

UB FINANCE COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION - As at 30th September 2018

In Rupees Thousand	30/09/2018	30/09/2017
Assets		
Cash and cash equivalents	831,825	991,559
Loans and receivables from customers	9,630,377	9,079,407
Financial investments - Available for sale	201	201
Property, plant and equipment	210,865	196,707
Investment in Real Estate	163,700	146,738
Goodwill and intangible assets	8,045	8,274
Deferred tax assets	188,243	199,347
Other assets	102,006	62,524
Total Assets	11,135,262	10,684,757
Liabilities		
Due to banks	258,457	636,574
Due to other customers	6,940,456	6,263,292
Other borrowed funds	2,355,758	2,570,475
Current tax liabilities	35,443	14,904
Other liabilities	335,344	366,248
Total Liabilities	9,925,458	9,851,493
Equity		
Stated capital	1,028,273	2,851,987
Statutory reserve fund	62,825	48,451
Retained earnings	61,367	(2,123,775)
Other reserves	57,339	56,601
Total Shareholders' Equity	1,209,804	833,264
Total Equity and Liabilities	11,135,262	10,684,757

SELECTED PERFORMANCE INDICATORS (as per regulatory reporting)

Item	30/09/2018	30/09/2017
Regulatory capital Adequacy		
Core Capital (Tier 1 Capital), Rs '000	550,748	776,663
Total Capital Base, Rs '000	805,025	1,036,492
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 6%)	5.02%	8.28%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 10%)	7.34%	11.04%
Capital Funds to Deposit Liability Ratio (Minimum requirement, 10%)	11.60%	16.55%
Asset Quality (Quality of Loan Portfolio)		
Gross Non Performing Accommodations, Rs '000	1,634,399	1,234,426
Gross Non Performing Accommodations Ratio, %	15.89%	12.78%
Net Non Performing Accommodations Ratio, %	9.50%	6.76%
Profitability Ratio		
Net Interest Margin	6.74%	5.50%
Return on Average Assets	0.53%	0.34%
Return on Average Equity	5.64%	4.20%
Regulatory Liquidity (Rs'000)		
Required minimum amount of Liquid Assets	694,803	626,981
Available amount of Liquid Assets	805,921	896,940
Required minimum amount of Government Securities	490,307	413,872
Available amount of Government Securities	509,826	493,439
Memorandum information		
Number of employees	267	258
Number of branches	16	16
Number of service centers	1	1
Number of pawning centers	-	-

INCOME STATEMENT - 6 months ended 30th September 2018

In Rupees Thousand	30/09/2018	30/09/2017
Interest income	1,037,168	894,198
Less: Interest expenses	(659,789)	(620,749)
Net interest income	377,379	273,449
Fee and commission income	32,508	28,455
Less: Fee and commission expenses	(12,756)	(16,408)
Net fee and commission income	19,752	12,047
Net gain/ (loss) from trading	2,317	1,026
Other operating income (net)	8,711	22,507
Total operating income	408,159	309,029
Less: Impairment for Loans & Other losses		
Individual Impairment	(45,328)	(20,852)
Collective Impairment	(52,720)	(34,692)
Write - off	-	-
Net operating income	310,111	253,485
Less: Personnel Expenses	(106,693)	(94,384)
Depreciation & Amortization	(12,989)	(12,072)
Other expenses	(106,799)	(89,467)
Operating profit before Value Added Tax (VAT) & (NBT) on financial services	83,629	57,562
Less: VAT and NBT on financial services	(27,328)	(24,926)
Profit/(loss) before tax	56,301	32,636
Less: Tax Expenses	(27,516)	(15,797)
Profit/(loss) for the period	28,785	16,839
Earning per Share on profit		
Basic earnings per share	0.03	0.02
Diluted earnings per share	0.03	0.02

STATEMENT OF COMPREHENSIVE INCOME - 6 Months ended 30th September 2018

In Rupees Thousand	30/09/2018	30/09/2017
Profit (loss) period	28,785	16,839
Other comprehensive income/(expenses)		
Other comprehensive income to be reclassified to profit or loss:		
Gains and losses on re-measuring available-for-sale financial assets	-	-
Net other comprehensive income to be reclassified to profit or loss	-	-
Other comprehensive income not to be reclassified to profit or loss:		
Actuarial gains and losses on defined benefit plans	-	-
Net (other) comprehensive income not to be reclassified to profit or loss	-	-
Other comprehensive income for the period, net of taxes	-	-
Total comprehensive income for the period, net of tax	28,785	16,839

CERTIFICATION :

We, the undersigned, being the Director / Chief Executive Officer and the Assistant General Manager - Finance of UB Finance Company Limited certify jointly that:

- The above statements have been prepared in compliance with the format and definitions prescribed by Central Bank of Sri Lanka;
- The information contained in these statements have been extracted from the unaudited financial statements of the License Finance Company unless indicated as audited.

Ransith Karunaratne
Director/ Chief Executive Officer

Asanka Uduagama
AGM - Finance

23rd November 2018
Colombo