

Condensed financial statements for the year ended 30 June 2012

AFRASIA BANK LIMITED AND ITS GROUP ENTITIES

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012						
	THE GROUP			THE BANK		
	Year ended 30 June 2012	Year ended 30 June 2011	Year ended 30 June 2010	Year ended 30 June 2012	Year ended 30 June 2011	Year ended 30 June 2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Interest income	829,224,426	543,026,048	323,159,918	829,230,689	543,017,482	323,159,918
Interest expense	(506,702,114)	(324,266,104)	(215,633,180)	(506,702,307)	(324,271,915)	(215,650,919)
Net interest income	322,522,312	218,759,944	107,526,738	322,528,382	218,745,567	107,508,999
Fees and commission income	116,006,675	53,752,370	54,020,198	116,006,675	53,752,370	53,893,502
Fees and commission expense	(14,620,861)	(10,826,069)	(9,285,115)	(14,576,701)	(10,731,589)	(9,213,137)
Net fees and commission income	101,385,814	42,926,301	44,735,083	101,429,974	43,020,781	44,680,365
Net trading income	62,062,243	107,997,630	79,348,764	62,056,737	107,978,574	78,905,252
Other operating income	1,608,361	341,655	10,794	11,210,410	144,357	-
Total operating income	487,578,730	370,025,530	231,621,379	497,225,503	369,889,279	231,094,616
Net allowance for credit impairment	(24,874,478)	(25,299,641)	(31,963,872)	(24,874,478)	(25,299,641)	(31,963,872)
Net operating income	462,704,252	344,725,889	199,657,507	472,351,025	344,589,638	199,130,744
Personnel expenses	(172,852,372)	(126,720,957)	(90,316,955)	(172,852,372)	(126,720,957)	(90,316,955)
Depreciation of equipment	(3,227,502)	(3,058,647)	(2,804,560)	(3,226,406)	(3,046,724)	(2,792,710)
Amortisation of intangible assets	(4,031,198)	(3,812,237)	(4,233,538)	(4,031,198)	(3,812,237)	(4,233,538)
Other operating expenses	(92,310,605)	(68,561,015)	(54,327,744)	(91,881,232)	(68,297,982)	(53,647,698)
Total operating expenses	(272,421,677)	(202,152,856)	(151,682,797)	(271,991,208)	(201,877,900)	(150,990,901)
Operating profit	190,282,575	142,573,033	47,974,710	200,359,817	142,711,738	48,139,843
Share of profit of joint venture	6,777,014	5,703,724	1,263,493	-	-	-
Share of profit of associates	93,403,802	2,662,251	-	-	-	-
Profit before tax	290,463,391	150,939,008	49,238,203	200,359,817	142,711,738	48,139,843
Tax expense	(20,086,630)	(26,552,498)	(10,768,115)	(20,092,051)	(26,567,883)	(10,792,251)
Profit for the year	270,376,761	124,386,510	38,470,088	180,267,766	116,143,855	37,347,592
Other comprehensive income						
Exchange differences on translation of foreign operations	17,414,350	-	-	-	-	-
Hedge of a net investment in a foreign operation reserve	(17,429,109)	-	-	-	-	-
Other comprehensive income for the year, net of income tax	(14,759)	-	-	-	-	-
Total comprehensive income for the year	270,362,002	124,386,510	38,470,088	180,267,766	116,143,855	37,347,592

CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2012						
	THE GROUP			THE BANK		
	2012	2011	2010	2012	2011	2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
ASSETS						
Cash and balances with the Central Bank	676,371,624	1,085,084,764	998,421,458	676,371,624	1,085,084,764	998,421,458
Due from banks	3,527,186,481	3,945,077,133	1,806,969,731	3,527,119,302	3,944,929,389	1,806,870,654
Derivative financial instruments	190,544,328	181,201,384	188,708,824	123,782,406	101,097,074	71,085,788
Other financial assets - held-for-trading	1,162,543,500	441,804,000	367,509,475	1,162,543,500	441,804,000	367,509,475
Loans and advances to customers	12,784,321,295	8,549,378,712	4,851,153,148	12,784,435,754	8,549,378,712	4,851,153,148
Financial investments - available-for-sale	14,999,997	-	-	-	-	-
Financial investments - held-to-maturity	3,506,007,725	2,560,492,783	846,580,424	3,506,007,725	2,560,492,783	846,580,424
Investment in subsidiaries	-	-	363,163,638	-	25,000,000	25,000,000
Investment in joint venture	53,393,539	46,616,525	40,912,801	-	-	-
Investment in associates	408,444,360	7,684,689	-	-	5,022,438	-
Equipment	14,321,946	13,364,250	13,408,600	14,313,604	13,354,813	13,387,240
Intangible assets	17,094,812	13,591,022	15,048,060	17,094,812	13,591,022	15,048,060
Deferred tax assets	7,681,088	2,532,127	2,228,541	7,637,567	2,494,027	2,205,826
Other assets	29,440,868	19,907,408	16,588,108	29,365,439	19,900,410	16,510,859
TOTAL ASSETS	22,392,351,563	16,866,734,797	9,147,529,170	22,211,835,011	16,762,149,432	9,013,772,932
LIABILITIES AND EQUITY						
Due to banks	8,516,013	28,483,333	96,186,070	8,516,013	28,483,333	96,186,070
Derivative financial instruments	126,912,147	125,325,638	208,988,419	63,249,865	48,321,328	94,465,383
Deposits from customers	19,626,670,732	14,962,435,979	7,985,565,513	19,628,367,164	14,962,538,164	7,985,730,346
Debts issued	688,625,890	547,090,779	115,251,460	565,479,715	421,574,481	-
Amount due to subsidiary	-	-	123,146,176	123,146,176	125,516,298	115,251,460
Current tax liabilities	9,631,747	18,385,558	9,324,978	9,631,747	18,385,558	9,324,978
Other liabilities	150,243,695	116,129,669	49,757,591	131,281,959	97,941,160	31,611,632
TOTAL LIABILITIES	20,610,600,224	15,797,850,956	8,465,074,031	20,529,672,639	15,702,760,322	8,332,569,869
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						
Issued capital	1,398,457,492	921,638,335	653,977,649	1,398,457,492	921,638,335	653,977,649
Retained earnings	289,421,575	100,758,107	16,059,240	189,817,849	91,263,376	14,807,164
Other reserves	93,872,272	46,487,399	12,418,250	93,887,031	46,487,399	12,418,250
TOTAL EQUITY	1,781,751,339	1,068,883,841	682,455,139	1,682,162,372	1,059,389,110	681,203,063
TOTAL LIABILITIES AND EQUITY	22,392,351,563	16,866,734,797	9,147,529,170	22,211,835,011	16,762,149,432	9,013,772,932

REPORT OF THE INDEPENDENT AUDITOR ON THE CONDENSED FINANCIAL STATEMENTS TO THE MEMBERS OF AFRASIA BANK LIMITED AND ITS GROUP ENTITIES

The accompanying summary financial statements, which comprise the statements of financial position as at 30 June 2012, statements of comprehensive income, statements of changes in equity and statement of cash flows for the year then ended, are derived from the audited financial statements of AfrAsia Bank Limited for the year ended 30 June 2012. We expressed an unmodified audit opinion on those financial statements in our report dated 19 September 2012. Those financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of AfrAsia Bank Limited.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001 and the Banking Act 2004.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of AfrAsia Bank Limited for the year ended 30 June 2012, are consistent, in all material respects, with those financial statements, in accordance with the International Financial Reporting Standards and comply with the Companies Act 2001 and Banking Act 2004.

Other Matter

Companies Act 2001
We have no relationship with or interests in the Bank other than in our capacities as auditors, tax advisors and in dealings with the Group and the Bank in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Bank as far as it appears from our examination of those records.

Banking Act 2004

In our opinion, the financial statements have been prepared on a consistent basis and are complete, fair and properly drawn up and comply with the Banking Act 2004 and the regulations and guidelines of the Bank of Mauritius. The explanations or information called for or given to us by the officers or agents of the Bank were satisfactory.

ERNST & YOUNG
Ebène, Mauritius
19 September 2012

PATRICK NG TSEUNG, A.C.A.
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CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012				
(a) THE GROUP	Issued capital	Retained earnings/ (revenue deficit)	Other reserves	Total
	Rs.	Rs.	Rs.	Rs.
At 1 July 2009	653,977,649	(19,797,819)	5,632,775	639,812,605
Profit for the year	-	38,470,088	-	38,470,088
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	38,470,088	-	38,470,088
Share-based payments	-	-	4,172,446	4,172,446
Appropriation of reserves	-	(2,613,029)	2,613,029	-
At 30 June 2010	653,977,649	16,059,240	12,418,250	682,455,139
At 1 July 2010	653,977,649	16,059,240	12,418,250	682,455,139
Issue of shares	267,660,686	-	-	267,660,686
Profit for the year	-	124,386,510	-	124,386,510
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	124,386,510	-	124,386,510
Share-based payments	-	-	3,953,869	3,953,869
Appropriation of reserves	-	(30,115,280)	30,115,280	-
Dividends	-	(9,572,363)	-	(9,572,363)
At 30 June 2011	921,638,335	100,758,107	46,487,399	1,068,883,841
At 1 July 2011	921,638,335	100,758,107	46,487,399	1,068,883,841
Issue of shares	476,819,157	-	-	476,819,157
Profit for the year	-	270,376,761	-	270,376,761
Other comprehensive income	-	-	(14,759)	(14,759)
Total comprehensive income for the year	-	270,376,761	(14,759)	270,362,002
Share-based payments	-	-	247,217	247,217
Appropriation of reserves	-	(47,152,415)	47,152,415	-
Dividends	-	(34,560,878)	-	(34,560,878)
At 30 June 2012	1,398,457,492	289,421,575	93,872,272	1,781,751,339
	Issued capital	Retained earnings/ (revenue deficit)	Other reserves	Total
	Rs.	Rs.	Rs.	Rs.
At 1 July 2009	653,977,649	(19,797,819)	5,632,775	639,812,605
Profit for the year	-	37,347,592	-	37,347,592
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	37,347,592	-	37,347,592
Share-based payments	-	-	4,172,446	4,172,446
Appropriation of reserves	-	(2,613,029)	2,613,029	-
At 30 June 2010	653,977,649	14,807,164	12,418,250	681,203,063
At 1 July 2010	653,977,649	14,807,164	12,418,250	681,203,063
Issue of shares	267,660,686	-	-	267,660,686
Profit for the year	-	116,143,855	-	116,143,855
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	116,143,855	-	116,143,855
Share-based payments	-	-	3,953,869	3,953,869
Appropriation of reserves	-	(30,115,280)	30,115,280	-
Dividends	-	(9,572,363)	-	(9,572,363)
At 30 June 2011	921,638,335	91,263,376	46,487,399	1,059,389,110
At 1 July 2011	921,638,335	91,263,376	46,487,399	1,059,389,110
Issue of shares	476,819,157	-	-	476,819,157
Profit for the year	-	180,267,766	-	180,267,766
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	180,267,766	-	180,267,766
Share-based payments	-	-	247,217	247,217
Appropriation of reserves	-	(47,152,415)	47,152,415	-
Dividends	-	(34,560,878)	-	(34,560,878)
At 30 June 2012	1,398,457,492	189,817,849	93,887,031	1,682,162,372

CONDENSED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2012						
	THE GROUP			THE BANK		
	2012	2011	2010	2012	2011	2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
OPERATING ACTIVITIES						
Profit before tax	290,463,391	150,939,008	49,238,203	200,359,817	142,711,738	48,139,843