

Siyapatha Finance PLC

FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

INCOME STATEMENT

In LKR, 000

For the six months ended	30-Jun-17 (Unaudited)	30-Jun-16 (Unaudited)	Change
Interest income	2,020,606	1,261,879	758,727
Less: Interest expenses	(1,228,877)	(662,466)	566,411
Net interest income	791,729	599,413	192,316
Fee and commission income	107,515	59,779	47,736
Fee and commission expenses	(495)	(1,320)	(825)
Net fee and commission income	107,020	58,459	48,561
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	99,210	80,506	18,704
Total operating income	997,959	738,378	259,581
Impairment for loans and other losses			
Individual impairment	(2,936)	(18,759)	(15,823)
Collective impairment	(69,569)	(19,706)	49,863
Others	-	-	-
Net operating income	925,454	699,913	225,541
Personnel expenses	(288,782)	(223,544)	65,238
Depreciation and amortization	(26,639)	(22,024)	4,615
Other expenses	(196,070)	(174,243)	21,827
Operating profit before VAT & NBT on financial services	413,963	280,102	133,861
VAT & NBT on financial services	(98,890)	(54,042)	44,848
Operating profit after VAT & NBT on financial services	315,073	226,061	89,012
Share of profits of associate and joint ventures	-	-	-
Profit before taxation	315,073	226,061	89,012
Tax expenses	(119,047)	(78,226)	40,821
Profit for the period	196,026	147,835	48,191
Earnings per share (Rs)	3.57	2.82	0.75

SELECTED PERFORMANCE INDICATORS

Item	As at 30th June 2017	As at 30th June 2016
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	2,015,886	1,679,267
Total Capital Base, Rs. '000 (Tier 1 Capital + Tier 11 Capital)	2,615,886	2,479,267
Core Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 5%)	9.09%	11.00%
Total Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 10%)	11.80%	16.24%
Capital Funds to Deposit Liabilities Ratio (Minimum Requirement, 10%)*	61.25%	92%
Statutory Liquid Assets Ratio (minimum requirement, 7.5%)	7.71%	9.38%
* 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.		
Asset Quality (Quality of Loan Portfolio)		
Gross Non-Performing Accommodations, Rs. '000	604,834	517,127
Gross Non-Performing Accommodations Ratio, %	2.48%	3.11%
Net Non-Performing Accommodations Ratio, %	0.23%	0.77%
Impairment Provision on Total Accommodations, %	1.95%	2.36%
Profitability (%)		
Net Interest Margin	7.77%	8.67%
Net Interest Yield	6.86%	7.61%
Cost to Income Ratio	51.25%	56.86%
Return on Average Total Assets (before Tax)	2.66%	2.71%
Return on Average Total Assets (after Tax)	1.65%	1.77%
Return on Average Total Equity (after Tax)	19.46%	17.49%
Regulatory Liquidity (Rs. '000)		
Required minimum amount of liquid assets**	915,309	746,812
Required minimum amount of Government securities***	1,153,393	762,830
Available amount of liquid assets	1,259,288	925,900
Available amount of Government securities	1,185,863	768,522
** Required minimum amount of liquid assets equals to 10% of total liabilities less Shareholders' Funds and Secured Borrowings, as at 30th June 2017 and 30th June 2016 respectively. *** 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.		
Memorandum information		
Number of employees	473	355
Number of branches	25	22
Number of service centers	-	0
Number of pawning centers	-	-
Number of Directors		
- Executive	1	1
- Non Executive	9	9
Ownership - Fully owned subsidiary of Sampath Bank PLC		

STATEMENT OF FINANCIAL POSITION

In LKR, 000

As at	30-Jun-17 (Unaudited)	30-Jun-16 (Unaudited)
Assets		
Cash and cash equivalents	332,403	180,007
Securities purchased under repurchase agreements	1,194,290	776,971
Loans and receivables - Leases	16,867,799	11,577,713
Loans and receivables - Hire Purchase	493,648	1,386,873
Loans and receivables - Others	6,400,340	2,792,078
Financial investments - Available for Sale	56	56
Financial investments - Held - to- maturity	4,294	4,280
Property, plant & equipment	362,305	358,445
Intangible assets	10,647	12,119
Other assets	325,013	247,416
Total assets	25,990,795	17,335,958
Liabilities		
Due to banks	14,331,921	10,965,277
Due to other customers	4,684,377	2,871,815
Debt securities issued	2,757,071	10,840
Income taxation payable	81,806	67,088
Deferred taxation liability	213,333	117,429
Other liabilities	728,441	484,517
Retirement benefit obligations	29,874	21,421
Subordinated term debts	1,044,134	1,044,378
Total liabilities	23,870,957	15,582,765
Shareholders' funds		
Stated capital	635,917	576,975
Statutory reserve fund	91,026	73,465
Retained earnings	1,392,895	1,102,753
Total shareholders' funds	2,119,838	1,753,193
Total liabilities and shareholders' funds	25,990,795	17,335,958
Contingent liabilities and commitments	1,187,852	524,715

STATEMENT OF COMPREHENSIVE INCOME

In LKR, 000

For the six months ended	30-Jun-17 (Unaudited)	30-Jun-16 (Unaudited)
Profit for the period	196,026	147,835
Other comprehensive income/expenses net of tax		
Actuarial gain/(losses) on defined benefit plan	-	-
Deferred tax effect on actuarial gain/(losses)	-	-
Total of other comprehensive income for the period, net of taxes	-	-
Total of comprehensive income for the period	196,026	147,835

CERTIFICATION

We, the undersigned, being the Managing Director of Siyapatha Finance PLC and the Non- Executive Director (Siyapatha Finance PLC)/ Group Finance Director / 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
Date : 25 July 2017

(Sgd)
Ranjith Samaranayake
Non- Executive Director (Siyapatha Finance PLC)
/ Group Finance Director / Executive Director
(Sampath Bank PLC)
Date : 25 July 2017