

**SUMMARY STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2017**

	<b>2017</b>	2016	2015
	<b>Rs.</b>	Rs.	Rs.
<b>ASSETS</b>			
Cash and cash equivalents	<b>284,000,203</b>	139,506,742	266,433,450
Deposits with financial institutions	<b>220,802,804</b>	212,641,365	107,315,274
Net lease receivables	<b>3,792,741,571</b>	3,879,704,918	3,645,303,619
Plant and equipment	<b>600,288,462</b>	472,696,227	456,164,393
Intangible assets	<b>30,077,916</b>	33,833,735	5,783,146
Current tax assets	-	-	2,868,844
Other assets	<b>62,143,183</b>	54,729,391	84,290,682
<b>Total assets</b>	<b>4,990,054,139</b>	4,793,112,378	4,568,159,408
<b>LIABILITIES</b>			
Deposits from customers	<b>3,801,998,230</b>	3,440,297,205	2,980,873,749
Borrowings	<b>562,294,258</b>	787,158,118	1,085,771,865
Shareholder's loan	<b>105,571,251</b>	102,584,115	56,392,671
Current tax liabilities	<b>296,181</b>	2,414,423	-
Deferred tax liabilities	<b>21,903,197</b>	24,648,328	19,503,684
Proposed dividends	-	50,000,000	55,000,000
Other liabilities	<b>105,161,754</b>	39,112,929	25,544,753
<b>Total liabilities</b>	<b>4,597,224,871</b>	4,446,215,118	4,223,086,722
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	<b>200,000,000</b>	200,000,000	200,000,000
General risk reserve	<b>19,657,776</b>	19,657,776	14,642,000
Statutory reserve	<b>86,144,034</b>	79,254,260	71,480,574
Retained earnings	<b>87,027,458</b>	47,985,224	58,950,112
<b>Total equity</b>	<b>392,829,268</b>	346,897,260	345,072,686
<b>Total equity and liabilities</b>	<b>4,990,054,139</b>	4,793,112,378	4,568,159,408

Approved for issue by the Board of Directors on 26 September 2017 and signed on its behalf by:

 Bernard D'Hotman De Villiers  
 Chairman

 Jean-Michel Ng Tseung  
 Director

 Raj Gungah  
 Managing Director

**SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – YEAR ENDED JUNE 30, 2017**

	2017 Rs.	2016 Rs.	2015 Rs.
Interest income	<b>297,296,204</b>	304,667,846	284,146,003
Interest expense	<b>(206,549,800)</b>	(210,264,400)	(188,363,529)
<b>Net interest income</b>	<b>90,746,404</b>	94,403,446	95,782,474
Operating lease income	<b>155,115,678</b>	134,147,957	110,278,723
Processing fees	<b>9,995,888</b>	7,500,878	8,554,930
Other operating income	<b>22,080,864</b>	9,413,833	6,659,708
	<b>187,192,430</b>	151,062,668	125,493,361
<b>Operating income</b>	<b>277,938,834</b>	245,466,114	221,275,835
Net impairment of financial assets	<b>(42,792,687)</b>	(17,145,232)	(7,049,775)
Personnel expenses	<b>(28,567,013)</b>	(25,290,621)	(22,253,674)
Loss on disposal of assets	<b>(7,439,117)</b>	(2,873,391)	(2,376,197)
Depreciation and amortisation	<b>(121,365,188)</b>	(109,284,098)	(84,066,629)
Other expenses	<b>(27,178,417)</b>	(14,311,436)	(14,798,291)
<b>Profit before exceptional item</b>	<b>50,596,412</b>	76,561,336	90,731,269
Exceptional item	-	(10,466,817)	-
<b>Profit before tax</b>	<b>50,596,412</b>	66,094,519	90,731,269
Income tax expense	<b>(4,664,404)</b>	(14,269,945)	(14,832,838)
<b>Profit for the year</b>	<b>45,932,008</b>	51,824,574	75,898,431
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>45,932,008</b>	51,824,574	75,898,431

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 Chairman

 Jean-Michel Ng Tseung  
 Director

 Raj Gungah  
 Managing Director

**SUMMARY STATEMENT OF CHANGES IN EQUITY – YEAR ENDED, JUNE 30, 2017**

	Share Capital Rs.	General Risk Reserve Rs.	Statutory Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance at July 1, 2014	200,000,000	10,000,000	60,095,809	54,078,446	324,174,255
Profit and total comprehensive income for the year	-	-	-	75,898,431	75,898,431
<i>Transactions with owner of the Company:</i>					
- Dividends	-	-	-	(55,000,000)	(55,000,000)
Statutory appropriations of retained earnings	-	4,642,000	11,384,765	(16,026,765)	-
Balance at June 30, 2015	<u>200,000,000</u>	<u>14,642,000</u>	<u>71,480,574</u>	<u>58,950,112</u>	<u>345,072,686</u>
Balance at July 1, 2015	200,000,000	14,642,000	71,480,574	58,950,112	345,072,686
Profit and total comprehensive income for the year	-	-	-	51,824,574	51,824,574
<i>Transactions with owner of the Company:</i>					
- Dividends	-	-	-	(50,000,000)	(50,000,000)
Statutory appropriations of retained earnings	-	5,015,776	7,773,686	(12,789,462)	-
<b>Balance at June 30, 2016</b>	<u><b>200,000,000</b></u>	<u><b>19,657,776</b></u>	<u><b>79,254,260</b></u>	<u><b>47,985,224</b></u>	<u><b>346,897,260</b></u>
Balance at July 1, 2016	200,000,000	19,657,776	79,254,260	47,985,224	346,897,260
Profit and total comprehensive income for the year	-	-	-	45,932,008	45,932,008
<i>Transactions with owner of the Company:</i>					
- Dividends	-	-	-	-	-
Statutory appropriations of retained earnings	-	-	6,889,774	(6,889,774)	-
<b>Balance at June 30, 2017</b>	<u><b>200,000,000</b></u>	<u><b>19,657,776</b></u>	<u><b>86,144,034</b></u>	<u><b>87,027,458</b></u>	<u><b>392,829,268</b></u>

15% of the profit after tax is transferred to the Statutory Reserve in compliance with the requirements of the Mauritian Banking Act 2004.

The General Risk Reserve consists of amounts set aside in respect of impairment of the lease portfolio, in addition to the specific and portfolio provision.

Approved for issue by the Board of Directors on 26 September 2017 and signed on its behalf by:

Bernard D'Hotman De Villiers  
Chairman

Jean-Michel Ng Tseung  
Director

Raj Gungah  
Managing Director

**SUMMARY STATEMENT OF CASH FLOWS – YEAR ENDED, JUNE 30, 2017**

	2017 Rs.	2016 Rs.	2015 Rs.
<b>Profit before tax</b>	<b>50,596,412</b>	66,094,519	90,731,269
<b>Adjustments for:</b>			
Loss/(profit) on disposal of plant and equipment	1,203,656	(44,378)	(1,290,202)
Loss on disposal of repossessed leased assets	6,235,461	2,917,769	3,666,399
Amortisation	4,000,602	6,400,957	1,414,300
Depreciation	117,364,586	102,883,141	82,652,329
Write off of plant and equipment	-	10,466,817	-
Net impairment of financial assets	42,792,687	17,145,232	7,049,775
Increase in interest receivable	(8,161,439)	(5,326,091)	(3,026,026)
Increase/(Decrease) in interest payable	2,987,136	(3,808,556)	1,653,176
(Increase)/Decrease in other assets	(30,916,701)	17,704,391	(41,975,949)
Increase/(decrease) in other liabilities	66,048,825	13,568,173	(4,513,533)
Changes in operating assets and liabilities:			
- net increase/(decrease) in investment in leases	44,170,660	(251,546,530)	(381,021,669)
- net increase in deposits	361,701,025	459,423,456	179,257,337
<b>Cash generated from operations</b>	<b>658,022,910</b>	435,878,900	(65,402,794)
Tax paid	(9,527,777)	(6,305,781)	(17,155,795)
Tax refund	-	2,463,747	-
Net cash generated from/ (used in) operating activities	<b>648,495,133</b>	432,036,866	(82,558,589)
<b>Cash flows from investing activities</b>			
Deposits with financial institutions	-	(100,000,000)	-
Proceeds from financial institutions	-	-	150,000,000
Proceeds from sale of repossessed leased assets	17,267,447	8,939,131	8,826,087
Proceeds from sale of plant and equipment	39,444,073	39,432,767	51,127,890
Purchase of intangible assets	(244,783)	(34,451,546)	(2,112,091)
Purchase of plant and equipment	(285,604,550)	(169,270,181)	(265,992,242)
Net cash used in investing activities	<b>(229,137,813)</b>	(255,349,829)	(58,150,356)
<b>Cash flows from financing activities</b>			
Dividends paid	(50,000,000)	(55,000,000)	(55,000,000)
Payments on long term borrowings	(266,493,141)	(266,276,130)	(234,830,761)
Proceeds from long term borrowings	41,629,282	118,493,639	480,169,925
Proceeds from shareholder's loan	-	50,000,000	-
Payments from short term borrowings	450,000,000	(150,000,000)	-
Proceeds from short term borrowings	(450,000,000)	-	150,000,000
Net cash (used in)/generated from financing activities	<b>(274,863,859)</b>	(302,782,491)	340,339,164
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>144,493,461</b>	(126,095,454)	199,630,219
<b>Movement in cash and cash equivalents</b>			
At July 1,	139,506,742	265,602,196	65,971,977
Increase/ (Decrease)	144,493,461	(126,095,454)	199,630,219
<b>At June 30,</b>	<b>284,000,203</b>	139,506,742	265,602,196

Approved for issue by the Board of Directors on 26 September 2017 and signed on its behalf by:

 Bernard D'Hotman De Villiers  
 Chairman

 Jean-Michel Ng Tseung  
 Director

 Raj Gungah  
 Managing Director

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE SHAREHOLDER OF FINLEASE COMPANY LIMITED**

#### ***Report on the Summary Financial Statements***

##### ***Our Opinion***

In our opinion, the accompanying summary financial statements of Finlease Company Limited (the "Company") are a fair summary of the audited financial statements, in accordance with note 1.

##### ***The summary financial statements***

The Company's summary financial statements derived from the audited financial statements for the year ended 30 June 2017 comprise:

- the summary statement of financial position as at 30 June 2017;
- the summary statement of profit or loss and other comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

##### ***The audited financial statements and our audit report thereon***

We expressed an unmodified audit opinion on the audited financial statements in our report dated 26 September 2017.

##### ***Responsibilities of the directors for the summary financial statements***

The directors are responsible for the preparation of the summary financial statements in accordance with note 1.

##### ***Auditor's responsibility***

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

##### ***Other Matter***

This report, including the opinion, has been prepared for and only for the Company's shareholder in accordance with Section 34(6)(b) (ii) of the Mauritian Banking Act 2004 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**PricewaterhouseCoopers**

**Gilles Beesoo, licensed by FRC**

26 September 2017

##### **Note 1:**

The accompanying summary financial statements, without reference to the detailed notes, are derived from the audited financial statements of Finlease Company Limited (the "Company") for the year ended 30 June 2017. These audited financial statements, which have been prepared in accordance with International Financial Reporting Standards, are available at 9-15 Sir William Newton Street, Port-Louis and can be viewed on our website: <http://www.finlease.mu/en/>

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

##### **Note 2:**

The Board of Directors of Finlease Company Limited accepts full responsibility for the accuracy of the information contained in this communique.