

CIM GROUP REPORTS AN OPERATING PROFIT OF MUR325M FOR THE 9 MONTHS ENDED 30 JUNE 2018.

Nine months ended 30 June 18

Group PAT before non-recurring items increased from MUR249.1m to MUR333.9m for the nine months ended 30 June 2018.

The Finance cluster's net operating income increased from MUR992.5m to MUR1047.4m (a 6% increase) whilst its PAT registered an increase of 11% compared to last year.

The Property cluster's net operating income increased from MUR93.4m to MUR129.6m (39% increase) whilst its PAT registered an increase of 64% from MUR35.3m to MUR57.9m on the back of profit on sale of land.

Net operating income from the investment cluster has declined from MUR183.2m to MUR116.1m, a 37% decrease on last year mainly due to a reduction in interest receivable, management fees and impairment in fair value of held to maturity USD investments this year.

Outlook

The process for the listing of Cim Property on the Stock Exchange of Mauritius is progressing satisfactorily.

The Group remains focussed on delivering a solid performance for the year and will continue to develop its activities in the financial services sector both locally and in the region to create value for its shareholders.

Obituary

It is with great sadness that the Board learnt of the demise of Mr Marcel Descroizilles, Director of CIM Financial Services Ltd ('CFSL'), on 28 July 2018.

Marcel was a board member of CFSL since its listing on the Stock Exchange of Mauritius in 2012 and chaired its Risk Management and Audit Committee since then. The Board would like to put on record its appreciation of Marcel's invaluable contribution during his tenure as director and to extend its sincere condolences to Marcel's family and friends.

By Order of the Board Cim Administrators Ltd Company Secretary

08 August 2018

The interim condensed 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 2017, except for the adoption of published Standards that are now effective. These interim condensed 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.

*CIM Financial Services Ltd
33, Edith Cavell Street, Port-Louis 11324, Mauritius
Tel: (230) 213 7676
Fax: (230) 213 7677
www.cim.mu*

INTERIM CONDENSED UNAUDITED FINANCIAL STATEMENTS

NINE MONTHS AND QUARTER ENDED 30 JUNE 2018



STATEMENT OF PROFIT OR LOSS

	Unaudited 3 months ended 30 June		Unaudited 9 months ended 30 June		Audited Year ended 30 September
	2018 MUR m	2017 MUR m	2018 MUR m	2017 MUR m	2017 MUR m
Continuing operations					
Interest income	295.9	269.5	858.1	763.2	1,042.4
Interest expense	(95.3)	(99.2)	(279.8)	(262.3)	(352.1)
Net interest income	200.6	170.3	578.3	500.9	690.3
Fee and commission income	133.8	144.9	413.7	433.5	566.3
Other income	32.4	63.0	155.1	140.5	325.1
	166.2	207.9	568.8	574.0	891.4
Net operating income	366.8	378.2	1,147.1	1,074.9	1,581.7
Operating expenses	(221.4)	(180.0)	(650.0)	(598.9)	(874.4)
Operating profit before impairment	145.4	198.2	497.1	476.0	707.3
Net impairment	(44.6)	(45.7)	(172.1)	(124.0)	(186.9)
Operating profit	100.8	152.5	325.0	352.0	520.4
Foreign exchange profit/(loss)	124.1	(32.1)	85.7	(33.4)	(117.0)
Share of result of associates	(7.6)	(1.2)	(15.4)	4.2	(5.6)
	217.3	119.2	395.3	322.8	397.8
Gain on disposal of subsidiaries	-	-	-	-	13.7
Profit before tax from continuing operations	217.3	119.2	395.3	322.8	411.5
Income tax expense	(26.1)	(28.7)	(61.4)	(73.7)	(107.3)
Profit for the period/year from continuing operations	191.2	90.5	333.9	249.1	304.2
Discontinued operations					
Profit for the period/year from discontinued operations and gain on disposal of discontinued operations	-	2,508.0	-	2,634.3	2,645.4
Profit for the period/year attributable to:	191.2	2,598.5	333.9	2,883.4	2,949.6
Owners of the parent	193.3	2,600.6	331.3	2,891.6	2,956.2
Non controlling interests	(2.1)	(2.1)	2.6	(8.2)	(6.6)
	191.2	2,598.5	333.9	2,883.4	2,949.6
Earnings per share from continuing operations	0.28	0.15	0.49	0.38	0.46
Earnings per share	0.28	3.82	0.49	4.24	4.34
Dividends per share	-	-	0.07	0.13	0.13
Number of ordinary shares used in calculation	680,522,310	680,522,310	680,522,310	680,522,310	680,522,310

STATEMENT OF FINANCIAL POSITION

	Unaudited 30 June		Audited 30 September
	2018 MUR m	2017 MUR m	2017 MUR m
ASSETS			
Cash and bank balances	454.4	457.6	505.4
Deposits with banks	969.5	2,771.2	2,738.9
Net investment in leases and other credit agreements	6,967.3	6,627.5	6,609.7
Loans and advances	2,650.6	2,317.8	2,367.6
Investments in financial assets	1,745.9	10.4	21.8
Other assets	689.4	550.2	546.5
Inventories	6.2	6.7	8.2
Investment in associates	177.6	202.0	193.1
Investment properties	1,213.7	771.7	1,039.2
Property, plant and equipment	1,167.9	1,366.2	1,199.5
Intangible assets	107.9	22.9	66.1
Retirement benefit assets	8.0	6.7	6.8
Deferred tax assets	90.7	9.7	65.2
Total assets	16,249.1	15,120.6	15,368.0
LIABILITIES			
Deposits from customers	2,778.0	2,931.1	3,134.3
Other borrowed funds	5,888.6	4,076.7	4,184.2
Other liabilities	804.6	1,367.0	1,159.0
Income tax liabilities	41.0	37.4	28.3
Retirement benefit obligations	78.9	77.5	77.7
Deferred tax liabilities	25.8	19.2	25.3
Total liabilities	9,616.9	8,508.9	8,608.8
Equity			
Stated capital	680.5	680.5	680.5
Retained earnings	5,043.8	5,151.1	5,171.6
Revaluation and other reserves	590.3	476.4	592.1
Equity attributable to owners of the parent	6,314.6	6,308.0	6,444.2
Non controlling interests	317.6	303.7	315.0
Total equity	6,632.2	6,611.7	6,759.2
Total equity and liabilities	16,249.1	15,120.6	15,368.0

STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 3 months ended 30 June		Unaudited 9 months ended 30 June		Audited Year ended 30 September
	2018	2017	2018	2017	2017
	MUR m	MUR m	MUR m	MUR m	MUR m
Profit for the period/year	191.2	2,598.5	333.9	2,883.4	2,949.6
Other comprehensive income					
Other comprehensive income not to be reclassified to Profit or Loss:					
Gain on revaluation of land and buildings, net of tax	-	-	-	-	70.4
Remeasurement of defined benefit obligations, net of tax	-	-	(4.5)	1.4	1.4
Other comprehensive income to be reclassified to Profit or Loss:					
Exchange difference on translation of foreign entities	(0.1)	(2.3)	(0.4)	(1.4)	(14.0)
Movement in reserves of associates	-	(0.7)	-	-	(1.4)
Loss arising on cash flow hedges	-	-	-	(0.1)	-
Other comprehensive income for the period/year, net of tax	(0.1)	(3.0)	(4.9)	(0.1)	56.4
Total comprehensive income for the period/year, net of tax	191.1	2,595.5	329.0	2,883.3	3,006.0
Attributable to:					
Owners of the parent	193.2	2,597.6	326.4	2,891.5	3,001.6
Non controlling interests	(2.1)	(2.1)	2.6	(8.2)	4.4
	191.1	2,595.5	329.0	2,883.3	3,006.0

STATEMENT OF CASH FLOWS

	Unaudited 9 months ended 30 June		Audited Year ended 30 September
	2018	2017	2017
	MUR m	MUR m	MUR m
Net cash flow (used in)/generated from operating activities	(467.5)	1,168.7	(3,107.3)
Net cash flow (used in)/generated from investing activities	(203.7)	(2,028.7)	2,580.0
Net cash flow generated from financing activities	597.4	426.7	330.0
Net decrease in cash and cash equivalents	(73.8)	(433.3)	(197.3)
Cash and cash equivalents - opening	379.1	576.4	576.4
Cash and cash equivalents - closing	305.3	143.1	379.1

INTERIM CONDENSED UNAUDITED FINANCIAL STATEMENTS

NINE MONTHS AND QUARTER ENDED 30 JUNE 2018



STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent				Non controlling interests	Total Equity
	Stated capital	Revaluation and other reserves	Retained earnings	Total		
	MUR m	MUR m	MUR m	MUR m		
At 1 October 2017	680.5	592.1	5,171.6	6,444.2	315.0	6,759.2
Profit for the period	-	-	331.3	331.3	2.6	333.9
Other comprehensive income for the period	-	(4.9)	-	(4.9)	-	(4.9)
Total comprehensive income for the period	-	(4.9)	331.3	326.4	2.6	329.0
Dividends	-	-	(456.0)	(456.0)	-	(456.0)
Transfer	-	3.1	(3.1)	-	-	-
Total transactions with owners	-	3.1	(459.1)	(456.0)	-	(456.0)
At 30 June 2018	680.5	590.3	5,043.8	6,314.6	317.6	6,632.2

	Attributable to owners of the parent				Non controlling interests	Total Equity
	Stated capital	Revaluation and other reserves	Retained earnings	Total		
	MUR m	MUR m	MUR m	MUR m		
At 1 October 2016	680.5	452.0	2,348.7	3,481.2	384.5	3,865.7
Profit/(loss) for the period	-	-	2,891.6	2,891.6	(8.2)	2,883.4
Other comprehensive income for the period	-	(0.1)	-	(0.1)	-	(0.1)
Total comprehensive income for the period	-	(0.1)	2,891.6	2,891.5	(8.2)	2,883.3
Dividends	-	-	(88.5)	(88.5)	-	(88.5)
Transfers	-	8.2	(8.2)	-	-	-
Purchase of non controlling interest	-	25.5	(17.9)	7.6	(72.6)	(65.0)
Deconsolidation of group companies	-	(9.2)	25.4	16.2	-	16.2
Total transactions with owners	-	24.5	(89.2)	(64.7)	(72.6)	(137.3)
At 30 June 2017	680.5	476.4	5,151.1	6,308.0	303.7	6,611.7

SEGMENT ANALYSIS

	Net Operating Income		Net Operating Income		Profit after Tax		Profit after Tax	
	3 months ended 30 June		9 months ended 30 June		3 months ended 30 June		9 months ended 30 June	
	2018	2017	2018	2017	2018	2017	2018	2017
	MUR m	MUR m	MUR m	MUR m	MUR m	MUR m	MUR m	MUR m
Finance	349.0	342.5	1,047.4	992.5	99.7	93.1	287.4	258.4
Property	36.9	31.0	129.6	93.4	13.3	10.6	57.9	35.3
Investments	5.0	34.2	116.1	183.2	78.2	(13.2)	(11.4)	(44.6)
Group elimination	(24.1)	(29.5)	(146.0)	(194.2)	-	-	-	-
	366.8	378.2	1,147.1	1,074.9	191.2	90.5	333.9	249.1
Discontinued operations	-	135.2	-	516.0	-	2,679.0	-	2,634.3
	366.8	513.4	1,147.1	1,590.9	191.2	2,769.5	333.9	2,883.4