

Consolidated Statement of Financial Position

	Unaudited 31-Mar-19 Rs'000	Unaudited 31-Mar-18 Rs'000	Audited 30-Jun-18 Rs'000
ASSETS EMPLOYED			
NON-CURRENT ASSETS			
Intangible assets	25,275	26,960	26,048
Property, plant and equipment ¹	674,575	588,270	592,372
Investments in associates	5,230,518	5,276,973	5,219,097
Investment securities	661,529	457,893	490,642
Loan receivable	298,955	315,969	308,914
Finance lease receivables ²	2,288,230	2,264,267	2,199,442
Deposits with financial institutions	110,307	226,291	104,787
	9,289,389	9,156,623	8,941,302
CURRENT ASSETS	1,359,560	1,692,665	1,868,552
CURRENT LIABILITIES	(1,463,906)	(1,825,444)	(1,611,945)
NET CURRENT (LIABILITIES)/ASSETS	(104,346)	(132,779)	256,607
	9,185,043	9,023,844	9,197,909
FINANCED BY			
Share capital	103,355	103,355	103,355
Retained earnings	1,951,768	1,918,283	1,894,834
Other components of equity	3,588,215	3,429,452	3,643,356
SHAREHOLDERS' INTERESTS	5,643,338	5,451,090	5,641,545
NON-CURRENT LIABILITIES			
Deposits	3,191,624	3,090,147	3,115,335
Borrowings	332,771	463,610	423,018
Deferred tax liabilities	17,310	18,997	18,011
	3,541,705	3,572,754	3,556,364
	9,185,043	9,023,844	9,197,909

COMMENTS ON RESULTS

Group profit attributable to shareholders reached Rs 58.6 million for the nine months ended 31 March 2019, compared to Rs 11.1 million for the corresponding period last year.

The net profit of Finlease Co Ltd, the company's wholly owned subsidiary, increased from Rs 42.9 million to Rs 53.5 million. This is in line with a pick up in the level of activities during this quarter, a fall in the impairment charge compared to 31 March 2018 as well as a drop in interest expense following the issue of preference shares to refinance part of the company's borrowings. The Group also benefited from an improvement in the results of Promotion and Development Ltd (PAD), its main associate which posted a positive contribution to Fincorp's consolidated results of Rs 30.0 million compared to a loss of Rs 11.1 million last year. This result was mainly boosted by a positive contribution of PAD's associate, Medine Limited on account of higher profits realised on sale of land.

By order of the Board

13 May 2019

Notes

	Unaudited 31-Mar-19 Rs'000	Unaudited 31-Mar-18 Rs'000	Audited 30-Jun-18 Rs'000
1. Property, Plant and Equipment			
Assets under operating leases included under the above caption	673,307	586,736	590,882
2. Finance Lease Receivables			
Receivable within one year and included in current assets	1,180,199	1,293,327	1,303,865
Receivable after one year	2,288,230	2,264,267	2,199,442
	3,468,429	3,557,594	3,503,307
3. Operating Expenses			
Depreciation of assets under operating leases included in operating expenses	102,879	101,466	132,038

Consolidated Statement of Profit or Loss

	Unaudited Quarter to 31-Mar-19 Rs'000	Unaudited Quarter to 31-Mar-18 Rs'000	Unaudited 9 Months to 31-Mar-19 Rs'000	Unaudited 9 Months to 31-Mar-18 Rs'000	Audited Year to 30-Jun-18 Rs'000
Revenue	125,913	123,714	367,053	379,857	504,298
Other income	51,726	50,796	155,635	154,933	208,526
Profit/(loss) on exchange	43	(331)	309	(606)	(362)
Finance income	73,011	73,198	212,670	225,464	296,195
Finance costs	(53,953)	(60,022)	(164,187)	(186,256)	(244,979)
Operating expenses ³	(54,001)	(50,793)	(157,577)	(149,801)	(192,261)
Operating profit before impairment	16,826	12,848	46,850	43,734	67,119
Net impairment of financial assets	703	(3,835)	(7,129)	(12,313)	(17,846)
Operating profit	17,529	9,013	39,721	31,421	49,273
Share of (losses)/profits of associates	(4,963)	(34,252)	32,319	(6,747)	(42,201)
Profit/(loss) before tax	12,566	(25,239)	72,040	24,674	7,072
Income tax expense	(8,261)	(4,096)	(13,431)	(13,530)	(15,800)
Profit/(loss) attributable to equity holders of the parent	4,305	(29,335)	58,609	11,144	(8,728)
Earnings/(loss) per share (Re.)⁵	0.04	(0.28)	0.57	0.11	(0.08)
Number of shares in issue (thousands)	103,355	103,355	103,355	103,355	103,355

Consolidated Statement of Comprehensive Income

	Unaudited Quarter to 31-Mar-19 Rs'000	Unaudited Quarter to 31-Mar-18 Rs'000	Unaudited 9 Months to 31-Mar-19 Rs'000	Unaudited 9 Months to 31-Mar-18 Rs'000	Audited Year to 30-Jun-18 Rs'000
Profit/(loss) attributable to equity holders of the parent	4,305	(29,335)	58,609	11,144	(8,728)
Other comprehensive income/(expense):					
Items that will not be reclassified to profit or loss:					
Net fair value loss on equity investments	-	-	(28,350)	-	-
Share of other comprehensive income/(expense) of associates	42,761	-	52,912	-	(18,470)
	42,761	-	24,562	-	(18,470)
Items that may be reclassified subsequently to profit or loss:					
Net fair value gain on available-for-sale investments	-	3,683	-	5,190	37,939
Share of other comprehensive income of associates	301	18,633	903	32,971	29,019
	301	22,316	903	38,161	66,958
Other comprehensive income for the period	43,062	22,316	25,465	38,161	48,488
Total comprehensive income/(expense) attributable to equity holders of the parent	47,367	(7,019)	84,074	49,305	39,760

4. Operating Segments

	Group Rs'000	Leasing Rs'000	Investing Rs'000	Eliminations Rs'000
<i>9 months to 31 Mar 2019</i>				
Segment revenue	367,053	360,970	66,834	(60,751)
Operating profit	39,721	66,092	34,380	(60,751)
<i>9 months to 31 Mar 2018</i>				
Segment revenue	379,857	367,867	74,385	(62,395)
Operating profit	31,421	55,782	33,683	(58,044)
<i>Year ended 30 June 2018</i>				
Segment revenue	504,298	483,684	135,749	(115,135)
Operating profit	49,273	76,063	82,440	(109,230)

5. Earnings/(Loss) per Share

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

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 01 July 2017	103,355	-	1,968,113	377,794	2,907,414	86,321	19,658	5,462,655
Profit for the period	-	-	11,144	-	-	-	-	11,144
Other comprehensive income/(expense) for the period	-	-	110	(2)	38,053	-	-	38,161
Total comprehensive income/(expense) for the period	-	-	11,254	(2)	38,053	-	-	49,305
Share of transfer by associate	-	-	407	-	(407)	-	-	-
Dividends	-	-	(62,013)	-	-	-	-	(62,013)
Effect of employee share options exercised in associate	-	-	(2,319)	-	798	-	-	(1,521)
Share of other movements in reserves of associates	-	-	2,664	-	-	-	-	2,664
Transfer from statutory reserve	-	-	177	-	-	(177)	-	-
	103,355	-	1,918,283	377,792	2,945,858	86,144	19,658	5,451,090
At 31 March 2018	103,355	-	1,968,113	377,794	2,907,414	86,321	19,658	5,462,655
Loss for the year	-	-	(8,728)	-	-	-	-	(8,728)
Other comprehensive income/(expense) for the year	-	-	5,973	(2)	42,517	-	-	48,488
Total comprehensive (expense)/income for the year	-	-	(2,755)	(2)	42,517	-	-	39,760
Share of transfer by associate	-	-	407	-	(407)	-	-	-
Effect of employee share options exercised in associate	-	-	(2,319)	-	798	-	-	(1,521)
Share of other movements in reserves of associate	-	-	2,664	-	-	-	-	2,664
Issue of irredeemable preference shares by subsidiary	-	200,000	-	-	-	-	-	200,000
Dividends	-	-	(62,013)	-	-	-	-	(62,013)
Transfer to statutory reserve	-	-	(9,263)	-	-	9,263	-	-
	103,355	200,000	1,894,834	377,792	2,950,322	95,584	19,658	5,641,545
At 30 June 2018	103,355	200,000	1,900,963	377,792	2,944,193	95,584	2,165	5,624,052
Impact of adopting IFRS 9	-	-	6,129	-	(6,129)	-	(17,493)	(17,493)
As restated	103,355	200,000	1,900,963	377,792	2,944,193	95,584	2,165	5,624,052
Profit for the period	-	-	58,609	-	-	-	-	58,609
Other comprehensive income for the period	-	-	78	903	24,484	-	-	25,465
Total comprehensive income for the period	-	-	58,687	903	24,484	-	-	84,074
Share of transfer by associate	-	-	54,131	-	(54,131)	-	-	-
Share of other movements in reserves of associate	-	-	-	-	(2,775)	-	-	(2,775)
Dividends	-	-	(62,013)	-	-	-	-	(62,013)
	103,355	200,000	1,951,768	378,695	2,911,771	95,584	2,165	5,643,338

Consolidated Statement of Cash Flows

	Unaudited 9 Months to 31-Mar-19 Rs'000	Unaudited 9 Months to 31-Mar-18 Rs'000	Audited Year to 30-Jun-18 Rs'000
Net cash flows from operating activities	308,414	353,261	456,261
Income tax paid	(17,365)	(4,959)	(9,699)
Investing activities	(377,266)	(83,938)	(118,564)
Net cash flows before financing activities	(86,217)	264,364	327,998
Financing activities			
Net decrease in borrowings	(107,316)	(146,069)	(235,389)
Issue of irredeemable preference shares by subsidiary	-	-	200,000
Dividends paid	(62,013)	(62,013)	(62,013)
Net cash flows used in financing activities	(169,329)	(208,082)	(97,402)
(Decrease)/Increase in cash and cash equivalents	(255,546)	56,282	230,596
Net cash and cash equivalents brought forward	(289,810)	(520,406)	(520,406)
Net cash and cash equivalents carried forward	(545,356)	(464,124)	(289,810)

STATUTORY NOTES

The abridged unaudited interim consolidated financial statements 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 2018 except for the adoption of applicable published standards and interpretations that are now effective.

With the adoption of IFRS 9 as from 01 July 2018, the opening reserves have been adjusted following the requirements of classification and measurement of financial assets and liabilities and impairment thereon.

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

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.