

STATEMENT OF COMPREHENSIVE INCOME

For Six Months Ended 30th September 2018

| | In Rupees Thousands | |
|----------------------------------------------------------------------|---------------------|----------------|
| | 30-Sep-18 | 30-Sep-17 |
| Income | 352,080 | 276,196 |
| Interest Income | 320,294 | 254,997 |
| Interest Expenses | (128,697) | (102,433) |
| Net Interest Income | 191,597 | 152,564 |
| Fees and Commission Income | 3,426 | 2,357 |
| Net Fee and Commission Income | 3,426 | 2,357 |
| <i>Other Operating Income</i> | <i>28,360</i> | <i>18,842</i> |
| Total Operating Income | 223,383 | 173,763 |
| Impairment Charges for loans and other losses | (5,150) | (1,600) |
| Net Operating Income | 218,233 | 172,163 |
| Operating Expenses | | |
| Personnel Expenses | (53,802) | (50,089) |
| Depreciation of Property, Plant & Equipment | (10,334) | (8,992) |
| Amortization of Intangible Assets | (2,497) | (2,304) |
| Other Operating Expenses | (42,667) | (33,403) |
| Operating Profit before Value Added Tax on Financial Services | 108,933 | 77,375 |
| Value Added Tax & NBT on Financial Services | (20,561) | (15,154) |
| Profit / Loss before Taxation | 88,372 | 62,221 |
| Income Tax Expenses | (31,239) | (19,408) |
| Profit/(Loss) for the period | 57,133 | 42,813 |
| Basic and diluted earnings Per Share (Rs.) | 0.63 | 0.54 |
| Profit/(Loss) for the period | 57,133 | 42,813 |
| Other Comprehensive Income | | |
| Actuarial Gain/(Loss) on Defined Benefit Obligations | - | - |
| Deferred Tax (Charge)/Reversal on Other Comprehensive Income | - | - |
| Other Comprehensive Income for the period, Net of Tax | | |
| Total Comprehensive Income for the period, Net of Tax | 57,133 | 42,813 |

SELECTED PERFORMANCE INDICATORS

As at 30th September 2018

| Item | In Rupees Thousands | |
|---------------------------------------------------------------------------------------|---------------------|-----------------|
| | As at 30-Sep-18 | As at 31-Mar-18 |
| Regulatory Capital Adequacy | | |
| Core Capital (Tier 1 Capital), Rs. '000 | 1,041,890 | 1,043,830 |
| Total Capital Base, Rs. '000 | 1,041,890 | 1,043,830 |
| Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 6%) | 24.38% | 36.27% |
| Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 10%) | 24.38% | 36.27% |
| Capital Funds to Deposit Liabilities Ratio (Minimum requirement, 10%) | 271% | 284% |
| Assets Quality (Quality of Loan Portfolio) | | |
| Gross Non-Performing Accommodations, Rs. '000 | 85,582 | 41,498 |
| Gross Non-Performing Accommodations Ratio, % | 2.64% | 1.61% |
| Net Non-Performing Accommodations Ratio, % | 1.18% | 0.15% |
| Profitability (%) | | |
| Interest Margin (annualised) | 11.70% | 12.39% |
| Return on Assets (before Tax) (annualised) | 4.87% | 4.62% |
| Return on Equity (after Tax) (annualised) | 10.40% | 9.85% |
| Regulatory Liquidity (Rs. '000) | | |
| Required minimum amount of Liquid Assets | 98,579 | 60,261 |
| Available amount of Liquid Assets | 120,868 | 103,115 |
| Required minimum amount of Government Securities | 45,849 | 20,372 |
| Available amount of Government Securities | 47,625 | 26,567 |
| Memorandum information | | |
| Number of employees | 105 | 115 |
| Number of branches | 7 | 7 |
| Number of service centres | - | - |
| Number of pawning centres | - | - |

STATEMENT OF FINANCIAL POSITION

As at 30th September 2018

| | In Rupees Thousands | |
|--------------------------------------------------------|---------------------|---------------------------|
| | As at 30-Sep-18 | As at 31-Mar-18 (Audited) |
| ASSETS | | |
| Cash and Bank Balances | 41,478 | 51,593 |
| Investment in Government Securities | 47,625 | 26,567 |
| Placements with Banks and Other Financial Institutions | 37,168 | 39,935 |
| Gold Advances | 378,767 | 177,748 |
| Lease Rentals Receivable and Stock out on Hire | 2,101,790 | 2,040,010 |
| Loans and Advances | 711,200 | 496,510 |
| Other Financial Assets | 20,468 | 46,821 |
| Other Non-Financial Assets | 59,197 | 16,665 |
| Financial Investments - Available for Sale | 458 | 458 |
| Inventories | 111,664 | 150,281 |
| Property, Plant and Equipment | 94,946 | 94,701 |
| Intangible Assets | 22,536 | 24,398 |
| TOTAL ASSETS | 3,627,297 | 3,165,687 |
| LIABILITIES | | |
| Interest Bearing Borrowings | 1,902,124 | 1,529,389 |
| Due to the Customers | 404,807 | 367,110 |
| Other Financial Liabilities | 112,214 | 145,886 |
| Other Non Financial Liabilities | 27,200 | 15,978 |
| Retirement Benefit Liability | 9,274 | 8,434 |
| Current Tax Liabilities | 27,326 | 9,731 |
| Deferred Tax Liabilities | 45,329 | 45,329 |
| TOTAL LIABILITIES | 2,528,274 | 2,121,857 |
| EQUITY | | |
| Stated Capital | 808,247 | 808,247 |
| Retained Earnings | 278,545 | 223,352 |
| Reserves | 12,231 | 12,231 |
| TOTAL EQUITY | 1,099,023 | 1,043,830 |
| TOTAL LIABILITIES AND EQUITY | 3,627,297 | 3,165,687 |

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer and the Finance Manager of Ideal Finance Limited 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.

Signed

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D.M. Weerasekare
Chief Executive Officer/Director

Signed

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W.K.C.S. Vithana
Finance Manager

November 2018
Colombo.