

# Siyapatha Finance PLC

## FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

### INCOME STATEMENT

In LKR, 000

For the six months ended	30-Jun-16 (Unaudited)	30-Jun-15 (Unaudited)
Interest Income	1,261,879	932,829
Less: Interest Expenses	(662,466)	(364,066)
<b>Net Interest Income</b>	<b>599,413</b>	<b>568,763</b>
Fee and Commission Income	59,779	29,572
Fee and Commission Expenses	(1,320)	(3,623)
<b>Net Fee and Commission Income</b>	<b>58,459</b>	<b>25,949</b>
Net gain/(loss) from trading	-	-
Net gain/(loss) from financial instruments designated at fair value through profit or loss	-	-
Net gain/(loss) from financial investments	-	-
Other Operating Income	80,506	73,264
<b>Total Operating Income</b>	<b>738,378</b>	<b>667,976</b>
Impairment for loans and other losses		
Individual impairment	(18,759)	(9,752)
Collective impairment	(19,706)	(17,672)
Others	-	-
<b>Net Operating Income</b>	<b>699,913</b>	<b>640,552</b>
Personnel Expenses	(223,544)	(160,309)
Depreciation and amortization	(22,024)	(14,776)
Other Expenses	(174,243)	(149,327)
<b>Operating Profit before VAT &amp; NBT on Financial Services</b>	<b>280,102</b>	<b>316,140</b>
VAT & NBT on Financial Services	(54,042)	(42,635)
<b>Operating Profit after VAT &amp; NBT on Financial Services</b>	<b>226,061</b>	<b>273,505</b>
Share of profits of Associate and Joint Ventures	-	-
<b>Profit before taxation</b>	<b>226,061</b>	<b>273,505</b>
Tax Expenses	(78,226)	(91,869)
<b>Profit for the Period</b>	<b>147,835</b>	<b>181,636</b>
<b>Earnings Per Share (Rs)</b>	<b>2.82</b>	<b>3.46</b>

### SELECTED PERFORMANCE INDICATORS

Item	As at 30th June 2016	As at 30th June 2015
<b>Regulatory Capital Adequacy</b>		
Core Capital (Tier 1 Capital), Rs. '000	1,679,267	1,409,017
Total Capital Base, Rs. '000 (Tier 1 Capital + Tier 11 Capital)	2,479,267	2,113,526
Core Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 5%)	11.00%	12.68%
Total Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 10%)	16.24%	19.02%
Capital Funds to Deposit Liabilities Ratio (Minimum Requirement, 10%)*	91.92%	39.12%
Statutory Liquid Assets Ratio (minimum requirement, 7.5%)	9.38%	9.12%
* The capital funds to deposit liabilities ratio is computed on the following basis: Capital funds as a percentage of average of month end deposit liabilities during last three months.		
<b>Asset Quality (Quality of Loan Portfolio)</b>		
Gross Non-Performing Accommodations, Rs. '000	517,127	341,641
Gross Non-Performing Accommodations Ratio, %	3.11%	3.26%
Net Non-Performing Accommodations Ratio, %	0.77%	1.03%
Impairment Provision on Total Accommodations, %	2.36%	2.26%
<b>Profitability (%)</b>		
Net Interest Margin	8.67%	10.93%
Net Interest Yield	7.61%	9.49%
Cost to Income Ratio	56.86%	48.57%
Return on Average Total Assets (before Tax)	2.71%	4.51%
Return on Average Total Assets (after Tax)	1.77%	3.00%
Return on Average Total Equity (after Tax)	17.49%	25.80%
<b>Regulatory Liquidity (Rs. '000)</b>		
Required minimum amount of liquid assets**	746,812	353,848
Required minimum amount of Government securities***	762,830	590,992
Available amount of liquid assets	925,900	607,523
Available amount of Government securities	768,522	593,526
** Required minimum amount of liquid assets equals to 10% of total liabilities less Shareholders' Funds and Secured Borrowings.		
*** Required minimum amount of government securities equals to 7.5% of the average month end deposit liabilities and borrowings of the twelve months of the preceding financial year.		
<b>Memorandum information</b>		
Number of employees	355	287
Number of branches	22	18
Number of service centers	-	1
Number of pawning centers	-	-
Number of Directors		
- Executive	1	-
- Non Executive	9	8
Ownership - Fully owned subsidiary of Sampath Bank PLC		

### STATEMENT OF FINANCIAL POSITION

In LKR, 000

As at	30-Jun-16 (Unaudited)	30-Jun-15 (Unaudited)
<b>Assets</b>		
Cash and cash equivalents	180,007	125,039
Securities purchased under Repurchase Agreements	776,971	601,580
Loans and Receivables - Leases	11,577,713	6,248,804
Loans and Receivables - Hire Purchase	1,386,873	3,108,474
Loans and Receivables - Others	2,792,078	2,015,428
Financial Investments - Available for Sale	56	56
Financial Investments - Held - to - maturity	4,280	4,204
Property, Plant & Equipment	358,445	99,035
Intangible Assets	12,119	17,324
Other Debtors & Prepayments	247,416	145,689
<b>Total Assets</b>	<b>17,335,958</b>	<b>12,365,633</b>
<b>Liabilities</b>		
Due to banks	10,965,277	8,451,703
Due to other customers	2,871,815	109,743
Debt securities issued	10,840	441,469
Income Taxation Payable	67,088	165,579
Deferred Taxation Liability	117,429	84,213
Other Liabilities	484,517	591,610
Retirement Benefit Obligations	21,421	15,401
Subordinated term debts	1,044,378	1,044,134
<b>Total liabilities</b>	<b>15,582,765</b>	<b>10,903,852</b>
<b>Shareholders' Funds</b>		
Stated Capital	576,975	525,000
Statutory Reserve Fund	73,465	55,700
Accumulated Profit/ (Loss)	1,102,753	881,081
<b>Total Shareholders' Funds</b>	<b>1,753,193</b>	<b>1,461,781</b>
<b>Total Liabilities and Shareholders' Funds</b>	<b>17,335,958</b>	<b>12,365,633</b>
<b>Contingent liabilities and commitments</b>	<b>524,715</b>	<b>742,942</b>

### STATEMENT OF COMPREHENSIVE INCOME

In LKR, 000

For the six months ended	30-Jun-16 (Unaudited)	30-Jun-15 (Unaudited)
<b>Profit for the period</b>	<b>147,835</b>	<b>181,636</b>
<b>Other Comprehensive Income/Expenses net of Tax</b>		
Actuarial gain/(losses) on defined benefit plan	-	-
Deferred Tax effect on Actuarial gain/(losses)	-	-
<b>Total of Other Comprehensive Income for the period, net of taxes</b>	<b>-</b>	<b>-</b>
<b>Total of Comprehensive Income for the period</b>	<b>147,835</b>	<b>181,636</b>

### CERTIFICATION

We, the undersigned, being the Managing Director of Siyapatha Finance PLC and the Non- Executive Director (Siyapatha Finance PLC)/ Group Chief Financial Officer / Executive Director of Sampath Bank 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 has been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

(Sgd)  
**Saman Herath**  
Managing Director  
Siyapatha Finance PLC  
26th July 2016

(Sgd)  
**Ranjith Samaranayake**  
Non- Executive Director (Siyapatha Finance PLC)  
/ Group Chief Financial Officer /Executive Director  
(Sampath Bank PLC)  
26th July 2016