

Statements of Financial Position

	Notes	GROUP		COMPANY	
		2017 Rs'000	2016 Rs'000	2017 Rs'000	2016 Rs'000
ASSETS EMPLOYED					
NON-CURRENT ASSETS					
Intangible assets		30,077	33,833	-	-
Property, plant and equipment	3	600,287	472,696	-	-
Investments in associates		5,317,033	4,949,657	2,223,313	1,621,927
Investment in subsidiary		-	-	200,000	200,000
Investment securities - available-for-sale		452,703	451,419	452,703	451,419
Loan receivable		299,908	301,264	405,479	403,848
Finance lease receivables	4	2,485,310	2,571,865	-	-
Deposits with financial institutions		220,803	212,641	-	-
		9,406,121	8,993,375	3,281,495	2,677,194
CURRENT ASSETS					
		1,653,728	1,502,269	49,745	95,975
CURRENT LIABILITIES					
		(1,927,206)	(1,856,000)	(807,020)	(833,121)
NET CURRENT LIABILITIES					
		(273,478)	(353,731)	(757,275)	(737,146)
		9,132,643	8,639,644	2,524,220	1,940,048
FINANCED BY					
SHARE CAPITAL					
		103,355	103,355	103,355	103,355
RETAINED EARNINGS					
		1,968,113	1,824,343	34,058	6,603
OTHER COMPONENTS OF EQUITY					
		3,391,187	3,140,603	2,086,899	1,528,826
SHAREHOLDERS' INTERESTS					
		5,462,655	5,068,301	2,224,312	1,638,784
NON-CURRENT LIABILITIES					
Deposits		3,041,260	2,717,590	-	-
Borrowings		609,401	829,104	299,908	301,264
Deferred tax liabilities		19,327	24,649	-	-
		3,669,988	3,571,343	299,908	301,264
		9,132,643	8,639,644	2,524,220	1,940,048

Statements of Profit or Loss

	GROUP		COMPANY	
	Year ended 2017 Rs'000	Year ended 2016 Rs'000	Year ended 2017 Rs'000	Year ended 2016 Rs'000
Revenue	497,234	464,246	82,173	116,723
Other income	195,341	151,517	71,232	105,260
Profit/(Loss) on exchange	99	(69)	99	(69)
Finance income	304,595	312,729	13,643	11,463
Finance costs	(254,099)	(255,329)	(53,892)	(48,467)
Operating expenses	(185,988)	(163,686)	(2,809)	(3,254)
Operating profit before impairment	59,948	45,162	28,273	64,933
Net impairment of financial assets	(42,793)	(17,145)	-	-
Operating profit	17,155	28,017	28,273	64,933
Share of profits of associates	70,337	370,869	-	-
Profit before tax	87,492	398,886	28,273	64,933
Income tax expense	(5,508)	(16,508)	(818)	(1,115)
Profit attributable to equity holders of the parent	81,984	382,378	27,455	63,818

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Statements of Comprehensive Income

Profit attributable to equity holders of the parent	81,984	382,378	27,455	63,818
Other comprehensive income/(expense):				
Items that will not be reclassified to profit or loss:				
Share of other comprehensive (expense)/income of associates	(7,286)	661,408	-	-
Items that may be reclassified subsequently to profit or loss:				
Net fair value gain/(loss) on investments in associates	-	-	547,991	(117,018)
Net fair value gain/(loss) on available-for-sale investments	10,082	(33,368)	10,082	(33,368)
Share of other comprehensive income of associates	242,148	381,794	-	-
	252,230	348,426	558,073	(150,386)
Other comprehensive income/(expense) for the year	244,944	1,009,834	558,073	(150,386)
Total comprehensive income/(expense) attributable to equity holders of the parent	326,928	1,392,212	585,528	(86,568)

Data per Share

Net assets per share (Rs.)	52.85	49.04	21.52	15.86
Earnings per share (Rs.)	0.79	3.70	0.27	0.62
No. of shares in issue (thousands)	103,355	103,355	103,355	103,355

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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 year	-	382,378	-	-	-	-	382,378
Other comprehensive (expense)/income for the year	-	-	(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	-	(5,016)	-	-	-	5,016	-
At 30th June 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
COMPANY							
At 1st July 2015	103,355	4,798	100,596	1,578,616	-	-	1,787,365
Profit for the year	-	63,818	-	-	-	-	63,818
Other comprehensive expense for the year	-	-	-	(150,386)	-	-	(150,386)
Total comprehensive income/(expense) for the year	-	63,818	-	(150,386)	-	-	(86,568)
Dividends	-	(62,013)	-	-	-	-	(62,013)
At 30th June 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

Statements of Cash Flows

	GROUP		COMPANY	
	Year ended 2017 Rs'000	Year ended 2016 Rs'000	Year ended 2017 Rs'000	Year ended 2016 Rs'000
Net cash flows from operating activities	677,945	421,730	69,103	64,728
Income tax paid	(11,870)	(6,429)	(1,141)	(1,464)
Purchase of property, plant and equipment	(285,605)	(169,270)	-	-
Purchase of intangible assets	(245)	(34,451)	-	-
Increase in deposits with financial institutions	-	(100,000)	-	-
Proceeds from sale of available-for-sale investment	11,500	-	11,500	-
Exercise of rights in associate	(53,395)	-	(53,395)	-
Proceeds from sale of plant and equipment	38,439	39,432	-	-
Proceeds from sale of repossessed leased assets	18,655	8,939	-	-
Investing activities	(270,651)	(255,350)	(41,895)	-
Net cash flows before financing activities	395,424	159,951	26,067	63,264
Financing activities				
Grant of loan to subsidiary	-	-	-	(75,000)
Net decrease in borrowings	(224,864)	(297,782)	-	-
Dividends paid	(62,013)	(62,013)	(62,013)	(62,013)
Net cash flows from financing activities	(286,877)	(359,795)	(62,013)	(137,013)
Increase/(Decrease) in cash and cash equivalents	108,547	(199,844)	(35,946)	(73,749)
Cash and cash equivalents at 1st July	(628,953)	(429,109)	(768,460)	(694,711)
Cash and cash equivalents at 30th June	(520,406)	(628,953)	(804,406)	(768,460)

The abridged financial statements have been audited by Messrs BDO & Co, Chartered Accountants and have been extracted from the audited financial statements for the year ended June 30th 2017 which have been prepared in accordance with International Financial Reporting Standards (IFRSs).

NOTES

1. The financial statements are audited and have been prepared in accordance with International Financial Reporting Standards.

2. COMMENTS

RESULTS

Consolidated results for the year amounted to Rs 82.0 million compared to Rs 382.4 million achieved last year.

Operating profit before taking into consideration the share of profits of associates dropped from Rs 28.0 million to Rs 17.2 million mainly as a result of the lower profits realised by Finlease Company Limited owing to higher impairment charges and compressed margins exacerbated by increased competition in a highly liquid market. The share of profits from associates fell significantly to Rs 70.3 million (2016: Rs 370.9 million) resulting in Fincorp's consolidated profit after tax falling to Rs 82.0 million (2016: Rs 382.4 million).

The share of profits from associates returned to normalised levels during this financial year after the profit of its associate Promotion and Development Limited ("PAD") benefited from a number of non-recurrent transactions in the previous financial year, totalling some Rs 690 million, and which contributed some Rs 320 million to the group results of Fincorp for the year ended 30 June 2016.

PROSPECTS

While Group results will to a large extent depend on the real estate activities of the PAD Group, which can greatly vary from one year to the next, the Board feels that all of Fincorp's main investments are financially healthy and in a position from which value should be unlocked in the medium term.

3. PROPERTY, PLANT AND EQUIPMENT

Assets under operating leases included under the above caption

GROUP	
2017	2016
Rs'000	Rs'000
<u>598,538</u>	<u>471,799</u>

4. FINANCE LEASE RECEIVABLES

Receivable within one year and included in current assets
Receivable after one year

<u>1,307,431</u>	1,307,840
<u>2,485,310</u>	<u>2,571,865</u>
<u>3,792,741</u>	<u>3,879,705</u>

5. OPERATING EXPENSES

Depreciation of assets under operating leases included in operating expenses

<u>116,772</u>	<u>102,608</u>
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6. 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.

7. Copies of the audited financial statements 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

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 financial statements were approved for issue by the Board of Directors on the 29th September 2017.

10. This communiqué is issued pursuant to Listing Rule 12.14 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