

Consolidated Statement of Financial Position

	Unaudited 30-Sep-19 Rs'000	Unaudited 30-Sep-18 Rs'000	Audited 30-Jun-19 Rs'000
ASSETS EMPLOYED			
NON-CURRENT ASSETS			
Intangible assets	23,698	25,164	24,706
Property, plant and equipment ¹	690,655	624,184	694,910
Investments in associates	5,380,151	5,209,540	5,374,078
Investment securities	532,074	477,538	521,439
Loan receivable	303,648	303,811	308,868
Finance lease receivables ²	2,224,983	2,015,458	2,214,331
Deposits with financial institutions	56,519	105,622	55,842
	9,211,728	8,761,317	9,194,174
CURRENT ASSETS	1,708,761	1,893,374	1,592,522
CURRENT LIABILITIES	(1,852,368)	(1,570,597)	(1,535,123)
NET CURRENT(LIABILITIES)/ASSETS	(143,607)	322,777	57,399
	9,068,121	9,084,094	9,251,573
FINANCED BY			
Share capital	103,355	103,355	103,355
Retained earnings	2,094,935	1,886,315	2,110,286
Other components of equity	3,588,605	3,604,850	3,565,190
SHAREHOLDERS' INTERESTS	5,786,895	5,594,520	5,778,831
NON-CURRENT LIABILITIES			
Deposits	2,944,144	3,084,949	3,122,089
Borrowings	321,373	389,137	334,414
Deferred tax liabilities	15,709	15,488	16,239
	3,281,226	3,489,574	3,472,742
	9,068,121	9,084,094	9,251,573

Consolidated Statement of Profit or Loss

	Unaudited Quarter to 30-Sep-19 Rs'000	Unaudited Quarter to 30-Sep-18 Rs'000	Audited Year to 30-Jun-19 Rs'000
Revenue	125,908	116,201	501,423
Other income	55,692	51,269	220,318
Profit on exchange	117	164	68
Finance income	69,919	67,102	281,812
Finance costs	(55,178)	(55,645)	(218,466)
Operating expenses ³	(57,772)	(53,601)	(209,374)
Operating profit before impairment	12,778	9,289	74,358
Net impairment of financial assets	271	(1,670)	(6,105)
Operating profit	13,049	7,619	68,253
Share of profits of associates	39,156	41,306	152,044
Profit before tax	52,205	48,925	220,297
Income tax expense	(1,835)	(3,088)	(7,323)
Profit attributable to equity holders of the parent	50,370	45,837	212,974
Earnings per share (Re.) ⁵	0.49	0.44	2.06
Number of shares in issue (thousands)	103,355	103,355	103,355

Condolidated Statement of Comprehensive Income

	Unaudited Quarter to 30-Sep-19 Rs'000	Unaudited Quarter to 30-Sep-18 Rs'000	Audited Year to 30-Jun-19 Rs'000
Profit attributable to equity holders of the parent	50,370	45,837	212,974
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss:			
Net fair value gain/(loss) on equity investments	11,700	(14,850)	(72,225)
Share of other comprehensive income of associates	19,201	644	69,138
	30,901	(14,206)	(3,087)
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive (expense)/income of associates	(232)	1,747	4,441
	(232)	1,747	4,441
Other comprehensive income/(expense) for the period	30,669	(12,459)	1,354
Total comprehensive income attributable to equity holders of the parent	81,039	33,378	214,328

Consolidated Statement of Changes in Equity

	Share Capital Rs'000	Capital Contribution Rs'000	Retained Earnings Rs'000	Capital Reserve Rs'000	Revaluation & Other Reserve Rs'000	Statutory Reserve Rs'000	General Risk Reserve Rs'000	Total Rs'000
At 1 July 2018	103,355	200,000	1,902,231	377,792	2,944,193	95,584	-	5,623,155
Profit for the period	-	-	45,837	-	-	-	-	45,837
Other comprehensive income/(expense) for the period	-	-	33	-	(12,492)	-	-	(12,459)
Total comprehensive income/(expense) for the period	-	-	45,870	-	(12,492)	-	-	33,378
Share of transfer by associate	-	-	227	-	(227)	-	-	-
Dividends	-	-	(62,013)	-	-	-	-	(62,013)
At 30 September 2018	103,355	200,000	1,886,315	377,792	2,931,474	95,584	-	5,594,520
At 1 July 2018	103,355	200,000	1,902,231	377,792	2,944,193	95,584	-	5,623,155
Profit for the year	-	-	212,974	-	-	-	-	212,974
Other comprehensive income/(expense) for the year	-	-	68	4,280	(2,994)	-	-	1,354
Total comprehensive income/(expense) for the year	-	-	213,042	4,280	(2,994)	-	-	214,328
Share of transfer by associate	-	-	64,479	-	(64,479)	-	-	-
Effect of employee share options exercised in associate	-	-	6,804	-	-	-	-	6,804
Share of other movements in reserves of associate	-	-	-	-	(2,779)	-	-	(2,779)
Share of impact of change in shareholding in associates	-	-	(664)	-	-	-	-	(664)
Dividends	-	-	(62,013)	-	-	-	-	(62,013)
Transfer to statutory reserve	-	-	(13,593)	-	-	13,593	-	-
At 30 June 2019	103,355	200,000	2,110,286	382,072	2,873,941	109,177	-	5,778,831
Profit for the period	-	-	50,370	-	-	-	-	50,370
Other comprehensive (expense)/income for the period	-	-	(282)	50	30,901	-	-	30,669
Total comprehensive income for the period	-	-	50,088	50	30,901	-	-	81,039
Share of transfer by associate	-	-	7,588	-	(7,588)	-	-	-
Share of other movements in reserves of associate	-	-	(14)	-	52	-	-	38
Dividends	-	-	(62,013)	-	-	-	-	(62,013)
Dividends to non-cumulative preference shareholders	-	-	(11,000)	-	-	-	-	(11,000)
At 30 September 2019	103,355	200,000	2,094,935	382,122	2,897,306	109,177	-	5,786,895

Consolidated Statement of Cash Flows

	Unaudited 3 Months to 30-Sep-19 Rs'000	Unaudited 3 Months to 30-Sep-18 Rs'000	Audited Year to 30-Jun-19 Rs'000
Net cash flows from operating activities	392,475	201,433	303,690
Income tax paid	-	-	(22,510)
Investing activities	(28,680)	(163,024)	(333,996)
Net cash flows before financing activities	363,795	38,409	(52,816)
Financing activities			
Net decrease in borrowings	(55,717)	(62,757)	(166,117)
Dividends paid	(73,013)	(62,013)	(62,013)
Net cash flows used in financing activities	(128,730)	(124,770)	(228,130)
Increase/(Decrease) in cash and cash equivalents	235,065	(86,361)	(280,946)
Net cash and cash equivalents brought forward	(570,756)	(289,810)	(289,810)
Net cash and cash equivalents carried forward	(335,691)	(376,171)	(570,756)

RESULTS

Fincorp posted a consolidated profit after tax amounting to Rs 50.3 million for the period ended September 30, 2019 compared to Rs 45.8 million for the corresponding period last year.

Operating profit before taking into consideration the share of profits of associates improved from Rs 7.6 million to Rs 13.0 million in view of the better performance of MCB Leasing Limited (previously Finlease Company Limited) mainly as a result of lower impairment charges and an increase in contribution from operating leases. On the other hand, the contribution of the Company's associates to group profits dropped slightly from Rs 41.3 million to Rs 39.1 million mainly due to the higher financing costs incurred by Caudan as a result of the construction of phase 3 which has yet to reach its cruising speed.

By order of the Board

12 November 2019

Notes

	Unaudited 30-Sep-19 Rs'000	Unaudited 30-Sep-18 Rs'000	Audited 30-Jun-19 Rs'000	
1. Property, plant and equipment				
Assets under operating leases included under the above caption	689,358	622,776	693,753	
2. Finance lease receivables				
Receivable within one year and included in current assets	1,181,178	1,270,042	1,264,845	
Receivable after one year	2,224,983	2,015,458	2,214,331	
	3,406,161	3,285,500	3,479,176	
3. Operating expenses				
Depreciation of assets under operating leases included in operating expenses	37,273	32,847	134,918	
4. Operating Segments				
	Group Rs'000	Leasing Rs'000	Investing Rs'000	Eliminations Rs'000
3 months to 30 Sep 2019				
Segment revenue	125,908	123,816	65,550	(63,458)
Operating profit	13,049	22,267	54,240	(63,458)
3 months to 30 Sep 2018				
Segment revenue	116,201	114,154	42,047	(40,000)
Operating profit	7,619	14,922	32,697	(40,000)
Year ended 30 June 2019				
Segment revenue	501,423	485,903	128,360	(112,840)
Operating profit	68,253	97,365	83,728	(112,840)
5. 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.				

The abridged unaudited interim consolidated financial statement comply with IAS 34 and have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 30 June 2019.

Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies.

Copies of the abridged unaudited interim consolidated financial statement 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

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.

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.