



INTERIM FINANCIAL STATEMENTS

For the Year ended 31st March 2015

VALLIBEL FINANCE PLC
Income Statement

Amounts in Rupees '000

	Quarter ended 31st March			Year ended 31st March		
	2015	2014	Change %	2015	2014 (Audited)	Change %
Gross Income	742,469	688,573	7.8	2,896,187	2,570,624	12.7
Interest Income	710,533	643,762	10.4	2,799,746	2,451,801	14.2
Interest Expense	(331,528)	(354,614)	(6.5)	(1,344,338)	(1,340,465)	0.3
Net Interest Income	379,005	289,148	31.1	1,455,408	1,111,336	31.0
Fee and Commission Income	15,605	11,722	33.1	50,315	43,082	16.8
Net Fee and Commission Income	15,605	11,722	33.1	50,315	43,082	16.8
Net Gain / (Loss) from Trading	(806)	288	(379.7)	(117)	903	(113.0)
Other Operating Income	17,137	32,800	(47.8)	46,244	74,838	(38.2)
Total Operating Income	410,941	333,959	23.1	1,551,849	1,230,160	26.2
Impairment Charges for Loans and other losses	(6,676)	(59,261)	(88.7)	(239,203)	(210,654)	13.6
Net Operating Income	404,265	274,698	47.2	1,312,646	1,019,506	28.8
Operating Expenses						
Personnel Expenses	(94,393)	(67,924)	39.0	(336,574)	(251,662)	33.7
Premises Equipment and Establishment Expenses	(20,877)	(13,833)	50.9	(66,321)	(55,105)	20.4
Other Expenses	(73,440)	(32,585)	125.4	(276,808)	(223,728)	23.7
Operating Profit Before Value Added Tax & NBT	215,554	160,355	34.4	632,943	489,010	29.4
Value Added Tax on Financial Services & NBT	(25,807)	(14,676)	75.8	(74,302)	(46,007)	61.5
Profit Before Income Tax	189,747	145,679	30.2	558,641	443,003	26.1
Income Tax Expense	(69,777)	(45,555)	53.2	(185,854)	(139,093)	33.6
Profit for the Period	119,970	100,124	19.8	372,787	303,910	22.7
Earnings Per Share (Annualised)	11.55	9.64	19.8	8.97	7.31	22.7

VALLIBEL FINANCE PLC
Statement of Other Comprehensive Income

Amounts in Rupees '000

	Quarter ended 31st March			Year ended 31st March		
	2015	2014	Change	2015	2014	Change
			%		(Audited)	%
Profit for the period	119,970	100,124	19.8	372,787	303,910	22.7
Other Comprehensive Income For the Period, Net of Tax						
Other Comprehensive Income not to be reclassified to Income Statement						
Acturial Gains / (Losses) on Retirement Benefit Plans	(4,183)	(1,489)	181.0	(4,183)	(1,489)	181.0
Deffered Tax Charge / (Reversal) on Actuarial Gains / (Losses)	1,171	417	181.0	1,171	417	181.0
Total Other Comprehensive Income not to be reclassified to Income Statement	(3,012)	(1,072)	181.0	(3,012)	(1,072)	181.0
Other Comprehensive Income to be reclassified to Income Statement						
Gains / (Losses) on remeasuring Available For Sale Financial Assets	(7,635)	(1,616)	372.5	5,203	4,055	28.3
Total Other Comprehensive Income to be reclassified to Income Statement	(7,635)	(1,616)	372.5	5,203	4,055	28.3
Total Other Comprehensive Income for the Period, Net of Tax	(10,647)	(2,688)	296.1	2,190	2,983	(26.6)
Total Comprehensive Income for the Period	109,323	97,437	12.2	374,977	306,893	22.2

VALLIBEL FINANCE PLC
Statement of Financial Position

Amounts in Rupees '000

	As at 31st March 2015	As at 31st March 2014 (Audited)	Change %
Assets			
Cash and Cash Equivalents	357,723	311,613	14.8
Placements with Banks and Other Finance Companies	1,768,499	1,146,245	54.3
Reverse Repurchase Agreements	1,353,478	112,017	1,108.3
Financial Investments - Held for Trading	4,822	5,102	(5.5)
Loans and Receivables to Other Customers	3,307,495	1,149,653	187.7
Lease Rental and Hire Purchase Receivables	9,261,380	8,788,528	5.4
Financial Investments - Available for Sale	120,530	113,965	5.8
Financial Investments - Held to Maturity	296,296	612,635	(51.6)
Other Financial Assets	11,806	7,913	49.2
Property, Plant and Equipment	181,173	127,326	42.3
Intangible Assets	4,189	4,356	(3.8)
Deferred Tax Assets	66,516	33,786	96.9
Other Assets	159,600	165,575	(3.6)
Total Assets	16,893,507	12,578,714	34.3
Liabilities			
Bank Overdrafts	463,537	233,879	98.2
Rental Received in Advance	170,420	136,928	24.5
Deposits due to Customers	12,162,097	9,299,978	30.8
Interest bearing Borrowings	299,523	542,517	(44.8)
Subordinated Term Debts	1,859,653	898,089	107.1
Current Tax Liabilities	93,291	88,295	5.7
Deferred Tax Liabilities	88,459	74,289	19.1
Other Liabilities	220,231	111,124	98.2
Retirement Benefit Obligations	22,126	12,872	71.9
Total Liabilities	15,379,337	11,397,971	34.9
Equity			
Stated Capital	287,153	287,153	-
Statutory Reserves	280,524	333,907	(16.0)
Available For Sale Reserve	9,258	4,055	128.3
General Reserve	7,500	7,500	-
Retained Earnings	929,735	548,128	69.6
Total Equity	1,514,170	1,180,743	28.2
Total Liabilities and Equity	16,893,507	12,578,714	34.3
Net Assets Value Per Share (Rs.)	36.44	28.42	28.2

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


Certification

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


K.D. Menaka Sameera
Head of Finance

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

Approved and signed for and on behalf of the Board :


Dhammika Perera
Executive Director


S.B. Rangamuwa
Managing Director

22nd May 2015
Colombo.

VALLIBEL FINANCE PLC
Statement of Changes in Equity

For the year ended	Amounts in Rupees '000						
	Stated Capital	Statutory Reserves		Available For Sale Reserve	General Reserve	Retained Earnings	Total Equity
	Rs.	Reserve Fund Rs.	Investment Fund Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01st April 2013	287,153	145,185	92,396	-	7,500	403,942	936,176
Total Comprehensive Income for the Year							
Profit for the Year	-	-	-	-	-	303,910	303,910
Other Comprehensive Income, net of Tax	-	-	-	4,055	-	(1,072)	2,983
Total Comprehensive Income for the Year	-	-	-	4,055	-	302,838	306,893
Transactions with Equity Holders of the Company							
Contributions and Distributions							
Dividends	-	-	-	-	-	(62,326)	(62,326)
Total Contributions and Distributions	-	-	-	-	-	(62,326)	(62,326)
Investment Fund Account Transfers	-	-	35,544	-	-	(35,544)	-
Statutory Reserve Transfers	-	60,782	-	-	-	(60,782)	-
Balance as at 31st March 2014	287,153	205,967	127,940	4,055	7,500	548,128	1,180,743
Balance as at 01st April 2014	287,153	205,967	127,940	4,055	7,500	548,128	1,180,743
Total Comprehensive Income for the Year							
Profit for the Year	-	-	-	-	-	372,787	372,787
Other Comprehensive Income, net of Tax	-	-	-	5,203	-	(3,012)	2,190
Total Comprehensive Income for the Year	-	-	-	5,203	-	369,775	374,977
Transactions with Equity Holders of the Company							
Contributions and Distributions							
Dividends	-	-	-	-	-	(41,551)	(41,551)
Total Contributions and Distributions	-	-	-	-	-	(41,551)	(41,551)
Investment Fund Account Transfers	-	-	14,105	-	-	(14,105)	-
Investment Fund Account Re-Transfers	-	-	(142,045)	-	-	142,045	-
Statutory Reserve Transfers	-	74,557	-	-	-	(74,557)	-
Balance as at 31st March 2015	287,153	280,524	-	9,258	7,500	929,735	1,514,170

VALLIBEL FINANCE PLC**Cash Flow Statement**

For the period ended	Amounts in Rupees '000	
	31st March 2015	31st March 2014 (Audited)
Cash Flow From Operating Activities		
Interest and Commission Receipts	2,747,689	2,420,390
Interest Payments	(1,322,114)	(1,328,064)
Cash Receipts from Customers	43,763	75,150
Cash Payments to Employees and Suppliers	(597,823)	(480,935)
Operating Profit Before Changes in Operating Assets and Liabilities	871,515	686,541
(Increase) / Decrease in Operating Assets		
Short Term Funds	35,654	(1,648)
Deposits held for Regulatory or Monetary Control Purposes	459,360	(320,931)
Funds Advanced to Customers	(2,768,599)	(2,348,996)
Other Short Term Negotiable Securities	(1,973,018)	(648,647)
Increase / (Decrease) in Operating Liabilities		
Deposits from Customers	2,716,782	2,841,047
Certificate of Deposits	117,585	152,608
Net Cash (Used in) / Generated from Operating Activities before Income Tax	(540,720)	359,973
Taxes paid	(267,390)	(160,030)
Net Cash (Used In) / Generated from Operating Activities	(808,110)	199,943
Cash Flows From Investing Activities		
Dividends Received	162	782
Proceed from Sale of Securities	-	26,131
Proceed from sale of Property , Plant and equipment	1,218	3,715
Purchase of Property , Plant and equipment	(99,976)	(52,146)
Purchase of Intangible Assets	(2,000)	-
Net Cash (Used In) / Generated from Investing Activities	(100,596)	(21,519)
Cash Flows From Financing Activities		
Issue of Debentures	1,000,000	500,000
Net increase in Borrowings	(233,291)	(418,177)
Dividend paid	(41,551)	(62,326)
Net Cash (Used In) / Generated from Financing Activities	725,158	19,497
Net Increase / (Decrease) in Cash & Cash Equivalents	(183,548)	197,921
Cash & Cash Equivalents at the Beginning of the Period	77,734	(120,187)
Cash & Cash Equivalents at the End of the Period (Note A)	(105,814)	77,734

Note A**Cash & Cash Equivalents at the End of the Period**

Cash in Hand and at Banks	357,723	311,613
Bank Overdrafts	(463,537)	(233,879)
	(105,814)	77,734

Amounts in Rupees '000

Vallibel Finance PLC

Interim Financial Statements for the Year ended 31.03.2015

Explanatory Notes

1. These Interim Financial Statements of the Company have been prepared based on the Sri Lanka Accounting Standards that came into effect from 01st April 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the year ended 31st March 2014.
2. These Interim Financial Statements have been prepared in compliance with the requirements of Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting'.
3. During the quarter the Company has issued 10 Mn Rated,Guaranteed (Capital and Two Interest Installments), Subordinated, Redeemable Debentures at the value of Rs.100/- each accumulated to Rs.1,000 Mn with maturity of five years.These debentures are quoted on the Colombo Stock Exchange.The raised funds utilised to expand and strengthen the capital base of the company in line with the Company's expansion strategy and to maintain the Capital adequacy requirements as stipulated by Central Bank of Sri Lanka.
4. There were no material events took place since 31st March 2015 other than disclosed above in Financial Statements.
5. During the quarter there were no material changes in the composition of assets, liabilities, contingent liabilities and use of funds raised through Debenture.

Selected Performance Indicators

Indicator	As at 31st March 2015	As at 31st March 2014
Asset Quality	Rs'000	Rs'000
Based on Sri Lanka Accounting Standards effected prior to 1st April 2012		
Total Accommodation (Net of Interest in Suspense)	13,017,539	10,061,676
Net Total Accommodations (Net of Provision for Bad and Doubtful Debts)	12,585,717	9,801,253
Non-Performing Accommodations (Net of Interest in Suspense)	582,831	436,046
Liquidity		
Required Minimum Amount of Liquid Assets	1,353,441	966,137
Available Amount of Liquid Assets	3,248,923	1,471,593
Required Minimum Amount of Government Securities	610,144	713,899
Available Amount of Government Securities	1,649,883	410,300
Capital Adequacy		
Core Capital to Risk Weighted Assets Ratio (Minimum 5%)	8.67%	10.11%
Total Capital to Risk Weighted Assets Ratio (Minimum 10%)	13.01%	15.16%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)	14.31%	16.92%
Profitability		
Return on Assets (After Tax) - (Annualised)	2.84%	3.18%
Return on Equity - (Annualised)	31.69%	33.92%

Information On Ordinary Shares

Share Price During the Quarter

	For the quarter ended	
	31.03.2015	31.03.2014
Highest	49.50	34.10
Lowest	44.60	27.90
Closing	45.00	29.70
No. of Ordinary Share Issued As At 31st March	41,550,600	41,550,600

Information On Listed Debentures

Market Values of Listed Debentures

VFIN Debentures 2014/2019

	Highest		Lowest		Period End	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
5 Year Fixed Rate - 14.75%	N/T	106.00	N/T	106.00	N/T	106.00
5 Year Fixed Rate - 15.00%	N/T	N/T	N/T	N/T	N/T	N/T
5 Year Fixed Rate - 15.50%	N/T	100.00	N/T	100.00	N/T	100.00

VFIN Debentures 2015/2020

	Highest		Lowest		Period End	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
5 Year Fixed Rate - 10.25%	N/T	N/A	N/T	N/A	N/T	N/A

Interest Rates

VFIN Debentures 2014/2019

	Coupon Rate		Effective Rate	
	31.03.2015	31.03.2015	31.03.2014	31.03.2014
5 Year Fixed Rate - 14.75%	14.75%	15.59%	14.75%	15.59%
5 Year Fixed Rate - 15.00%	15.00%	15.56%	15.00%	15.56%
5 Year Fixed Rate - 15.50%	15.50%	15.50%	15.50%	15.50%

VFIN Debentures 2015/2020

	Coupon Rate		Effective Rate	
	31.03.2015	31.03.2015	31.03.2014	31.03.2014
5 Year Fixed Rate - 10.25%	10.25%	10.51%	N/A	N/A

Interest Rates of Comparable Government Securities - Gross Rates

	For the quarter ended	
	31.03.2015	31.03.2014
5 Year Treasury Bond	9.13%	8.65%

Interest Yield and Yield to Maturity

VFIN Debentures 2014/2019

	Fixed - 14.75%		Fixed - 15.00%		Fixed - 15.50%	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Interest Yield	14.75%	13.92%	15%	15%	15.50%	15.50%
Yield to Maturity of last trade	N/T	13.09%	N/T	N/T	N/T	15.53%

VFIN Debentures 2015/2020

	For the quarter ended	
	31.03.2015	31.03.2014
Interest Yield	10.25%	N/A
Yield to Maturity of last trade	N/T	N/A

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

Ratios

	31.03.2015	31.03.2014
Debt to Equity Ratio (%)	143%	122%
Interest Cover (Times)	1.47	1.36
Liquid Asset Ratio (%) - Minimum Required 10%	24.00%	14.71%

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

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

The Following table presents financial information regarding business segments : -

Business Segments

For the Year ended 31st March	Finance Lease		Hire Purchase		Loans & Advances		Investments		Unallocated		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Income From												
External Operations												
Interest	1,341,933	1,229,205	917,717	867,090	351,008	189,160	189,088	166,346	-	-	2,799,746	2,451,801
Administration Fees	-	-	-	-	-	-	-	-	50,315	43,082	50,315	43,082
Capital gains / (loss)	-	-	-	-	-	-	-	431	-	-	-	431
Dividends	-	-	-	-	-	-	162	782	-	-	162	782
Other	-	-	15,782	43,529	-	-	-	-	30,183	31,000	45,964	74,529
Total Revenue	1,341,933	1,229,205	933,499	910,619	351,008	189,160	189,250	167,559	80,498	74,082	2,896,187	2,570,624
Profit before tax											558,641	443,003
Taxation											(185,854)	(139,093)
Profit after tax											372,787	303,910
Other Information												
As at 31st March												
Segment assets	5,380,672	4,862,964	3,880,708	3,925,564	3,307,495	1,149,653	3,543,626	1,989,964	781,006	650,568	16,893,507	12,578,714
Segment Liabilities	4,959,860	4,417,026	3,520,490	3,556,261	3,010,812	1,060,758	3,185,991	1,781,507	702,184	582,419	15,379,337	11,397,971
Net assets	420,812	445,938	360,218	369,303	296,683	88,895	357,635	208,457	78,822	68,149	1,514,170	1,180,743

Additional Notes

20 Major Shareholders As At 31st March 2015

	No. of Shares	(%)
1 Vallibel Investments (Pvt) Limited	30,277,000	72.868%
2 Seylan Bank PLC/M/S Divasa Equity (Pvt) Ltd	918,900	2.212%
3 Mr. K.D.A Perera	836,713	2.014%
4 Mr. S. B. Rangamuwa	620,000	1.492%
5 Mr. H A Van Starrex	357,500	0.860%
6 Mr S Abishek	289,157	0.696%
7 Pan Asia Banking Corporation PLC/Mr A S R Silva	217,332	0.523%
8 V R Kathiragamamatamby	205,000	0.493%
9 Mr.Beruwalage	202,800	0.488%
10 Mr. B.A.R. Dissanayake	200,500	0.483%
11 Mrs. K.I.A. Hewage	200,000	0.481%
12 Mr. D V Seevaratnam	135,000	0.325%
13 Mr. N. Balasingam	134,900	0.325%
14 Mr. A Sithampalam	130,605	0.314%
15 Merchant Bank of Sri Lanka PLC A/C No 1	125,000	0.301%
16 Andaradeniya Estate Private Limited	116,110	0.279%
17 Geotge Steuart Teas (Pvt) Ltd	104,331	0.251%
18 Mr. F.J.P.Raj	100,100	0.241%
19 Mr.R.Gautam	100,000	0.241%
20 Mr.A.Ragupathy	97,317	0.234%
	35,368,265	85.121%
Others	6,182,335	14.879%
	41,550,600	100.000%

Directors' Shareholding As At 31st March 2015

1 Mr. Dhammika Perera	600	0.001%
2 Mr. S B Rangamuwa	620,000	1.492%
3 Mr K D A Perera	836,713	2.014%
4 Mr R.M.Karunaratne	-	-
5 Mr K V P Ranjith De Silva	-	-
6 Mr T Murakami	-	-
7 Mr A Dadigama	-	-
	1,457,313	3.507%

Public Holding As At 31st March 2015

Number of Public Shareholders

9,791,287 23.565%

2,400