



Income Statement For the Year Ended 31st March	2015 Rs.	2014 Rs.	Change %	Statement of Financial Position As at 31st March	2015 Rs.	2014 Rs.	Change %
Gross Income	2,896,187,378	2,570,624,353	12.7	Assets			
Interest Income	2,799,745,875	2,451,800,812	14.2	Cash and Cash Equivalents	357,722,928	311,612,928	14.8
Interest Expense	(1,344,337,892)	(1,340,464,712)	0.3	Placements with Banks and Other Finance Companies	1,768,499,428	1,146,244,786	54.3
Net Interest Income	1,455,407,983	1,111,336,100	31.0	Reverse Repurchase Agreements	1,353,477,948	112,017,262	1,108.3
Fee and Commission Income	50,314,825	43,082,243	16.8	Financial Investments - Held for Trading	4,822,336	5,101,684	(5.5)
Net Fee and Commission Income	50,314,825	43,082,243	16.8	Loans and Receivables to Other Customers	3,307,495,086	1,149,653,055	187.7
Net Gain / (Loss) from Trading	(117,290)	903,092	(113.0)	Lease Rental and Hire Purchase Receivables	9,261,379,875	8,788,528,303	5.4
Other Operating Income	46,243,968	74,838,206	(38.2)	Financial Investments - Available for Sale	120,529,779	113,965,232	5.8
Total Operating Income	1,551,849,486	1,230,159,641	26.2	Financial Investments - Held to Maturity	296,296,416	612,634,968	(51.6)
Impairment Charges for Loans and other losses	(239,203,374)	(210,654,141)	13.6	Other Financial Assets	11,806,411	7,912,643	49.2
Net Operating Income	1,312,646,112	1,019,505,500	28.8	Property, Plant and Equipment	181,172,558	127,325,987	42.3
Operating Expenses				Intangible Assets	4,188,589	4,355,878	(3.8)
Personnel Expenses	(336,574,216)	(251,662,381)	33.7	Deffered Tax Assets	66,516,415	33,785,748	96.9
Premises Equipment and Establishment Expenses	(66,321,159)	(55,105,334)	20.4	Other Assets	159,599,520	165,575,145	(3.6)
Other Expenses	(276,808,006)	(223,727,661)	23.7	Total Assets	16,893,507,289	12,578,713,619	34.3
Operating Profit Before Value Added Tax & NBT	632,942,731	489,010,124	29.4	Liabilities			
Value Added Tax on Financial Services & NBT	(74,302,462)	(46,006,899)	61.5	Bank Overdrafts	463,536,788	233,878,618	98.2
Profit Before Income Tax	558,640,269	443,003,225	26.1	Rental Received in Advance	170,421,167	136,928,230	24.5
Income Tax Expense	(185,853,667)	(139,092,992)	33.6	Deposits due to Customers	12,162,096,690	9,299,977,850	30.8
Profit for the Year	372,786,602	303,910,233	22.7	Interest bearing Borrowings	299,522,795	542,516,837	(44.8)
Earnings Per Share				Subordinated Term Debts	1,859,653,357	898,088,784	107.1
Basic Earnings Per Share	8.97	7.31	22.7	Current Tax Liabilities	93,290,845	88,294,895	5.7
Diluted Earnings Per Share	8.97	7.31	22.7	Deferred Tax Liabilities	88,459,437	74,288,962	19.1
				Other Liabilities	220,230,653	111,124,087	98.2
				Retirement Benefit Obligations	22,125,917	12,872,166	71.9
				Total Liabilities	15,379,337,649	11,397,970,429	34.9
				Equity			
				Stated Capital	287,153,000	287,153,000	-
				Statutory Reserves	280,523,995	333,906,930	(16.0)
				Available For Sale Reserve	9,257,510	4,054,987	128.3
				General Reserve	7,500,000	7,500,000	-

<b>Profit for the Year</b>	<b>372,786,602</b>	<b>303,910,233</b>	<b>22.7</b>
<b>Other Comprehensive Income For the Year, Net of Tax</b>			
<b>Other Comprehensive Income not to be reclassified to Income Statement</b>			
Actuarial Gains / (Losses) on Retirement Benefit Plans	(4,183,437)	(1,488,824)	181.0
Deferred Tax Charge / (Reversal) on Actuarial Gains / (Losses)	1,171,362	416,871	181.0
<b>Total Other Comprehensive Income not to be reclassified to Income Statement</b>	<b>(3,012,075)</b>	<b>(1,071,953)</b>	<b>181.0</b>
<b>Other Comprehensive Income to be reclassified to Income Statement</b>			
Gains on remeasuring Available For Sale Financial Assets	5,202,523	4,054,987	28.3
<b>Total Other Comprehensive Income to be reclassified to Income Statement</b>	<b>5,202,523</b>	<b>4,054,987</b>	<b>28.3</b>
<b>Total other Comprehensive Income for the Year, Net of Tax</b>	<b>2,190,448</b>	<b>2,983,034</b>	<b>(26.6)</b>
<b>Total Comprehensive Income for the Year</b>	<b>374,977,050</b>	<b>306,893,267</b>	<b>22.2</b>

<b>Balance as at 01st April 2013</b>	<b>287,153,000</b>	<b>145,184,628</b>	<b>92,396,351</b>	<b>-</b>	<b>7,500,000</b>	<b>403,941,844</b>	<b>936,175,823</b>
<b>Total Comprehensive Income for the Year</b>							
Profit for the Year	-	-	-	-	-	303,910,233	303,910,233
Other Comprehensive Income, Net of Tax	-	-	-	4,054,987	-	(1,071,953)	2,983,034
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,054,987</b>	<b>-</b>	<b>302,838,280</b>	<b>306,893,267</b>
<b>Transactions with Equity Holders of the Company</b>							
<b>Contributions and Distributions</b>							
Dividends	-	-	-	-	-	(62,325,900)	(62,325,900)
<b>Total Contributions and Distributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62,325,900)</b>	<b>(62,325,900)</b>
Investment Fund Account Transfers	-	-	35,543,904	-	-	(35,543,904)	-
Statutory Reserve Transfers	-	60,782,047	-	-	-	(60,782,047)	-
<b>Balance as at 31st March 2014</b>	<b>287,153,000</b>	<b>205,966,675</b>	<b>127,940,255</b>	<b>4,054,987</b>	<b>7,500,000</b>	<b>548,128,273</b>	<b>1,180,743,190</b>
<b>Total Comprehensive Income for the Year</b>							
Profit for the Year	-	-	-	-	-	372,786,602	372,786,602
Other Comprehensive Income, Net of Tax	-	-	-	5,202,523	-	(3,012,075)	2,190,448
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,202,523</b>	<b>-</b>	<b>369,774,528</b>	<b>374,977,050</b>
<b>Transactions with Equity Holders of the Company</b>							
<b>Contributions and Distributions</b>							
Dividends	-	-	-	-	-	(41,550,600)	(41,550,600)
<b>Total Contributions and Distributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(41,550,600)</b>	<b>(41,550,600)</b>
Investment Fund Account Transfers	-	-	14,104,799	-	-	(14,104,799)	-
Investment Fund Account Re-Transfers	-	-	(142,045,054)	-	-	142,045,054	-
Statutory Reserve Transfers	-	74,557,320	-	-	-	(74,557,320)	-
<b>Balance as at 31st March 2015</b>	<b>287,153,000</b>	<b>280,523,995</b>	<b>-</b>	<b>9,257,510</b>	<b>7,500,000</b>	<b>929,735,135</b>	<b>1,514,169,640</b>

<b>Regulatory Capital Adequacy</b>		
Core Capital (Tier 1 Capital), Rs. '000	1,504,912	1,048,748
Total Capital Base, Rs. '000	2,257,368	1,573,122
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 5%)	11.53%	10.11%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 10%)	17.29%	15.16%
Capital Funds to Deposit Liabilities Ratio (Minimum requirement, 10%)	18.56%	16.92%
<b>Assets Quality (Quality of Loan Portfolio)</b>		
Gross Non-Performing Accommodations, Rs. '000	673,113	509,593
Gross Non-Performing Accommodations Ratio, %	5.11%	4.95%
Net Non-Performing Accommodation Ratio, %	0.95%	1.97%
<b>Profitability (%)</b>		
Interest Margin	10.38%	10.74%
Return on Assets (before Tax)	3.79%	4.05%
Return on Equity (after Tax)	27.67%	28.71%
<b>Regulatory Liquidity (Rs. '000)</b>		
Required minimum amount of Liquid Assets	1,353,441	966,137
Available amount of Liquid Assets	3,248,895	1,471,593
Required minimum amount of Government Securities	610,144	410,300
Available amount of Government Securities	1,649,883	713,899
<b>Memorandum information</b>		
Number of Employees	517	433
Number of Branches	17	13
Number of Service Centers	7	6

**Certification**

I certify that these Financial Statements have been prepared and presented in compliance with the requirements of the Companies Act No. 07 of 2007.

*sgd*  
**K.D.Menaka Sameera**  
*Head of Finance*

The Board of Directors is responsible for the preparation and the presentation of these Financial Statements.

Approved and signed for and on behalf of the Board;

*sgd*  
**Dhammika Perera**  
*Executive Director*

*sgd*  
**S.B.Rangamuwa**  
*Managing Director*

**KPMG**

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**KPMG**  
**CHARTERED ACCOUNTANTS**  
 Colombo  
 22nd May 2015.

KPMG, a Sri Lankan Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

M.R. Mihular FCA T.J.S. Rajakirani FCA Ms. S.M.B. Jayasekara ACA G.A.U. Karunaratne ACA R.H. Rajan ACA	P.Y.S. Perera FCA W.W.J.C. Perera FCA W.K.D.C. Abeyaratne ACA R.M.D.B. Rajapakse ACA	C.P. Jayatilake FCA Ms. S. Joseph FCA S.T.D.L. Perera FCA Ms. B.K.D.T.N. Rodrigo ACA
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**Principals** - S.R.I. Perera FCMA(UK), LLB, Attorney-at-Law,  
 H.S. Goonewardene ACA

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