



JANASHAKTHI PLC

**Interim Financial Statements
31 December 2018**

CHIEF EXECUTIVE OFFICER'S REVIEW

PERFORMANCE REVIEW

OVERVIEW

The group posted a total income of Rs. 6,575 million for the nine months ended 31 December 2018 when compared to Rs. 13,760 million in the previous year. This was due to the disposal of the group's non life insurance interest in February 2018. Reduced leverage saw the Group loss after tax was Rs. 401 million against the Rs. 893 million loss recorded for the previous year. The asset base of the group saw a staggering increase of 104% at Rs. 89 billion. This was mainly due to the acquisition of Dunamis Capital PLC in the quarter ending 31 December 2018. Janashakthi PLC at company level, reported a total income of Rs. 140 Million for the nine months ended 31 December 2018, compared to 162 Million in the previous year.

PERFORMANCE OF SUBSIDIARIES

JANASHAKTHI INSURANCE PLC

The company's main subsidiary, Janashakthi Insurance PLC reported a profit of Rs. 70 Million for the nine months ended 30 September 2018 when compared to profit of Rs. 98 million for the nine months ended 30 September 2017. Janashakthi Insurance PLC had an asset base of Rs. 18.8 billion with a market capitalization of Rs. 4.8 billion as at 30 September 2018. Janashakthi insurance PLC witnessed a growth of 10% in First year premium for the first nine months of the year. The organisational focus during the quarter has been towards restructuring and reorganizing its operations as a standalone Life Insurance business. When completed, the restructuring process will position the Company to become a significant player in the Life Insurance segment. However, this process is expected to spill over into the next two quarters with the opening of 72 new branches being completed by 31st March 2019.

ORIENT FINANCE PLC

The company recorded a total income of Rs. 2.6 billion for the nine months ended 31 December 2018 when compared to Rs. 2.5 billion in the corresponding period of the previous year. This represents a increase of 2.4% year on year. The company made a profit after tax of Rs. 8 million for the nine months ended 31 December 2018 when compared to a loss of Rs. 114 million in the corresponding period of the previous year representing a turnaround in performance. The company has an asset base of Rs. 17.4 billion with a market capitalization of Rs. 2.2 billion .

ORIENT CAPITAL LIMITED

Orient Capital Ltd, a subsidiary of Janashakthi Capital Ltd, which company is owned by Janashakthi PLC disclosed an income of Rs. 0.60 million for the nine months ended 31 December 2018 when compared to Rs. 9.1 million income in the corresponding period of the previous year. The company recorded a profit of Rs. 0.3 million compared to a loss of Rs. 51 Mn in the corresponding period of the previous year. This company is dormant and its future is being examined.

FUTURE PLANS

The group capitalized shareholders' loans amounting to Rs. 3 Billion via a rights issue and has improved it's capital position. Janashakthi PLC (J PLC) purchased 38,294,562 shares in Dunamis Capital PLC (DC PLC) on the 13th of September 2018 which constitutes 31.14% of the issued ordinary shares of DC PLC at a price of Rs. 36/60 per share. Consequent to the said purchase J PLC became the holder of 50,595,736 shares amounting to 41.14% made up of 10% stake in DC PLC already held by J PLC and a further 31.14% acquired via the aforesaid transaction. J PLC made a voluntary offer to purchase from the shareholders of DC PLC the remaining 72,401,314 shares of DC PLC constituting 58.86% of the shares in issue at DC PLC for a price of Rs. 36/60 per share. Accordingly, at the completion of the voluntary offer, J PLC holds 120,627,202 ordinary shares in DC PLC, equivalent to 98.08% of the total shareholding.

Sgd

Ramesh Schaffter

Chief Executive Officer

22 February 2019

Janashakthi PLC
STATEMENT OF FINANCIAL POSITION

As at	Group		Company	Restated	Restated
	Unaudited 31/12/2018 Rs. '000	Audited 31/03/2018 Rs. '000			
Assets					
Financial Assets	18,271,970	17,628,797	1,448,990	1,886,821	815,160
Long term investments	433,110	-	-	-	-
Investment Property	4,601,180	2,099,554	-	-	-
Consumable Biological Assets	588,307	588,307	588,307	588,307	450,500
Right to use of Land	81,831	81,831	140,888	140,888	149,730
Investments in Subsidiaries	-	-	12,307,429	7,387,988	7,909,076
Real Estate Stocks	16,773	16,780	-	-	-
Property, Plant & Equipment	526,282	417,086	-	1,468	5,292
Intangible Assets - Goodwill on Acquisition	4,095,785	1,465,093	-	-	-
Intangible Assets - Others	235,910	1,976	-	-	-
Loans and Receivables from Customers	14,368,154	14,504,334	-	-	-
Policyholder and Other Loans	252,771	229,988	-	-	-
Reinsurance Receivable	23,024	15,093	-	-	-
Premium Receivable	28,149	33,005	-	-	-
Inventories	1,449,234	-	-	-	-
Other Assets	2,507,203	1,090,162	985,606	559,192	607,907
Amount due from related parties	108,255	-	-	-	-
Deferred Tax Asset	1,222,779	288,537	18,063	18,062	-
Financial Assets -Held for trading	31,507,777	-	-	-	-
Financial Assets - Loans & Receivables	8,835,960	-	-	-	-
Derivative Financial Instruments	156,637	-	-	-	-
Cash & Bank Balances	448,984	5,470,483	69,237	4,295,037	409,910
Assets Classified as Held For Sale	42,416	-	-	-	-
Total Assets	89,802,491	43,931,026	15,558,520	14,877,763	10,347,575
Liabilities and Shareholders' Equity					
Liabilities					
Insurance Provision - Life	10,256,113	9,651,593	-	-	-
Retirement Benefit Obligations	259,227	209,463	5,593	5,593	5,054
Deposits from Customers	10,836,181	11,852,625	-	-	-
Amount due to related parties	10,949	-	-	-	-
Interest Bearing Borrowings	22,157,244	12,078,524	6,248,623	10,050,312	7,371,749
Reinsurance Creditors	41,965	57,364	-	-	-
Debentures	4,790,369	1,955,136	2,755,895	1,026,875	1,026,875
5 Year, Redeemable Preference Shares	22,500	8,360	-	-	-
Non Interest Bearing Security Margins	(345)	42	-	-	-
Other Liabilities	2,012,665	1,370,240	76,315	75,107	58,657
Securities sold under Re-purchase agreements	29,159,274	-	-	-	-
Derivative financial instruments	17,257	-	-	-	-
	79,563,399	37,183,347	9,086,426	11,157,887	8,462,335
Shareholders' Equity					
Stated Capital	3,100,000	100,000	3,100,000	100,000	100,000
Restricted Regulatory Reserve	1,363,393	1,363,393	-	-	-
Reserve Fund	122,018	120,577	-	3,198,481	805,937
Available for Sale Reserve	147,129	(77,612)	3,730,869	-	-
Retained Earnings	2,772,914	3,218,538	(358,775)	421,395	979,303
	7,505,454	4,724,896	6,472,094	3,719,876	1,885,240
Non - Controlling Interest	2,733,638	2,022,783	-	-	-
	10,239,092	6,747,679	6,472,094	3,719,876	1,885,240
Total Equity & Liabilities	89,802,491	43,931,026	15,558,520	14,877,763	10,347,575

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

Sgd
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Arshad Hassanali
Finance Officer

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

Approved and signed for and on behalf of the Board by,

Sgd
.....
Ramesh Schaffter
Director / CEO

Sgd
.....
Prakash Schaffter
Director

February 22, 2019
Colombo

Figures in brackets indicate deductions.

The above unaudited figures are provisional and subject to audit

Janashakthi PLC
INCOME STATEMENT

For the Nine months ended 31 December

	Group			Company		
	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %
Income	6,575,997	13,759,903	-52.21%	140,898	162,289	-13.18%
Gross Written Premium	2,226,757	2,129,871	4.55%	-	-	-
Less: Premium Ceded to Reinsures	(90,194)	(92,300)	2.28%	-	-	-
Net Written Premium	2,136,563	2,037,571	4.86%	-	-	-
Net Change in Reserve for Unearned Premium	-	-	-	-	-	-
Net Earned Premium	2,136,563	2,037,571	4.86%	-	-	-
Benefits and Losses						
Insurance Claims and Benefits (Net)	(1,065,524)	(849,280)	-25.46%	-	-	-
Underwriting & Net Acquisition Costs	(647,646)	(465,840)	-39.03%	-	-	-
Increase in Life Insurance Fund	(605,154)	(1,212,574)	50.09%	-	-	-
Change in Contract Liability due to Transfer of One-off Surplus	-	-	-	-	-	-
Underwriting Results	(181,761)	(490,123)	62.92%	-	-	-
Net trading Income	1,830	-	100%	-	-	-
	1,830	-	100%	-	-	
Interest Income	2,466,499	2,454,829	0.48%	-	-	-
Interest Expense	1,465,939	1,561,896	6.14%	-	-	-
Net Interest Income	1,000,560	892,933	12.05%	-	-	-
Other Operating Income	1,971,105	1,264,517	55.88%	140,898	162,289	-13.18%
Other Operating, Investment Related and Administrative Expenses	(1,949,182)	(1,228,558)	-58.66%	(246,857)	(48,424)	-409.78%
Value Added Tax & NBT on Financial Services	(42,330)	(30,665)	-38.04%	-	-	-
Impairment (Charges) / Reversals of Loans and Receivables from Customers	(470,327)	(390,018)	-20.59%	-	-	-
Profit/ (Loss) from Operations	329,895	18,086	1724.04%	(105,959)	113,865	-193.06%
Finance Cost	(713,007)	(922,036)	22.67%	(658,249)	(926,021)	28.92%
Profit / (Loss) from Ordinary Activities before Tax	(383,112)	(903,950)	57.62%	(764,208)	(812,156)	5.90%
Corporate Taxation	(18,355)	(20,304)	9.60%	(15,962)	(11,828)	-34.95%
Net Profit/(Loss) for the period from continuing operations	(401,467)	(924,254)	56.56%	(780,170)	(823,984)	5.32%
Discontinued Operations						
Net Profit/(Loss) for the Period from Discontinued Operations	-	408,831	-100%	-	-	-
Profit for the Period	(401,467)	(515,423)	22.11%	(780,170)	(823,984)	5.32%
Profit from continuing operations attributable to:						
Equity Holders of the Parent	(471,429)	(936,290)	49.65%	(780,170)	(823,984)	5.32%
Non - Controlling Interest	69,962	12,036	481.27%	-	-	-
	(401,467)	(924,254)	56.56%	(780,170)	(823,984)	5.32%
Profit from discontinued operations attributable to:						
Equity Holders of the Parent	-	310,385	-100%	-	-	-
Non - Controlling Interest	-	98,446	-100%	-	-	-
	-	408,831	-100%	-	-	-
Earnings per Share (Rs.)						
Basic Earnings/(Loss) Per Share	(263.81)	(93.63)		(436.58)	(82.40)	
Basic Earnings/(Loss) Per Share - Discontinued Operations	-	-		-	-	

Figures in brackets indicate deductions.

The above unaudited figures are provisional and subject to audit

Janashakthi PLC & Its Subsidiaries
STATEMENT OF COMPREHENSIVE INCOME
For the Nine Months ended 31 December

	Group			Company		
	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %
Profit for the period	(401,467)	(515,423)	22.11%	(780,170)	(823,984)	5.32%
Other Comprehensive Income						
Net Gain / (Loss) on Available for Sale Financial Assets	307,688	66,543	362.39%	532,388	1,178,610	-54.83%
Exchange Gain on Financial Investment	1,611	-	100%	-	-	-
Net Gain / (Loss) on Available for Sale Financial Assets from discontinued operation	-	3,554	-100%	-	-	-
Other Comprehensive Income for the period	309,299	70,097	341.24%	532,388	1,178,610	-54.83%
Total Comprehensive Income for the period	(92,168)	(445,326)	79.30%	(247,782)	354,626	-169.87%
Attributable to :						
Equity Holders of the Parent	(245,077)	(571,980)	57.15%	(247,782)	354,626	-169.87%
Non - Controlling Interest	152,909	126,654	20.73%	-	-	-
	(92,168)	(445,326)	79.30%	(247,782)	354,626	-169.87%

Figures in brackets indicate deductions.

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Janashakthi PLC & Its Subsidiaries
INCOME STATEMENT

For the quarter ended 31 December,

	Group			Company		
	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %
Income	2,568,074	4,705,918	-45.43%	18,960	45,312	-58.16%
Gross Written Premium	781,296	765,427	2.07%	-	-	-
Less: Premium Ceded to Reinsures	(28,560)	(33,096)	13.71%	-	-	-
Net Written Premium	752,736	732,331	2.79%	-	-	-
Net Change in Reserve for Unearned Premium	-	-	-	-	-	-
Net Earned Premium	752,736	732,331	2.79%	-	-	-
Benefits and Losses						
Insurance Claims and Benefits (Net)	(455,884)	(302,902)	-50.51%	-	-	-
Underwriting & Net Acquisition Costs	(226,806)	(155,901)	-45.48%	-	-	-
Increase in Life Insurance Fund	(149,892)	(445,337)	66.34%	-	-	-
	-	-	-			
Underwriting Results	(79,846)	(171,809)	53.53%	-	-	-
Net Trading Income	1,830	-	100%	-	-	-
	1,830	-	100%	-	-	
Interest Income	897,697	796,612	12.69%	-	-	-
Interest Expense	485,175	491,783	1.34%	-	-	-
Net Interest Income	412,522	304,829	35.33%	-	-	-
Other Operating Income	915,811	416,235	120.02%	18,960	45,312	-58.16%
Other Operating, Investment Related and Administrative Expenses	(563,603)	(405,294)	-39.06%	(27,422)	(13,223)	-107.38%
Value Added Tax & NBT on Financial Services	(14,629)	(6,381)	-129.26%	-	-	-
Impairment (Charges) / Reversals of Loans and Receivables from Customers	(241,939)	(159,033)	-52.13%	-	-	-
Profit/ (Loss) from Operations	430,146	(21,453)	2105.06%	(8,462)	32,089	-126.37%
Finance Cost	(245,621)	(306,623)	19.89%	(192,977)	(315,509)	38.84%
Profit / (Loss) from Ordinary Activities before Tax	184,525	(328,076)	156.24%	(201,439)	(283,420)	28.93%
Corporate Taxation	(2,393)	(5,614)	57.37%	-	(4,337)	100.00%
Net Profit/(Loss) for the Period from Continuing Operations	182,132	(333,690)	154.58%	(201,439)	(287,757)	30.00%
Discontinud Operations						
Net Profit/(Loss) for the Period from Discontinued Operations	-	120,022	-100%	-	-	-
Profit for the Period	182,132	(213,668)	185.24%	(201,439)	(287,757)	30.00%
Profit from continuing operations attributable to:						
Equity Holders of the Parent	105,987	(333,933)	131.74%	(201,439)	(287,757)	30.00%
Non - Controlling Interest	76,145	243	31235.39%	-	-	-
	182,132	(333,690)	154.58%	(201,439)	(287,757)	30.00%
Profit from discontinued operations attributable to:						
Equity Holders of the Parent	-	91,121	-100%	-	-	-
Non - Controlling Interest	-	28,901	-100%	-	-	-
	-	120,022	-100%	-	-	-
Earnings per Share (Rs.)						
Basic Earnings/(Loss) Per Share (Rs.)	59.31	(33.39)		(112.72)	(28.78)	

Figures in brackets indicate deductions.

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Janashakthi PLC & Its Subsidiaries
STATEMENT OF COMPREHENSIVE INCOME
For the quarter ended 31 December,

	Group			Company		
	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Variance %
Profit for the Year	182,132	(213,668)	185.24%	(201,439)	(287,757)	30.00%
Other Comprehensive Income						
Net Gain / (Loss) on Available for Sale Financial Assets	(69,616)	87,368	-179.68%	2,309,360	756,111	205.43%
Exchange Gain on Financial Investment	1,611	-	100%	-	-	-
Net Gain / (Loss) on Available for Sale Financial Assets from Discontinued Operations	-	176,141	-100%	-	-	-
Other Comprehensive Income for the year	<u>(68,005)</u>	<u>263,509</u>	-125.81%	<u>2,309,360</u>	<u>756,111</u>	-
Total Comprehensive Income for the year	<u>114,127</u>	<u>49,841</u>	128.98%	<u>2,107,921</u>	<u>468,354</u>	-350.07%
Attributable to :						
Equity Holders of the Parent	56,942	(13,283)	528.68%	2,107,921	468,354	-350.07%
Non - Controlling Interest	57,185	63,124	-9.41%	-	-	-
	<u>114,127</u>	<u>49,841</u>	128.98%	<u>2,107,921</u>	<u>468,354</u>	-350.07%

Figures in brackets indicate deductions.

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Janashakthi PLC & Its Subsidiaries
STATEMENT OF CHANGES IN EQUITY
For the Nine Months ended 31 December

Group	Attributable to equity holders of the parent							Non - Controlling Interest	Total
	Stated Capital	Reserve Fund	Restricted Regulatory Reserve	Revaluation Reserve	Fund for Future Appropriation	Available for Sale Reserve	AFS Reserve Fund of Life Policyholders	Retained Earnings	
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance As At 01 April 2017 -Audited	100,000	120,577	-	115,782	-	(650,026)	(4,244)	4,434,709	6,104,681
Net Profit for the 09 months ended 31 December 2017	-	-	-	-	-	-	-	(625,905)	(515,423)
Changes in Fair Value of AFS assets	-	-	-	-	-	53,925	-	-	70,097
Net Change in fair value of AFS assets- transfers to AFS fund for Life Policyholders	-	-	-	-	-	-	3,864	-	5,090
Dividends	-	-	-	-	-	-	-	-	(3,769)
Balance as at 31 December 2017	100,000	120,577	-	115,782	-	(596,101)	(380)	3,808,804	5,660,676
Net Profit from Continued Operation	-	-	-	-	-	-	-	6,185,356	8,231,191
Net Profit from Discontinued Operations	-	-	-	-	-	-	-	643,327	846,840
Transfer to Restricted Regulatory Reserve	-	-	1,363,393	-	-	-	-	(1,363,393)	-
Changes in Fair Value of AFS assets	-	-	-	-	-	6,205	-	-	8,780
Changes in Revaluation Reserve	-	-	-	160,182	-	-	-	-	210,988
Impairment of AFS assets transferred to Income Statement	-	-	-	-	-	68,688	-	-	90,474
Actuarial losses on Defined Benefit Plans	-	-	-	-	-	-	-	(22,575)	(29,449)
Aggregate Tax effect on items recognized in OCI	-	-	-	-	-	-	-	(31,180)	(40,989)
Net Change in fair value of AFS assets- transfers to AFS fund for Life Policyholders	-	-	-	-	-	-	380	-	500
Transfer of Revaluation Surplus to retained Earnings at Disposal	-	-	-	(275,964)	-	-	-	275,964	-
Transfer of AFS reserve to retained Earnings at Disposal	-	-	-	-	-	443,596	-	(443,596)	-
Transfer (to) /from Life Insurance Fund	-	-	-	-	-	-	-	(538)	(708)
Repurchase of Shares	-	-	-	-	-	-	-	(5,833,631)	(8,230,624)
Balance as at 31 March 2018 -Audited	100,000	120,577	1,363,393	-	-	(77,612)	-	3,218,538	6,747,679
Net Profit for the Nine Months Ended 31 December 2018	-	-	-	-	-	-	-	(471,429)	(401,467)
Changes in Fair Value of AFS assets	-	-	-	-	-	224,741	-	-	307,688
Exchange Gain on Financial Investment	-	-	-	-	-	-	-	1,611	1,611
Transfer to Statutory Reserve	-	1,441	-	-	-	-	-	(1,441)	-
Expenses on Repurchase of Shares	-	-	-	-	-	-	-	(4,999)	(6,584)
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	650,384
Effect on change of holding in subsidiary	-	-	-	-	-	-	-	30,633	(60,220)
Rights Issue	3,000,000	-	-	-	-	-	-	-	3,000,000
Balance as at 31 December 2018	3,100,000	122,018	1,363,393	-	-	147,129	-	2,772,914	10,239,092

Figures in brackets indicate deductions.

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Janashakthi PLC & Its Subsidiaries
STATEMENT OF CHANGES IN EQUITY
For the Nine months ended 31 December

Company	Stated Capital Rs. '000	Retained Earnings Rs. '000	Available for Sale Reserve Rs. '000	Total Rs. '000
Balance As At 01 April 2017 as previously reported	100,000	979,303	-	1,079,303
Impact of change in accounting policy (Note 7)	-	-	805,937	805,937
Restated balance as at 01 April 2017	100,000	979,303	805,937	1,885,240
Net Profit/(Loss) for the 09 months ended 31 December 2017	-	(823,984)	-	(823,984)
Fair Value gain on AFS assets	-	-	1,178,610	1,178,610
Balance As At 31 December 2017	100,000	155,319	1,984,547	2,239,866
Net Profit/(Loss) for the 03 months ended 31 March 2018	-	831,995	-	831,995
Repurchase of Shares	-	(5,663,497)	-	(5,663,497)
Fair Value gain on AFS assets	-	-	6,311,512	6,311,512
Transfer to retained earnings on disposal of AFS Assets	-	5,097,578	(5,097,578)	-
Balance As At 31 March 2018 -Restated (Note 7)	100,000	421,395	3,198,481	3,719,876
Net Profit/(Loss) for the 09 months ended 31 December 2018	-	(780,170)	-	(780,170)
Fair Value gain on AFS assets	-	-	532,388	532,388
Rights Issue	3,000,000	-	-	3,000,000
Balance As At 31 December 2018	3,100,000	(358,775)	3,730,869	6,472,094

Figures in brackets indicate deductions.

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Janashakthi PLC & Its Subsidiaries
STATEMENT OF CASH FLOW

	Group		Company	
	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000	Unaudited 2018 Rs. '000	Unaudited 2017 Rs. '000
For the Nine Months ended 31 December				
Cash Flow from/ (used) in Operating Activities				
Profit / (Loss) before Income Tax Expenses -Continuing Operations	(383,112)	(903,950)	(764,208)	(812,156)
Profit / (Loss) before Income Tax Expenses -Discontinuing Operations	-	527,473	-	-
Adjustments for				
Finance Cost	2,194,641	2,552,276	658,249	926,021
Depreciation & Amortization	27,388	100,255	1,469	2,209
Provision for Impairment	-	254,000	-	-
Provision for Bad Debts	-	13,093	-	-
Net Foreign Exchange (Gain) / Loss	-	(6,062)	-	-
(Profit) / Loss on Disposal of Property, Plant & Equipment	(8,047)	(5,499)	-	(1,310)
Gain on disposal of shares	-	(292)	-	(292)
Fair Value (Gains) / Losses on Financial Assets	5,282	(25,273)	184,726	(12,084)
Impairment Charges / (Reversals) of Loans and Receivables from Customers	375,387	390,018	-	-
Investment Income	(277,560)	(223,433)	(140,817)	(146,648)
Gratuity Provision	22,563	48,087	-	-
Operating Profit/(Loss) before Working Capital Changes	1,956,542	2,720,693	(60,581)	(44,260)
(Increase) / Decrease in Inventories	(36,314)	-	-	-
(Increase) / Decrease in Loans and Receivables	2,018,714	1,192,032	-	-
(Increase) / Decrease in Financial Investmets - Held for Trading	(2,269,110)	-	-	-
(Increase) / Decrease in Premium & other Receivables	(341,523)	(1,072,241)	-	-
(Increase) / Decrease in Other Assets	(268,335)	204,351	(417,310)	511,691
(Increase) / Decrease in Amounts due from Related parties	(104,823)	-	-	-
Increase / (Decrease) in Deposits from Customers	(973,413)	2,618,659	-	-
Increase / (Decrease) in Other Liabilities	205,119	1,826,976	(8,131)	(2,205)
(Increase) / Decrease in Amounts due to Related parties	(2,147,560)	-	-	-
(Increase) / Decrease in borrowings against re-purchase agreements	2,173,058	-	-	-
Increase / (Decrease) in Life Insurance Fund	605,154	1,212,586	-	-
Increase / (Decrease) in Non Life Insurance Fund	-	709,348	-	-
Cash Generated from Operations	817,509	9,412,404	(486,022)	465,226
Gratuity Paid	(10,168)	(34,981)	(96)	-
Income Tax Paid	(24,720)	(8,781)	(13,831)	(3,321)
WHT paid	(952)	-	(952)	-
Notional Tax paid	-	(5,233)	-	(5,233)
Finance Costs Paid	(2,172,650)	(2,340,330)	(658,249)	(926,021)
Net Cash Flow from Operating Activities	(1,390,981)	7,023,079	(1,159,150)	(469,349)
Cash Flows from / (used in) Investing Activities				
Acquisition of Property, Plant & Equipment	(28,366)	(311,611)	-	-
Purchase of Investment Properties	(1,478)	-	-	-
Investment in Subsidiaries	(5,418,190)	-	(4,153,180)	-
Proceeds from disposal of Property, Plant & Equipment	7,922	12,609	-	2,425
Proceeds from sale of Real Estate Stock	7	2,923	-	-
Acquisition of Intangible Assets	-	(5,214)	-	-
Income on investments	281,470	223,433	140,817	146,648
Net drawdown of Investments	(872,750)	(200,305)	(598,260)	(94,256)
Net Cash (used in) / generated from Investing Activities	(6,031,384)	(278,165)	(4,610,623)	54,817
Cash Flows from / (used in) Financing Activities				
Net Proceeds from Interest Bearing Loans & Borrowings	(1,726,568)	(1,890,346)	(1,976,571)	1,009,085
Proceeds on Rights Issue	3,000,000	-	3,000,000	-
Interest paid on Debentures	(90,500)	(90,456)	-	-
Dividend paid to non controlling interest	-	(134,895)	-	-
Net Cash (used in) / generated from Financing Activities	1,182,932	(2,115,697)	1,023,429	1,009,085
Net Increase / (Decrease) in Cash and Cash Equivalents	(6,239,433)	4,629,217	(4,746,344)	594,553
Cash and Cash Equivalents at the beginning of the year	8,285,740	1,316,319	5,099,716	(60,489)
Cash and Cash Equivalents at the end of the year	2,046,306	5,945,536	353,371	534,064
Analysis of Cash and Cash Equivalents				
Favourable Balances				
Cash & Bank Balances	444,540	531,169	69,237	35,167
Short Term Investments	3,269,039	5,747,579	290,365	500,582
Unfavourable Cash and Cash Equivalents balance				
Bank Overdrafts	(1,667,273)	(333,212)	(6,231)	(1,685)
Total Cash and Cash Equivalents	2,046,306	5,945,536	353,371	534,064

Figures in brackets indicate deductions.

The above unaudited figures are provisional and subject to audit

Janashakthi PLC & Its Subsidiaries
NOTES TO THE FINANCIAL STATEMENTS

Financial Reporting By Segments	Discontinued Operations																							
For the Nine Months ended 31 December	Non Life Insurance		Life Insurance		Lease & Hire Purchase		Loans		Pawning		Factoring		Investment		Financial Services		Property Development		Secreterial		Unallocated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Net Earned Premium	-	6,806,409	2,136,563	2,037,572	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,136,563	8,843,981
Interest Income	-	-	-	-	1,913,050	1,831,905	342,547	410,122	98,296	18,316	96,194	199,150	4,801	-	10,332	-	1,278	-	1	-	-	-	2,466,499	2,459,493
Net Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,221	-	-	-	609	-	-	-	1,830	-
Other Operating Income	-	1,196,573	1,245,026	1,045,259	167,882	68,991	11,872	19,285	4,230	1,160	11,554	35,102	45,548	-	333,547	-	10,548	-	-	-	140,898	90,054	1,971,105	2,456,424
Total Segmental Income	-	8,002,982	3,381,589	3,082,831	2,080,932	1,900,896	354,419	429,407	102,526	19,476	107,748	234,252	50,349	-	345,100	-	11,826	-	610	-	140,898	90,054	6,575,997	13,759,898
Interest Expenses	-	-	-	-	(1,114,541)	(1,117,140)	(207,642)	(294,516)	(77,746)	(20,134)	(66,009)	(130,106)	-	-	-	-	-	-	-	-	-	-	(1,465,938)	(1,561,896)
Segmental Results	-	8,002,982	3,381,589	3,082,831	966,391	783,756	146,777	134,891	24,780	(658)	41,739	104,146	50,349	-	345,100	-	11,826	-	610	-	140,898	90,054	5,110,059	12,198,002
Insurance Claims and Benefits (Net)	-	(4,662,796)	(1,065,524)	(849,280)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,065,524)	(5,512,076)
Underwriting & Net Acquisition Costs	-	(1,085,869)	(647,646)	(465,841)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(647,646)	(1,551,710)
Increase in Life Insurance Fund	-	-	(605,154)	(1,212,574)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(605,154)	(1,212,574)
Change in Contract liability due to transfer of one off surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & Amortization	-	(80,787)	(4,298)	-	(15,167)	(12,505)	(2,826)	(3,177)	(1,058)	(217)	(898)	(1,403)	(46)	-	(1,930)	-	-	-	-	-	(1,469)	(2,209)	(27,692)	(100,298)
Other Operating Expenses	-	(1,430,202)	(988,090)	(456,065)	(538,054)	(492,829)	(96,514)	(125,201)	(16,138)	(8,559)	(30,682)	(55,309)	(4,887)	-	(37,149)	-	(8,054)	-	(744)	-	(245,649)	(101,748)	(1,965,961)	(2,669,913)
Impairment Charge/(Reversal)	-	(199,000)	-	-	(252,580)	(211,201)	(95,797)	(116,194)	1	365	(121,952)	(62,988)	-	-	-	-	-	-	-	-	-	-	(470,328)	(589,018)
Finance Cost	-	(16,853)	-	(679)	-	-	-	-	-	-	-	-	(34,861)	-	-	-	(17,753)	-	-	-	(658,251)	(921,357)	(710,865)	(938,889)
Profit / (Loss) from Ordinary Activities before Tax	-	527,475	70,877	98,392	160,590	67,221	(48,360)	(109,681)	7,585	(9,069)	(111,793)	(15,554)	10,555	-	306,021	-	(13,981)	-	(134)	-	(764,471)	(935,260)	(383,111)	(376,476)
Corporate Taxation	-	(118,642)	-	-	-	(3,724)	-	(946)	-	(65)	-	(418)	-	-	(2,393)	-	-	-	-	-	(15,962)	(15,152)	(18,355)	(138,947)
Net Profit/(Loss) for the Period	-	408,833	70,877	98,392	160,590	63,497	(48,360)	(110,627)	7,585	(9,134)	(111,793)	(15,972)	10,555	-	303,628	-	(13,981)	-	(134)	-	(780,433)	(950,412)	(401,467)	(515,423)
	Non Life Insurance		Life Insurance		Lease & Hire Purchase		Loans		Pawning		Factoring		Investment		Financial Services		Property Development		Secreterial		Unallocated		Total	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Segmental Assets	-	22,316,953	18,891,186	13,470,759	13,289,776	13,409,241	2,475,919	3,406,564	927,047	232,890	787,096	1,504,888	10,102,613	2,754,694	40,527,146	-	1,606,955	-	4,818	-	1,189,936	312,080	89,802,491	57,408,069
Segmental Liabilities	-	14,988,881	11,530,317	11,724,360	11,497,756	11,708,591	2,142,061	2,974,521	802,042	203,353	680,962	1,314,028	3,643,243	-	39,068,544	-	1,616,574	-	2,917	-	8,578,984	8,876,346	79,563,399	51,790,080

Figures in brackets indicate deductions.

The above unaudited figures are provisional and subject to audit

1 Corporate Information

Domicile and Legal Form

Janashakthi PLC is a limited liability company incorporated and domiciled in Sri Lanka. The registered office of the Company is located at 02 Deal Place, Colombo 03, and the principle place of business is located at No. 75, Kumaran Ratnam Road, Colombo 02.

Principle Activities and Nature of Operations

The principle activities of the Company and each of its subsidiaries are as follows.

Janashakthi PLC - Investing in subsidiaries and providing related services.

Janashakthi Insurance PLC – Undertaking and carry out all classes of Life Insurance, Insurance related services and Investments.

Janashakthi Capital Ltd – Investing in subsidiaries and providing related services.

Orient Capital Ltd which is an investment company is a subsidiary of Janashakthi Capital Ltd.

Dunamis Capital PLC - The Company manages a portfolio of investments consisting of different business operations, which together constitute the Dunamis Group. The corporate office provides function based services to its subsidiaries. First Capital Holdings PLC, Kelsey Development PLC & KHL Corporate Services Limited are subsidiaries of Dunamis Capital PLC.

Orient Finance PLC (Formerly known as Bartleet Finance PLC) which is a Finance and Leasing company approved under Finance Leasing Act No. 56 of 2000.

2 Basis of Preparation

The Interim Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards - LKAS 34 - Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018. The Interim Financial Statements were approved by Board of Directors on 22 February 2019. Figures in these Interim Financial Statements for the Nine months ended 31 December 2018 are provisional and subject to audit.

Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except land and building at the revalued amount, biological assets, financial assets and financial liabilities at fair value through profit / loss and available for sale financial assets that have been measured at fair value.

These Financial Statements are presented in Sri Lankan Rupees and all values are rounded to the nearest thousand (LKR '000) unless otherwise indicated.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2018. Financial Statements for the Nine Months ended 30 September 2018 of Janashakthi Insurance PLC are considered for the purpose of consolidation as the reporting date is different.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

The Group accounts comprise, the consolidation of accounts of Janashakthi PLC as at 31 December 2018 which are given below:

Subsidiary	Percentage Holdings (Direct)
Janashakthi Insurance PLC	74.23%
Janashakthi Capital Ltd	100%
Orient Finance PLC (Formerly known as Bartleet Finance PLC)	89.81%
Dunamis Capital PLC	98.08%

3 Restricted Regulatory Reserve - Janashakthi Insurance PLC (JIPLC)

The Insurance Regulatory Commission of Sri Lanka (IRCSL) implemented the Risk Based Capital (RBC) regime for insurers of Sri Lanka with effect from 01st January 2016. Accordingly, the policy liability valuation methodology transitioned from Net Premium Valuation (NPV) methodology to Gross Premium Valuation (GPV) methodology. This regime change resulted in reduction in policy liabilities leading to a significant increase in surplus, which was termed "One-off unallocated surplus". As per the IRCSL recommendations this surplus was quantified and held within the life fund up to 31 December 2016. In 2017 with the approval of the IRCSL the one-off surplus was transferred to shareholders fund and held as at 31 December 2017.

The distribution of the one-off surplus to shareholders, held as part of the Restricted Regulatory Reserve, is subject to meeting governance requirements stipulated by the Insurance Regulatory Commission of Sri Lanka (IRCSL) and can only be released upon receiving approval from the IRCSL. The one-off Surplus in the Shareholder Fund will remain invested in financial assets as per the direction of IRCSL.

4 Investment in Shares of Janashakthi Insurance PLC

Janashakthi PLC acquired 2,794,435 number of shares of Janashakthi Insurance PLC for Rs. 60,220,077/- during April 2018 to September 2018. With this transaction Janashakthi PLC's holding in Janashakthi Insurance PLC increased to 74.23% from 73.58%.

5 Investment in Subsidiary - Dunamis Capital PLC

Janashakthi PLC purchased 38,294,562 Shares in Dunamis Capital PLC on the 13th of September 2018 which constitutes 31.14 % of the issued ordinary shares of Dunamis Capital PLC at a price of Rs. 36.60 per share. The aforesaid purchase was made from Nextventures Limited and Mr. Dinesh Schaffter. Consequent to the said purchase Janashakthi PLC became the holder of 50,595,736 shares made up of a 10% stake in Dunamis Capital PLC already held by Janashakthi PLC and a further 31.14 % acquired via the aforesaid transaction totaling to 41.14% of the issued shares of Dunamis Capital PLC. Janashakthi PLC made a voluntary offer to purchase from the shareholders of Dunamis Capital PLC the remaining 72,401,314 shares of Dunamis Capital PLC constituting 58.86% of the shares in issue at Dunamis Capital PLC for a price of Rs. 36.60 per share. Accordingly, at the completion of the Voluntary Offer, Janashakthi PLC holds 120,627,202 ordinary shares in Dunamis Capital PLC, equivalent to 98.08% of the total shareholding.

6 Shareholders' Loan

On 28th September 2018, Janashakthi PLC issued 4,899,800 shares at Rights Issue (Rs. 3 bn) to convert part of the share holders' loan to equity.

Janashakthi PLC issued 16,000,000 unlisted, unsecured, redeemable, five year fixed rate (12% pa) debentures at 100/- each.

7 Change in Accounting Policy for Investments in Subsidiaries - Company

As per "LKAS 27 - Separate Financial Statements", Company has amended the accounting policy for investments in subsidiaries from cost to fair value method (in accordance with "SLFRS 9" - Financial Instruments) with the objective of fair presentation. Accordingly comparative figures have been adjusted by restating each of the affected financial statement line items for prior periods as stated below,

Impact to statement of financial position	As previously reported Rs'000	Adjustment Rs'000	Restated Rs'000
As at 31 March 2017			
Investment in Subsidiaries	7,103,139	805,937	7,909,076
Others	2,438,499	-	2,438,499
Total Assets	9,541,638	805,937	10,347,575
Total Liabilities	8,462,335	-	8,462,335
Retained Earnings	979,303	-	979,303
Fair Value adjustments on Available for sale assets	-	805,937	805,937
Stated Capital	100,000	-	100,000
Total Equity	1,079,303	805,937	1,885,240
As at 31 March 2018			
Investment in Subsidiaries	4,189,507	3,198,481	7,387,988
Others	7,489,775	-	7,489,775
Total Assets	11,679,282	3,198,481	14,877,763
Total Liabilities	11,157,887	-	11,157,887
Retained Earnings	421,395	-	421,395
Fair Value adjustments on Available for sale assets	-	3,198,481	3,198,481
Stated Capital	100,000	-	100,000
Total Equity	521,395	3,198,481	3,719,876

Impact to profit or loss and other comprehensive income for the Nine months ended 31 December 2017	As previously reported Rs'000	Adjustment Rs'000	Restated Rs'000
Loss for the period	(823,984)	-	(823,984)
Change in fair value of investment in AFS	-	1,178,610	1,178,610
Other Comprehensive Income	-	1,178,610	1,178,610
Total Comprehensive Income	(823,984)	1,178,610	354,626

8 Contingent Liabilities

There are no significant changes in the nature of the Contingent Liabilities which were disclosed in the Audited Financial Statements for the year ended 31 st March 2018.

9 Contingent Assets

The Group has no contingent assets as at the reporting date.

10 Events after the Reporting Date

There are no material events that took place after the reporting date that require adjustments to or disclosure in the Financial Statements.

11 Non Financial Information

	31/12/2018	31/03/2018
Net Assets Value per Share - Group (Rs)	1,328.40	6,299.86
Company (Rs)	1,145.50	4,959.83

12 Shareholders As At 31 December 2018

Name of Shareholder	No. of Shares	%
Mr. P.A.Schaffter	2,824,900	50.00
Mr. R.Schaffter	2,824,900	50.00
Total	5,649,800	100

13 Directors' Shareholdings As At 31 December 2018

Name of Director	No. of Shares
Mr. P.A.Schaffter	2,824,900
Mr. R.Schaffter	2,824,900
	5,649,800

14 Board of Directors

Mr. R.Schaffter - Director / CEO
Mr. P.A.Schaffter - Director
Mr. C.T.A.Schaffter - Director
Mr. A.D.E.I.Perera - Independent Non - Executive Director
Mr. Mohan Dias - Independent Non - Executive Director

15 Stock Exchange Listing

The Debentures of the Company are listed on the Main Board of the Colombo Stock Exchange of Sri Lanka.

16 Secretary to the Company

K H L Corporate Services Limited
No. 15, Walukarama Road,
Colombo 03.

17 External Auditors

M/s Hulugalle Samarasinghe & Co
No. 267/19, Galle Road,
Colombo 03.

Janashakthi PLC & Its Subsidiaries

INFORMATION ON DEBENTURES

Market Value of Listed Debentures

	For the Nine Months Ended		For the Three Months Ended	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
Highest (Rs.)	97.71	96.15	Not Traded	Not Traded
Lowest (Rs.)	97.36	95.99	Not Traded	Not Traded
Last Traded (Rs.)	97.36	96.15	Not Traded	Not Traded

Yield to Maturity as at date of last trade - -

Interest Yield as at date of last trade - -

Interest Rate	Coupon Rate	Effective Rate
05 Year Fixed	10.75%	10.75%

	As At 31-Dec-18	As At 31-Dec-17
Interest Rates of Comparable Government Securities	10.48%	9.52%

Other Ratios - Company	As At 31-Dec-18	As At 31-Dec-17
Debt to Equity Ratio (%)	139.13	415.83
Interest Cover (Times)	-0.16	0.12
Quick Asset Ratio (Times)	0.15	0.09