

Statements of Financial Position

	NOTES	GROUP			COMPANY		
		31-Dec-17 Rs'000	31-Dec-16 Rs'000	30-Jun-17 Rs'000	31-Dec-17 Rs'000	31-Dec-16 Rs'000	30-Jun-17 Rs'000
ASSETS EMPLOYED							
NON-CURRENT ASSETS							
Intangible assets		27,919	32,027	30,077	-	-	-
Property, plant and equipment	3	612,674	525,206	600,287	-	-	-
Investments in associates		5,310,639	5,128,073	5,317,033	2,382,030	1,740,039	2,223,313
Investment in subsidiary		-	-	-	200,000	200,000	200,000
Investment securities - available-for-sale		454,210	443,680	452,703	454,210	443,680	452,703
Loan receivable		306,896	289,593	299,908	409,068	391,966	405,479
Finance lease receivables	4	2,369,004	2,507,603	2,485,310	-	-	-
Deposits with financial institutions		224,544	216,794	220,803	-	-	-
		9,305,886	9,142,976	9,406,121	3,445,308	2,775,685	3,281,495
CURRENT ASSETS		1,640,448	1,625,009	1,653,728	18,279	14,399	49,745
CURRENT LIABILITIES		(1,933,427)	(2,006,086)	(1,927,206)	(791,080)	(806,823)	(807,020)
NET CURRENT LIABILITIES		(292,979)	(381,077)	(273,478)	(772,801)	(792,424)	(757,275)
		9,012,907	8,761,899	9,132,643	2,672,507	1,983,261	2,524,220
FINANCED BY							
SHARE CAPITAL							
SHARE CAPITAL		103,355	103,355	103,355	103,355	103,355	103,355
RETAINED EARNINGS		1,947,348	1,990,782	1,968,113	15,133	4,509	34,058
OTHER COMPONENTS OF EQUITY		3,407,410	3,167,161	3,391,187	2,247,123	1,585,804	2,086,899
SHAREHOLDERS' INTERESTS		5,458,113	5,261,298	5,462,655	2,365,611	1,693,668	2,224,312
NON-CURRENT LIABILITIES							
Deposits		3,032,363	2,750,363	3,041,260	-	-	-
Borrowings		502,167	724,292	609,401	306,896	289,593	299,908
Deferred tax liabilities		20,264	25,946	19,327	-	-	-
		3,554,794	3,500,601	3,669,988	306,896	289,593	299,908
		9,012,907	8,761,899	9,132,643	2,672,507	1,983,261	2,524,220
NET ASSETS PER SHARE (Rs.)							
		52.81	50.91	52.85			

Statements of Profit or Loss

	GROUP					COMPANY				
	Quarter to	Quarter to	6 Months to	6 Months to	Year to	Quarter to	Quarter to	6 Months to	6 Months to	Year to
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16	30-Jun-17	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16	30-Jun-17
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	125,595	135,007	256,143	258,593	497,234	21,131	17,426	70,905	25,649	82,173
Other income	49,805	58,415	104,137	104,096	195,341	18,219	14,122	64,269	18,790	71,232
(Loss)/profit on exchange	(34)	563	(275)	546	99	(34)	563	(275)	546	99
Finance income	75,456	76,592	152,266	154,497	304,595	2,912	3,304	6,636	6,859	13,643
Finance costs	(62,576)	(63,849)	(126,234)	(127,192)	(254,099)	(12,311)	(13,741)	(25,493)	(26,905)	(53,892)
Operating expenses	(50,243)	(41,479)	(99,008)	(82,885)	(185,988)	(775)	(786)	(1,392)	(1,384)	(2,809)
Operating profit/(loss) before impairment	12,408	30,242	30,886	49,062	59,948	8,011	3,462	43,745	(2,094)	28,273
Net impairment of financial assets	(6,493)	(5,524)	(8,478)	(8,024)	(42,793)	-	-	-	-	-
Operating profit/(loss)	5,915	24,718	22,408	41,038	17,155	8,011	3,462	43,745	(2,094)	28,273
Share of profits of associates	886	17,671	27,505	60,214	70,337	-	-	-	-	-
Profit/(loss) before tax	6,801	42,389	49,913	101,252	87,492	8,011	3,462	43,745	(2,094)	28,273
Income tax expense	(4,117)	(6,392)	(9,434)	(10,433)	(5,508)	(268)	-	(657)	-	(818)
Profit/(loss) attributable to equity holders of the parent	2,684	35,997	40,479	90,819	81,984	7,743	3,462	43,088	(2,094)	27,455
Earnings per share (Re.)	0.03	0.35	0.39	0.88	0.79					
Number of shares in issue (thousands)	103,355	103,355	103,355	103,355	103,355					

Statements of Comprehensive Income

	GROUP					COMPANY				
	Quarter to	Quarter to	6 Months to	6 Months to	Year to	Quarter to	Quarter to	6 Months to	6 Months to	Year to
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16	30-Jun-17	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16	30-Jun-17
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Profit/(loss) attributable to equity holders of the parent	2,684	35,997	40,479	90,819	81,984	7,743	3,462	43,088	(2,094)	27,455
Other comprehensive (expense)/income:										
Items that will not be reclassified to profit or loss:										
Share of other comprehensive expense of associates	-	-	-	-	(7,286)	-	-	-	-	-
Items that may be reclassified subsequently to profit or loss:										
Net fair value (loss)/gain on investments in associates	-	-	-	-	-	(35,020)	(170,114)	158,717	64,717	547,991
Net fair value gain/(loss) on available-for-sale investments	1,656	(11,660)	1,507	(7,739)	10,082	1,656	(11,660)	1,507	(7,739)	10,082
Share of other comprehensive (expense)/income of associates	(34,414)	(314)	14,338	42,465	242,148	-	-	-	-	-
Other comprehensive (expense)/income for the period	(32,758)	(11,974)	15,845	34,726	252,230	(33,364)	(181,774)	160,224	56,978	558,073
Total comprehensive (expense)/income attributable to equity holders of the parent	(30,074)	24,023	56,324	125,545	326,928	(25,621)	(178,312)	203,312	54,884	585,528

Statements of Changes in Equity

	Share Capital	Retained Earnings	Capital Reserve	Revaluation & Other Reserve	Statutory Reserve	General Risk Reserve	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
GROUP							
At 1st July 2016	103,355	1,824,343	377,832	2,663,858	79,255	19,658	5,068,301
Profit for the period	-	90,819	-	-	-	-	90,819
Other comprehensive (expense)/income for the period	-	-	(29)	34,755	-	-	34,726
Total comprehensive income/(expense) for the period	-	90,819	(29)	34,755	-	-	125,545
Share of transfer by associate	-	9,074	-	(9,074)	-	-	-
Share of changes in ownership interests of associate's subsidiary	-	69,674	-	-	-	-	69,674
Share of employee share options exercised in associate	-	(2,987)	-	853	-	-	(2,134)
Share of other movements in reserves of associates	-	(141)	-	53	-	-	(88)
At 31st December 2016	103,355	1,990,782	377,803	2,690,445	79,255	19,658	5,261,298
At 1st July 2016	103,355	1,824,343	377,832	2,663,858	79,255	19,658	5,068,301
Profit for the year	-	81,984	-	-	-	-	81,984
Other comprehensive (expense)/income for the year	-	(8,024)	(38)	253,006	-	-	244,944
Total comprehensive income/(expense) for the year	-	73,960	(38)	253,006	-	-	326,928
Share of transfer by associate	-	10,306	-	(10,306)	-	-	-
Share of changes in ownership interests of associate's subsidiary	-	69,616	-	-	-	-	69,616
Effect of employee share options exercised in associate	-	(2,955)	-	856	-	-	(2,099)
Share of other movements in reserves of associate	-	(91)	-	-	-	-	(91)
Transfer to statutory reserve	-	(7,066)	-	-	7,066	-	-
At 30th June 2017	103,355	1,968,113	377,794	2,907,414	86,321	19,658	5,462,655
Profit for the period	-	40,479	-	-	-	-	40,479
Other comprehensive income/(expense) for the period	-	110	(2)	15,737	-	-	15,845
Total comprehensive income/(expense) for the period	-	40,589	(2)	15,737	-	-	56,324
Share of transfer by associate	-	130	-	(130)	-	-	-
Dividends	-	(62,013)	-	-	-	-	(62,013)
Effect of employee share options exercised in associate	-	(2,312)	-	795	-	-	(1,517)
Share of other movements in reserves of associates	-	2,664	-	-	-	-	2,664
Transfer from statutory reserve	-	177	-	-	(177)	-	-
At 31st December 2017	103,355	1,947,348	377,792	2,923,816	86,144	19,658	5,458,113
COMPANY							
At 1st July 2016	103,355	6,603	100,596	1,428,230	-	-	1,638,784
Loss for the period	-	(2,094)	-	-	-	-	(2,094)
Other comprehensive income for the period	-	-	-	56,978	-	-	56,978
Total comprehensive (expense)/income for the period	-	(2,094)	-	56,978	-	-	54,884
At 31st December 2016	103,355	4,509	100,596	1,485,208	-	-	1,693,668
At 1st July 2016	103,355	6,603	100,596	1,428,230	-	-	1,638,784
Profit for the year	-	27,455	-	-	-	-	27,455
Other comprehensive income for the year	-	-	-	558,073	-	-	558,073
Total comprehensive income for the year	-	27,455	-	558,073	-	-	585,528
At 30th June 2017	103,355	34,058	100,596	1,986,303	-	-	2,224,312
Profit for the period	-	43,088	-	-	-	-	43,088
Other comprehensive income for the period	-	-	-	160,224	-	-	160,224
Total comprehensive income for the period	-	43,088	-	160,224	-	-	203,312
Dividends	-	(62,013)	-	-	-	-	(62,013)
At 31st December 2017	103,355	15,133	100,596	2,146,527	-	-	2,365,611

Statements of Cash Flows

	GROUP			COMPANY		
	6 Months to	6 Months to	Year to	6 Months to	6 Months to	Year to
	31-Dec-17	31-Dec-16	30-Jun-17	31-Dec-17	31-Dec-16	30-Jun-17
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Net cash flows from operating activities	262,598	285,476	677,945	78,836	79,826	69,103
Income tax paid	(4,861)	(2,809)	(11,870)	(227)	(494)	(1,141)
Investing activities	(77,685)	(157,850)	(270,651)	-	(53,395)	(41,895)
Net cash flows before financing activities	180,052	124,817	395,424	78,609	25,937	26,067
Financing activities						
Net decrease in borrowings	(120,875)	(38,133)	(224,864)	-	-	-
Dividends paid	(62,013)	(62,013)	(62,013)	(62,013)	(62,013)	(62,013)
Net cash flows from financing activities	(182,888)	(100,146)	(286,877)	(62,013)	(62,013)	(62,013)
(Decrease)/Increase in cash and cash equivalents	(2,836)	24,671	108,547	16,596	(36,076)	(35,946)
Net cash and cash equivalents brought forward	(520,406)	(628,953)	(628,953)	(804,406)	(768,460)	(768,460)
Net cash and cash equivalents carried forward	(523,242)	(604,282)	(520,406)	(787,810)	(804,536)	(804,406)

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 2017 and comply with IAS 34.

2. COMMENTS

Group profit attributable to shareholders for the half year ended 31st December 2017 reached Rs 40.5 million, down from Rs 90.8 million for the corresponding period last year.

Finlease, our wholly owned leasing subsidiary, posted reduced profits of Rs 29.7 million compared to Rs 46.2 million last year. This is mainly explained by a flat lease portfolio amidst an excess liquidity environment and falling interest margins and a one-off compensation of Rs 14.7 million received last year in respect of claims for funds not disbursed under the previous Lease Equipment and Modernisation Scheme.

At the level of our associates, Caudan Development Ltd posted improved results largely due to lower finance charges following the rights issue. On the other hand, the contribution from Promotion and Development Ltd (PAD) was adversely impacted by losses generated by Medine Ltd on the back of lower proceeds from sugar related activities as well as lower profits generated on sale of land. As a result, the share of profits from our associates decreased from Rs 60.2 million to Rs 27.5 million.

3. PROPERTY, PLANT AND EQUIPMENT

Assets under operating leases included under the above caption

GROUP		
31-Dec-17	31-Dec-16	30-Jun-17
Rs'000	Rs'000	Rs'000
611,131	523,583	598,538

4. FINANCE LEASE RECEIVABLES

Receivable within one year and included in current assets

1,305,448 1,392,708 1,307,431

Receivable after one year

2,369,004 2,507,603 2,485,310

3,674,452 3,900,311 3,792,741

5. OPERATING EXPENSES

Depreciation of assets under operating leases included in operating expenses

68,109 54,655 116,772

6. OPERATING SEGMENTS

6 months to 31st December 2017

Segment revenue

256,143 246,215 70,905 (60,977)

Operating profit

22,408 36,707 43,745 (58,044)

6 months to 31st December 2016

Segment revenue

258,593 249,960 25,649 (17,016)

Operating profit/(loss)

41,038 56,665 (2,094) (13,533)

Year ended 30th June 2017

Segment revenue

497,234 484,490 82,173 (69,429)

Operating profit

17,155 51,798 28,273 (62,916)

7. EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit attributable to equity holders of the parent by the number of equity shares in issue and ranking for dividend.

8. 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 and can be viewed on our website: www.fincorp.mu

9. 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.

10. The abridged unaudited interim financial statements were approved for issue by the Board of Directors on the 12th February 2018.

11. 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