



INTERIM FINANCIAL STATEMENTS

For the Year ended 31st March 2019

VALLIBEL FINANCE PLC
Income Statement

Amounts in Rupees '000

	Quarter ended 31st March			Year ended 31st March		
	2019	2018	Change %	2019	2018	Change %
Gross Income	2,353,211	1,989,355	18.3	8,724,531	6,929,201	25.9
Interest Income	2,145,501	1,803,093	19.0	7,888,022	6,256,980	26.1
Interest Expense	(1,237,676)	(925,943)	33.7	(4,524,629)	(3,500,250)	29.3
Net Interest Income	907,825	877,150	3.5	3,363,393	2,756,730	22.0
Fee and Commission Income	96,836	73,421	31.9	361,072	248,286	45.4
Net Fee and Commission Income	96,836	73,421	31.9	361,072	248,286	45.4
Net Gain / (Loss) from Trading	(163)	160	(201.7)	(352)	42	(938.1)
Net Gain / (Loss) from other Financial Instruments at FVTPL	1,050	-	100.0	1,129	-	100.0
Other Operating Income	109,987	112,681	(2.4)	474,660	423,894	12.0
Total Operating Income	1,115,535	1,063,412	4.9	4,199,902	3,428,952	22.5
Impairment Charges and Other Credit Losses on Financial Assets	(16,544)	(38,738)	(57.3)	(195,101)	(104,859)	86.1
Net Operating Income	1,098,991	1,024,674	7.3	4,004,801	3,324,093	20.5
Expenses						
Personnel Expenses	(185,365)	(204,537)	(9.4)	(906,842)	(732,720)	23.8
Premises Equipment and Establishment Expenses	(42,716)	(32,042)	33.3	(154,026)	(120,544)	27.8
Other Operating Expenses	(172,578)	(158,304)	9.0	(658,315)	(576,435)	14.2
Operating Profit Before Taxes on Financial Services	698,332	629,791	10.9	2,285,618	1,894,394	20.7
Taxes on Financial Services	(171,188)	(110,550)	54.9	(536,980)	(356,550)	50.6
Profit Before Income Tax	527,144	519,241	1.5	1,748,638	1,537,844	13.7
Income Tax Expense	(170,643)	(175,943)	(3.0)	(619,910)	(519,207)	19.4
Profit for the Period	356,501	343,298	3.8	1,128,728	1,018,637	10.8
Earnings Per Share (Annualised) - Rs.	25.73	31.81	(19.1)	20.37	23.59	(13.7)

VALLIBEL FINANCE PLC
Statement of Profit or Loss and Other Comprehensive Income

Amounts in Rupees '000

	Quarter ended 31st March			Year ended 31st March		
	2019	2018	Change %	2019	2018	Change %
Profit for the period	356,501	343,298	3.8	1,128,728	1,018,637	10.8
Other Comprehensive Income for the Period , Net of Tax						
Items that will never be reclassified to Profit or Loss						
Gains / (Losses) on Remeasurement of Defined Benefit Liability	2,581	(16,838)	115.3	2,581	(16,838)	115.3
Deferred Tax (Charge) / Reversal on Actuarial Gains / (Losses)	(723)	4,715	(115.3)	(723)	4,715	(115.3)
Net Actuarial Gains / (Losses) on Defined Benefit Liability	1,858	(12,123)	115.3	1,858	(12,123)	115.3
Revaluation of Land & Buildings	176,592	-	100.0	176,592	-	100.0
Deffered Tax (Charge) / Reversal on Revaluation of Land & Buildings	(49,446)	-	(100.0)	(49,446)	-	(100.0)
Net Change in Revaluation of Land & Buildings	127,146	-	100.0	127,146	-	100.0
Items that are or may be reclassified to Profit or Loss						
Fair Value Gains / (Losses) that arose during the period, Net of Tax	47	(2,563)	101.8	-	8,710	(100.0)
Fair Value Gains realised to Income Statement on disposal, Net of Tax	-	-	-	-	(1,875)	100.0
Net Gains / (Losses) on Investment in Financial Assets at Fair Value through Other Comprehensive Income / Financial Investments - Available For Sale	47	(2,563)	101.8	-	6,835	(100.0)
Other Comprehensive Income for the Period, Net of Tax	129,051	(14,686)	978.7	129,004	(5,288)	2,539.6
Total Comprehensive Income for the Period	485,552	328,612	47.8	1,257,732	1,013,349	24.1

VALLIBEL FINANCE PLC
Statement of Financial Position

Amounts in Rupees '000

	As at 31st March 2019	As at 31st March 2018 (Audited)	Change %
Assets			
Cash and Cash Equivalents	1,507,933	1,021,652	47.6
Placements with Banks and Other Finance Companies	2,356,359	2,076,192	13.5
Reverse Repurchase Agreements	230,130	630,286	(63.5)
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL) / Held for Trading	812,321	1,939	41,800.8
Assets Held for Sale	-	23,919	(100.0)
Financial Assets at Amortised Cost - Loans and Receivables to Other Customers	24,332,296	18,073,714	34.6
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	14,624,917	12,753,940	14.7
Financial Investments Measured at Fair Value Through Other Comprehensive Income / Available for Sale	204	208,704	(99.9)
Financial Assets at Amortised Cost - Debt and other Financial Instruments / Financial Investments - Held to Maturity	1,785,716	1,920,722	(7.0)
Financial Assets at Amortised Cost - Other Financial Assets	15,963	16,972	(5.9)
Property, Plant and Equipment	1,719,587	1,445,290	19.0
Intangible Assets	19,648	14,569	34.9
Deferred Tax Assets	73,029	16,020	355.9
Other Assets	181,423	202,358	(10.3)
Total Assets	47,659,526	38,406,277	24.1
Liabilities			
Bank Overdrafts	1,566,069	1,839,145	(14.8)
Rental Received in Advance	324,197	308,688	5.0
Financial Liabilities at Amortised Cost - Deposits due to Customers	25,436,258	22,186,880	14.6
Financial Liabilities at Amortised Cost - Interest bearing Borrowings	12,497,221	8,011,422	56.0
Subordinated Term Debts	1,031,100	1,550,967	(33.5)
Current Tax Liabilities	509,696	364,888	39.7
Deferred Tax Liabilities	343,734	385,537	(10.8)
Other Liabilities	411,166	400,427	2.7
Retirement Benefit Obligations	69,132	57,213	20.8
Total Liabilities	42,188,573	35,105,167	20.2
Equity			
Stated Capital	1,325,918	287,153	361.7
Statutory Reserve Fund	957,882	732,136	30.8
Other Reserves	134,646	7,500	1,695.3
Retained Earnings	3,052,507	2,274,321	34.2
Total Equity	5,470,953	3,301,110	65.7
Total Liabilities and Equity	47,659,526	38,406,277	24.1
Net Assets Value Per Share (Rs.)	92.94	79.45	17.0

The information contained in these statements have been extracted from the unaudited Financial Statements of the company unless indicated as audited.

Certification

These Financial Statements have been prepared and presented in compliance with the requirements of the Companies Act, No.07 of 2007.



K.D. Menaka Sameera
Senior DGM - Finance & Administration

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 ;



Dhammika Perera
Executive Director



S.B. Rangamuwa
Managing Director

23rd May 2019
Colombo.

VALLIBEL FINANCE PLC
Statement of Changes in Equity

	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	Available For Sale Reserve	General Reserve	Amounts in Rupees '000	
						Retained Earnings	Total Equity
Balance as at 01st April 2017	287,153	528,409	-	(6,835)	7,500	1,741,393	2,557,620
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	-	-	1,018,637	1,018,637
Other Comprehensive Income, net of Tax							
Net Fair Value Gains / (Losses) on remeasuring Available For Sale Financial Assets	-	-	-	6,835	-	-	6,835
Net Actuarial Gains / (Losses) on Retirement Benefit Liability	-	-	-	-	-	(12,123)	(12,123)
Total Comprehensive Income for the Period	-	-	-	6,835	-	1,006,514	1,013,349
Transactions with owners, recognised directly in equity, contributions and distributions to owners							
Contributions and distributions							
Dividends to equity holders							
First and Final Dividend for 2016/17	-	-	-	-	-	(124,652)	(124,652)
Interim Dividend for 2017/18	-	-	-	-	-	(145,427)	(145,427)
Unclaimed Dividend Adjustments	-	-	-	-	-	220	220
Statutory Reserve Transfer	-	203,727	-	-	-	(203,727)	-
Total Contributions and distributions	-	203,727	-	-	-	(473,586)	(269,859)
Balance as at 31st March 2018	287,153	732,136	-	-	7,500	2,274,321	3,301,110
Balance as at 01st April 2018	287,153	732,136	-	-	7,500	2,274,321	3,301,110
Adjustment on initial application of SLFRS 9, net of tax	-	-	-	-	-	(124,874)	(124,874)
Restated balance as at 01st April 2018	287,153	732,136	-	-	7,500	2,149,447	3,176,236
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	-	-	1,128,728	1,128,728
Other Comprehensive Income, net of Tax							
Net Gains / (Losses) on Investment in Financial Assets at Fair Value through Other Comprehensive Income	-	-	-	-	-	-	-
Net Actuarial Gains / (Losses) on Defined Benefit Liability	-	-	-	-	-	1,858	1,858
Net Change in Revaluation of Land & Buildings	-	-	127,146	-	-	-	127,146
Total Comprehensive Income for the Period	-	-	127,146	-	-	1,130,586	1,257,732
Transactions with owners, recognised directly in equity, contributions and distributions to owners							
Contributions and distributions							
Proceeds from the Right Issue of Ordinary Shares	1,038,765	-	-	-	-	-	1,038,765
Transaction Cost of Right Issue of Ordinary Shares	-	-	-	-	-	(1,877)	(1,877)
Dividends to equity holders							
Unclaimed Dividend Adjustments	-	-	-	-	-	97	97
Statutory Reserve Transfer	-	225,746	-	-	-	(225,746)	-
Total Transactions with Equity Holders	1,038,765	225,746	-	-	-	(227,526)	1,036,985
Balance as at 31st March 2019	1,325,918	957,882	127,146	-	7,500	3,052,507	5,470,953

VALLIBEL FINANCE PLC
Cash Flow Statement

Amounts in Rupees '000

For the Period Ended	31st March 2019	31st March 2018
Cash Flow From Operating Activities		
Interest and Commission Receipts	8,311,703	6,516,301
Interest Payments	(4,230,522)	(3,187,482)
Cash Receipts from Customers	394,591	516,790
Cash Payments to Employees and Suppliers	(2,125,307)	(1,652,868)
Operating Profit Before Changes in Operating Assets and Liabilities	2,350,465	2,192,741
(Increase) / Decrease in Operating Assets		
Short Term Funds	33,915	27,219
Deposits held for Regulatory or Monetary Control Purposes	702,628	(491,526)
Funds Advanced to Customers	(8,479,151)	(6,083,909)
Other Short Term Negotiable Securities	(1,052,438)	116,359
Increase / (Decrease) in Operating Liabilities		
Financial liabilities at amortised cost – Due to depositors	3,222,090	3,714,910
Financial liabilities at amortised cost – Certificate of Deposits	(82,539)	326,410
Net Cash (Used in) / Generated from Operating Activities before Income Tax	(3,305,030)	(197,796)
Current Taxes Paid	(575,521)	(251,422)
Gratuity Paid	(2,990)	(931)
Net Cash (Used In) / Generated from Operating Activities	(3,883,541)	(450,149)
Cash Flows From Investing Activities		
Dividends Received	78	277
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL) / Held for Trading	-	(343)
Proceed from Sale of Property , Plant and Equipment	37,972	6,441
Purchase of Property , Plant and equipment	(205,046)	(1,202,415)
Purchase of Intangible Assets	(10,773)	(7,918)
Net Cash (Used In) / Generated from Investing Activities	(177,769)	(1,203,958)
Cash Flows From Financing Activities		
Net Increase / (decrease) in Financial liabilities at amortised cost – Interest bearing Borrowings	3,783,682	1,787,461
Proceeds from the Right Issue of Ordinary Shares - Net of Transaction cost	1,036,888	-
Dividend paid	-	(270,079)
Unclaimed Dividend Adjustments	97	220
Net Cash (Used In) / Generated from Financing Activities	4,820,667	1,517,602
Net Increase / (Decrease) in Cash & Cash Equivalents	759,357	(136,505)
Cash & Cash Equivalents at the Beginning of the Period	(817,493)	(680,988)
Cash & Cash Equivalents at the End of the Period (Note A)	(58,136)	(817,493)
Note A		
Cash & Cash Equivalents at the End of the Period		
Cash in Hand and at Banks	1,507,933	1,021,652
Bank Overdrafts	(1,566,069)	(1,839,145)
	(58,136)	(817,493)

Analysis of Financial Instruments by Measurement Basis - As at 31st March 2019

Amounts in Rupees '000

	Financial Assets recognised through Profit or Loss (FVTPL)	Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)	Financial Assets at Amortised Cost (AC)	Total
	As at 31st March 2019	As at 31st March 2019	As at 31st March 2019	As at 31st March 2019
Assets				
Cash and Cash Equivalents	-	-	1,507,933	1,507,933
Placements with Banks and Other Finance Companies	-	-	2,356,359	2,356,359
Reverse Repurchase Agreements	-	-	230,130	230,130
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	812,321	-	-	812,321
Financial Assets at Amortised Cost - Loans and Receivables to Other Customers	-	-	24,332,296	24,332,296
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	-	-	14,624,917	14,624,917
Financial Investments Measured at Fair Value Through Other Comprehensive Income	-	204	-	204
Financial Assets at Amortised Cost - Debt and other Financial Instruments	-	-	1,785,716	1,785,716
Financial Assets at Amortised Cost - Other Financial Assets	-	-	15,963	15,963
Total Financial Assets	812,321	204	44,853,314	45,665,839
			Financial Liabilities at Amortised Cost (AC)	Total
			As at 31st March 2019	As at 31st March 2019
Liabilities				
Bank Overdrafts	-	-	1,566,069	1,566,069
Rental Received in Advance	-	-	324,197	324,197
Financial Liabilities at Amortised Cost - Deposits due to Customers	-	-	25,436,258	25,436,258
Financial Liabilities at Amortised Cost - Interest bearing Borrowings	-	-	12,497,221	12,497,221
Subordinated Term Debts	-	-	1,031,100	1,031,100
Total Financial Liabilities			40,854,845	40,854,845

Analysis of Financial Instruments by Measurement Basis - As at 31st March 2018

Amounts in Rupees '000

	Held For Trading (HFT) As at 31st March 2018	Held To Maturity (HTM) As at 31st March 2018	Loans and Receivables (L&R) As at 31st March 2018	Available For Sale (AFS) As at 31st March 2018	Total As at 31st March 2018
Assets					
Cash and Cash Equivalents	-	-	1,021,652	-	1,021,652
Placements with Banks and Other Finance Companies	-	-	2,076,192	-	2,076,192
Reverse Repurchase Agreements	-	-	630,286	-	630,286
Financial Investments - Held for Trading	1,939	-	-	-	1,939
Loans and Receivables to Other Customers	-	-	18,073,714	-	18,073,714
Lease Rental and Hire Purchase Receivables	-	-	12,753,940	-	12,753,940
Financial Investments - Available for Sale	-	-	-	208,704	208,704
Financial Investments - Held to Maturity	-	1,920,722	-	-	1,920,722
Other Financial Assets	-	-	16,972	-	16,972
Total Financial Assets	1,939	1,920,722	34,572,756	208,704	36,704,121
			Held For Trading (HFT) As at 31st March 2018	Amortised Cost As at 31st March 2018	Total As at 31st March 2018
Liabilities					
Bank Overdrafts	-	-	-	1,839,145	1,839,145
Rental Received in Advance	-	-	-	308,688	308,688
Deposits due to Customers	-	-	-	22,186,880	22,186,880
Interest bearing Borrowings	-	-	-	8,011,422	8,011,422
Subordinated Term Debts	-	-	-	1,550,967	1,550,967
Total Financial Liabilities	-	-	-	33,897,102	33,897,102

Classification of financial assets and financial liabilities on the date of initial application of SLFRS 9

Amounts in Rupees '000

	Original classification under LKAS 39	New classification under SLFRS 9	Original carrying amount LKAS 39	New carrying amount SLFRS 9	
Note					
Financial Assets					
Cash and Cash Equivalents		Loans and Receivables	Amortised Cost	1,021,652	1,021,652
Placements with Banks and Other Finance Companies	(i)	Loans and Receivables	Amortised Cost	2,076,192	2,070,336
Reverse Repurchase Agreements		Loans and Receivables	Amortised Cost	630,286	630,286
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL) / Held for Trading		Fair Value Through Profit of Loss	Fair Value Through Profit of Loss	1,939	1,939
Financial Assets at Amortised Cost - Loans and Receivables to Other Customers	(ii)	Loans and Receivables	Amortised Cost	18,073,714	17,966,272
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	(iii)	Loans and Receivables	Amortised Cost	12,753,940	12,693,803
Financial Investments Measured at Fair Value Through Other Comprehensive Income / Available for Sale					
Government Securities - Treasury Bonds		Available-for-sale	Fair Value Through Other Comprehensive Income	208,500	208,500
Unquoted equities		Available-for-sale	Fair Value Through Other Comprehensive Income	204	204
Financial Assets at Amortised Cost - Debt and other Financial Instruments / Financial Investments - Held to Maturity		Held To Maturity	Amortised Cost	1,920,722	1,920,722
Financial Assets at Amortised Cost - Other Financial Assets		Loans and Receivables	Amortised Cost	16,972	16,972
Total Financial Assets				36,704,121	36,530,686
Financial Liabilities					
Bank Overdrafts		Amortised Cost	Amortised Cost	1,839,145	1,839,145
Rental Received in Advance		Amortised Cost	Amortised Cost	308,688	308,688
Financial Liabilities at Amortised Cost - Deposits due to Customers		Amortised Cost	Amortised Cost	22,186,879	22,186,879
Financial Liabilities at Amortised Cost - Interest bearing Borrowings		Amortised Cost	Amortised Cost	8,011,421	8,011,421
Subordinated Term Debts		Amortised Cost	Amortised Cost	1,550,967	1,550,967
Total Financial Liabilities				33,897,100	33,897,100

(i) Placements with Banks and Other Finance Companies

Under LKAS 39, placements with Banks and Other Finance Companies were categorised as loans and receivables and measured at amortised cost. These assets classified as financial assets measured at amortised cost under SLFRS 9. As per SLFRS 9, financial assets measured at amortised cost are subject to expected credit loss. Therefore Company has recognised 12 months expected credit losses for placements with banks and finance companies.

Carrying amount as at 31st March 2018 based on LKAS 39	2,076,192
Remeasurement : Expected credit loss allowance for Placements with Banks and Other Finance Companies	(5,856)
Carrying amount as at 1st April 2018 based on SLFRS 9	2,070,336

(ii) Financial Assets at Amortised Cost - Loans and Receivables to Other Customers

Under LKAS 39, Loans and Receivables to Other Customers were categorised as loans and receivables and measured at amortised cost. These assets classified as financial assets measured at amortised cost under SLFRS 9. As per SLFRS 9, financial assets measured at amortised cost are subject to expected credit loss. Therefore Company has recognised expected credit losses for loans and advances.

Carrying amount as at 31st March 2018 based on LKAS 39	18,073,714
Remeasurement : Expected credit loss allowance for Loans and Receivables to Other Customers	(107,443)
Carrying amount as at 1st April 2018 based on SLFRS 9	17,966,271

(iii) Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables

Under LKAS 39, Lease Rental and Hire Purchase Receivables were categorised as loans and receivables and measured at amortised cost. These assets classified as financial assets measured at amortised cost under SLFRS 9. As per SLFRS 9, financial assets measured at amortised cost are subject to expected credit loss. Therefore Company has recognised expected credit losses for Lease Rental and Hire Purchase Receivables.

Carrying amount as at 31st March 2018 based on LKAS 39	12,753,940
Remeasurement : Expected credit loss allowance for Lease Rental and Hire Purchase Receivables	(60,137)
Carrying amount as at 1st April 2018 based on SLFRS 9	12,693,803

(iv) Impact of transition to SLFRS 9 on the opening balance of the Retained Earnings

Closing balance as at 31st March 2018 based on LKAS 39	2,274,321
Recognition of Expected Credit Losses under SLFRS 9	(173,436)
Deferred Tax in relation to Expected Credit Losses	48,562
Opening balance under SLFRS 9 as at 1st April 2018	2,149,447

(v) Impact of transition to SLFRS 9 on the opening balance of the impairment allowance

Closing Impairment Provision as at 31st March 2018 based on LKAS 39	795,396
Recognition of Expected Credit Losses under SLFRS 9 for Financial Assets at Amortised Cost	173,436
Opening Impairment Provision under SLFRS 9 as at 1st April 2018	968,832

Explanatory Notes

1. There were no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the year ended 31st March 2018 except described in note 03.
2. These Interim Financial Statements have been prepared in accordance with the requirements of Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting'. This is the first quarterly financial statement prepared based on SLFRS 9.
3. **SLFRS - 9**
The Company has initially adopted SLFRS 9 and SLFRS 15 from 1st April 2018. As permitted by transitional provision issued by CA Sri Lanka, the impact of adopting SLFRS 9 is recognised as adjustment to the equity balance on 1st April 2018 without restating the comparative information.
The adoption of SLFRS 15 did not impact the timing or amount of fee and commission income from contracts with customers and the related assets and liabilities recognized by the Company.
4. **Right Issue of Shares**
During the year ended 31st March 2019 Stated Capital of the Company increased by Rs. 1,038,765,000/- through a Rights Issue of 17,312,750 Ordinary shares (the ratio of five new shares for every twelve shares held) at a price of Rs. 60/-. The purpose of the Rights Issue was to strengthen the Tier 1 capital base of the Company and the proceeds of the Rights Issue was utilized to fund the expected growth in the Loan Book. The shares were listed on the CSE on 20th June 2018.
5. Mr. Janaka Kumarasignhe was appointed as an Independent Non Executive Director of the Company with effect from 01st February 2019.
Mr. K V P R De Silva, who served as Chairman / Independent Non Executive Director ceased his office on 15th March 2019 on reaching the age of 70 years. Mr R M Karunaratne was appointed as the Acting Chairman of the Company with effect from 15th March 2019.
6. ICRA Lanka Limited has revised / reaffirmed the ratings issued to the Company as follows.
Issuer Rating of [SL] BBB (stable) , reaffirmed
Guaranteed Subordinate Redeemable Debentures rating of [SL] AA - (SO) (stable) , reaffirmed
Unsecured Subordinate Redeemable Debentures rating of [SL] BBB - (stable) , withdrawn
7. During the quarter there were no material changes in the composition of assets, liabilities, contingent liabilities. All known expenditure items have been provided for.
8. The presentation and classification of certain items in these financial statements are amended to ensure the comparability with the current period.
9. There were no material events took place since reporting date other than disclosed above in Financial Statements.

Information On Ordinary Shares

Share Price During the Quarter	For the Quarter Ended	
	31.03.2019	31.03.2018
Highest	72.50	75.90
Lowest	64.70	66.50
Closing	65.70	67.00
No. of Ordinary Share Issued As At 31st March	58,863,350	41,550,600

Selected Performance Indicators

Indicator	As at	As at
	31st March 2019	31st March 2018
Asset Quality	Rs'000	Rs'000
Based on Sri Lanka Accounting Standards effected prior to 1st April 2012		
Total Accommodation (Net of Interest in Suspense)	39,989,659	31,528,148
Net Total Accommodations (Net of Provision for Bad and Doubtful Debts)	39,179,583	30,911,949
Non-Performing Accommodations (Net of Interest in Suspense)	1,049,986	747,109
Liquidity		
Required Minimum Amount of Liquid Assets	2,733,438	2,461,977
Available Amount of Liquid Assets	4,169,421	4,624,392
Required Minimum Amount of Government Securities	1,573,335	1,323,561
Available Amount of Government Securities	2,006,156	2,740,060
Capital Adequacy		
Tier 1 Capital to Risk Weighted Assets Ratio (Minimum 6%) *	10.78%	10.60%
Total Capital to Risk Weighted Assets Ratio (Minimum 10%) *	11.20%	12.21%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)	21.76%	16.13%
Profitability		
Return on Average Assets (After Tax)	2.62%	2.95%
Return on Average Equity	25.73%	34.77%

* Calculated based on the new capital adequacy framework issued by Central Bank of Sri Lanka for Licensed Finance Companies with effect from 01st July 2018. Minimum Tier 1 Capital requirement has been increased to 6% from 5% under the new capital adequacy framework.

Information On Listed Debentures

Market Values of Listed Debentures

VFIN Debentures 2014/2019

	Highest		For the quarter ended Lowest		Period End	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	5 Year Fixed Rate - 14.75%	100.00	N/T	100.00	N/T	100.00
5 Year Fixed Rate - 15.00%	N/T	N/T	N/T	N/T	N/T	N/T
5 Year Fixed Rate - 15.50%	100.00	101.05	100.00	101.05	100.00	101.05

VFIN Debentures 2015/2020

	Highest		For the quarter ended Lowest		Period End	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	5 Year Fixed Rate - 10.25%	99.28	N/T	99.28	N/T	99.28

Interest Rates

VFIN Debentures 2014/2019

	For the quarter ended			
	Coupon Rate	Effective Rate	Coupon Rate	Effective Rate
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
5 Year Fixed Rate - 14.75%	14.75%	15.59%	14.75%	15.59%
5 Year Fixed Rate - 15.00%	15.00%	15.56%	15.00%	15.56%
5 Year Fixed Rate - 15.50%	15.50%	15.50%	15.50%	15.50%

VFIN Debentures 2015/2020

	For the quarter ended			
	Coupon Rate	Effective Rate	Coupon Rate	Effective Rate
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
5 Year Fixed Rate - 10.25%	10.25%	10.51%	10.25%	10.51%

Interest Rates of Comparable Government Securities

	For the quarter ended	
	31.03.2019	31.03.2018
5 Year Treasury Bond	11.04%	9.44%

Interest Yield and Yield to Maturity

VFIN Debentures 2014/2019

	Fixed - 14.75%		For the quarter ended Fixed - 15.00%		Fixed - 15.50%	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Interest Yield	14.75%	N/T	15.00%	N/T	15.50%
Yield to Maturity of last trade	14.29%	N/T	N/T	N/T	13.48%	14.32%

VFIN Debentures 2015/2020

	For the quarter ended	
	31.03.2019	31.03.2018
Interest Yield	10.32%	N/T
Yield to Maturity of last trade	10.92%	N/T

* Debentures 2014/2019 - Rs. 500 Mn redeemed on the respective maturity date.

** N/A - Not Applicable as at 31st March and N/T - Not Traded as at 31st March

Ratios

	31.03.2019	31.03.2018
Debt to Equity Ratio (%)	247%	290%
Interest Cover (Times)	1.51	1.54
Liquid Asset Ratio (%)	15.25%	18.79%

Utilization of Funds Raised Via Capital Market

Issue	Objective Number	Objective as Per Prospectus / Circular	Amount Allocated as per Prospectus / Circular	Proposed Date of Utilization as Per Prospectus / Circular	Amount Allocated From Proceeds	% of Total Proceeds	Amounts Utilized	% Of Utilization Against Allocation	Clarification if not Fully Utilized
Right Issue of Ordinary Shares Rs. 1,038.765 Mn	i	To fund the expected growth in the Loan Book of the Company	Rs. 1,038.765 Mn	Within 1 to 2 Months from 11th June 2018	Rs. 1,038.765 Mn	100%	Rs. 1,038.765 Mn	100%	N/A
Debenture Issue of Rs. 1,000 Mn	i	To Expand and strengthen the capital base of the Company	Rs. 1,000 Mn	From 26th March 2015 onwards	Rs. 1,000 Mn	100%	Rs. 1,000 Mn	100%	N/A
	ii	To minimize the interest rate risk							

Financial Reporting by Segments as per the Provisions of SLFRS - 08

The primary business segment reporting format is determined to be business segment as nature of the products and services provided, with each segment representing a strategic business unit that offers different product and serves in different markets.

The Following table presents financial information regarding business segments :-

Business Segments

For the Period ended 31st March	Finance Lease		Hire Purchase		Loans & Advances		Investments		Unallocated		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Income From												
External Operations												
Interest	3,096,425	2,708,516	23,948	94,325	4,315,739	3,032,696	451,910	421,443	-	-	7,888,022	6,256,980
Fee & Commission Income	-	-	-	-	-	-	-	-	361,072	248,286	361,072	248,286
Dividends	-	-	-	-	-	-	79	277	-	-	79	277
Other	-	-	-	-	-	-	61,802	29,546	413,556	394,112	475,358	423,658
Total Revenue	3,096,425	2,708,516	23,948	94,325	4,315,739	3,032,696	513,791	451,266	774,628	642,398	8,724,531	6,929,201
Profit before Income tax											1,748,638	1,537,844
Income Tax Expense											(619,910)	(519,207)
Profit after tax											1,128,728	1,018,637
Other Information												
As at 31st March												
Segment assets	14,582,906	12,534,013	42,011	219,927	24,332,296	18,073,714	5,184,730	4,837,843	3,517,583	2,740,779	47,659,526	38,406,277
Segment Liabilities	12,908,899	11,456,685	37,188	201,024	21,539,132	16,520,236	4,589,562	4,422,019	3,113,792	2,505,203	42,188,573	35,105,167
Net assets	1,674,007	1,077,328	4,823	18,903	2,793,164	1,553,478	595,168	415,824	403,791	235,576	5,470,953	3,301,110

Additional Notes

20 Major Shareholders as at 31st March 2019

	No. of Shares	(%)
1 Vallibel Investments (Pvt) Limited	30,277,000	51.436%
2 K D D Perera	12,616,266	21.433%
3 R F T Perera	2,001,291	3.400%
4 K D A Perera	1,926,396	3.273%
5 Pershing LLC S/A Averbach Grauson & Co	1,434,020	2.436%
6 S B Rangamuwa	1,312,500	2.230%
7 S Abishek	741,050	1.259%
8 Dawi Investment Trust (PVT) LTD	346,893	0.589%
9 B A R Dissanayake	284,041	0.483%
10 D S Panditha	229,438	0.390%
11 A S Marapana	206,850	0.351%
12 A Ragupathy	205,708	0.349%
13 V R Kathiragamamby (Deceased)	205,000	0.348%
14 S P Gunasekara	200,000	0.340%
15 K I A Hewage	200,000	0.340%
16 F J P Raj	198,896	0.338%
17 H Beruwalage	187,300	0.318%
18 A Sithampalam	186,690	0.317%
19 S L R R Premathilaka & A R N Perera	157,337	0.267%
20 K S R Nissanaka	152,880	0.260%
	53,069,556	90.157%
Others	5,793,794	9.843%
	58,863,350	100.000%

Directors' Shareholding As At 31st March 2019

1 Dhammika Perera	12,616,266	21.433%
2 S B Rangamuwa	1,312,500	2.230%
3 R M Karunaratne	-	-
4 T Murakami	-	-
5 K D A Perera	1,926,396	3.273%
6 A Dadigama	-	-
7 H Ota (Alternate Director to T Murakami)	-	-
8 S S Weerabahu	-	-
9 Janaka Kumarasinghe	-	-
	15,855,162	26.936%

Public Holding As At 31st March 2019

21.43%

Number of Public Shareholders

2,212

The Float Adjusted Market Capitalization (Rs.)

828,589,216

The Float adjusted market capitalization of the Company falls under **Option 5** of Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.