

Abridged Unaudited Financial Statements for the Quarter Ended 31 December 2015

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Unaudited 31 Dec 15	Unaudited 31 Dec 14	Audited 30 Jun 15
	Rs	Rs	Rs
ASSETS			
Cash and cash equivalents	4,246,409,150	2,875,624,076	4,209,338,745
Loans to and placements with banks	935,650,610	1,524,291,880	1,293,205,330
Loans and advances to customers	4,000,328,495	2,752,053,506	3,022,540,573
Investment securities	3,686,360,387	2,790,895,997	3,023,798,745
Property, plant and equipment	220,793,549	224,700,258	222,920,721
Intangible assets	11,027,511	13,818,450	12,081,248
Deferred tax assets	13,332,324	13,827,066	12,104,927
Other assets	531,277,555	499,234,048	535,203,124
Total assets	13,645,179,581	10,694,445,281	12,331,193,413
LIABILITIES			
Deposits from customers	12,280,787,162	9,752,902,071	11,210,088,967
Other borrowed funds	264,802	-	-
Current tax liabilities	12,813,835	3,959,475	1,006,333
Other liabilities	202,892,011	188,277,277	191,430,021
Preference shares	331,910,028	189,356,536	320,726,882
Total liabilities	12,828,667,838	10,134,495,359	11,723,252,203
Shareholders' Equity			
Stated capital	635,407,984	506,699,200	506,699,200
Retained earnings	117,766,820	21,429,294	49,836,305
Other reserves	63,336,939	31,821,428	51,405,705
Capital and reserves	816,511,743	559,949,922	607,941,210
Total equity and liabilities	13,645,179,581	10,694,445,281	12,331,193,413
Contingent liabilities			
Guarantees on account of customers	10,719,238	14,543,503	12,355,088
Letter of credit and other obligations on account of customers	6,395,913	-	10,309,221
Commitments	306,457,978	591,301,802	393,088,529
	323,573,129	605,845,305	415,752,838

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2015

	Unaudited Quarter ended 31 Dec 2015	Unaudited Quarter ended 31 Dec 2014	Unaudited 6 months ended 31 Dec 2015	Unaudited 6 months ended 31 Dec 2014	Audited Year ended 30 Jun 2015
	Rs	Rs	Rs	Rs	Rs
Interest income	141,120,615	110,259,270	272,322,879	211,069,943	446,569,983
Interest expense	(74,547,457)	(67,284,695)	(146,235,535)	(135,185,396)	(270,914,123)
Net interest income	66,573,158	42,974,575	126,087,344	75,884,547	175,655,860
Fee and commission income	16,937,715	12,698,034	35,059,767	23,865,164	56,878,127
Fee and commission expense	(7,266,716)	(5,160,641)	(14,119,459)	(8,757,975)	(19,315,322)
Net fee and commission income	9,670,999	7,537,393	20,940,308	15,107,189	37,562,805
Other income	40,319,860	16,456,540	71,222,796	38,837,019	108,239,454
Operating income	116,564,017	66,968,508	218,250,448	129,828,755	321,458,119
Non interest expense	(46,547,170)	(37,182,610)	(97,832,734)	(70,031,708)	(174,784,545)
Operating profit before impairment	70,016,847	29,785,898	120,417,714	59,797,047	146,673,574
Allowance for credit impairment	(6,536,786)	(9,881,757)	(15,145,696)	(30,522,694)	(71,569,014)
Profit for the year before taxation	63,480,061	19,904,141	105,272,018	29,274,353	75,104,560
Tax expense	(7,011,210)	(2,251,631)	(12,042,015)	(5,804,035)	(6,884,342)
	56,468,851	17,652,510	93,230,003	23,470,318	68,220,218
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Fair value realised on disposal of available for sale assets	-	-	-	(83,468)	(83,468)
(Loss)/gain on remeasuring available for sale assets	(2,376,331)	(3,922,966)	(5,264,367)	(3,180,097)	61,291
Total comprehensive income	54,092,520	13,729,544	87,965,636	20,206,753	68,198,041
Earnings per share					
Basic	1.03	0.44	1.82	0.62	1.60

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2015

	Stated capital	Retained Earnings	Statutory Reserve	General Banking Reserve	Investment Revaluation Reserve	Total
	Rs	Rs	Rs	Rs	Rs	Rs
At 01 July 2014	356,699,200	2,360,009	14,120,660	14,779,177	1,784,123	389,743,169
Issue of share capital	150,000,000	-	-	-	-	150,000,000
Net profit for the period	-	23,470,318	-	-	-	23,470,318
Other comprehensive loss for the period	-	-	-	-	(3,263,565)	(3,263,565)
Transfer to General banking reserve	-	(4,401,033)	-	4,401,033	-	-
At 31 December 2014	506,699,200	21,429,294	14,120,660	19,180,210	(1,479,442)	559,949,922
At 01 July 2014	356,699,200	2,360,009	14,120,660	14,779,177	1,784,123	389,743,169
Issue of share capital	150,000,000	-	-	-	-	150,000,000
Net profit for the year	-	68,220,218	-	-	-	68,220,218
Other comprehensive loss for the year	-	-	-	-	(22,177)	(22,177)
Transfer to General banking reserve	-	(10,510,889)	-	10,510,889	-	-
Transfer to Statutory reserve	-	(10,233,033)	10,233,033	-	-	-
At 30 June 2015	506,699,200	49,836,305	24,353,693	25,290,066	1,761,946	607,941,210
Issue of share capital	128,708,784	-	-	-	-	128,708,784
Net profit for the period	-	93,230,003	-	-	-	93,230,003
Other comprehensive loss for the period	-	-	-	-	(5,264,367)	(5,264,367)
Transfer to General banking reserve	-	(17,195,601)	-	17,195,601	-	-
Dividend paid	-	(8,103,887)	-	-	-	(8,103,887)
At 31 December 2015	635,407,984	117,766,820	24,353,693	42,485,667	(3,502,421)	816,511,743

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2015

	Unaudited 6 months ended 31 Dec 2015	Unaudited 6 months ended 31 Dec 2014	Audited Year ended 30 Jun 2015
	Rs	Rs	Rs
Net cash generated from operating activities	584,860,160	250,549,331	1,677,401,820
Net cash used in investing activities	(668,659,454)	(329,565,412)	(547,097,839)
Net cash generated from financing activities	120,604,897	148,819,793	274,280,545
Net increase in cash and cash equivalents	36,805,603	69,803,712	1,404,584,526
Net cash and cash equivalents at beginning of period/ year	4,209,338,745	2,805,820,364	2,804,754,219
Net cash and cash equivalents at end of period/ year	4,246,144,348	2,875,624,076	4,209,338,745

Comments on results

For the first six months ended 31st December 2015, ABC Banking Corporation Ltd posted an encouraging performance with a net profit after tax of MUR 93 million, equivalent to four times the figure for the corresponding period in FY14/15.

The total income was up 68% driven mainly by net interest income of MUR 126 million and other income of MUR 71 million. The expansion of our loans, advances and placement portfolios, the strong contribution of our international activities coupled with a tight control on our expenses, have been the key ingredients towards these results.

Over the last six months, the bank's total assets base reached MUR 13.6 billion with the bank's continued focus to expand its loan book, the latter improving by 31% over the period, while the deposits and savings portfolio continued its growing trend to MUR 12.3 billion.

The bank increased its capital during the quarter by MUR 128.7 million through a rights issue to further strengthen its capital base and fuel its continued growth.

On the 18th January 2016, ABC Banking Corporation Ltd was listed on the Development & Enterprise Market (DEM), marking another milestone in the history of the institution.

Future Outlook

Based on current trends, the results for the nine months to 31st March should show a satisfactory growth as achieved over the first six months.

By Order of the Board

The abridged unaudited interim financial statements have been prepared in accordance with the same accounting policies as those set out in the audited financial statements for the year ended 30th June 2015.

Copies of the interim financial statements are available, free of charge, upon request made to the Company Secretary at its registered office, ABC Centre, Military Road, Port Louis and can be viewed on our website www.abcbanking.mu

The interim financial statements are issued pursuant to DEM Rule 11.

The Board of Directors of ABC Banking Corporation Ltd accepts full responsibility for the accuracy of the information contained in this report.

ABC Professional & Secretarial Services Ltd
Company Secretary

12 February 2016

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 **ABC BANKING
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count on us