



MAURITIAN EAGLE LEASING COMPANY LIMITED

FINANCIAL RESULTS AS AT 31 DECEMBER 2008

BALANCE SHEET AS AT 31 DECEMBER 2008

	2008 Rs	2007 Rs	2006 Rs
ASSETS			
Cash resources			
Balances with banks	26,276,690	43,779,737	9,205,186
Securities and placements			
Investment securities	32,203,780	54,690,188	27,822,779
Short term deposit	93,220,479	85,500,000	64,000,000
	125,424,259	140,190,188	91,822,779
Net investment in finance leases			
Personal	187,060,142	234,654,632	211,588,931
Business	1,164,733,559	1,156,758,542	982,409,232
	1,351,793,701	1,391,413,174	1,193,998,163
Allowances for credit losses			
	(23,271,049)	(17,471,049)	(11,971,049)
	1,328,522,652	1,373,942,125	1,182,027,114
Others			
Fixed assets	180,773,581	126,121,376	115,207,251
Other receivables and prepayments	89,698,523	69,735,851	68,349,786
	270,472,104	195,857,227	183,557,037
TOTAL ASSETS	1,750,695,705	1,753,769,277	1,466,612,116
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Personal	702,249,029	710,443,235	586,326,920
Business	778,154,164	667,145,224	349,986,540
	1,480,403,193	1,377,588,459	936,313,460
Borrowings			
Bank Loans	-	108,214,136	205,000,000
Shareholders' loan	-	-	100,000,000
Current tax liability	513,582	-	-
Deferred tax liability	5,296,324	3,550,790	728,229
Other payables and accruals	47,815,563	52,460,518	81,650,577
	53,625,469	164,225,444	387,378,806
Shareholders' equity			
Share capital	200,000,000	200,000,000	100,000,000
Reserves account	2,062,078	1,355,328	-
Retained earnings	14,604,964	10,600,046	42,919,850
Total Equity	216,667,043	211,955,374	142,919,850
TOTAL EQUITY AND LIABILITIES	1,750,695,705	1,753,769,277	1,466,612,116

Approved by the Board of Directors and authorised for issue on 20 March 2009.

P. d'Hotman de Villiers
Chairman

Y. Meyepa
Chief Executive Officer

E. Venpin
Director

INCOME STATEMENT AS AT 31 DECEMBER 2008

	2008 Rs	2007 Rs	2006 Rs
Investment securities	2,193,493	3,277,309	3,017,768
Deposits with banks	9,583,892	5,437,697	3,941,994
	11,777,385	8,715,006	6,959,762
Gross finance lease income	340,771,760	378,009,646	314,339,724
Less: Capital element of finance lease income	(186,250,169)	(231,265,792)	(212,390,004)
	154,521,591	146,743,854	101,949,720
Total interest income	166,298,976	155,458,860	108,909,482
Interest expense			
Deposits	(151,901,755)	(115,835,367)	(80,293,874)
Loans	(2,747,782)	(29,599,866)	(22,134,840)
Other interest	(1,294,620)	(850,251)	-
Net interest income	10,354,820	9,173,376	6,480,768
Provision for credit losses and amount written off	(8,853,637)	(5,531,491)	(8,913,177)
Rental income from operating leases	46,768,669	33,456,238	23,711,994
Other income	9,667,568	10,348,883	8,130,203
Net interest and other income	57,937,420	47,447,006	29,409,788
Non interest expense			
Administrative expenses	(18,207,839)	(12,889,073)	(8,958,147)
Depreciation	(32,501,855)	(22,699,848)	(16,076,788)
	(50,709,694)	(35,588,921)	(25,034,935)
Profit before taxation	7,227,726	11,858,085	4,374,853
Taxation	(2,516,057)	(2,822,561)	(931,520)
Profit for the year	4,711,669	9,035,524	3,443,333
Average number of ordinary shares	20,000,000	10,219,178	10,000,000
Earnings per share	0.24	0.88	0.34

STATEMENT OF CASH FLOW AS AT 31 DECEMBER 2008

	2008 Rs	2007 Rs	2006 Rs
Profit before taxation	7,227,726	11,858,085	4,374,853
Adjustments for:			
Depreciation	32,501,855	22,699,848	16,076,788
Provision for credit losses	5,800,000	5,500,000	1,800,070
Interest income	(11,777,385)	(8,715,006)	(6,959,762)
Interest expense	155,944,156	145,435,233	102,428,714
Gain on disposal	(115,237)	(1,584,443)	-
Capitalisation of dividend	-	(40,000,000)	-
Operating profit before working capital changes	189,581,114	135,193,717	117,720,663
Increase in other receivables and prepayments	(21,066,361)	(666,941)	(10,496,311)
Decrease in amount due from group companies	-	-	1,735,867
Increase in other payables and accruals	(4,644,955)	(29,190,059)	31,073,661
Cash generated from operating activities	(25,711,316)	(29,857,000)	22,313,217
Interest paid	(155,944,156)	-	(102,428,714)
Taxation paid	(256,941)	(145,435,233)	-
Net Cash (used in)/Generated from Operations	7,668,701	(40,098,516)	37,605,166
Cash Flows from investing activities			
Purchase of fixed assets	(88,239,254)	(38,998,668)	(23,313,456)
Repossessed assets	-	(3,996,435)	-
Deposits from clients	102,814,733	441,274,999	107,062,747
Investment in finance lease	(231,183,158)	(505,645,977)	(607,791,726)
Capital repayment of finance lease	270,802,632	308,230,966	284,353,581
Interest income	11,777,385	8,715,006	6,959,762
Investment in short term deposits	-	(23,590,100)	-
Proceeds from sale of fixed assets	1,200,429	6,969,140	78,360,906
Proceeds from maturity of treasury bills	23,590,100	-	13,768,692
Net cash generated from/(Used In) investment activities	90,762,867	192,958,931	(140,599,494)
Cash flows from financing activities			
Increase/(repayment) in shareholder's loan	-	-	100,000,000
Bank loan received	-	-	45,000,000
Bank loan repaid	(108,214,136)	(96,785,864)	(40,000,000)
Net Cash (Used In)/Generated from financing activities	(108,214,136)	(96,785,864)	105,000,000
Net increase in cash and cash equivalents	(9,782,568)	56,074,551	2,005,672
Cash and cash equivalents at beginning of the year	129,279,737	73,205,186	71,199,514
Cash and cash equivalents at end of the year	119,497,169	129,279,737	73,205,186

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2008

	Share capital Rs	Retained Earnings Rs	Reserve Account Rs	Total Rs
At 1 January 2006	100,000,000	39,476,517	-	139,476,517
Profit for the year	-	3,443,333	-	3,443,333
At 31 December 2006	100,000,000	42,919,850	-	142,919,850
Capitalisation of retained earnings	40,000,000	(40,000,000)	-	-
Capitalisation of shareholders' loan	60,000,000	-	-	60,000,000
Profit for the year	-	9,035,524	-	9,035,524
Transfer to reserve account	-	(1,355,328)	1,355,328	-
At 31 December 2007	200,000,000	10,600,046	1,355,328	211,955,374
Profit for the year	-	4,711,669	-	4,711,669
Transfer to reserve account	-	(706,750)	706,750	-
At 31 December 2008	200,000,000	14,604,965	2,062,078	216,667,043

COMMENTS

The above statements have been extracted from the full audited statutory financial statements for the year ended 31 December 2008 approved by the Board of Directors on 20 March 2009.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MAURITIAN EAGLE LEASING COMPANY LIMITED

This report is made solely to the company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the Financial Statements of the Mauritian Eagle Leasing Company Limited set out on pages 3 to 30 which comprise the balance sheet as at 31 December 2008 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of Mauritius Companies Act 2001, the Banking Act 2004 and the Financial Reporting Act 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 3 to 30 give a true and fair view of the financial position of the Company as at 31 December 2008 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 applicable to non-bank financial institutions and the Financial Reporting Act 2004.

Report on other legal and regulatory requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interests in, the Company other than in our capacities as auditors, tax advisors and arm's length dealings in the ordinary course of business
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

In accordance with the requirements of the Banking Act 2004, we report as follows:

- in our opinion, the financial statements have been prepared on a basis consistent with that of the preceding year and are complete, fair and properly drawn up and comply with the provisions of the Banking Act 2004
- and the regulations and guidelines of the Bank of Mauritius; and
- the explanations or information called for or given to us by the officers or agents of the Company were satisfactory.

Port Louis, Mauritius
20 March 2009

Sydney Ah Yoong, FCCA
Kemp Chatteris Deloitte
Chartered Accountants