

# LB Finance PLC

PUBLICATION OF FINANCIAL STATEMENT AS PER CENTRAL BANK GUIDELINES NO.02 OF 2006

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2016	FOR THE 6 MONTHS ENDED	
	30.09.2016 Rs.('000)	30.09.2015 Rs.('000)
<b>Income</b>	<b>8,944,120</b>	<b>7,396,931</b>
Interest Income	8,352,975	6,833,688
Interest Expenses	(3,603,606)	(2,694,882)
<b>Net Interest Income</b>	<b>4,749,369</b>	<b>4,138,805</b>
Fee and Commission Income	568,554	548,841
Net Trading Income	1,539	3,293
Other Operating Income	21,052	13,109
<b>Total Operating Income</b>	<b>5,340,513</b>	<b>4,702,049</b>
Impairment (Charge) / Reversal for Loans and Other Losses	(15,009)	(346,897)
Gold Loan Auction Losses	(1,850)	(18,340)
<b>Net Operating Income</b>	<b>5,323,654</b>	<b>4,336,811</b>
<b>Operating Expenses</b>		
Personnel Expenses	(1,069,925)	(878,897)
Depreciation of Property, Plant and Equipment	(162,379)	(165,974)
Amortisation of Intangible Assets	(8,080)	(6,851)
Other Operating Expenses	(815,299)	(651,463)
<b>Operating Profit before Tax on Financial Services</b>	<b>3,267,972</b>	<b>2,633,626</b>
Tax on Financial Services	(433,712)	(249,182)
<b>Profit before Taxation</b>	<b>2,834,260</b>	<b>2,384,444</b>
Income Tax Expense	(974,445)	(819,371)
<b>Profit after Taxation</b>	<b>1,859,815</b>	<b>1,565,072</b>
<b>Other Comprehensive Income / (Expenses)</b>		
<b>Other Comprehensive Income to be reclassified to Profit or Loss</b>		
<b>Gains and Losses arising on Re-measuring Available for Sale Financial Assets</b>		
Equity Securities	16,177	37,469
<b>Other Comprehensive Income not to be reclassified to Profit or Loss</b>		
Actuarial Gains and Losses on Defined Benefit Plans	-	-
<b>Other Comprehensive Income / (Expenses) before Taxation</b>	<b>16,177</b>	<b>37,469</b>
Income Tax (Charge) / Reversal Relating to Components of Other Comprehensive Income	-	-
<b>Other Comprehensive Income for the Period, Net of Tax</b>	<b>16,177</b>	<b>37,469</b>
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>1,875,992</b>	<b>1,602,541</b>
<b>Basic Earnings Per Share (Rs) *</b>	<b>13.43</b>	<b>11.30</b>

\* Calculated based on the Profit for the Period

SELECTED PERFORMANCE INDICATORS	As at 30.09.2016	As at 30.09.2015
<b>Capital Adequacy</b>		
Core Capital (Tier 1 Capital), Rs. '000	9,410,965	7,223,678
Total Capital Base, Rs. '000	10,630,306	8,924,044
Core Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum 5%)	13.84%	13.08%
Total Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum 10%)	15.64%	16.14%
Capital Funds to Deposit Liabilities Ratio (Minimum 10%)	21.32%	18.76%
<b>Profitability (%)</b>		
Return on Avg Shareholders' Funds (After Tax) - Annualized	34.43%	38.24%
Return on Avg Assets (After Tax) - Annualized	4.30%	4.55%
Interest Margin	11.34%	12.66%

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016	30.09.2016 Rs.('000)	30.09.2015 Rs.('000)
<b>Assets</b>		
Cash and Cash Equivalents	3,948,940	5,263,420
Financial Investments - Held for Trading	11,792	13,050
Loans and Receivables	29,231,097	22,905,786
Lease Rentals Receivable and Stock out on Hire	49,814,379	40,086,351
Financial Investments - Available for Sale	154,588	178,056
Other Financial Assets	3,929,722	1,829,728
Other Non Financial Assets	746,989	950,001
Property, Plant and Equipment	2,071,008	1,986,208
Intangible Assets	46,319	37,179
<b>Total Assets</b>	<b>89,954,833</b>	<b>73,249,778</b>
<b>Liabilities</b>		
Due to Banks	19,285,942	11,134,990
Due to Customers	53,081,542	47,093,374
Debt Instruments Issued and Other Borrowed Funds	2,662,155	3,030,992
Other Financial Liabilities	2,074,938	1,878,690
Other Non Financial Liabilities	645,292	527,386
Current Tax Liabilities	608,068	608,238
Deferred Tax Liabilities	143,142	11,930
Post Employment Benefit Liability	137,300	127,116
<b>Total Liabilities</b>	<b>78,638,379</b>	<b>64,412,716</b>
<b>Shareholders' Funds</b>		
Stated Capital	838,282	838,282
Retained Earnings	7,426,884	5,739,972
Reserves	3,051,287	2,258,808
<b>Total Shareholders' Funds</b>	<b>11,316,454</b>	<b>8,837,062</b>
<b>Total Liabilities and Shareholders' Funds</b>	<b>89,954,833</b>	<b>73,249,778</b>
<b>Net Asset Value per Share (Rs)</b>	<b>81.70</b>	<b>63.80</b>
<b>Commitments and Contingencies</b>	<b>985,180</b>	<b>1,128,020</b>

The information contained in these statements have been extracted from the unaudited Financial Statements of the Company unless indicated as "Audited".

#### CERTIFICATION:

I certify that these Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

Sgd  
Chief Financial Officer

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

Sgd  
Managing Director

Sgd  
Director

18th October 2016  
Colombo

SELECTED PERFORMANCE INDICATORS	As at 30.09.2016	As at 30.09.2015
<b>Asset Quality</b>		
Gross Non-Performing Accommodations, Rs. '000	2,546,216	3,556,968
Total Accommodations, Rs. '000	96,616,247	77,623,248
Gross Non-Performing Accommodations Ratio, %	2.64%	4.58%
Net Non-Performing Accommodations Ratio, %	-0.06%	0.65%
<b>Regulatory Liquidity (Rs.'000)</b>		
Required Minimum Amount of Liquid Assets	5,562,038	4,824,380
Available Amount of Liquid Assets	7,264,021	6,563,917
Required Minimum Amount of Government Securities	3,742,961	3,561,977
Available Amount of Government Securities	4,450,000	4,240,000
<b>Memorandum Information</b>		
Number of Employees	2,904	2,513
Number of Branches	112	103
Number of Gold Loan Centers	36	34



L B Finance PLC, 275/75, Prof. Stanley Wijesundara Mw., Colombo 7. Tel: 0112 200 000 | www.lbfinance.com | LB Finance PLC

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