

# Unaudited Interim Financial Statements for the nine months ended 31 March 2014

## AFRASIA BANK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 31 MARCH 2014		
	9 months ended 31 March 2014	Year ended 30 June 2013
	MUR	MUR
Interest income	978,685,181	986,614,164
Interest expense	(508,515,319)	(620,367,037)
<b>Net interest income</b>	<b>470,169,862</b>	<b>366,247,127</b>
Fees and commission income	140,490,433	176,526,845
Fees and commission expense	(25,249,526)	(20,730,461)
<b>Net fees and commission income</b>	<b>115,240,907</b>	<b>155,796,384</b>
Net trading income	174,487,801	132,453,791
Other operating income	4,672,681	9,336,696
<b>Total operating income</b>	<b>764,571,251</b>	<b>663,833,998</b>
(Net allowance for credit impairment)/ Reversal of impairment charge	(17,193,237)	1,152,052
<b>Net operating income</b>	<b>747,378,014</b>	<b>664,986,050</b>
Personnel expenses	(154,839,987)	(197,632,225)
Depreciation of equipment	(4,421,290)	(4,694,856)
Amortisation of intangible assets	(4,292,416)	(5,714,166)
Other operating expenses	(151,575,907)	(116,857,206)
<b>Total operating expenses</b>	<b>(315,129,600)</b>	<b>(324,898,453)</b>
<b>Profit before tax</b>	<b>432,248,414</b>	<b>340,087,597</b>
Tax expense	(62,686,272)	(37,491,675)
<b>Profit for the period/year</b>	<b>369,562,142</b>	<b>302,595,922</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period/year</b>	<b>369,562,142</b>	<b>302,595,922</b>

STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MARCH 2014				
	Issued capital	Retained earnings	Other reserves	Total
	MUR	MUR	MUR	MUR
At 1 July 2012	1,398,457,492	189,817,849	93,887,031	1,682,162,372
Issue of shares	296,135,926	-	-	296,135,926
Profit for the year	-	302,595,922	-	302,595,922
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	302,595,922	-	302,595,922
Share-based payments	-	-	1,842,167	1,842,167
Appropriation of reserves	-	(114,338,432)	114,338,432	-
Dividends paid	-	(88,068,022)	-	(88,068,022)
At 30 June 2013	1,694,593,418	290,007,317	210,067,630	2,194,668,365
<b>At 1 July 2013</b>	<b>1,694,593,418</b>	<b>290,007,317</b>	<b>210,067,630</b>	<b>2,194,668,365</b>
Issue of shares	20,431,776	-	-	20,431,776
Profit for the period	-	369,562,142	-	369,562,142
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>369,562,142</b>	<b>-</b>	<b>369,562,142</b>
Share-based payments	-	-	(1,555,050)	(1,555,050)
Appropriation of reserves	-	(23,542,957)	23,542,957	-
Dividends paid	-	(116,027,201)	-	(116,027,201)
At 31 March 2014	1,715,025,194	519,999,301	232,055,537	2,467,080,032

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014		
	As at 31 March 2014	As at 30 June 2013
	MUR	MUR
<b>ASSETS</b>		
Cash and balances with the Central Bank	1,461,498,508	1,598,715,632
Due from banks	13,784,800,081	9,009,807,334
Derivative financial instruments	99,057,806	25,637,161
Financial investments held-for-trading	1,834,948,914	532,685,518
Loans and advances to customers	18,543,443,542	14,007,752,016
Financial investments held-to-maturity	3,782,013,930	5,807,802,824
Investment in subsidiaries	624,182,857	383,115,237
Investment in others	2,524,869	-
Equipment	36,097,259	28,756,687
Intangible assets	22,787,185	15,420,212
Deferred tax assets	8,055,035	8,055,035
Other assets	71,231,921	41,951,992
<b>TOTAL ASSETS</b>	<b>40,270,641,907</b>	<b>31,459,699,648</b>
<b>LIABILITIES AND EQUITY</b>		
Due to banks	1,082,762,576	881,908,278
Derivative financial instruments	97,129,786	49,697,684
Deposits from customers	35,432,541,400	27,232,616,080
Debts issued	1,036,095,250	883,069,803
Amount due to subsidiary	-	57,253,644
Current tax liabilities	55,401,554	22,175,979
Other liabilities	99,631,309	138,309,815
<b>TOTAL LIABILITIES</b>	<b>37,803,561,875</b>	<b>29,265,031,283</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
Issued capital	1,715,025,194	1,694,593,418
Retained earnings	519,999,301	290,007,317
Other reserves	232,055,537	210,067,630
<b>TOTAL EQUITY</b>	<b>2,467,080,032</b>	<b>2,194,668,365</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>40,270,641,907</b>	<b>31,459,699,648</b>

### MANAGEMENT'S COMMENTS

AfrAsia Bank has been consistently reporting a growth in its net profit after tax closing on MUR 369.6m, for the nine months ended 31 March 2014, an increase of 95% compared to the previous corresponding quarter ended 31 March 2013. This was primarily driven by an increase in net interest income of MUR 213.2m and net trading income of MUR 92.4m. Management strategy to tighten costs has led to controlled operating expenses amounting to only MUR 315.1m. This has helped to maintain a cost to income ratio of 41%.

Building collaborative and privileged relationships with our existing and new customers has helped to grow deposits by 7% over the quarter to reach MUR 35.4bn as at 31 March 2014. A slight growth of 2% was noted on our loan book, bringing the total loan book figure to MUR 18.5bn in March 2014. Our loan-to-deposit ratio stood at 52% at the end of March 2014 quarter, a slight decrease from 55% for the previous quarter.