Short Term Negotiable Securities	(723,166)	(684,155)
<b>Increase / ( Decrease ) in Operating Liabilities</b>		
Deposits from Customers	1,860,704	1,635,258
Certificate of Deposits	(47,702)	185,192
<b>Net Cash (Used in) / Generated from Operating Activities before Income Tax</b>	<b>(2,220,478)</b>	<b>295,951</b>
Current Taxes Paid	(417,624)	(130,773)
Gratuity Paid	(1,559)	(480)
<b>Net Cash (Used In) / Generated from Operating Activities</b>	<b>(2,639,661)</b>	<b>164,698</b>
<b>Cash Flows From Investing Activities</b>		
Dividends Received	78	167
Proceed from Sale of Property , Plant and Equipment	13,486	5,600
Purchase of Property , Plant and equipment	(57,116)	(27,733)
Purchase of Intangible Assets	-	-
<b>Net Cash (Used In) / Generated from Investing Activities</b>	<b>(43,552)</b>	<b>(21,966)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from Rights Issue	1,038,765	-
Net increase / (decrease) in Borrowings	1,647,512	54,288
Dividend paid	-	(124,652)
Transaction cost of Right Issue	(1,877)	-
<b>Net Cash (Used In) / Generated from Financing Activities</b>	<b>2,684,400</b>	<b>(70,364)</b>
<b>Net Increase / ( Decrease ) in Cash &amp; Cash Equivalents</b>	<b>1,187</b>	<b>72,368</b>
Cash & Cash Equivalents at the Beginning of the Period	(817,493)	(680,987)
<b>Cash &amp; Cash Equivalents at the End of the Period ( Note A )</b>	<b>(816,306)</b>	<b>(608,619)</b>
<b>Note A</b>		
<b>Cash &amp; Cash Equivalents at the End of the Period</b>		
Cash in Hand and at Banks	896,586	564,276
Bank Overdrafts	(1,712,893)	(1,172,895)
	<b>(816,306)</b>	<b>(608,619)</b>

**Analysis of Financial Instruments by Measurement Basis**

Amounts in Rupees '000

	Held For Trading (HFT)		Held To Maturity (HTM)		Loans and Receivables (L&R)		Available For Sale (AFS)		Total	
	As at 30th September 2018	As at 31st March 2018	As at 30th September 2018	As at 31st March 2018	As at 30th September 2018	As at 31st March 2018	As at 30th September 2018	As at 31st March 2018	As at 30th September 2018	As at 31st March 2018
	<b>Assets</b>									
Cash and Cash Equivalents	-	-	-	-	896,586	1,021,652	-	-	896,586	1,021,652
Placements with Banks and Other Finance Companies	-	-	-	-	2,226,286	2,076,192	-	-	2,226,286	2,076,192
Reverse Repurchase Agreements	-	-	-	-	400,164	630,286	-	-	400,164	630,286
Financial Investments - Held for Trading	1,637	1,939	-	-	-	-	-	-	1,637	1,939
Loans and Receivables to Other Customers	-	-	-	-	21,693,682	18,073,714	-	-	21,693,682	18,073,714
Lease Rental and Hire Purchase Receivables	-	-	-	-	14,042,250	12,753,940	-	-	14,042,250	12,753,940
Financial Investments - Available for Sale	-	-	-	-	-	-	1,169,882	208,704	1,169,882	208,704
Financial Investments - Held to Maturity	-	-	1,104,659	1,920,722	-	-	-	-	1,104,659	1,920,722
Other Financial Assets	-	-	-	-	20,469	16,972	-	-	20,469	16,972
<b>Total Financial Assets</b>	<b>1,637</b>	<b>1,939</b>	<b>1,104,659</b>	<b>1,920,722</b>	<b>39,279,437</b>	<b>34,572,756</b>	<b>1,169,882</b>	<b>208,704</b>	<b>41,555,615</b>	<b>36,704,121</b>
					Held For Trading		Amortised Cost		Total	
					As at 30th September 2018	As at 31st March 2018	As at 30th September 2018	As at 31st March 2018	As at 30th September 2018	As at 31st March 2018
<b>Liabilities</b>										
Bank Overdrafts	-	-	-	-	-	-	1,712,893	1,839,145	1,712,893	1,839,145
Rental Received in Advance	-	-	-	-	-	-	316,482	308,688	316,482	308,688
Deposits due to Customers	-	-	-	-	-	-	23,930,059	22,186,880	23,930,059	22,186,880
Interest bearing Borrowings	-	-	-	-	-	-	9,764,919	8,011,422	9,764,919	8,011,422
Subordinated Term Debts	-	-	-	-	-	-	1,549,668	1,550,967	1,549,668	1,550,967
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,274,021</b>	<b>33,897,101</b>	<b>37,274,021</b>	<b>33,897,101</b>

## Explanatory Notes

1. There were no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the year ended 31st March 2018.
2. These Interim Financial Statements have been prepared in accordance with the requirements of Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting'.
3. **SLFRS - 9**  
 The Sri Lanka Accounting Standard – SLFRS 9 (Financial Instruments) is effective for annual periods beginning on or after 01st January 2018. SLFRS 9 (Financial Instruments) replaces the existing guidance on LKAS 39 on "Financial Instruments: Recognition and Measurement". However, CA Sri Lanka has granted the option, via the Statement of Alternative Treatment (SoAT) to prepare the interim financial statements continuing the application of LKAS 39 (Financial Instruments: Recognition and Measurement), with disclosures on impact to the Statement of Comprehensive Income for the period, if SLFRS 9 has been applied.  
 Accordingly, as permitted by the above SoAT, the Company has prepared the Interim Financial Statements for the quarter ended 30th September 2018 based on LKAS 39.  
 Based on the preliminary assessments undertaken to date which is yet to be audited, with the transition from LKAS 39 incurred loss method to SLFRS 9 expected credit loss method, it is expected 10% - 20% increase in overall impairment provision as at 31st March 2018. The impact of the new classification and measurement approach for financial assets is not expected to be material. The Company is in the process of validating the impact of migration to SLFRS 9 as at 30th September 2018.
- 4 **Right Issue of Shares**  
 During the 6 months ended 30th September 2018 Stated Capital of the Company increased by Rs. 1,038,765,000/- through a Rights Issue of 17,312,750 Ordinary shares (the ratio of five new shares for every twelve shares held) at a price of Rs. 60/- . The purpose of the Rights Issue is to strengthen the Tier 1 capital base of the Company and the proceeds of the Rights Issue is utilized to fund the expected growth in the Loan Book. The shares were listed on the CSE on 20th June 2018.
- 5 Mr. Sisira Sirimewan Weerabahu was appointed as an Independent Non Executive Director of the Company with effect from 20th April 2018.
- 6 ICRA Lanka Limited has revised / reaffirmed the ratings issued to the Company as follows.  
 Issuer Rating revised to [SL] BBB with a stable outlook  
 Unsecured Subordinate Redeemable Debentures revised to [SL] BBB - with a stable outlook  
 Guaranteed Subordinate Redeemable Debentures rating of [SL] AA - (SO) with a stable outlook reaffirmed
- 7 During the quarter there were no material changes in the composition of assets, liabilities, contingent liabilities. All known expenditure items have been provided for.
- 8 The presentation and classification of certain items in these financial statements are amended to ensure the comparability with the current period.
- 9 There were no material events took place since reporting date other than disclosed above in Financial Statements.

### Information On Ordinary Shares

Share Price During the Quarter	For the Quarter Ended	
	30.09.2018	30.09.2017
Highest	69.00	74.90
Lowest	60.00	66.30
Closing	63.50	66.90
No. of Ordinary Share Issued As At 30th September	58,863,350	41,550,600

### Selected Performance Indicators

Indicator	As at 30th September 2018	As at 30th September 2017
	Rs'000	Rs'000
<b>Asset Quality</b>		
<b>Based on Sri Lanka Accounting Standards effected prior to 1st April 2012</b>		
Total Accommodation (Net of Interest in Suspense)	36,499,395	27,579,924
Net Total Accommodations (Net of Provision for Bad and Doubtful Debts)	35,825,133	26,991,455
Non-Performing Accommodations (Net of Interest in Suspense)	1,008,409	776,316
<b>Liquidity</b>		
Required Minimum Amount of Liquid Assets	2,631,510	2,059,854
Available Amount of Liquid Assets	4,117,515	3,706,785
Required Minimum Amount of Government Securities	1,573,335	1,323,561
Available Amount of Government Securities	1,633,785	1,731,592
<b>Capital Adequacy</b>		
Tier 1 Capital to Risk Weighted Assets Ratio (Minimum 6%) *	10.21%	8.97%
Total Capital to Risk Weighted Assets Ratio (Minimum 10%) *	11.39%	11.92%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)	20.81%	16.85%
<b>Profitability</b>		
Return on Average Assets (After Tax) - Annualised	2.58%	2.73%
Return on Average Equity - Annualised	25.82%	31.90%

\* Calculated based on the new capital adequacy framework issued by Central Bank of Sri Lanka for Licensed Finance Companies with effect from 01st July 2018. Minimum Tier 1 Capital requirement has been increased to 6% from 5% under the new capital adequacy framework.



**Information On Listed Debentures**

**Market Values of Listed Debentures**

**VFIN Debentures 2014/2019**

	Highest		Lowest		Period End	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017	30.09.2018	30.09.2017
5 Year Fixed Rate - 14.75%	N/T	102.00	N/T	101.27	N/T	102.00
5 Year Fixed Rate - 15.00%	N/T	N/T	N/T	N/T	N/T	N/T
5 Year Fixed Rate - 15.50%	100.50	N/T	97.50	N/T	97.50	N/T

**VFIN Debentures 2015/2020**

	Highest		Lowest		Period End	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017	30.09.2018	30.09.2017
5 Year Fixed Rate - 10.25%	N/T	N/T	N/T	N/T	N/T	N/T

**Interest Rates**

**VFIN Debentures 2014/2019**

	For the quarter ended			
	Coupon Rate	Effective Rate	Coupon Rate	Effective Rate
	30.09.2018	30.09.2018	30.09.2017	30.09.2017
5 Year Fixed Rate - 14.75%	14.75%	15.59%	14.75%	15.59%
5 Year Fixed Rate - 15.00%	15.00%	15.56%	15.00%	15.56%
5 Year Fixed Rate - 15.50%	15.50%	15.50%	15.50%	15.50%

**VFIN Debentures 2015/2020**

	For the quarter ended			
	Coupon Rate	Effective Rate	Coupon Rate	Effective Rate
	30.09.2018	30.09.2018	30.09.2017	30.09.2017
5 Year Fixed Rate - 10.25%	10.25%	10.51%	10.25%	10.51%

**Interest Rates of Comparable Government Securities**

	For the quarter ended	
	30.09.2018	30.09.2017
5 Year Treasury Bond	9.91%	10.43%

**Interest Yield and Yield to Maturity**

**VFIN Debentures 2014/2019**

	Fixed - 14.75%		Fixed - 15.00%		Fixed - 15.50%	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017	30.09.2018	30.09.2017
Interest Yield	14.75%	14.46%	15.00%	15.00%	15.90%	15.50%
Yield to Maturity of last trade	N/T	13.17%	N/T	N/T	19.44%	N/T

**VFIN Debentures 2015/2020**

	For the quarter ended	
	30.09.2018	30.09.2017
Interest Yield	10.25%	10.25%
Yield to Maturity of last trade	N/T	N/T

\* N/A - Not Applicable as at 30th September and N/T - Not Traded as at 30th September

**Ratios**

	30.09.2018	30.09.2017
Debt to Equity Ratio (%)	233%	271%
Interest Cover (Times)	1.49	1.48
Liquid Asset Ratio (%)	15.65%	18.00%

**Utilization of Funds Raised Via Capital Market**

Issue	Objective Number	Objective as Per Prospectus / Circular	Amount Allocated as per Prospectus / Circular	Proposed Date of Utilization as Per Prospectus / Circular	Amount Allocated From Proceeds	% of Total Proceeds	Amounts Utilized	% Of Utilization Against Allocation	Clarification if not Fully Utilized
Right Issue of Ordinary Shares Rs. 1,038.765 Mn	i	To fund the expected growth in the Loan Book of the Company	Rs. 1,038.765 Mn	Within 1 to 2 Months from 11th June 2018	Rs. 1,038.765 Mn	100%	Rs. 1,038.765 Mn	100%	N/A
Debenture Issue of Rs. 500 Mn	i	To Expand and strengthen the capital base of the Company	Rs. 500 Mn	From 11th February 2014 onwards	Rs. 500 Mn	100%	Rs. 500 Mn	100%	N/A
	ii	Diversify the funding mix of the Company							
	iii	To minimize the interest rate risk and gap exposure of the Company							
Debenture Issue of Rs. 1,000 Mn	i	To Expand and strengthen the capital base of the Company	Rs. 1,000 Mn	From 26th March 2015 onwards	Rs. 1,000 Mn	100%	Rs. 1,000 Mn	100%	N/A
	ii	To minimize the interest rate risk							

**Financial Reporting by Segments as per the Provisions of SLFRS - 08**

The primary business segment reporting format is determined to be business segment as nature of the products and services provided, with each segment representing a strategic business unit that offers different product and serves in different markets.

The Following table presents financial information regarding business segments :-

**Business Segments**

For the Period ended 30th September	Finance Lease		Hire Purchase		Loans & Advances		Investments		Unallocated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Income From</b>												
<b>External Operations</b>												
Interest	1,477,761	1,282,966	15,060	60,864	1,985,933	1,332,996	198,436	226,332	-	-	3,677,190	2,903,158
Fee & Commission Income	-	-	-	-	-	-	-	-	170,359	107,142	170,359	107,142
Capital Gains / (Losses)	-	-	-	-	-	-	-	1,875	-	-	-	1,875
Dividends	-	-	-	-	-	-	79	167	-	-	79	167
Other	-	-	-	-	-	-	24,605	2,469	220,411	195,358	245,016	197,827
<b>Total Revenue</b>	<b>1,477,761</b>	<b>1,282,966</b>	<b>15,060</b>	<b>60,864</b>	<b>1,985,933</b>	<b>1,332,996</b>	<b>223,120</b>	<b>230,843</b>	<b>390,770</b>	<b>302,500</b>	<b>4,092,644</b>	<b>3,210,169</b>
Profit before Income tax											822,895	646,717
Income Tax Expense											(295,486)	(213,411)
<b>Profit after tax</b>											<b>527,409</b>	<b>433,306</b>
<b>Other Information</b>												
<b>As at 30th September</b>												
Segment assets	13,947,288	12,087,605	94,962	439,763	21,693,682	14,403,354	4,900,992	4,707,394	2,586,289	1,139,389	43,223,214	32,777,505
Segment Liabilities	12,377,415	11,026,943	84,274	401,175	19,251,893	13,139,490	4,349,348	4,294,330	2,295,183	1,039,410	38,358,112	29,901,348
<b>Net assets</b>	<b>1,569,873</b>	<b>1,060,662</b>	<b>10,688</b>	<b>38,588</b>	<b>2,441,789</b>	<b>1,263,864</b>	<b>551,644</b>	<b>413,064</b>	<b>291,107</b>	<b>99,979</b>	<b>4,865,102</b>	<b>2,876,157</b>

## Additional Notes

### 20 Major Shareholders As At 30th September 2018

	No. of Shares	(%)
1 Vallibel Investments (Pvt) Limited	30,277,000	51.44%
2 Mr K D D Perera	12,616,266	21.43%
3 Mr K D A Perera	1,926,396	3.27%
4 Mr R F T Perera	1,850,000	3.14%
5 Mr S B Rangamuwa	1,312,500	2.23%
6 Union Bank of Colombo PLC/Mr Sithampalam Abishek	449,639	0.76%
7 Mr C S J Perera	404,033	0.69%
8 Mr K Sabaratnam	308,562	0.52%
9 Mr S Abishek	291,411	0.50%
10 Mr H Beruwalage	287,300	0.49%
11 Mr B A R Dissanayake	284,041	0.48%
12 Mrs S P Gunasekera	266,459	0.45%
13 Mr D S Panditha	229,438	0.39%
14 Bansei Securities Capital (Pvt) Ltd/Dawi Investment Trust (Pvt) Ltd	215,093	0.37%
15 Mr A S Marapana	206,850	0.35%
16 Mr A Ragupathy	205,708	0.35%
17 Mr V R Kathiragamamby	205,000	0.35%
18 Mrs K I A Hewage	200,000	0.34%
19 Mr F J P Raj	196,350	0.33%
20 Mr A Sithampalam	186,690	0.32%
	<b>51,918,736</b>	<b>88.20%</b>
Others	6,944,614	11.80%
	<b>58,863,350</b>	<b>100.00%</b>

### Directors' Shareholding As At 30th September 2018

1 Mr. K V P Ranjith De Silva	-	0.00%
2 Mr. Dhammika Perera	12,616,266	21.43%
3 Mr. S B Rangamuwa	1,312,500	2.23%
4 Mr. R M Karunaratne	-	0.00%
5 Mr. T Murakami	-	0.00%
6 Mr. K D A Perera	1,926,396	3.27%
7 Mr. A Dadigama	-	0.00%
8 Mr. H Ota (Alternate Director to Mr. T Murakami)	-	0.00%
9 Mr. S S Weerabahu	-	0.00%
	<b>15,855,162</b>	<b>26.94%</b>

### Public Holding As At 30th September 2018

21.43%

### Number of Public Shareholders

2,336

### The Float Adjusted Market Capitalization (Rs.)

800,837,426

The Float adjusted market capitalization of the Company falls under **Option 5** of Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.