

Income Statement

In Rupees Thousand ('000)	Current Period From 1st April 2017 To 30th September 2017	Previous Period From 1st April 2016 To 30th September 2016
Gross Income	3,560,104	2,780,846
Interest income	3,145,650	2,439,396
Interest expenses	(1,061,843)	(653,096)
Net interest income	2,083,807	1,786,300
Fee and commission income	367,793	303,432
Fee and commission expenses	(51,787)	(43,682)
Net fee and commission income	316,006	259,750
Net interest, fee and commission income	2,399,813	2,046,050
Other Operating Income	46,661	38,018
Total operating income	2,446,474	2,084,068
Impairment Charges for Loans and Other Losses	(151,304)	(82,652)
Net operating income	2,295,170	2,001,416
Personnel expenses	(578,040)	(463,012)
Other expenses	(551,049)	(458,206)
Total operating Expenses	(1,129,089)	(921,218)
Operating Profit before Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	1,166,081	1,080,198
Value Added Tax (VAT) on financial services	(210,476)	(148,628)
Nation Building Tax (NBT) on financial services	(32,619)	(27,054)
Operating Profit after Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	922,986	904,516
Income tax expenses	(264,404)	(230,533)
Profit for the year	658,582	673,983
Basic earnings per share	0.38	0.39

Performance Indicators

As at	30th September 2017	30th September 2016
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital)	LKR'000 2,842,420	2,029,728
Total Capital Base	LKR'000 2,975,490	2,182,798
Core Capital Adequacy Ratio as % of Risk Weighted Assets (Minimum Requirement 5%)	14.71	14.48
Total Capital Adequacy Ratio as % of Risk Weighted Assets (Minimum Requirement 10%)	15.40	15.58
Capital Funds to deposit liabilities Ratio %	21.39	21.15
Regulatory Liquidity		
Required Minimum Amount of liquid Assets	LKR'000 2,029,242	1,295,035
Available Amount of Liquid Assets	LKR'000 5,821,532	1,951,465
Required Minimum Amount of Government Approved Securities	LKR'000 1,164,901	780,146
Available Amount of Government Approved Securities	LKR'000 1,201,013	1,513,787
Quality of Loan Portfolio		
Gross Non Performing Accommodations	LKR'000 524,123	134,029
Gross Non Performing Accommodations Ratio %	3.25	1.12
Net Non Performing Accommodations Ratio %	-	-
Profitability		
Return on Average Assets (%)	5.88	8.71
Return on Average Equity (%)	35.41	51.17
Memorandum Information		
Number of Employees	1679	1485
No of Branches	48	48
No of Service Centres	21	21

Statement of Financial Position

Rupees Thousand ('000)	As at 30th September 2017 Rs.	As at 30th September 2016 Rs.
ASSETS		
Cash and cash equivalents	953,824	301,467
Financial Assets Held for Trading	15,025	14,943
Loans and Advances to members	15,605,562	11,469,084
Loans and Advances to others	564,074	451,260
Financial investment - Loan & Receivable	307,113	-
Financial Investments - Available-For-Sale	12,430	12,430
Financial Investments - Held-To-Maturity	4,940,277	1,744,774
Other Assets	324,759	260,714
Investment Properties	1,049,600	904,500
Intangible Assets	148,826	111,982
Property, Plant & Equipment	1,124,769	969,359
Total assets	25,046,259	16,240,513

LIABILITIES

Due to customers	18,450,973	11,803,799
Debt issued and other borrowed funds	1,261,836	890,806
Income Tax Payable	155,730	159,595
Value added tax payable	(34,839)	19,484
Other Liabilities	1,143,761	299,257
Retiring Benefit Obligation	175,854	150,064
Deferred Tax Liability	16,116	40,656
Total liabilities	21,169,431	13,363,661

SHAREHOLDERS' FUND

Stated Capital	223,545	223,545
General Reserve	82,898	82,898
Statutory Reserve Fund	638,520	426,753
Revaluation Reserve	384,484	262,314
Retained Earnings	2,547,381	1,881,342
Total equity and liabilities	25,046,259	16,240,513

We, the undersigned, being the Managing Director/Chief Executive Officer and the Chief Operating Officer of HNB Grameen Finance Limited certify jointly that,

- The above Statements have been prepared in compliance with the formats 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 HNB Grameen Finance Limited.

Signed - B.M.D.C. Prabhath
Managing Director/Chief Executive Officer

22 November 2017

Signed - W.S.P. Arangala
Chief Operating Officer

22 November 2017