

Central Finance Company PLC

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

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

CENTRAL FINANCE COMPANY PLC CONSOLIDATED INCOME STATEMENT						
For the year ended 31st March	Group			Company		
	2016 Unaudited Rs.'000	2015 Audited Rs.'000	Increase (decrease) %	2016 Unaudited Rs.'000	2015 Audited Rs.'000	Increase (decrease) %
Income	16,284,923	15,963,249	2.02	13,702,272	13,507,931	1.44
Interest income	12,624,010	12,463,439	1.29	12,608,146	12,474,631	1.07
Less: Interest expenses	3,682,076	4,104,146	(10.28)	3,700,497	4,135,882	(10.53)
Net interest income	8,941,934	8,359,293	6.97	8,907,649	8,338,749	6.82
Other revenue	2,660,584	2,524,826	5.38	-	-	-
Less: cost of sales	1,792,067	1,761,781	1.72	-	-	-
Gross profit	868,517	763,045	13.82	-	-	-
Other operating income	364,207	334,506	8.88	364,345	334,506	8.92
Other income	636,122	640,478	(0.68)	729,781	698,794	4.43
	10,810,780	10,097,322	7.07	10,001,775	9,372,049	6.72
Less: Operating expenses						
Personnel expenses	1,612,796	1,400,778	15.14	1,384,429	1,205,644	14.83
Premises, equipment and establishment expenses	1,571,905	1,465,794	7.24	1,490,756	1,384,068	7.71
Employee retirement benefit expenses	163,888	149,630	9.53	143,488	130,277	10.14
Impairment of goodwill	15,925	-	-	-	-	-
Other expenses	886,834	678,047	30.79	791,410	578,305	36.85
	4,251,348	3,694,249	15.08	3,810,083	3,298,294	15.52
Profit before impairment on loans and other credit losses	6,559,432	6,403,073	2.44	6,191,692	6,073,755	1.94
Less: Impairment on loans and other credit losses	658,347	1,834,150	(64.11)	657,919	1,826,731	(63.98)
	5,901,085	4,568,923	29.16	5,533,773	4,247,024	30.30
Share of profit of associates	815,812	794,608	2.67	-	-	-
Profit before VAT on financial services, NBT and income tax	6,716,897	5,363,531	25.23	5,533,773	4,247,024	30.30
Less: VAT on financial services and NBT	444,978	240,796	84.79	444,287	240,796	84.51
Profit before income tax	6,271,919	5,122,735	22.43	5,089,486	4,006,228	27.04
Less: Income tax expense	2,169,126	1,387,715	56.31	1,755,287	1,003,314	74.95
Profit after income tax	4,102,793	3,735,020	9.85	3,334,199	3,002,914	11.03
Attributable to equity holders of the parent	3,993,671	3,633,279	9.92	3,334,199	3,002,914	11.03
Attributable to non-controlling interest	109,122	101,741	7.25	-	-	-
Net profit for the year	4,102,793	3,735,020	9.85	3,334,199	3,002,914	11.03
Basic and diluted earnings per share - Rs.	38.08	34.64				
The annexed notes form an integral part of these interim financial statements.						

CENTRAL FINANCE COMPANY PLC CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
For the year ended 31st March	Group			Company		
	2016 Unaudited Rs.'000	2015 Audited Rs.'000	Increase (decrease) %	2016 Unaudited Rs.'000	2015 Audited Rs.'000	Increase (decrease) %
Profit for the year	4,102,793	3,735,020	9.85	3,334,199	3,002,914	11.03
Other Comprehensive income to be reclassified to income statement						
Fair value changes in AFS financial assets						
Equity securities - quoted	(32,212)	59,872	(153.80)	(32,212)	59,872	(153.80)
	(32,212)	59,872	(153.80)	(32,212)	59,872	(153.80)
Add / (less): share of other comprehensive income / (losses) of associates	(97,495)	22,169	(539.78)	-	-	-
Income tax effect	27,299	(6,207)	539.81	-	-	-
	(70,196)	15,962	(539.77)	-	-	-
Total other comprehensive income to be reclassified to income statement	(102,408)	75,834	(235.04)	(32,212)	59,872	(153.80)
Other Comprehensive income not to be reclassified to income statement						
Actuarial gains / (losses) on defined benefit plans	110,050	(73,815)	249.09	94,128	(67,610)	239.22
Deferred tax effect on actuarial gains / (losses) on defined benefit plans	(30,872)	20,654	(249.47)	(26,356)	18,931	(239.22)
	79,178	(53,161)	248.94	67,772	(48,679)	239.22
Add / (less) :share of other comprehensive income / (losses) of associates	8,108	18,271	(55.62)	-	-	-
Income tax effect	(2,019)	(4,743)	57.43	-	-	-
	6,089	13,528	(54.99)	-	-	-
Total other comprehensive income not to be reclassified to income statement	85,267	(39,633)	315.14	67,772	(48,679)	239.22
Other comprehensive income for the year (net of tax)	(17,141)	36,201	(147.35)	35,560	11,193	217.70
Total comprehensive income for the year	4,085,652	3,771,221	8.34	3,369,759	3,014,107	11.80
Attributable to equity holders of the parent	3,975,412	3,670,504	8.31	3,369,759	3,014,107	11.80
Attributable to non-controlling interest	110,240	100,717	9.45	-	-	-
Total comprehensive income for the year	4,085,652	3,771,221	8.34	3,369,759	3,014,107	11.80
The annexed notes form an integral part of these interim financial statements.						

CENTRAL FINANCE COMPANY PLC CONSOLIDATED INCOME STATEMENT						
For the three months ended 31st March	Group			Company		
	2016	2015	Increase	2016	2015	Increase
	Unaudited Rs.'000	Unaudited Rs.'000	(decrease) %	Unaudited Rs.'000	Unaudited Rs.'000	(decrease) %
Income	4,153,343	3,947,694	5.21	3,534,094	3,290,531	7.40
Interest income	3,251,799	3,020,140	7.67	3,245,592	3,018,758	7.51
Less: Interest expenses	944,988	915,093	3.27	949,682	920,732	3.14
Net interest income	2,306,811	2,105,047	9.58	2,295,910	2,098,026	9.43
Other revenue	649,488	686,480	(5.39)	-	-	-
Less: cost of sales	458,420	480,599	(4.61)	-	-	-
Gross profit	191,068	205,881	(7.19)	-	-	-
Other operating income	98,962	82,981	19.26	98,962	82,981	19.26
Other income	153,094	158,093	(3.16)	189,540	188,792	0.40
	2,749,935	2,552,002	7.76	2,584,412	2,369,799	9.06
Less: Operating expenses						
Personnel expenses	428,489	388,209	10.38	364,683	329,516	10.67
Premises, equipment and establishment expenses	408,649	384,351	6.32	392,812	361,460	8.67
Employee retirement benefit expenses	41,211	48,830	(15.60)	36,388	35,350	2.94
Other expenses	240,915	202,926	18.72	208,499	169,058	23.33
	1,119,264	1,024,316	9.27	1,002,382	895,384	11.95
Profit before impairment on loans and other credit losses	1,630,671	1,527,686	6.74	1,582,030	1,474,415	7.30
Less: Impairment on loans and other credit losses	96,751	447,671	(78.39)	96,279	439,955	(78.12)
	1,533,920	1,080,015	42.03	1,485,751	1,034,460	43.63
Share of profit of associates	164,516	133,418	23.31	-	-	-
Profit before VAT on financial services NBT and income tax	1,698,436	1,213,433	39.97	1,485,751	1,034,460	43.63
Less: VAT on financial services and NBT	122,900	72,122	70.41	122,469	72,122	69.81
Profit before income tax	1,575,536	1,141,311	38.05	1,363,282	962,338	41.66
Less: Income tax expense	792,249	239,529	230.75	711,975	151,024	371.43
Profit after income tax	783,287	901,782	(13.14)	651,307	811,314	(19.72)
Attributable to equity holders of the parent	764,477	875,102	(12.64)	651,307	811,314	(19.72)
Attributable to non-controlling interest	18,810	26,680	(29.50)	-	-	-
Net profit for the period	783,287	901,782	(13.14)	651,307	811,314	(19.72)
Basic and diluted earnings per share - Rs.	7.29	8.34				

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

CENTRAL FINANCE COMPANY PLC CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
For the three months ended 31st March	Group			Company		
	2016	2015	Increase	2016	2015	Increase
	Unaudited Rs.'000	Unaudited Rs.'000	(decrease) %	Unaudited Rs.'000	Unaudited Rs.'000	(decrease) %
Profit for the period	783,287	901,782	(13.14)	651,307	811,314	(19.72)
Other Comprehensive income to be reclassified to income statement						
Fair value changes in AFS financial assets						
Equity securities - quoted	(43,343)	(284)	(15,161.62)	(43,343)	(284)	(15,161.62)
	(43,343)	(284)	(15,161.62)	(43,343)	(284)	(15,161.62)
Add / (less): share of other comprehensive income / (losses) of associates	(95,682)	22,169	(531.60)	-	-	-
Income tax effect	27,199	(6,207)	538.20	-	-	-
	(68,483)	15,962	(529.04)	-	-	-
Total other comprehensive income to be reclassified to income statement	(111,826)	15,678	(813.27)	(43,343)	(284)	(15,161.62)
Other Comprehensive income not to be reclassified to income statement						
Actuarial gains / (losses) on defined benefit plans	110,050	(73,815)	249.09	94,128	(67,610)	239.22
Deferred tax effect on actuarial gains / (losses) on defined benefit plans	(30,872)	20,654	(249.47)	(26,356)	18,931	(239.22)
	79,178	(53,161)	248.94	67,772	(48,679)	239.22
Add/ (less) share of other comprehensive income / (losses) of associates	6,357	18,271	(65.21)	-	-	-
Income tax effect	(1,680)	(4,743)	64.58	-	-	-
	4,677	13,528	(65.43)	-	-	-
Total other comprehensive income not to be reclassified to income statement	83,855	(39,633)	311.58	67,772	(48,679)	239.22
Other comprehensive income for the period (net of tax)	(27,971)	(23,955)	(16.76)	24,429	(48,963)	149.89
Total comprehensive income for the period	755,316	877,827	(13.96)	675,736	762,351	(11.36)
Attributable to equity holders of the parent	735,388	852,171	(13.70)	675,736	762,351	(11.36)
Attributable to non-controlling interest	19,928	25,656	(22.33)	-	-	-
Total comprehensive income for the period	755,316	877,827	(13.96)	675,736	762,351	(11.36)

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

CENTRAL FINANCE COMPANY PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

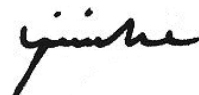
As at	Group		Company	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Unaudited	Audited	Unaudited	Audited
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS				
Cash in hand and at banks	520,603	443,174	463,385	410,005
FVTPL financial assets	39,992	218,080	33,760	49,600
Tax receivables	1,774	637	-	-
Trade and other receivables	1,111,206	1,141,357	361,365	288,894
Equity investments classified as AFS investments	234,820	267,024	228,326	260,530
Inventories and other stocks	1,191,974	1,611,520	706,605	1,248,495
Securities bought under repurchase agreements	2,787,948	2,772,798	2,787,948	2,772,798
Loans and receivables from banks	844,425	1,703,947	839,263	1,699,040
Loans and receivables from others	968,679	331,097	465,932	331,097
Loans and receivables from customers	4,400,698	3,289,460	4,562,610	3,444,563
Net investment in leases and hire purchase	56,045,775	50,174,875	56,031,948	50,132,137
Investments in real estate	37,549	41,084	30,874	34,397
Investment property	41,250	41,250	-	-
Investments in associates	3,537,114	3,167,824	523,458	523,458
Investments in subsidiaries	-	-	620,964	640,964
Deferred tax asset	11,789	12,869	-	-
Property, plant and equipment	5,925,833	5,801,116	4,620,447	4,417,404
Intangible assets	106,099	169,678	105,392	168,215
Goodwill	-	15,925	-	-
Total assets	77,807,528	71,203,715	72,382,277	66,421,597
LIABILITIES				
Bank overdrafts	670,937	334,848	666,082	318,320
Tax payables	902,102	338,344	817,715	286,315
Trade and other payables	1,553,875	2,404,069	1,195,719	2,091,272
Amounts due to subsidiaries	-	-	172,922	146,280
Derivative financial instruments	61	6,927	61	6,927
Short term borrowings	1,194,407	668,422	1,194,407	500,322
Deposits	34,299,143	33,448,265	34,483,812	33,742,583
Long term borrowings	-	452,809	-	452,809
Debentures	6,638,981	4,859,219	6,638,981	4,859,219
Employee benefit obligations	927,335	917,363	818,566	812,875
Deferred tax liability	3,276,382	2,658,874	3,210,747	2,590,299
Total liabilities	49,463,223	46,089,140	49,199,012	45,807,221
SHAREHOLDERS' FUNDS				
Stated capital	568,420	568,420	568,420	568,420
Capital reserves	2,509,879	2,527,454	1,930,651	1,934,604
Reserve fund	1,396,000	1,229,000	1,396,000	1,229,000
Available for sale reserve	91	102,499	54,325	86,537
Revenue reserves	23,014,096	19,891,223	19,233,869	16,795,815
Funds attributable to equity holders of the parent	27,488,486	24,318,596	23,183,265	20,614,376
Non-controlling interest	855,819	795,979	-	-
	28,344,305	25,114,575	23,183,265	20,614,376
Total liabilities, shareholders' funds and non-controlling interest	77,807,528	71,203,715	72,382,277	66,421,597
Net asset value per share - Rs.	262.09	231.86	221.04	196.55

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 31st March 2016 and its profit for the year 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)

30th May 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 year ended 31st March 2016	Stated capital	Capital reserves		Reserve fund	Available for sale reserve	Investment fund	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	Rs.'000
Balance as at 1st April 2014	568,420	2,499,770	17,899	1,078,000	26,665	732,716	13,593,420	2,468,783	731,711	21,717,384
Net profit for the year ended 31st March 2015	-	-	-	-	-	-	-	3,633,279	101,741	3,735,020
Other comprehensive income	-	15,018	-	-	75,834	-	-	(53,627)	(1,024)	36,201
Total comprehensive income for the year ended 31st March 2015	-	15,018	-	-	75,834	-	-	3,579,652	100,717	3,771,221
Depreciation on revaluation surplus	-	(5,233)	-	-	-	-	-	5,233	-	-
Transfers during the year	-	-	-	151,000	-	(732,716)	3,205,000	(2,623,284)	-	-
Reserves attributable to non-controlling interest	-	-	-	-	-	-	-	-	31,345	31,345
Consideration paid for acquisition of non-controlling interest	-	-	-	-	-	-	-	-	(33,092)	(33,092)
Transactions with the acquired subsidiary	-	-	-	-	-	-	-	(1,955)	1,955	-
Dividends for the year ended 31st March 2014	-	-	-	-	-	-	-	(246,475)	(36,657)	(283,132)
Dividends for the year ended 31st March 2015	-	-	-	-	-	-	-	(89,151)	-	(89,151)
Balance as at 31st March 2015	568,420	2,509,555	17,899	1,229,000	102,499	-	16,798,420	3,092,803	795,979	25,114,575
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
Super gain tax (Note 11)	-	-	-	-	-	-	-	(423,126)	(1,295)	(424,421)
Net profit for the year ended 31st March 2016	-	-	-	-	-	-	-	3,993,671	109,122	4,102,793
Other comprehensive income	-	4,876	-	-	(102,408)	-	-	79,273	1,118	(17,141)
Total comprehensive income for the year ended 31st March 2016	-	4,876	-	-	(102,408)	-	-	4,072,944	110,240	4,085,652
Transfers during the year	-	-	(17,899)	167,000	-	-	2,437,000	(2,586,101)	-	-
Depreciation on revaluation surplus	-	(4,552)	-	-	-	-	-	4,552	-	-
Unclaimed dividends written back	-	-	-	-	-	-	-	428	394	822
Dividends for the year ended 31st March 2015	-	-	-	-	-	-	-	(277,941)	(49,499)	(327,440)
Dividends for the year ended 31st March 2016	-	-	-	-	-	-	-	(104,883)	-	(104,883)
Balance as at 31st March 2016	568,420	2,509,879	-	1,396,000	91	-	19,235,420	3,778,676	855,819	28,344,305

Company equity statement for the year ended 31st March 2016	Stated capital	Revaluation reserve	Reserve fund	Available for sale reserve	Investment fund	General reserve	Retained earnings	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2014	568,420	1,938,557	1,078,000	26,665	732,716	13,582,239	9,298	17,935,895
Net profit for the year ended 31st March 2015	-	-	-	-	-	-	3,002,914	3,002,914
Other comprehensive income	-	-	-	59,872	-	-	(48,679)	11,193
Total comprehensive income for the year ended 31st March 2015	-	-	-	59,872	-	-	2,954,235	3,014,107
Depreciation on revaluation surplus	-	(3,953)	-	-	-	-	3,953	-
Transfers during the year	-	-	151,000	-	(732,716)	3,205,000	(2,623,284)	-
Dividends for the year ended 31st March 2014	-	-	-	-	-	-	(246,475)	(246,475)
Dividends for the year ended 31st March 2015	-	-	-	-	-	-	(89,151)	(89,151)
Balance as at 31st March 2015	568,420	1,934,604	1,229,000	86,537	-	16,787,239	8,576	20,614,376
Balance as at 1st April 2015	568,420	1,934,604	1,229,000	86,537	-	16,787,239	8,576	20,614,376
Super gain tax (Note 11)	-	-	-	-	-	-	(418,046)	(418,046)
Net profit for the year ended 31st March 2016	-	-	-	-	-	-	3,334,199	3,334,199
Other comprehensive income	-	-	-	(32,212)	-	-	67,772	35,560
Total comprehensive income for the year ended 31st March 2016	-	-	-	(32,212)	-	-	3,401,971	3,369,759
Depreciation on revaluation surplus	-	(3,953)	-	-	-	-	3,953	-
Transfers during the year	-	-	167,000	-	-	2,437,000	(2,604,000)	-
Dividends for the year ended 31st March 2015	-	-	-	-	-	-	(277,941)	(277,941)
Dividends for the year ended 31st March 2016	-	-	-	-	-	-	(104,883)	(104,883)
Balance as at 31st March 2016	568,420	1,930,651	1,396,000	54,325	-	19,224,239	9,630	23,183,265

Figures in brackets indicate deductions
The annexed notes form an integral part of these interim financial statements.

CENTRAL FINANCE COMPANY PLC
CASH FLOW STATEMENT

For the year ended 31st March	Group		Company	
	2016 Unaudited Rs.'000	2015 Audited Rs.'000	2016 Unaudited Rs.'000	2015 Audited Rs.'000
Cash flows from operating activities				
Interest receipts	11,713,968	11,105,248	11,706,918	11,118,259
Interest payments	(2,327,047)	(2,393,168)	(2,335,508)	(2,413,916)
Recoveries on bad debts previously written off	158,216	74,947	158,102	74,944
Receipts from other operating activities	5,403,502	5,006,958	454,064	451,475
Cash payments to employees and suppliers	(7,527,151)	(7,076,508)	(3,098,240)	(2,715,383)
Operating profit before changes in operating assets	7,421,488	6,717,477	6,885,336	6,515,379
(Increase) / decrease in operating assets:				
(Investments) / divestments of government securities and receivables from banks maturing after 90 days	550,000	630,000	550,000	630,000
Loans to customers	(34,094,076)	(26,405,784)	(34,224,076)	(26,438,784)
Recoveries from customers	27,458,847	23,264,303	27,562,859	23,275,469
Others	(1,773,697)	(1,055,232)	(1,764,492)	(1,050,135)
Increase / (decrease) in operating liabilities:				
Net cash effect on deposits	(24,513)	(309,768)	(126,657)	(341,834)
Net cash from operating activities before income tax	(461,951)	2,840,996	(1,117,030)	2,590,095
Income tax paid	(709,869)	(456,295)	(598,194)	(387,253)
Super gain tax paid	(424,421)	-	(418,046)	-
Net cash inflow / (outflow) from operating activities	(1,596,241)	2,384,701	(2,133,270)	2,202,842
Cash flows from investing activities				
Dividends received from subsidiaries and associates	105,825	106,997	96,121	85,506
Dividends received from other companies	27,087	20,406	20,739	16,457
Acquisition of a subsidiary (net of cash acquired)	-	(331,136)	-	(334,507)
Investments in fixed deposits	(103,500)	-	-	-
Investments in unit trusts	(162,352)	(176,600)	-	-
Investments in debentures	(333,000)	-	-	-
Proceeds on divestment of unit trusts	277,232	17,345	-	-
Purchase of property, plant and equipment	(429,852)	(446,772)	(369,723)	(395,726)
Proceeds from disposal of property, plant and equipment	108,514	123,270	27,239	122,484
Net cash outflow from investing activities	(510,046)	(686,490)	(225,624)	(505,786)
Cash flows from financing activities				
Borrowings	11,760,050	1,445,242	10,980,000	500,000
Repayment of borrowings	(9,754,750)	(1,653,009)	(8,806,600)	(738,000)
Unclaimed dividends written back	714	-	-	-
Dividends paid to equity holders of the parent	(378,889)	(333,829)	(378,889)	(333,829)
Dividends paid to non-controlling interest	(49,499)	(36,657)	-	-
Net cash inflow / (outflow) from financing activities	1,577,626	(578,253)	1,794,511	(571,829)
Net increase / (decrease) in cash and cash equivalents	(528,661)	1,119,958	(564,383)	1,125,227
Cash and cash equivalents at the beginning of the period	3,994,638	2,874,680	3,977,997	2,852,770
Cash and cash equivalents at the end of the period	3,465,977	3,994,638	3,413,614	3,977,997
Analysis of cash and cash equivalents				
Cash in hand and at banks	520,603	443,174	463,385	410,005
Investments in government securities maturing within 90 days	2,787,948	2,772,798	2,787,948	2,772,798
Receivables from banks	844,425	1,703,947	839,263	1,699,040
Effect of amortised interest cost	(12,062)	(36,433)	(10,900)	(35,526)
Receivables from banks maturing after 90 days	(4,000)	(554,000)	-	(550,000)
Bank overdrafts	(670,937)	(334,848)	(666,082)	(318,320)
Cash and cash equivalents at the end of the period	3,465,977	3,994,638	3,413,614	3,977,997

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 2015 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 periods have 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 31.03.2016	As at 31.12.2015
Ordinary shares	104,883,333	104,883,333

4 Market price per share

	Quarter ended 31.03.2016	Quarter ended 31.12.2015
	Rs.	Rs.
Highest	255.00	265.00
Lowest	201.00	235.00
Last traded	210.00	253.00

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

	As at 31.03.2016	As at 31.12.2015
J.D. Bandaranayake	Nil	Nil
E.H. Wijenaik	16,164,123	16,164,123
G.S.N. Peiris	1,828,168	1,828,168
R.E. Rambukwelle	984,906	984,906
A.K. Gunaratne	835,274	835,274
D.P. de Silva	103,850	103,850
C.L.K.P. Jayasuriya	Nil	Nil
S.C.S. Wickramasinghe	Nil	Nil
F. Mohideen	Nil	Nil
A.N. Fernando	Nil	Nil

6 Twenty largest shareholders of the Company are as follows:

	As at 31.03.2016		As at 31.12.2015	
	Number of shares	%	Number of shares	%
1 Corporate Services (Pvt) Ltd.A/C No.01	16,895,461	16.11	16,895,461	16.11
2 E.H. Wijenaik	16,164,123	15.41	16,164,123	15.41
3 Employees' Provident Fund	11,200,944	10.68	10,995,761	10.48
4 Thurston Investments Limited	6,107,701	5.82	6,107,701	5.82
5 A.J. Wijenaik	3,271,357	3.12	3,271,357	3.12
6 Waldoek Mackenzie Limited / Perpetual Equities (Pvt)Limited	2,489,066	2.37	2,489,066	2.37
7 Perpetual Equities (Pvt) Ltd. *	2,308,333	2.20	2,308,333	2.20
8 N.W. Wijegoonawardene	2,162,353	2.06	2,162,353	2.06
9 G.S.N. Peiris	1,828,168	1.74	1,828,168	1.74
10 B.P.De Silva Holdings (Pte) Ltd.	1,752,900	1.67	1,752,900	1.67
11 C.R. Dunuwille	1,348,582	1.29	1,348,582	1.29
12 J.B. Cocoshell (Pvt) Ltd.	1,341,868	1.28	1,341,868	1.28
13 N.M. Gunawardana	1,300,346	1.24	1,300,346	1.24
14 P.R. Munasinha	1,226,980	1.17	1,226,980	1.17
15 The Ceylon Investment PLC A/C No.02	1,166,195	1.11	1,166,195	1.11
16 P.M. Wijenaik	1,016,180	0.97	1,016,180	0.97
17 Deutsche Bank AG - National Equity Fund	991,632	0.95	991,632	0.95
18 R.E. Rambukwelle	984,906	0.94	984,906	0.94
19 The Ceylon Guardian Investment Trust PLC A/C No.02	974,084	0.93	974,084	0.93
20 C. Kiriella	967,881	0.92	967,881	0.92

* Perpetual Equities (Pvt)Ltd. was known as Perpetual Capital (Pvt) Ltd. as at 31.12.2015.

CENTRAL FINANCE COMPANY PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

7 Information on listed debentures

Market value

	Quarter ended 31.03.2016			Quarter ended 31.12.2015		
	Highest Rs.	Lowest Rs.	Last traded Rs.	Highest Rs.	Lowest Rs.	Last traded Rs.
Debentures issued on 17th June 2013 (Issue price - Rs.1,000/-)						
3 year fixed rate (14.25 % p.a. payable quarterly)	N/T	N/T	N/T	N/T	N/T	N/T
4 year fixed rate (14.50 % p.a. payable quarterly)	N/T	N/T	N/T	N/T	N/T	N/T
5 year fixed rate (14.75 % p.a. payable quarterly)	N/T	N/T	N/T	N/T	N/T	N/T
Debentures issued on 12th December 2013 (Issue price - Rs.100/-)						
3 year fixed rate (13.00 % p.a. payable semi-annually)	N/T	N/T	N/T	104.238	104.238	104.238
4 year fixed rate (13.25 % p.a. payable semi-annually)	N/T	N/T	N/T	108.293	108.293	108.293
5 year fixed rate (13.50 % p.a. payable semi-annually)	N/T	N/T	N/T	N/T	N/T	N/T
5 year fixed rate (13.95 % p.a. payable annually)	N/T	N/T	N/T	111.143	111.143	111.143
Debentures issued on 01st June 2015 (Issue price - Rs.100/-)						
3 year fixed rate (8.35 % p.a. payable semi-annually)	N/T	N/T	N/T	N/T	N/T	N/T
4 year fixed rate (9.00 % p.a. payable semi-annually)	N/T	N/T	N/T	N/T	N/T	N/T
5 year fixed rate (9.52 % p.a. payable annually)	N/T	N/T	N/T	N/T	N/T	N/T

N/T - Not traded during the quarter.

Interest yield as at last trade done during the quarter (%)

There were no trades during the quarter ended 31st March 2016.

Yield to maturity of last trade done during the quarter (%)

There were no trades during the quarter ended 31st March 2016.

Yield of comparable government securities (%)

	As at 31.03.2016	As at 31.12.2015
03 year treasury bonds	9.19%	9.32%
04 year treasury bonds	11.92%	8.96%
05 year treasury bonds	10.24%	10.04%

Debt related ratios

	As at 31.03.2016	As at 31.12.2015
Debt/equity ratio (times)	1.85	1.94
Quick assets ratio (%)	85.03	78.98
Interest cover (times)	2.38	2.35

CENTRAL FINANCE COMPANY PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

8	Public holding	As at	As at
		31.03.2016	31.12.2015
	Public holding	59.93%	59.93%
	Number of shareholders	2,668	2,658
9	Contingent liabilities	As at	As at
		31.03.2016	31.12.2015
		Rs.000	Rs.000
	Guarantees issued		
	Guarantees issued on behalf of depositors, fully secured on their deposits	81,165	82,065
	Performance bonds and warranties in respect of Letter of Credit facilities	18,200	60,380
		99,365	142,445

10 Significant related party transactions

The Company remitted insurance premiums amounting to Rs.1,523.64 Million through CF Insurance Brokers (Pvt) Ltd., a wholly owned subsidiary of the Group during the year ended 31.03.2016 (Rs.1,476.49 Million was remitted during the year ended 31.03.2015).

11 Super Gain Tax

As per the provisions of part 111 of the Finance Business Act No.10 of 2015, which was certified on 30th October 2015, the Group is liable for Super Gain Tax of Rs.424.42 Million, which has been duly settled. According to the Act, the Super Gain Tax shall be deemed to be an expenditure in the financial statements relating to the year of assessment which commenced on 01st April 2013. The Act supersedes the requirements of the Sri Lanka Accounting Standards, hence the expense of Super Gain Tax is accounted in accordance with the requirements of the said Act as recommended by the Statement of Alternative Treatment (SoAT) on Accounting for Super Gain Tax issued by the Institute of Chartered Accountants of Sri Lanka dated 24th November 2015.

12 Interest expenses of the Group other than the parent & subsidiary, Isuru Leasing Company Limited are categorised under other expenses.

Events subsequent to the interim period

- 13.1 A second interim dividend of Rs.1.00 per share for the financial year ended 31.03.2016 was paid on 12.04.2016.
- 13.2 Directors have proposed to increase the share capital of the company by subdividing each existing share into 2 shares, followed by a scrip issue in the proportion of 01 share for every 30 subdivided shares: subject to approval by the Colombo Stock Exchange and the shareholders.
- 14 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 year ended 31st March																		
	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	12,292,058	12,086,833	944	1,030	-	-	1,021	353	13,454	-	315,712	374,468	821	755	-	-	12,624,010	12,463,439
Other revenue	-	-	112,073	99,917	58,496	85,878	2,247,876	2,114,959	242,139	224,072	-	-	-	-	-	-	2,660,584	2,524,826
Other operating income	364,207	334,506	-	-	-	-	-	-	-	-	-	-	-	-	-	-	364,207	334,506
Other income	591,401	503,952	955	4,364	-	12,631	8,442	9,106	23,301	26,394	114,447	180,153	3,533	7,212	(105,957)	(103,334)	636,122	640,478
Income from external customers	13,247,666	12,925,291	113,972	105,311	58,496	98,509	2,257,339	2,124,418	278,894	250,466	430,159	554,621	4,354	7,967	(105,957)	(103,334)	16,284,923	15,963,249
Inter - segment income	31,434	40,321	6,537	10,038	2,693	5,454	293	925	13,654	10,342	70,596	56,210	36,396	33,921	(161,603)	(157,211)	-	-
Total income	13,279,100	12,965,612	120,509	115,349	61,189	103,963	2,257,632	2,125,343	292,548	260,808	500,755	610,831	40,750	41,888	(267,560)	(260,545)	16,284,923	15,963,249
Expenses																		
Interest expenses	3,398,949	3,787,719	-	-	-	-	-	-	-	-	277,618	310,270	5,509	6,157	-	-	3,682,076	4,104,146
Depreciation & amortisation	368,672	360,853	9,000	6,890	3,865	3,865	38,877	35,253	1,458	1,811	645	688	2,482	2,527	-	-	424,999	411,887
Cost of sales	-	-	44,008	38,112	21,523	20,400	1,726,536	1,703,269	-	-	-	-	-	-	-	-	1,792,067	1,761,781
Impairment of goodwill	15,925	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,925	-
Impairment on loans and other credit losses	657,488	1,786,502	(25)	-	-	-	884	948	-	-	-	-	-	46,700	-	-	658,347	1,834,150
Other operating and administrative expenses	3,403,214	2,916,750	59,318	54,134	853	853	239,252	212,290	98,492	90,340	500	525	8,795	7,470	-	-	3,810,424	3,282,362
	7,844,248	8,851,824	112,301	99,136	26,241	25,118	2,005,549	1,951,760	99,950	92,151	278,763	311,483	16,786	62,854	-	-	10,383,838	11,394,326
Inter - segment expenses	56,511	65,523	-	-	-	-	239	387	9,322	8,940	16,598	22,424	75	-	(82,745)	(97,274)	-	-
Total expenses	7,900,759	8,917,347	112,301	99,136	26,241	25,118	2,005,788	1,952,147	109,272	101,091	295,361	333,907	16,861	62,854	(82,745)	(97,274)	10,383,838	11,394,326
Segment results	5,378,341	4,048,265	8,208	16,213	34,948	78,845	251,844	173,196	183,276	159,717	205,394	276,924	23,889	(20,966)	(184,815)	(163,271)	5,901,085	4,568,923
Share of profit of associates																	815,812	794,608
Profit before VAT on financial services and income tax																	6,716,897	5,363,531
Less: VAT on financial services and NBT																	444,978	240,796
Profit before income tax																	6,271,919	5,122,735
Less: Income tax expense																	2,169,126	1,387,715
Profit after income tax																	4,102,793	3,735,020
Non-controlling interest																	109,122	101,741
Profit attributable to equity holders of the parent																	3,993,671	3,633,279
Segment assets	63,594,962	56,551,813	366,130	353,334	137,100	165,266	1,616,059	1,620,541	1,525,872	1,583,254	6,521,426	7,588,352	430,283	437,653	(4,023,664)	(4,284,883)	70,168,168	64,015,330
Investments in associates																	3,537,114	3,167,824
Unallocated assets																	4,102,246	4,020,561
Total assets																	77,807,528	71,203,715
Segment liabilities	41,377,856	38,921,545	36,597	29,767	7,721	10,182	289,077	431,722	303,091	226,872	3,080,492	3,327,819	250,004	264,823	(728,643)	(813,078)	44,616,195	42,399,651
Unallocated liabilities																	4,847,028	3,689,489
Total liabilities																	49,463,223	46,089,140

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. N. Fernando	- Independent Non - executive Director

STOCK EXCHANGE LISTING

The ordinary shares of the Company, the Rated Unsecured Redeemable Debentures issued in June 2013 and the Rated Secured Redeemable Debentures issued in December 2013 and June 2015 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, Kuliapitiya, 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

Hongkong & Shanghai Banking Corporation Limited

NDB Bank PLC

Nations Trust Bank PLC

People's Bank

Sampath Bank PLC

Standard Chartered Bank