



# ASSOCIATED MOTOR FINANCE COMPANY PLC.

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(Incorporated in 1962)

## Financial Statements for the Six Months Ended 30th September 2017

INCOME STATEMENT	Rs. '000				STATEMENT OF FINANCIAL POSITION	Rs. '000			
	Company		Group			Company		Group	
	30/09/2017 Unaudited	30/09/2016 Unaudited	30/09/2017 Unaudited	30/09/2016 Unaudited		30/09/2017 Unaudited	30/09/2016 Unaudited	30/09/2017 Unaudited	30/09/2016 Unaudited
Interest income	723,035	515,714	2,008,622	1,297,891					
Interest expenses	394,845	281,887	1,114,980	639,267	Cash and cash equivalents	158,087	106,136	710,766	261,106
Net interest income	328,190	233,827	893,642	658,624	Placement with banks & Other financial institutions	871,850		916,737	68,568
Fee and Commission income	0	0	59,336	25,814	Loans & advances to customers	4,541,405	3,498,924	17,522,436	10,900,927
Fee and Commission expenses	0	0			Financial investments - held for trading			14,034	15,095
<b>Net Fee and Commission income</b>	<b>328,190</b>	<b>233,827</b>	<b>952,979</b>	<b>684,437</b>	Financial investments - available for sale	76,504	161,717	624,543	632,363
Other operating income	57,459	58,037	37,983	48,039	Financial investments - held to maturity	219,990	217,544	219,990	217,544
<b>Total operating income</b>	<b>385,649</b>	<b>291,864</b>	<b>990,961</b>	<b>732,477</b>	Financial investments - loans and receivables	351,733	281,814	351,733	281,814
Impairment losses on loans & other losses	102,785	59,080	209,785	145,255	Other financial assets			-	-
<b>Total income</b>	<b>282,864</b>	<b>232,784</b>	<b>781,177</b>	<b>587,222</b>	Inventories	75,628	146,453	75,628	146,983
<b>Operating expenses</b>					Investment properties	107,498	78,748	107,498	78,748
Personnel costs	76,337	69,377	189,349	153,699	Property and equipment	48,159	66,158	445,030	323,286
Depreciation of property and equipment	10,635	12,038	21,272	20,011	Intangible assets	3,159	3,708	15,191	11,690
Amortization of intangible assets	407	407	2,556	2,353	Current tax asset	13,622	3,566	56,093	27,696
Other expenses	62,084	73,521	257,947	193,918	Deferred tax assets	210,701	175,887	214,819	247,465
<b>Operating profit/(Loss) before Value Added Tax (VAT)</b>	<b>133,400</b>	<b>77,441</b>	<b>310,052</b>	<b>217,241</b>	Other assets	41,027	37,206	95,212	127,738
Less: VAT on financial services	26,574	8,984	82,841	29,194	Investment in subsidiary	1,160,388	1,160,388	0	0
Operating Profit/(Loss) after VAT	106,826	68,457	227,211	188,047	Good will			385,244	385,244
Income tax expense	10,683	6,846	14,566	11,284	<b>Total assets</b>	<b>7,879,752</b>	<b>5,938,249</b>	<b>21,754,953</b>	<b>13,726,267</b>
<b>Profit/(Loss) for the period</b>	<b>96,143</b>	<b>61,611</b>	<b>212,645</b>	<b>176,763</b>	<b>Liabilities</b>				
Earnings per Share (Rs.)	17	11	36	30	Due to financial institutions	1,588,031	341,430	6,144,021	1,282,533
<b>STATEMENT ON COMPREHENSIVE INCOME</b>					Due to other customers	4,791,776	4,133,313	12,317,317	9,484,900
Profit/(Loss) for the period	96,143	61,611	212,645	176,763	Debentures			358,763	357,046
Actuarial gains/ (loss) on retirement benefit obligations, net of tax	-	-	-	-	Other liabilities	236,309	303,747	851,884	857,083
Available-for-sale financial assets: net change in fair value during the year			801	704	Retirement benefit obligations	25,226	22,097	75,296	66,921
Gain on -revaluation of land & building			-	-	<b>Total liabilities</b>	<b>6,641,342</b>	<b>4,800,588</b>	<b>19,747,281</b>	<b>12,048,484</b>
<b>Total comprehensive income for the period</b>	<b>96,143</b>	<b>61,611</b>	<b>213,446</b>	<b>177,468</b>	<b>Equity</b>				
<b>Selected Performance Indicators</b>					Stated capital	56,086	56,086	56,086	56,086
<b>Indicator</b>	<b>30/09/2017 Unaudited</b>	<b>30/09/2016 Unaudited</b>			Statutory reserve fund	74,640	63,598	162,746	140,373
<b>Capital Adequacy</b>					Retained earnings	1,106,128	1,016,929	1,664,849	1,397,918
Core capital (Tier 1 Capital) (Rs 000)	1,055,817	1,076,050			Other reserves	1,556	1,047	38,456	2,756
Total capital Base, (Rs.000)	(104,571)	1,076,050			Total equity attributable to equity holders of the company	1,238,410	1,137,661	1,922,138	1,597,133
Core capital to risk weighted assets ratio (Minimum 5%)	20%	21%			Non-controlling interests			85,534	80,651
Total capital to risk weighted assets ratio (Minimum 10%)	-2%	21%			<b>Total equity and liabilities</b>	<b>7,879,752</b>	<b>5,938,249</b>	<b>21,754,953</b>	<b>13,726,267</b>
Capital funds to total deposit liabilities ratio (Minimum 10%)	26%	28%							
<b>Asset quality</b>									
Gross Non-Performing Accommodations (Rs.000)	255,483	156,476							
Net Non-Performing Accommodations Ratio,%	2.8%	2.6%							
Gross Non-Performing Accommodations Ratio,%	5.5%	4.4%							
<b>Profitability</b>									
Net interest Margin	8.7%	8.0%							
Return on average assets(%)	2.8%	2.3%							
Return on average equity(%)	17.4%	12.4%							
<b>Regulatory Liquidity (Rs.'000)</b>									
Required minimum amount of liquid assets	479,177	413,163							
Available amount of liquid assets	943,384	733,791							
Required minimum amount of Government securities	349,785	304,538							
Available amount of Government securities	385,685	505,363							
<b>Memorandum information</b>									
Number of employees	147	151							
Number of branches	2	2							
Number of service		0							

### CERTIFICATION

We, the undersigned, being the Chief Executive officer and the directors of Associated Motor Finance Co. PLC certify jointly that

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka

(b) the information contained in these statements have been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

(Sgd)

T.M.A. Sallay

Chief Executive Officer

(Sgd)

J. P. I. S. Davawansa

Director

(Sgd)

L. C. W. Edirisooriya

Director

Date: 31/10/2017