

The HongKong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 March 2017

	Period ended 31-Mar-17 MUR'000	Period ended 31-Mar-16 MUR'000	Year ended 31-Dec-16 MUR'000
Interest income	197,659	209,990	838,046
Interest expense	(54,252)	(61,576)	(236,936)
Net interest income	143,407	148,414	601,110
Fee and commission income	45,772	47,434	193,193
Fee and commission expense	(8,622)	(6,836)	(33,154)
Net fee and commission income	37,150	40,598	160,039
Net trading income	39,243	45,346	168,202
	219,800	234,358	929,351
Other operating income	79,522	75,310	301,122
Total operating income	299,322	309,668	1,230,473
Net impairment gain/(loss) on financial assets	707	562	(15,556)
Personnel expenses	(86,253)	(84,656)	(346,258)
Operating lease expenses	(11,228)	(11,080)	(40,995)
Depreciation	(2,942)	(2,970)	(12,029)
Other expenses	(105,706)	(116,931)	(506,013)
Total expenses	(206,129)	(215,637)	(905,295)
Profit before tax	93,900	94,593	309,622
Income tax expense	(22,866)	(24,693)	(85,455)
Profit for the period/year	71,034	69,900	224,167
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liabilities	(21,173)	(1,939)	(84,691)
Related tax on remeasurements of defined benefit liabilities	3,176	292	12,704
Gain on revaluation of land and buildings	-	-	(28,711)
Related tax on gain on revaluation of land and buildings	-	-	2,788
	(17,997)	(1,647)	(97,910)
Items that may be reclassified to profit or loss			
Net change in fair value	8,097	97,075	106,233
	8,097	97,075	106,233
Other comprehensive income/(expense) for the period/year	(9,900)	95,428	8,323
Total comprehensive income for the period/year	61,134	165,328	232,490
<i>Profit attributable to:</i>			
Equity holders of the Bank	71,034	69,900	224,167
<i>Total comprehensive income attributable to:</i>			
Equity holders of the Bank	61,134	165,328	232,490

The HongKong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Financial Position as at 31 March 2017

	31-Mar-17	31-Mar-16	31-Dec-16
	MUR'000	MUR'000	MUR'000
ASSETS			
Cash and cash equivalents	3,950,714	3,566,838	3,509,555
Trading assets	7,437	60,919	694
Loans and advances to banks	618,868	547,460	563,557
Loans and advances to customers	11,415,020	12,385,525	12,404,036
Investment securities	5,988,641	5,697,213	5,705,028
Other assets	2,401,745	2,025,253	2,060,873
Property, plant and equipment	231,896	263,490	233,996
Deferred tax assets	56,440	36,653	53,014
	24,670,761	24,583,351	24,530,753

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Unaudited Statement of Financial Position (continued)

as at 31 March 2017

	31-Mar-17	31-Mar-16	31-Dec-16
	MUR'000	MUR'000	MUR'000
LIABILITIES			
Deposits from banks	310,606	485,139	188,531
Deposits from customers	19,926,702	20,483,705	19,542,948
Trading liabilities	1,393	3,702	6,400
Other borrowed funds	413,673	59,855	1,264,409
Current tax liabilities	77,963	69,951	54,846
Other liabilities	1,656,908	1,228,463	1,251,509
Total liabilities	22,387,245	22,330,815	22,308,643
Shareholders' funds			
Assigned capital	239,265	239,265	239,265
Retained earnings	1,431,858	1,383,646	1,368,257
Other reserves	612,393	629,625	614,588
Total shareholders' funds	2,283,516	2,252,536	2,222,110
Total liabilities and shareholders' funds	24,670,761	24,583,351	24,530,753
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations on account of customers	2,660,744	2,165,671	3,072,885
Undrawn commitments	7,775,351	7,977,658	7,683,868

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Unaudited Statement of Changes in Equity for the period ended 31 March 2017

	Other Reserves							Total MUR'000
	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	
Balance at 1 January 2015	239,265	1,121,831	24,899	233,704	243,185	125,756	(13,751)	1,974,889
Total comprehensive income								
Profit for the year	-	194,717	-	-	-	-	-	194,717
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	(78,038)	(78,038)
Realisation of revaluation reserve to retained earnings	-	26,262	-	(26,262)	-	-	-	-
Remeasurements of defined benefit liabilities	-	(7,754)	-	-	-	-	-	(7,754)
Revaluation of properties	-	-	-	1,790	-	-	-	1,790
Tax on other comprehensive income	-	1,163	-	(77)	-	-	-	1,086
Total other comprehensive income	-	19,671	-	(24,549)	-	-	(78,038)	(82,916)
Total comprehensive income	-	214,388	-	(24,549)	-	-	(78,038)	111,801
Transactions with owners of the Bank								
Other movements during the period	-	899	3,161	-	-	-	-	4,060
Net change in fair value of share-based payment liability	-	-	(4,246)	-	-	-	-	(4,246)
Profit remittance to Head office	-	-	-	-	-	-	-	-
Transactions with owners of the Bank	-	899	(1,085)	-	-	-	-	(186)
Transfer (from)/to general banking reserve	-	(32,061)	-	-	-	32,061	-	-
Balance at 31 December 2015	239,265	1,305,057	23,814	209,155	243,185	157,817	(91,789)	2,086,504
Total comprehensive income								
Profit for the year	-	224,167	-	-	-	-	-	224,167
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	106,233	106,233
Realisation of revaluation reserve to retained earnings	-	1,277	-	(1,277)	-	-	-	-
Remeasurements of defined benefit liabilities	-	(84,691)	-	-	-	-	-	(84,691)
Revaluation of properties	-	-	-	(28,711)	-	-	-	(28,711)
Tax on other comprehensive income	-	12,704	-	2,788	-	-	-	15,492
Total other comprehensive income	-	(70,710)	-	(27,200)	-	-	106,233	8,323
Total comprehensive income	-	153,457	-	(27,200)	-	-	106,233	232,490
Transactions with owners of the Bank								
Other movements during the period	-	1,608	2,157	-	-	-	-	3,765
Net change in fair value of share-based payment liability	-	-	(3,249)	-	-	-	-	(3,249)
Profit remittance to Head office	-	(97,400)	-	-	-	-	-	(97,400)
Transactions with owners of the Bank	-	(95,792)	(1,092)	-	-	-	-	(96,884)
Transfer (from)/to general banking reserve	-	5,535	-	-	-	(5,535)	-	-
Balance at 31 December 2016	239,265	1,368,257	22,722	181,955	243,185	152,282	14,444	2,222,110
Total comprehensive income								
Profit for the year	-	71,034	-	-	-	-	-	71,034
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	8,097	8,097
Realisation of revaluation reserve to retained earnings	-	253	-	(253)	-	-	-	-
Remeasurements of defined benefit liabilities	-	(21,173)	-	-	-	-	-	(21,173)
Revaluation of properties	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	3,176	-	38	-	-	-	3,214
Total other comprehensive income	-	(17,744)	-	(215)	-	-	8,097	(9,862)
Total comprehensive income	-	53,290	-	(215)	-	-	8,097	61,172
Transactions with owners of the Bank								
Other movements during the period	-	(73)	480	-	-	-	-	407
Net change in fair value of share-based payment liability	-	-	(173)	-	-	-	-	(173)
Profit remittance to Head office	-	-	-	-	-	-	-	-
Transactions with owners of the Bank	-	(73)	307	-	-	-	-	234
Transfer (from)/to general banking reserve	-	10,384	-	-	-	(10,384)	-	-
Balance at 31 March 2017	239,265	1,431,858	23,029	181,740	243,185	141,898	22,541	2,283,516

The HongKong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Cash Flows for the period ended 31 March 2017

	31-Mar-17 MUR'000	31-Mar-16 MUR'000	31-Dec-16 MUR'000
Cash flows from operating activities			
Profit before income tax	93,900	94,593	309,622
Adjustments for:			
Depreciation	2,942	2,970	12,029
(Profit)/loss on sale of fixed assets	-	-	1
Provision and adjustments to income for impairment losses	(873)	(2,241)	9,115
Net interest income	(143,407)	(148,414)	(601,110)
Exchange differences in respect of cash & cash equivalents	18,110	11,403	28,243
	(29,328)	(41,689)	(242,100)
Change in:			
Other assets	(327,664)	(40,477)	(84,464)
Other liabilities	343,894	58,846	54,717
Trading assets	(6,743)	261,769	224,919
Trading liabilities	(5,007)	2,175	4,873
Loans and advances to customers	989,890	1,220,375	1,190,508
Loans and advances to banks	(55,311)	(239,865)	(255,962)
Deposits from customers	383,754	(14,645)	(955,402)
Deposits from banks	122,075	(164,943)	(461,551)
Interest received	184,450	198,342	834,765
Interest paid	(13,647)	(22,163)	(253,099)
	1,586,363	1,217,725	57,204
Tax paid	-	-	(77,219)
Net cash from / (used in) operating activities	1,586,363	1,217,725	(20,015)
Cash flows from investing activities			
Acquisition of property, plant and equipment	(842)	(259)	(8,541)
Proceeds from disposal of equipment	-	42	49
Net investment in securities	(275,516)	(833,105)	(734,687)
Net cash used in investing activities	(276,358)	(833,322)	(743,179)
Cash flows from financing activities			
Increase / (decrease) in other borrowed funds	-	(1,326,820)	(1,326,820)
Repatriation of profit	-	-	(97,400)
Net cash used in financing activities	-	(1,326,820)	(1,424,220)
Net change in cash and cash equivalents	1,310,005	(942,417)	(2,187,414)
Cash and cash equivalents at 1 January	2,245,146	4,460,803	4,460,803
Exchange differences in respect of cash & cash equivalents	(18,110)	(11,403)	(28,243)
Cash and cash equivalents at end of period/year	3,537,041	3,506,983	2,245,146