

INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30 June 2018

COMMERCIAL **CREDIT** AND FINANCE PLC



COMMERCIAL
CREDIT

COMMERCIAL CREDIT & FINANCE PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	COMPANY		GROUP	
	As at 30-Jun-18 (Unaudited) LKR	As at 31-Mar-18 (Audited) LKR	As at 30-Jun-18 (Unaudited) LKR	As at 31-Mar-18 (Audited) LKR
Assets				
Cash and Bank Balances	1,402,944,405	1,695,964,449	1,626,707,364	1,746,910,928
Reverse Repurchase Agreements	2,540,206,963	2,210,648,881	2,631,815,603	2,302,257,521
Placements with Banks	2,443,672,883	2,284,987,693	2,076,700,886	2,014,315,126
Financial Investments - Held for Trading	2,476,600,569	2,646,859,663	2,476,600,569	2,646,859,663
Loans and Receivables	33,345,449,479	35,198,129,656	33,900,822,026	35,720,435,557
Lease Rentals Receivable & Stock out on Hire	32,289,618,490	31,707,315,784	39,920,789,430	38,310,314,585
Financial Investments - Available for Sale	4,310,479	182,510,479	64,204,984	245,706,559
Other Financial Assets	759,321,605	712,714,972	759,321,605	712,714,972
Inventories	118,117,880	128,327,562	118,117,880	128,327,562
Other Assets	260,429,562	242,503,478	494,953,383	299,480,931
Investment in Subsidiaries	1,599,288,321	1,599,288,321	-	-
Investment Property	2,156,960,401	1,983,431,494	2,156,960,401	1,983,431,494
Property, Plant and Equipment	1,721,562,500	1,765,510,672	1,783,335,052	1,812,095,231
Intangible Assets & Goodwill	170,219,492	166,427,661	927,258,735	923,466,905
Prepaid Rent	8,187,907	8,187,907	8,187,907	8,187,907
Deferred Tax Asset	1,189,271,959	1,260,138,949	1,211,395,873	1,264,497,849
Total Assets	82,486,162,896	83,792,947,621	90,157,171,698	90,119,002,790
Liabilities				
Due to Banks	9,316,569,834	8,581,999,107	13,808,424,625	11,874,786,015
Due to Customers	52,598,128,314	54,224,084,983	54,168,733,525	55,858,727,085
Debt Instruments issued and other Borrowed Funds	2,935,181,215	2,972,221,709	2,935,181,215	2,972,221,709
Other Financial Liabilities	1,555,262,757	2,399,558,467	1,555,262,757	3,039,833,657
Other Liabilities	556,697,794	520,322,162	1,226,492,737	533,896,429
Post Employment Benefit Obligations	169,271,223	155,833,660	181,764,769	166,395,524
Current Tax Liabilities	2,640,734,238	2,675,490,550	2,789,594,442	2,769,337,136
Total Liabilities	69,771,845,375	71,529,510,638	76,665,454,070	77,215,197,557
Shareholders' Funds				
Stated Capital	2,150,640,315	2,150,640,315	2,150,640,315	2,150,640,315
Reserves	10,563,677,206	10,112,796,668	11,335,190,619	10,747,757,410
Total Shareholders' Funds	12,714,317,521	12,263,436,983	13,485,830,934	12,898,397,725
Non - Controlling Interest	-	-	5,886,695	5,407,510
Total Liabilities & Shareholders' Funds	82,486,162,896	83,792,947,621	90,157,171,699	90,119,002,790
Commitments & Contingencies	1,621,880,000	1,561,499,590	1,621,880,000	1,561,499,590
Net Assets per Share (LKR)	39.97	38.56	42.40	40.55

These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007

sgd

M. A. D. J. Deshapriya
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 by,

sgd

K.J.C. Perera
Chairman

sgd

R. S. Egodage
Director/ Chief Executive Officer

These figures are provisional and subject to audit.

Date : 13 July, 2018

COMMERCIAL CREDIT & FINANCE PLC

STATEMENT OF PROFIT OR LOSS

COMPANY	Three months ended			
	30-Jun-18 (Unaudited) LKR	30-Jun-17 (Unaudited) LKR	Variance	
			LKR	%
Income				
Interest Income	4,967,692,419	4,819,949,845	147,742,574	3%
Interest Expense	(2,224,981,258)	(2,316,459,156)	91,477,898	4%
Net Interest Income	2,742,711,162	2,503,490,690	239,220,472	10%
Fee & Commission Income	507,993,811	401,248,196	106,745,615	27%
Net Income from Real Estate	6,689,185	4,171,003	2,518,182	60%
Total Operating Income	3,257,394,158	2,908,909,888	348,484,269	12%
Impairment Charges of Loans and Advances, Lease and Financial Assets	(950,756,472)	(770,000,000)	(180,756,472)	-23%
Net Operating Income	2,306,637,686	2,138,909,888	167,727,797	8%
Operating Expenses				
Personnel Costs	(808,882,461)	(771,367,616)	(37,514,845)	-5%
Depreciation	(84,122,805)	(60,000,000)	(24,122,805)	-40%
Other Operating Expenses	(558,120,891)	(496,456,231)	(61,664,660)	-12%
Profit before Value added tax on Financial Services	855,511,529	811,086,042	44,425,487	5%
Value Added Tax on Financial Services	(207,364,848)	(189,568,010)	(17,796,838)	-9%
Profit Before Income Tax	648,146,680	621,518,032	26,628,649	4%
Income Tax	(177,672,885)	(169,392,761)	(8,280,124)	-5%
Profit for the Period	470,473,796	452,125,270	18,348,525	4%

STATEMENT OF PROFIT OR LOSS

GROUP	Three months ended			
	30-Jun-18 (Unaudited) LKR	30-Jun-17 (Unaudited) LKR	Variance	
			LKR	%
Income				
Interest Income	5,533,285,647	5,111,290,048	421,995,599	8%
Interest Expense	(2,404,108,513)	(2,397,904,173)	(6,204,340)	0%
Net Interest Income	3,129,177,134	2,713,385,876	415,791,259	15%
Fee & Commission Income	530,668,579	431,097,086	99,571,493	23%
Net Income from Real Estate	6,689,185	4,171,003	2,518,182	60%
	3,666,534,898	3,148,653,964	517,880,933	16%
Impairment Charges of Loans and Advances, Lease and Financial Assets	(1,009,470,916)	(783,384,154)	(226,086,762)	-29%
Net Operating Income	2,657,063,981	2,365,269,810	291,794,171	12%
Operating Expenses				
Personnel Costs	(880,978,951)	(811,661,490)	(69,317,461)	-9%
Depreciation	(90,780,056)	(60,000,000)	(30,780,056)	-51%
Other Operating Expenses	(594,850,992)	(532,126,609)	(62,724,383)	-12%
Profit before Value added tax on Financial Services	1,090,453,982	961,481,712	128,972,270	13.4%
Value Added Tax on Financial Services	(246,593,677)	(216,085,781)	(30,507,896)	-14%
Profit after Value Added Tax on Financial Services	843,860,305	745,395,931	98,464,374	13%
Share of Associates Profit/(Loss) (net of taxes)	-	-	-	-
Profit Before Income Tax	843,860,305	745,395,931	98,464,374	13%
Income Tax	(235,998,439)	(200,833,355)	(35,165,084)	-18%
Profit for the Period	607,861,866	544,562,575	63,299,291	12%
Profit Attributable to:				
Equity holders of the parent	607,381,692	544,240,631	63,141,062	12%
Non - Controlling interest	480,174	321,945	158,229	-49%
	607,861,866	544,562,575	63,299,291	12%

Earning per Share (LKR)

1.91

1.71

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME COMPANY

	Three months ended	
	30-Jun-18 LKR	30-Jun-17 LKR
Profit for the period	470,473,796	452,125,270
Net Gains/(Losses) on remeasuring Available-for-sale financial assets	(19,601,987)	1,038,763
Total Comprehensive Income for the period	450,871,809	453,164,033

GROUP

	Three months ended	
	30-Jun-18 LKR	30-Jun-17 LKR
Profit for the period	607,861,866	544,562,575
Net Gains/(Losses) on remeasuring Available-for-sale financial assets	(19,885,032)	1,343,389
Total Comprehensive Income for the period	587,976,834	545,905,964

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

COMPANY	Stated Capital LKR	Revaluation Reserve LKR	General Reserve LKR	Retained Earnings LKR	Statutory Reserve LKR	Available for Sale Reserve LKR	Total LKR
Balance as at 1 April 2017	2,150,640,315	192,547,399	58,751,125	5,749,765,773	2,103,936,254	(7,826,371)	10,247,814,495
Net profit for the period	-	-	-	452,125,270	-	-	452,125,270
Other comprehensive income net of tax	-	-	-	-	-	1,039,499	1,039,499
Dividend Paid	-	-	-	452,125,270	-	1,039,499	453,164,769
Transferred to Statutory Reserve	-	-	-	(318,074,365)	-	-	(318,074,365)
Balance as at 30 June 2017	2,150,640,315	192,547,399	58,751,125	5,883,816,678	2,103,936,254	(6,786,872)	10,382,904,899
Balance as at 1 April 2018	2,150,640,315	181,972,474	58,751,125	7,284,658,283	2,574,074,957	13,339,829	12,263,436,983
Net profit for the period	-	-	-	470,473,797	-	-	470,473,797
Other comprehensive income net of tax	-	-	-	-	-	(19,601,987)	(19,601,988)
Dividend Paid	-	-	-	470,473,797	-	(19,601,987)	450,871,809
Balance as at 30 June 2018	2,150,640,315	181,972,474	58,751,125	7,755,132,080	2,574,074,957	(6,262,158)	12,714,317,521

GROUP	Stated Capital LKR	Revaluation Reserve LKR	General Reserve LKR	Retained Earnings LKR	Statutory Reserve LKR	Available for Sale Reserve LKR	Non Controlling Interest LKR	Total
Balance as at 1 April 2017	2,150,640,315	192,547,399	58,751,125	6,154,648,604	2,143,831,916	(8,706,142)	4,180,295	10,695,893,512
Net Profit for the period	-	-	-	544,309,796	-	-	321,945	544,631,740
Other comprehensive income net of tax	-	-	-	-	-	1,342,328	1,061	1,343,389
Dividend Paid	-	-	-	544,309,796	-	1,342,328	323,006	545,975,130
Effect of change in the equity investment in subsidiary	-	-	-	(318,074,365)	-	-	-	(318,074,365)
Transferred to Statutory Reserve	-	-	-	(369,494)	-	-	369,494	-
Balance as at 30 June 2017	2,150,640,315	192,547,399	58,751,125	6,380,514,541	2,143,831,916	(7,363,814)	4,872,795	10,923,794,276
Balance as at 1 April 2018	2,150,640,315	181,972,474	58,751,125	7,859,293,595	2,635,234,429	12,505,786	5,407,510	12,903,805,235
Net profit for the year	-	-	-	607,381,692	-	-	480,174	607,861,866
Other comprehensive income net of tax	-	-	-	-	-	(19,884,043)	(989)	(19,885,032)
Dividend Paid	-	-	-	607,381,692	-	(19,884,043)	479,185	587,976,834
Balance as at 30 June 2018	2,150,640,315	181,972,474	58,751,125	8,466,675,287	2,635,234,429	(7,378,257)	5,886,695	13,491,717,629

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC

CONSOLIDATED CASH FLOW STATEMENT

For the Three months ended	COMPANY		GROUP	
	30-Jun-18 Unaudited LKR	30-Jun-17 Unaudited LKR	30-Jun-18 Unaudited LKR	30-Jun-17 Unaudited LKR
Cash Flows From / (Used in) Operating Activities				
Profit before Income Tax Expense	648,146,680	621,518,032	843,860,305	745,395,930
Adjustments for				
Depreciation and amortisation	84,122,805	60,000,000	90,780,056	64,933,823
Impairment charge of loans and advances, lease,hire purchase	950,756,472	770,000,000	1,009,470,916	783,384,154
Provision for defined benefit plans	15,000,000	9,000,000	17,031,683	10,131,000
Operating profit before working capital changes	1,698,025,957	1,460,518,032	1,961,142,961	1,603,844,908
(Increase)/Decrease in Inventories	10,209,682	(10,153,637)	10,209,682	(10,153,637)
(Increase)/Decrease in Loans and Advances	1,369,663,552	1,722,380,452	1,349,451,415	(2,169,387,286)
(Increase)/ Decrease in Lease Rentals Receivable & Stock out on hire	(1,050,033,824)	550,134,355	(2,156,370,214)	4,275,016,423
(Increase)/Decrease in Other Financial Assets	(46,606,633)	(151,295,023)	(46,606,633)	(151,295,023)
(Increase)/Decrease in Other Assets	(17,926,084)	(520,178,255)	(195,472,451)	(545,022,017)
Increase/(Decrease) in Amounts Due to Customers	(1,625,956,669)	1,301,524,978	(1,689,993,560)	1,323,681,530
Increase/(Decrease) in Other Financial Liabilities	(844,295,710)	(910,122,993)	(1,484,570,900)	(1,205,151,110)
Increase/(Decrease) in Other Liabilities	36,375,632	68,599,700	692,596,308	507,627,793
Cash generated from Operations	(470,544,097)	3,511,407,607	(1,559,613,393)	3,629,161,580
Retirement Benefit obligation paid	(1,562,437)	(1,914,500)	(1,662,438)	(7,914,500)
Taxes paid	(141,562,207)	(42,977,055)	(162,639,156)	(51,121,695)
Net cash flows from/(used in) Operating activities	(613,668,741)	3,466,516,052	(1,723,914,987)	3,570,125,385
Cash flows from / (used in) Investing activities				
Investments in subsidiaries				
Net investments in placements with banks	(431,410,355)	(322,231,218)	(50,816,386)	(1,021,880,903)
Proceed from sales of Reverse repurchase agreements	1,386,407,526	-	1,386,407,526	-
Acquisition of Investment Property	(173,528,908)	(151,000,501)	(173,528,908)	(151,000,501)
Acquisition of Property, plant and equipments	(40,174,633)	(59,390,482)	(62,019,877)	(66,874,163)
Acquisition of Intangible assets	(3,791,831)	(6,939,876)	(3,791,830)	(6,042,136)
Net investment in financial instruments- held for trading	170,259,094	(1,320,963,146)	170,259,094	(1,321,463,621)
Proceed from sale of property, plant & equipments	-	29,144,857	-	-
Net investment in financial instruments- available for sale	158,598,014	-	168,138,670	37,032,964
Net cash flows from/(used in) Investing activities	1,066,358,908	(1,831,380,366)	1,434,648,288	(2,530,228,359)
Cash flows from / (used in) Financing activities				
Net cash flow from/(used in) Debt Instruments issued and Other borrowings	(37,040,494)	(67,451,539)	(37,040,494)	(67,451,539)
Proceeds from Loans obtained	868,261,411	(1,482,294,159)	2,317,860,396	(641,931,109)
Net cash flows from/(used in) Financing activities	831,220,917	(1,549,745,698)	2,280,819,902	(709,382,648)
Net increase in Cash and Cash equivalents	1,283,911,084	85,389,989	1,991,553,203	330,514,378
Cash and Cash equivalents at the beginning of the year	3,950,012,862	4,061,611,856	3,557,742,340	4,043,993,334
Cash and Cash equivalents at the end of the year	5,233,923,946	4,147,001,845	5,549,295,544	4,374,507,712
Cash in hand	1,402,944,405	2,811,387,256	1,626,707,364	3,038,893,123
Reverse repurchase agreements	2,540,206,963	901,418,385	2,631,815,603	901,418,385
Placements with Bank	1,530,954,196	635,672,079	1,530,954,196	635,672,079
Bank Overdrafts	(240,181,619)	(201,475,875)	(240,181,619)	(201,475,875)
Total Cash and Cash Equivalents For the Purpose of Cash Flow Statement	5,233,923,946	4,147,001,845	5,549,295,544	4,374,507,712

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC
FINANCIAL REPORTING BY SEGMENT

For the Three months ended 30 June 2018 Group	Finance Lease	Hire Purchase	Micro Finance & SME	Pawning	Term Loan	Revolving Loans	Investments	Unallocated	Total
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Interest income	1,916,139,552	538,271,916	1,239,630,985	261,629,544	588,591,459	340,989,659	190,385,633	457,646,899	5,533,285,647
Fee Based Income & others	186,083,374	52,273,570	120,385,134	25,407,809	57,160,286	33,114,763	18,489,051	44,443,777	537,357,763
Unallocated Revenue	-	-	-	-	-	-	-	-	-
Total Revenue	2,102,222,926	590,545,486	1,360,016,119	287,037,353	645,751,745	374,104,422	208,874,683	502,090,676	6,070,643,410
Segmental Result	377,616,869	106,078,159	244,296,180	51,559,778	115,994,717	67,199,410	37,519,619	90,189,250	1,090,453,982
VAT on Financial services	-	-	-	-	-	-	-	-	(246,593,677)
Profits from Operations	-	-	-	-	-	-	-	-	843,860,305
Share of Associate Profit	-	-	-	-	-	-	-	-	-
Profit Before Tax	-	-	-	-	-	-	-	-	843,860,305
Income Tax Expenses	-	-	-	-	-	-	-	-	(235,998,439)
Net profit for the period	-	-	-	-	-	-	-	-	607,861,866
Segment Asset	32,309,937,854	6,943,566,509	11,146,467,406	4,608,564,800	10,669,023,709	2,431,192,471	12,138,956,679	9,909,462,270	90,157,171,698
									90,157,171,698
Segment Liabilities	26,548,730,389	7,457,930,697	17,175,486,399	3,624,961,560	8,155,124,163	4,724,521,507	2,637,854,238	6,340,845,119	76,665,454,070
Total Liabilities									76,665,454,070

For the Three months ended 30 June 2017 Group	Finance Lease	Hire Purchase	Micro Finance & SME	Pawning	Term Loan	Revolving Loans	Investments	Unallocated	Total
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Interest income	1,419,344,917	410,339,713	1,231,114,193	145,659,258	381,762,269	443,035,839	170,938,573	909,095,287	5,111,290,049
Fee Based Income & others	147,613,358	35,850,362	104,839,427	12,404,075	32,510,175	37,728,120	14,744,938	49,577,634	435,268,089
Unallocated Revenue	-	-	-	-	-	-	-	-	-
Total Revenue	1,566,958,275	446,190,075	1,335,953,620	158,063,333	414,272,444	480,763,959	185,683,511	958,672,921	5,546,558,137
Segmental Result	271,628,222	77,345,912	231,584,154	27,399,876	71,813,072	83,339,207	32,187,763	166,183,507	961,481,713
Depreciation and Amortisation	-	-	-	-	-	-	-	-	-
VAT on Financial services	-	-	-	-	-	-	-	-	(216,085,781)
Profits from Operations	-	-	-	-	-	-	-	-	745,395,930
Share of Associate Profit	-	-	-	-	-	-	-	-	-
Profit Before Tax	-	-	-	-	-	-	-	-	745,395,930
Income Tax Expenses	-	-	-	-	-	-	-	-	(200,833,355)
Net profit for the period	-	-	-	-	-	-	-	-	544,562,575
Segment Asset	24,232,962,804	6,900,316,138	20,660,482,735	2,444,444,723	6,406,710,939	7,435,000,234	2,871,589,940	14,825,848,014	85,777,355,526
									85,777,355,526
Segment Liabilities	21,146,881,416	6,021,557,013	18,029,358,685	2,133,143,318	5,590,812,712	6,488,148,789	2,505,891,352	12,937,767,964	74,853,561,250
Total Liabilities									74,853,561,250

These figures are provisional and subject to audit

COMMERCIAL CREDIT & FINANCE PLC

NOTES TO THE INTERIM FINANCIAL STATEMENTS

- The interim financial statements of the company have been prepared in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS).
- 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.
- These Financial Statements are in accordance with Sri Lanka Accounting Standard No. 34: (LKAS 34) Interim Financial Reporting and provisions of the companies Act No 07 of 2007 and the provide the information as required in terms of rule 7.4 of the Colombo Stocks Exchange
- Subsequent to the balance sheet date no circumstances has arisen that would require disclosure in the financial statements .

5 **Stated Capital is represented by number of shares in issue as follows;**

	30-Jun-2018	30-Jun-2017
Issued and fully paid Ordinary Shares (Quoted)	318,074,365	318,074,365

6 **Market value of Shares**

	30-Jun-2018	30-Jun-2017
	LKR	LKR
Highest traded price	45.00	45.70
Lowest traded price	42.50	40.00
Last traded price	34.20	43.00

7 **Information on Listed Debentures**

	30-Jun-2018				30-Jun-2017				
	COCR-BD-10/12/20-C2336	COCR-BD-10/12/20-C2335	COCR-BD-01/06/20-C2299	COCR-BC-18/02/18A20	COCR-BD-10/12/20-C2336	COCR-BD-10/12/20-C2335	COCR-BD-01/06/20-C2299	COCR-BC-18/02/18A20	
Highest Traded Price	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	102.00	
Lowest Traded Price	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	80.00	
Last Traded Price	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	100.00	
Interest Yield as at date of last trade	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	17.40	
Coupon Rate	12.99%	10.40%	10.50%	20%	12.99%	10.40%	10.50%	20%	
Debt Equity Ratio	5.49				6.50				
Quick Asset Ratio	0.66				0.72				
Interest Cover	1.38				1.37				
Interest Rates of Comparable Government Securities	10.36%				11.37%				11.07%

8 **Major twenty shareholders as at 30 June 2018**

No	Name of the Shareholder	Total Holding	Percentage
1	B G INVESTMENTS (PVT) LIMITED	132,530,096	41.67
2	GROUP LEASE HOLDINGS PTE LTD	95,390,500	29.99
3	LANKA ORIX FINANCE PLC/B.G.INVESTMENTS (PVT) LTD	26,700,000	8.39
4	CREATION INVESTMENTS SRI LANKA,LLC	20,347,220	6.4
5	CREATION INVESTMENTS SL1 LLC	7,216,294	2.27
6	GG HEMACHANDRA (DECEASED)	7,184,282	2.26
7	E FERNANDO	6,500,000	2.04
8	PEOPLE'S LEASING & FINANCE PLC /MS.S.N.EGODAGE	4,264,380	1.34
9	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.1	4,014,843	1.26
10	HHJ HEWAGE	1,851,024	0.58
11	TK HEMACHANDRA	1,555,689	0.49
12	COMMERCIAL BANK OF CEYLON PLC/DUNAMIS CAPITAL PLC	1,492,682	0.47
13	SK SEMAGE	737,049	0.23
14	ME WICKREMESINGHE	675,738	0.21
15	PEOPLE'S LEASING & FINANCE PLC/BG INVESTMENTS (PVT	602,079	0.19
16	DFCC BANK PLC/P.S.R.CASIE CHITTY	429,808	0.14
17	LS SEMAGE	425,929	0.13
18	CODE-GEN INTERNATIONAL PVT LTD	405,000	0.13
19	NA PEIRIS	220,000	0.07
20	DK GUNARATNE	180,132	0.06

Public Shareholding

Percentage	13.18%
Number	1,530

9 **Directors' shareholding as at 30 June 2018**

Name of the Shareholder	No. of Shares	% of Shareholding
Mr. K.J.C. Perera	Nil	-
Mr. R.S. Egodage	Nil	-
MR. P.S.R.C. Chitty	429,808	0.135
Mr. S. Gunaratne	109,171	0.034
Mrs. G.R. Egodage	Nil	-
Mr. S. Pinto	42,000	0.013
Mr. D. Soosaipillai	Nil	-
Mr. P. Fisher	Nil	-
Mr. R.R. Martin	Nil	-
Mr. K. Vander Weele	Nil	-

- 10 The Sri Lanka Accounting Standard - SLFRS 9 Financial Instruments is effective for annual periods beginning on or after 01st January 2018 and will replace LKAS 39 - Financial Instruments: Recognition and Measurement. Accordingly, in reporting the interim results, the company is required to adopt SLFRS 9 and to be in compliance with the same.

However as per the "Statement of Alternative Treatment (SoAT) on the Figures in the Interim Financial Statements", issued by Institute of Chartered Accountants of Sri Lanka has granted the option to prepare the interim financial statements continuing the application of LKAS 39 Financial Instruments: Recognition and Measurement. Accordingly, the accounting policies and method of computations adopted for the preparation and presentation of the financial statements for the period ended 30 June 2018, are consistent with LKAS 39 Financial Instruments: Recognition and Measurement.

The company has assessed the impact of SLFRS 9 for the quarter ended 30 June 2018 and it is expected that impairment provision will be decrease by 45% to 50% and the Net assets of the company will increase by 3% to 4%.

The preliminary impact of SLFRS 9 as at 31 March 2018 has been assessed at 50%-60% over the impairment provision as at 31 March 2018.

COMMERCIAL CREDIT & FINANCE PLC
CORPORATE INFORMATION

1 Company Name	Commercial Credit and Finance PLC
2 Legal Form	Incorporated as a Private Limited Liability Company under the Companies Act No. 17 of 1982 on 4th October, 1982 and converted to a Public Company on 16th December 1989 and re-registered under the Companies Act No. 07 of 2007 on 8th April 2008. The Company is registered under the Finance Companies Act No.78 of 1988 and re-registered under the Finance Business Act No. 42 of 2011. The Company is registered under the Finance Leasing Act No. 56 of 2000.
3 New Registration No. (Under the Companies Act No. 7 of 2007)	PB 269 PQ
4 Place of Incorporation	Kandy, Sri Lanka
5 Registered Office	No. 106, Yatinuwara Veediya, Kandy
6 Telephone	081 4 655 655 081 2 000 000
7 Fax	081 2234390
8 E-mail	ccl@ccl.lk
9 Website	www.ccl.lk
10 Board of Directors of the Company	Mr. K.J.C. Perera (Independent Non-Executive Director) - Chairman Mr. R.S. Egodage (Executive Director) - Chief Executive Officer Mr. P.S.R.C. Chitty (Executive Director) - Chief Operating Officer Mr.I.G. S.K. Gunaratne (Non-Executive Director) Mrs. G.R. Egodage (Executive Director) Mr. M.S.D. Pinto (Independent Non-Executive Director) Mr. E.D.P. Soosaipillai (Independent Non-Executive Director) Mr. P.T. Fisher (Non-Executive Director) Mr. K.D. Vander Weele (Non-Executive Director) Mr.B.B.Zschorsch (Non-Executive Director) Mr. Regis Martin (Non-Executive Director)
11 Company Secretary	Jacey & Company No. 9/5, Thambiah Avenue, Colombo 07
12 Lawyers of the Company	Julies & Creasy Attorneys - at - law No. 41, Janadhipathi Mawatha,
13 Company Auditors External:	Ernst & Young Chartered Accountants No. 201, De Saram Place, Colombo 10
14 Bankers of the Company	Commercial Bank of Ceylon PLC Hatton National Bank PLC Nations Trust Bank PLC Sampath Bank PLC National Development Bank PLC Seylan Bank PLC Indian Bank Union Bank Colombo PLC Cargills Bank People's Bank Bank of Ceylon Deutsche Bank Pan Asia Banking Corporation PLC
15 Audit Committee	Mr. D. Soosaipillai (Chairman) Mr. S.K. Gunaratne Mr. K.J.C. Perera
16 Integrated Risk Management Committee	Mr. K.J.C. Perera (Chairman) Mr. D. Soosaipillai Mr. S.K. Gunaratne Mr. R.S. Egodage Mr. P.S.R.C. Chitty
17 Remuneration Committee	Mr. S.K. Gunaratne (Chairman) Mr. K.J.C. Perera Mr. M.S.D. Pinto
18 Related Party Transaction Review Committee	Mr. M.S.D. Pinto (Chairman) Mr. S.K. Gunaratne Mr. P.S.R.C. Chitty

COMMERCIAL CREDIT & FINANCE PLC

Disclosures regarding the utilization of funds as per the objectives stated in the Debenture Prospectus

Debenture issue - June 2015

Objective Number	Objective as per prospectus	Amount allocated as per Prospectus in LKR	Proposed date of utilization as per prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilized in LKR (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	Increase the Tier 2 capital of the Company	1,000,000,000	N/A	100%	100%	1,000,000,000	100%	-
2	Further strengthen the lending portfolio of the Company through loan disbursements	1,000,000,000	N/A	100%	100%	1,000,000,000	100%	-

Debenture issue - December 2015

Objective Number	Objective as per prospectus	Amount allocated as per Prospectus in LKR	Proposed date of utilization as per prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilized in LKR (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	To further reinforce the Company's Tier II capital base	2,000,000,000	N/A	100%	100%	2,000,000,000	100%	-
2	To further strengthen the asset base and	2,000,000,000	N/A	100%	100%	2,000,000,000	100%	-
3	To reduce the interest rate risk by reducing the maturity mismatch of assets and liabilities	2,000,000,000	N/A	100%	100%	2,000,000,000	100%	-