

Unaudited Interim Financial Statements for the quarter ended 30 September 2013

AFRASIA BANK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2013		
	Quarter ended 30 September 2013	Year ended 30 June 2013
	MUR	MUR
Interest income	300,308,009	986,614,164
Interest expense	(159,699,844)	(620,367,037)
Net interest income	140,608,165	366,247,127
Fees and commission income	43,412,064	176,526,845
Fees and commission expense	(9,289,254)	(20,730,461)
Net fees and commission income	34,122,810	155,796,384
Net trading income	38,021,279	132,453,791
Other operating income	266,924	9,336,696
Total operating income	213,019,178	663,833,998
(Net allowance for credit impairment)/ Reversal of impairment charge	(5,405,108)	1,152,052
Net operating income	207,614,070	664,986,050
Personnel expenses	(48,078,939)	(197,632,225)
Depreciation of equipment	(1,333,414)	(4,694,856)
Amortisation of intangible assets	(1,397,396)	(5,714,166)
Other operating expenses	(43,344,763)	(116,857,206)
Total operating expenses	(94,154,512)	(324,898,453)
Profit before tax	113,459,558	340,087,597
Tax expense	(14,934,993)	(37,491,675)
Profit for the period/year	98,524,565	302,595,922
Other comprehensive income	-	-
Total comprehensive income for the period/year	98,524,565	302,595,922

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2013				
	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
At 1 July 2013	1,694,593,418	290,007,317	210,067,630	2,194,668,365
Issue of shares	-	-	-	-
Profit for the period	-	98,524,565	-	98,524,565
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	98,524,565	-	98,524,565
Share-based payments	-	-	8,420,615	8,420,615
Appropriation of reserves	-	(7,464,196)	7,464,196	-
Dividends paid	-	-	-	-
At 30 September 2013	1,694,593,418	381,067,686	225,952,441	2,301,613,545

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013		
	As at 30 September 2013	As at 30 June 2013
	MUR	MUR
ASSETS		
Cash and balances with the Central Bank	1,013,344,295	1,598,715,632
Due from banks	9,952,301,768	9,009,807,334
Derivative financial instruments	48,264,292	25,637,161
Other financial assets held-for-trading	459,510,769	532,685,518
Loans and advances to customers	16,049,534,201	14,007,752,016
Financial investments held-to-maturity	4,890,587,413	5,807,802,824
Investment in subsidiary	380,249,908	383,115,237
Equipment	28,204,527	28,756,687
Intangible assets	14,289,647	15,420,212
Deferred tax assets	8,055,035	8,055,035
Other assets	67,866,638	41,951,992
TOTAL ASSETS	32,912,208,493	31,459,699,648
LIABILITIES AND EQUITY		
Due to banks	652,741,536	881,908,278
Derivative financial instruments	34,681,201	49,697,684
Deposits from customers	28,847,897,202	27,232,616,080
Debts issued	880,131,515	883,069,803
Amount due to subsidiary	58,443,370	57,253,644
Current tax liabilities	37,110,972	22,175,979
Other liabilities	99,589,152	138,309,815
TOTAL LIABILITIES	30,610,594,948	29,265,031,283
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Issued capital	1,694,593,418	1,694,593,418
Retained earnings	381,067,686	290,007,317
Other reserves	225,952,441	210,067,630
TOTAL EQUITY	2,301,613,545	2,194,668,365
TOTAL LIABILITIES AND EQUITY	32,912,208,493	31,459,699,648

MANAGEMENT'S COMMENTS

AfrAsia Bank recorded very encouraging results for its first quarter ended 30 September 2013, with a net profit after tax of MUR 98.5m, an increase of 84% compared to the corresponding quarter of the previous financial year. This was primarily driven by a net interest income of MUR 140.6m and net trading income of MUR 38.0m. Controlled operating expenses of MUR 94.2m contributed to a drop in the cost to income ratio to 44%, compared to 49% for the last financial year ended 30 June 2013.

AfrAsia Bank continues to respond to its clients' needs and pursue a "bank different" strategy. This saw a growth in its loan book by 15% over that three months to reach MUR 16.0bn. Customer deposits increased by 6% over the quarter to reach MUR 28.8bn as at 30 September 2013, reflecting a conservative loan to deposit ratio of 56% at closure of this reporting period.

Furthermore, we are currently undergoing a group restructure that would henceforth lead to our banking and non-banking operations clearly split, all within the Bank of Mauritius regulatory framework and recommendations. We are also following our Africa/Asia strategy which will see us, in the next quarter, consolidating our investments in Axy's Capital Management Limited, renamed AfrAsia Capital Management Limited, and in AfrAsia Corporate Finance Limited to henceforth hold 100% stake in these entities.