

Unaudited Interim Financial Statements for the quarter ended 30 September 2015

AFRASIA BANK LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2015			
	Quarter ended 30 Sept 2015 Unaudited	Quarter ended 30 Sept 2014 Unaudited	Year ended 30 June 2015 Audited
	MUR' 000	MUR' 000	MUR' 000
Interest income	433,012	381,968	1,609,153
Interest expense	(200,990)	(186,934)	(748,564)
Net interest income	232,022	195,034	860,589
Fees and commission income	80,380	60,045	285,987
Fees and commission expense	(28,593)	(14,621)	(72,768)
Net fees and commission income	51,787	45,424	213,219
Net trading income	133,793	91,093	471,082
Other operating income	32,356	7,212	101,863
Total operating income	449,958	338,763	1,646,753
Net allowance for credit impairment	(41,410)	(15,024)	(500,278)
Net operating income	408,548	323,739	1,146,475
Personnel expenses	(67,021)	(66,299)	(294,044)
Depreciation of equipment	(3,917)	(2,477)	(13,536)
Amortisation of intangible assets	(2,250)	(2,101)	(8,729)
Other operating expenses	(54,481)	(64,734)	(273,373)
Total operating expenses	(127,669)	(135,611)	(589,682)
Operating profit	280,879	188,128	556,793
Impairment loss on subsidiary	-	-	(302,554)
Profit before tax	280,879	188,128	254,239
Tax expense	(47,637)	(32,910)	(79,208)
Profit for the quarter/year	233,242	155,218	175,031

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2015							
	Ordinary shares	Treasury shares	Class A shares	Share application monies	Retained earnings	Other reserves	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
At 1 July 2014	1,747,639	(405,776)	1,386,244	-	332,175	272,953	3,333,235
Profit for the period	-	-	-	-	155,218	-	155,218
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	155,218	-	155,218
Share-based payments	-	-	-	-	-	3,151	3,151
Expense arising on class A shares	-	-	(926)	-	-	-	(926)
Appropriation of reserves	-	-	-	-	(18,434)	18,434	-
At 30 September 2014	1,747,639	(405,776)	1,385,318	-	468,959	294,538	3,490,678
At 1 July 2014	1,747,639	(405,776)	1,386,244	-	332,175	272,953	3,333,235
Profit for the year	-	-	-	-	175,031	-	175,031
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	175,031	-	175,031
Issue of shares	843,320	405,776	-	-	-	-	1,249,096
Incidental cost on issue of shares	-	-	(476)	-	-	-	(476)
Share application monies	-	-	-	17,262	-	-	17,262
Share-based payments	-	-	-	-	-	(360)	(360)
Appropriation of reserves	-	-	-	-	(144,609)	144,609	-
Dividends	-	-	-	-	(255,510)	-	(255,510)
At 30 June 2015	2,590,959	-	1,385,768	17,262	107,087	417,202	4,518,278
At 1 July 2015	2,590,959	-	1,385,768	17,262	107,087	417,202	4,518,278
Profit for the period	-	-	-	-	233,242	-	233,242
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	233,242	-	233,242
Expense arising from equity-settled share-based payment	-	-	-	-	-	787	787
Issue of shares	17,262	-	-	-	-	-	17,262
Share application monies	-	-	-	(17,262)	-	-	(17,262)
Appropriation of reserves	-	-	-	-	(22,287)	22,287	-
At 30 Sept 2015	2,608,221	-	1,385,768	-	318,042	440,276	4,752,307

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015			
	As at 30 Sept 2015 Unaudited	As at 30 Sept 2014 Unaudited	As at 30 June 2015 Audited
	MUR' 000	MUR' 000	MUR' 000
ASSETS			
Cash and balances with the Central Bank	1,491,963	2,083,056	2,512,469
Due from banks	41,069,525	21,697,385	41,434,529
Derivative financial instruments	18,691	2,305	68,527
Financial investments held-for-trading	3,393,610	1,541,547	1,967,124
Loans and advances to customers	21,030,675	18,219,073	21,707,868
Financial investments held-to-maturity	4,964,985	6,140,421	5,071,692
Investment in subsidiaries	189,563	425,726	189,563
Equipment	96,780	66,234	98,955
Intangible assets	46,024	35,565	48,018
Other assets	273,836	188,434	288,151
Deferred tax assets	19,607	8,897	19,607
TOTAL ASSETS	72,595,259	50,408,643	73,406,503
LIABILITIES AND EQUITY			
Due to banks	231,637	320,758	227,411
Derivative financial instruments	46,238	-	54,775
Deposits from customers	66,162,310	45,286,463	66,928,651
Debts issued	1,109,139	1,054,258	1,094,275
Other liabilities	194,708	178,837	531,786
Current tax liabilities	98,920	77,649	51,327
TOTAL LIABILITIES	67,842,952	46,917,965	68,888,225
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Ordinary shares	2,608,221	1,747,639	2,590,959
Class A shares	1,385,768	1,385,318	1,385,768
Treasury shares	-	(405,776)	-
Share application monies	-	-	17,262
Retained earnings	318,042	468,959	107,087
Other reserves	440,276	294,538	417,202
TOTAL EQUITY	4,752,307	3,490,678	4,518,278
TOTAL LIABILITIES AND EQUITY	72,595,259	50,408,643	73,406,503

MANAGEMENT'S COMMENTS

The Bank reported a Net Profit after tax of MUR233m for its first quarter of the financial year ended 30 June 2016, that is, a 50% increase over the same quarter of the previous financial year. This growth is reflective of the Bank's ability to achieve an increase of 33% in its total operating income at MUR450m. While all business lines performed well, the Bank's remarkable results on the FX trading side, with a growth of 47% over a similar period in the last financial year is to be noted.

All of the above results were achieved while controlling the Bank's costs within the budget set for the quarter. In fact, total operating expenses were at MUR128m, compared to MUR136m for the same quarter in the previous financial year.

Loans-to-deposits ratio was quite conservative at 32%, with customer loans and advances of MUR21bn and customer deposits of MUR66bn. This reflects the Bank's continuous pursuit of maintaining a conservative quality loan book, while growing its customer base with a "can-do" attitude and privileged relationship.

Total equity which is made up of ordinary share capital, reserves and Class A shares was up by MUR1,3bn compared to the previous quarter last year and closed at MUR4,8bn by end of September 2015.