



# LSE Financial Services Ltd.

## Directors' Review Report

Dear Shareholders,

The Board of Directors is pleased to present its report along with the unaudited accounts of your Company for the half year ended December 31, 2017:

Financial Highlights	Dec-2017 Rs. in '000'	Dec-2016 Rs. in '000'
Revenue	70,239	60,878
Share of profit of Associates-net of tax	67,923	60,633
Expenditure	(50,386)	(34,466)
<b>Profit before Taxation</b>	<b>87,776</b>	<b>87,045</b>
Taxation	49,801	22,434
<b>Net Profit for the period</b>	<b>37,975</b>	<b>64,611</b>
<b>Earnings Per Share (EPS)</b>	<b>RS. 0.30</b>	Rs. 0.50

### PERFORMANCE REVIEW

During the half year ended on December 31, 2017, LSEFSL earned total revenue of Rs 138.162 million including share of profit of Associates, as compared to Rs. 121.511 million last year's comparative period, i.e., an increase of 16.651 million or 14%. The revenue was generated from rent, profit from bank deposits, investments, income from MTS, share of profits from the Associated Companies and other income. The administrative expenses were Rs. 50.306 million, i.e., up by Rs. 15.921 million or 46% from last year's comparative period, primarily due to increase in depreciation expense of Rs. 10.2 million and finance cost of Rs. 3.35 million after capitalization of South Tower. The Company earned a profit before taxation of Rs. 87.776 million for the period under review, which is up by Rs. 0.731 million or 1%, as compared to the corresponding period. Furthermore, profit after tax is Rs. 37.975 million down by Rs. 26.636 million or 41% from last year's comparative period

Earnings per Share (EPS) - (Basic & Diluted) for the half year ended December 31, 2017 was recorded as Rs. 0.30 per share against Rs. 0.50 per share of last year's comparative period, down by Rs. 0.20 or 40%.

During the year, JCR-VIS Credit Rating Company Ltd. has assigned initial entity ratings of 'A/A-2' to LSEFSL. Outlook on the assigned ratings is 'Stable'.

For and on behalf of the Governing Board of Directors of LSEFSL,

Chief Executive/Managing Director

Director

**LSE Financial Services Limited**

CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

