



SERENDIB FINANCE LIMITED

(A FULLY OWNED SUBSIDIARY OF COMMERCIAL BANK OF CEYLON PLC)

PUBLICATION OF INTERIM FINANCIAL STATEMENTS AS PER CENTRAL BANK GUIDELINE NO.02 OF 2006

STATEMENT OF FINANCIAL POSITION

As at	30.09.2016 Rs.	30.09.2015 Rs.
ASSETS		
Cash and cash equivalents	10,085,894	9,647,593
Placements with banks	707,557	4,958,060
Loans and receivables - Lease	2,449,420,700	1,951,942,916
Loans and receivables - Hire Purchase	127,303,969	247,420,502
Loans and receivables - Others	1,471,407,682	193,070,290
Securities purchased under resale agreements	79,295,178	1,747,185
Financial investments - Available for sale	70,215,223	17,361,748
Property, plant and equipment	198,393,511	199,515,598
Intangible assets	7,677,109	7,655,567
Current tax assets	6,792,577	-
Other assets	13,047,145	42,994,088
Total assets	4,434,346,545	2,676,313,547
LIABILITIES		
Due to banks	3,486,310,095	1,746,157,294
Debt securities issued	-	215,000,000
Current tax liabilities	-	6,202,950
Deferred tax liabilities	30,484,120	4,545,252
Other liabilities	202,104,703	179,657,056
Total liabilities	3,718,898,918	2,151,562,552
SHAREHOLDERS' FUNDS		
Stated capital	580,000,001	380,000,000
Statutory reserve fund	15,656,516	15,656,516
Retained earnings	31,853,056	44,871,322
Other reserves	87,938,054	84,223,157
Total equity	715,447,628	524,750,995
Total liabilities and equity	4,434,346,545	2,676,313,547

SELECTED PERFORMANCE INDICATORS

As at	30.09.2016	30.09.2015
Regulatory Capital Adequacy		
Core capital (Tier 1 capital), (Rs.'000)	647,626	460,676
Total capital base, (Rs.'000)	647,626	460,676
Core capital adequacy ratio; core capital as % of risk weighted assets (minimum requirement, 5%)	15.13%	17.60%
Total capital adequacy ratio; total capital as % of risk weighted assets (minimum requirement, 10%)	15.13%	17.60%
Capital funds to total deposit liabilities ratio (minimum requirement, 10%)	N/A	N/A
Assets Quality (Quality of Loan Portfolio)		
Gross non performing accommodation (Rs.'000)	459,121	390,693
Gross non performing accommodation ratio (%)	10.22%	14.78%
Net non performing accommodation ratio (%)	0.00%	3.51%
Profitability (%)		
Interest margin	7.01%	10.73%
Return on assets (before tax)	1.54%	-1.25%
Return on equity (after tax)	6.32%	-4.99%
Regulatory Liquidity (Rs.'000)		
Required minimum amount of liquid assets	-	21,500
Available amount of liquid assets	160,181	33,594
Required minimum amount of government securities	147,798	95,310
Available amount of government securities	149,387	18,985
Memorandum Information		
Number of employees	110	100
Number of branches	5	5
Number of service centers	6	6
Number of pawning centers	0	0

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the 06 months ended	30.09.2016 Rs.	30.09.2015 Rs.
Interest income	302,618,751	169,939,629
Interest expenses	(165,344,828)	(72,407,499)
Net interest income	137,273,923	97,532,130
Fees and commission income	30,216,217	25,234,820
Fee and commission expenses	(5,956,641)	(10,794,311)
Net fees and commission income	24,259,576	14,440,509
Other operating income	1,976,252	(212,555)
Total operating income	163,509,751	111,760,084
Impairment for loans and other losses		
Collective impairment	(19,221,430)	(68,936,902)
Net operating income	144,288,321	42,823,182
Operating expenses		
Personnel cost	(38,176,821)	(26,390,378)
Depreciation and amortization	(5,076,416)	(4,973,327)
Other expenses	(33,149,164)	(40,717,751)
Operating profit / (loss) before value added tax on financial services	67,885,920	(29,258,274)
Value added tax on financial services	(8,163,187)	-
Profit / (loss) before taxation	59,722,732	(29,258,274)
Income tax expense	(15,888,480)	2,379,846
Profit / (loss) for the period	43,834,252	(26,878,428)
Earnings per share		
Basic earnings per ordinary share	1.43	(1.24)

STATEMENT OF COMPREHENSIVE INCOME

For the 06 months ended	30.09.2016 Rs.	30.09.2015 Rs.
Profit / (loss) for the period	43,834,252	(26,878,428)
Other comprehensive income		
Revaluation surplus of property, plant and equipment	-	-
Actuarial gains / (losses) on defined benefit plans	-	-
Net change in fair value of available-for-sale financial assets	-	-
Less: Tax expense / income relating to components of other comprehensive income	-	-
Total other comprehensive income, net of taxes	-	-
Total comprehensive income for the period, net of taxes	43,834,252	(26,878,428)

Certification

We, the undersigned, being the Chief Executive Officer and the Chief Financial Officer of Serendib Finance Limited certify jointly that;

(A) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka,

(B) The Information contained in these statements have been extracted from the unaudited financial statements of the Company.

.....(Sgd.)

Chief Executive Officer

Date:- 10.11.2016

.....(Sgd.)

Chief Financial Officer



FULLY OWNED SUBSIDIARY OF COMMERCIAL BANK OF CEYLON PLC

NO. 187, KATUGASTOTA ROAD, KANDY

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