

Abridged Unaudited Financial Statements for the Quarter Ended 31 March 2017

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

	Unaudited Mar 17 Rs	Unaudited Mar 16 Rs	Audited Jun 16 Rs
ASSETS			
Cash and cash equivalents	4,100,522,915	4,401,567,801	3,964,100,418
Loans to and placements with banks	704,526,300	966,485,290	969,392,050
Loans and advances to customers	4,627,870,955	4,185,656,471	4,618,384,205
Investment securities	5,000,510,396	3,937,255,447	4,762,813,460
Property, plant and equipment	374,906,996	223,990,871	222,202,278
Intangible assets	7,547,682	11,150,897	9,716,195
Deferred tax assets	18,320,818	14,260,190	21,796,869
Other assets	681,844,633	520,853,849	586,862,482
Total assets	15,516,050,695	14,261,220,816	15,155,267,957
LIABILITIES			
Deposits from customers	13,637,681,451	12,819,034,115	13,263,979,580
Other borrowed funds	-	-	140,000,000
Current tax liabilities	18,855,766	20,695,587	32,541,835
Other liabilities	256,483,613	229,621,409	192,244,250
Preference shares	277,857,885	332,360,922	320,758,971
Total liabilities	14,190,878,715	13,401,712,033	13,949,524,636
Shareholders' Equity			
Stated capital	940,495,472	635,407,984	940,495,472
Retained earnings	302,957,145	145,003,369	178,491,090
Other reserves	81,719,363	79,097,430	86,756,759
Capital and reserves	1,325,171,980	859,508,783	1,205,743,321
Total equity and liabilities	15,516,050,695	14,261,220,816	15,155,267,957
Contingent liabilities			
Guarantees on account of customers	11,134,645	9,713,537	10,051,719
Letter of credit and other obligations on account of customers	-	5,241,161	6,639,134
Commitments	683,888,988	337,527,137	675,453,569
	695,023,633	352,481,835	692,144,422

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2017

	Unaudited Quarter ended 31 Mar 17 Rs	Unaudited Quarter ended 31 Mar 16 Rs	Unaudited Nine months ended 31 Mar 2017 Rs	Unaudited Nine months ended 31 Mar 16 Rs	Audited Year ended 30 Jun 16 Rs
Interest income	161,658,890	145,006,343	484,795,091	417,329,222	568,364,546
Interest expense	(78,676,055)	(74,352,327)	(236,925,516)	(220,587,862)	(300,366,712)
Net interest income	82,982,835	70,654,016	247,869,575	196,741,360	267,997,834
Fee and commission income	12,383,723	13,776,545	42,546,132	48,836,312	62,287,855
Fee and commission expense	(5,992,007)	(7,191,617)	(18,124,054)	(21,311,076)	(27,486,119)
Net fee and commission income	6,391,716	6,584,928	24,422,078	27,525,236	34,801,736
Trading Income and other income	33,733,272	27,974,455	89,105,319	99,197,251	131,682,086
Operating income	123,107,823	105,213,399	361,396,972	323,463,847	434,481,656
Non interest expense	(59,525,251)	(44,953,448)	(156,871,145)	(141,532,182)	(188,006,626)
Operating profit before impairment	63,582,572	60,259,951	204,525,827	181,931,665	246,475,030
Allowance for credit impairment	(3,030,270)	(8,543,151)	(12,129,130)	(23,688,848)	(44,492,851)
Profit before taxation	60,552,302	51,716,800	192,396,697	158,242,817	201,982,179
Tax expense	(8,426,784)	(8,456,154)	(31,655,169)	(21,752,170)	(25,529,284)
Profit for the period	52,125,518	43,260,646	160,741,528	136,490,647	176,452,895
Other comprehensive loss					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of retirement pension net of deferred tax	-	-	-	-	852,957
Items that may be reclassified subsequently to profit or loss:					
Fair value realised on disposal of available-for-sale assets	-	-	-	-	(389,784)
Loss on remeasuring available-for-sale assets	1,996,262	(263,604)	(126,058)	(5,527,971)	(4,806,342)
	1,996,262	(263,604)	(126,058)	(5,527,971)	(5,196,126)
Other comprehensive loss for the period	1,996,262	(263,604)	(126,058)	(5,527,971)	(4,343,169)
Total comprehensive income	54,121,780	42,997,042	160,615,470	130,962,676	172,109,726
Earnings per share	0.68	0.76	2.11	2.56	3.46

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2017

	Stated Capital Rs	Retained Earnings Rs	Statutory Reserve Rs	General Banking Reserve Rs	Investment Revaluation Reserve Rs	Total Rs
At 01 July 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	-	136,490,647	-	-	-	136,490,647
Other comprehensive loss for the period	-	-	-	-	(5,527,971)	(5,527,971)
Transfer to General banking reserve	-	(19,612,636)	-	19,612,636	-	-
Transfer to Statutory reserve	-	(13,607,060)	13,607,060	-	-	-
Dividend paid	-	(8,103,887)	-	-	-	(8,103,887)
At 31 December 2015	635,407,984	145,003,369	37,960,753	44,902,702	(3,766,025)	859,508,783
At 01 July 2016	506,699,200	49,836,305	24,353,693	25,290,066	1,761,946	607,941,210
Issue of share capital	433,796,272	-	-	-	-	433,796,272
Net profit for the year	-	176,452,895	-	-	-	176,452,895
Other comprehensive profit/(loss) for the year	-	852,957	-	-	(5,196,126)	(4,343,169)
Transfer to General banking reserve	-	(14,079,246)	-	14,079,246	-	-
Transfer to Statutory reserve	-	(26,467,934)	26,467,934	-	-	-
Dividend paid	-	(8,103,887)	-	-	-	(8,103,887)
At 30 June 2016	940,495,472	178,491,090	50,821,627	39,369,312	(3,434,180)	1,205,743,321
Net profit for the period	-	160,741,528	-	-	-	160,741,528
Other comprehensive loss for the period	-	-	-	-	(126,058)	(126,058)
Transfer from General banking reserve	-	4,911,337	-	(4,911,337)	-	-
Dividend paid	-	(41,186,811)	-	-	-	(41,186,811)
At 31 December 2016	940,495,472	302,957,144	50,821,627	34,457,975	(3,560,238)	1,325,171,980

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2017

	Unaudited Nine months ended 31 Mar 17 Rs	Unaudited Nine months ended 31 Mar 16 Rs	Audited Year ended 30 Jun 16 Rs
Net cash generated from operating activities	784,459,927	1,002,756,475	945,869,005
Net cash used in investing activities	(413,025,619)	(931,132,316)	(1,756,799,717)
Net cash (used in)/generated from financing activities	(235,011,811)	120,604,897	565,692,385
Net increase/(decrease) in cash and cash equivalents	136,422,497	192,229,056	(245,238,327)
Net cash and cash equivalents at beginning of period	3,964,100,418	4,209,338,745	4,209,338,745
Net cash and cash equivalents at end of period	4,100,522,915	4,401,567,801	3,964,100,418

Comments on results

The second quarter of FY 2016/17 remained a challenging period for the local banking industry, characterised by high liquidity and falling interest rates. However, the bank aimed to follow the positive momentum achieved in previous quarter.

Profit after tax for the quarter ended 31 December 2016 was MUR 55.9million, equivalent to 6% increase on prior quarter. Operating income improved by 11% to reach MUR 125.4million, driven by an encouraging performance in both Net Interest Income and Other Income.

As at the end of December 2016, the bank's total assets base was MUR 15.6 billion, while the deposits and savings portfolio ended the quarter at MUR 13.8billion.

Based on current trends, the results for the quarter ended 31 March 2017 should show similar results achieved over the first six months.

The abridged unaudited financial statements for the quarter ended 31 March 2017 have been prepared in accordance with the same accounting policies as those set out in the audited financial statements for the year ended 30 June 2016.

Copies of the abridged unaudited 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 abridged unaudited financial statements are issued pursuant to DEM Rule 17 and Securities Act 2005. The Board of Directors of ABC Banking Corporation Ltd accepts full responsibility for the accuracy of the information contained in this report.

By Order of the Board
ABC Professional & Secretarial Services Ltd
Company Secretary

8 May 2017

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