



THE MAURITIUS COMMERCIAL BANK LIMITED
Abridged Unaudited Interim Financial Statements - 31st March 2016

Statement of financial position

	31-Mar-16	31-Mar-15	30-Jun-15
	Rs'000	Rs'000	Rs'000
ASSETS			
Cash and cash equivalents	34,070,282	21,935,660	22,999,839
Mandatory balances with Central Bank	13,396,743	11,640,753	12,252,565
Derivative financial instruments	314,100	193,294	264,725
Loans to and placements with banks	16,893,464	7,941,863	9,446,866
Loans and advances to customers	153,080,857	149,514,935	152,098,856
Investment securities	51,069,668	38,165,755	44,675,336
Investments in associates	1,166,844	-	-
Intangible assets	437,167	414,406	385,453
Property, plant and equipment	4,939,180	5,023,111	5,030,443
Deferred tax assets	242,476	199,065	222,519
Other assets	2,651,797	3,634,757	3,230,068
	278,262,578	238,663,599	250,606,670
Non-current assets held for distribution	-	1,331,216	1,331,216
Total assets	278,262,578	239,994,815	251,937,886
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from banks	4,928,723	4,122,940	4,504,425
Deposits from customers	229,749,988	190,150,363	202,713,585
Derivative financial instruments	207,990	958,774	108,997
Other borrowed funds	5,177,102	7,829,906	6,915,825
Subordinated liabilities	1,057,257	5,594,343	1,055,697
Current tax liabilities	529,593	370,077	448,835
Other liabilities	4,129,434	5,770,141	5,901,642
Total liabilities	245,780,087	214,796,544	221,649,006
Shareholders' Equity			
Stated capital	6,879,602	2,379,602	6,879,602
Retained earnings	20,749,935	18,989,368	18,705,062
Other components of equity	4,852,954	3,829,301	4,704,216
Equity attributable to the ordinary equity holders of the bank	32,482,491	25,198,271	30,288,880
Total equity and liabilities	278,262,578	239,994,815	251,937,886
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations on account of customers	32,413,008	55,967,677	43,322,427
Commitments	3,165,129	4,806,823	4,380,241
Tax assessments	813,502	406,912	797,225
Other	1,254,522	1,333,337	1,184,265
	37,646,161	62,514,749	49,684,158



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Statement of profit or loss

	Quarter to 31-Mar-16	Quarter to 31-Mar-15	9 mths to 31-Mar-16	9 mths to 31-Mar-15	Year to 30-Jun-15
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Continuing operations					
Interest income	3,087,024	2,932,297	9,203,842	8,683,587	11,632,970
Interest expense	(1,009,544)	(1,066,459)	(3,066,182)	(3,197,107)	(4,284,673)
Net interest income	2,077,480	1,865,838	6,137,660	5,486,480	7,348,297
Fee and commission income	793,180	831,009	2,498,460	2,457,834	3,403,343
Fee and commission expense	(183,683)	(165,136)	(493,760)	(456,999)	(586,930)
Net fee and commission income	609,497	665,873	2,004,700	2,000,835	2,816,413
Other income	337,791	233,880	989,057	796,100	996,390
Operating income	3,024,768	2,765,591	9,131,417	8,283,415	11,161,100
Non-interest expense	(1,092,850)	(1,113,030)	(3,521,346)	(3,382,394)	(4,461,083)
Operating profit before impairment	1,931,918	1,652,561	5,610,071	4,901,021	6,700,017
Net impairment of financial assets	(214,009)	(208,674)	(674,433)	(527,286)	(897,173)
Profit before tax	1,717,909	1,443,887	4,935,638	4,373,735	5,802,844
Income tax expense	(394,993)	(227,161)	(1,020,536)	(774,859)	(960,290)
Profit for the period from continuing operations	1,322,916	1,216,726	3,915,102	3,598,876	4,842,554
Discontinuing operations					
Profit for the period from discontinuing operations	-	-	-	-	161,746
Profit for the period attributable to the owners of the bank	1,322,916	1,216,726	3,915,102	3,598,876	5,004,300

Statement of profit or loss and other comprehensive income

Profit for the period	1,322,916	1,216,726	3,915,102	3,598,876	5,004,300
Other comprehensive income/(expense):					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit pension plan net of deferred tax	-	-	-	-	95,215
Items that are or may be reclassified subsequently to profit or loss:					
Reclassification adjustment	-	-	(54,627)	-	-
Net fair value gain/(loss) on available-for-sale investments	11,563	83,053	(25,684)	285,598	398,796
Other comprehensive income/(expense) for the period	11,563	83,053	(80,311)	285,598	494,011
Total comprehensive income for the period	1,334,479	1,299,779	3,834,791	3,884,474	5,498,311
Total comprehensive income attributable to the owners of the bank:					
Continuing operations	1,334,479	1,299,779	3,834,791	3,884,474	5,336,565
Discontinuing operations	-	-	-	-	161,746
	1,334,479	1,299,779	3,834,791	3,884,474	5,498,311
Earnings per share (Rs):					
Continuing operations	1.92	1.77	5.69	5.23	19.84
Discontinuing operations	-	-	-	-	0.66
Weighted average number of shares (thousands)	687,960	687,960	687,960	687,960	244,124



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Statement of changes in equity

	Stated Capital	Retained Earnings	Capital Reserve	Statutory Reserve	General Banking Reserve	Total Equity
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
At 1st July 2014	2,379,602	16,322,961	483,321	2,379,602	533,580	22,099,066
Profit for the period	-	3,598,876	-	-	-	3,598,876
Other comprehensive income for the period	-	-	285,598	-	-	285,598
Total comprehensive income for the period	-	3,598,876	285,598	-	-	3,884,474
Dividends in cash	-	(785,269)	-	-	-	(785,269)
Transfer to general banking reserve	-	(147,200)	-	-	147,200	-
At 31st March 2015	2,379,602	18,989,368	768,919	2,379,602	680,780	25,198,271
At 1st July 2014	2,379,602	16,322,961	483,321	2,379,602	533,580	22,099,066
Profit for the year	-	5,004,300	-	-	-	5,004,300
Other comprehensive income for the year	-	95,215	398,796	-	-	494,011
Total comprehensive income for the year	-	5,099,515	398,796	-	-	5,498,311
Rights issue	4,500,000	-	-	-	-	4,500,000
Dividends in cash	-	(1,808,497)	-	-	-	(1,808,497)
Transfer to statutory reserve	-	(751,000)	-	751,000	-	-
Transfer to general banking reserve	-	(157,917)	-	-	157,917	-
At 30th June 2015	6,879,602	18,705,062	882,117	3,130,602	691,497	30,288,880
Profit for the period	-	3,915,102	-	-	-	3,915,102
Other comprehensive expense for the period	-	-	(80,311)	-	-	(80,311)
Total comprehensive income/(expense) for the period	-	3,915,102	(80,311)	-	-	3,834,791
Dividends in cash	-	(1,100,736)	-	-	-	(1,100,736)
Dividends in specie	-	(540,444)	-	-	-	(540,444)
Transfer to general banking reserve	-	(229,049)	-	-	229,049	-
At 31st March 2016	6,879,602	20,749,935	801,806	3,130,602	920,546	32,482,491



THE MAURITIUS COMMERCIAL BANK LIMITED
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Statement of cash flows

	9 mths to 31-Mar-16 Rs'000	9 mths to 31-Mar-15 Rs'000	Year to 30-Jun-15 Rs'000
Net cash flows from trading activities	3,939,429	4,876,792	5,294,795
Net cash flows from other operating activities	12,028,362	2,680,986	4,998,373
Dividends paid	(2,123,964)	(1,594,333)	(1,594,333)
Income tax paid	(959,735)	(728,369)	(921,438)
Net cash flows from operating activities	12,884,092	5,235,076	7,777,397
Investing activities	(574,455)	(1,394,363)	(1,922,029)
Net cash flows before financing activities	12,309,637	3,840,713	5,855,368
Financing activities			
Rights issue	-	-	4,500,000
Subordinated liabilities transferred	-	-	(4,500,000)
Net debt securities matured	-	(1,793,050)	(1,793,050)
Net cash flows from financing activities	-	(1,793,050)	(1,793,050)
Increase in cash and cash equivalents	12,309,637	2,047,663	4,062,318
Net cash and cash equivalents brought forward	21,760,382	17,698,064	17,698,064
Net cash and cash equivalents carried forward	34,070,019	19,745,727	21,760,382



COMMENTS

For the nine months ended 31st March 2016, Operating Income rose by 10.2% to reach Rs 9,131 million, contributing to a growth of 12.8% in Profits before Tax to Rs 4,936 million whilst Profits after Tax increased by 8.8%, similar to the half year, to reach Rs 3,915 million.

This performance was mainly driven by a rise of 11.9% in the Bank's Net Interest Income which reached Rs 6,138 million amidst the continued improvement in its MUR excess liquidity situation in line with money market interventions by the Central Bank.

Net fee and commission income remained flat over the period at Rs 2,005 million as the adverse impact of the fall in oil prices on our trade finance activities offset increases in other fee based income. Other income rose by 24.2% reaching Rs 989 million mainly due to the strong growth in profits arising from dealing in foreign currencies.

The Bank continues to monitor closely its Non MUR excess liquidity situation in light of falling European interest rates and the longer term impact of projected low oil prices, with initiatives to mitigate their impact on operating income being envisaged alongside maintaining a cautious approach to our cross border expansion.

Operating expenses growth for the period was contained to 4.1%, lower than the half year, resulting in a further fall in the Bank's cost to income ratio to 38.6%.

Allowance for credit impairment reached Rs 674 million, an increase over the corresponding period last year, with customers still being faced with subdued economic activity. The Non Performing Loans to Gross Loans ratio remained close to 6% over the period.

Looking forward, the Bank's results for the full year are expected to post reasonable growth on current trends notwithstanding the continuing challenging domestic and international operating context.

By order of the Board

12th May 2016

The abridged unaudited interim financial statements have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 30th June 2015 and comply with IAS 34.

Copies of the abridged unaudited interim financial statements can be obtained, free of charge, upon request to the Company Secretary at the registered office of the bank, 9-15, Sir William Newton Street, Port-Louis and can be viewed on our website: **www.mcb.mu**

The statement of direct and indirect interests of officers of the Company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, at the registered office of the bank.

This communiqué is issued pursuant to Securities Act 2005.

The Board of Directors of The Mauritius Commercial Bank Limited accepts full responsibility for the accuracy of the information contained in this communiqué.