

HSBC Mauritius Branch

Unaudited Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2015

	Three Months ended 30-Jun-15 MUR'000	Three Months ended 30-Jun-14 MUR'000	Six Months ended 30-Jun-15 MUR'000	Six Months ended 30-Jun-14 MUR'000	Year ended 31-Dec-14 MUR'000
Interest income	200,133	225,662	398,489	456,898	886,288
Interest expense	(65,140)	(80,837)	(133,421)	(165,225)	(321,451)
Net interest income	134,993	144,825	265,068	291,673	564,837
Fee and commission income	51,959	57,050	102,067	107,303	223,360
Fee and commission expense	(8,335)	(5,730)	(15,107)	(10,795)	(26,703)
Net fee and commission income	43,624	51,320	86,960	96,508	196,657
Net trading income	43,938	46,014	115,302	81,985	165,985
Revenue	222,555	242,159	467,330	470,166	927,479
Other operating income	70,348	31,288	139,796	61,840	126,567
Operating income	292,903	273,447	607,126	532,006	1,054,046
Net impairment gain on financial assets	(5,069)	(372)	(6,922)	(4,597)	(6,303)
Personnel expenses	(90,253)	(80,920)	(177,599)	(169,219)	(331,296)
Operating lease expenses	(11,510)	(11,192)	(23,098)	(21,754)	(44,501)
Depreciation	(3,693)	(3,572)	(7,334)	(7,309)	(14,168)
Amortisation	-	-	-	(166)	(166)
Other expenses	(140,447)	(92,681)	(248,660)	(174,620)	(334,848)
Total expenses	(245,903)	(188,365)	(456,691)	(373,068)	(724,979)
Profit before tax	41,931	84,710	143,513	154,341	322,764
Tax expense	(19,837)	(18,612)	(24,316)	(47,055)	(95,891)
Profit for the period/year	22,094	66,098	119,197	107,286	226,873
Other comprehensive income/(expense), net of tax					
Items that will never be reclassified to profit or loss					
Remeasurements of defined benefit asset	(10,650)	(10,476)	(21,300)	(20,953)	(42,598)
Related tax	1,598	(1,625)	3,195	-	6,390
Changes in revaluation surplus	52	-	104	-	7,831
	(9,001)	(12,101)	(18,001)	(20,953)	(28,377)
Items that may be reclassified to profit or loss					
Net change in fair value	(58,136)	807	(13,743)	(1,657)	(47,994)
	(58,136)	807	(13,743)	(1,657)	(47,994)
Other comprehensive income/(expense) for the period/year	(67,137)	(11,294)	(31,744)	(22,610)	(76,371)
Total comprehensive income for the period/year	(45,043)	54,804	87,453	84,676	150,502
<i>Profit attributable to:</i>					
Equity holders of the Bank	22,094	66,098	119,197	107,286	226,873
<i>Total comprehensive income attributable to:</i>					
Equity holders of the Bank	(45,043)	54,804	87,453	84,676	150,502

Unaudited Statement of financial position
as at 30 June 2015

	30-Jun-15	30-Jun-14	31-Dec-14
	MUR'000	MUR'000	MUR'000
ASSETS			
Cash and cash equivalents	3,341,634	3,075,300	2,814,959
Trading assets	251,471	373,248	585,558
Loans and advances to banks	211,212	-	311,710
Loans and advances to customers	12,760,291	11,218,158	12,188,035
Investment securities	6,118,402	6,659,822	4,828,602
Property, plant and equipment	268,718	288,666	274,119
Deferred tax assets	37,887	28,632	33,408
Other assets	1,729,970	2,140,913	1,688,162
Assets held for sale	-	-	26,980
Total assets	24,719,584	23,784,738	22,751,533

Unaudited Statement of financial position (continued)
as at 30 June 2015

	30-Jun-15	30-Jun-14	31-Dec-14
	MUR'000	MUR'000	MUR'000
LIABILITIES			
Deposits from banks	387,164	321,785	805,551
Deposits from customers	19,563,067	19,534,043	18,585,933
Trading liabilities	1,670	7,694	3,584
Other borrowed funds	1,488,172	246,384	375,189
Current tax liabilities	32,241	60,250	75,175
Other liabilities	1,185,119	1,355,767	931,212
Total liabilities	22,657,433	21,525,923	20,776,644
Shareholders' funds			
Assigned capital	239,265	239,265	239,265
Retained earnings	1,240,514	1,403,645	1,121,831
Other reserves	582,372	615,905	613,793
Total shareholders' funds	2,062,151	2,258,815	1,974,889
Total liabilities and shareholders' funds	24,719,584	23,784,738	22,751,533
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations on account of customers and foreign exchange contracts	3,427,398	4,831,939	4,822,347
Commitments	7,569,791	6,848,830	8,738,422

Unaudited Statement of changes in equity
for the period ended 30 June 2015

	Other Reserves							Total
	Assigned capital	Retained earnings	Reserves for own shares	Revaluation reserves	Statutory reserve	General banking reserve	Fair value reserve	
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Balance at 1 January 2013	239,265	1,392,180	23,723	220,282	243,185	101,334	50,654	2,270,623
Total comprehensive income								
Profit for the year	-	248,460	-	-	-	-	-	248,460
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	13,768	13,768
Remeasurements of defined benefit asset	-	-	-	-	-	-	(30,179)	(29,619)
Revaluation of properties	-	(41,907)	-	11,000	-	-	-	(41,907)
Movement during the year	-	-	-	560	-	-	-	11,000
Tax on other comprehensive income	-	6,286	-	244	-	-	-	6,530
Total other comprehensive income	-	(35,621)	-	11,804	-	-	(16,411)	(40,228)
Total comprehensive income	-	212,839	-	11,804	-	-	(16,411)	208,232
Transactions with owners of the Bank								
Movement during the year	-	1,568	2,774	-	-	-	-	4,342
Net change in fair value	-	-	(2,192)	-	-	-	-	(2,192)
Profit remittance to Head office	-	(307,276)	-	-	-	-	-	(307,276)
Transactions with owners of the Bank	-	(305,708)	582	-	-	-	-	(305,126)
Transfer to/(from) general banking reserve	-	(1,471)	-	-	-	1,471	-	-
Balance at 31 December 2013	239,265	1,297,840	24,305	232,086	243,185	102,805	34,243	2,173,729
Total comprehensive income								
Profit for the year	-	226,873	-	-	-	-	-	226,873
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	(47,994)	(47,994)
Movement during the year	-	6,213	-	(6,213)	-	-	-	-
Remeasurements of defined benefit asset	-	(42,598)	-	-	-	-	-	(42,598)
Revaluation of properties	-	-	-	7,802	-	-	-	7,802
Tax on other comprehensive income	-	6,390	-	29	-	-	-	6,419
Total other comprehensive income	-	(29,995)	-	1,618	-	-	(47,994)	(76,371)
Total comprehensive income	-	196,878	-	1,618	-	-	(47,994)	150,502
Transactions with owners of the Bank								
Movement during the year	-	(445)	3,358	-	-	-	-	2,913
Net change in fair value	-	-	(2,764)	-	-	-	-	(2,764)
Profit remittance to Head office	-	(349,491)	-	-	-	-	-	(349,491)
Transactions with owners of the Bank	-	(349,936)	594	-	-	-	-	(349,342)
Transfer to/(from) general banking reserve	-	(22,951)	-	-	-	22,951	-	-
Balance at 31 December 2014	239,265	1,121,831	24,899	233,704	243,185	126,756	(13,751)	1,974,889
Total comprehensive income								
Profit for the period	-	119,197	-	-	-	-	-	119,197
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	(13,743)	(13,743)
Movement during the period	-	25,681	-	(25,681)	-	-	-	-
Remeasurements of defined benefit asset	-	(21,300)	-	-	-	-	-	(21,300)
Revaluation of properties	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	3,195	-	104	-	-	-	3,299
Total other comprehensive income	-	7,576	-	(25,577)	-	-	(13,743)	(31,744)
Total comprehensive income	-	126,773	-	(25,577)	-	-	(13,743)	87,453
Transactions with owners of the Bank								
Movement during the period	-	(104)	944	-	-	-	-	840
Net change in fair value	-	-	(1,031)	-	-	-	-	(1,031)
Profit remittance to Head office	-	-	-	-	-	-	-	-
Transactions with owners of the Bank	-	(104)	(87)	-	-	-	-	(191)
Transfer to/(from) general banking reserve	-	(7,986)	-	-	-	7,986	-	-
Balance at 30 June 2015	239,265	1,240,514	24,812	208,127	243,185	133,742	(27,494)	2,062,151

Unaudited Statement of cash flows
for the period ended 30 June 2015

	30-Jun-15 MUR'000	30-Jun-14 MUR'000	31-Dec-14 MUR'000
Operating activities			
Profit for the period/year	119,197	107,286	226,873
Adjustments for:			
Depreciation	7,334	7,309	14,168
Amortisation	-	166	166
(Profit)/loss on sale of fixed assets	911	-	63
Provision and adjustments to income for credit losses	2,904	1,814	359
Tax expense	24,316	47,055	95,891
	154,662	163,630	337,520
Change in other assets	(41,808)	(536,554)	(83,804)
Change in other liabilities	232,521	446,924	634
Change in investment securities	(1,289,800)	(1,132,247)	698,973
Change in trading assets	320,344	(27,267)	(285,914)
Change in trading liabilities	(1,914)	(1,078)	(5,188)
Change in loans and advances to customers	(575,159)	1,736,957	768,535
Change in loans and advances to banks	100,498	1,522,203	1,210,493
Change in deposits from customers	977,134	(738,036)	(1,686,146)
Change in deposits from banks	(418,387)	(244,880)	238,886
	(541,909)	1,189,652	1,193,989
Tax paid	(68,534)	(68,778)	(101,240)
Net cash inflow from operating activities	(610,443)	1,120,874	1,092,749
Investing activities			
Acquisition of property, plant and equipment	(2,110)	(5,281)	(16,811)
Proceeds from disposal of property, plant and equipment	26,246	-	-
Net cash outflow from investing activities	24,136	(5,281)	(16,811)
Financing activities			
Repatriation of profit	-	-	(349,491)
Net change in cash and cash equivalents	(586,307)	1,115,593	726,447
Cash and cash equivalents at 1 January	2,439,770	1,713,323	1,713,323
Cash and cash equivalents at end of period / year	1,853,463	2,828,916	2,439,770