



**THE MAURITIUS COMMERCIAL BANK LIMITED**  
Abridged Unaudited Interim Financial Statements - 30<sup>th</sup> September 2015

***Statement of financial position***

	30-Sep-15 Rs'000	30-Sep-14 Rs'000	30-Jun-15 Rs'000
<b>ASSETS</b>			
Cash and cash equivalents	27,153,203	15,198,346	22,999,839
Mandatory balances with Central Bank	12,348,648	10,746,666	12,252,565
Derivative financial instruments	105,872	100,893	264,725
Loans to and placements with banks	10,407,732	6,405,508	9,446,866
Loans and advances to customers	149,464,243	145,432,599	152,098,856
Investment securities	46,488,452	33,206,098	44,675,336
Intangible assets	365,907	481,456	385,453
Property, plant and equipment	4,980,106	5,140,545	5,030,443
Deferred tax assets	232,897	193,089	222,519
Other assets	3,301,891	3,404,603	3,230,068
	<b>254,848,951</b>	<b>220,309,803</b>	<b>250,606,670</b>
Non-current assets held for distribution	1,331,216	1,331,216	1,331,216
<b>Total assets</b>	<b>256,180,167</b>	<b>221,641,019</b>	<b>251,937,886</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Deposits from banks	4,974,530	5,716,467	4,504,425
Deposits from customers	206,221,070	172,216,399	202,713,585
Derivative financial instruments	114,187	1,017,951	108,997
Other borrowed funds	5,929,649	7,481,524	6,915,825
Subordinated liabilities	1,065,459	5,442,456	1,055,697
Current tax liabilities	678,115	621,706	448,835
Other liabilities	6,736,906	5,703,822	5,901,642
<b>Total liabilities</b>	<b>225,719,916</b>	<b>198,200,325</b>	<b>221,649,006</b>
<b>Shareholders' Equity</b>			
Stated capital	6,879,602	2,379,602	6,879,602
Retained earnings	18,700,563	17,366,615	18,705,062
Other components of equity	4,880,086	3,694,477	4,704,216
<b>Equity attributable to the ordinary equity holders of the bank</b>	<b>30,460,251</b>	<b>23,440,694</b>	<b>30,288,880</b>
<b>Total equity and liabilities</b>	<b>256,180,167</b>	<b>221,641,019</b>	<b>251,937,886</b>
<b>CONTINGENT LIABILITIES</b>			
Guarantees, letters of credit, endorsements and other obligations on account of customers	51,521,504	60,603,446	43,322,427
Commitments	3,350,828	3,990,314	4,380,241
Tax assessments	802,783	274,312	797,225
Other	1,170,947	1,503,692	1,184,265
	<b>56,846,062</b>	<b>66,371,764</b>	<b>49,684,158</b>



**THE MAURITIUS COMMERCIAL BANK LIMITED**  
Abridged Unaudited Interim Financial Statements - 30<sup>th</sup> September 2015

**Statement of profit or loss**

	3 mths to 30-Sep-15 Rs'000	3 mths to 30-Sep-14 Rs'000	Year to 30-Jun-15 Rs'000
<b>Continuing operations</b>			
Interest income	3,094,222	2,852,211	11,632,970
Interest expense	(1,044,800)	(1,066,300)	(4,284,673)
<b>Net interest income</b>	<b>2,049,422</b>	<b>1,785,911</b>	<b>7,348,297</b>
Fee and commission income	814,052	809,157	3,403,343
Fee and commission expense	(148,143)	(135,415)	(586,930)
<b>Net fee and commission income</b>	<b>665,909</b>	<b>673,742</b>	<b>2,816,413</b>
Other income	291,796	257,663	996,390
<b>Operating income</b>	<b>3,007,127</b>	<b>2,717,316</b>	<b>11,161,100</b>
Non-interest expense	(1,227,252)	(1,127,274)	(4,461,083)
<b>Operating profit before impairment</b>	<b>1,779,875</b>	<b>1,590,042</b>	<b>6,700,017</b>
Net impairment of financial assets	(170,074)	(128,913)	(897,173)
<b>Profit before tax</b>	<b>1,609,801</b>	<b>1,461,129</b>	<b>5,802,844</b>
Income tax expense	(275,564)	(270,275)	(960,290)
<b>Profit for the period from continuing operations</b>	<b>1,334,237</b>	<b>1,190,854</b>	<b>4,842,554</b>
<b>Discontinuing operations</b>			
<b>Profit for the period from discontinuing operations</b>	<b>-</b>	<b>-</b>	<b>161,746</b>
<b>Profit for the period attributable to the owners of the bank</b>	<b>1,334,237</b>	<b>1,190,854</b>	<b>5,004,300</b>

**Statement of profit or loss and other comprehensive income**

<b>Profit for the period</b>	<b>1,334,237</b>	<b>1,190,854</b>	<b>5,004,300</b>
<b>Other comprehensive (expense)/income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement of defined benefit pension plan net of deferred tax	-	-	95,215
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Net fair value (loss)/gain on available-for-sale investments	(62,130)	150,774	398,796
<b>Other comprehensive (expense)/income for the period</b>	<b>(62,130)</b>	<b>150,774</b>	<b>494,011</b>
<b>Total comprehensive income for the period</b>	<b>1,272,107</b>	<b>1,341,628</b>	<b>5,498,311</b>
<b>Total comprehensive income attributable to the owners of the bank:</b>			
Continuing operations	1,272,107	1,341,628	5,336,565
Discontinuing operations	-	-	161,746
	<b>1,272,107</b>	<b>1,341,628</b>	<b>5,498,311</b>
<b>Earnings per share (Rs):</b>			
Continuing operations	1.94	1.73	19.84
Discontinuing operations	-	-	0.66
Weighted average number of shares (thousands)	<b>687,960</b>	<b>687,960</b>	<b>244,124</b>



**THE MAURITIUS COMMERCIAL BANK LIMITED**  
Abridged Unaudited Interim Financial Statements - 30<sup>th</sup> September 2015

***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
<b>At 1<sup>st</sup> July 2014</b>	2,379,602	16,322,961	483,321	2,379,602	533,580	22,099,066
Profit for the period	-	1,190,854	-	-	-	1,190,854
Other comprehensive income for the period	-	-	150,774	-	-	150,774
Total comprehensive income for the period	-	1,190,854	150,774	-	-	1,341,628
Transfer to general banking reserve	-	(147,200)	-	-	147,200	-
<b>At 30<sup>th</sup> September 2014</b>	<b>2,379,602</b>	<b>17,366,615</b>	<b>634,095</b>	<b>2,379,602</b>	<b>680,780</b>	<b>23,440,694</b>
<b>At 1<sup>st</sup> July 2014</b>	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	-	(1,808,497)	-	-	-	(1,808,497)
Transfer to statutory reserve	-	(751,000)	-	751,000	-	-
Transfer to general banking reserve	-	(157,917)	-	-	157,917	-
<b>At 30<sup>th</sup> June 2015</b>	<b>6,879,602</b>	<b>18,705,062</b>	<b>882,117</b>	<b>3,130,602</b>	<b>691,497</b>	<b>30,288,880</b>
Profit for the period	-	1,334,237	-	-	-	1,334,237
Other comprehensive expense for the period	-	-	(62,130)	-	-	(62,130)
Total comprehensive income/(expense) for the period	-	1,334,237	(62,130)	-	-	1,272,107
Dividends	-	(1,100,736)	-	-	-	(1,100,736)
Transfer to general banking reserve	-	(238,000)	-	-	238,000	-
<b>At 30<sup>th</sup> September 2015</b>	<b>6,879,602</b>	<b>18,700,563</b>	<b>819,987</b>	<b>3,130,602</b>	<b>929,497</b>	<b>30,460,251</b>



**THE MAURITIUS COMMERCIAL BANK LIMITED**  
Abridged Unaudited Interim Financial Statements - 30<sup>th</sup> September 2015

***Statement of cash flows***

	<b>3 mths to 30-Sep-15 Rs'000</b>	<b>3 mths to 30-Sep-14 Rs'000</b>	<b>Year to 30-Jun-15 Rs'000</b>
<b>Net cash flows from trading activities</b>	<b>2,401,799</b>	2,595,744	5,294,795
<b>Net cash flows from other operating activities</b>	<b>4,305,997</b>	(3,484,169)	4,998,373
Dividends paid	<b>(1,023,229)</b>	(809,065)	(1,594,333)
Income tax paid	<b>(56,662)</b>	(15,687)	(921,438)
<b>Net cash flows from operating activities</b>	<b>5,627,905</b>	(1,713,177)	7,777,397
<b>Investing activities</b>	<b>(254,195)</b>	(885,492)	(1,922,029)
<b>Net cash flows before financing activities</b>	<b>5,373,710</b>	(2,598,669)	5,855,368
<b>Financing activities</b>			
Rights Issue	-	-	4,500,000
Subordinated liabilities transferred	-	-	(4,500,000)
Net debt securities matured	-	-	(1,793,050)
<b>Net cash flows from financing activities</b>	<b>-</b>	<b>-</b>	<b>(1,793,050)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>5,373,710</b>	(2,598,669)	4,062,318
Net cash and cash equivalents brought forward	<b>21,760,382</b>	17,698,064	17,698,064
<b>Net cash and cash equivalents carried forward</b>	<b>27,134,092</b>	15,099,395	21,760,382



## RESULTS

Profits for the quarter ended 30<sup>th</sup> September 2015 reached Rs1,334 million, a satisfactory growth of 12% over the corresponding period last year.

Operating Income rose by nearly 11% to reach Rs3,007 million.

This growth was largely driven by an increase of close to 15% in Net interest income which reached Rs2,049 million. This was achieved on the back of a rise of 4% in our average customer balances, lower interest expense due to the transfer of Subordinated Notes to our ultimate holding company and an improvement in the management of the excess liquidity situation due to measures taken by the Bank of Mauritius.

Net Fee and commission income remained relatively flat over the period standing at Rs666 million whilst Treasury profits grew by 13% to reach Rs281 million.

Operating expenses grew by 9% resulting in a cost to income ratio of 40.8%, slightly lower than for the corresponding period last year.

The allowance for credit impairment of Rs170 million continues to return to a more acceptable level and although this was 32% more than last year's figures, it was below that of FY 2014/15 on an annualised basis.

## POST BALANCE SHEET EVENT

The investment agreement with Societe Generale for the latter subscribing additional capital in MCB Mocambique SA was completed on the 2<sup>nd</sup> October 2015. The bank's stake has since been reduced to a minority holding.

## OUTLOOK

Results for the half year to 31<sup>st</sup> December, on current trends, should reflect a similar growth as that achieved for the first quarter and in line with our expectations - albeit we remain cautious about the evolution of both the economic and operating environments over the coming months.

By order of the Board

13<sup>th</sup> November 2015

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 30<sup>th</sup> 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](http://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.*