

The Hongkong and Shanghai Banking Corporation - Mauritius Branch  
**Unaudited Statement of Comprehensive Income**  
*for the quarter ended 31 March 2014*

	Quarter ended 31-Mar-14 MUR'000	Quarter ended 31-Mar-13 MUR'000	Year ended 31-Dec-13 MUR'000
Interest income	231,236	266,055	996,024
Interest expense	(84,388)	(105,919)	(390,462)
<b>Net interest income</b>	<b>146,848</b>	<b>160,136</b>	<b>605,562</b>
Fee and commission income	50,253	53,028	213,367
Fee and commission expense	(5,065)	(4,884)	(19,927)
<b>Net fee and commission income</b>	<b>45,188</b>	<b>48,144</b>	<b>193,440</b>
Net trading income	35,021	56,437	187,839
Net income from other financial instruments carried at fair value through profit or loss	950	581	(1,242)
Other operating income	1,161	20,058	113,218
	<b>37,132</b>	<b>77,076</b>	<b>299,815</b>
<b>Operating income</b>	<b>229,168</b>	<b>285,356</b>	<b>1,098,817</b>
Net impairment gain on financial assets	(4,225)	(253)	(5,666)
Personnel expenses	(88,299)	(78,249)	(313,552)
Operating lease expenses	(10,562)	(10,495)	(42,816)
Depreciation	(3,737)	(4,362)	(29,872)
Amortisation	(166)	(699)	(2,864)
Other expenses	(52,548)	(79,376)	(334,854)
<b>Total expenses</b>	<b>(155,312)</b>	<b>(173,181)</b>	<b>(723,958)</b>
<b>Profit before tax</b>	<b>69,631</b>	<b>111,922</b>	<b>369,193</b>
Tax expense	(28,443)	(26,641)	(120,733)
<b>Profit for the period / year</b>	<b>41,188</b>	<b>85,281</b>	<b>248,460</b>
<b>Other comprehensive income, net of tax</b>			
<b>Items that will never be reclassified to profit or loss</b>			
Remeasurements of defined benefit asset	(10,477)	(9,610)	(41,907)
Related tax	1,625	1,441	6,286
Changes in revaluation surplus	(5,272)	29	11,804
	<b>(14,124)</b>	<b>(8,140)</b>	<b>(23,817)</b>
<b>Items that may be reclassified to profit or loss</b>			
Net change in fair value	(2,464)	54,179	(16,411)
	<b>(2,464)</b>	<b>54,179</b>	<b>(16,411)</b>
<b>Other comprehensive income for the year</b>	<b>(16,588)</b>	<b>46,039</b>	<b>(40,228)</b>
<b>Total comprehensive income for the year</b>	<b>24,600</b>	<b>131,320</b>	<b>208,232</b>
<i>Profit attributable to:</i>			
Equity holders of the Bank	41,188	85,281	248,460
<i>Total comprehensive income attributable to:</i>			
Equity holders of the Bank	24,600	131,320	208,232



The Hongkong and Shanghai Banking Corporation - Mauritius Branch

**Unaudited Statement of financial position**

at 31 March 2014

	<b>31-Mar-14</b>	31-Mar-13	31-Dec-13
	<b>MUR'000</b>	MUR'000	MUR'000
<b>ASSETS</b>			
Cash and cash equivalents	<b>4,763,704</b>	2,078,410	3,838,653
Trading assets	<b>404,157</b>	750,211	347,638
Loans and advances to banks	<b>36,374</b>	-	1,522,203
Loans and advances to customers	<b>12,814,553</b>	12,557,044	12,956,929
Investment securities	<b>5,628,943</b>	7,199,911	5,527,575
Property, plant and equipment	<b>287,645</b>	294,832	290,717
Intangible asset	-	2,331	166
Deferred tax assets	<b>29,570</b>	20,413	27,587
Other assets	<b>1,652,202</b>	1,653,486	1,604,358
<b>Total assets</b>	<b>25,617,147</b>	24,556,638	26,115,826

The Hongkong and Shanghai Banking Corporation - Mauritius Branch  
**Unaudited Statement of financial position (continued)**  
*at 31 March 2014*

	<b>31-Mar-14</b>	31-Mar-13	31-Dec-13
	<b>MUR'000</b>	MUR'000	MUR'000
<b>LIABILITIES</b>			
Deposits from banks	<b>535,125</b>	597,674	566,665
Deposits from customers	<b>19,322,529</b>	19,674,121	20,272,079
Trading liabilities	<b>8,102</b>	59,915	8,772
Other borrowed funds	<b>2,397,641</b>	720,870	2,125,330
Current tax liabilities	<b>109,228</b>	109,664	80,927
Other liabilities	<b>1,040,635</b>	992,688	888,324
<b>Total liabilities</b>	<b>23,413,260</b>	22,154,932	23,942,097
<b>Shareholders' funds</b>			
Assigned capital	<b>239,265</b>	239,265	239,265
Retained earnings	<b>1,338,170</b>	1,474,345	1,297,840
Other reserves	<b>626,452</b>	688,096	636,624
<b>Total shareholders' funds</b>	<b>2,203,887</b>	2,401,706	2,173,729
<b>Total liabilities and shareholders' funds</b>	<b>25,617,147</b>	24,556,638	26,115,826
<b>CONTINGENT LIABILITIES</b>			
Guarantees, letters of credit, endorsements and other obligations on account of customers and foreign exchange contracts	<b>3,966,749</b>	13,909,743	5,755,139
Commitments	<b>5,073,930</b>	5,315,999	5,093,315

The Hongkong and Shanghai Banking Corporation - Mauritius Branch

**Unaudited Statement of Changes in Equity**

for the period ended 31 March 2014

	Assigned capital MUR'000	Reserves for own shares MUR'000	Revaluation reserves MUR'000	Statutory reserve MUR'000	General banking reserve MUR'000	Retained earnings MUR'000	Fair value reserve MUR'000	Total MUR'000
<b>Balance at 1 January 2012</b>	<b>239,265</b>	<b>25,172</b>	<b>201,891</b>	<b>243,185</b>	<b>73,935</b>	<b>1,101,876</b>	<b>(62,555)</b>	<b>1,822,769</b>
<b>Total comprehensive income</b>								
Profit for the year	-	-	-	-	-	349,491	-	349,491
<b>Other comprehensive income</b>								
Net change in fair value	-	-	-	-	-	-	113,209	113,209
Remeasurements of defined benefit asset	-	-	-	-	-	(38,440)	-	(38,440)
Revaluation of properties	-	-	19,930	-	-	-	-	19,930
Movement during the year	-	-	(1,550)	-	-	-	-	(1,550)
Tax on other comprehensive income	-	-	11	-	-	5,766	-	5,777
Total other comprehensive income	-	-	18,391	-	-	(32,674)	113,209	98,926
Total comprehensive income	-	-	18,391	-	-	316,817	113,209	448,417
<b>Transactions with owners of the Bank</b>								
Movement during the year	-	8,603	-	-	-	886	-	9,489
Net change in fair value	-	(10,052)	-	-	-	-	-	(10,052)
Transactions with owners of the Bank	-	(1,449)	-	-	-	886	-	(563)
Transfer to/(from) general banking reserve	-	-	-	-	27,399	(27,399)	-	-
<b>Balance at 31 December 2012</b>	<b>239,265</b>	<b>23,723</b>	<b>220,282</b>	<b>243,185</b>	<b>101,334</b>	<b>1,392,180</b>	<b>50,654</b>	<b>2,270,623</b>
<b>Total comprehensive income</b>								
Profit for the year	-	-	-	-	-	248,460	-	248,460
<b>Other comprehensive income</b>								
Net change in fair value	-	-	-	-	-	-	13,768	13,768
Movement during the year	-	-	560	-	-	-	(30,179)	(29,619)
Remeasurements of defined benefit asset	-	-	-	-	-	(41,907)	-	(41,907)
Revaluation of properties	-	-	11,000	-	-	-	-	11,000
Tax on other comprehensive income	-	-	244	-	-	6,286	-	6,530
Total other comprehensive income	-	-	11,804	-	-	(35,621)	(16,411)	(40,228)
Total comprehensive income	-	-	11,804	-	-	212,839	(16,411)	208,232
<b>Transactions with owners of the Bank</b>								
Movement during the year	-	2,774	-	-	-	1,568	-	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	-	582	-	-	-	(305,708)	-	(305,126)
Transfer to/(from) general banking reserve	-	-	-	-	1,471	(1,471)	-	-
<b>Balance at 31 December 2013</b>	<b>239,265</b>	<b>24,305</b>	<b>232,086</b>	<b>243,185</b>	<b>102,805</b>	<b>1,297,840</b>	<b>34,243</b>	<b>2,173,729</b>
<b>Total comprehensive income</b>								
Profit for the year	-	-	-	-	-	41,188	-	41,188
<b>Other comprehensive income</b>								
Net change in fair value	-	-	-	-	-	-	(2,464)	(2,464)
Movement during the year	-	-	(5,219)	-	-	5,219	-	-
Remeasurements of defined benefit asset	-	-	-	-	-	(10,477)	-	(10,477)
Revaluation of properties	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	-	(53)	-	-	1,677	-	1,624
Total other comprehensive income	-	-	(5,272)	-	-	(3,581)	(2,464)	(11,317)
Total comprehensive income	-	-	(5,272)	-	-	37,607	(2,464)	29,871
<b>Transactions with owners of the Bank</b>								
Movement during the year	-	990	-	-	-	-	-	990
Net change in fair value	-	(703)	-	-	-	-	-	(703)
Transactions with owners of the Bank	-	287	-	-	-	-	-	287
Transfer to/(from) general banking reserve	-	-	-	-	(2,723)	2,723	-	-
<b>Balance at 31 March 2014</b>	<b>239,265</b>	<b>24,592</b>	<b>226,814</b>	<b>243,185</b>	<b>100,082</b>	<b>1,338,170</b>	<b>31,779</b>	<b>2,203,887</b>

# The Hongkong and Shanghai Banking Corporation - Mauritius Branch

## Unaudited Statement of Cash Flow

for the period ended 31 March 2014

	<b>31-Mar-14</b>	31-Mar-13	31-Dec-13
	<b>MUR'000</b>	MUR'000	MUR'000
<b>Cash flows from operating activities</b>			
Profit for the year	<b>41,188</b>	85,281	248,460
<b>Adjustments for:</b>			
Depreciation	<b>3,737</b>	4,362	29,872
Amortisation	<b>166</b>	699	2,864
(Profit)/loss on sale of fixed assets	<b>-</b>	(99)	(660)
Provision and adjustments to income for credit losses	<b>2,353</b>	(511)	(776)
Tax expense	<b>28,443</b>	26,641	120,733
	<b>75,887</b>	116,373	400,493
Change in other assets	<b>(47,844)</b>	359,589	163,283
Change in other liabilities	<b>142,121</b>	80,120	2,012
Change in investment securities	<b>(101,368)</b>	649,577	2,321,913
Change in trading assets	<b>(58,982)</b>	(144,276)	187,707
Change in trading liabilities	<b>(670)</b>	(8,018)	(59,161)
Change in loans and advances to customers	<b>140,024</b>	613,924	214,304
Change in loans and advances to banks	<b>1,485,829</b>	-	(1,276,763)
Change in deposits from customers	<b>(949,550)</b>	(1,755,047)	(1,157,089)
Change in deposits from banks	<b>(31,540)</b>	240,750	151,204
Change in other borrowed funds	<b>-</b>	(458,750)	(458,750)
	<b>653,907</b>	(305,758)	489,153
Tax paid	<b>(500)</b>	-	(124,369)
<b>Net cash flows from/(used in) operating activities</b>	<b>653,407</b>	(305,758)	364,784
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	<b>(667)</b>	(1,454)	(9,499)
Proceeds from disposal of property, plant and equipment	<b>-</b>	196	758
<b>Net cash used in investing activities</b>	<b>(667)</b>	(1,258)	(8,741)
<b>Cash flows used in financing activities</b>			
Repatriation of profit	<b>-</b>	-	(307,276)
<b>Net change in cash and cash equivalents</b>	<b>652,740</b>	(307,016)	48,767
Cash and cash equivalents at 1 January	<b>1,713,323</b>	1,664,556	1,664,556
<b>Cash and cash equivalents at end of period / year</b>	<b>2,366,063</b>	1,357,540	1,713,323