

Central Finance Company PLC

Rated A+(lka) by Fitch Ratings Lanka Ltd.

INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2016

CENTRAL FINANCE COMPANY PLC CONSOLIDATED INCOME STATEMENT						
	Group			Company		
For the six months ended 30th September	2016	2015	Increase	2016	2015	Increase
	Unaudited	Unaudited	(decrease)	Unaudited	Unaudited	(decrease)
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Income	8,719,275	8,013,727	8.80	7,400,263	6,717,665	10.16
Interest income	6,816,591	6,166,023	10.55	6,790,163	6,162,409	10.19
Less: Interest expenses	1,986,769	1,811,816	9.66	1,996,803	1,822,071	9.59
Net interest income	4,829,822	4,354,207	10.92	4,793,360	4,340,338	10.44
Other revenue	1,369,623	1,352,104	1.30	-	-	-
Less: cost of sales	919,943	901,472	2.05	-	-	-
Gross profit	449,680	450,632	(0.21)	-	-	-
Other operating income	217,497	177,343	22.64	217,497	177,480	22.55
Other income	315,564	318,257	(0.85)	392,603	377,776	3.92
	5,812,563	5,300,439	9.66	5,403,460	4,895,594	10.37
Less: Operating expenses						
Personnel expenses	838,117	796,896	5.17	715,568	685,423	4.40
Premises, equipment and establishment expenses	792,398	763,019	3.85	768,726	720,603	6.68
Employee retirement benefit expenses	87,520	77,811	12.48	79,400	71,400	11.20
Impairment of goodwill	-	13,979	(100.00)	-	-	-
Other expenses	506,236	426,759	18.62	453,391	373,428	21.41
	2,224,271	2,078,464	7.02	2,017,085	1,850,854	8.98
Profit before impairment on loans and other credit losses	3,588,292	3,221,975	11.37	3,386,375	3,044,740	11.22
Less: Impairment on loans and other credit losses	55,750	407,262	(86.31)	55,902	408,664	(86.32)
	3,532,542	2,814,713	25.50	3,330,473	2,636,076	26.34
Share of profit of associates	450,370	431,331	4.41	-	-	-
Profit before VAT on financial services, NBT and income tax	3,982,912	3,246,044	22.70	3,330,473	2,636,076	26.34
Less: VAT on financial services and NBT	372,366	203,679	82.82	372,036	203,419	82.89
Profit before income tax	3,610,546	3,042,365	18.68	2,958,437	2,432,657	21.61
Less: Income tax expense	1,063,993	900,657	18.14	828,363	681,144	21.61
Profit after income tax	2,546,553	2,141,708	18.90	2,130,074	1,751,513	21.61
Attributable to equity holders of the parent	2,486,207	2,081,119	19.46	2,130,074	1,751,513	21.61
Attributable to non-controlling interest	60,346	60,589	(0.40)	-	-	-
Net profit for the period	2,546,553	2,141,708	18.90	2,130,074	1,751,513	21.61
Basic and diluted earnings per share - Rs.	11.47	9.60				

The annexed notes form an integral part of these interim financial statements.

CENTRAL FINANCE COMPANY PLC CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
	Group			Company		
For the six months ended 30th September	2016	2015	Increase	2016	2015	Increase
	Unaudited	Unaudited	(decrease)	Unaudited	Unaudited	(decrease)
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Profit for the period	2,546,553	2,141,708	18.90	2,130,074	1,751,513	21.61
Other comprehensive income to be reclassified to income statement						
Fair value changes in AFS financial assets						
Equity securities - quoted	20,083	59,767	(66.40)	20,083	59,767	(66.40)
	20,083	59,767	(66.40)	20,083	59,767	(66.40)
Add / (less): share of other comprehensive income / (losses) of associates	84,781	(13,329)	736.06	-	-	-
Income tax effect	(23,739)	3,732	736.09	-	-	-
	61,042	(9,597)	736.06	-	-	-
Total other comprehensive income to be reclassified to income statement	81,125	50,170	61.70	20,083	59,767	(66.40)
Other comprehensive income for the period (net of tax)	81,125	50,170	61.70	20,083	59,767	(66.40)
Total comprehensive income for the period	2,627,678	2,191,878	19.88	2,150,157	1,811,280	18.71
Attributable to equity holders of the parent	2,567,332	2,131,289	20.46	2,150,157	1,811,280	18.71
Attributable to non-controlling interest	60,346	60,589	(0.40)	-	-	-
Total comprehensive income for the period	2,627,678	2,191,878	19.88	2,150,157	1,811,280	18.71

The annexed notes form an integral part of these interim financial statements.

CENTRAL FINANCE COMPANY PLC CONSOLIDATED INCOME STATEMENT						
	Group			Company		
For the three months ended 30th September	2016	2015	Increase	2016	2015	Increase
	Unaudited	Unaudited	(decrease)	Unaudited	Unaudited	(decrease)
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Income	4,497,661	4,098,449	9.74	3,794,778	3,386,349	12.06
Interest income	3,479,233	3,104,001	12.09	3,463,501	3,100,635	11.70
Less: Interest expenses	1,026,574	904,415	13.51	1,031,682	908,900	13.51
Net interest income	2,452,659	2,199,586	11.51	2,431,819	2,191,735	10.95
Other revenue	748,264	748,348	(0.01)	-	-	-
Less: cost of sales	505,086	494,108	2.22	-	-	-
Gross profit	243,178	254,240	(4.35)	-	-	-
Other operating income	108,872	88,332	23.25	108,872	88,433	23.11
Other income	161,292	157,768	2.23	222,405	197,281	12.74
	2,966,001	2,699,926	9.85	2,763,096	2,477,449	11.53
Less: Operating expenses						
Personnel expenses	422,482	398,361	6.06	361,064	341,071	5.86
Premises, equipment and establishment expenses	413,524	394,171	4.91	407,524	368,571	10.57
Employee retirement benefit expenses	43,703	38,087	14.75	40,500	35,700	13.45
Impairment of goodwill	-	13,979	(100.00)	-	-	-
Other expenses	261,640	213,608	22.49	227,249	191,891	18.43
	1,141,349	1,058,206	7.86	1,036,337	937,233	10.57
Profit before impairment on loans and other credit losses	1,824,652	1,641,720	11.14	1,726,759	1,540,216	12.11
Less: Impairment on loans and other credit losses	891	172,846	(99.48)	1,063	173,082	(99.39)
	1,823,761	1,468,874	24.16	1,725,696	1,367,134	26.23
Share of profit of associates	236,110	203,895	15.80	-	-	-
Profit before VAT on financial services, NBT and income tax	2,059,871	1,672,769	23.14	1,725,696	1,367,134	26.23
Less: VAT on financial services and NBT	182,358	111,787	63.13	182,248	111,747	63.09
Profit before income tax	1,877,513	1,560,982	20.28	1,543,448	1,255,387	22.95
Less: Income tax expense	567,285	466,755	21.54	432,166	351,508	22.95
Profit after income tax	1,310,228	1,094,227	19.74	1,111,282	903,879	22.95
Attributable to equity holders of the parent	1,274,968	1,054,726	20.88	1,111,282	903,879	22.95
Attributable to non-controlling interest	35,260	39,501	(10.74)	-	-	-
Net profit for the period	1,310,228	1,094,227	19.74	1,111,282	903,879	22.95
Basic and diluted earnings per share - Rs.	5.88	4.87				
The annexed notes form an integral part of these interim financial statements.						

CENTRAL FINANCE COMPANY PLC CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
	Group			Company		
For the three months ended 30th September	2016	2015	Increase	2016	2015	Increase
	Unaudited	Unaudited	(decrease)	Unaudited	Unaudited	(decrease)
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Profit for the period	1,310,228	1,094,227	19.74	1,111,282	903,879	22.95
Other comprehensive income to be reclassified to income statement						
Fair value changes in AFS financial assets						
Equity securities - quoted	9,360	45,215	(79.30)	9,360	45,215	(79.30)
	9,360	45,215	(79.30)	9,360	45,215	(79.30)
Add / (less): share of other comprehensive income / (losses) of associates	47,525	(33,467)	242.01	-	-	-
Income tax effect	(13,307)	9,371	242.00	-	-	-
	34,218	(24,096)	(242.02)	-	-	-
Total other comprehensive income to be reclassified to income statement	43,578	21,119	106.34	9,360	45,215	(79.30)
Other comprehensive income for the period (net of tax)	43,578	21,119	106.34	9,360	45,215	(79.30)
Total comprehensive income for the period	1,353,806	1,115,346	21.38	1,120,642	949,094	18.07
Attributable to equity holders of the parent	1,318,546	1,075,845	22.56	1,120,642	949,094	18.07
Attributable to non-controlling interest	35,260	39,501	(10.74)	-	-	-
Total comprehensive income for the period	1,353,806	1,115,346	21.38	1,120,642	949,094	18.07
The annexed notes form an integral part of these interim financial statements.						

CENTRAL FINANCE COMPANY PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

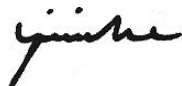
As at	Group		Company	
	30.09.2016	31.03.2016	30.09.2016	31.03.2016
	Unaudited	Audited	Unaudited	Audited
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS				
Cash in hand and at banks	518,042	520,603	477,110	463,385
Fair value through profit or loss financial assets	48,734	39,992	33,220	33,760
Tax receivables	1,199	1,774	-	-
Trade and other receivables	1,010,226	1,111,206	370,655	361,365
Equity investments classified as AFS investments	254,911	234,820	248,417	228,326
Inventories and other stocks	1,223,603	1,191,974	706,353	706,605
Securities bought under repurchase agreements	2,781,820	2,787,948	2,781,820	2,787,948
Loans and receivables from banks	919,336	844,425	914,090	839,263
Loans and receivables from others	918,557	968,679	269,433	465,932
Loans and receivables from customers	6,015,591	4,400,698	6,119,560	4,562,610
Net investment in leases and hire purchase	56,552,016	56,045,775	56,544,928	56,031,948
Investments in real estate	34,175	37,549	28,303	30,874
Investment property	41,250	41,250	-	-
Investments in associates	3,855,905	3,537,114	523,458	523,458
Investments in subsidiaries	-	-	620,964	620,964
Deferred tax asset	11,714	11,789	-	-
Property, plant and equipment	6,294,265	5,925,833	4,979,755	4,620,447
Intangible assets	104,013	106,099	103,433	105,392
Total assets	80,585,357	77,807,528	74,721,499	72,382,277
LIABILITIES				
Bank overdrafts	862,952	670,937	809,127	666,082
Tax payables	620,416	902,102	586,475	817,715
Trade and other payables	1,806,031	1,553,875	1,392,661	1,195,719
Amounts due to subsidiaries	-	-	170,449	172,922
Derivative financial instruments	-	61	-	61
Short term borrowings	993,079	1,194,407	993,079	1,194,407
Public deposits	34,866,498	34,299,143	35,100,740	34,483,812
Debentures	6,492,484	6,638,981	6,492,484	6,638,981
Employee benefit obligations	1,000,300	927,335	883,362	818,566
Deferred tax liability	3,425,665	3,276,382	3,358,669	3,210,747
Total liabilities	50,067,425	49,463,223	49,787,046	49,199,012
SHAREHOLDERS' FUNDS				
Stated capital	1,337,564	568,420	1,337,564	568,420
Capital reserves	2,503,545	2,509,879	1,928,674	1,930,651
Reserve fund	1,396,000	1,396,000	1,396,000	1,396,000
Available for sale reserve	81,216	91	74,408	54,325
Revenue reserves	24,334,702	23,014,096	20,197,807	19,233,869
Funds attributable to equity holders of the parent	29,653,027	27,488,486	24,934,453	23,183,265
Non-controlling interest	864,905	855,819	-	-
	30,517,932	28,344,305	24,934,453	23,183,265
Total liabilities, shareholders' funds and non-controlling interest	80,585,357	77,807,528	74,721,499	72,382,277
Net asset value per share - Rs.	136.80	126.82	115.03	106.95

I certify that the above interim financial statements give a true and fair view of the state of affairs of the Company and the Group as at 30th September 2016 and its profit for the six months then ended.



U. B. Elangasinha
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these interim financial statements.
Approved and signed for and on behalf of the Board.



E.H. Wijenaik
Managing Director



G.S.N. Peiris
Director (Finance)

07th November 2016

The annexed notes form an integral part of these interim financial statements.

CENTRAL FINANCE COMPANY PLC
STATEMENT OF CHANGES IN EQUITY

Attributable to equity holders of the company

Group equity statement for the six months ended 30th September 2016	Stated capital	Capital reserves		Reserve fund	Available for sale reserve	General reserves	Retained earnings	Non-controlling interest	Total
		Revaluation reserve	Other capital reserves						
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2015	568,420	2,509,555	17,899	1,229,000	102,499	16,798,420	3,092,803	795,979	25,114,575
Net profit for the six months ended 30th September 2015	-	-	-	-	-	-	2,081,119	60,589	2,141,708
Other comprehensive income	-	-	-	-	50,170	-	-	-	50,170
Total comprehensive income for the six months ended 30th September 2015	-	-	-	-	50,170	-	2,081,119	60,589	2,191,878
Depreciation on revaluation surplus	-	(2,620)	-	-	-	-	2,620	-	-
Unclaimed dividends written back	-	-	-	-	-	-	356	320	676
Dividends for the year ended 31st March 2015	-	-	-	-	-	-	(277,941)	(49,499)	(327,440)
Balance as at 30th September 2015	568,420	2,506,935	17,899	1,229,000	152,669	16,798,420	4,898,957	807,389	26,979,689
Balance as at 1st April 2016	568,420	2,509,879	-	1,396,000	91	19,235,420	3,778,676	855,819	28,344,305
Net profit for the six months ended 30th September 2016	-	-	-	-	-	-	2,486,207	60,346	2,546,553
Other comprehensive income	-	-	-	-	81,125	-	-	-	81,125
Total comprehensive income for the six months ended 30th September 2016	-	-	-	-	81,125	-	2,486,207	60,346	2,627,678
Depreciation on revaluation surplus	-	(2,433)	-	-	-	-	2,433	-	-
Deferred tax attributable to revaluation surplus due to change in corporate tax rate	-	(3,901)	-	-	-	-	-	(1,958)	(5,859)
Capitalisation of reserves on scrip issue of shares	769,144	-	-	-	-	(769,144)	-	-	-
Withholding tax on scrip issue of shares	-	-	-	-	-	(84,319)	-	-	(84,319)
Unclaimed dividends written back	-	-	-	-	-	-	79	80	159
Dividends for the year ended 31st March 2016	-	-	-	-	-	-	(314,650)	(49,382)	(364,032)
Balance as at 30th September 2016	1,337,564	2,503,545	-	1,396,000	81,216	18,381,957	5,952,745	864,905	30,517,932

Company equity statement for the six months ended 30th September 2016	Stated capital	Revaluation reserve	Reserve fund	Available for sale reserve	General reserve	Retained earnings	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2015	568,420	1,934,604	1,229,000	86,537	16,787,239	8,576	20,614,376
Net profit for the six months ended 30th September 2015	-	-	-	-	-	1,751,513	1,751,513
Other comprehensive income	-	-	-	59,767	-	-	59,767
Total comprehensive income for the six months ended 30th September 2015	-	-	-	59,767	-	1,751,513	1,811,280
Depreciation on revaluation surplus	-	(1,977)	-	-	-	1,977	-
Dividends for the year ended 31st March 2015	-	-	-	-	-	(277,941)	(277,941)
Balance as at 30th September 2015	568,420	1,932,627	1,229,000	146,304	16,787,239	1,484,125	22,147,715
Balance as at 1st April 2016	568,420	1,930,651	1,396,000	54,325	19,224,239	9,630	23,183,265
Net profit for the six months ended 30th September 2016	-	-	-	-	-	2,130,074	2,130,074
Other comprehensive income	-	-	-	20,083	-	-	20,083
Total comprehensive income for the six months ended 30th September 2016	-	-	-	20,083	-	2,130,074	2,150,157
Depreciation on revaluation surplus	-	(1,977)	-	-	-	1,977	-
Capitalisation of reserves on scrip issue of shares	769,144	-	-	-	(769,144)	-	-
Withholding tax on scrip issue of shares	-	-	-	-	(84,319)	-	(84,319)
Dividends for the year ended 31st March 2016	-	-	-	-	-	(314,650)	(314,650)
Balance as at 30th September 2016	1,337,564	1,928,674	1,396,000	74,408	18,370,776	1,827,031	24,934,453
<p>Figures in brackets indicate deductions The annexed notes form an integral part of these interim financial statements.</p>							

CENTRAL FINANCE COMPANY PLC
CASH FLOW STATEMENT

For the six months ended 30th September	Group		Company	
	2016	2015	2016	2015
	Unaudited Rs.'000	Unaudited Rs.'000	Unaudited Rs.'000	Unaudited Rs.'000
Cash flows from operating activities				
Interest receipts	6,248,695	5,778,962	6,239,032	5,781,383
Interest payments	(933,344)	(1,054,422)	(939,449)	(1,056,467)
Recoveries on bad debts previously written off	86,139	72,437	86,139	72,400
Receipts from other operating activities	2,924,055	2,747,412	287,257	211,546
Cash payments to employees and suppliers	(3,932,709)	(3,793,660)	(1,641,411)	(1,557,340)
Operating profit before changes in operating assets	4,392,836	3,750,729	4,031,568	3,451,522
(Increase) / decrease in operating assets:				
(Investments) / divestments in government securities and receivables from banks maturing after 90 days	(1,200,000)	550,000	(1,200,000)	550,000
Loans to customers	(16,576,099)	(17,804,541)	(16,616,099)	(17,879,541)
Recoveries from customers	15,011,646	13,210,556	15,107,045	13,304,666
Others	(874,843)	(1,069,036)	(862,102)	(1,062,127)
Increase / (decrease) in operating liabilities:				
Net cash effect on public deposits	163,796	(764,849)	212,872	(848,764)
Net cash from operating activities before income tax	917,336	(2,127,141)	673,284	(2,484,244)
Income tax paid	(993,582)	(354,257)	(890,702)	(286,129)
Net cash outflow from operating activities	(76,246)	(2,481,398)	(217,418)	(2,770,373)
Cash flows from investing activities				
Dividends received from subsidiaries and associates	113,744	105,824	102,861	96,121
Dividends received from other companies	7,601	11,361	4,610	7,724
Investments in fixed deposits	(42,783)	(17,500)	-	-
Investments in unit trusts	(81,250)	(71,000)	-	-
Investments in debentures	(144,110)	(150,000)	-	-
Proceeds on divestment of unit trusts	128,759	118,662	-	-
Purchase of property, plant and equipment	(467,947)	(193,374)	(433,237)	(171,425)
Proceeds from disposal of property, plant and equipment	32,456	23,018	29,441	15,152
Net cash outflow from investing activities	(453,530)	(173,009)	(296,325)	(52,428)
Cash flows from financing activities				
Borrowings	2,840,000	4,883,972	2,840,000	4,400,000
Repayment of borrowings	(3,340,000)	(2,855,372)	(3,340,000)	(2,265,000)
Unclaimed dividends written back	159	568	-	-
Dividends paid to equity holders of the parent	(310,888)	(274,650)	(310,888)	(274,650)
Dividends paid to non-controlling interest	(49,382)	(49,497)	-	-
Net cash inflow / (outflow) from financing activities	(860,111)	1,705,021	(810,888)	1,860,350
Net decrease in cash and cash equivalents	(1,389,887)	(949,386)	(1,324,631)	(962,451)
Cash and cash equivalents at the beginning of the period	3,465,977	3,994,638	3,413,614	3,977,997
Cash and cash equivalents at the end of the period	2,076,090	3,045,252	2,088,983	3,015,546
Analysis of cash and cash equivalents				
Cash in hand and at banks	518,042	500,592	477,110	460,274
Investments in government securities	2,781,820	3,001,141	2,781,820	3,001,141
Receivables from banks	919,336	627,993	914,090	622,984
Effect of amortised interest cost	(76,156)	(30,114)	(74,910)	(29,105)
Investments in government securities maturing after 90 days	(1,200,000)	-	(1,200,000)	-
Receivables from banks maturing after 90 days	(4,000)	(4,000)	-	-
Bank overdrafts	(862,952)	(1,050,360)	(809,127)	(1,039,748)
Cash and cash equivalents at the end of the period	2,076,090	3,045,252	2,088,983	3,015,546

Figures in brackets indicate outflows.

The annexed notes form an integral part of these interim financial statements.

CENTRAL FINANCE COMPANY PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

1 The interim financial statements of the Company and the Group have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31st March 2016 and provide the information as required by the Colombo Stock Exchange and LKAS 34 - Interim Financial Reporting.

2 The presentation and classification of the financial statements for previous period has been amended where relevant for better presentation and to be comparable with those of the current period.

3 Stated capital is represented by number of shares in issue as given below:

	As at 30.09.2016	As at 30.06.2016
Ordinary shares	216,758,888	104,883,333

Company's ordinary shares were increased in July 2016 by subdividing each existing share into two shares. Subsequent to the subdivision, reserves amounting to Rs.769.14 Million were also capitalised at the rate of Rs.110/- per share through a scrip issue of shares in the proportion of 01 share for 30 shares. As a result, the number of shares increased to 216,758,888. Earnings per share and net assets per share of the previous periods were adjusted accordingly.

4 Market price per share

	Quarter ended 30.09.2016	Quarter ended 30.06.2016
	Rs.	Rs.
Highest	231.90	250.00
Lowest	110.00	210.00
Last traded	115.00	226.00

5 Number of shares held by individual Directors are as follows:

	As at 30.09.2016	As at 30.06.2016
J.D. Bandaranayake	Nil	Nil
E.H. Wijenaikie	33,405,854	16,164,123
G.S.N. Peiris	3,778,213	1,828,168
R.E. Rambukwelle	2,035,473	984,906
A.K. Gunaratne	1,726,233	835,274
D.P. de Silva	214,623	103,850
C.L.K.P. Jayasuriya	Nil	Nil
S.C.S. Wickramasinghe	Nil	Nil
F. Mohideen	Nil	Nil
A.D.B.Talwatte	Nil	N/A

6 Twenty largest shareholders of the Company are as follows:

	As at 30.09.2016		As at 30.06.2016	
	Number of shares	%	Number of shares	%
1 Corporate Services (Pvt) Ltd./A/C No.01	34,917,287	16.11	16,895,461	16.11
2 E.H. Wijenaikie	33,405,854	15.41	16,164,123	15.41
3 Employees' Provident Fund	23,280,525	10.74	11,264,770	10.74
4 Thurston Investments Limited	12,622,582	5.82	6,107,701	5.82
5 A.J. Wijenaikie	6,760,804	3.12	3,271,357	3.12
6 Waldock Mackenzie Limited / Perpetual Equities (Pvt) Limited	5,118,070	2.36	2,489,066	2.37
7 Perpetual Equities (Pvt) Ltd.	4,770,555	2.20	2,308,333	2.20
8 N.W. Wijegoonawardene	4,468,863	2.06	2,162,353	2.06
9 G.S.N. Peiris	3,778,213	1.74	1,828,168	1.74
10 B.P.De Silva Holdings (Pte) Ltd.	3,622,660	1.67	1,752,900	1.67
11 J.B. Cocoshell (Pvt) Ltd.	2,911,661	1.34	1,341,868	1.28
12 C.R. Dunuwille	2,787,069	1.29	1,348,582	1.29
13 N.M. Gunawardana	2,687,382	1.24	1,300,346	1.24
14 P.R. Munasinha	2,535,759	1.17	1,226,980	1.17
15 The Ceylon Investment PLC A/C No.02	2,410,136	1.11	1,166,195	1.11
16 P.M. Wijenaikie	2,100,105	0.97	1,016,180	0.97
17 Deutsche Bank AG - National Equity Fund	2,049,373	0.95	991,632	0.95
18 R.E. Rambukwelle	2,035,473	0.94	984,906	0.94
19 The Ceylon Guardian Investment Trust PLC A/C No.02	2,013,107	0.93	974,084	0.93
20 C. Kiriella	2,000,287	0.92	967,881	0.92

NOTES TO THE INTERIM FINANCIAL STATEMENTS**7 Information on listed debentures****7.1 Market value and traded yield**

There were no debenture trades during the quarter ended 30.09.2016 and the preceding quarter.

7.2 Yield of comparable government securities (%)

	As at 30.09.2016	As at 30.06.2016
03 year treasury bonds	11.15%	11.55%
04 year treasury bonds	11.23%	11.93%
05 year treasury bonds	11.19%	11.89%

7.3 Debt related ratios

	As at 30.09.2016	As at 30.06.2016
Debt/equity ratio (times)	1.74	1.78
Quick assets ratio (%)	80.53	81.73
Interest cover (times)	2.48	2.47

CENTRAL FINANCE COMPANY PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

8	Public holding	As at	As at
		30.09.2016	30.06.2016
	% Public holding	59.92%	59.93%
	Number of shareholders	2,730	2,692
9	Contingent liabilities	As at	As at
		30.09.2016	30.06.2016
		Rs.000	Rs.000
	Guarantees issued		
	Guarantees issued on behalf of depositors, fully secured on their deposits	76,715	79,165
	Performance bonds and warranties in respect of Letter of Credit facilities	51,133	42,977
		127,848	122,142
10	Interest expenses of the Group other than the parent & subsidiary, Isuru Leasing Company Limited are categorised under other expenses.		
11	According to the best of the knowledge and belief of the Directors, there have been no events subsequent to this interim period, which require adjustments to or disclosure in the Interim Financial Statements at the time of the issue of these financial statements to the shareholders.		

BUSINESS SEGMENT INFORMATION																		
For the six months ended 30th September																		
	Leasing, hire purchase and other advances		Medical services		Power generation		Manufacturing		Insurance broking		Investments		Real estate		Intra segmental adjustments		Total	
All figures in Rs.000	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue																		
Interest income	6,578,511	6,003,459	1,314	411	-	-	3,226	483	15,759	4,214	215,167	156,970	2,614	486	-	-	6,816,591	6,166,023
Other revenue	-	-	59,745	57,115	36,661	31,574	1,139,626	1,137,255	133,591	126,160	-	-	-	-	-	-	1,369,623	1,352,104
Other operating income	217,497	177,343	-	-	-	-	-	-	-	-	-	-	-	-	-	-	217,497	177,343
Other income	304,044	302,170	277	471	-	-	977	5,618	974	1,921	33,280	24,855	2,212	1,636	(26,200)	(18,414)	315,564	318,257
Income from external customers	7,100,052	6,482,972	61,336	57,997	36,661	31,574	1,143,829	1,143,356	150,324	132,295	248,447	181,825	4,826	2,122	(26,200)	(18,414)	8,719,275	8,013,727
Inter - segment income	15,466	16,092	2,072	3,357	3,093	2,292	65	209	11,450	12,956	73,712	68,423	18,028	18,150	(123,886)	(121,479)	-	-
Total income	7,115,518	6,499,064	63,408	61,354	39,754	33,866	1,143,894	1,143,565	161,774	145,251	322,159	250,248	22,854	20,272	(150,086)	(139,893)	8,719,275	8,013,727
Expenses																		
Interest expenses	1,835,377	1,676,855	-	-	-	-	-	-	-	-	149,804	132,479	1,588	2,482	-	-	1,986,769	1,811,816
Depreciation & amortisation	182,394	187,909	4,848	4,117	1,932	1,932	19,229	19,506	702	756	-	-	1,240	2,357	-	-	210,345	216,577
Cost of sales	-	-	23,806	22,305	9,400	8,734	868,990	852,473	-	-	-	-	-	-	-	-	902,196	883,512
Impairment on loans and other credit losses	56,171	407,071	-	-	-	-	(421)	191	-	-	-	-	-	-	-	-	55,750	407,262
Impairment of goodwill	-	13,979	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,979
Other operating and administrative expenses	1,821,156	1,650,851	27,166	27,265	1,813	2,266	127,112	135,260	51,416	46,388	181	122	2,829	3,716	-	-	2,031,673	1,865,868
Inter - segment expenses	3,895,098	3,936,665	55,820	53,687	13,145	12,932	1,014,910	1,007,430	52,118	47,144	149,985	132,601	5,657	8,555	-	-	5,186,733	5,199,014
Total expenses	3,924,371	3,965,807	55,820	53,687	13,145	12,932	1,014,910	1,007,668	57,112	51,817	157,472	141,169	5,657	8,555	(41,754)	(42,621)	5,186,733	5,199,014
Segment results	3,191,147	2,533,257	7,588	7,667	26,609	20,934	128,984	135,897	104,662	93,434	164,687	109,079	17,197	11,717	(108,332)	(97,272)	3,532,542	2,814,713
Share of profit of associates																	450,370	431,331
Profit before VAT on financial services, NBT and income tax																	3,982,912	3,246,044
Less: VAT on financial services and NBT																	372,366	203,679
Profit before income tax																	3,610,546	3,042,365
Less: Income tax expense																	1,063,993	900,657
Profit after income tax																	2,546,553	2,141,708
Non-controlling interest																	60,346	60,589
Profit attributable to equity holders of the parent																	2,486,207	2,081,119

CORPORATE INFORMATION

NAME OF COMPANY

Central Finance Company PLC

LEGAL FORM

A Quoted Public Company with limited liability incorporated in Sri Lanka on 5th December 1957 and registered under the Companies Act No.07 of 2007.

Registered under Finance Business Act No.42 of 2011 and Finance Leasing Act No.56 of 2000.

Approved Credit Agency under:

- Mortgage Act No.6 of 1949
- Trust Receipt Ordinance No.12 of 1947

COMPANY REGISTRATION NUMBER

PQ 67

DIRECTORS

J. D. Bandaranayake	- Independent Non - executive Director / Chairman
E. H. Wijenaik	- Managing Director / Chief Executive Officer
G. S. N. Peiris	- Director (Finance)
R. E. Rambukwelle	- Director (Marketing and Operations)
A. K. Gunaratne	- Director (Group Co-ordination)
D. P. de Silva	- Director (Credit)
C. L. K. P. Jayasuriya	- Non - executive Director
S. C. S. Wickramasinghe	- Independent Non - executive Director
F. Mohideen	- Independent Non - executive Director
A.D.B.Talwatte	- Independent Non - executive Director

STOCK EXCHANGE LISTING

The ordinary shares of the Company and the debentures are listed on the Colombo Stock Exchange.

HEAD / REGISTERED OFFICE

84, Raja Veediya, Kandy.

Telephone : 081 - 2227000

Facsimile : 081 - 2232047

CITY OFFICE

270, Vauxhall Street, Colombo 2.

Telephone : 011 - 2300555

Facsimile : 011 - 2300441

E-mail : cenfin@cf.lk

Website : www.centralfinance.lk

BRANCH OFFICES

Akuressa, Alawwa, Aluthgama, Ambalangoda, Ampara, Anuradhapura, Aralaganwila, Avissawella, Badulla, Bakamuna, Balangoda, Bandaragama, Bandarawela, Batticaloa, Chilaw, Dambulla, Dehiattakandiya, Digana, Divulapitiya, Elpitiya, Embilipitiya, Galewela, Galle, Gampaha, Gampola, Giriulla, Godakawela, Hambantota, Hanwella, Hatton, Hingurakgoda, Hiripitiya, Homagama, Horana, Ja-Ela, Jaffna, Kaduwela, Kalmunai, Kalutara, Kantale, Kegalle, Kekirawa, Killinochchi, Kiribathgoda, Kirindiwela, Kuliypitiya, Kurunegala, Maharagama, Mahiyanganaya, Maho, Malabe, Mannar, Maradana, Matale, Matara, Matugama, Mawanella, Mawathagama, Melsiripura, Minuwangoda, Mirigama, Monaragala, Narammala, Nawalapitiya, Negombo, Nikaweratiya, Nittambuwa, Nochchiyagama, Nugegoda, Nuwaraeliya, Panadura, Pilimathalawa, Piliyandala, Polonnaruwa, Pottuvil, Puttalam, Ragama, Rambukkana, Ratmalana, Ratnapura, Rikillagaskada, Talawathugoda, Tambuttegama, Tissamaharama, Trincomalee, Vavuniya, Warakapola, Wariyapola, Wattala, Welimada, Wellawaya, Wennappuwa.

BANKERS

Bank of Ceylon
Citibank N.A.
Commercial Bank of Ceylon PLC
Hatton National Bank PLC
NDB Bank PLC
Nations Trust Bank PLC
People's Bank
Sampath Bank PLC
Standard Chartered Bank
Seylan Bank PLC
DFCC Bank PLC