

Review report on Condensed Interim Financial Information for the six months period ended 30 June 2016

**The Board of Directors
BanyanTree Bank Limited (the "Bank")**

Introduction

We have reviewed the accompanying condensed unaudited interim statements of financial position of the Bank as at 30 June 2016 and the related unaudited interim statements of profit or loss and other comprehensive income, statements of changes in equity and statement of cash flows for the six months period then ended and the related notes. The Board of Directors and management of the Bank 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

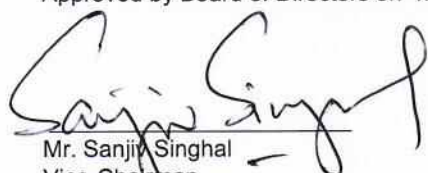
15 December 2016

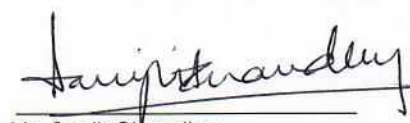
BanyanTree Bank Limited
Statement of financial position
As at 30 June 2016



	30-Jun-16	30-Jun-15	31-Dec-15
	Rs Unaudited	Rs Unaudited	Rs Audited
ASSETS			
Cash and cash equivalents	463,688,625	221,295,167	373,753,508
Loan and advances to customers	538,554,904	171,440,461	416,537,166
Investment securities	3,593,788,245	4,127,131,237	5,561,878,349
Derivative Financial instruments	-	23,700,000	-
Property, Plant and equipments	23,061,705	5,353,651	18,545,828
Deferred tax assets	-	129,189	-
Other Assets	161,241,908	348,478,692	245,472,048
Total assets	4,780,335,387	4,897,528,397	6,616,186,899
LIABILITIES			
Deposits from banks	70,520,709	143,558,456	147,324,912
Deposit from customers	2,776,841,613	1,528,772,366	2,721,664,524
Other borrowed funds	1,404,717,038	2,732,484,780	3,269,337,041
Derivative Financial instruments	3,552,991	28,530,690	6,417,439
Obligation under finance lease	-	1,656,979	-
Other Liabilities	347,025	14,080,577	2,542,962
Deferred tax liabilities	432,866	-	432,866
Current tax liabilities	2,113,859	-	2,341,631
Total liabilities	4,258,526,101	4,449,083,848	6,150,061,375
SHAREHOLDERS' EQUITY			
Stated capital	269,650,528	269,650,528	269,650,528
Statutory reserve	36,219,868	33,120,655	36,219,868
Capital contribution	8,333,349	8,333,349	8,333,349
Investment revaluation reserve	(18,331,044)	(37,535,947)	(40,516,391)
Retained Earnings	225,936,585	174,875,964	192,438,170
Total equity	521,809,286	448,444,549	466,125,524
Total liabilities and equity	4,780,335,387	4,897,528,397	6,616,186,899

Approved by Board of Directors on 15th December 2016 and signed on its behalf by

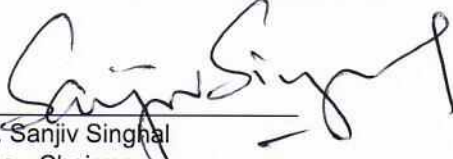

 Mr. Sanjit Singhal
 Vice-Chairman

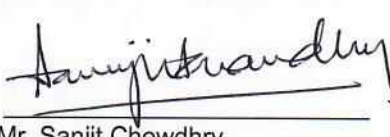

 Mr. Sanjit Chowdhry
 Chief Executive Officer

**Statement of profit or loss and other comprehensive Income
for the six months ended 30 June 2016**

	30-Jun-16 Rs Unaudited	30-Jun-15 Rs Unaudited	31-Dec-15 Rs Audited
Interest income	144,213,124	114,701,108	257,985,739
Interest expenses	(69,893,543)	(50,774,881)	(117,473,030)
Net Interest income	74,319,581	63,926,227	140,512,709
Fees and commission income	1,988,242	388,574	16,010,698
Other income	38,468,007	43,254,301	50,097,335
Operating income	114,775,830	107,569,102	206,620,742
Net impairment loss on financial assets	(1,235,574)	(2,620,106)	(4,207,446)
Personnel expenses	(18,804,339)	(20,411,722)	(25,514,858)
Operating lease expenses	(2,426,886)	(622,967)	(3,097,373)
Depreciation	(1,630,190)	(654,403)	(1,178,043)
Amortisation of securities and finance charge	(3,503,254)	(3,900,068)	(8,608,749)
Loss on disposal of property, plant and equipment	(298,463)	-	(295,230)
Foreign exchange (loss)/gain	(13,294,273)	53,655,022	14,810,513
Other expenses	(40,084,436)	(24,450,036)	(46,246,929)
Profit before tax for the period/year	33,498,415	108,564,822	132,282,627
Income tax for the period/year	-	(1,340,349)	(4,396,735)
Profit for the period / year	33,498,415	107,224,473	127,885,892
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Fair value gain (loss) on available-for-sale financial assets	22,185,347	(37,018,040)	(39,998,484)
Total comprehensive income	55,683,762	70,206,433	87,887,408

Approved by Board of Directors on 15th December 2016 and signed on its behalf by


Mr. Sanjiv Singhal
Vice - Chairman


Mr. Sanjit Chowdhry
Chief Executive Officer

BanyanTree Bank Limited

Statement of changes in equity
for the six months ended 30 June 2016

	Stated capital		Statutory reserve		Capital contribution		Investment revaluation reserve		Retained earnings		Total	
	Rs		Rs		Rs		Rs		Rs		Rs	
Balance at 1 January 2016	269,650,528		36,219,868		8,333,349		(40,516,391)		192,438,170		466,125,524	
Profit for the period	-		-		-		-		33,498,415		33,498,415	
Other Comprehensive Income for the period	-		-		-		22,185,347		-		22,185,347	
Balance at 30 June 2016 (Unaudited)	269,650,528		36,219,868		8,333,349		(18,331,044)		225,936,585		521,809,286	
Balance at 1 January 2015	269,650,528		17,036,984		8,333,349		(517,907)		83,735,162		378,238,116	
Profit for the period	-		-		-		-		107,224,473		107,224,473	
Other Comprehensive Income for the period	-		-		-		(37,018,040)		-		(37,018,040)	
Transfer to statutory reserve for the period	-		16,083,671		-		-		(16,083,671)		-	
Balance at 30 June 2015 (Unaudited)	269,650,528		33,120,655		8,333,349		(37,535,947)		174,875,964		448,444,549	
Balance at 1 January 2015	269,650,528		17,036,984		8,333,349		(517,907)		83,735,162		378,238,116	
Profit for the year	-		-		-		-		127,885,892		127,885,892	
Other Comprehensive Income for the year	-		-		-		(39,998,484)		-		(39,998,484)	
Transfer to Statutory reserves	-		19,182,884		-		-		(19,182,884)		-	
Balance at 31 December 2015 (Audited)	269,650,528		36,219,868		8,333,349		(40,516,391)		192,438,170		466,125,524	

BanyanTree Bank Limited

Statement of Cash Flows

for the six months ended 30 June 2016

	30-Jun-16 Rs Unaudited	30-Jun-15 Rs Unaudited	31-Dec-15 Rs Audited
Profit before tax	33,498,415	108,564,822	132,282,627
<i>Adjustments for:</i>			
Depreciation	1,630,190	654,403	1,178,043
Amortisation of securities and finance charge	3,503,254	3,900,068	8,511,158
Gains on disposals of investments securities	(1,016,305)	(35,404,676)	(43,317,390)
Net impairment loss on financial assets	1,235,574	2,620,106	4,207,446
Loss on disposal of property, plant and equipment	298,463	-	295,230
Fair value on derivative financial instruments	(2,864,448)	4,253,330	(17,859,920)
Foreign exchange loss/(gain)	13,294,273	(53,655,022)	(14,810,513)
	49,579,416	30,933,031	70,486,681
Changes in operating assets and liabilities			
Change in loans and advances to customers	(123,253,312)	(130,394,121)	(377,078,166)
Change in other assets and interest receivables	84,230,139	(123,353,118)	(12,217,461)
Change in deposits from banks	(76,804,203)	(86,720,355)	(80,115,443)
Change in deposits from customers	55,177,089	170,833,868	1,360,887,571
Change in other liabilities	(2,195,937)	5,535,043	(4,662,223)
Change in borrowed funds	(1,864,620,003)	1,567,537,832	2,104,390,093
Taxes paid	(227,772)	(1,371,496)	(2,864,546)
Net cash (used in) / generated from operating activities	(1,878,114,583)	1,433,000,684	3,058,826,506
Investing activities			
Additions of property plant and equipment	(6,444,530)	(152,780)	(15,558,076)
Proceeds from sale of property plant and equipment	-	67,927	1,462,176
Proceeds from disposal/redemption of investment securities	5,098,422,736	3,974,168,162	5,103,550,733
Purchase of investments securities	(3,123,928,505)	(5,740,142,108)	(8,327,224,133)
Net cash generated from / (used in) investing activities	1,968,049,701	(1,766,058,799)	(3,237,769,300)
Financing activities			
Repayment of finance lease	-	(230,148)	(1,887,128)
Net cash used in financing activities	-	(230,148)	(1,887,128)
Net change in cash and cash equivalents	89,935,117	(333,288,263)	(180,829,922)
Cash and cash equivalents, beginning of the period/year	373,753,508	554,583,430	554,583,430
Cash and cash equivalents, end of the period/year	463,688,625	221,295,167	373,753,508

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED
30 June 2016**

1. GENERAL INFORMATION

BanyanTree Bank Limited (the "Bank") is a registered public company, licensed by the Bank of Mauritius, offering banking services to local and international customers.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed interim financial information for the period ended 30 June 2016 has been prepared in accordance with Guideline on Public Disclosure of Information issued by the Bank of Mauritius and International Accounting Standard 34, Interim Financial Reporting. This condensed interim financial information should be read in conjunction with the audited financial statements for the year ended 31 December 2015, which have been prepared in accordance with International Financial Reporting Standards.

The principal accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements for the year ended 31 December 2015.

Amendments to IFRS effective for the financial year ending 31 December 2016 are not expected to have a material impact on the Bank.

3. ESTIMATES

The preparation of condensed interim financial information requires the directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial information, the significant judgements made by the Directors in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2015, with no changes in estimates.

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Bank's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial information do not include all financial risk management information and disclosures required in the annual financial statements, they should be read in conjunction with the Bank's annual financial statements as at 31 December 2015.

There have been no changes in the risk management department or in any risk management policies since the year end.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED
30 June 2016**

There were no transfers between levels of the fair value hierarchy during the period.

There were no changes in valuation techniques during the period.

The table below analyses financial instruments carried at fair value by valuation.

Level 1- Quoted prices in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

The fair values of assets and liabilities measured at amortised cost approximate their carrying amounts.

5. INCOME TAXES

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 31 December 2016 is 15% (the estimates for the period ended 30 June 2016 was 15%).

6. STATUTORY RESERVE

Transfer to statutory reserve in accordance with the provisions of the Banking Act, 2004 will be made at the end of the financial year.