



## Statement of profit or loss and other comprehensive income

for the year ended 31 December

<i>In thousands of Leones</i>	Note	31 December 2017	31 December 2016
Interest and similar income	8	48,741,031	27,570,629
Interest expenses and similar charges	8	(10,067,134)	(7,117,693)
<b>Net interest income</b>		<b>38,673,897</b>	<b>20,452,936</b>
Fees and commission income	9	8,969,817	7,147,925
Net trading income	10	8,751,708	8,890,267
Other income	11	402,908	195,716
<b>Operating income</b>		<b>56,798,330</b>	<b>36,686,844</b>
Impairment loss on loans and advances	17	(24,221)	(8,359,015)
Personnel expenses	12.1	(6,021,580)	(5,116,276)
Operating lease expense		(1,429,688)	(1,048,968)
Depreciation and amortisation	19, 20	(1,955,636)	(2,254,738)
Other expenses	12b	(18,603,862)	(12,185,701)
<b>Profit before income tax</b>		<b>28,763,343</b>	<b>7,722,146</b>
Income tax expense	13a	(8,711,456)	3,827,156
<b>Profit for the year</b>	15	<b>20,051,887</b>	<b>11,549,302</b>
<b>Other comprehensive income, net of income tax</b>		<b>=====</b>	<b>=====</b>
Defined benefit plan actuarial loss on defined benefit obligation		28,803	88,752
Deferred tax on actuarial loss on defined benefit obligation		(8,641)	(26,626)
<b>Other comprehensive income for the year, net of income tax</b>		<b>20,162</b>	<b>62,126</b>
<b>Total comprehensive income for the year</b>		<b>20,072,049</b>	<b>11,611,428</b>

The notes on pages 14 to 89 are an integral part of these financial statements



## Statement of changes in equity

<i>In thousands of Leones</i>	Share capital	Deposit for shares	Statutory reserve	Retained earnings	Credit risk reserves	Other reserves	Total
<b>Balance at 1 January 2016</b>	53,174,373	688,527	1,592,139	(30,159,450)	8,691,205	5,091	33,991,885
<b>Total comprehensive income for the period</b>							
Profit for the year	-	-	-	11,549,302	-	-	11,549,302
<b>Other comprehensive income</b>							
Remeasurement of defined benefit liability net of tax	-	-	-	-	-	62,126	62,126
<b>Total other comprehensive income</b>	-	-	-	-	-	62,126	62,126
<b>Other transfers</b>							
Transfer from credit risk reserve	-	-	-	8,691,205	(8,691,205)	-	-
Transfer to statutory reserve	-	-	5,774,651	(5,774,651)	-	-	-
<b>Total other transfers</b>	-	-	5,774,651	2,916,554	(8,691,205)	-	-
<b>Total comprehensive income and other transfers</b>	-	-	5,774,651	14,465,856	(8,691,205)	62,126	11,611,428
<b>Transactions with owners, recorded directly in equity</b>							
Issue of shares	-	-	-	-	-	-	-
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-	-	-
<b>Balance at 31 December 2016</b>	53,174,373	688,527	7,366,790	(15,693,594)	-	67,217	45,603,313

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## Statement of changes in equity (continued)

<i>In thousands of Leones</i>	Share capital	Deposit for shares	Statutory reserve	Retained earnings	Credit risk reserves	Other reserves	Total
Balance at 1 January 2017	53,174,373	688,327	7,366,790	(15,693,594)	-	67,217	45,603,313
<b>Total comprehensive income for the period</b>							
Profit for the year	-	-	-	20,051,887	-	-	20,051,887
<b>Other comprehensive income</b>							
Remeasurement of defined benefit liability net of tax	-	-	-	-	-	20,162	20,162
<b>Total other comprehensive income</b>	-	-	-	-	-	20,162	20,162
<b>Other transfers</b>							
Transfer from credit risk reserve	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	10,025,944	(10,025,944)	-	-	-
<b>Total other transfers</b>	-	-	10,025,944	(10,025,944)	-	-	-
<b>Total comprehensive income and other transfers</b>	-	-	10,025,944	10,025,943	-	20,162	20,072,049
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-
<b>Balance at 31 December 2017</b>	<b>53,174,373</b>	<b>688,527</b>	<b>17,392,734</b>	<b>(5,667,651)</b>	<b>-</b>	<b>87,379</b>	<b>65,675,362</b>

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**Statement of cash flows**  
*for the year ended 31 December*

<i>In thousands of Leones</i>	<b>Note</b>	<b>31 December 2017</b>	<b>31 December 2016</b>
<b>Cash flows from operating activities</b>			
Profit		20,051,887	11,549,302
Adjustment for:			
- Depreciation and amortisation	19,20	1,955,636	2,254,738
- Net impairment loss on loans and advances		(24,221)	8,359,015
- Net interest income	8	(38,673,897)	(20,452,936)
- Net actuarial gain on end of service benefit		28,803	88,752
- Profit from disposal of property and equipment		(31,150)	(56,001)
- Tax expense		8,711,456	(3,827,156)
		<u>(7,981,486)</u>	<u>(2,084,286)</u>
Changes in:			
- Loans and advances		144,799	(1,600,168)
- Other assets		(1,417,538)	(531,216)
- Deposits from customers		(29,919,228)	82,456,189
- Other liabilities		761,878	303,660
		<u>(38,411,575)</u>	<u>78,544,179</u>
Interest received	8	48,741,031	27,570,629
Interest paid	8	(10,067,134)	(7,117,693)
Income tax paid	13c	(1,174,856)	(120,000)
		<u>(912,534)</u>	<u>(98,877,115)</u>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of asset		31,150	56,001
Acquisition of investment securities		(46,351,958)	(49,810,350)
Acquisition of property and equipment		(6,324,604)	(3,073,112)
Acquisition of intangible assets		(474,464)	(452,741)
Intangible assets reclassified from receivables		(87,678)	-
		<u>(53,207,554)</u>	<u>(53,280,202)</u>
<b>Net cash used in investing activities</b>		<b>(53,207,554)</b>	<b>(53,280,202)</b>
<b>Cash flows from financing activities</b>			
		-	-
<b>Net increase in cash and cash equivalents</b>		<u>(54,120,088)</u>	45,596,913
Cash and cash equivalents at 1 January		189,877,442	144,280,529
<b>Cash and cash equivalent at 31 December</b>	16.1	<u>135,757,354</u> =====	<u>189,877,442</u> =====

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