

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
As of July 31, 2017 and October 31, 2016
(Expressed in Bahamian dollars)

ASSETS	July 31, 2017	October 31, 2016
Cash and cash equivalents	\$ 38,833,425	\$ 49,153,632
Balance with central bank	49,283,959	52,745,888
Loans and advances to customers	762,705,763	782,615,717
Investment securities	34,825,790	34,792,000
Premises and equipment	387,915	471,510
Other assets	4,978,130	5,199,576
TOTAL	<u>\$ 891,014,982</u>	<u>\$ 924,978,323</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Customer deposits	\$ 583,644,844	\$ 650,673,080
Due to affiliated companies	94,673,219	79,981,988
Other liabilities	6,824,618	7,411,945
Total liabilities	<u>\$ 685,142,681</u>	<u>\$ 738,067,013</u>
SHAREHOLDERS' EQUITY		
Share capital	5,333,334	5,333,334
Share premium	2,552,258	2,552,258
Retained earnings	197,728,919	179,025,718
Other components of equity	257,790	-
Total shareholders' equity	<u>205,872,301</u>	<u>186,911,310</u>
TOTAL	<u>\$ 891,014,982</u>	<u>\$ 924,978,323</u>

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
AND COMPREHENSIVE INCOME (Unaudited)

Nine Months Ended July 31, 2017
(Expressed in Bahamian dollars)

	Three Months Ended July 31, 2017	Three Months Ended July 31, 2016	Nine Months Ended July 31, 2017	Nine Months Ended July 31, 2016
Interest income	\$ 14,560,440	\$ 15,730,105	\$ 44,079,304	\$ 47,855,194
Interest expense	(2,679,416)	(3,355,476)	(9,652,588)	(11,039,659)
Net interest income	11,881,024	12,374,629	34,426,716	36,815,535
Non-interest income	547,537	666,426	1,694,126	1,993,470
Total income	12,428,561	13,041,055	36,120,842	38,809,005
Non-interest expense	(3,612,633)	(4,698,971)	(10,513,362)	(10,885,235)
Impairment losses on loans and advances	750,809	(6,715,592)	(6,904,279)	(10,516,094)
Net income	9,566,737	1,626,492	18,703,201	17,407,676
Earnings per share	\$ 0.36	\$ 0.06	\$ 0.70	\$ 0.65
Comprehensive income				
Net income	9,566,737	1,626,492	18,703,201	17,407,676
Net change in fair value of investments	(257,790)	-	(257,790)	-
Total net and comprehensive income for the period	\$ 9,308,947	\$ 1,626,492	\$ 18,445,411	\$ 17,407,676

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)
Nine Months Ended July 31, 2017
(Expressed in Bahamian dollars)

	Share Capital \$	Share Premium \$	Other Reserves \$	Retained Earnings \$	Total \$
Balance at October 31, 2015	5,333,334	2,552,258	500,000	166,921,822	175,307,414
Net comprehensive income	-	-	-	17,407,676	17,407,676
Transfer from reserves	-	-	(500,000)	500,000	-
Balance at July 31, 2016	<u>5,333,334</u>	<u>2,552,258</u>	<u>0</u>	<u>184,829,498</u>	<u>192,715,090</u>
Balance at October 31, 2016	5,333,334	2,552,258	-	179,025,718	186,911,310
Net income	-	-	-	18,703,201	18,703,201
Change in fair value of investments	-	-	257,790	-	257,790
Balance at July 31, 2017	<u>5,333,334</u>	<u>2,552,258</u>	<u>257,790</u>	<u>197,728,919</u>	<u>205,872,301</u>

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
Nine Months Ended July 31, 2017
(Expressed in Bahamian dollars)

	July 31, 2017	July 31, 2016
OPERATING ACTIVITIES		
Net income	\$ 18,703,201	\$ 17,407,676
Adjustments for:		
Impairment losses on loans and advances to customers	6,904,279	10,516,094
Depreciation and amortization of tangible assets	83,595	98,144
Loss on disposal of fixed assets	-	57,971
	<u>25,691,075</u>	<u>28,079,885</u>
(INCREASE)/DECREASE IN OPERATING ASSETS		
Balances with Central Bank	3,461,929	(1,992,095)
Loans and advances to customers	13,005,675	13,889,641
Other assets	221,446	(1,012,212)
INCREASE/(DECREASE) IN OPERATING LIABILITIES		
Due to affiliated companies	14,691,231	(29,360,379)
Customers' deposits	(67,028,236)	(28,671,597)
Other liabilities	(587,327)	(604,773)
Cash from operating activities	<u>(10,544,207)</u>	<u>(19,671,530)</u>
INVESTING ACTIVITIES		
Net decrease in investment securities	224,000	1,668,500
Cash from investing activities	<u>224,000</u>	<u>1,668,500</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,320,207)	(18,003,030)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	<u>49,153,632</u>	<u>72,809,826</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$ 38,833,425</u>	<u>\$ 54,806,796</u>

FINANCE CORPORATION OF BAHAMAS LIMITED
Notes to Unaudited Interim Consolidated Financial Statements
Nine Months Ended July 31, 2017

1. ACCOUNTING POLICIES

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. The accounting policies and methods of calculation used in the preparation of these interim financial statements are consistent with those used in the audited financial statements for the year ended October 31, 2016.