

**HNB GRAMEEN FINANCE LIMITED
INCOME STATEMENT**

In Rupees Thousand ('000)	Current Period From 1st April 2015 To 30th September 2015	Previous Period From 1st April 2014 To 30th September 2014
Interest Income	1,809,642	1,030,882
Interest Expenses	(467,290)	(303,837)
Net Interest Income	1,342,351	727,045
Fee and Commision Income	231,492	123,425
Net Interest, Fee and Commision Income	1,573,843	850,470
Other Operating Income	41,935	19,150
Total Oerating Income	1,615,778	869,621
Impairment gain / (loss) on Loans and Receivables	(45,225)	(11,531)
Net Operating Income	1,570,553	858,090
Less: Operation Expenses		
Personnel Cost	321,833	256,965
Depreciation	38,218	25,255
Directors' Emoluments	4,050	5,081
Establishment Expenses	299,374	255,553
Other Expenses	46,975	49,936
Finance Cost	7,118	5,604
Operating Profit before Value Added Tax (VAT)	852,985	259,696
VAT on Financial Services	(141,923)	(51,744)
Operating Profit after Value Added Tax (VAT)	711,062	207,952
Income Tax	(186,978)	(32,000)
Profit for the period	524,084	175,952
Basic earnings per ordinary share	0.30	0.10

**HNB GRAMEEN FINANCE LIMITED
STATEMENT OF FINANCIAL POSITION**

Rupees Thousand ('000)	As at 30th September 2015	As at 30th September 2014 Rs.
Assets		
Cash and Cash Equivalents	363,483	337,517
Loans and Advance to Members	7,547,024	4,026,665
Loans and Advances to Others	399,502	36,216
Financial Investments - Available - For- Sale	234	234
Financial Investments - Held - To- Maturity	1,644,396	1,353,718
Other Receivables	70,970	65,182
Other Assets and Prepayments	214,688	326,040
Investment Properties	890,500	886,300
Intangible Assets	10,494	13,588
Property Plant and Equipment	879,037	825,020
Deferred Tax Asset	5,979	-
Total Assets	12,026,308	7,870,480
Liabilities		
Bank Overdraft	-	18,710
Due to Customers	8,677,900	5,457,042
Other Borrowings	921,153	947,569
Tax Payable	279,945	183,810
Other Liabilities	216,071	214,078
Retiring Benefit Obligation	134,530	105,453
Differed Tax Liability	-	27,714
Total Liabilities	10,229,598	6,954,375
Shareholders Funds		
Stated Capital	223,545	3,895,806
General Reserve	82,898	82,898
Statutory Reserve Fund	204,734	97,825
Investment Fund	-	61,395
Revaluation Reserve	262,314	267,483
Accumulated Profit / (Loss)	1,023,218	(3,489,302)
	1,796,710	916,105
Total Liabilities and Shreholders Fund	12,026,308	7,870,480

**HNB GRAMEEN FINANCE LIMITED
SELECTED PERFORMANCE INDICATORS**

	30th September 2015	30th September 2014
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital) (Rs '000)	1,010,311	81,309
Total Capital Base (Rs '000)	1,183,381	162,618
Core Capital Adequacy Ratio as % of Risk Weighted Assets (Minimum Requirement 5%)	10.24	1.31
Total Capital Adequacy Ratio as % of Risk Weighted Assets (Minimum Requirement 10%)	11.99	2.61
Capital Funds to Deposit Liabilities Ratio %	21.02	20.42
Regulatory Liquidity		
Required minimum amount of Liquid Assets (Rs '000)	943,016	485,860
Available amount of Liquid Assets (Rs '000)	1,823,859	1,508,699
Required minimum amount of Government Securities	518,823	296,724
Available minimum amount of Government Securities	1,387,606	1,194,061
Quality of Loan Portfolio		
Gross Non Performing Accommodations (Rs '000)	65,873	27,016
Gross Non Performing Accommodations Ratio %	0.83	0.67
Net Non Performing Accommodations Ratio %	-	-
Profitability		
Return on Assets (%)	9.48	5.14
Return on Equity (%)	68.3	42.49
Memorandum Information		
Number of Employees	1,210	1,028
Number of Branches	48	48
Number of Service Centres	11	5

CERTIFICATION

We, the undersigned, being the Chief Executive Officer and the Director of HNB Grameen Micro Finance Limited certify jointly that:

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

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Chief Executive Officer
20.10.2015

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Director
20.10.2015