

# STATE BANK OF MAURITIUS LTD

## **Abridged unaudited interim financial report for the fifteen months ended 30 September 2013**

State Bank of Mauritius Ltd is pleased to submit its abridged unaudited interim financial report for the fifteen months ended 30 September 2013.

The abridged unaudited interim financial report has been prepared in accordance with the Bank of Mauritius Guideline on Public Disclosure of Information and IAS 34 - Interim Financial Reporting. The interim financial report has been prepared using the accounting policies as those adopted in the financial statements for the financial year ended 30 June 2012, except IAS 16 as set out below and new standards that are effective as from 01 July 2012. The Bank's statutory auditors have reviewed the interim accounts and their report is attached.

The buildings on leasehold land previously stated at revalued amounts have been reinstated to historical cost on 01 July 2012 in view of the difficulty to measure reliably the fair value of the buildings erected on leased state land, particularly SBM Tower. The Group's and Bank's comparative figures have been restated accordingly.

### **Results**

The Group's profit after tax for the fifteen months ended 30 September 2013 grew by 16.4% to Rs 3.9bn compared to Rs 3.3bn for the corresponding period ended September 2012.

Pre-provision income grew by 15.1% compared to the corresponding period of last year, mainly on account of higher net interest income which increased by 18.9% for the period, arising from continued intensive and robust balance sheet management. While interest income grew by 4.8%, interest expenses decreased by 13.0% and was driven by liability management. Non interest income grew by 1.4% due to dividend income, offset by lower cross border card fee income and exchange income. The Bank's overseas operations booked higher provision for credit impairment in the current quarter bringing the growth in operating profit for the fifteen months to 13.4% over the previous period. Cost to income ratio improved marginally to 32.50% for the period ended September 2013 from 33.67% for the corresponding period of 2012.

Gross advances grew to Rs 70.5bn while deposits increased to Rs 76.9bn at 30 September 2013. The deposit mix has been driven by increase in CASA deposits of Rs 7.9bn offset partly by a decrease in term deposits of Rs 7.1bn of which a substantial amount represented planned strategic decrease in higher cost foreign currency deposits of Rs 3.5bn. The effective growth in advances and deposits would have been 14.48% and 5.56% respectively compared to June 2012, had the Bank not strategically run down low yield assets and high cost foreign currency deposits.

Credit to deposit ratio for all currencies on aggregate basis stood at 89% as at 30 September 2013 up from 85% as at 30 June 2012 and for Mauritian Rupee, it is more than 90%. The capital adequacy ratio for the Banking Group as at 30 September 2013 was 19.5% under Basel II and is comfortably above the minimum regulatory requirement of 10% whereas under Basel III, the capital adequacy ratio was 19.66%.

As from 01 March 2013, SBM share of nominal value of Re 1 was split into 100 shares of nominal value of 1 cent. On 01 October 2013, SBM paid an interim dividend of 4 cents per share, an increase of 0.5 cent or 14.29% over last year.

The Company changed its financial year end from 30 June to 31 December and the current period shall be for 18 months from 01 July 2012 to 31 December 2013 and thereafter annually as at 31 December.

### **International awards**

SBM continues to be recognised on the international front for its strong financial fundamentals and sound strategies, as gauged by the recent awards obtained. Indeed, after being awarded with the 'Best Bank in Mauritius' award in the 'Euromoney Awards for Excellence 2013', SBM was voted the 'Best Bank in Mauritius' for the year 2013 for the second year running by Capital Finance International (CFI.co), London.

## **Outlook**

Whilst Western economies have shown some signs of improvement recently, global growth remains relatively weak and the domestic credit environment is subject to important challenges. In this context, SBM continues to showcase prudence while seeking to enhance its revenue generation capabilities in its current markets in Mauritius, India and Madagascar, while exploring a diversification into other countries in Africa and Asia. The Group is progressing in its technology and business transformation initiatives, which coupled with Group restructuring, should give competitive edge to SBM in the years ahead against initial investment in the short term.

**Jairaj Sonoo, C.S.K.**  
**Chief Executive - Banking**  
**(Indian Ocean Islands)**

**Alain Rey**  
**Chairman, Audit Committee**

**Muni Krishna T. Reddy, G.O.S.K.**  
**Chairman**

14 November 2013

**Report on Review of Interim Financial Information  
To the Board of Directors of  
State Bank of Mauritius Ltd “SBM”**

**Introduction**

We have reviewed the accompanying abridged unaudited interim statements of financial position of the Group and of the Bank as at 30 September 2013 and the related abridged unaudited interim statements of profit or loss, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the fifteen months then ended. The Board of Directors and management of SBM are responsible for the preparation and presentation of this interim financial information in accordance with the Bank of Mauritius Guideline on Public Disclosure of Information and International Financial Reporting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the Bank of Mauritius Guideline on Public Disclosure of Information and International Financial Reporting Standards.

**Deloitte  
Chartered Accountants**

14 November 2013

**STATE BANK OF MAURITIUS LTD**  
**STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013**

	-----Group-----			-----Bank-----		
	<b>30-Sep 2013</b>	30-Sep 2012 (Restated)	30-Jun 2012 (Restated)	<b>30-Sep 2013</b>	30-Sep 2012 (Restated)	30-Jun 2012 (Restated)
	<b>Rs' 000</b>	Rs' 000	Rs' 000	<b>Rs' 000</b>	Rs' 000	Rs' 000
<b>ASSETS</b>						
Cash and cash equivalents	2,387,706	5,123,283	6,993,395	2,274,184	5,048,123	6,964,275
Mandatory balances with central banks	4,242,514	4,836,249	4,966,156	3,962,861	4,517,353	4,671,915
Loans to and placements with banks	260,414	1,987,143	1,511,936	260,414	1,987,143	1,511,936
Trading assets	365,050	168,090	254,168	365,050	168,090	254,168
Loans and advances to customers	69,496,623	64,206,892	62,824,617	68,956,042	63,981,715	62,568,574
Investment securities	24,509,024	19,518,603	19,430,791	18,548,083	13,535,678	15,042,044
Property and equipment	1,308,055	1,322,241	1,326,665	1,269,666	1,313,344	1,318,225
Intangible assets	206,257	110,897	86,865	196,189	109,653	85,437
Deferred tax assets	119,776	55,554	59,296	119,776	55,554	59,296
Other assets	1,053,676	390,047	552,146	1,057,376	348,539	511,626
<b>Total assets</b>	<b>103,949,095</b>	<b>97,718,999</b>	<b>98,006,035</b>	<b>97,009,641</b>	<b>91,065,192</b>	<b>92,987,496</b>
<b>LIABILITIES</b>						
Deposits from banks	391,181	468,464	115,946	390,560	579,361	214,657
Deposits from non-bank customers	76,914,591	73,242,701	76,158,615	75,037,275	71,065,428	75,533,152
Other borrowed funds	4,845,885	4,043,791	2,924,795	4,845,885	4,043,791	2,924,795
Trading liabilities	349,020	97,809	164,353	349,019	97,809	164,353
Derivative liabilities held for risk management	16,790	18,371	18,371	16,790	18,371	18,371
Current tax liabilities	457,988	419,291	287,931	455,000	418,705	287,558
Deferred tax liabilities	6	31,152	28,327	-	31,135	28,290
Other liabilities	1,659,298	2,181,144	1,059,373	1,581,083	2,117,713	960,460
<b>Total liabilities</b>	<b>84,634,759</b>	<b>80,502,723</b>	<b>80,757,711</b>	<b>82,675,612</b>	<b>78,372,313</b>	<b>80,131,636</b>
<b>SHAREHOLDERS' EQUITY</b>						
Share capital	303,740	303,740	303,740	303,740	303,740	303,740
Retained earnings	16,576,617	14,441,072	14,660,857	15,177,035	13,138,928	13,405,785
Other reserves	4,767,265	4,804,750	4,617,013	1,186,540	1,583,497	1,479,621
	21,647,622	19,549,562	19,581,610	16,667,315	15,026,165	15,189,146
Less treasury shares	(2,333,286)	(2,333,286)	(2,333,286)	(2,333,286)	(2,333,286)	(2,333,286)
Total equity attributable to equity holders of the parent	19,314,336	17,216,276	17,248,324	14,334,029	12,692,879	12,855,860
<b>Total equity and liabilities</b>	<b>103,949,095</b>	<b>97,718,999</b>	<b>98,006,035</b>	<b>97,009,641</b>	<b>91,065,192</b>	<b>92,987,496</b>
<b>Contingent liabilities</b>	<b>16,103,277</b>	<b>19,975,721</b>	<b>18,787,981</b>	<b>15,885,187</b>	<b>19,800,170</b>	<b>18,616,224</b>
Exchange rate (USD:MUR)				30.45	30.48	30.93

**STATE BANK OF MAURITIUS LTD**
**ABRIDGED STATEMENTS OF PROFIT OR LOSS FOR THE FIFTEEN MONTHS ENDED 30 SEPTEMBER 2013**

	-----Group-----					-----Bank-----				
	Quarter ended	Quarter ended	Period ended	Period ended	Year ended	Quarter ended	Quarter ended	Period ended	Period ended	Year ended
	<u>30-Sep</u>	30-Sep	<u>30-Sep</u>	30-Sep	30-Jun	<u>30-Sep</u>	30-Sep	<u>30-Sep</u>	30-Sep	30-Jun
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2012</u>
					(Restated)					(Restated)
	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Interest income	1,534,800	1,505,258	7,758,587	7,403,058	5,897,800	1,499,330	1,459,509	7,557,088	7,147,465	5,687,956
Interest expense	(539,109)	(569,084)	(2,844,257)	(3,268,191)	(2,699,107)	(524,561)	(544,172)	(2,743,580)	(3,138,114)	(2,593,942)
<b>Net interest income</b>	<b>995,691</b>	936,174	<b>4,914,330</b>	4,134,867	3,198,693	<b>974,769</b>	915,337	<b>4,813,508</b>	4,009,351	3,094,014
Net fee and commission income	255,169	258,389	1,301,351	1,413,288	1,154,899	240,701	243,707	1,224,802	1,334,398	1,090,691
Dividend income	3,066	1,790	436,343	232,504	230,714	36,395	341	520,034	1,700,112	1,699,771
Net trading income	88,605	125,365	463,723	575,175	449,810	76,544	97,111	399,313	544,399	447,288
Other operating income	(4,669)	1,289	85,404	35,383	34,094	(4,669)	1,289	85,404	13,095	11,806
<b>Non interest income</b>	<b>342,171</b>	386,833	<b>2,286,821</b>	2,256,350	1,869,517	<b>348,971</b>	342,448	<b>2,229,553</b>	3,592,004	3,249,556
<b>Operating income</b>	<b>1,337,862</b>	1,323,007	<b>7,201,151</b>	6,391,217	5,068,210	<b>1,323,740</b>	1,257,785	<b>7,043,061</b>	7,601,355	6,343,570
<b>Non interest expense</b>	<b>(434,055)</b>	(427,354)	<b>(2,205,720)</b>	(2,050,866)	(1,623,512)	<b>(414,266)</b>	(406,842)	<b>(2,105,716)</b>	(1,957,816)	(1,550,974)
Profit before net impairment loss on financial assets	903,807	895,653	4,995,431	4,340,351	3,444,698	909,474	850,943	4,937,345	5,643,539	4,792,596
Net impairment loss on financial assets	(115,196)	(46,906)	(413,492)	(300,466)	(253,560)	(106,971)	(42,324)	(417,477)	(216,221)	(173,897)
<b>Operating profit</b>	<b>788,611</b>	848,747	<b>4,581,939</b>	4,039,885	3,191,138	<b>802,503</b>	808,619	<b>4,519,868</b>	5,427,318	4,618,699
Share of profit of associates	24,680	19,558	123,821	101,073	81,515	-	-	-	-	-
<b>Profit before income tax</b>	<b>813,291</b>	868,305	<b>4,705,760</b>	4,140,958	3,272,653	<b>802,503</b>	808,619	<b>4,519,868</b>	5,427,318	4,618,699
Tax expense	(122,342)	(179,030)	(814,337)	(798,288)	(619,258)	(117,669)	(172,783)	(779,750)	(741,441)	(568,658)
<b>Profit attributable to equity holders of the parent</b>	<b>690,949</b>	689,275	<b>3,891,423</b>	3,342,670	2,653,395	<b>684,834</b>	635,836	<b>3,740,118</b>	4,685,877	4,050,041
Earnings per share (Cents)			<b>15.07</b>	12.95	10.28					

**STATE BANK OF MAURITIUS LTD**
**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIFTEEN MONTHS ENDED 30 SEPTEMBER 2013**

	-----Group-----					-----Bank-----				
	Quarter ended <b>30-Sep 2013</b>	Quarter ended 30-Sep 2012	Period ended <b>30-Sep 2013</b>	Period ended 30-Sep 2012	Year ended 30-Jun 2012  (Restated)	Quarter ended <b>30-Sep 2013</b>	Quarter ended 30-Sep 2012	Period ended <b>30-Sep 2013</b>	Period ended 30-Sep 2012	Year ended 30-Jun 2012  (Restated)
	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000
<b>Profit attributable to equity holders of the parent</b>	<b>690,949</b>	689,275	<b>3,891,423</b>	3,342,670	2,653,395	<b>684,834</b>	635,836	<b>3,740,118</b>	4,685,877	4,050,041
<b>Other comprehensive income :</b>										
<i>Items that will not be reclassified subsequently to profit or loss:</i>										
Deferred tax on revaluation surplus of property	-	-	<b>200</b>	13,484	13,484	-	-	<b>200</b>	13,484	13,484
Effect of change in deferred tax rate on revaluation surplus of property	-	-	<b>(804)</b>	-	-	-	-	<b>(804)</b>	-	-
Share of other comprehensive income of associates	-	-	<b>8,812</b>	5,687	5,687	-	-	-	-	-
	-	-	<b>8,208</b>	19,171	19,171	-	-	<b>(604)</b>	13,484	13,484
<i>Items that may be reclassified subsequently to profit or loss:</i>										
Exchange differences on translation of foreign operations	<b>(224,314)</b>	113,747	<b>(430,086)</b>	(214,436)	(328,183)	<b>(216,802)</b>	31,121	<b>(509,347)</b>	(221,859)	(252,980)
Increase in value of available-for-sale investments	<b>25,905</b>	68,557	<b>532,811</b>	509,771	441,214	<b>27,397</b>	73,689	<b>184,346</b>	221,983	148,294
Fair value realised on disposal of available-for-sale investments	-	-	-	(21,524)	(21,524)	-	-	-	(3,387,334)	(3,387,334)
	<b>(198,409)</b>	182,304	<b>102,725</b>	273,811	91,507	<b>(189,405)</b>	104,810	<b>(325,001)</b>	(3,387,210)	(3,492,020)
Other comprehensive (loss)/income for the period	<b>(198,409)</b>	182,304	<b>110,933</b>	292,982	110,678	<b>(189,405)</b>	104,810	<b>(325,605)</b>	(3,373,726)	(3,478,536)
<b>Total comprehensive income attributable to equity holders of the parent</b>	<b>492,540</b>	871,579	<b>4,002,356</b>	3,635,652	2,764,073	<b>495,429</b>	740,646	<b>3,414,513</b>	1,312,151	571,505

**STATE BANK OF MAURITIUS LTD**  
**STATEMENTS OF CHANGES IN EQUITY FOR THE FIFTEEN MONTHS ENDED 30 SEPTEMBER 2013**

Group	Share	Treasury	Reserve	Statutory	Revenue	Capital	Net	Net	Net	Net	Total
	Capital	Shares	arising	Reserve	Reserve	Conservation	Unrealised	Property	Net	Net	Equity
	Rs' 000	Rs' 000	on Share	Rs' 000	(Restated)	Rs' 000	Investment	Revaluation	Translation	Other	Rs' 000
			Buy Back				Reserve	(Restated)	Reserve	Reserve	
			Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000
At 01 July 2011											
- As previously stated	303,740	(2,333,286)	236,071	504,572	12,874,754	-	3,060,911	1,467,453	(216,383)	72,671	15,970,503
- Reversal of revaluation of leasehold buildings	-	-	-	-	-	-	-	(1,049,837)	-	-	(1,049,837)
- Adjustment of supplementary depreciation	-	-	-	-	-	-	-	(130,349)	-	-	(130,349)
- Transfer of portfolio provision, net of tax	-	-	-	-	380,824	-	-	-	-	-	380,824
- Transfer to general reserve	-	-	-	-	(448,029)	448,029	-	-	-	-	-
- As restated	303,740	(2,333,286)	236,071	504,572	12,807,549	448,029	3,060,911	287,267	(216,383)	72,671	15,171,141
Profit for the year	-	-	-	-	2,653,395	-	-	-	-	-	2,653,395
Other comprehensive income for the year	-	-	-	-	-	-	419,690	13,484	(328,183)	5,687	110,678
Transfer of portfolio provision, net of tax	-	-	-	-	87,648	-	-	-	-	-	87,648
Transfer to general reserve	-	-	-	-	(103,116)	103,116	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	5,480	-	-	(5,480)	-	-	-
Transfer to statutory reserve	-	-	-	15,561	(15,561)	-	-	-	-	-	-
Dividend	-	-	-	-	(774,538)	-	-	-	-	-	(774,538)
At 30 June 2012 (as Restated)	303,740	(2,333,286)	236,071	520,133	14,660,857	551,145	3,480,601	295,271	(544,566)	78,358	17,248,324
At 01 July 2011 (as Restated)	303,740	(2,333,286)	236,071	504,572	12,807,549	448,029	3,060,911	287,267	(216,383)	72,671	15,171,141
Profit for the period	-	-	-	-	3,342,670	-	-	-	-	-	3,342,670
Other comprehensive income for the period	-	-	-	-	-	-	488,247	13,484	(214,436)	5,687	292,982
Transfer of portfolio provision, net of tax	-	-	-	-	87,648	-	-	-	-	-	87,648
Transfer to general reserve	-	-	-	-	(103,116)	103,116	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	6,414	-	-	(6,414)	-	-	-
Transfer to statutory reserve	-	-	-	21,928	(21,928)	-	-	-	-	-	-
Dividend	-	-	-	-	(1,678,165)	-	-	-	-	-	(1,678,165)
At 30 September 2012 (as Restated)	303,740	(2,333,286)	236,071	526,500	14,441,072	551,145	3,549,158	294,337	(430,819)	78,358	17,216,276
At 01 July 2012	303,740	(2,333,286)	236,071	520,133	14,660,857	551,145	3,480,601	295,271	(544,566)	78,358	17,248,324
Profit for the period	-	-	-	-	3,891,423	-	-	-	-	-	3,891,423
Other comprehensive income for the period	-	-	-	-	-	-	532,811	(604)	(430,086)	8,812	110,933
Transfer to retained earnings	-	-	-	-	12,894	-	-	(12,894)	-	-	-
Transfer to statutory reserve	-	-	-	52,213	(52,213)	-	-	-	-	-	-
Dividend	-	-	-	-	(1,936,344)	-	-	-	-	-	(1,936,344)
At 30 September 2013	303,740	(2,333,286)	236,071	572,346	16,576,617	551,145	4,013,412	281,773	(974,652)	87,170	19,314,336

**STATE BANK OF MAURITIUS LTD**
**STATEMENTS OF CHANGES IN EQUITY FOR THE FIFTEEN MONTHS ENDED 30 SEPTEMBER 2013 (CONT'D)**

<b>Bank</b>	<u>Share Capital</u> Rs' 000	<u>Treasury Shares</u> Rs' 000	<u>Statutory Reserve</u> Rs' 000	<u>Revenue Reserve</u> (Restated) Rs' 000	<u>Capital Conservation Reserve</u> Rs' 000	<u>Net Unrealised Investment Fair Value Reserve</u> Rs' 000	<u>Net Property Revaluation Reserve</u> (Restated) Rs' 000	<u>Net Translation Reserve</u> Rs' 000	<u>Total Equity</u> Rs' 000
At 01 July 2011									
- As previously stated	303,740	(2,333,286)	460,906	10,223,036	-	3,659,957	1,467,453	(11,199)	13,770,607
- Reversal of revaluation of leasehold buildings	-	-	-	-	-	-	(1,049,837)	-	(1,049,837)
- Adjustment of supplementary depreciation	-	-	-	-	-	-	(130,349)	-	(130,349)
- Transfer of portfolio provision, net of tax	-	-	-	380,824	-	-	-	-	380,824
- Transfer to general reserve	-	-	-	(448,029)	448,029	-	-	-	-
- As restated	303,740	(2,333,286)	460,906	10,155,831	448,029	3,659,957	287,267	(11,199)	12,971,245
Profit for the year	-	-	-	4,050,041	-	-	-	-	4,050,041
Other comprehensive loss for the year	-	-	-	-	-	(3,239,040)	13,484	(252,980)	(3,478,536)
Transfer of portfolio provision, net of tax	-	-	-	87,648	-	-	-	-	87,648
Transfer to general reserve	-	-	-	(103,116)	103,116	-	-	-	-
Transfer to retained earnings	-	-	-	5,480	-	-	(5,480)	-	-
Transfer to statutory reserve	-	-	15,561	(15,561)	-	-	-	-	-
Dividend	-	-	-	(774,538)	-	-	-	-	(774,538)
At 30 June 2012 (as Restated)	303,740	(2,333,286)	476,467	13,405,785	551,145	420,917	295,271	(264,179)	12,855,860
At 01 July 2011 (as Restated)	303,740	(2,333,286)	460,906	10,155,831	448,029	3,659,957	287,267	(11,199)	12,971,245
Profit for the period	-	-	-	4,685,877	-	-	-	-	4,685,877
Other comprehensive loss for the period	-	-	-	-	-	(3,165,351)	13,484	(221,859)	(3,373,726)
Transfer of portfolio provision, net of tax	-	-	-	87,648	-	-	-	-	87,648
Transfer to general reserve	-	-	-	(103,116)	103,116	-	-	-	-
Transfer to retained earnings	-	-	-	6,414	-	-	(6,414)	-	-
Transfer to statutory reserve	-	-	15,561	(15,561)	-	-	-	-	-
Dividend	-	-	-	(1,678,165)	-	-	-	-	(1,678,165)
At 30 September 2012 (as Restated)	303,740	(2,333,286)	476,467	13,138,928	551,145	494,606	294,337	(233,058)	12,692,879
At 01 July 2012	303,740	(2,333,286)	476,467	13,405,785	551,145	420,917	295,271	(264,179)	12,855,860
Profit for the period	-	-	-	3,740,118	-	-	-	-	3,740,118
Other comprehensive loss for the period	-	-	-	-	-	184,346	(604)	(509,347)	(325,605)
Transfer to retained earnings	-	-	-	12,894	-	-	(12,894)	-	-
Transfer to statutory reserve	-	-	45,418	(45,418)	-	-	-	-	-
Dividend	-	-	-	(1,936,344)	-	-	-	-	(1,936,344)
At 30 September 2013	303,740	(2,333,286)	521,885	15,177,035	551,145	605,263	281,773	(773,526)	14,334,029



**STATE BANK OF MAURITIUS LTD**

**ABRIDGED STATEMENTS OF CASH FLOWS FOR THE FIFTEEN MONTHS ENDED 30 SEPTEMBER 2013**

	-----Group-----			-----Bank-----		
	<b>30-Sep 2013 Rs' 000</b>	30-Sep 2012 Rs' 000	30-Jun 2012 Rs' 000	<b>30-Sep 2013 Rs' 000</b>	30-Sep 2012 Rs' 000	30-Jun 2012 Rs' 000
Net cash (used in) / from operating activities	<b>(4,732,976)</b>	3,055,706	5,322,990	<b>(4,933,281)</b>	3,173,162	5,259,905
Net cash (used in) / from financing activities	<b>(15,254)</b>	(4,759,048)	(4,974,417)	<b>(15,254)</b>	(4,759,048)	(4,974,417)
Net cash from / (used in) investing activities	<b>142,541</b>	82,203	(99,600)	<b>258,444</b>	131,962	176,740
Net change in cash and cash equivalents	<b>(4,605,689)</b>	(1,621,139)	248,973	<b>(4,690,091)</b>	(1,453,924)	462,228
Cash and cash equivalents at beginning of period	<b>6,993,395</b>	6,744,422	6,744,422	<b>6,964,275</b>	6,502,047	6,502,047
<b>Cash and cash equivalents at end of period</b>	<b>2,387,706</b>	5,123,283	6,993,395	<b>2,274,184</b>	5,048,123	6,964,275

**ACCOUNTING POLICIES**

The interim financial report has been prepared using the accounting policies as those adopted in the financial statements for the financial year ended 30 June 2012, except IAS 16 as set out below and new standards that are effective as from 01 July 2012.

The buildings on leasehold land previously stated at revalued amounts have been reinstated to historical cost on 01 July 2012 in view of the difficulty to measure reliably the fair value of the buildings erected on leased state land, particularly SBM Tower. The Group's and Bank's comparative figures have been restated accordingly.

Copies of the interim report are available to the public free of charge at the registered office of the Company, SBM Tower, 1 Queen Elizabeth II Avenue, Place D'Armes, Port Louis and can be viewed on our website: [www.sbmgroup.mu](http://www.sbmgroup.mu).

The statement of direct and indirect interests of officers of the Company in the capital of the Company and its subsidiaries may also be obtained free of charge upon request at the registered office of the Bank.

By order of the Board

**B. M. Kallee**  
**Company Secretary**

14 November 2013

The Communiqué is issued pursuant to Listing Rule 12.20 and Securities Act 2005.

The Board of Directors of State Bank of Mauritius Ltd accepts full responsibility for the accuracy of the information contained in this Communiqué.

The financial information, including the report on review of interim financial information, has been extracted from the abridged unaudited interim financial report for the fifteen months ended 30 September 2013.