

INTERIM FINANCIAL STATEMENTS

PEOPLE'S LEASING & FINANCE PLC

For the six months ended 30th September 2017



Contents

Financial Information

| | |
|--|--------|
| Statement of Financial Position | 01 |
| Statement of Profit or Loss - Company | 02 |
| Statement of Profit or Loss - Group | 03 |
| Statement of Comprehensive Income - Company | 04 |
| Statement of Comprehensive Income - Group | 05 |
| Statement of Changes in Equity - Company | 06 |
| Statement of Changes in Equity - Group | 07 |
| Statement of Cash Flows | 08 |
| Analysis of Financial Instruments by Measurement Basis - Company | 09 |
| Analysis of Financial Instruments by Measurement Basis - Group | 10 |
| Segmental Analysis | 11 |
| Information on Ordinary Shares of the Company | 12 |
| Shareholders' Information | 13 |
| Explanatory Notes | 14 |
| Debenture Information | 15, 16 |
| Related Party Disclosure - Company | 17 |
| Corporate Information | 18 |

**INTERIM
FINANCIAL
STATEMENTS**

STATEMENT OF FINANCIAL POSITION

| As at | Company | | | Group | | |
|---|-------------------------------------|----------------------------------|-------------|-------------------------------------|----------------------------------|-------------|
| | 30.09.2017 Rs. Mn. Unaudited* | 31.03.2017 Rs. Mn. Audited | Change % | 30.09.2017 Rs. Mn. Unaudited* | 31.03.2017 Rs. Mn. Audited | Change % |
| Assets | | | | | | |
| Cash and cash equivalents | 3,682 | 5,591 | (34.1) | 4,071 | 6,380 | (36.2) |
| Balances with banks & financial institutions | 3,476 | 2,090 | 66.3 | 5,750 | 3,789 | 51.8 |
| Financial assets held-for-trading | 188 | 201 | (6.5) | 412 | 529 | (22.1) |
| Loans and receivables | 134,886 | 134,055 | 0.6 | 136,314 | 135,470 | 0.6 |
| Insurance and reinsurance receivables | - | - | - | 329 | 268 | 22.8 |
| Financial investments - Available-for-sale | 277 | 276 | 0.4 | 1,303 | 1,095 | 19.0 |
| Financial investments - Held-to-maturity | 5,177 | 2,968 | 74.4 | 5,177 | 2,968 | 74.4 |
| Investments in subsidiaries | 2,075 | 2,075 | - | - | - | - |
| Investments in associates | 586 | 586 | - | 451 | 476 | (5.3) |
| Property, plant and equipment | 1,208 | 1,255 | (3.7) | 4,990 | 5,016 | (0.5) |
| Goodwill and intangible assets | 333 | 320 | 4.1 | 332 | 320 | 3.8 |
| Investment property | 101 | 101 | - | - | - | - |
| Deferred tax assets | - | - | - | 26 | 26 | - |
| Other assets | 1,051 | 939 | 11.9 | 1,115 | 1,026 | 8.7 |
| Total assets | 153,040 | 150,457 | 1.7 | 160,270 | 157,363 | 1.8 |
| Liabilities | | | | | | |
| Due to banks | 28,437 | 35,584 | (20.1) | 29,948 | 37,085 | (19.2) |
| Due to customers | 58,543 | 44,723 | 30.9 | 58,171 | 44,466 | 30.8 |
| Debt securities issued | 33,442 | 38,673 | (13.5) | 33,333 | 38,569 | (13.6) |
| Other financial liabilities | 3,380 | 2,725 | 24.0 | 3,164 | 2,563 | 23.4 |
| Derivative financial instrument | - | 8 | (100.0) | - | 8 | (100.0) |
| Insurance and reinsurance payable | - | - | - | 3,770 | 3,537 | 6.6 |
| Current tax liabilities | 263 | 290 | (9.3) | 313 | 337 | (7.1) |
| Deferred tax liabilities | 1,797 | 1,923 | (6.6) | 1,850 | 1,976 | (6.4) |
| Other liabilities | 1,692 | 1,834 | (7.7) | 1,810 | 1,897 | (4.6) |
| Total liabilities | 127,554 | 125,760 | 1.4 | 132,359 | 130,438 | 1.5 |
| Equity | | | | | | |
| Capital | 13,236 | 13,236 | - | 13,236 | 13,236 | - |
| Statutory reserve fund | 1,701 | 1,622 | 4.9 | 1,701 | 1,622 | 4.9 |
| Retained earnings | 10,118 | 9,400 | 7.6 | 11,424 | 10,561 | 8.2 |
| Other reserves | 431 | 439 | (1.8) | 420 | 421 | (0.2) |
| Total Equity attributable to equity holders of the Company | 25,486 | 24,697 | 3.2 | 26,781 | 25,840 | 3.6 |
| Non-controlling interest | - | - | - | 1,130 | 1,085 | 4.1 |
| Total Equity | 25,486 | 24,697 | 3.2 | 27,911 | 26,925 | 3.7 |
| Total liabilities and equity | 153,040 | 150,457 | 1.7 | 160,270 | 157,363 | 1.8 |
| Contingencies | 824 | 978 | (15.7) | 824 | 978 | (15.7) |
| Commitments | 3,788 | 5,462 | (30.6) | 3,926 | 5,738 | (31.6) |
| Net assets value per ordinary share (Rs.) | 16.13 | 15.63 | 3.2 | 16.95 | 16.36 | 3.6 |

CERTIFICATION

We certify that the above Interim Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007 and give a true and fair view of the state of affairs of People's Leasing & Finance PLC and the Group as at 30th September 2017 and its profit for the six months ended 30th September 2017.

(sgd.)
Sanjeewa Bandaranayake
Chief Financial Officer

(sgd.)
A.S. Ibrahim
Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these Interim Financial Statements.
Approved and Signed for and on behalf of the Board:

(sgd.)
Hemasiri Fernando
Chairman
25th October 2017
Colombo.

(sgd.)
M.P. Amirthanayagam
Deputy Chairman

* The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM
FINANCIAL
STATEMENTS

STATEMENT OF PROFIT OR LOSS - COMPANY

| | For the six months ended | | | For the quarter ended | | |
|--|-------------------------------------|-------------------------------------|---------------|-------------------------------------|-------------------------------------|---------------|
| | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % |
| Interest income | 12,826 | 10,082 | 27.2 | 6,565 | 5,263 | 24.7 |
| Less: Interest expense | 7,147 | 5,224 | 36.8 | 3,635 | 2,828 | 28.5 |
| Net interest income | 5,679 | 4,858 | 16.9 | 2,930 | 2,435 | 20.3 |
| Net fee and commission income | 560 | 535 | 4.7 | 323 | 291 | 11.0 |
| Net trading income | 20 | 28 | (28.6) | (12) | 31 | (138.7) |
| Other operating income | 240 | 381 | (37.0) | 160 | 234 | (31.6) |
| Total operating income | 6,499 | 5,802 | 12.0 | 3,401 | 2,991 | 13.7 |
| Less: Impairment charges for loans and receivables | 937 | (66) | (1,519.7) | 398 | (53) | (850.9) |
| Net operating income | 5,562 | 5,868 | (5.2) | 3,003 | 3,044 | (1.3) |
| Less: | | | | | | |
| Personnel expenses | 1,338 | 1,227 | 9.0 | 678 | 618 | 9.7 |
| Depreciation of property, plant and equipment | 90 | 91 | (1.1) | 46 | 43 | 7.0 |
| Amortisation and impairment of intangible assets | 5 | 6 | (16.7) | 3 | 2 | 50.0 |
| Other operating expenses | 1,394 | 1,206 | 15.6 | 710 | 646 | 9.9 |
| Total operating expenses | 2,827 | 2,530 | 11.7 | 1,437 | 1,309 | 9.8 |
| Operating profit before value added tax (VAT) and nation building tax (NBT) on financial services | 2,735 | 3,338 | (18.1) | 1,566 | 1,735 | (9.7) |
| Less: VAT & NBT on financial services | 549 | 401 | 36.9 | 324 | 206 | 57.3 |
| Profit before income tax | 2,186 | 2,937 | (25.6) | 1,242 | 1,529 | (18.8) |
| Less: Income tax expense | 599 | 781 | (23.3) | 340 | 386 | (11.9) |
| Profit for the period | 1,587 | 2,156 | (26.4) | 902 | 1,143 | (21.1) |
| Basic/Diluted earnings per ordinary share (Rs.) | 1.00 | 1.36 | (26.5) | 0.57 | 0.72 | (20.8) |

* The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

**INTERIM
FINANCIAL
STATEMENTS**

STATEMENT OF PROFIT OR LOSS - GROUP

| | For the six months ended | | | For the quarter ended | | |
|--|-------------------------------------|-------------------------------------|---------------|-------------------------------------|-------------------------------------|---------------|
| | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % |
| Interest income | 13,208 | 10,444 | 26.5 | 6,756 | 5,454 | 23.9 |
| Less: Interest expense | 7,203 | 5,269 | 36.7 | 3,664 | 2,850 | 28.6 |
| Net interest income | 6,005 | 5,175 | 16.0 | 3,092 | 2,604 | 18.7 |
| Net earned premiums | 1,968 | 1,774 | 10.9 | 1,015 | 917 | 10.7 |
| Net fee and commission income | 295 | 295 | - | 195 | 167 | 16.8 |
| Net trading income | 59 | 83 | (28.9) | (16) | 78 | (120.5) |
| Other operating income | 210 | 321 | (34.6) | 117 | 163 | (28.2) |
| Total operating income | 8,537 | 7,648 | 11.6 | 4,403 | 3,929 | 12.1 |
| Less: Impairment charges for loans and receivables | 959 | (39) | (2,559.0) | 410 | (38) | (1,178.9) |
| Net operating income | 7,578 | 7,687 | (1.4) | 3,993 | 3,967 | 0.7 |
| Less: | | | | | | |
| Personnel expenses | 1,527 | 1,403 | 8.8 | 772 | 714 | 8.1 |
| Depreciation of property, plant and equipment | 136 | 138 | (1.4) | 70 | 68 | 2.9 |
| Amortisation and impairment of intangible assets | 6 | 2 | 200.0 | 3 | (1) | (400.0) |
| Benefits, claims and underwriting expenditure | 1,397 | 1,310 | 6.6 | 715 | 688 | 3.9 |
| Other operating expenses | 1,426 | 1,266 | 12.6 | 735 | 686 | 7.1 |
| Total operating expenses | 4,492 | 4,119 | 9.1 | 2,295 | 2,155 | 6.5 |
| Operating profit before value added tax (VAT) and nation building tax (NBT) on financial services | 3,086 | 3,568 | (13.5) | 1,698 | 1,812 | (6.3) |
| Less: VAT & NBT on financial services | 560 | 411 | 36.3 | 330 | 211 | 56.4 |
| Operating profit after VAT & NBT on financial services | 2,526 | 3,157 | (20.0) | 1,368 | 1,601 | (14.6) |
| Share of (loss) of an associate (net of tax) | (25) | (18) | 38.9 | (10) | (10) | - |
| Profit before income tax | 2,501 | 3,139 | (20.3) | 1,358 | 1,591 | (14.6) |
| Less: Income tax expense | 674 | 865 | (22.1) | 380 | 429 | (11.4) |
| Profit for the period | 1,827 | 2,274 | (19.7) | 978 | 1,162 | (15.8) |
| Profit attributable to: | | | | | | |
| Equity holders of the parent | 1,734 | 2,193 | (20.9) | 940 | 1,119 | (16.0) |
| Minority interest | 93 | 81 | 14.8 | 38 | 43 | (11.6) |
| | 1,827 | 2,274 | (19.7) | 978 | 1,162 | (15.8) |
| Basic/Diluted earnings per ordinary share (Rs.) | 1.16 | 1.44 | (19.4) | 0.62 | 0.74 | (16.2) |

* The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM
FINANCIAL
STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

| | For the six months ended | | | For the quarter ended | | |
|--|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|-------------|
| | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % |
| Profit for the period | 1,587 | 2,156 | (26.4) | 902 | 1,143 | (21.1) |
| Other comprehensive income/(expenses) | | | | | | |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):</i> | | | | | | |
| Cash flow hedges | | | | | | |
| Gains/ (losses) on derivative financial assets | (1) | 10 | (110.0) | - | 10 | (100.0) |
| Available-for-sale financial assets | | | | | | |
| Gains/ (losses) on re-measuring available-for-sale financial assets | (7) | (61) | (88.5) | (16) | (23) | (30.4) |
| Net other comprehensive income to be reclassified to profit or loss in subsequent periods | (8) | (51) | (84.3) | (16) | (13) | 23.1 |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):</i> | | | | | | |
| Actuarial gains/ (losses) on defined benefit plans | - | - | - | - | - | - |
| Deferred tax effect on above | - | - | - | - | - | - |
| Revaluation of land and buildings | - | - | - | - | - | - |
| Recycling to Statement of Profit or Loss for impairment | - | - | - | - | - | - |
| Net other comprehensive income not to be reclassified to profit or loss in subsequent periods | - | - | - | - | - | - |
| Other comprehensive income/(expenses) for the period, net of taxes | (8) | (51) | (84.3) | (16) | (13) | 23.1 |
| Total comprehensive income for the period | 1,579 | 2,105 | (25.0) | 886 | 1,130 | (21.6) |

*The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM
FINANCIAL
STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME - GROUP

| | For the six months ended | | | For the quarter ended | | |
|--|-------------------------------------|-------------------------------------|---------------|-------------------------------------|-------------------------------------|---------------|
| | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % | 30.09.2017 Rs. Mn. Unaudited* | 30.09.2016 Rs. Mn. Unaudited* | Change % |
| Profit for the period | 1,827 | 2,274 | (19.7) | 978 | 1,162 | (15.8) |
| Other comprehensive income/(expenses) | | | | | | |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):</i> | | | | | | |
| Cash flow hedges | | | | | | |
| Gains/ (losses) on derivative financial assets | (1) | 10 | (110.0) | - | 10 | (100.0) |
| Available-for-sale financial assets | | | | | | |
| Gains/ (losses) on re-measuring available-for-sale financial assets | - | (48) | (100.0) | (13) | (13) | - |
| Net other comprehensive income to be reclassified to profit or loss in subsequent periods | (1) | (38) | (97.4) | (13) | (3) | 333.3 |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):</i> | | | | | | |
| Actuarial gains/(losses) on defined benefit plans | - | - | - | - | - | - |
| Deferred tax effect on above | - | - | - | - | - | - |
| Recycling to Statement of Profit or Loss for impairment | - | - | - | - | - | - |
| Net other comprehensive income not to be reclassified to profit or loss in subsequent periods | - | - | - | - | - | - |
| Other comprehensive income/(expenses) for the period, net of taxes | (1) | (38) | (97.4) | (13) | (3) | 333.3 |
| Total comprehensive income for the period | 1,826 | 2,236 | (18.3) | 965 | 1,159 | (16.7) |
| Profit attributable to: | | | | | | |
| Equity holders of the parent | (3) | (41) | (92.7) | (14) | (6) | 133.3 |
| Minority interest | 2 | 3 | (33.3) | 1 | 3 | (66.7) |
| | (1) | (38) | (97.4) | (13) | (3) | 333.3 |
| | 1,826 | 2,236 | (18.3) | 965 | 1,159 | (16.7) |

*The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM
FINANCIAL
STATEMENTS

STATEMENT OF CHANGES IN EQUITY - COMPANY

| | Capital | Statutory Reserve Fund | Other Reserves | | | | Cash Flow Hedge Reserve | Retained Earnings | Total Equity |
|--|---------------|------------------------|-----------------|-----------------------|----------------------------|---------------------|-------------------------|-------------------|---------------|
| | | | General Reserve | Tax Equalisation Fund | Available for Sale Reserve | Revaluation Reserve | | | |
| | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | |
| Balance as at 01.04.2016 | 13,136 | 1,421 | 300 | 100 | 125 | 7 | - | 7,683 | 22,772 |
| Total comprehensive income for the six months ended 30.09.2016 | | | | | | | | | |
| Profit for the six months ended 30.09.2016 | - | - | - | - | - | - | - | 2,156 | 2,156 |
| Other comprehensive income (net of tax) | - | - | - | - | (61) | - | 10 | - | (51) |
| Total comprehensive income for the six months ended 30.09.2016 | - | - | - | - | (61) | - | 10 | 2,156 | 2,105 |
| Transactions with equity holders, recognised directly in equity | | | | | | | | | |
| Transfer from preference shares on redemption | 100 | - | - | - | - | - | - | (100) | - |
| Transfers to reserves during the period | - | 108 | - | - | - | - | - | (108) | - |
| Dividend paid | - | - | - | - | - | - | - | (790) | (790) |
| Total transactions with equity holders | 100 | 108 | - | - | - | - | - | (998) | (790) |
| Balance as at 30.09.2016 | 13,236 | 1,529 | 300 | 100 | 64 | 7 | 10 | 8,841 | 24,087 |
| Balance as at 01.04.2017 | 13,236 | 1,622 | 300 | 100 | 31 | 7 | 1 | 9,400 | 24,697 |
| Total comprehensive income for the six months ended 30.09.2017 | | | | | | | | | |
| Profit for the six months ended 30.09.2017 | - | - | - | - | - | - | - | 1,587 | 1,587 |
| Other comprehensive income (net of tax) | - | - | - | - | (7) | - | (1) | - | (8) |
| Total comprehensive income for the six months ended 30.09.2017 | - | - | - | - | (7) | - | (1) | 1,587 | 1,579 |
| Transactions with equity holders, recognised directly in equity | | | | | | | | | |
| Transfers to reserves during the period | - | 79 | - | - | - | - | - | (79) | - |
| Dividend paid | - | - | - | - | - | - | - | (790) | (790) |
| Total transactions with equity holders | - | 79 | - | - | - | - | - | (869) | (790) |
| Balance as at 30.09.2017 | 13,236 | 1,701 | 300 | 100 | 24 | 7 | - | 10,118 | 25,486 |

The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

**INTERIM
FINANCIAL
STATEMENTS**

STATEMENT OF CHANGES IN EQUITY - GROUP

| | Capital | Statutory Reserve Fund | Other Reserves | | | | Retained Earnings | Total | Non-controlling Interest | Total Equity |
|--|---------|------------------------|-----------------|-----------------------|----------------------------|-------------------------|-------------------|---------|--------------------------|--------------|
| | | | General Reserve | Tax Equalisation Fund | Available for Sale Reserve | Cash Flow Hedge Reserve | | | | |
| | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. | Rs. Mn. |
| Balance as at 01.04.2016 | 13,136 | 1,421 | 300 | 100 | 110 | - | 8,600 | 23,667 | 1,003 | 24,670 |
| Total comprehensive income for the six months ended 30.09.2016 | | | | | | | | | | |
| Profit for the six months ended 30.09.2016 | - | - | - | - | - | - | 2,193 | 2,193 | 81 | 2,274 |
| Other comprehensive income (net of tax) | - | - | - | - | (48) | 10 | (3) | (41) | 3 | (38) |
| Total comprehensive income for the six months ended 30.09.2016 | - | - | - | - | (48) | 10 | 2,190 | 2,152 | 84 | 2,236 |
| Transactions with equity holders, recognised directly in equity | | | | | | | | | | |
| Transfer from preference shares on redemption | 100 | - | - | - | - | - | (100) | - | - | - |
| Transfers to reserves during the period | - | 108 | - | - | - | - | (108) | - | - | - |
| Dividend paid | - | - | - | - | - | - | (790) | (790) | (67) | (857) |
| Total transactions with equity holders | 100 | 108 | - | - | - | - | (998) | (790) | (67) | (857) |
| Balance as at 30.09.2016 | 13,236 | 1,529 | 300 | 100 | 62 | 10 | 9,792 | 25,029 | 1,020 | 26,049 |
| Balance as at 01.04.2017 | 13,236 | 1,622 | 300 | 100 | 20 | 1 | 10,561 | 25,840 | 1,085 | 26,925 |
| Total comprehensive income for the six months ended 30.09.2017 | | | | | | | | | | |
| Profit for the six months ended 30.09.2017 | - | - | - | - | - | - | 1,734 | 1,734 | 93 | 1,827 |
| Other comprehensive income (net of tax) | - | - | - | - | - | (1) | (2) | (3) | 2 | (1) |
| Total comprehensive income for the six months ended 30.09.2017 | - | - | - | - | - | (1) | 1,732 | 1,731 | 95 | 1,826 |
| Transactions with equity holders, recognised directly in equity | | | | | | | | | | |
| Transfers to reserves during the period | - | 79 | - | - | - | - | (79) | - | - | - |
| Dividend paid | - | - | - | - | - | - | (790) | (790) | (50) | (840) |
| Total transactions with equity holders | - | 79 | - | - | - | - | (869) | (790) | (50) | (840) |
| Balance as at 30.09.2017 | 13,236 | 1,701 | 300 | 100 | 20 | - | 11,424 | 26,781 | 1,130 | 27,911 |

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

| For the six months ended 30th September | Company | | Group | |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| | 2017 Rs. Mn. Unaudited | 2016 Rs. Mn. Unaudited | 2017 Rs. Mn. Unaudited | 2016 Rs. Mn. Unaudited |
| Cash flows from operating activities | | | | |
| Profit before tax | 2,186 | 2,937 | 2,501 | 3,139 |
| Adjustment for: | | | | |
| Non-cash items included in profit before tax | 693 | 71 | 793 | 198 |
| Change in operating assets | (5,114) | (17,868) | (5,884) | (17,651) |
| Change in operating liabilities | 14,010 | 6,582 | 14,090 | 6,429 |
| Share of loss in associate (net of tax) | - | - | 25 | 18 |
| Dividend income from investments | (154) | (249) | (20) | (27) |
| Gratuity paid | (16) | (2) | (16) | (2) |
| Income tax paid | (439) | (1,099) | (476) | (1,130) |
| Net cash generated from/(used in) operating activities | 11,166 | (9,628) | 11,013 | (9,026) |
| Cash flows from investing activities | | | | |
| Purchase of property, plant and equipment | (43) | (146) | (111) | (538) |
| Proceeds from the sale of property, plant and equipment | - | 12 | - | 12 |
| Purchase of intangible assets | (18) | - | (18) | - |
| Investment in Subsidiaries | - | (100) | - | - |
| Dividend received from investments | 154 | 249 | 20 | 27 |
| Net cash (used in)/generated from investing activities | 93 | 15 | (109) | (499) |
| Cash flows from financing activities | | | | |
| Net borrowings | (12,130) | 11,302 | (12,309) | 11,358 |
| Dividend paid to shareholders | (790) | (790) | (790) | (857) |
| Dividend paid to non-controlling interest | - | - | (50) | - |
| Redemption of preference shares | - | (100) | - | (100) |
| Net cash (used in)/generated from financing activities | (12,920) | 10,412 | (13,149) | 10,401 |
| Net (decrease)/increase in cash & cash equivalents | (1,661) | 799 | (2,245) | 876 |
| Cash and cash equivalents at the beginning of the year | 4,975 | 3,206 | 5,717 | 3,179 |
| Cash and cash equivalents at the end of the year | 3,314 | 4,005 | 3,472 | 4,055 |
| Cash and cash equivalents | 3,682 | 5,051 | 4,071 | 5,523 |
| Bank overdraft | (368) | (1,046) | (599) | (1,468) |
| | 3,314 | 4,005 | 3,472 | 4,055 |

The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM FINANCIAL STATEMENTS

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

| Company | | | | | |
|--|------------------|----------------|------------------|----------------|------------------|
| As at 30th September 2017 | FVTPL Rs. Mn. | HTM Rs. Mn. | L & R Rs. Mn. | AFS Rs. Mn. | Total Rs. Mn. |
| ASSETS | | | | | |
| Cash and cash equivalents | - | - | 3,682 | - | 3,682 |
| Balances with banks & financial institutions | - | - | 3,476 | - | 3,476 |
| Financial investments - Held-for-trading | 188 | - | - | - | 188 |
| Loans and receivables | - | - | 134,886 | - | 134,886 |
| Financial investments - Available-for-sale | - | - | - | 277 | 277 |
| Financial investments - Held-to maturity | - | 5,177 | - | - | 5,177 |
| Other financial assets | - | - | 122 | - | 122 |
| Total financial assets | 188 | 5,177 | 142,166 | 277 | 147,808 |

| As at 30th September 2017 | FVTPL Rs. Mn. | Other Financial Liabilities at amortized cost Rs. Mn. | Total Rs. Mn. |
|------------------------------------|------------------|--|------------------|
| LIABILITIES | | | |
| Due to banks | - | 28,437 | 28,437 |
| Due to customers | - | 58,543 | 58,543 |
| Debt Securities issued | - | 33,442 | 33,442 |
| Other Financial liabilities | - | 3,380 | 3,380 |
| Total financial liabilities | - | 123,802 | 123,802 |

| Company | | | | | |
|--|------------------|----------------|------------------|----------------|------------------|
| As at 31st March 2017 | FVTPL Rs. Mn. | HTM Rs. Mn. | L & R Rs. Mn. | AFS Rs. Mn. | Total Rs. Mn. |
| ASSETS | | | | | |
| Cash and cash equivalents | - | - | 5,591 | - | 5,591 |
| Balances with banks & financial institutions | - | - | 2,090 | - | 2,090 |
| Financial investments - Held-for-trading | 201 | - | - | - | 201 |
| Loans and receivables | - | - | 134,055 | - | 134,055 |
| Financial investments - Available-for-sale | - | - | - | 276 | 276 |
| Financial investments - Held-to maturity | - | 2,968 | - | - | 2,968 |
| Other financial assets | - | - | 122 | - | 122 |
| Total financial assets | 201 | 2,968 | 141,858 | 276 | 145,303 |

| As at 31st March 2017 | FVTPL Rs. Mn. | Other Financial Liabilities at amortized cost Rs. Mn. | Total Rs. Mn. |
|------------------------------------|------------------|--|------------------|
| LIABILITIES | | | |
| Due to banks | - | 35,584 | 35,584 |
| Due to customers | - | 44,723 | 44,723 |
| Debt Securities issued | - | 38,673 | 38,673 |
| Other Financial liabilities | - | 2,725 | 2,725 |
| Derivative financial instruments | 8 | - | 8 |
| Total financial liabilities | 8 | 121,705 | 121,713 |

INTERIM FINANCIAL STATEMENTS

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

| Group | | | | | |
|--|------------------|----------------|------------------|----------------|------------------|
| As at 30th September 2017 | FVTPL Rs. Mn. | HTM Rs. Mn. | L & R Rs. Mn. | AFS Rs. Mn. | Total Rs. Mn. |
| ASSETS | | | | | |
| Cash and cash equivalents | - | - | 4,071 | - | 4,071 |
| Balances with banks & financial institutions | - | - | 5,750 | - | 5,750 |
| Financial investments - Held-for-trading | 412 | - | - | - | 412 |
| Loans and receivables | - | - | 136,314 | - | 136,314 |
| Financial investments - Available-for-sale | - | - | - | 1,303 | 1,303 |
| Financial investments - Held-to maturity | - | 5,177 | - | - | 5,177 |
| Total financial assets | 412 | 5,177 | 146,135 | 1,303 | 153,027 |

| As at 30th September 2017 | FVTPL Rs. Mn. | Other Financial Liabilities at amortized cost Rs. Mn. | Total Rs. Mn. |
|------------------------------------|------------------|--|------------------|
| LIABILITIES | | | |
| Due to banks | - | 29,948 | 29,948 |
| Due to customers | - | 58,171 | 58,171 |
| Debt Securities issued | - | 33,333 | 33,333 |
| Other Financial liabilities | - | 3,164 | 3,164 |
| Total financial liabilities | - | 124,616 | 124,616 |

| Group | | | | | |
|--|------------------|----------------|------------------|----------------|------------------|
| As at 31st March 2017 | FVTPL Rs. Mn. | HTM Rs. Mn. | L & R Rs. Mn. | AFS Rs. Mn. | Total Rs. Mn. |
| ASSETS | | | | | |
| Cash and cash equivalents | - | - | 6,380 | - | 6,380 |
| Balances with banks & financial institutions | - | - | 3,789 | - | 3,789 |
| Financial investments - Held-for-trading | 529 | - | - | - | 529 |
| Loans and receivables | - | - | 135,470 | - | 135,470 |
| Financial investments - Available-for-sale | - | - | - | 1,095 | 1,095 |
| Financial investments - Held-to maturity | - | 2,968 | - | - | 2,968 |
| Total financial assets | 529 | 2,968 | 145,639 | 1,095 | 150,231 |

| As at 31st March 2017 | FVTPL Rs. Mn. | Other Financial Liabilities at amortized cost Rs. Mn. | Total Rs. Mn. |
|------------------------------------|------------------|--|------------------|
| LIABILITIES | | | |
| Due to banks | - | 37,085 | 37,085 |
| Due to customers | - | 44,466 | 44,466 |
| Debt Securities issued | - | 38,569 | 38,569 |
| Other Financial liabilities | - | 2,563 | 2,563 |
| Derivative financial instruments | 8 | - | 8 |
| Total financial liabilities | 8 | 122,683 | 122,691 |

INTERIM
FINANCIAL
STATEMENTS

SEGMENTAL ANALYSIS - GROUP

| For the six months ended 30th September | Lease & HP | | Loans | | Islamic | | Insurance | | Other | | Eliminations | | Group | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2017 Rs. Mn. | 2016 Rs. Mn. | 2017 Rs. Mn. | 2016 Rs. Mn. | 2017 Rs. Mn. | 2016 Rs. Mn. | 2017 Rs. Mn. | 2016 Rs. Mn. | 2017 Rs. Mn. | 2016 Rs. Mn. | 2017 Rs. Mn. | 2016 Rs. Mn. | 2017 Rs. Mn. | 2016 Rs. Mn. |
| Interest income | 7,103 | 6,060 | 4,811 | 3,428 | 674 | 520 | 304 | 237 | 467 | 328 | (151) | (129) | 13,208 | 10,444 |
| Net earned premiums | - | - | - | - | - | - | 2,027 | 1,825 | - | - | (59) | (51) | 1,968 | 1,774 |
| Net fee and commission income | 353 | 336 | 239 | 190 | 33 | 29 | - | - | 138 | 138 | (468) | (398) | 295 | 295 |
| Net trading income | - | - | - | - | - | - | 38 | 55 | 21 | 28 | - | - | 59 | 83 |
| Other operating income | 124 | 214 | 84 | 121 | 12 | 18 | 24 | 46 | 141 | 184 | (175) | (262) | 210 | 321 |
| Gross revenue | 7,580 | 6,610 | 5,134 | 3,739 | 719 | 567 | 2,393 | 2,163 | 767 | 678 | (853) | (840) | 15,740 | 12,917 |
| Interest expenses | 3,925 | 3,078 | 2,659 | 1,741 | 372 | 264 | - | - | 397 | 316 | (150) | (130) | 7,203 | 5,269 |
| Total operating income | 3,655 | 3,532 | 2,475 | 1,998 | 347 | 303 | 2,393 | 2,163 | 370 | 362 | (703) | (710) | 8,537 | 7,648 |
| Credit losses | 203 | (170) | 711 | 121 | 45 | 10 | - | - | - | - | - | - | 959 | (39) |
| Net operating income | 3,452 | 3,702 | 1,764 | 1,877 | 302 | 293 | 2,393 | 2,163 | 370 | 362 | (703) | (710) | 7,578 | 7,687 |
| Depreciation | 61 | 60 | 37 | 37 | 8 | 7 | 7 | 10 | 7 | 5 | 22 | 21 | 142 | 140 |
| Segment result | 1,510 | 1,917 | 1,023 | 1,131 | 143 | 154 | 414 | 358 | 153 | 185 | (157) | (177) | 3,086 | 3,568 |
| VAT & NBT on financial services | | | | | | | | | | | | | 560 | 411 |
| Share of (loss) of an associate (net of tax) | | | | | | | | | | | | | (25) | (18) |
| Income tax expenses | | | | | | | | | | | | | 674 | 865 |
| Profit attributable to equity holder | | | | | | | | | | | | | 1,827 | 2,274 |
| As at 30th September | | | | | | | | | | | | | | |
| Segment Assets | 86,204 | 82,802 | 51,935 | 50,675 | 11,159 | 10,241 | 7,306 | 6,612 | 9,579 | 6,399 | (5,913) | (5,718) | 160,270 | 151,011 |
| Total Assets | 86,204 | 82,802 | 51,935 | 50,675 | 11,159 | 10,241 | 7,306 | 6,612 | 9,579 | 6,399 | (5,913) | (5,718) | 160,270 | 151,011 |
| Segment Liabilities | 71,193 | 68,406 | 42,892 | 41,865 | 9,216 | 8,460 | 4,436 | 4,182 | 7,911 | 5,287 | (3,289) | (3,238) | 132,359 | 124,962 |
| Total Liabilities | 71,193 | 68,406 | 42,892 | 41,865 | 9,216 | 8,460 | 4,436 | 4,182 | 7,911 | 5,287 | (3,289) | (3,238) | 132,359 | 124,962 |

The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM FINANCIAL STATEMENTS

INFORMATION ON ORDINARY SHARES OF THE COMPANY

Market Price

| | 2017 Rs. | 2016 Rs. |
|---|-------------|-------------|
| Highest price during the quarter ended 30th September : | 18.00 | 19.30 |
| Lowest price during the quarter ended 30th September : | 16.70 | 17.80 |
| Closing price as at 30th September : | 17.00 | 18.70 |

Issued Capital

Issued Capital as at 30th September 2017 was represented by the number of shares in issue as given below;

| | As at 30th September 2017 | | As at 30th September 2016 | |
|---|---------------------------|-----------------------|---------------------------|-----------------------|
| | Number | Rs. | Number | Rs. |
| Ordinary shares | 1,579,862,482 | 11,886,073,308 | 1,579,862,482 | 11,886,073,308 |
| Transfer from preference shares on redemption | - | 1,350,000,000 | - | 1,350,000,000 |
| Total | 1,579,862,482 | 13,236,073,308 | 1,579,862,482 | 13,236,073,308 |

INTERIM FINANCIAL STATEMENTS

SHAREHOLDERS' INFORMATION

Twenty Largest Ordinary Shareholders as at 30th September 2017

Twenty largest ordinary shareholders of the Company as at 30th September 2017 were as follows;

| No. | Name of the Shareholder | No. of Shares | % |
|-----|---|---------------|-------|
| 1 | People's Bank | 1,184,896,862 | 75.00 |
| 2 | Employees Provident Fund | 85,748,846 | 5.43 |
| 3 | BNYM SA/NV RE-Neon Liberty Lorikeet Master Fund LP | 69,278,641 | 4.39 |
| 4 | National Savings Bank | 43,668,157 | 2.76 |
| 5 | CitiBank Newyork S/A Norges Bank Account 2 | 23,775,303 | 1.50 |
| 6 | Bank of Ceylon No. 1 Account | 11,453,600 | 0.72 |
| 7 | Rubber Investment Trust Limited A/C # 01 | 8,798,883 | 0.56 |
| 8 | Sri Lanka Insurance Corporation Ltd-General Fund | 7,022,962 | 0.44 |
| 9 | AIA Insurance Lanka PLC A/C No.07 | 5,197,515 | 0.33 |
| 10 | Ceylon Investment PLC A/C # 01 | 4,954,891 | 0.31 |
| 11 | Union Assurance PLC/No-01A/C | 3,821,672 | 0.24 |
| 12 | BNYM SA/NV RE-NLCF Fund LP | 3,805,389 | 0.24 |
| 13 | The Ceylon Guardian Investment Trust PLC A/C # 02 | 3,340,505 | 0.21 |
| 14 | Caceis Bank Luxembourg-Intereffekt Investments Funds N.V. | 2,887,743 | 0.18 |
| 15 | Employees Trust Fund Board | 2,356,087 | 0.15 |
| 16 | Sampath Bank PLC/Dr. Thirugnanasambandar Senthilverl | 1,909,975 | 0.12 |
| 17 | Akbar Brothers Pvt Ltd A/C No 1 | 1,894,014 | 0.12 |
| 18 | Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund) | 1,843,700 | 0.12 |
| 19 | First Capital Limited | 1,700,000 | 0.11 |
| 20 | Mr. Merrill Joseph Fernando | 1,600,000 | 0.10 |

Public Holding

The percentage of ordinary shares held by the public as at 30th September 2017 was 24.94% and the number of shareholders representing the public holding was 8,825.

Directors/ CEO's Holding in Shares as at 30th September 2017

The number of ordinary shares held by the directors and CEO as at 30th September 2017 were as follows;

| Name | Position | No. of Shares |
|---|-----------------|---------------|
| Mr. Hemasiri Fernando | Chairman | - |
| Mr. Michael Pradeep Amirthanayagam | Deputy Chairman | 10,000 |
| Mr. Jehan Prasanna Amaratunga | Director | - |
| Mr. Goluhewage Bindu Rasitha Poojitha Gunawardana | Director | - |
| Mr. Johnson Anthony Fernando | Director | - |
| Mr. Mohamed Anise Mohamed Rizwan | Director | - |
| Mr. Rathnayake Mudiyansele Jayasena | Director | - |
| Dr. Ali Asgar Shabbir Gulamhusein | Director | - |
| Mr. Ahamed Sabry Ibrahim | CEO | - |

INTERIM FINANCIAL STATEMENTS

EXPLANATORY NOTES

1. There are no significant changes in the accounting policies and methods of computation since the publication of financial statements in the annual report for the year 2016/17.
2. The Interim Financial Statements for the six months ended 30th September 2017 are drawn up from unaudited accounts of the Company, its subsidiary companies: People's Leasing Property Development Limited, People's Leasing Fleet Management Limited, People's Insurance PLC, People's Leasing Havelock Properties Limited, People's Microfinance Limited and its associate: People's Merchant Finance PLC.
3. The Interim Financial Statements are in compliance with the Sri Lanka Accounting Standard - LKAS 34: Interim Financial Reporting and the provisions of the Companies Act No. 7 of 2007 and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
4. All known expenses including management fees and similar expenses have been provided for in these financial statements.
5. In June 2017, the Company received Rs. 33,750,000/- from People's Insurance PLC as the final dividend for the financial year 2016. In September 2017, the Company received Rs. 102,601,982/- as an interim dividend for the financial year 2017.
6. On 11th July 2017, the Company paid a final dividend of Rs. 0.50 (Cents Fifty) per share totaling to Rs. 789.9 million for the financial year 2016/17.
7. At the Annual General Meeting held on 30th June 2017, Mr. Goluhewage Bindu Rasitha Poojitha Gunawardana was re-elected as a Non- Executive Director of the Company.
8. Mr. D.P. Kumarage retired from the office of Chief Executive Officer/General Manager of the Company with effect from 30th June 2017 and Mr. Ahamed Sabry Ibrahim was appointed as the new Chief Executive Officer/General Manager of the Company with effect from 1st July 2017.

The Central Bank of Sri Lanka has by its letter dated 3rd July 2017 granted approval for the retirement of Mr. Kumarage and the appointment of Mr. Ibrahim as aforesaid.

9. The presentation and classification of the following items in these financial statements are amended to ensure the comparability with the current period.

| | Company | | | Group | | |
|--|----------------------------|-------------------------|------------|----------------------------|-------------------------|------------|
| | As disclosed previously | Current Presentation | Adjustment | As disclosed previously | Current Presentation | Adjustment |
| | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |

Statement of Profit or Loss

| | | | | | | |
|---------------------------------|-------|-------|------|-------|-------|------|
| Other operating expenses | 1,266 | 1,206 | 60 | 1,326 | 1,266 | 60 |
| VAT & NBT on financial services | 341 | 401 | (60) | 351 | 411 | (60) |

NBT on financial services included in other operating expenses reclassified to VAT & NBT on financial services.

10. On 30th September 2017 the Company redeemed 18,000,700 Senior Unsecured Redeemable Debentures issued in 2014 of Rs. 100/- each upon maturity.
11. There have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements.
12. There has been no significant change in the nature of the contingent liabilities for the six months ended 30th September 2017 which were disclosed in the Annual Report for the year ended 31st March 2017.

INTERIM FINANCIAL STATEMENTS

DEBENTURE INFORMATION

Market Prices for the quarter ended 30th September 2017

| Debenture Type | Highest Rs. | Lowest Rs. | Last Traded Rs. |
|--|----------------|------------------|---------------------|
| 2013 - 5 Years - 16.75% p.a. payable semi-annually | | | Has not been traded |
| 2013 - 5 Years - 17.00% p.a. payable annually | | | Has not been traded |
| 2014 - 3 Years - 8.75% p.a. payable annually | | | Has not been traded |
| 2014 - 4 Years - 9.63% p.a. payable annually | | | Has not been traded |
| 2015 - 4 Years - 9.60% p.a. payable semi-annually | | | Has not been traded |
| 2015 - 5 Years - 9.95% p.a. payable annually | | | Has not been traded |
| 2016 - 3 Years - 11.90% p.a. payable semi-annually | | | Has not been traded |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually | | | Has not been traded |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually | | Traded only once | 99.96 |

Interest Rates

| Debenture Type | Coupon Rate (%) | Annual Effective Rate (%) |
|--|--------------------|---------------------------------|
| 2013 - 5 Years - 16.75% p.a. payable semi annually | 16.75 | 17.45 |
| 2013 - 5 Years - 17.00% p.a. payable annually | 17.00 | 17.00 |
| 2014 - 3 Years - 8.75% p.a. payable annually | 8.75 | 8.75 |
| 2014 - 4 Years - 9.63% p.a. payable annually | 9.63 | 9.63 |
| 2015 - 4 Years - 9.60% p.a. payable semi-annually | 9.60 | 9.83 |
| 2015 - 5 Years - 9.95% p.a. payable annually | 9.95 | 9.95 |
| 2016 - 3 Years - 11.90% p.a. payable semi-annually | 11.90 | 12.25 |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually | 12.25 | 12.63 |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually | 12.60 | 13.00 |

Interest Rates of Comparable Government Securities

| | |
|------------------------|--------|
| 6 Months Treasury Bill | 9.01% |
| 1 Year Treasury Bill | 9.10% |
| 2 Year Treasury Bond | 9.83% |
| 4 Year Treasury Bond | 11.14% |
| 5 Year Treasury Bond | 10.43% |

(Above rates are excluding 10% withholding tax)

Current Yield & Yield to Maturity

| Debenture Type | Current Yield (%) | Yield to Maturity (%) |
|--|----------------------|-----------------------------|
| 2013 - 5 Years - 16.75% p.a. payable semi-annually | 15.88% | 12.48% |
| 2013 - 5 Years - 17.00% p.a. payable annually | 15.81% | 11.22% |
| 2014 - 3 Years - 8.75% p.a. payable annually | 8.59% | 7.97% |
| 2014 - 4 Years - 9.63% p.a. payable annually | 9.27% | 8.36% |
| 2015 - 4 Years - 9.60% p.a. payable semi-annually | 9.60% | 9.60% |
| 2015 - 5 Years - 9.95% p.a. payable annually | 9.95% | 9.95% |
| 2016 - 3 Years - 11.90% p.a. payable semi-annually | 11.90% | 11.90% |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually | 12.25% | 12.25% |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually | 12.61% | 12.61% |

INTERIM FINANCIAL STATEMENTS

DEBENTURE INFORMATION

| Ratios | | | | | | | | |
|--|--|---|--|---|---------------------|---------------------------------|---|--|
| | | | | | | | As at 30.09.2017 | As at 31.03.2017 |
| Debt to Equity Ratio (Times) | | | | | | | 2.44 | 3.02 |
| Interest Cover (Times) | | | | | | | 1.31 | 1.46 |
| Quick Asset Ratio (%) | | | | | | | 82.59 | 80.87 |
| Utilisation of Funds Raised via Capital Market | | | | | | | | |
| Objective Number | Objective as per Prospectus | Amount allocated as per Prospectus in Rs.'000 | Proposed date of utilisation as per Prospectus | Amount allocated from proceeds in Rs.'000 (A) | % of total proceeds | Amounts utilised in Rs.'000 (B) | % of utilisation against allocation (B/A) | Clarification if not fully utilised including where the funds are invested |
| Issue of listed, senior, unsecured, redeemable, rated debentures during the year 2015 | | | | | | | | |
| 1 | The funds raised through this Debenture Issue will be utilized to finance working capital requirements to match the medium to long term lending of PLC and to minimize the interest rate risk. | 6,000,000 | Within 12 months from the date of allotment | 6,000,000 | 100% | 6,000,000 | 100% | N/A |
| Issue of listed, senior, unsecured, redeemable, rated debentures during the year 2016 | | | | | | | | |
| 1 | The funds raised through this Debenture Issue will be utilized to finance the budgeted lending portfolio and working capital requirements | 8,000,000 | Within 12 months from the date of allotment | 8,000,000 | 100% | 8,000,000 | 100% | N/A |

INTERIM FINANCIAL STATEMENTS

RELATED PARTY DISCLOSURE

Transactions with Related entities

Company

The Company had the under mentioned financial dealings during the period with the following related entities.

| | Immediate Parent | | Subsidiaries | | Associate | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2017 Rs. '000 | 2016 Rs. '000 | 2017 Rs. '000 | 2016 Rs. '000 | 2017 Rs. '000 | 2016 Rs. '000 |
| Items in Statement of Profit or Loss | | | | | | |
| Interest income | 336,843 | 240,853 | 16,777 | 9,173 | - | - |
| Interest expense | 523,644 | 582,010 | 102,258 | 112,589 | 1,301 | - |
| Fee & Commission income | - | 343 | 310,003 | 275,326 | - | - |
| Other operating income | - | - | 175,701 | 274,076 | - | - |
| Benefits, claims and underwriting expenditure | - | - | 52,673 | 45,698 | - | - |
| Other operating expenses | 13,068 | 15,087 | 135,935 | 123,343 | - | - |
| Items in Statement of Financial Position | | | | | | |
| Assets | | | | | | |
| Cash and cash equivalents | 1,885,389 | 3,548,675 | - | - | - | - |
| Balances with banks & financial institutions | 2,465,648 | 81,300 | - | - | - | - |
| Loans and receivables | - | 1,032 | 1,775,563 | 1,907,946 | - | - |
| Financial investments - Held-to-maturity | 3,566,006 | 3,521,310 | - | - | - | - |
| Investments in subsidiaries/ Associate | - | - | 2,075,000 | 1,975,000 | 586,427 | 586,427 |
| Other assets | - | 15,769 | 176,621 | 176,746 | - | - |
| Liabilities | | | | | | |
| Due to banks | 6,706,082 | 11,430,657 | - | - | - | - |
| Due to customers | - | - | 371,617 | 220,385 | 101,301 | - |
| Debt Securities issued | 1,377,338 | 1,065,714 | 108,348 | 108,362 | - | - |
| Other Financial liabilities | - | - | 738,449 | 658,293 | - | - |
| Other liabilities | 6,290 | 5,476 | 13,841 | - | - | - |
| Transactions | | | | | | |
| Transaction cost on debenture issue and securitisation | 23,935 | 23,935 | - | - | - | - |
| Dividend paid | 544,876 | 544,876 | - | - | - | - |
| Off- Balance Sheet Items | | | | | | |
| Gauarantees | - | - | 550,000 | 625,000 | - | - |

CORPORATE INFORMATION

Name of Company

People's Leasing & Finance PLC
(Subsidiary of People's Bank)

Legal Form

Public Limited Liability Company
(Incorporated and domiciled in Sri Lanka)
quoted in the Colombo Stock Exchange

Date of Incorporation

22nd August 1995

Company Registration Number

PB 647 PQ

Accounting Year-end

31st March

Stock Exchange Listing

The Ordinary shares of the Company were quoted on the Main Board of the Colombo Stock Exchange (CSE) on 24th November 2011.

Senior, Unsecured, Redeemable, four year (2013/17) and five year (2013/18) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 4th April 2013.

Senior, Unsecured, Redeemable, three year (2014/17) and four year (2014/18) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 3rd October 2014.

Senior, Unsecured, Redeemable, four year (2015/19) and five year (2015/20) Debentures

were listed on the Debt Securities Main Board of Colombo Stock Exchange on 20th November 2015.

Senior, Unsecured, Redeemable, three year (2016/19), four year (2016/20) and five year (2016/21) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 23rd November 2016.

Registered Office & Principal Place of Business

1161, Maradana Road, Borella
Colombo 08, Sri Lanka.
Postal Code: 00800
Telephone +94 11 2631631
Fax +94 11 2631980/81
[Email: plclearse@plc.lk](mailto:plclearse@plc.lk)
[Web Address: www.plc.lk](http://www.plc.lk)

Company Secretary

Mr. Rohan Pathirage

Registrars

SSP Corporate Services (Pvt) Ltd
No. 101, Inner Flower Road,
Colombo 03, Sri Lanka.
Telephone: +94 11 2573894, +94 11 2576871
Fax: +94 11 2573609
[E-mail: sspsec@sltnet.lk](mailto:sspspec@sltnet.lk)

Auditors

M/s. Ernst & Young
Chartered Accountants,
201, De Saram Place,
P.O. Box 101,
Colombo 10,
Sri Lanka.

Bankers

People's Bank
Sampath Bank PLC
Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
HSBC
National Development Bank PLC
Nations Trust Bank PLC
Seylan Bank PLC
Standard Chartered Bank
Deutsche Bank
Habib Bank
Union Bank of Colombo PLC
Public Bank Berhad
Citibank N.A.
Indian Bank

Indian Overseas Bank

Pan Asia Banking Corporation PLC
Axis Bank
MCB bank

Branch Offices

Akuressa, Ambalangoda, Ambalanthota, Ampara, Anuradhapura, Awissawella, Badulla, Balangoda, Bandarawella, Battaramulla, Batticaloa, Benthota, Chilaw, Chunnakam, Colpetty, Dambulla, Dehiwala, Deniyaya, Digana, Elpitiya, Embilipitiya, Galle, Gampaha, Gampola, Giriulla, Godakawela, Grandpass, Hambantota, Hanwella, Hatton, Havelock, Homagama, Horana, Ja-Ela, Jaffna, Kadawatha, Kaduwela, Kalawanchikudi, Kalawana, Kalmunai, Kalutara, Kamburupitiya,

Kandy, Kandy - Alsafa, Kandy II, Kanthale, Kattankudy, Kegalle, Kekirawa, Kelaniya, Kilinochchi, Kinniya, Kirindiwela, Kuliypitiya, Kurunegala, Mahaiyawa, Maharagama, Mahiyanganaya, Mannar, Matale, Matara, Medawachchiya, Mathugama, Mawanella, Melsiripura, Merigama, Metropolitan, Minuwangoda, Monaragala, Moratuwa, Mutur, Narammala, Nattandiya, Nawalapitiya, Negombo, Neluwa, Nittambuwa, Nugegoda, Nuwara Eliya, Panadura, Pelmadulla, Pettah, Pilimathalawa, Piliyandala, Polonnaruwa, Puttalam, Ratnapura, Tangalle, Thambuttegama, Thissamaharamaya, Trincomalee, Union Place, Urubokka, Vavuniya, Walasmulla, Ward Place, Warakapola, Wariyapola, Wattala, Welimada, Wellaway, Wellawatta, Wennappuwa

Board of Directors and Board Sub-Committees

Board of Directors

Mr. Hemasiri Fernando - Chairman
Mr. M.P. Amirthanayagam - Deputy Chairman
Mr. J.P. Amaratunga
Mr. G.B.R.P. Gunawardana
Mr. J.A. Fernando
Mr. M.A.M. Rizwan
Mr. R.M. Jayasena
Dr. A.A.S. Gulamhusein

Board Sub-Committees

Integrated Risk Management Committee

Mr. M.P. Amirthanayagam - Chairman
Mr. G.B.R.P. Gunawardana
Mr. M.A.M. Rizwan
Mr. A.S. Ibrahim
Mr. Sanjeewa Bandaranayake
Mr. L. Fernando
Mr. R. Tennakoon

Board Audit Committee

Mr. J.P. Amaratunga - Chairman
Mr. M.P. Amirthanayagam
Mr. M.A.M. Rizwan

Remuneration & Nomination Committee

Mr. J.P. Amaratunga - Chairman
Mr. M.P. Amirthanayagam
Mr. J.A. Fernando

Related Party Transactions Review Committee

Mr. M.P. Amirthanayagam - Chairman
Mr. J.A. Fernando
Mr. M.A.M. Rizwan

Subsidiary and Associate Companies

Subsidiary Companies

People's Leasing Fleet Management Limited

People's Leasing Property Development Limited

People's Leasing Havelock Properties Limited

People's Insurance PLC

People's Microfinance Limited

Associate Company

People's Merchant Finance PLC

Corporate Memberships

Asian Leasing and Finance Association
Credit Information Bureau of Sri Lanka
Financial Ombudsman-Sri Lanka
Leasing Association of Sri Lanka

Vehicle Yards

No. 429, 2nd Division, Darly Road, Colombo

10, Sri Lanka.

No. 496, Makola North, Makola, Sri Lanka.

No. 225/D, Nayagala Road, Heiyanthuduwa, Mabima, Sri Lanka.

No.8, Pothuvil Road, Monaragala, Sri Lanka

Ketalagolla, Beligamuwa, Galewela, Sri Lanka

Tax Payer Identity Number (TIN)

114 156396 0000

VAT Registration Number

114 156396 7000

Central Bank Registration Number

046 (Under the Finance Business Act No.42 of 2011)

Credit Agency Status

An approved Credit Agency under the Mortgage Act No.6 of 1949 and the Trust Receipt Ordinance No.12 of 1947 by the Department of Commerce.

Credit Rating

'AA-' (Ika) stable by Fitch Ratings Lanka Limited
'B+/B' by Standard & Poor's Rating Services
'B' stable by Fitch Ratings International

INTERIM
FINANCIAL
STATEMENTS



PEOPLE'S LEASING & FINANCE PLC