

# CIM FINANCIAL SERVICES LTD

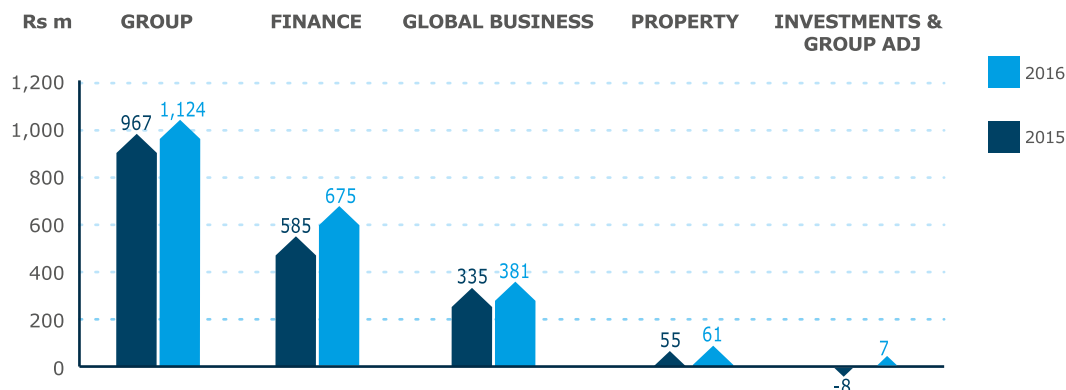
ABRIDGED UNAUDITED FINANCIAL STATEMENTS

Half Year and Quarter Ended 31 March 2016

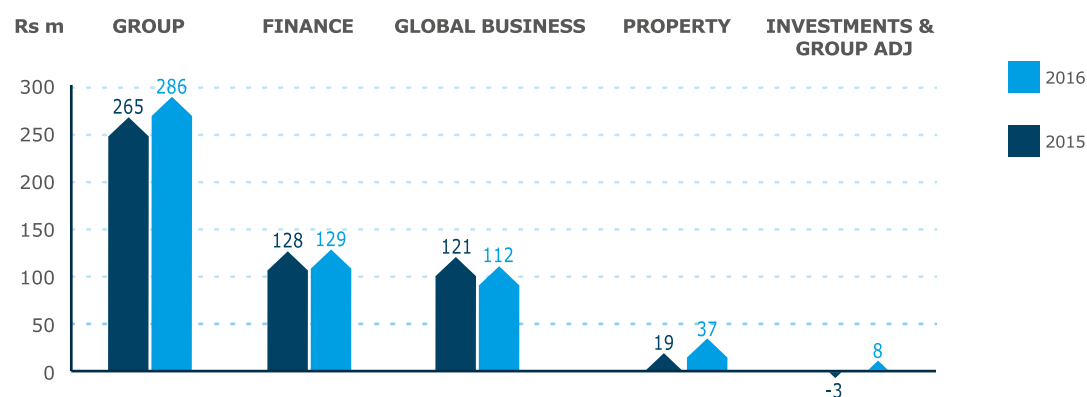


## Financial Highlights - Half Year ended 31 March 2016

### Revenue - Continuing Activities (Rs'M)



### PAT - Continuing Activities Excluding Exceptional Items (Rs'M)



## Segment Analysis

	Revenue		Revenue		Profit after Tax		Profit after Tax	
	Unaudited 3 months ended March	Unaudited 6 months ended March	Unaudited 3 months ended March	Unaudited 6 months ended March	Unaudited 3 months ended March	Unaudited 6 months ended March	Unaudited 3 months ended March	Unaudited 6 months ended March
	2016	2015	2016	2015	2016	2015	2016	2015
	Rs m	Rs m	Rs m	Rs m	Rs m	Rs m	Rs m	Rs m
Finance	<b>351.8</b>	296.3	<b>675.0</b>	584.8	<b>68.4</b>	65.5	<b>129.6</b>	127.7
Global Business	<b>200.6</b>	187.0	<b>381.3</b>	334.9	<b>57.8</b>	88.9	<b>111.7</b>	120.7
Property	<b>30.4</b>	27.6	<b>60.7</b>	55.5	<b>27.4</b>	8.2	<b>36.9</b>	19.4
Investments	<b>309.5</b>	605.6	<b>443.1</b>	1,334.9	<b>(1.4)</b>	7.8	<b>8.0</b>	32.6
Group elimination	<b>(313.5)</b>	(223.9)	<b>(436.5)</b>	(289.2)	<b>-</b>	-	<b>-</b>	-
	<b>578.8</b>	892.6	<b>1,123.6</b>	2,020.9	<b>152.2</b>	170.4	<b>286.2</b>	300.4
<b>Exceptional Items:</b>								
Profit on disposal of financial assets	-	-	-	-	-	-	<b>47.0</b>	-
<b>Total</b>	<b>578.8</b>	892.6	<b>1,123.6</b>	2,020.9	<b>152.2</b>	170.4	<b>333.2</b>	300.4

# CIM FINANCIAL SERVICES LTD

ABRIDGED UNAUDITED FINANCIAL STATEMENTS

Half Year and Quarter Ended 31 March 2016



## Statement of Financial Position

	Unaudited March		Audited September
	2016 Rs m	2015 Rs m	2015 Rs m
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	1,439.1	1,461.7	1,491.7
Investment properties	696.6	556.4	533.7
Intangible assets	637.8	656.3	646.4
Investment in associates	67.1	30.9	92.0
Investment in joint venture	-	93.3	95.2
Investment in financial assets	291.4	463.2	385.2
Non current receivables	373.6	123.0	121.5
Net investment in leases and other credit agreements	2,560.3	1,949.3	2,130.6
Retirement benefit assets	6.7	9.6	10.1
	<b>6,072.6</b>	5,343.7	5,506.4
<b>Current assets</b>			
Inventories	7.9	326.8	422.4
Consumable biological assets	1.8	1.7	1.8
Net investment in leases and other credit agreements	2,819.9	2,318.3	2,285.1
Trade and other receivables	1,421.3	1,309.6	1,302.7
Investment in financial assets	184.8	290.0	290.0
Bank balances and cash	673.1	793.1	953.9
	<b>5,108.8</b>	5,039.5	5,255.9
	<b>11,181.4</b>	10,383.2	10,762.3
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Stated capital	680.5	680.5	680.5
Retained earnings	2,275.4	1,922.8	2,018.5
Other reserves	321.7	290.1	318.6
Equity attributable to owners of the parent	3,277.6	2,893.4	3,017.6
Non controlling interests	387.1	394.5	391.0
Total equity	<b>3,664.7</b>	3,287.9	3,408.6
<b>Non current liabilities</b>			
Borrowings	2,795.5	2,032.3	2,490.7
Deferred taxation	7.5	1.0	7.0
Retirement benefit obligations	95.7	90.0	107.4
	<b>2,898.7</b>	2,123.3	2,605.1
<b>Current liabilities</b>			
Borrowings	3,113.3	3,611.8	2,992.4
Trade and other payables	1,389.5	1,243.1	1,582.1
Dividends payable	81.6	74.9	136.1
Current tax liabilities	33.6	42.2	38.0
	<b>4,618.0</b>	4,972.0	4,748.6
	<b>7,516.7</b>	7,095.3	7,353.7
	<b>11,181.4</b>	10,383.2	10,762.3

# CIM FINANCIAL SERVICES LTD

## ABRIDGED UNAUDITED FINANCIAL STATEMENTS

Half Year and Quarter Ended 31 March 2016



### Statement of Profit or Loss

	Unaudited 3 months ended March		Unaudited 6 months ended March		Audited Year ended September
	2016 Rs m	2015 Rs m	2016 Rs m	2015 Rs m	2015 Rs m
Revenue	578.8	892.6	1,123.6	2,020.9	4,103.8
Profit from operations	232.7	273.3	454.2	491.7	942.2
Finance costs	(74.1)	(70.6)	(142.2)	(136.7)	(271.5)
Share of results of associates	1.5	0.2	6.3	0.8	4.0
Share of result of joint venture	0.9	0.8	0.7	1.6	3.5
Net bargain purchase	21.3	-	21.3	-	-
Profit before taxation	182.3	203.7	340.3	357.4	678.2
Exceptional items:					
Profit on disposal of financial assets	-	-	47.0	-	-
Profit before taxation	182.3	203.7	387.3	357.4	678.2
Taxation	(30.1)	(33.3)	(54.1)	(57.0)	(110.5)
Profit for the period/year	152.2	170.4	333.2	300.4	567.7
<b>Attributable to:</b>					
Owners of the parent	154.1	172.1	337.1	304.1	574.9
Non controlling interests	(1.9)	(1.7)	(3.9)	(3.7)	(7.2)
	152.2	170.4	333.2	300.4	567.7
Earnings per share	Rs. 0.23	0.26	Rs. 0.50	0.45	0.84
Earnings per share (adjusted for exceptional items)	Rs. 0.23	0.26	Rs. 0.43	0.45	0.84
Dividends per share	Rs. 0.12	0.11	Rs. 0.12	0.11	0.31
Number of ordinary shares used in calculation					<b>680,522,310</b>

### Statement of Profit or Loss and Other Comprehensive Income

	Unaudited 3 months ended March		Unaudited 6 months ended March		Audited Year ended September
	2016 Rs m	2015 Rs m	2016 Rs m	2015 Rs m	2015 Rs m
Profit for the period/year	152.2	170.4	333.2	300.4	567.7
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to Profit or Loss:</i>					
Remeasurement of defined benefit obligations	-	-	-	-	(5.7)
<i>Items that may be reclassified subsequently to Profit or Loss:</i>					
Exchange difference on translation of foreign entities	0.2	12.6	0.5	15.6	7.7
Movement in reserves of associates (Losses)/gains arising on cash flow hedges	(0.1)	3.6	(1.6)	3.6	(0.3)
	-	(9.6)	5.6	(9.1)	(2.1)
<b>Other comprehensive income for the period/year, net of tax</b>	0.1	6.6	4.5	10.1	(0.4)
<b>Total comprehensive income for the period/year</b>	152.3	177.0	337.7	310.5	567.3
<b>Attributable to:</b>					
Owners of the parent	154.2	178.7	341.6	314.2	574.5
Non controlling interests	(1.9)	(1.7)	(3.9)	(3.7)	(7.2)
	152.3	177.0	337.7	310.5	567.3

# CIM FINANCIAL SERVICES LTD

## ABRIDGED UNAUDITED FINANCIAL STATEMENTS

Half Year and Quarter Ended 31 March 2016



### Statement of Changes in Equity

Rs m	Stated capital	Revaluation and other reserves	Retained earnings	Attributable to owners of the parent	Non controlling interest	Total Equity
At 1 October 2015	680.5	318.6	2,018.5	3,017.6	391.0	3,408.6
Profit/(loss) for the period	-	-	337.1	337.1	(3.9)	333.2
Other comprehensive income for the period	-	4.5	-	4.5	-	4.5
Total comprehensive income for the period	-	4.5	337.1	341.6	(3.9)	337.7
Dividends	-	-	(81.6)	(81.6)	-	(81.6)
Deconsolidation of group companies	-	(1.4)	1.4	-	-	-
Total transactions with owners of parent	-	(1.4)	(80.2)	(81.6)	-	(81.6)
<b>At 31 March 2016</b>	<b>680.5</b>	<b>321.7</b>	<b>2,275.4</b>	<b>3,277.6</b>	<b>387.1</b>	<b>3,664.7</b>
At 1 October 2014	680.5	280.0	1,693.6	2,654.1	398.2	3,052.3
Profit/(loss) for the period	-	-	304.1	304.1	(3.7)	300.4
Other comprehensive income for the period	-	10.1	-	10.1	-	10.1
Total comprehensive income for the period	-	10.1	304.1	314.2	(3.7)	310.5
Dividends	-	-	(74.9)	(74.9)	-	(74.9)
Total transactions with owners of parent	-	-	(74.9)	(74.9)	-	(74.9)
<b>At 31 March 2015</b>	<b>680.5</b>	<b>290.1</b>	<b>1,922.8</b>	<b>2,893.4</b>	<b>394.5</b>	<b>3,287.9</b>

### Statement of Cash Flows

	Unaudited 6 months ended March		Audited Year ended September
	2016	2015	2015
	Rs m	Rs m	Rs m
Net cash flow (used in)/generated from operating activities	(892.0)	(25.2)	414.1
Net cash flow generated from/(used in) investing activities	285.5	(101.6)	(122.9)
Net cash flow generated from/(used in) financing activities	360.9	223.6	(47.3)
Net (decrease)/increase in cash and cash equivalents	(245.6)	96.8	243.9
Cash and cash equivalents - opening	618.5	374.6	374.6
Cash and cash equivalents - closing	372.9	471.4	618.5

## Comments on results

### *Quarter ended 31 March 2016*

Group results for the quarter ended 31 March 2016 are encouraging.

Group revenue on continuing activities (after deduction of the results of The BrandHouse Ltd (TBH) from the prior period's results) grew by 14%. All business segments yielded a year-on-year growth in revenue.

Group Profit After Taxation (PAT) from continuing activities was 2% lower than last year at Rs 152.2m. The shortfall was due mostly to non-recurring foreign exchange gains made by the Global Business cluster in the second quarter last year.

The Finance cluster performed well on account of higher consumer finance volumes. Cluster revenue grew by 19% to Rs 351.8m and cluster PAT improved by 4% to Rs 68.4m.

The Global Business cluster posted a 7% increase in revenue to Rs 200.6m. However, the profitability of the cluster dropped to Rs 57.8m on account of a large foreign exchange gain of Rs 32.2m in the corresponding quarter last year.

Revenue of the Property cluster grew by 10% to Rs 30.4m for the quarter. The Property cluster PAT was boosted by the net bargain purchase gain of Rs 21.3m made on the acquisition of the remaining 50% of the shares of Edith Cavell Properties Ltd, the purchase consideration being less than the fair value of the assets acquired.

The Investments cluster recorded a drop in turnover and profitability on account of the disposal of TBH in October 2015. Part of the shortfall is being compensated by the contribution of iVeri Technologies which was acquired in June 2015.

### *Six months ended 31 March 2016*

Group revenue on continuing activities (excluding TBH) for the six months grew by 16% to Rs 1,123.6m.

Group PAT for the semester grew by 11% to Rs 333.2m. PAT from continuing activities (excluding TBH prior period's results and the profit on disposal of TBH) grew by 8% to Rs 286.2m.

The performance of the various clusters of the Group for the semester broadly followed the trends described in the quarterly report set out above.

### *Outlook*

The Government has yesterday announced changes to the Double Taxation Avoidance Agreement between Mauritius and India. The new agreement will only affect structures set up in Mauritius post 1 April 2017. All current structures and those formed before 1 April 2017 are protected by a 'grandfathering' clause.

In 2014, we initiated various actions to move our Global Business cluster away from reliance on tax driven deal flows. To this end, a Professional Services Outsourcing (PSO) unit was set up to offer Mauritius as a low cost jurisdiction for companies based in more expensive financial centres. We are pleased to report that encouraging new mandates have been won by PSO.

Concurrently, we have repositioned our office in Singapore as a hub for South East Asia with the appointment of a new Managing Director and we have expanded our geographical reach with the opening of an office in Johannesburg. We believe that these initiatives should help our Global Business cluster to adapt to the new paradigm.

The results of the Group at the half-year mark are positive and give further momentum to the various initiatives that are underway within the Group to achieve our long-term growth objectives backed by a sound balance sheet.

**By order of the Board**  
**Cim Administrators Ltd**  
**Company Secretary**

11 May 2016

*The abridged financial statements of the Group are unaudited and have been prepared using the same accounting policies as the audited statements for the year ended 30 September 2015, except for the adoption of published Standards that are now effective. These abridged financial statements are issued pursuant to Listing Rule 12.20 and the Securities Act 2005.*

*Copies of the statement of direct and indirect interests of Officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 and the financial statements are available free of charge upon request made to the Company Secretary at the registered office of Cim Financial Services Ltd.*

*The Board of Directors of Cim Financial Services Ltd accepts full responsibility for the accuracy of the information contained therein.*

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