

FINCORP INVESTMENT LIMITED

Abridged Unaudited Interim Financial Statements - 31st March 2017

Statements of Financial Position							
Statements of Financial Fosition			GROUP			COMPANY	
	NOTES	31-Mar-17 Rs'000	31-Mar-16 Rs'000	30-Jun-16 Rs'000	31-Mar-17 Rs'000	31-Mar-16 Rs'000	30-Jun-16 Rs'000
ASSETS EMPLOYED NON-CURRENT ASSETS							
Intangible assets	•	31,050	32,670	33,833	-	-	-
Property, plant and equipment Investments in associates	3	542,521	473,850	472,696	1 050 441	1 704 661	1 601 007
Investments in associates Investment in subsidiary		5,149,184	3,640,111	4,949,657	1,850,441 200.000	1,794,661 200,000	1,621,927 200,000
Investment in subsidiary Investment securities - available-for-sale		450.994	457,156	451.419	450.994	457,156	451,419
Loan receivable		287,636	305,607	301,264	391,577	358,256	403,848
Finance lease receivables	4	2,466,830	2,534,818	2,571,865	-	-	-
Deposits with financial institutions		218,787	111,082	212,641	-	-	-
·		9,147,002	7,555,294	8,993,375	2,893,012	2,810,073	2,677,194
CURRENT ASSETS		1,609,035	1,668,975	1,502,269	1,260	810	95,975
CURRENT LIABILITIES		(1,979,872)	(1,907,634)	(1,856,000)	(806,170)	(709,307)	(833,121)
NET CURRENT LIABILITIES		(370,837)	(238,659)	(353,731)	(804,910)	(708,497)	(737,146)
		8,776,165	7,316,635	8,639,644	2,088,102	2,101,576	1,940,048
FINANCED BY							
SHARE CAPITAL		103,355	103,355	103,355	103,355	103,355	103,355
RETAINED EARNINGS		1,974,403	1,774,748	1,824,343	(6,409)	(14,683)	6,603
OTHER COMPONENTS OF EQUITY		3,211,169	1,956,348	3,140,603	1,703,520	1,707,297	1,528,826
SHAREHOLDERS' INTERESTS		5,288,927	3,834,451	5,068,301	1,800,466	1,795,969	1,638,784
NON-CURRENT LIABILITIES							
Deposits		2,800,784	2,562,552	2,717,590	-	-	-
Borrowings		658,869	897,146	829,104	287,636	305,607	301,264
Deferred tax liabilities		27,585	22,486	24,649			
		3,487,238 8,776,165	7,316,635	3,571,343 8,639,644	287,636 2,088,102	2,101,576	301,264 1,940,048
		0,110,100	7,310,035	0,039,044	2,000,102	2,101,3/6	1,940,048
NET ASSETS PER SHARE (Rs.)		51.17	37.10	49.04			

Statements of Profit or Loss				GROUP					COMPANY		
		Quarter to	Quarter to	9 Months to	9 Months to	Year to	Quarter to	Quarter to	9 Months to	9 Months to	Year to
		31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	30-Jun-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	30-Jun-16
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue		114,358	119,171	372,951	349,233	464,246	3,409	3,065	29,058	19,335	116,723
Other income		43,668	40,442	147,764	114,386	151,517	86	212	18,876	9,745	105,260
Profit/(loss) on exchange		89	(389)	635	(296)	(69)	89	(389)	635	(296)	(69)
Finance income		70,689	78,593	225,186	234,711	312,729	3,323	2,853	10,182	9,590	11,463
Finance costs		(63,358)	(63,451)	(190,550)	(191,805)	(255,329)	(13,545)	(11,900)	(40,450)	(36,393)	(48,467)
Operating expenses	5	(47,409)	(44,301)	(130,294)	(118,530)	(163,686)	(735)	(409)	(2,119)	(1,988)	(3,254)
Operating profit/(loss) before impairment		3.679	10,894	52.741	38,466	45.162	(10,782)	(9,633)	(12,876)	(19,342)	64,933
Net impairment of financial assets		(15,480)	(2,087)	(23,504)	(7,729)	(17,145)	(,,	(=,===,	-	(10,010)	-
Operating (loss)/profit	6	(11,801)	8,807	29,237	30,737	28,017	(10,782)	(9,633)	(12,876)	(19,342)	64,933
Share of (losses)/profits of associates		(188)	174,680	60,026	176,550	370,869	-	-	-	-	-
(Loss)/profit before tax		(11,989)	183,487	89,263	207,287	398,886	(10,782)	(9,633)	(12,876)	(19,342)	64,933
Income tax expense		(2,529)	(3,319)		(11,281)	(16,508)	(136)	(139)	(136)	(139)	(1,115)
(Loss)/profit attributable to equity holders of the parent		(14,518)	180,168	76,301	196,006	382,378	(10,918)	(9,772)	(13,012)	(19,481)	63,818
Statements of Comprehensive Income (Loss)/profit attributable to equity holders of the parent Other comprehensive income/(expense): Items that will not be reclassified to profit or loss: Share of other comprehensive income of associates		(14,518)	180,168	76,301	196,006	382,378 661,408	(10,918)	(9,772)	(13,012)	(19,481)	63,818
Items that may be reclassified subsequently to profit or loss: Net fair value gain/(loss) on investments in associates Net fair value gain/(loss) on available-for-sale investments Share of other comprehensive income/(expense) of associates		- 7,314 34,843	3,115 (22,933)	- (425) 77,308	(27,631) (72,026)	(33,368) 381,794	110,402 7,314	108,704 3,115	175,119 (425)	55,716 (27,631)	(117,018) (33,368)
,		42,157	(19,818)	76,883	(99,657)	348,426	117,716	111,819	174,694	28,085	(150,386)
Other comprehensive income/(expense) for the period		42,157	(19,818)	76,883	(99,657)	1,009,834	117,716	111,819	174,694	28,085	(150,386)
Total comprehensive income/(expense) attributable to equity holders of the parent		27,639	160,350	153,184	96,349	1,392,212	106,798	102,047	161,682	8,604	(86,568)
(Loss)/earnings per share (Rs.)		(0.14)	1.74	0.74	1.90	3.70					
Number of shares in issue (thousands)		103,355	103,355	103,355	103,355	103,355					

NOTES

1. The financial statements are unaudited and have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 30th June 2016 and comply with IAS 34.

Group results for the nine months to 31st March 2017 were down to Rs 76.3 million from Rs 196.0 million for the corresponding period last year in line with expectations, the results of last year having benefited from non-recurrent profits at the level of our associate Promotion and Development Ltd.

Contribution from Finlease, our wholly owned subsidiary, were down by 11% to Rs 42.8 million, the improved performance at operating level having been outweighed by higher impairment charges. The contribution from PAD Group decreased substantially from Rs 176.7 million to Rs 56.5 million, non-recurrent profits having contributed Rs 170.6 million to last year's results. Caudan Development Ltd witnessed an improved operating performance and reduced financing costs following its recent share issue.

Operational profits for the year are expected to improve compared to last year but as a result of much lesser non-recurrent items, particularly at the level of PAD, overall profitability will be lower than the level achieved last year.

3. PROPERTY, PLANT AND EQUIPMENT		GROUP		
Assets under operating leases included under the above caption	31-Mar-17 Rs'000 <u>540,710</u>	31-Mar-16 Rs'000 473,235	30-Jun-16 Rs'000 471,799	
4. FINANCE LEASE RECEIVABLES Receivable within one year and included in current assets Receivable after one year	1,353,656 2,466,830	1,223,843 2,534,818	1,307,840 2,571,865	
5. OPERATING EXPENSES Depreciation of assets under operating leases included in operating expenses	<u>3,820,486</u> <u>84,276</u>	3,758,661 74,334	3,879,705	
6. OPERATING SEGMENTS 9 months to 31st March 2017	Group	Leasing	Investing	Eliminations
	Rs'000	Rs'000	Rs'000	Rs'000
Segment revenue Operating profit/(loss)	372,951	362,308	29,058	(18,415)
	29,237	55,646	(12,876)	(13,533)
9 months to 31st March 2016 Segment revenue Operating profit/(loss)	349,233	342,892	19,335	(12,994)
	30,737	59,101	(19,342)	(9,022)
Year ended 30th June 2016 Segment revenue Operating profit	464,246	455,731	116,723	(108,208)
	28,017	67,217	64,933	(104,133)

Statements of Changes in Equity	Share Capital	Retained Earnings	Capital Reserve	Revaluation & Other Reserve	Statutory Reserve	General Risk Reserve	Total
GROUP	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1st July 2015	103,355	1,571,915	377,850	1,598,859	71,481	14,642	3,738,102
Profit for the period	-	196,006			-	-	196,006
Other comprehensive expense for the period Total comprehensive income/(expense) for the period		196,006	(17)	(99,640)			(99,657)
Share of transfer by associate		1,443	(17)	(99,640)			96,349
Share of other movements in reserves of associate	-	5,384	-	(5,384)	-	-	-
At 31st March 2016	103,355	1,774,748	377,833	1,492,392	71,481	14,642	3,834,451
AA 45 July 2045	102.255	1 571 015	377.850	1 500 050	74 404	14.640	2 720 100
At 1st July 2015 Profit for the year	103,355	1,571,915 382,378	377,850	1,598,859	71,481	14,642	3,738,102 382,378
Other comprehensive (expense)/income for the year	_	302,370	(18)	1,009,852	-	-	1,009,834
Total comprehensive income/(expense) for the year		382,378	(18)	1,009,852			1,392,212
Share of transfer by associate		5,544	-	(5,544)	-		-
Share of other movements in reserves of associate	-	(60,691)	-	60,691	-	-	-
Dividends	-	(62,013)	-	-	-	-	(62,013)
Transfer to statutory reserve	-	(7,774)	-	-	7,774	-	-
Transfer to general risk reserve At 30th June 2016	103,355	(5,016) 1,824,343	377,832	2,663,858	79,255	5,016 19,658	5,068,301
Profit for the period		76,301	377,032	2,003,030	79,255	19,036	76,301
Other comprehensive (expense)/income for the period	-	-	(26)	76,909	-	_	76,883
Total comprehensive income/(expense) for the period		76,301	(26)	76,909	-		153,184
Share of transfer by associate	-	10,062	-	(10,062)	-	-	-
Share of changes in ownership interests of associate's		00.074					00.074
subsidiary Share of employee share options exercised in associate	-	69,674 (2,998)	-	855	-	-	69,674
Share of other movements in reserves of associates		(2,998)	-	1,102	-		(2,143) (89)
Transfer to general risk reserve	-	(1,788)	-	- 1,102	-	1,788	(00)
At 31st March 2017	103,355	1,974,403	377,806	2,732,662	79,255	21,446	5,288,927
COMPANY							
At 1st July 2015	103,355	4,798	100,596	1,578,616	<u> </u>		1,787,365
Loss for the period Other comprehensive income for the period	-	(19,481)	-	28,085	-	-	(19,481) 28,085
Total comprehensive (expense)/income for the period		(19,481)		28,085		 -	28,085 8,604
At 31st March 2016	103,355	(14,683)	100,596	1,606,701	<u>-</u>	<u>-</u> -	1,795,969
		(,550)	,	.,000,.01			.,. 00,000

4,798 100,596 1,578,616 63,818

100,596

100,596

1,602,924

GROUP COMPANY

9 Months to 9 Months to Year to 9 Months to 9 Months to

(6,409)

1,787,365 63,818 (150,386) (86,568) (62,013) 1,638,784 (13,012) 174,694 161,682

Statements of Cash Flows

At 1st July 2015

At 31st March 2017

Profit for the year
Other comprehensive expense for the year
Total comprehensive income/(expense) for the year

Dividends
At 30th June 2016
Loss for the period
Other comprehensive income for the period
Total comprehensive (expense)/income for the period

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	31-Mar-17	31-Mar-16	30-Jun-16	31-Mar-17	31-Mar-16	30-Jun-16
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Not each flow from accepting activities	369.802	490.458	421.730	01 104	75 146	64.700
Net cash flows from operating activities	,	,	,	81,194	75,146	64,728
Income tax paid	(8,101)	(6,531)	(6,429)	(886)	(1,204)	(1,464)
Investing activities	(199,954)	(115,742)	(255,350)	(53,395)		<u> </u>
Net cash flows before financing activities	161,747	368,185	159,951	26,913	73,942	63,264
Financing activities						
Grant of loan to subsidiary	-	-	-	-	(25,000)	(75,000)
Net decrease in other borrowed funds	(84,128)	(258,633)	(297,782)	-	-	-
Dividends paid	(62,013)	(62,013)	(62,013)	(62,013)	(62,013)	(62,013)
Net cash flows from financing activities	(146,141)	(320,646)	(359,795)	(62,013)	(87,013)	(137,013)
Increase/(decrease) in cash and cash equivalents	15,606	47,539	(199,844)	(35,100)	(13,071)	(73,749)
Net cash and cash equivalents brought forward	(628,953)	(429,109)	(429,109)	(768,460)	(694,711)	(694,711)
Net cash and cash equivalents carried forward	(613,347)	(381,570)	(628,953)	(803,560)	(707,782)	(768,460)

103,355

103,355

103,355

- 7. Copies of the abridged unaudited interim financial statements are available to the public and can be obtained free of charge from the Company Secretary at the registered office of the Company, 9-15, Sir William Newton Street, Port-Louis.
- 8. The statement of direct and indirect interests of officers of the Company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, at the registered office of the Company.
- 9. The abridged unaudited interim financial statements were approved for issue by the Board of Directors on the 11th May 2017.
- 10. This communiqué is issued pursuant to Listing Rule 12.20 and Securities Act 2005. The Board of Directors of Fincorp Investment Limited accepts full responsibility for the accuracy of the information contained in this communiqué.

BY ORDER OF THE BOARD