

# INTERIM FINANCIAL STATEMENTS

PEOPLE'S LEASING & FINANCE PLC

*For the year ended 31st March 2019*

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### Financial Information

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**INTERIM  
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**STATEMENT OF FINANCIAL POSITION**

As at	Company			Group		
	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Audited	Change %	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Audited	Change %
<b>Assets</b>						
Cash and cash equivalents	3,294	4,414	(25.4)	4,311	4,767	(9.6)
Balances with banks & financial institutions	3,405	4,370	(22.1)	7,375	8,759	(15.8)
Financial assets -Fair value through profit or loss/ Held-for-trading	23	175	(86.9)	72	315	(77.1)
Loans and receivables	152,527	140,963	8.2	157,774	142,713	10.6
Insurance and reinsurance receivables	-	-	-	885	407	117.4
Financial assets - Fair Value other comprehensive income/ Available-for-sale	126	219	(42.5)	126	219	(42.5)
Debt Instrument at amortised cost/Held to maturity	8,003	4,890	63.7	9,092	6,014	51.2
Current tax receivables	-	90	(100.0)	-	90	(100.0)
Investments in subsidiaries	3,214	3,214	-	-	-	-
Investments in associates	238	586	(59.4)	41	423	(90.3)
Investment property	-	134	(100.0)	1,132	1,266	(10.6)
Property, plant and equipment	1,098	1,167	(5.9)	4,017	4,113	(2.3)
Goodwill and intangible assets	325	346	(6.1)	432	453	(4.6)
Leasehold Property	84	87	(3.4)	84	87	(3.4)
Deferred tax assets	-	-	-	32	28	14.3
Other assets	987	833	18.5	1,132	1,299	(12.9)
<b>Total assets</b>	<b>173,324</b>	<b>161,488</b>	<b>7.3</b>	<b>186,505</b>	<b>170,953</b>	<b>9.1</b>
<b>Liabilities</b>						
Due to banks	18,098	29,424	(38.5)	21,300	31,336	(32.0)
Due to customers	88,369	69,763	26.7	88,923	69,378	28.2
Debt securities issued	30,458	26,282	15.9	30,317	26,282	15.4
Other financial liabilities	2,437	4,646	(47.5)	2,422	4,473	(45.9)
Insurance and reinsurance payable	-	-	-	4,881	4,055	20.4
Current tax liabilities	2,259	-	100.0	2,345	63	3,622.2
Deferred tax liabilities	817	2,276	(64.1)	1,123	2,339	(52.0)
Other liabilities	2,283	2,068	10.4	2,424	2,174	11.5
<b>Total liabilities</b>	<b>144,721</b>	<b>134,459</b>	<b>7.6</b>	<b>153,735</b>	<b>140,100</b>	<b>9.7</b>
<b>Equity</b>						
Capital	13,236	13,236	-	13,236	13,236	-
Statutory reserve fund	2,067	1,837	12.5	2,080	1,837	13.2
Retained earnings	13,353	11,502	16.1	14,977	13,167	13.7
Other reserves	(53)	454	(111.7)	207	448	(53.8)
<b>Total Equity attributable to equity holders of the Company</b>	<b>28,603</b>	<b>27,029</b>	<b>5.8</b>	<b>30,500</b>	<b>28,688</b>	<b>6.3</b>
Non-controlling interest	-	-	-	2,270	2,165	4.8
<b>Total Equity</b>	<b>28,603</b>	<b>27,029</b>	<b>5.8</b>	<b>32,770</b>	<b>30,853</b>	<b>6.2</b>
<b>Total liabilities and equity</b>	<b>173,324</b>	<b>161,488</b>	<b>7.3</b>	<b>186,505</b>	<b>170,953</b>	<b>9.1</b>
Contingencies	446	757	(41.1)	446	757	(41.1)
Commitments	7,261	6,713	8.2	7,274	6,866	5.9
Net assets value per ordinary share (Rs.)	18.10	17.11	5.8	19.31	18.16	6.3

**CERTIFICATION**

We certify that the above Interim Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

(sgd.)

**Sanjeewa Bandaranayake**

Chief Financial Officer

The Board of Directors is responsible for these Interim Financial Statements.

Approved and Signed for and on behalf of the Board:

(sgd.)

Director

16th May 2019  
Colombo.

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

(sgd.)

**A.S. Ibrahim**

Chief Executive Officer

(sgd.)

Director

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF PROFIT OR LOSS - COMPANY

	For the year ended			For the quarter ended		
	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Audited	Change %	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Unaudited*	Change %
Interest income	30,836	26,705	15.5	8,016	7,134	12.4
Less: Interest expense	15,646	14,500	7.9	4,125	3,672	12.3
<b>Net interest income</b>	<b>15,190</b>	<b>12,205</b>	<b>24.5</b>	<b>3,891</b>	<b>3,462</b>	<b>12.4</b>
Fee and commission income	1,320	1,183	11.6	365	323	13.0
Net gains/(losses) on financial assets - held-for-trading	(28)	19	(247.4)	3	6	(50.0)
Other operating income	418	501	(16.6)	281	343	(18.1)
<b>Total operating income</b>	<b>16,900</b>	<b>13,908</b>	<b>21.5</b>	<b>4,540</b>	<b>4,134</b>	<b>9.8</b>
Less: Impairment charges for loans and receivables	1,935	1,430	35.3	440	168	161.9
<b>Net operating income</b>	<b>14,965</b>	<b>12,478</b>	<b>19.9</b>	<b>4,100</b>	<b>3,966</b>	<b>3.4</b>
<b>Less:</b>						
Personnel expenses	3,438	2,975	15.6	787	678	16.1
Depreciation of property, plant and equipment	169	182	(7.1)	43	47	(8.5)
Amortisation and impairment of intangible assets	30	11	172.7	(9)	3	(400.0)
Other operating expenses	2,656	2,241	18.5	592	459	29.0
<b>Total operating expenses</b>	<b>6,293</b>	<b>5,409</b>	<b>16.3</b>	<b>1,413</b>	<b>1,187</b>	<b>19.0</b>
<b>Operating profit before Tax on financial services</b>	<b>8,672</b>	<b>7,069</b>	<b>22.7</b>	<b>2,687</b>	<b>2,779</b>	<b>(3.3)</b>
Less: Tax on financial services	2,087	1,300	60.5	683	451	51.4
<b>Profit before income tax</b>	<b>6,585</b>	<b>5,769</b>	<b>14.1</b>	<b>2,004</b>	<b>2,328</b>	<b>(13.9)</b>
Less: Income tax expense	2,169	1,460	48.6	729	520	40.2
<b>Profit for the period</b>	<b>4,416</b>	<b>4,309</b>	<b>2.5</b>	<b>1,275</b>	<b>1,808</b>	<b>(29.5)</b>

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

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**STATEMENT OF PROFIT OR LOSS - GROUP**

	For the year ended			For the quarter ended		
	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Audited	Change %	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Unaudited*	Change %
Interest income	32,234	27,582	16.9	8,407	7,400	13.6
Less: Interest expense	15,891	14,627	8.6	4,209	3,708	13.5
<b>Net interest income</b>	<b>16,343</b>	<b>12,955</b>	<b>26.2</b>	<b>4,198</b>	<b>3,692</b>	<b>13.7</b>
Net earned premiums	4,729	4,053	16.7	1,222	1,056	15.7
Fee and commission income	908	686	32.4	260	202	28.7
Net gains/(losses) on financial assets - held-for-trading	(44)	60	(173.3)	-	8	(100.0)
Other operating income	340	568	(40.1)	77	392	(80.4)
<b>Total operating income</b>	<b>22,276</b>	<b>18,322</b>	<b>21.6</b>	<b>5,757</b>	<b>5,350</b>	<b>7.6</b>
Less: Impairment charges for loans and receivables	2,057	1,470	39.9	457	176	159.7
<b>Net operating income</b>	<b>20,219</b>	<b>16,852</b>	<b>20.0</b>	<b>5,300</b>	<b>5,174</b>	<b>2.4</b>
<b>Less:</b>						
Personnel expenses	4,167	3,392	22.8	992	809	22.6
Depreciation of property, plant and equipment	289	281	2.8	75	74	1.4
Amortisation and impairment of intangible assets	33	13	153.8	(8)	3	(366.7)
Benefits, claims and underwriting expenditure	3,329	2,776	19.9	865	708	22.2
Other operating expenses	2,859	2,350	21.7	670	479	39.9
Total operating expenses	10,677	8,812	21.2	2,594	2,073	25.1
<b>Operating profit before Tax on financial services</b>	<b>9,542</b>	<b>8,040</b>	<b>18.7</b>	<b>2,706</b>	<b>3,101</b>	<b>(12.7)</b>
Less: Tax on financial services	2,118	1,324	60.0	691	458	50.9
<b>Operating profit after Tax on financial services</b>	<b>7,424</b>	<b>6,716</b>	<b>10.5</b>	<b>2,015</b>	<b>2,643</b>	<b>(23.8)</b>
Share of (loss) of an associate (net of tax)	(33)	(53)	(37.7)	(25)	(8)	212.5
<b>Profit before income tax</b>	<b>7,391</b>	<b>6,663</b>	<b>10.9</b>	<b>1,990</b>	<b>2,635</b>	<b>(24.5)</b>
Less: Income tax expense	2,576	1,645	56.6	940	565	66.4
<b>Profit for the period</b>	<b>4,815</b>	<b>5,018</b>	<b>(4.0)</b>	<b>1,050</b>	<b>2,070</b>	<b>(49.3)</b>
<b>Profit attributable to:</b>						
Equity holders of the parent	4,617	4,817	(4.2)	1,010	2,009	(49.7)
Non-controlling interest	198	201	(1.5)	40	61	(34.4)
	4,815	5,018	(4.0)	1,050	2,070	(49.3)
Basic/Diluted earnings per ordinary share (Rs.)	2.92	3.05	(4.3)	0.64	1.27	(49.6)

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Figures in brackets indicate deductions.

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**STATEMENT OF COMPREHENSIVE INCOME - COMPANY**

	For the year ended			For the quarter ended		
	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Audited	Change %	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Unaudited*	Change %
<b>Profit for the period</b>	4,416	4,309	2.5	1,275	1,808	(29.5)
<b>Other comprehensive income/(expenses)</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Cash flow hedges						
Gains/ (losses) on derivative financial assets	-	(1)	(100.0)	-	-	-
Available-for-sale financial assets						
Gains/ (losses) on re-measuring available-for-sale financial assets /FVOCI	(100)	16	(725.0)	(39)	12	(425.0)
Net other comprehensive income to be reclassified to profit or loss in subsequent period	(100)	15	(766.7)	(39)	12	(425.0)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Actuarial gains/(losses) on defined benefit plans	(16)	(24)	(33.3)	(19)	(24)	(20.8)
Deferred tax effect on above	5	7	(28.6)	5	7	(28.6)
Revaluation of land and buildings	7	-	100.0	-	-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent period	(4)	(17)	(76.5)	(14)	(17)	(17.6)
<b>Other comprehensive income/(expenses) for the period, net of taxes</b>	(104)	(2)	5,100.0	(53)	(5)	960.0
<b>Total comprehensive income for the period</b>	4,312	4,307	0.1	1,222	1,803	(32.2)

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**STATEMENT OF COMPREHENSIVE INCOME - GROUP**

	For the year ended			For the quarter ended		
	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Audited	Change %	31.03.2019 Rs. Mn. Unaudited*	31.03.2018 Rs. Mn. Unaudited*	Change %
<b>Profit for the period</b>	<b>4,815</b>	<b>5,018</b>	(4.0)	<b>1,050</b>	<b>2,070</b>	(49.3)
<b>Other comprehensive income/(expenses)</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Cash flow hedges						
Gains/ (losses) on derivative financial assets	-	(1)	(100.0)	-	-	-
Net gains/(losses) arising from translating the Financial Statements of the foreign subsidiary	259	3	100.0	(101)	3	100.0
Available-for-sale financial assets						
Gains/ (losses) on re-measuring available-for-sale financial assets /FVOCI	(100)	25	(500.0)	(37)	9	(511.1)
Net other comprehensive income to be reclassified to profit or loss in subsequent period	159	27	488.9	(138)	12	(1,250.0)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Actuarial gains/ (losses) on defined benefit plans	(20)	(25)	(100.0)	(21)	(25)	(16.0)
Deferred tax effect on above	5	6	-	5	6	(16.7)
Capital gain tax	(166)	-	(100.0)	(83)	-	(100.0)
Revaluation of land and buildings	7	-	-	-	-	-
Deferred tax effect on above	-	-	-	-	-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent period	(174)	(19)	815.8	(99)	(19)	421.1
<b>Other comprehensive income/(expenses) for the period, net of taxes</b>	<b>(15)</b>	<b>8</b>	<b>(287.5)</b>	<b>(237)</b>	<b>(7)</b>	<b>3,285.7</b>
<b>Total comprehensive income for the period</b>	<b>4,800</b>	<b>5,026</b>	<b>(4.5)</b>	<b>813</b>	<b>2,063</b>	<b>(60.6)</b>
<b>Other comprehensive income/(expenses) attributable to:</b>						
Equity holders of the parent	(14)	6	(333.3)	(237)	(6)	3,850.0
Non-controlling interest	(1)	2	(150.0)	-	(1)	(100.0)
	<b>(15)</b>	<b>8</b>	<b>(287.5)</b>	<b>(237)</b>	<b>(7)</b>	<b>3,285.7</b>
	4,800	5,026	(4.5)	813	2,063	(60.6)

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

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**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	FV Reserve	Revaluation Reserve			
<b>Balance as at 01.04.2017</b>	<b>13,236</b>	<b>1,622</b>	<b>300</b>	<b>100</b>	<b>31</b>	<b>-</b>	<b>7</b>	<b>1</b>	<b>9,400</b>	<b>24,697</b>
<b>Total comprehensive income for the period ended 31.03.2018</b>										
Profit for the year ended 31.03.2018	-	-	-	-	-	-	-	-	4,309	4,309
Other comprehensive income (net of tax)	-	-	-	-	16	-	-	(1)	(17)	(2)
<b>Total comprehensive income for the year ended 31.03.2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>4,292</b>	<b>4,307</b>
<b>Transactions with equity holders, recognised directly in equity</b>										
Transfers to reserves during the year	-	215	-	-	-	-	-	-	(215)	-
Dividend paid	-	-	-	-	-	-	-	-	(1,975)	(1,975)
<b>Total transactions with equity holders</b>	<b>-</b>	<b>215</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,190)</b>	<b>(1,975)</b>
<b>Balance as at 31.03.2018</b>	<b>13,236</b>	<b>1,837</b>	<b>300</b>	<b>100</b>	<b>47</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>11,502</b>	<b>27,029</b>
<b>Balance as at 01.04.2018</b>	<b>13,236</b>	<b>1,837</b>	<b>300</b>	<b>100</b>	<b>47</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>11,502</b>	<b>27,029</b>
Recognition of SLFRS 9 Expected Credit Loss on those measured at amortized cost	-	-	-	-	-	-	-	-	(1,007)	(1,007)
Deffered Tax on Transitional Adjustment	-	-	-	-	-	-	-	-	251	251
Transfer of AFS reserve to fair value reserve	-	-	-	-	(47)	47	-	-	-	-
<b>Balance as at 01.04.2018 - Restated</b>	<b>13,236</b>	<b>1,837</b>	<b>300</b>	<b>100</b>	<b>-</b>	<b>47</b>	<b>7</b>	<b>-</b>	<b>10,746</b>	<b>26,273</b>
<b>Total comprehensive income for the year ended 31.03.2019</b>										
Profit for the year ended 31.03.2019	-	-	-	-	-	-	-	-	4,416	4,416
Other comprehensive income (net of tax)	-	-	-	-	-	(100)	(7)	-	(4)	(111)
<b>Total comprehensive income for the year ended 31.03.2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(100)</b>	<b>(7)</b>	<b>-</b>	<b>4,412</b>	<b>4,305</b>
<b>Transactions with equity holders, recognised directly in equity</b>										
Transfers to reserves during the year	-	230	(300)	(100)	-	-	-	-	170	-
Dividend paid	-	-	-	-	-	-	-	-	(1,975)	(1,975)
<b>Total transactions with equity holders</b>	<b>-</b>	<b>230</b>	<b>(300)</b>	<b>(100)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,805)</b>	<b>(1,975)</b>
<b>Balance as at 31.03.2019</b>	<b>13,236</b>	<b>2,067</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(53)</b>	<b>-</b>	<b>-</b>	<b>13,353</b>	<b>28,603</b>

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.



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**STATEMENT OF CHANGES IN EQUITY - GROUP**

	Capital	Statutory Reserve Fund	General Reserve	Tax Equalisation Fund	Other Reserves		Cash Flow Hedge Reserve	Exchange Equalisation Fund	Retained Earnings	Total	Non-controlling Interest	Total Equity
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
<b>Balance as at 01.04.2017</b>	13,236	1,622	300	100	20	-	1	-	10,561	25,840	1,085	26,925
Acquisition of Subsidiaries	-	-	-	-	-	-	-	-	-	-	990	990
<b>Total comprehensive income for the period ended 31.03.2018</b>												
Profit for the year ended 31.03.2018	-	-	-	-	-	-	-	-	4,817	4,817	201	5,018
Other comprehensive income (net of tax)	-	-	-	-	25	-	(1)	3	(21)	6	2	8
<b>Total comprehensive income for the year ended 31.03.2018</b>	-	-	-	-	25	-	(1)	3	4,796	4,823	1,193	6,016
<b>Transactions with equity holders, recognised directly in equity</b>												
Transfers to reserves during the year	-	215	-	-	-	-	-	-	(215)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(1,975)	(1,975)	(113)	(2,088)
<b>Total transactions with equity holders</b>	-	215	-	-	-	-	-	-	(2,190)	(1,975)	(113)	(2,088)
<b>Balance as at 31.03.2018</b>	13,236	1,837	300	100	45	-	-	3	13,167	28,688	2,165	30,853
<b>Balance as at 01.04.2018</b>	13,236	1,837	300	100	45	-	-	3	13,167	28,688	2,165	30,853
Recognition of SLFRS 9 Expected Credit Loss on those measured at amortized cost	-	-	-	-	-	-	-	-	(1,067)	(1,067)	-	(1,067)
Deferred Tax on Transitional Adjustment	-	-	-	-	-	-	-	-	251	251	-	251
Transfer of AFS reserve to fair value reserve	-	-	-	-	(45)	45	-	-	-	-	-	-
<b>Balance as at 01.04.2018 - Restated</b>	13,236	1,837	300	100	-	45	-	3	12,351	27,872	2,165	30,037
Profit for the year ended 31.03.2019	-	-	-	-	-	-	-	-	4,617	4,617	198	4,815
Other comprehensive income (net of tax)	-	-	-	-	-	(100)	-	259	(173)	(14)	(1)	(15)
<b>Total comprehensive income for the year ended 31.03.2019</b>	-	-	-	-	-	(100)	-	259	4,444	4,603	197	4,800
<b>Transactions with equity holders, recognised directly in equity</b>												
Transfers to reserves during the year	-	243	(300)	(100)	-	-	-	-	157	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(1,975)	(1,975)	(92)	(2,067)
<b>Total transactions with equity holders</b>	-	243	(300)	(100)	-	-	-	-	(1,818)	(1,975)	(92)	(2,067)
<b>Balance as at 31.03.2019</b>	13,236	2,080	-	-	-	(55)	-	262	14,977	30,500	2,270	32,770

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF CASH FLOWS

For the year ended 31st March	Company		Group	
	2019 Rs. Mn. Unaudited*	2018 Rs. Mn. Audited	2019 Rs. Mn. Unaudited*	2018 Rs. Mn. Audited
<b>Cash flows from operating activities</b>				
Profit before tax	6,585	5,769	7,391	6,663
Adjustment for:				
Non-cash items included in profit before tax	1,663	1,703	1,910	1,535
Change in operating assets	(15,752)	(12,485)	(19,033)	(14,104)
Change in operating liabilities	16,194	26,743	17,888	27,081
Share of (profit)/loss in associate (net of tax)	-	-	33	53
Dividend income from investments	(389)	(445)	(17)	(27)
Interest expense on due to banks	3,638	3,321	3,927	3,509
Interest expense on debt securities issued	3,593	4,219	3,577	4,202
Net unrealised gains/(losses) arising from translating the Financial Statements of foreign subsidiary	-	-	259	3
Gratuity paid	(9)	(20)	(10)	(22)
Income tax paid	(706)	(1,113)	(757)	(1,175)
<b>Net cash generated from/(used in) operating activities</b>	<b>14,817</b>	<b>27,692</b>	<b>15,168</b>	<b>27,718</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(171)	(170)	(288)	(412)
Proceeds from the sale of property, plant and equipment	67	99	90	122
Purchase of intangible assets	(9)	(37)	(12)	(37)
Proceeds from the sale of investment property	141	-	141	-
Investment in Subsidiaries	-	(1,139)	-	-
Net cash and cash equivalents on acquisition of subsidiary	-	-	-	(1,107)
Dividend received from investments	389	445	17	27
<b>Net cash (used in)/generated from investing activities</b>	<b>417</b>	<b>(802)</b>	<b>(52)</b>	<b>(1,407)</b>
<b>Cash flows from financing activities</b>				
Proceeds from due to banks	59,966	55,180	60,165	55,550
Repayment of due to banks	(71,245)	(65,311)	(71,151)	(65,536)
Proceeds from issue of debt securities issued	11,285	1,000	11,285	1,000
Redemption of debt securities issued	(7,172)	(13,255)	(7,172)	(13,222)
Interest paid on debt securities issued	(6,301)	(4,355)	(6,301)	(4,355)
Dividend paid to shareholders	(1,975)	(1,975)	(1,975)	(1,975)
Dividend paid to non-controlling interest	-	-	(93)	(113)
<b>Net cash (used in)/generated from financing activities</b>	<b>(15,442)</b>	<b>(28,716)</b>	<b>(15,242)</b>	<b>(28,651)</b>
<b>Net (decrease) in cash &amp; cash equivalents</b>	<b>(208)</b>	<b>(1,826)</b>	<b>(126)</b>	<b>(2,340)</b>
Cash and cash equivalents at the beginning of the year	3,149	4,975	3,163	5,503
<b>Cash and cash equivalents at the end of the year</b>	<b>2,941</b>	<b>3,149</b>	<b>3,037</b>	<b>3,163</b>
Cash and cash equivalents	3,294	4,414	4,311	4,767
Bank overdraft	(353)	(1,265)	(1,274)	(1,604)
	2,941	3,149	3,037	3,163

\* 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 31st March 2019	Financial assets recognised through profit or loss (FVTPL) Rs. Mn.	Financial Assets at Amortised Cost (AC) Rs. Mn.	Financial assets at fair value through other comprehensive income(FVOCI) Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>				
Cash and cash equivalents	-	3,294	-	3,294
Balances with banks & financial institutions	-	3,405	-	3,405
Financial assets - Held-for-trading	23	-	-	23
Loans and receivables	-	152,527	-	152,527
Financial assets - Available-for-sale	-	-	126	126
Financial assets - Held-to maturity	-	8,003	-	8,003
Other financial assets	-	144	-	144
<b>Total financial assets</b>	<b>23</b>	<b>167,373</b>	<b>126</b>	<b>167,527</b>

  

As at 31st March 2019	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks	-	18,098	18,098
Due to customers	-	88,369	88,369
Debt securities issued	-	30,458	30,458
Other financial liabilities	-	2,437	2,437
<b>Total financial liabilities</b>	<b>-</b>	<b>139,362</b>	<b>139,362</b>

  

Company					
As at 31st March 2018	FVTPL Rs. Mn.	HTM Rs. Mn.	L & R Rs. Mn.	AFS Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>					
Cash and cash equivalents	-	-	4,414	-	4,414
Balances with banks & financial institutions	-	-	4,370	-	4,370
Financial assets - Held-for-trading	175	-	-	-	175
Loans and receivables	-	-	140,963	-	140,963
Financial assets - Available-for-sale	-	-	-	219	219
Financial assets - Held-to maturity	-	4,890	-	-	4,890
Other financial assets	-	-	146	-	146
<b>Total financial assets</b>	<b>175</b>	<b>4,890</b>	<b>149,893</b>	<b>219</b>	<b>155,177</b>

  

As at 31st March 2018	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks	-	29,424	29,424
Due to customers	-	69,763	69,763
Debt securities issued	-	26,282	26,282
Other financial liabilities	-	4,646	4,646
<b>Total financial liabilities</b>	<b>-</b>	<b>130,115</b>	<b>130,115</b>

# INTERIM FINANCIAL STATEMENTS

## ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Group				
As at 31st March 2019				
	Financial assets recognised through profit or loss (FVTPL) Rs. Mn.	Financial Assets at Amortised Cost (AC) Rs. Mn.	Financial assets at fair value through other comprehensive income(FVOCI) Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>				
Cash and cash equivalents	-	4,311	-	4,311
Balances with banks & financial institutions	-	7,375	-	7,375
Financial assets - Held-for-trading	72	-	-	72
Loans and receivables	-	157,774	-	157,774
Insurance and reinsurance receivables	-	885	-	885
Financial assets - Available-for-sale	-	-	126	126
Financial assets - Held-to maturity	-	9,092	-	9,092
<b>Total financial assets</b>	<b>72</b>	<b>179,437</b>	<b>126</b>	<b>179,635</b>

  

As at 31st March 2019			
	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks	-	21,300	21,300
Due to customers	-	88,923	88,923
Debt securities issued	-	30,317	30,317
Other financial liabilities	-	2,422	2,422
Insurance and reinsurance payable	-	4,881	4,881
<b>Total financial liabilities</b>	<b>-</b>	<b>147,843</b>	<b>147,843</b>

  

Group					
As at 31st March 2018					
	FVTPL Rs. Mn.	HTM Rs. Mn.	L & R Rs. Mn.	AFS Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>					
Cash and cash equivalents	-	-	4,767	-	4,767
Balances with banks & financial institutions	-	-	8,759	-	8,759
Financial assets - Held-for-trading	315	-	-	-	315
Loans and receivables	-	-	142,713	-	142,713
Insurance and reinsurance receivables	-	-	407	-	407
Financial assets - Available-for-sale	-	-	-	219	219
Financial assets - Held-to maturity	-	6,014	-	-	6,014
<b>Total financial assets</b>	<b>315</b>	<b>6,014</b>	<b>156,646</b>	<b>219</b>	<b>163,194</b>

  

As at 31st March 2018			
	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks	-	31,336	31,336
Due to customers	-	69,378	69,378
Debt securities issued	-	26,282	26,282
Other financial liabilities	-	4,473	4,473
Insurance and reinsurance payable	-	4,055	4,055
<b>Total financial liabilities</b>	<b>-</b>	<b>135,524</b>	<b>135,524</b>

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**SEGMENTAL ANALYSIS - GROUP**

For the year ended 31st March	Lease & HP		Loans		Islamic		Insurance		Other		Eliminations		Group	
	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.
Interest income	17,157	15,026	12,121	9,849	1,487	1,374	670	631	1,073	1,001	(274)	(299)	32,234	27,582
Net earned premiums	-	-	-	-	-	-	4,878	4,202	-	-	(150)	(149)	4,729	4,053
Net fee and commission income	880	788	622	517	76	72	-	-	277	277	(948)	(968)	908	686
Net trading income	-	-	-	-	-	-	(19)	41	(25)	19	-	-	(44)	60
Other operating income	232	435	164	285	20	40	80	47	303	256	(457)	(495)	340	568
<b>Gross revenue</b>	<b>18,269</b>	<b>16,249</b>	<b>12,907</b>	<b>10,651</b>	<b>1,583</b>	<b>1,486</b>	<b>5,609</b>	<b>4,921</b>	<b>1,628</b>	<b>1,553</b>	<b>(1,829)</b>	<b>(1,911)</b>	<b>38,167</b>	<b>32,949</b>
Interest expenses	8,589	8,102	6,068	5,310	744	741	-	-	765	770	(275)	(296)	15,891	14,627
<b>Total operating income</b>	<b>9,680</b>	<b>8,147</b>	<b>6,839</b>	<b>5,341</b>	<b>839</b>	<b>745</b>	<b>5,609</b>	<b>4,921</b>	<b>863</b>	<b>783</b>	<b>(1,554)</b>	<b>(1,615)</b>	<b>22,276</b>	<b>18,322</b>
Credit losses	1,056	234	579	1,139	5	59	-	-	417	38	-	-	2,057	1,470
<b>Net operating income</b>	<b>8,624</b>	<b>7,913</b>	<b>6,260</b>	<b>4,202</b>	<b>834</b>	<b>686</b>	<b>5,609</b>	<b>4,921</b>	<b>446</b>	<b>745</b>	<b>(1,554)</b>	<b>(1,615)</b>	<b>20,219</b>	<b>16,852</b>
Depreciation	125	125	92	74	19	17	24	18	18	17	44	43	322	294
<b>Segment result</b>	<b>4,996</b>	<b>3,984</b>	<b>3,531</b>	<b>2,611</b>	<b>433</b>	<b>364</b>	<b>806</b>	<b>864</b>	<b>210</b>	<b>379</b>	<b>(434)</b>	<b>(162)</b>	<b>9,542</b>	<b>8,040</b>
Tax on financial services													2,118	1,324
Share of (loss) of an associate (net of tax)													(33)	(53)
Income tax expenses													2,576	1,645
<b>Profit attributable to equity holder</b>													<b>4,815</b>	<b>5,018</b>
<b>As at 31st March</b>														
Segment Assets	89,856	90,534	66,333	53,432	13,724	12,574	9,625	7,678	12,675	12,143	(5,708)	(5,408)	186,505	170,953
<b>Total Assets</b>	<b>89,856</b>	<b>90,534</b>	<b>66,333</b>	<b>53,432</b>	<b>13,724</b>	<b>12,574</b>	<b>9,625</b>	<b>7,678</b>	<b>12,675</b>	<b>12,143</b>	<b>(5,708)</b>	<b>(5,408)</b>	<b>186,505</b>	<b>170,953</b>
Segment Liabilities	74,066	74,321	54,677	43,864	11,313	10,323	6,330	4,662	10,597	9,968	(3,248)	(3,038)	153,735	140,100
<b>Total Liabilities</b>	<b>74,066</b>	<b>74,321</b>	<b>54,677</b>	<b>43,864</b>	<b>11,313</b>	<b>10,323</b>	<b>6,330</b>	<b>4,662</b>	<b>10,597</b>	<b>9,968</b>	<b>(3,248)</b>	<b>(3,038)</b>	<b>153,735</b>	<b>140,100</b>

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

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**INFORMATION ON ORDINARY SHARES OF THE COMPANY**

<b>Market Price</b>				
	<b>2019</b>		<b>2018</b>	
	<b>Rs.</b>		<b>Rs.</b>	
Highest price during the quarter ended 31st March:	16.00		17.10	
Lowest price during the quarter ended 31st March:	12.90		15.50	
Closing price as at 31st March :	13.40		15.80	
<b>Issued Capital</b>				
Issued Capital as at 31st March 2019 was represented by the number of shares in issue as given below;				
	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	<b>Number</b>	<b>Rs.</b>	<b>Number</b>	<b>Rs.</b>
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
<b>Total</b>	<b>1,579,862,482</b>	<b>13,236,073,308</b>	<b>1,579,862,482</b>	<b>13,236,073,308</b>

# INTERIM FINANCIAL STATEMENTS

## SHAREHOLDERS' INFORMATION

### **Twenty Largest Ordinary Shareholders as at 31st March 2019**

Twenty largest ordinary shareholders of the Company as at 31st March 2019 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	73,084,030	4.63
4	National Savings Bank	43,668,157	2.76
5	Rubber Investment Trust Limited A/C # 01	16,861,361	1.07
6	CitiBank Newyork S/A Norges Bank Account 2	15,775,303	1.00
7	Bank of Ceylon No. 1 Account	11,453,600	0.72
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	Ceylon Guardian Investment Trust PLC A/C # 02	3,340,505	0.21
13	Caceis Bank, Luxembourg Branch-Tcm Investment Funds Luxembourg	2,887,743	0.18
14	Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund)	2,719,743	0.17
15	Employees Trust Fund Board	2,356,087	0.15
16	Akbar Brothers Pvt Ltd A/C No 1	2,004,114	0.13
17	First Capital Limited	1,700,000	0.11
18	Pershing Llc S/A Averbach Grauson & Co.	1,680,000	0.11
19	Deutsche Bank AG as Trustee for Guardian Acuity Equity Fund	1,638,092	0.10
20	Guardian Fund Management Limited/The Aitken Spence And Associated Companies Executive Staff Providen	1,616,715	0.10

### **Public Holding**

The percentage of ordinary shares held by the public as at 31st March 2019 was 24.96% and the number of shareholders representing the public holding was 8,953.

### **Directors/ CEO's Holding in Shares as at 31st March 2019**

The number of ordinary shares held by the directors and CEO as at 31st March 2019 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	-
Dr. Kennedy D. Gunawardena	Director	-
Mr. N.W.A.M.U.K.K.E Weerasinghe	Director	-
Mr. Ahamed Sabry Ibrahim	CEO	-

### **Float adjusted Market Capitalisation**

The Float adjusted market capitalization as at 31st March 2019 - Rs. 5,284,904,014

The Float adjusted market capitalization of the Company falls under Option 3 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.

# 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 2017/18, except for financial assets and liabilities within the scope of Sri Lanka Accounting Standard - SLFRS 9 on "Financial Instruments" (SLFRS 9) for which comparative information for 2017/2018 is reported under Sri Lanka Accounting Standard - LKAS 39 on "Financial Instruments: Recognition and Measurement" (LKAS 39) in accordance with the option given in paragraph 7.2.15 SLFRS 9 not to restate the comparatives.
2. The Interim Financial Statements for the twelve months ended 31st March 2019 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 Micro-commerce Limited, Lankan Alliance Finance 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. On the 11th April 2018 the Company opened the issue of 40,000,000 Senior Unsecured Redeemable Debentures of Rs. 100/- each with an option to issue up to a further 20,000,000 in the event of an oversubscription. The issue was oversubscribed and closed on the 11th April 2018. Objectives of the issue were to repay the short term facilities obtained to settle the debentures matured on the 26th March 2018 and for Company's working capital requirements. Debentures were allocated among applicants on 18th April 2018 and listed on the Debt Securities Main Board of the Colombo Stock Exchange on 27th April 2018.
6. Mr. R M Jayasena has retired from the office of Independent Non- Executive Director of the Company with effect from 17th June 2018. Central bank has granted approval for the said retirement by letter dated on 05th July 2018.
7. On 10th July 2018, the Company paid a final dividend of Rs. 0.50 (Cents Fifty) per share totaling to Rs. 789.9 million for the financial year 2017/18.
8. Sri Lanka Accounting Standard - SLFRS 9 on "Financial Instruments"

The Sri Lanka Accounting Standard - SLFRS 9 on "Financial Instruments", which replaces the existing guidance on LKAS 39 on "Financial Instruments: Recognition and Measurement" has become effective for annual reporting periods beginning on or after January 01, 2018. SLFRS 9 replaces the "Incurred Loss Model" in LKAS 39 with forward looking "Expected Loss Model" ("ECL") which requires considerable judgment over how changes in economic factors affect ECL, which in turn is to be determined on a probability weighted basis. SLFRS 9 also contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed based on their cash flow characteristics.

The total additional impairment provision on Loans and receivables based on SLFRS 9 for the year 2017/18 has been recognised in the statements of changes in equity. The total additional impairment provision arising from SLFRS 9 for the year 2018/2019 has been recognised in its entirety in the 4th quarter of 2019.



# INTERIM FINANCIAL STATEMENTS

## EXPLANATORY NOTES

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
<b>Statement of Profit or Loss</b>						
Personnel expenses *	2,575	2,975	(400)	2,992	3,392	(400)
Other operating expenses *	2,641	2,241	400	2,750	2,350	400
Other operating income **	663	501	162	730	568	162
Impairment charges for loans and receivables and other losses **	1,592	1,430	162	1,632	1,470	162

\* Cost included in the Other operating expenses which were liable for the PAYEE calculation, reclassified as Personnel expenses.

\*\* Recovery of written-off debts included in Other operating income reclassified to Impairment charges for loans and receivables.

10 In July 2018, Mrs. Kottegoda Gedara Lakmini Dilrukshi Kottegoda was appointed as Company Secretary of People's Leasing & Finance PLC with effect from 30th July 2018, in place of Mr. Rohan Pathirage. Central bank has granted approval for the said appointment by letter dated on 30th July 2018.

11 In April 2018, the Company received Rs. 33,750,000/- from People's Insurance PLC as the final dividend for the financial year 2017. In September 2018, the Company received Rs. 97,215,557/- as an interim dividend for the financial year 2018. In April 2019, the Company Received Rs. 142,025,267.10/- from People's Insurance PLC as the final dividend for the financial year 2018.

12 On 18th September 2018 the Company redeemed 11,999,300 Senior Unsecured Redeemable Debentures issued in 2014 of Rs. 100/- each upon maturity.

13 Dr. K.D.Gunawardana and Mr. N.W.A.M.U.K.K.E Weerasinghe were appointed to the Board of the Company as Independent Non-Executive Directors with effect from 31st August 2018. Central bank has granted approval for the said appointment by letter dated on 09th October 2018.

14 Dr. Ali Asgar Shabbir Gulamhusein has resigned from the office of Independent Non- Executive Director of the Company with effect from 31st August 2018. Central bank has granted approval for the said resignation by letter dated on 16th October 2018.

15 Further to disclosure dated 10th May 2018, Board of directors of People's Merchant Finance PLC has resolved to proceed with a capital infusion by way of a private placement and right issue as disclosed on 10th January 2019. Accordingly, the proposed amalgamation of People's Merchant Finance PLC and People's Leasing & Finance PLC as disclosed in prior announcements will not take place.

Pursuant to rule 7.2 of the listing rules of the Colombo Stock exchange, the resolutions pertaining to the 'Private Placement of Ordinary Shares' and the 'Right issue of Ordinary Shares' contained in the Extraordinary General Meeting dated 01st March 2019 of the People's Merchant Finance PLC were duly approved and passed by the shareholders of the Company at the Extraordinary General Meeting held on 27th March 2019. Accordingly subsequent said Private placement and right issue, People's Leasing & Finance PLC stake is reduce to 11.86%. Accordingly status of associate changed as investments of PLC after the reporting date.

16 On 11th January 2019, the Company paid an interim dividend of Rs. 0.75 (Cents Seventy five) per share totaling to Rs. 1,184.8 million for the financial year 2018/19.

17 In March 2019, the Company received Rs. 20,250,000/- from People's Microfinance Limited as the interim dividend for the year 2018/19. In March 2019, the Company received Rs. 94,600,000/- and Rs. 22,575,000/- from People's Leasing Property Development Limited and People's Leasing Fleet Management Limited respectively as the interim dividend for the financial year 2018/19.

18 Except for note 15 disclosed above, there have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements .

19 There has been no significant change in the nature of the contingent liabilities for the year ended 31st March 2019 which were disclosed in the Annual Report for the year ended 31st March 2018.

# INTERIM FINANCIAL STATEMENTS

## DEBENTURE INFORMATION

### Market Prices for the quarter ended 31st March 2019

Debenture Type	Highest Rs.	Lowest Rs.	Last Traded Rs.
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	100.00	100.00	100.00
2018 - 4 Years - 12.40% p.a. payable annually			Has not been traded
2018 - 5 Years - 12.80% p.a. payable annually			Has not been traded

### Interest Rates

Debenture Type	Coupon Rate (%)	Annual Effective Rate (%)
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
2018 - 4 Years - 12.40% p.a. payable annually	12.40	12.40
2018 - 5 Years - 12.80% p.a. payable annually	12.80	12.80

### Interest Rates of Comparable Government Securities

6 Months Treasury Bill	9.67%
1 Year Treasury Bill	10.40%
2 Year Treasury Bond	9.92%
3 Year Treasury Bond	10.85%
5 Year Treasury Bond	11.04%

( Above rates are excluding withholding tax)

### Current Yield & Yield to Maturity

Debenture Type	Current Yield (%)	Yield to Maturity (%)
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	12.60	12.60
2018 - 4 Years - 12.40% p.a. payable annually	12.40	12.40
2018 - 5 Years - 12.80% p.a. payable annually	12.80	12.80

**INTERIM  
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**DEBENTURE INFORMATION**

<b>Ratios</b>								
							As at 31.03.2019	As at 31.03.2018
Debt to Equity Ratio (Times)							1.70	2.13
Interest Cover (Times)							1.42	1.40
Quick Asset Ratio (%)							73.35	72.20
<b>Utilisation of Funds Raised via Capital Market</b>								
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
<b>Issue of listed, senior, unsecured, redeemable, rated debentures during the year 2015</b>								
1	The funds raised through this Debenture Issue 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
<b>Issue of listed, senior, unsecured, redeemable, rated debentures during the year 2016</b>								
1	The funds raised through this Debenture Issue 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
<b>Issue of listed, senior, unsecured, redeemable, rated debentures during the year 2018</b>								
1	The funds raised through this Debenture Issue utilized to repay the short term facilities obtained to settle the debentures matured on the 26th March 2018 and for Company's working capital requirements.	6,000,000	Within 12 months from the date of allotment	6,000,000	100%	6,000,000	100%	N/A

# INTERIM FINANCIAL STATEMENTS

## RELATED PARTY DISCLOSURE

### Transactions with Related entities

#### Company

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

	Immediate Parent		Subsidiaries		Associate	
	2019 Rs. '000	2018 Rs. '000	2019 Rs. '000	2018 Rs. '000	2019 Rs. '000	2018 Rs. '000
<b>Items in Statement of Profit or Loss</b>						
Interest income	861,086	755,332	56,495	45,183	-	6,154
Interest expense	1,061,632	1,059,939	217,974	251,147	-	-
Fee & Commission income	-	-	609,575	622,541	-	-
Other operating income	-	-	490,724	517,742	-	-
Benefits, claims and underwriting expenditure	-	-	129,245	130,881	-	-
Other operating expenses	40,542	27,832	252,644	280,632	-	-
<b>Items in Statement of Financial Position</b>						
<b>Assets</b>						
Cash and cash equivalents	2,267,088	3,636,360	-	-	-	-
Balances with banks & financial institutions	3,404,533	3,730,652	-	-	-	-
Loans and receivables	-	-	1,672,674	1,663,776	-	-
Financial investments - Held-to-maturity	7,976,782	3,204,688	-	-	-	-
Investments in subsidiaries/ Associate	-	-	3,213,788	3,213,788	473,112	586,427
Other assets	-	-	143,817	145,650	-	-
<b>Liabilities</b>						
Due to banks	2,135,154	8,074,107	-	-	-	-
Due to customers	-	-	459,770	385,426	-	-
Debt Securities issued	2,306,178	2,303,640	-	-	-	-
Other Financial liabilities	-	-	801,239	765,756	-	-
Other liabilities	3,179	2,760	4,093	4,093	-	-
<b>Transactions</b>						
Transaction cost on debenture issue and securitisation	4,820	6,484	-	-	-	-
Dividend paid	1,481,121	1,481,121	-	-	-	-
<b>Off- Balance Sheet Items</b>						
Guarantees	-	-	550,000	550,000	-	-

## 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, 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.

Senior, Unsecured, Redeemable, four year (2018/22) and five year (2018/23) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 27th April 2018.

### **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: plclease@plc.lk](mailto:plclease@plc.lk)  
[Web Address: www.plc.lk](http://www.plc.lk)

### **Compliance Officer**

Mr. Vishwamithra Kadurugamuwa

### **Company Secretary**

Mrs. Lakmini Kottegodala

### **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:sspsec@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, Bandarawela,  
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, Kuliyaipitiya,  
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, Wellawaya,  
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  
Dr. Kennedy D. Gunawardana  
Mr. N.W.A.M.U.K.K.E Weerasinghe

#### **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 Micro-commerce Limited  
Lankan Alliance Finance 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-' (lka) stable by Fitch Ratings Lanka Limited  
'B+'/'B' by Standard & Poor's Rating Services  
'B-' stable by Fitch Ratings International

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PEOPLE'S LEASING & FINANCE PLC