

**INTERIM FINANCIAL STATEMENTS**

**FOR THE QUARTER ENDED**

**30 SEPTEMBER 2019**

**COMMERCIAL CREDIT AND FINANCE PLC**



**COMMERCIAL  
CREDIT**

# COMMERCIAL CREDIT & FINANCE PLC

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	COMPANY		GROUP	
	As at 30-Sep-19 (Unaudited) LKR	As at 31-Mar-19 (Audited) LKR	As at 30-Sep-19 (Unaudited) LKR	As at 31-Mar-19 (Audited) LKR
<b>Assets</b>				
Cash and Bank Balances	1,223,393,767	1,748,596,904	1,592,151,758	2,340,080,214
Reverse Repurchase Agreements	3,424,671,159	3,662,522,772	3,556,588,208	3,787,893,629
Placements with Banks	3,914,205,034	3,603,184,738	3,927,265,568	3,513,125,045
Financial assets measured at fair value through profit or loss	2,012,593,730	2,112,157,240	2,016,684,583	2,116,671,777
Financial assets at amortised cost				
Loans and Receivables	19,911,198,945	23,704,115,396	20,068,281,780	24,000,337,936
Lease Rentals Receivable & Stock out on Hire	41,214,879,433	37,150,447,901	51,075,711,433	46,081,967,198
Debt & Other instruments	118,987,220	187,244,522	118,987,220	187,244,522
Financial assets measured at fair value through other comprehensive income	4,310,479	431,0479	64,693,964	63,107,921
Other Financial Assets	667,273,694	630,157,553	667,273,694	630,157,553
Inventories	74,850,905	77,133,325	74,850,905	77,133,325
Other Assets	370,613,271	314,795,373	473,508,054	381,805,639
Investment in Subsidiaries	1,599,288,321	1,599,288,321	-	-
Investment in Associates	390,000,000	390,000,000	382,505,591	379,914,143
Investment Property	1,568,507,161	1,448,351,320	1,568,507,161	1,448,351,320
Property, Plant and Equipment	2,914,831,453	3,059,953,319	2,994,196,681	3,131,138,603
Intangible Assets & Goodwill	259,509,929	176,116,081	1,021,944,438	941,044,854
Prepaid Rent	8,065,102	8,065,102	8,065,102	8,065,102
Current tax assets	329,733,778	234,306,485	309,942,777	54,594,333
<b>Total Assets</b>	<b>80,006,913,381</b>	<b>80,110,746,831</b>	<b>89,921,158,919</b>	<b>89,142,633,114</b>
<b>Liabilities</b>				
Due to Banks	10,801,744,020	9,241,472,974	17,487,263,026	15,027,515,792
Due to Customers	50,009,429,923	51,908,367,338	51,913,521,943	53,936,319,168
Debt Instruments issued and other Borrowed Funds	2,958,391,844	3,011,533,608	2,958,391,844	3,011,533,608
Other Financial Liabilities	2,626,962,013	2,162,248,713	2,626,962,013	2,546,086,231
Other Liabilities	650,853,733	1,239,959,914	1,081,799,172	1,398,867,679
Post Employment Benefit Obligations	198,340,978	175,608,858	216,988,228	189,283,759
Deferred tax liabilities	291,068,932	384,558,207	104,055,518	207,060,291
<b>Total Liabilities</b>	<b>67,536,791,443</b>	<b>68,123,749,792</b>	<b>76,388,981,743</b>	<b>76,316,666,528</b>
<b>Shareholders' Funds</b>				
Stated Capital	2,150,640,315	2,150,640,315	2,150,640,315	2,150,640,315
Reserves	10,319,481,622	9,836,356,724	11,374,624,976	10,669,184,619
<b>Total Shareholders' Funds</b>	<b>12,470,121,937</b>	<b>11,986,997,039</b>	<b>13,525,265,291</b>	<b>12,819,824,934</b>
Non - Controlling Interest	-	-	6,911,883	6,141,652
<b>Total Liabilities &amp; Shareholders' Funds</b>	<b>80,006,913,381</b>	<b>80,110,746,831</b>	<b>89,921,158,919</b>	<b>89,142,633,114</b>
Commitments & Contingencies	613,953,000	964,694,781	613,953,000	964,694,781
<b>Net Assets per Share (LKR)</b>	<b>39.21</b>	<b>37.69</b>	<b>42.52</b>	<b>40.30</b>

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 : 13th November 2019

## COMMERCIAL CREDIT & FINANCE PLC

### STATEMENT OF PROFIT OR LOSS

COMPANY	Three months ended				Six months ended			
	30-Sep-19 (Unaudited) LKR	30-Sep-18 (Unaudited) LKR	Variance		30-Sep-19 (Unaudited) LKR	30-Sep-18 (Unaudited) LKR	Variance	
			LKR	%			LKR	%
<b>Income</b>								
Interest Income	4,589,942,756	5,078,639,242	(488,696,486)	-10%	8,739,309,253	10,046,331,661	(1,307,022,408)	-13%
Interest Expense	(2,150,982,495)	(2,208,463,713)	57,481,218	3%	(4,338,110,308)	(4,433,444,971)	95,334,664	2%
<b>Net Interest Income</b>	<b>2,438,960,260</b>	<b>2,870,175,530</b>	<b>(431,215,269)</b>	<b>-15%</b>	<b>4,401,198,946</b>	<b>5,612,886,690</b>	<b>(1,211,687,744)</b>	<b>-22%</b>
Fee & Commission Income	281,119,469	286,261,971	(5,142,502)	-2%	571,112,631	694,467,918	(123,355,287)	-18%
Net Income from Real Estate	1,137,176	6,612,426	(5,475,250)	-83%	3,599,335	13,301,611	(9,702,276)	-73%
Net gain from trading	9,737,072	(40,017,562)	49,754,634	124%	13,071,203	(37,162,549)	50,233,751	135%
Other operating income	188,430,060	182,208,113	6,221,947	3%	300,689,275	279,140,964	21,548,311	7.7%
<b>Total Operating Income</b>	<b>2,919,384,037</b>	<b>3,305,240,477</b>	<b>(385,856,440)</b>	<b>-12%</b>	<b>5,289,671,389</b>	<b>6,562,634,634</b>	<b>(1,272,963,245)</b>	<b>-19.4%</b>
Impairment Charges of Loans and Advances, Lease and Financial Assets	(722,998,047)	(1,045,871,359)	322,873,311	31%	(1,110,147,396)	(1,996,627,831)	886,480,434	44%
<b>Net Operating Income</b>	<b>2,196,385,990</b>	<b>2,259,369,119</b>	<b>(62,983,129)</b>	<b>-3%</b>	<b>4,179,523,993</b>	<b>4,566,006,804</b>	<b>(386,482,811)</b>	<b>-8%</b>
<b>Operating Expenses</b>								
Personnel Costs	(651,969,791)	(754,742,469)	102,772,679	14%	(1,283,662,749)	(1,436,149,850)	152,487,101	11%
Depreciation	(84,000,000)	(84,000,000)	-	0%	(168,000,000)	(168,122,805)	122,805	0.1%
Other Operating Expenses	(814,363,187)	(766,674,670)	(47,688,517)	-6%	(1,479,869,472)	(1,452,270,641)	(27,598,831)	-2%
<b>Profit before Value added tax on Financial Services</b>	<b>646,053,012</b>	<b>653,951,979</b>	<b>(7,898,967)</b>	<b>-1%</b>	<b>1,247,991,772</b>	<b>1,509,463,508</b>	<b>(261,471,736)</b>	<b>-17%</b>
Value Added Tax on Financial Services	(172,693,167)	(185,094,140)	12,400,973	7%	(287,579,047)	(392,458,989)	104,879,942	27%
Debt Repayment Levy	(105,367,730)	-	(105,367,730)	-100%	(169,250,560)	-	(169,250,560)	-100%
<b>Profit Before Income Tax</b>	<b>367,992,115</b>	<b>468,857,839</b>	<b>(100,865,724)</b>	<b>-22%</b>	<b>791,162,165</b>	<b>1,117,004,519</b>	<b>(325,842,354)</b>	<b>-29%</b>
Income Tax	32,863,799	(60,864,005)	93,727,804	154%	10,036,921	(238,536,889)	248,573,811	104%
<b>Profit for the Period</b>	<b>400,855,915</b>	<b>407,993,834</b>	<b>(7,137,920)</b>	<b>-2%</b>	<b>801,199,087</b>	<b>878,467,629</b>	<b>(77,268,543)</b>	<b>-9%</b>

### STATEMENT OF PROFIT OR LOSS

GROUP	Three months ended				Six months ended			
	30-Sep-19 (Unaudited) LKR	30-Sep-18 (Unaudited) LKR	Variance		30-Sep-19 (Unaudited) LKR	30-Sep-18 (Unaudited) LKR	Variance	
			LKR	%			LKR	%
<b>Income</b>								
Interest Income	5,365,679,660	5,701,088,503	(335,408,842)	-6%	10,190,082,104	11,234,374,150	(1,044,292,045)	-9%
Interest Expense	(2,496,801,926)	(2,416,156,902)	(80,645,024)	-3%	(5,003,268,506)	(4,820,265,415)	(183,003,092)	-4%
<b>Net Interest Income</b>	<b>2,868,877,735</b>	<b>3,284,931,601</b>	<b>(416,053,866)</b>	<b>-13%</b>	<b>5,186,813,598</b>	<b>6,414,108,735</b>	<b>(1,227,295,137)</b>	<b>-19%</b>
Fee & Commission Income	281,119,469	286,261,971	(5,142,502)	-2%	571,112,631	694,467,918	(123,355,287)	-18%
Net Income from Real Estate	1,137,176	6,612,426	(5,475,250)	-83%	3,599,335	13,301,611	(9,702,276)	-73%
Net gain from trading	9,737,072	(23,650,589)	33,387,661	141%	13,071,203	(20,795,576)	33,866,779	163%
Other operating income	234,257,205	157,588,991	76,668,214	49%	401,800,773	277,196,609	124,604,163	45%
	<b>3,395,128,656</b>	<b>3,711,744,399</b>	<b>(316,615,744)</b>	<b>-9%</b>	<b>6,176,397,539</b>	<b>7,378,279,298</b>	<b>(1,201,881,759)</b>	<b>-16%</b>
Impairment Charges of Loans and Advances, Lease and Financial Assets	(926,245,906)	(1,140,635,329)	214,389,423	19%	(1,444,038,004)	(2,150,106,245)	706,068,241	33%
<b>Net Operating Income</b>	<b>2,468,882,751</b>	<b>2,571,109,070</b>	<b>(102,226,320)</b>	<b>-4%</b>	<b>4,732,359,534</b>	<b>5,228,173,052</b>	<b>(495,813,518)</b>	<b>-9%</b>
<b>Operating Expenses</b>								
Personnel Costs	(714,416,981)	(835,325,740)	120,908,758	14%	(1,408,009,059)	(1,588,829,611)	180,820,552	11%
Depreciation	(91,680,956)	(91,478,475)	(202,481)	-0.2%	(182,628,246)	(182,258,531)	(369,715)	-0.2%
Other Operating Expenses	(884,768,673)	(817,923,046)	(66,845,627)	-8%	(1,611,291,571)	(1,540,249,118)	(71,042,453)	-5%
<b>Profit before Value added tax on Financial Services</b>	<b>778,016,141</b>	<b>826,381,810</b>	<b>(48,365,670)</b>	<b>-6%</b>	<b>1,530,430,659</b>	<b>1,916,835,792</b>	<b>(386,405,134)</b>	<b>-20%</b>
Value Added Tax on Financial Services	(180,621,817)	(223,984,931)	43,363,114	19%	(324,556,496)	(470,578,608)	146,022,111	31%
Debt Repayment Levy	(113,228,437)	-	(113,228,437)	-100%	(187,449,787)	-	(187,449,787)	-100%
<b>Profit after Value Added Tax on Financial Services</b>	<b>484,165,887</b>	<b>602,396,879</b>	<b>(118,230,993)</b>	<b>-20%</b>	<b>1,018,424,375</b>	<b>1,446,257,185</b>	<b>(427,832,810)</b>	<b>-30%</b>
Share of Associates Profit/(Loss) (net of taxes)	8,815,606	-	8,815,606	100%	2,591,448	-	2,591,448	100%
<b>Profit Before Income Tax</b>	<b>492,981,493</b>	<b>602,396,879</b>	<b>(109,415,387)</b>	<b>-18%</b>	<b>1,021,015,823</b>	<b>1,446,257,185</b>	<b>(425,241,361)</b>	<b>-29%</b>
Income Tax	32,536,790	(127,976,625)	160,513,415	125%	3,028,465	(363,975,064)	367,003,529	101%
<b>Profit for the Period</b>	<b>525,518,283</b>	<b>474,420,254</b>	<b>51,098,028</b>	<b>11%</b>	<b>1,024,044,288</b>	<b>1,082,282,120</b>	<b>(58,237,832)</b>	<b>-5%</b>
<b>Profit Attributable to:</b>								
Equity holders of the parent	525,113,297	473,990,115			1,023,274,398	1,081,371,808		
Non - Controlling interest	404,986	430,139			769,890	910,313		
	<b>525,518,283</b>	<b>474,420,254</b>			<b>1,024,044,288</b>	<b>1,082,282,120</b>		

Earning per Share (LKR)

1.65

1.49

3.22

3.40

These figures are provisional and subject to audit.

## COMMERCIAL CREDIT & FINANCE PLC

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME COMPANY

	Three months ended		Six months ended	
	30-Sep-19 LKR	30-Sep-18 LKR	30-Sep-19 LKR	30-Sep-18 LKR
Profit for the period	400,855,915	407,993,835	801,199,087	878,467,629
Actuarial gains on defined benefit plans	-	-	-	-
Net Gains/(Losses) on remeasuring at fair value through other comprehensive income	-	-	-	(19,601,987)
<b>Total Comprehensive Income for the period</b>	<b>400,855,915</b>	<b>407,993,835</b>	<b>801,199,087</b>	<b>858,865,642</b>

### GROUP

	Three months ended		Six months ended	
	30-Sep-19 LKR	30-Sep-18 LKR	30-Sep-19 LKR	30-Sep-18 LKR
Profit for the period	525,518,283	474,420,254	1,024,044,288	1,082,282,120
Actuarial gains on defined benefit plans	-	-	-	-
Net Gains/(Losses) on remeasuring at fair value through other comprehensive income	89,713	(24,765)	240,670	(19,909,797)
<b>Total Comprehensive Income for the period</b>	<b>525,607,996</b>	<b>474,395,489</b>	<b>1,024,284,959</b>	<b>1,062,372,323</b>

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	FVOCI Reserve LKR	Total LKR
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
Impact of adopting SLFRS - 9	-	-	-	(2,109,232,265)	-	(13,339,829)	13,339,829	(2,109,232,265)
Net profit for the period	2,150,640,315	181,972,474	58,751,125	5,175,426,018	2,574,074,957	-	13,339,829	10,154,204,718
Dividend Paid	-	-	-	878,467,629	-	-	-	878,467,629
Other comprehensive income net of tax	-	-	-	(238,555,774)	-	-	-	(238,555,774)
	-	-	-	-	-	(19,601,987)	-	(19,601,987)
Balance as at 30 September 2018	2,150,640,315	181,972,474	58,751,125	639,911,856	2,574,074,957	(19,601,987)	-	620,309,869
Balance as at 1 April 2019	2,150,640,315	181,972,474	58,751,125	6,612,084,610	2,989,810,673	-	(6,262,158)	11,986,997,039
Net profit for the period	-	-	-	801,199,087	-	-	-	801,199,087
Dividend Paid	-	-	-	(318,074,370)	-	-	-	(318,074,370)
Other comprehensive income net of tax	-	-	-	-	-	-	-	-
	-	-	-	483,124,717	-	-	-	483,124,717
Balance as at 30 September 2019	2,150,640,315	181,972,474	58,751,125	7,095,209,327	2,989,810,673	-	(6,262,158)	12,470,121,937

  

GROUP	Stated Capital LKR	Revaluation Reserve LKR	General Reserve LKR	Retained Earnings LKR	Statutory Reserve LKR	Available for Sale Reserve LKR	FVOCI Reserve LKR	Non Controlling Interest LKR	Total
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
Impact of adopting SLFRS - 9	-	-	-	(2,465,963,389)	-	(12,505,786)	11,002,546	(1,252,036)	(2,468,718,665)
Net Profit for the period	2,150,640,315	181,972,474	58,751,125	5,393,330,206	2,635,234,429	-	11,002,546	4,155,474	10,435,086,570
Dividend Paid	-	-	-	1,081,371,808	-	-	-	910,313	1,082,282,121
Other comprehensive income net of tax	-	-	-	(238,555,774)	-	-	-	-	(238,555,773)
	-	-	-	-	-	(19,908,721)	-	(1,076)	(19,909,797)
	-	-	-	842,816,034	-	(19,908,721)	-	909,237	823,816,552
Balance as at 30 September 2018	2,150,640,315	181,972,474	58,751,125	6,236,146,240	2,635,234,429	(19,908,721)	11,002,546	5,064,711	11,258,838,681
Balance as at 1 April 2019	2,150,640,315	181,972,474	58,751,125	7,356,688,195	3,079,067,381	-	(7,294,557)	6,141,152	12,825,966,586
Net profit for the year	-	-	-	1,023,274,398	-	-	-	769,890	1,024,044,288
Other comprehensive income net of tax	-	-	-	239,829	-	-	-	841	240,670
Dividend Paid	-	-	-	(1,023,514,227)	-	-	-	770,731	(1,024,284,958)
	-	-	-	(318,074,370)	-	-	-	-	(318,074,370)
Balance as at 30 September 2019	2,150,640,315	181,972,474	58,751,125	8,062,128,052	3,079,067,381	-	(7,294,557)	6,911,883	13,532,177,175

These figures are provisional and subject to audit.



## COMMERCIAL CREDIT & FINANCE PLC

### CONSOLIDATED CASH FLOW STATEMENT

For the Six months ended	COMPANY		GROUP	
	30-Sep-19 Unaudited LKR	30-Sep-18 Audited LKR	30-Sep-19 Unaudited LKR	30-Sep-18 Audited LKR
<b>Cash Flows From / (Used in) Operating Activities</b>				
<b>Profit before Income Tax Expense</b>	<b>791,162,165</b>	<b>1,117,004,519</b>	<b>1,021,015,823</b>	<b>1,446,257,185</b>
<b>Adjustments for</b>				
Depreciation and amortisation	168,000,000	168,122,805	182,628,246	182,258,531
Impairment charge of loans and advances, lease,hire purchase	1,110,147,396	2,000,139,482	1,444,038,004	2,153,617,896
Share of profit of associate	-	-	2,591,448	-
Provision for defined benefit plans	30,000,000	30,000,000	35,534,298	30,869,193
<b>Operating profit before working capital changes</b>	<b>2,099,309,561</b>	<b>3,315,266,805</b>	<b>2,685,807,820</b>	<b>3,813,002,806</b>
(Increase)/Decrease in Inventories	2,282,420	24,523,450	2,282,420	24,523,450
(Increase)/Decrease in Loans and Advances	3,325,362,656	4,768,006,228	3,288,474,591	4,587,111,122
Decrease/(Increase) in Lease Rentals Receivable & Stock out on hire	(4,812,959,694)	(1,741,185,472)	(6,030,448,321)	(3,605,273,026)
Decrease/(Increase) in Other Financial Assets	(37,116,141)	(184,046,471)	(37,116,141)	(184,046,471)
(Increase)/Decrease in Other Assets	(55,817,898)	(110,875,223)	(91,702,415)	(146,346,037)
(Decrease)/Increase in Amounts Due to Customers	(1,898,937,415)	(2,103,015,322)	(2,022,797,225)	(1,511,863,340)
(Decrease)/Increase in Other Financial Liabilities	424,500,282	(715,354,891)	40,662,764	(1,355,630,081)
(Decrease)/Increase in Other Liabilities	(589,106,181)	49,846,178	(317,068,507)	697,518,925
<b>Cash generated from Operations</b>	<b>(1,542,482,409)</b>	<b>3,303,165,282</b>	<b>(2,481,905,014)</b>	<b>2,318,997,347</b>
Retirement Benefit obligation paid	(7,267,880)	(6,038,937)	(7,829,829)	(2,840,300)
Taxes paid	(178,879,647)	(1,465,457,265)	(355,324,753)	(1,607,166,324)
<b>Net cash flows from/(used in) Operating activities</b>	<b>(1,728,629,936)</b>	<b>1,831,669,080</b>	<b>(2,845,059,596)</b>	<b>708,990,723</b>
<b>Cash flows from / (used in) Investing activities</b>				
Acquisition of Investment Property	(120,155,841)	(224,103,179)	(120,155,841)	(224,103,179)
Acquisition of Property, plant and equipments	(22,878,134)	(88,804,884)	(45,686,324)	(133,929,636)
Investments in Debt & Other instruments	68,257,302	-	68,257,302	-
Acquisition of Intangible assets	(83,393,848)	(12,699,641)	(80,899,584)	(4,437,220)
Net investment in placements with banks	(388,009,867)	(567,567,477)	(491,130,093)	(273,052,915)
Decrease/(Increase) in Placements and Reverse repurchase agreements	237,851,613	(1,386,407,526)	231,305,421	(1,386,407,526)
Net investment in financial assets measured at fair value through profit or loss	99,563,510	(44,991,426)	99,987,194	(252,458,145)
Net investment in financial assets measured at fair value through other comprehensive income	-	158,598,015	(1,586,043)	234,614,959
<b>Net cash flows from/(used in) Investing activities</b>	<b>(208,765,265)</b>	<b>(2,165,976,118)</b>	<b>(339,907,969)</b>	<b>(2,039,773,662)</b>
<b>Cash flows from / (used in) Financing activities</b>				
Net cash flow from/(used in) Debt Instruments issued and Other borrowings	(53,141,764)	(33,036,461)	(53,141,764)	4,613,288,807
Proceeds from Loans obtained	1,701,102,972	1,432,138,423	2,745,981,240	(1,610,117,383)
Dividend paid	(277,861,352)	(236,075,712)	(277,861,352)	(236,075,712)
<b>Net cash flows from/(used in) Financing activities</b>	<b>1,370,099,856</b>	<b>1,163,026,250</b>	<b>2,414,978,124</b>	<b>2,767,095,712</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>(567,295,345)</b>	<b>828,719,212</b>	<b>(769,989,442)</b>	<b>1,436,312,773</b>
<b>Net foreign exchange difference</b>	-	-	-	-
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>6,521,496,139</b>	<b>3,950,012,861</b>	<b>7,092,948,226</b>	<b>3,557,742,340</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>5,954,200,794</b>	<b>4,778,732,073</b>	<b>6,322,958,784</b>	<b>4,994,055,113</b>
Cash in hand	1,223,393,767	1,751,233,927	1,592,151,758	2,021,528,884
Reverse repurchase agreements	3,556,588,208	2,282,107,543	3,556,588,208	2,456,449,115
Placements with Bank	1,541,134,513	1,352,383,741	1,541,134,513	1,352,383,741
Bank Overdrafts	(366,915,694)	(606,993,139)	(366,915,694)	(836,306,627)
<b>Total Cash and Cash Equivalents For the Purpose of Cash Flow Statement</b>	<b>5,954,200,794</b>	<b>4,778,732,073</b>	<b>6,322,958,784</b>	<b>4,994,055,113</b>

These figures are provisional and subject to audit.

**COMMERCIAL CREDIT & FINANCE PLC**

**FINANCIAL REPORTING BY SEGMENT**

For the Six months ended 30 September 2019 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	5,610,455,894	1,416,094,783	712,640,898	759,445,825	799,415,521	28,218,857	500,600,085	363,210,242	10,190,082,105
Fee Based Income & others	544,845,174	137,520,448	69,206,311	73,751,652	77,633,208	2,740,403	48,614,506	35,272,240	989,583,941
Unallocated Revenue	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>6,155,301,067</b>	<b>1,553,615,231</b>	<b>781,847,209</b>	<b>833,197,478</b>	<b>877,048,729</b>	<b>30,959,259</b>	<b>549,214,591</b>	<b>398,482,482</b>	<b>11,179,666,045</b>
Segmental Result	842,624,585	212,680,806	107,030,294	114,059,844	120,062,823	4,238,141	75,184,254	54,549,913	1,530,430,659
VAT on Financial services	-	-	-	-	-	-	-	-	(324,556,496)
Debt Recovery Levy	-	-	-	-	-	-	-	-	(187,449,787)
<b>Profits from Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,018,424,375</b>
Share of Associate Profit	-	-	-	-	-	-	-	-	2,591,448
<b>Profit Before Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,021,015,823</b>
Income Tax Expenses	-	-	-	-	-	-	-	-	3,028,465
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,024,044,288</b>
Segment Asset	43,193,078,476	7,909,701,954	3,977,243,256	5,288,658,428	7,433,489,046	301,748,134	12,377,356,893	9,439,882,734	89,921,158,918
Segment Liabilities	36,692,979,970	6,719,376,011	3,378,710,485	4,492,771,634	6,314,828,076	256,338,252	10,514,696,442	8,019,280,873	89,921,158,918
<b>Total Liabilities</b>									<b>76,388,981,744</b>

For the Six months ended 30 September 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	4,546,824,352	1,109,525,064	2,341,576,605	569,728,559	1,158,081,961	690,308,138	389,258,749	429,070,721	11,234,374,150
Fee Based Income & others	390,223,268	95,223,053	200,961,727	48,895,960	99,390,364	59,244,492	33,407,453	36,824,246	964,170,563
Unallocated Revenue	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>200,961,727</b>	<b>1,204,748,117</b>	<b>2,542,538,332</b>	<b>618,624,519</b>	<b>1,257,472,325</b>	<b>749,552,630</b>	<b>422,666,202</b>	<b>465,894,967</b>	<b>12,198,544,713</b>
Segmental Result	775,790,048	189,309,821	399,525,402	97,208,450	197,594,715	117,782,026	66,416,259	73,209,073	1,916,835,792
VAT on Financial services	-	-	-	-	-	-	-	-	(470,578,608)
<b>Profits from Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,446,257,185</b>
Share of Associate Profit	-	-	-	-	-	-	-	-	-
<b>Profit Before Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,446,257,185</b>
Income Tax Expenses	-	-	-	-	-	-	-	-	(363,975,064)
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,082,282,120</b>
Segment Asset	32,570,323,646	6,948,118,266	9,482,946,344	5,091,205,049	9,932,658,573	2,462,631,806	10,584,485,036	10,588,557,876	87,660,926,598
Segment Liabilities	30,774,596,262	7,509,677,798	15,848,660,307	3,856,134,532	7,838,328,913	4,672,261,913	2,634,647,814	2,904,110,028	87,660,926,598
<b>Total Liabilities</b>									<b>76,038,417,566</b>

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 (LKA S/SLFRS).
- There are no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the year ended 31st March 2019.
- 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 they provide the information as required in terms of rule 7.4 of the Colombo Stocks Exchange
- SLFRS 16 - Leases**  
The company is in the process of quantifying the probable impact on the implementation of the above standard as at 01.04.2019
- Subsequent to the balance sheet date no circumstances has arisen that would require disclosure in the financial statements.
- Stated Capital is represented by number of shares in issue as follows;

	30-Sep-2019	30-Sep-2018
Issued and fully paid Ordinary Shares (Quoted)	318,074,365	318,074,365

- Market value of Shares

	30-Sep-2019	30-Sep-2018
	LKR	LKR
Highest traded price	29.50	36.90
Lowest traded price	26.50	27.00
Last traded price	27.10	27.00

- Information on Listed Debentures

	30-Sep-2019			30-Sep-2018		
	COCR-BD-10/12/20-C2336	COCR-BD-10/12/20-C2335	COCR-BD-01/06/20-C2299	COCR-BD-10/12/20-C2336	COCR-BD-10/12/20-C2335	COCR-BD-01/06/20-C2299
Highest Traded Price	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
Lowest Traded Price	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
Last Traded Price	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
Interest Yield as at date of last trade	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
Coupon Rate	10.37%	10.40%	10.50%	12.99%	10.40%	10.50%
Current Yield & Yield to Maturity	10.13%	10.40%	10.50%	10.13%	10.40%	10.50%
Debt Equity Ratio	5.32			6.17		
Quick Asset Ratio	0.69			0.61		
Interest Cover Ratio	1.18			1.34		
Interest Rates of Comparable Government	10.27%			10.01%		

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%	-



9 Major twenty shareholders as at 30 September 2019

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	6.40
5	CREATION INVESTMENTS SL1 LLC	7,216,294	2.27
6	DR. E. FERNANDO	6,500,000	2.04
7	PEOPLE'S LEASING & FINANCE PLC /MS.S.N.EGODAGE	5,093,438	1.60
8	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.1	4,014,843	1.26
9	MRS. H.H.J. HEWAGE	1,937,800	0.61
10	MR. S.B. HEMACHANDRA	1,796,320	0.56
11	MR. N.Y. HEMACHANDRA	1,796,072	0.56
12	MRS. H.N. HEMACHANDRA	1,796,070	0.56
13	MR. S.M. HEMACHANDRA	1,796,070	0.56
14	MR. T.K. HEMACHANDRA	1,555,689	0.49
15	FIRST CAPITAL LIMITED	1,398,286	0.44
16	MR. S.K. SEMAGE	737,049	0.23
17	PEOPLE'S LEASING & FINANCE PLC/BG INVESTMENTS (PVT	602,079	0.19
18	DFCC BANK PLC/P.S.R.CASIE CHITTY	429,808	0.14
19	MRS. L.S.SEMAGE	425,929	0.13
20	CODE-GEN INTERNATIONAL PVT LTD	405,000	0.13

**Public Shareholding**

Percentage	13.21%
Number	1,538

10 Directors' shareholding as at 30 September 2019

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
Mrs. G.R. Egodage	Nil	-
Mr. S. Pinto	42,000	0.013
Mr. D. Soosaipillai	Nil	-
Mr. K. Vander Weele	Nil	-
Mr. P. Fisher	Nil	-
Mr. Boris Zschorsch	Nil	-
Mr. A.J.P. Dufes	Nil	-
Mr. Lasantha Wickremasinghe	Nil	-

11 The Float adjusted Market Capitalisation as at 30 September 2019 - Rs.1,138,677,600/-

The Float adjusted market capitalization of the Company falls under Option 1 of Rule 7.13.1 (b), 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.

**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@cclk.lk
9 Website	www.cclk.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 Mrs. G.R. Egodage (Executive Director) Mr. M.S.D. Pinto (Independent Non-Executive Director) Mr. D. Soosaipillai (Independent Non-Executive Director) Mr. K. Vander Weele (Non-Executive Director) Mr. P. Fisher (Non-Executive Director) Mr. Boris Zschorsch (Non-Executive Director) Mr. A.J.P. Dufes (None - Executive Director) Mr. L.L.S. Wickremasinghe (Independent Non-Executive Director)
11 Company Secretary	Jacey & Company No. 9/5, Thambiah Avenue, Colombo 07
12 Lawyers of the Company	Julius & Creasy Attorneys - at - law Julius & Creasy Building, No. 371, RAD Mel Mawatha, Colombo 07
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 DFCC Bank PLC National Development Bank PLC Seylan Bank PLC People's Bank Bank of Ceylon Cargills Bank Limited Pan Asia Banking Corporation PLC
15 Audit Committee	Mr. D. Soosaipillai (Chairman) Mr. M.S.D. Pinto Mr. K.J.C. Perera
16 Integrated Risk Management Committee	Mr. K.J.C. Perera (Chairman) Mr. D. Soosaipillai Mr. M.S.D. Pinto Mr. R.S. Egodage Mr. P.S.R.C. Chitty
17 Remuneration Committee	Mr. M.S.D. Pinto (Chairman) Mr. K.J.C. Perera
18 Related Party Transaction Review Committee	Mr. M.S.D. Pinto (Chairman) Mr. K.J.C. Perera Mr. P.S.R.C. Chitty