

COMMERCIAL CREDIT AND FINANCE PLC

Un Audited Financial Statements for the 6 months ended 30th September 2017
(Published in accordance with Section 29 (5) of the Finance Business Act No. 42 of 2011)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets	COMPANY Rs.(000)		GROUP Rs.(000)	
	As at 30 th September 2017	*As at 30 th September 2016*	*As at 30 th September 2017*	*As at 30 th September 2016*
Cash and Bank Balances	3,863,072	1,403,187	4,002,535	1,517,757
Reverse Repurchase Agreements	2,530,587	1,471,920	2,530,587	1,471,920
Placement with Banks	1,791,426	1,274,390	1,960,029	1,313,124
Financial Investments - Held for Trading	3,459,036	2,700,045	3,459,036	2,700,045
Loans and Receivables	35,034,456	34,260,035	35,370,672	34,260,035
Lease Rentals Receivable & Stock out on Hire	29,536,268	26,648,646	34,026,803	29,212,194
Financial Investments - Available for Sale	142,910	273,446	234,693	335,479
Other Financial Assets	978,139	733,347	978,139	733,347
Inventories	166,142	314,292	166,142	314,292
Other Assets	805,497	588,667	879,565	697,840
Investment in Subsidiaries	1,599,288	1,599,789	-	-
Investment in Associates	-	173,757	-	217,578
Investment Property	1,612,414	815,024	1,612,414	815,024
Property, Plant and Equipment	1,501,995	1,593,707	1,551,575	1,627,935
Intangible Assets & Goodwill	170,255	129,003	921,769	888,997
Prepaid Rent	8,311	8,434	8,311	8,434
Deferred Tax Asset	1,091,782	313,456	1,144,321	322,350
Total Assets	84,291,579	74,301,145	88,846,593	76,436,353
Liabilities				
Due to Banks	9,209,998	8,305,160	9,395,867	8,734,374
Due to Customers	56,169,134	50,297,194	57,409,211	51,380,417
Debt Instruments issued and other Borrowed Funds	3,437,353	3,653,250	5,358,871	3,653,250
Other Financial Liabilities	1,776,949	1,985,324	1,776,949	1,985,324
Other Liabilities	519,706	259,573	1,084,579	562,303
Post Employment Benefit Obligations	117,358	111,847	129,768	122,847
Current Tax Liabilities	2,132,157	913,701	2,227,561	943,167
Total Liabilities	73,362,654	65,526,048	77,382,805	67,381,682
Shareholders' Funds				
Stated Capital	2,150,640	2,150,640	2,150,640	2,150,640
Reserves	8,778,285	6,624,457	9,308,296	6,882,133
Total Shareholders' Funds	10,928,925	8,775,097	11,458,936	9,032,773
Non - controlling interest	-	-	4,852	21,898
Total Liabilities & Shareholders' Funds	84,291,579	74,301,145	88,846,593	76,436,353
Commitments & Contingencies	1,511,256	860,509	1,511,256	860,509

SELECTED PERFORMANCE INDICATORS

	As at 30 th September 2017	*As at 30 th September 2016*
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	8,880,257	6,667,813
Total Capital Base, Rs. '000	9,593,562	8,021,384
"Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 5%)"	13.11	10.22
"Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 10%)"	14.16	12.3
Capital Funds to Deposit Liabilities Ratio (Minimum requirement, 10%)	18.73	17.45
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Accommodations, Rs. '000	5,529,001	4,998,623
Gross Non-Performing Accommodations Ratio, %	7.37	6.91
Net Non-Performing Accommodations Ratio, %	1.4	0.96
Profitability (%)		
Interest Margin	15.72	19.54
Return on Assets (before Tax)	3.74	5.06
Return on Equity (after Tax)	20.66	34.22
Regulatory Liquidity (Rs. '000)		
Required minimum amount of Liquid Assets	5,893,675	5,179,111
Available amount of Liquid Assets	10,233,646	6,230,961
Required minimum amount of Government Securities	4,420,704	3,617,093
Available amount of Government Securities	5,471,379	3,858,336
Memorandum information		
Number of employees	3,319	3391
Number of branches	62	62
Number of service centers	55	59
Number of pawning centers	1	1

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Income	COMPANY Rs.(000)		GROUP Rs.(000)	
	From 1 st April 2017 to 30 th September 2017	*From 1 st April 2016 to 30 th September 2016*	*From 1 st April 2017 to 30 th September 2017*	*From 1 st April 2016 to 30 th September 2016*
Interest Income	9,934,942	9,153,733	10,560,296	9,527,592
Interest Expense	(4,671,494)	(3,480,361)	(4,854,671)	(3,555,565)
Net Interest Income	5,263,448	5,673,373	5,705,625	5,972,026
Fee & Commission Income	886,115	567,361	854,029	494,466
Net Income from Real Estate	14,098	13,909	14,098	13,909
Total Operating Income	6,163,661	6,254,643	6,573,752	6,480,402
Impairment Charges of Loans and Advances, Lease and Financial Assets	(1,568,444)	(1,255,067)	(1,595,992)	(1,258,324)
Losses from disposal of repossessed securities	-	-	-	-
Net Operating Income	4,595,217	4,999,576	4,977,760	5,222,078
Operating Expenses				
Personnel Costs	(1,530,760)	(1,580,686)	(1,609,335)	(1,631,078)
Depreciation	(120,000)	(115,000)	(130,319)	(115,000)
Other Operating Expense	(1,038,865)	(1,253,236)	(1,109,127)	(1,308,113)
Profit before Value added tax on Financial Services	1,905,591	2,050,654	2,128,979	2,167,887
Value Added Tax on Financial Services	(420,831)	(287,579)	(473,246)	(310,445)
Operating profit/(loss) after VAT	1,484,761	1,763,075	1,655,733	1,857,442
Share of Associates Profit (net of taxes)	-	-	-	1,226
Profit Before Income Tax	1,484,761	1,763,075	1,655,733	1,858,668
Income Tax	(467,141)	(441,958)	(551,474)	(489,656)
Profit for the Period	1,017,619	1,321,117	1,104,259	1,369,012
Profit Attributable to:				
Equity holders of the parent	1,017,619	1,321,117	1,103,563	1,367,024
Non - Controlling interest	-	-	696	1,988
	1,017,619	1,321,117	1,104,259	1,369,012
Earning per Share (LKR)			3.47	4.30

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit for the period	COMPANY Rs.(000)		GROUP Rs.(000)	
	From 1 st April 2017 to 30 th September 2017	*From 1 st April 2016 to 30 th September 2016*	*From 1 st April 2017 to 30 th September 2017*	*From 1 st April 2016 to 30 th September 2016*
	1,017,619	1,321,117	1,104,259	1,369,012
Net Gains/(losses) on remeasuring Available-for-sale financial assets	(18,435)	(9,822)	(18,290)	(10,463)
Total Comprehensive Income for the period	999,185	1,311,295	1,085,969	1,358,548

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer and the Financial Controller of Commercial Credit & Finance PLC

certify jointly that:

- the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;
- the information contained in these statements have been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

(Sgd.)

R. S. Egodage - Chief Executive Officer

07/11/2017

(Sgd.)

M. A. D. J. Deshapriya - Chief Financial Controller

07/11/2017

CITY OFFICE

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COMMERCIAL CREDIT