



**THE MAURITIUS COMMERCIAL BANK LIMITED**  
Unaudited Interim Summary Financial Statements - 30<sup>th</sup> September 2017

**Statement of financial position as at 30<sup>th</sup> September 2017**

	30-Sep-17 Rs'000	30-Sep-16 Rs'000	30-Jun-17 Rs'000
<b>ASSETS</b>			
Cash and cash equivalents	34,435,003	31,776,227	34,033,960
Mandatory balances with Central Bank	16,116,663	14,386,632	15,432,134
Derivative financial instruments	209,106	240,556	226,731
Loans to and placements with banks	23,942,953	28,220,920	25,912,459
Loans and advances to customers	162,067,738	153,523,664	160,418,113
Investment securities	77,418,915	57,633,999	68,890,863
Investment in subsidiary	64,322	-	64,322
Investments in associates	1,167,295	1,161,559	1,159,250
Intangible assets	573,687	484,188	579,569
Property, plant and equipment	4,875,338	4,960,790	4,911,082
Deferred tax assets	174,744	198,988	143,667
Other assets	4,192,278	2,511,715	2,429,582
<b>Total assets</b>	<b>325,238,042</b>	<b>295,099,238</b>	<b>314,201,732</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>			
Deposits from banks	5,373,305	5,523,728	5,302,566
Deposits from customers	268,460,111	244,876,048	258,569,834
Derivative financial instruments	186,478	122,843	97,430
Other borrowed funds	5,588,357	4,691,072	5,606,935
Subordinated liability	1,026,223	1,062,690	1,052,037
Current tax liabilities	1,105,421	933,558	778,869
Other liabilities	5,956,855	4,612,217	5,549,010
<b>Total liabilities</b>	<b>287,696,750</b>	<b>261,822,156</b>	<b>276,956,681</b>
<b>Shareholder's equity</b>			
Stated capital	6,879,602	6,879,602	6,879,602
Retained earnings	23,576,525	20,608,384	23,462,727
Other components of equity	7,085,165	5,789,096	6,902,722
<b>Total equity</b>	<b>37,541,292</b>	<b>33,277,082</b>	<b>37,245,051</b>
<b>Total equity and liabilities</b>	<b>325,238,042</b>	<b>295,099,238</b>	<b>314,201,732</b>
<b>CONTINGENT LIABILITIES</b>			
Guarantees, letters of credit, endorsements and other obligations on account of customers	47,561,039	30,754,680	41,128,382
Commitments	5,768,646	2,227,531	6,714,334
Tax assessments	1,000,017	842,851	992,632
Other	1,267,551	1,313,789	1,353,991
	<b>55,597,253</b>	<b>35,138,851</b>	<b>50,189,339</b>



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***Statement of profit or loss for the period ended 30<sup>th</sup> September 2017***

	<b>3 mths to 30-Sep-17 Rs'000</b>	<b>3 mths to 30-Sep-16 Rs'000</b>	<b>Year to 30-Jun-17 Rs'000</b>
Interest income	3,276,664	3,131,469	12,604,065
Interest expense	<b>(976,050)</b>	(979,877)	(3,870,375)
<b>Net interest income</b>	<b>2,300,614</b>	2,151,592	8,733,690
Fee and commission income	<b>881,535</b>	821,928	3,440,108
Fee and commission expense	<b>(191,566)</b>	(154,549)	(687,673)
<b>Net fee and commission income</b>	<b>689,969</b>	667,379	2,752,435
Other income	<b>457,477</b>	431,111	2,113,752
<b>Operating income</b>	<b>3,448,060</b>	3,250,082	13,599,877
Non-interest expense	<b>(1,341,113)</b>	(1,249,839)	(5,021,823)
<b>Operating profit before impairment</b>	<b>2,106,947</b>	2,000,243	8,578,054
Net impairment of financial assets	<b>(250,889)</b>	(202,566)	(950,504)
<b>Profit before tax</b>	<b>1,856,058</b>	1,797,677	7,627,550
Income tax expense	<b>(313,908)</b>	(354,597)	(1,390,088)
<b>Profit for the period</b>	<b>1,542,150</b>	1,443,080	6,237,462

***Statement of comprehensive income for the period ended 30<sup>th</sup> September 2017***

<b>Profit for the period</b>	<b>1,542,150</b>	1,443,080	6,237,462
<b>Other comprehensive income:</b>			
<b>Item that will not be reclassified to profit or loss:</b>			
Remeasurement of defined benefit pension plan, net of deferred tax	-	-	287,079
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Reclassification adjustments on disposal of available-for-sale investments	-	(5,113)	24,257
Net fair value gain on available-for-sale investments	<b>164,410</b>	156,418	355,079
	<b>164,410</b>	151,305	379,336
<b>Other comprehensive income for the period</b>	<b>164,410</b>	151,305	666,415
<b>Total comprehensive income for the period</b>	<b>1,706,560</b>	1,594,385	6,903,877
<b>Earnings per share (Rs)</b>	<b>2.24</b>	2.10	9.07
<b>Weighted average number of shares (thousands)</b>	<b>687,960</b>	687,960	687,960



**THE MAURITIUS COMMERCIAL BANK LIMITED**  
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***Statement of changes in equity for the period ended 30<sup>th</sup> September 2017***

**At 1<sup>st</sup> July 2016**

Profit for the period  
Other comprehensive income for the period  
Total comprehensive income for the period  
Dividends  
Transactions with owner in his capacity as owner  
Transfer from general banking reserve

**At 30<sup>th</sup> September 2016**

**At 1<sup>st</sup> July 2016**

Profit for the year  
Other comprehensive income for the year  
Total comprehensive income for the year  
Dividends  
Transactions with owner in his capacity as owner  
Transfer to statutory reserve  
Transfer from general banking reserve

**At 30<sup>th</sup> June 2017**

Profit for the period  
Other comprehensive income for the period  
Total comprehensive income for the period  
Dividends  
Transactions with owner in his capacity as owner  
Transfer to general banking reserve

**At 30<sup>th</sup> September 2017**

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
6,879,602	20,435,491	775,383	3,974,602	890,345	32,955,423
-	1,443,080	-	-	-	1,443,080
-	-	151,305	-	-	151,305
-	1,443,080	151,305	-	-	1,594,385
-	(1,272,726)	-	-	-	(1,272,726)
-	(1,272,726)	-	-	-	(1,272,726)
-	2,539	-	-	(2,539)	-
<b>6,879,602</b>	<b>20,608,384</b>	<b>926,688</b>	<b>3,974,602</b>	<b>887,806</b>	<b>33,277,082</b>
6,879,602	20,435,491	775,383	3,974,602	890,345	32,955,423
-	6,237,462	-	-	-	6,237,462
-	287,079	379,336	-	-	666,415
-	6,524,541	379,336	-	-	6,903,877
-	(2,614,249)	-	-	-	(2,614,249)
-	(2,614,249)	-	-	-	(2,614,249)
-	(936,000)	-	936,000	-	-
-	52,944	-	-	(52,944)	-
<b>6,879,602</b>	<b>23,462,727</b>	<b>1,154,719</b>	<b>4,910,602</b>	<b>837,401</b>	<b>37,245,051</b>
-	1,542,150	-	-	-	1,542,150
-	-	164,410	-	-	164,410
-	1,542,150	164,410	-	-	1,706,560
-	(1,410,319)	-	-	-	(1,410,319)
-	(1,410,319)	-	-	-	(1,410,319)
-	(18,033)	-	-	18,033	-
<b>6,879,602</b>	<b>23,576,525</b>	<b>1,319,129</b>	<b>4,910,602</b>	<b>855,434</b>	<b>37,541,292</b>



**THE MAURITIUS COMMERCIAL BANK LIMITED**  
Unaudited Interim Summary Financial Statements - 30<sup>th</sup> September 2017

*Statement of cash flows for the period ended 30<sup>th</sup> September 2017*

	<b>3 mths to 30-Sep-17 Rs'000</b>	3 mths to 30-Sep-16 Rs'000	Year to 30-Jun-17 Rs'000
<b>Operating activities</b>			
<b>Net cash flows from trading activities</b>	<b>(9,547,229)</b>	2,037,763	(175,858)
<b>Net cash flows from other operating activities</b>	<b>11,130,384</b>	(1,066,970)	6,411,810
Dividends paid	<b>(1,341,523)</b>	(1,031,940)	(2,304,667)
Income tax paid	<b>(18,433)</b>	(5,063)	(1,190,595)
<b>Net cash flows from operating activities</b>	<b>223,199</b>	(66,210)	2,740,690
<b>Net cash flows from investing activities</b>	<b>(127,550)</b>	(126,887)	(712,644)
<b>Net cash flows from financing activities</b>	-	-	-
<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>95,649</b>	(193,097)	2,028,046
Net cash and cash equivalents brought forward	<b>33,997,307</b>	31,969,261	31,969,261
<b>Net cash and cash equivalents carried forward</b>	<b>34,092,956</b>	31,776,164	33,997,307



**COMMENTS ON RESULTS**

For the quarter ended 30<sup>th</sup> September 2017, operating income rose by 6.1% to reach Rs 3,448 million, contributing to a growth of 6.9% in profit after tax amounting to Rs 1,542 million.

Net interest income increased by 6.9% to reach Rs 2,301 million as a result of an increase of 10% in the foreign currency loan portfolio and the continued increase in MUR excess liquidity invested mainly in Treasury Bills and GOM/BOM Bonds.

Net fee and commission income increased by 3.4% to Rs 690 million as a result of larger loan disbursements in foreign currency during the period under review as well as increased volume in payment services.

Profit arising from dealings in foreign currencies and net gain from financial instruments carried at fair value rose by 16.4% to reach Rs 444 million, which further helped the bank's performance during the period, on account of mark to market gains on our increasing portfolio of held for trading securities.

Non-interest expense grew by 7.3% to reach Rs 1,341 million driven mainly by increases in staff expenses and software and hardware maintenance costs, aimed towards capacity building. The cost to income ratio reached 38.9% and remained at a comfortable level.

Net impairment of financial assets amounted to Rs 251 million whilst the bank's non-performing loans to gross loans ratio declined to 5.4%.

The bank remains strongly capitalised with a Tier 1 ratio of 15.5% and a BIS ratio of 16.4% at the end of the quarter, well above the regulatory requirements.

Going forward, the bank expects to realise its pipeline of projects and maintain the momentum on other revenue generating initiatives as well as embarking on various bank wide realignment/transformation initiatives, which should allow it to achieve its strategic ambitions.

By order of the Board

14<sup>th</sup> November 2017

The unaudited interim summary 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 2017 and comply with IAS 34.

Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies.

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