

**Statements of Financial Position**

	GROUP			BANK		
	31-Mar-10 Rs'000	31-Mar-09 Rs'000	30-Jun-09 Rs'000	31-Mar-10 Rs'000	31-Mar-09 Rs'000	30-Jun-09 Rs'000
<b>ASSETS</b>						
Cash and cash equivalents	19,122,577	19,084,504	21,945,475	17,878,557	18,223,039	20,725,941
Derivative financial instruments	23,857	122,206	120,408	23,857	122,206	120,408
Loans and advances to banks	1,355,036	2,630,367	2,318,568	1,204,295	2,691,824	2,222,735
Loans and advances to customers	100,577,784	91,369,857	94,540,496	95,111,910	86,018,878	89,128,211
Investment securities	18,243,681	17,295,008	17,731,647	14,354,713	13,964,915	14,032,673
Investments in associates	6,503,498	6,080,330	6,490,699	881,171	900,584	914,593
Investments in subsidiaries	-	-	-	3,123,365	2,755,943	3,019,830
Goodwill and other intangible assets	565,821	329,585	360,025	422,163	242,718	275,728
Property, plant and equipment	4,288,198	3,657,043	3,839,527	3,529,187	2,744,235	3,008,629
Deferred tax assets	34,526	29,967	29,654	20,717	26,414	26,146
Other assets	3,378,018	3,199,286	3,099,844	1,991,433	2,028,078	1,934,679
<b>Total assets</b>	<b>154,092,996</b>	<b>143,798,153</b>	<b>150,476,343</b>	<b>138,541,368</b>	<b>129,718,834</b>	<b>135,409,573</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
Deposits from banks	1,088,112	1,796,373	1,609,655	2,804,268	3,708,823	3,569,403
Deposits from customers	124,938,591	115,104,670	119,631,291	115,728,455	106,853,445	110,937,039
Derivative financial instruments	12,695	89,742	44,544	12,695	89,742	44,544
Other borrowed funds	1,005,786	2,176,116	2,285,933	784,790	1,544,210	1,579,269
Subordinated liabilities	1,386,517	1,514,571	1,471,555	1,386,517	1,514,571	1,471,555
Current tax liabilities	345,718	652,894	758,314	225,540	520,902	628,659
Deferred tax liabilities	30,598	32,413	37,365	-	-	-
Other liabilities	3,355,672	3,045,484	4,505,804	2,616,883	2,501,506	3,925,929
<b>Total liabilities</b>	<b>132,163,689</b>	<b>124,412,263</b>	<b>130,344,461</b>	<b>123,559,148</b>	<b>116,733,199</b>	<b>122,156,398</b>
<b>Shareholders' Equity</b>						
Share capital and share premium	2,554,970	2,544,998	2,544,998	2,554,970	2,544,998	2,544,998
Retained earnings	13,703,472	11,216,377	11,611,885	9,428,853	7,531,786	7,803,419
Other components of equity	4,466,899	4,522,196	4,792,928	3,371,605	3,284,708	3,280,615
	20,725,341	18,283,571	18,949,811	15,355,428	13,361,492	13,629,032
Less treasury shares	(373,208)	(375,857)	(375,857)	(373,208)	(375,857)	(375,857)
<b>Equity attributable to the ordinary equity holders of the parent</b>	<b>20,352,133</b>	<b>17,907,714</b>	<b>18,573,954</b>	<b>14,982,220</b>	<b>12,985,635</b>	<b>13,253,175</b>
Non-controlling interests	1,577,174	1,478,176	1,557,928	-	-	-
<b>Total equity</b>	<b>21,929,307</b>	<b>19,385,890</b>	<b>20,131,882</b>	<b>14,982,220</b>	<b>12,985,635</b>	<b>13,253,175</b>
<b>Total equity and liabilities</b>	<b>154,092,996</b>	<b>143,798,153</b>	<b>150,476,343</b>	<b>138,541,368</b>	<b>129,718,834</b>	<b>135,409,573</b>
<b>CONTINGENT LIABILITIES</b>						
Acceptances, guarantees, letters of credit, endorsements and other obligations on account of customers, and foreign exchange contracts	30,635,189	31,772,055	27,716,854	29,231,178	30,739,108	25,833,520
Commitments	5,691,685	7,165,216	7,311,152	5,587,843	7,036,508	7,115,364
Tax assessments	314,428	234,804	278,274	314,428	234,804	278,274
Other	756,598	1,073,417	969,117	747,225	900,800	969,117
	37,397,900	40,245,492	36,275,397	35,880,674	38,911,220	34,196,275

Income Statements

	GROUP					BANK				
	Quarter to 31-Mar-10	Quarter to 31-Mar-09	9 mths to 31-Mar-10	9 mths to 31-Mar-09	Year to 30-Jun-09	Quarter to 31-Mar-10	Quarter to 31-Mar-09	9 mths to 31-Mar-10	9 mths to 31-Mar-09	Year to 30-Jun-09
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Interest income	2,283,003	2,470,800	6,971,831	7,944,980	10,348,263	2,071,954	2,226,997	6,321,820	7,272,467	9,416,773
Interest expense	(1,034,212)	(1,218,158)	(3,141,084)	(4,244,960)	(5,312,066)	(942,559)	(1,106,114)	(2,830,218)	(3,935,055)	(4,866,761)
<b>Net interest income</b>	<b>1,248,791</b>	<b>1,252,642</b>	<b>3,830,747</b>	<b>3,700,020</b>	<b>5,036,197</b>	<b>1,129,395</b>	<b>1,120,883</b>	<b>3,491,602</b>	<b>3,337,412</b>	<b>4,550,012</b>
Fee and commission income	538,344	444,695	1,497,266	1,347,033	1,871,185	431,903	346,240	1,181,653	1,079,190	1,428,753
Fee and commission expense	(64,983)	(74,128)	(212,304)	(190,202)	(286,257)	(64,071)	(58,460)	(177,535)	(166,255)	(233,984)
<b>Net fee and commission income</b>	<b>473,361</b>	<b>370,567</b>	<b>1,284,962</b>	<b>1,156,831</b>	<b>1,584,928</b>	<b>367,832</b>	<b>287,780</b>	<b>1,004,118</b>	<b>912,935</b>	<b>1,194,769</b>
Other income	358,897	347,343	824,852	1,195,379	1,634,844	250,526	353,405	626,047	987,373	1,376,153
<b>Operating income</b>	<b>2,081,049</b>	<b>1,970,552</b>	<b>5,940,561</b>	<b>6,052,230</b>	<b>8,255,969</b>	<b>1,747,753</b>	<b>1,762,068</b>	<b>5,121,767</b>	<b>5,237,720</b>	<b>7,120,934</b>
Non-interest expense	(970,401)	(860,625)	(2,890,442)	(2,614,321)	(3,478,745)	(802,126)	(706,162)	(2,398,424)	(2,190,251)	(2,831,663)
<b>Operating profit before provisions</b>	<b>1,110,648</b>	<b>1,109,927</b>	<b>3,050,119</b>	<b>3,437,909</b>	<b>4,777,224</b>	<b>945,627</b>	<b>1,055,906</b>	<b>2,723,343</b>	<b>3,047,469</b>	<b>4,289,271</b>
Allowance for credit impairment	(27,357)	(86,373)	(214,141)	(295,810)	(371,226)	(34,208)	(80,811)	(167,449)	(289,506)	(361,115)
<b>Operating profit</b>	<b>1,083,291</b>	<b>1,023,554</b>	<b>2,835,978</b>	<b>3,142,099</b>	<b>4,405,998</b>	<b>911,419</b>	<b>975,095</b>	<b>2,555,894</b>	<b>2,757,963</b>	<b>3,928,156</b>
Share of profit of associates	67,558	132,886	280,724	405,413	527,937	-	-	-	-	-
<b>Profit before tax</b>	<b>1,150,849</b>	<b>1,156,440</b>	<b>3,116,702</b>	<b>3,547,512</b>	<b>4,933,935</b>	<b>911,419</b>	<b>975,095</b>	<b>2,555,894</b>	<b>2,757,963</b>	<b>3,928,156</b>
Income tax expense	(198,667)	(184,837)	(469,563)	(631,075)	(887,976)	(146,458)	(136,828)	(396,633)	(480,128)	(675,676)
<b>Profit for the period</b>	<b>952,182</b>	<b>971,603</b>	<b>2,647,139</b>	<b>2,916,437</b>	<b>4,045,959</b>	<b>764,961</b>	<b>838,267</b>	<b>2,159,261</b>	<b>2,277,835</b>	<b>3,252,480</b>
<b>Profit for the period attributable to :-</b>										
Ordinary equity holders of the parent	940,283	958,935	2,626,859	2,857,764	3,964,002	764,961	838,267	2,159,261	2,277,835	3,252,480
Non-controlling interests	11,899	12,668	20,280	58,673	81,957	-	-	-	-	-
	<b>952,182</b>	<b>971,603</b>	<b>2,647,139</b>	<b>2,916,437</b>	<b>4,045,959</b>	<b>764,961</b>	<b>838,267</b>	<b>2,159,261</b>	<b>2,277,835</b>	<b>3,252,480</b>
<u>Statements of Comprehensive Income</u>										
<b>Profit for the period</b>	<b>952,182</b>	<b>971,603</b>	<b>2,647,139</b>	<b>2,916,437</b>	<b>4,045,959</b>	<b>764,961</b>	<b>838,267</b>	<b>2,159,261</b>	<b>2,277,835</b>	<b>3,252,480</b>
<b>Other comprehensive (expense)/income:</b>										
Exchange differences on translating foreign operations	(88,543)	(22,730)	(183,092)	(112,553)	(87,213)	-	-	-	-	-
Transfer on disposal of available-for-sale investments	(448)	(90)	(2,742)	(61,010)	(49,834)	-	-	-	(49,834)	(49,834)
Net fair value (loss)/gain on available-for-sale investments	(114,080)	(111,125)	55,641	(446,945)	(413,303)	9,749	26,965	90,990	(54,943)	(50,278)
Share of other comprehensive expense of associates	(140,582)	(79,803)	(182,962)	(307,022)	(36,194)	-	-	-	-	-
<b>Other comprehensive (expense)/income for the period</b>	<b>(343,653)</b>	<b>(213,748)</b>	<b>(313,155)</b>	<b>(927,530)</b>	<b>(586,544)</b>	<b>9,749</b>	<b>26,965</b>	<b>90,990</b>	<b>(104,777)</b>	<b>(100,112)</b>
<b>Total comprehensive income for the period</b>	<b>608,529</b>	<b>757,855</b>	<b>2,333,984</b>	<b>1,988,907</b>	<b>3,459,415</b>	<b>774,710</b>	<b>865,232</b>	<b>2,250,251</b>	<b>2,173,058</b>	<b>3,152,368</b>
<b>Total comprehensive income attributable to :-</b>										
Ordinary equity holders of the parent	620,687	779,035	2,299,385	2,098,546	3,476,556	774,710	865,232	2,250,251	2,173,058	3,152,368
Non-controlling interests	(12,158)	(21,180)	34,599	(109,639)	(17,141)	-	-	-	-	-
	<b>608,529</b>	<b>757,855</b>	<b>2,333,984</b>	<b>1,988,907</b>	<b>3,459,415</b>	<b>774,710</b>	<b>865,232</b>	<b>2,250,251</b>	<b>2,173,058</b>	<b>3,152,368</b>
Basic and diluted earnings per share for profit attributable to the ordinary equity holders of the parent (Rs)	3.96	4.04	11.07	12.05	16.71					
Basic weighted average number of shares (thousands)	237,341	237,257	237,290	237,250	237,252					
Diluted weighted average number of shares (thousands)	237,401	237,305	237,341	237,286	237,291					

Statements of Changes in Equity

GROUP	Attributable to ordinary equity holders of the parent										
	Share Capital	Share Premium	Treasury Shares	Retained Earnings	Capital Reserve	Translation Reserve	Statutory Reserve	General Banking Reserve	Total	Non-controlling Interests	Total Equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
<b>At 1st July 2008</b>	<b>2,503,756</b>	<b>39,290</b>	<b>(376,477)</b>	<b>8,955,759</b>	<b>1,803,064</b>	<b>330,112</b>	<b>2,512,102</b>	<b>578,750</b>	<b>16,346,356</b>	<b>1,648,034</b>	<b>17,994,390</b>
Total comprehensive income/(expense) for the period	-	-	-	2,857,764	(736,339)	(22,879)	-	-	2,098,546	(109,639)	1,988,907
Contribution of non-controlling interests in new subsidiary	-	-	-	-	-	-	-	-	-	20,000	20,000
Increase in shareholding of subsidiary	-	-	-	(5,933)	-	-	-	-	(5,933)	(51,257)	(57,190)
Dividends	-	-	-	(533,827)	-	-	-	-	(533,827)	(28,962)	(562,789)
Transfer to general banking reserve	-	-	-	(7,386)	-	-	-	7,386	-	-	-
Transfer to statutory reserve	-	-	-	(50,000)	-	-	50,000	-	-	-	-
Employee share options exercised	-	1,952	620	-	-	-	-	-	2,572	-	2,572
<b>At 31st March 2009</b>	<b>2,503,756</b>	<b>41,242</b>	<b>(375,857)</b>	<b>11,216,377</b>	<b>1,066,725</b>	<b>307,233</b>	<b>2,562,102</b>	<b>586,136</b>	<b>17,907,714</b>	<b>1,478,176</b>	<b>19,385,890</b>
<b>At 1st July 2008</b>	<b>2,503,756</b>	<b>39,290</b>	<b>(376,477)</b>	<b>8,955,759</b>	<b>1,803,064</b>	<b>330,112</b>	<b>2,512,102</b>	<b>578,750</b>	<b>16,346,356</b>	<b>1,648,034</b>	<b>17,994,390</b>
Total comprehensive income/(expense) for the year	-	-	-	3,964,002	(562,950)	75,504	-	-	3,476,556	(17,141)	3,459,415
Increase in shareholding in subsidiary	-	-	-	(5,933)	-	-	-	-	(5,933)	(51,257)	(57,190)
Contribution of non-controlling interests in new subsidiary	-	-	-	-	-	-	-	-	-	20,000	20,000
Dividends	-	-	-	(1,245,597)	-	-	-	-	(1,245,597)	(41,708)	(1,287,305)
Transfer to general banking reserve	-	-	-	(12,634)	-	-	-	12,634	-	-	-
Transfer to statutory reserve	-	-	-	(43,712)	-	-	43,712	-	-	-	-
Employee share options exercised	-	1,952	620	-	-	-	-	-	2,572	-	2,572
<b>At 30th June 2009</b>	<b>2,503,756</b>	<b>41,242</b>	<b>(375,857)</b>	<b>11,611,885</b>	<b>1,240,114</b>	<b>405,616</b>	<b>2,555,814</b>	<b>591,384</b>	<b>18,573,954</b>	<b>1,557,928</b>	<b>20,131,882</b>
Total comprehensive income/(expense) for the period	-	-	-	2,626,859	109,912	(437,386)	-	-	2,299,385	34,599	2,333,984
Dividends	-	-	-	(533,827)	-	-	-	-	(533,827)	(15,353)	(549,180)
Transfer to general banking reserve	-	-	-	(1,445)	-	-	-	1,445	-	-	-
Employee share options exercised	-	9,972	2,649	-	-	-	-	-	12,621	-	12,621
<b>At 31st March 2010</b>	<b>2,503,756</b>	<b>51,214</b>	<b>(373,208)</b>	<b>13,703,472</b>	<b>1,350,026</b>	<b>(31,770)</b>	<b>2,555,814</b>	<b>592,829</b>	<b>20,352,133</b>	<b>1,577,174</b>	<b>21,929,307</b>
<b>BANK</b>											
<b>At 1st July 2008</b>	<b>2,503,756</b>	<b>39,290</b>	<b>(376,477)</b>	<b>5,837,778</b>	<b>302,149</b>	<b>-</b>	<b>2,503,756</b>	<b>533,580</b>	<b>11,343,832</b>	<b>-</b>	<b>11,343,832</b>
Total comprehensive income/(expense) for the period	-	-	-	2,277,835	(104,777)	-	-	-	2,173,058	-	2,173,058
Dividends	-	-	-	(533,827)	-	-	-	-	(533,827)	-	(533,827)
Transfer to statutory reserve	-	-	-	(50,000)	-	-	50,000	-	-	-	-
Employee share options exercised	-	1,952	620	-	-	-	-	-	2,572	-	2,572
<b>At 31st March 2009</b>	<b>2,503,756</b>	<b>41,242</b>	<b>(375,857)</b>	<b>7,531,786</b>	<b>197,372</b>	<b>-</b>	<b>2,553,756</b>	<b>533,580</b>	<b>12,985,635</b>	<b>-</b>	<b>12,985,635</b>
<b>At 1st July 2008</b>	<b>2,503,756</b>	<b>39,290</b>	<b>(376,477)</b>	<b>5,837,778</b>	<b>302,149</b>	<b>-</b>	<b>2,503,756</b>	<b>533,580</b>	<b>11,343,832</b>	<b>-</b>	<b>11,343,832</b>
Total comprehensive income/(expense) for the year	-	-	-	3,252,480	(100,112)	-	-	-	3,152,368	-	3,152,368
Dividends	-	-	-	(1,245,597)	-	-	-	-	(1,245,597)	-	(1,245,597)
Transfer to statutory reserve	-	-	-	(41,242)	-	-	41,242	-	-	-	-
Employee share options exercised	-	1,952	620	-	-	-	-	-	2,572	-	2,572
<b>At 30th June 2009</b>	<b>2,503,756</b>	<b>41,242</b>	<b>(375,857)</b>	<b>7,803,419</b>	<b>202,037</b>	<b>-</b>	<b>2,544,998</b>	<b>533,580</b>	<b>13,253,175</b>	<b>-</b>	<b>13,253,175</b>
Total comprehensive income for the period	-	-	-	2,159,261	90,990	-	-	-	2,250,251	-	2,250,251
Dividends	-	-	-	(533,827)	-	-	-	-	(533,827)	-	(533,827)
Employee share options exercised	-	9,972	2,649	-	-	-	-	-	12,621	-	12,621
<b>At 31st March 2010</b>	<b>2,503,756</b>	<b>51,214</b>	<b>(373,208)</b>	<b>9,428,853</b>	<b>293,027</b>	<b>-</b>	<b>2,544,998</b>	<b>533,580</b>	<b>14,982,220</b>	<b>-</b>	<b>14,982,220</b>

Statements of Cash Flows

Net cash flows from trading activities
Net cash flows from other operating activities
Dividends received from associates
Dividends paid
Dividends paid to non-controlling interests in subsidiaries
Income tax paid
<b>Net cash flows from operating activities</b>
Investing activities
<b>Net cash flows before financing</b>
Contribution of non-controlling interests in new subsidiary
Employee share options exercised
Refund of subordinated loan by subsidiary
Capital element of finance lease rental payments
<b>(Decrease)/increase in cash and cash equivalents</b>
Cash and cash equivalents brought forward
Effect of foreign exchange rate changes
<b>Cash and cash equivalents carried forward</b>

GROUP			BANK		
9 mths to 31-Mar-10	9 mths to 31-Mar-09	Year to 30-Jun-09	9 mths to 31-Mar-10	9 mths to 31-Mar-09	Year to 30-Jun-09
Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2,734,683	2,955,235	4,922,669	2,479,480	2,390,903	4,341,160
(962,622)	3,653,724	4,930,372	(1,424,860)	3,769,381	5,008,301
52,247	56,758	56,758	-	-	-
(1,245,597)	(1,221,808)	(1,221,808)	(1,245,597)	(1,221,808)	(1,221,808)
(15,353)	(28,962)	(41,708)	-	-	-
(888,448)	(421,022)	(574,675)	(794,323)	(320,130)	(407,653)
(325,090)	4,993,925	8,071,608	(985,300)	4,618,346	7,720,000
(1,150,485)	(909,929)	(1,375,694)	(1,234,798)	(706,625)	(1,341,230)
(1,475,575)	4,083,996	6,695,914	(2,220,098)	3,911,721	6,378,770
-	20,000	20,000	-	-	-
11,693	2,393	2,393	11,693	2,393	2,393
-	-	-	155,500	77,691	77,691
-	-	-	-	(554)	(554)
(1,463,882)	4,106,389	6,718,307	(2,052,905)	3,991,251	6,458,300
19,659,542	13,235,381	13,235,381	19,146,672	12,688,372	12,688,372
(78,869)	(432,588)	(294,146)	-	-	-
18,116,791	16,909,182	19,659,542	17,093,767	16,679,623	19,146,672

**COMMENTS ON RESULTS TO 31ST MARCH 2010.**

1. Comparatives have been restated to ensure comparability for income tax expense to reflect the doubling of the special levy on Banks following a change in Legislation in July 2009.

**2. RESULTS**

The MCB Group profits for the nine months ended 31st March were Rs 2,627 million, down 8.1% on the corresponding period in 2009, while those of the Bank decreased by 5.2% to Rs 2,159 million.

In spite of a slowdown in balance sheet growth, in the wake of the global financial crisis, with its knock-on effects on investment projects, net interest income was up by 3.5% while net fee and commission income increased by 11.1% from last year. However, other income dropped by more than 30% to Rs 825 million due to the substantial decrease in profits arising from holdings and dealings in foreign currencies, which were affected throughout the period by the strengthening of the Mauritian rupee in a very illiquid market.

Performance of our overseas subsidiaries was also affected by adverse local conditions. Our Seychelles subsidiary, despite improved results in the last quarter, contributed Rs 67 million less to Group profits compared to last year. The political uncertainty prevailing in Madagascar adversely affected the subsidiary's contribution to Group profits which went down by 32% to Rs 52 million. Furthermore, share of profits from associates decreased by 31% to Rs 281 million for the period, due essentially to a drop in the profitability of BFCOI in Reunion and of the Promotion and Development Group.

Loan quality continued to improve, with the ratio of non performing loans falling to 4.2% at 31st March, 2010 from 4.9% nine months earlier.

**3. PROSPECTS**

The slow pace of economic recovery in our main export markets together with the ongoing euro weakness and fiscal consolidation could seriously impair the performance of export sectors. Against this background and based on current trends, fourth quarter results are not expected to be materially different from those of 2009. Consequently, we expect our full year results to fall short of the performance realised last year.

The 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 2009 and comply with IAS34.

**By order of the Board**

14<sup>th</sup> May 2010.

Copies of the unaudited interim financial statements can be obtained free of charge upon request at the registered office of the Company, 9-15, Sir William Newton Street, Port-Louis.

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 Company.

*This communiqué is issued pursuant to Listing Rule 12.20 and 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.*