

# Barita

## INVESTMENTS LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE 3 MONTHS ENDED DECEMBER 31, 2011.

### Chairman's Statement

#### Barita posts \$80m profit before taxes.

Barita Investments Limited for the period ending December 31, 2011 has continued the performance trend set over the last financial year. Barita posted profit before taxes of \$80 million for the first quarter of its current financial year, compared to a profit of \$44 million for the same period last year.

With some stabilization in interest rates, our interest income revenues have remained relatively flat, however optimization of our balance sheet have seen our net interest income increase by \$39million or 36% over prior year.

Continued improvements in our asset and equity trading activities have seen our revenues to Dec 31 amounting to \$22million and \$25million respectively; approximately double the performance prior year.

Continuing issues in Europe has led to the Euro currency decreasing in value. This has been a significant contributor to the \$7million translation loss accounted for in the quarter under review.

The operational costs to December 31, 2011 reflected increases in our advertising and public relations activities as we tried to improve our visibility. Increases in staff costs reflect initiatives in human resource development and capacity building. Our operating expenses for the period ending December 31, 2011 amounted to \$109 million versus prior year of \$85 million. We continue to aggressively manage our costs as we seek to improve the efficiency of our organization.

The net profit position for the period ending December 31, 2011 amounted to \$51 million or earnings per share of \$0.11cents per share compared to \$32 million or \$0.07cents prior year.

#### Income Statement

There was a \$39 million or 36% increase in net interest income, and a \$21 million or 95% increase in non-interest income. Increases in non-interest income were driven primarily by improved performance in equity trading and bond trading activities.

Total revenues for the 3 months to December 31, 2011 was \$197 million compared to \$129 million for the corresponding period last year, thus reflecting an increase of \$69 million or 53%.

Operating Expenses totaled \$109 million compared to \$85 million prior year.

#### Balance Sheet

Our asset base showed a \$1.2 billion or 9% increase over prior year from \$12.9 billion to \$14 billion, while our liabilities also increased by \$810 million or 7%. Consequently, we recorded an increase in shareholder's equity by approximately \$400 million to \$1.8 billion.

#### Capital Adequacy

The Capital base of Barita Investments Limited remains significantly above

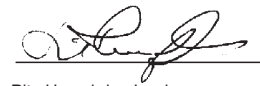
regulatory requirements and the following key ratios are important.

Achievement	FSC Requirement	Barita
Capital to Risk weighted Asset	10%	18%
Capital to Total Asset	6%	9%
Capital Base to Tier 1 Capital	50%	100%

Increased capital requirements by our main regulators continue to impact capital ratios, however Barita Investments remains very adequately capitalized.

#### Outlook

We are pleased with our performance in the face of a challenging global economy. We commit to remaining focused on proper planning and strategizing to return the best possible returns for our stakeholders.



Rita Humphries-Lewin  
Chairman  
January 26, 2012

### CONSOLIDATED PROFIT & LOSS STATEMENT AS AT DECEMBER 31, 2011

	UNAUDITED 3 Months Ended Dec 31 2011 \$	UNAUDITED 3 Months Ended Dec 31 2010 \$
<b>Net Interest Income and Other Revenue</b>		
Interest Income	331,468	334,378
Interest cost of Repurchase Agreements	(184,515)	(226,522)
<b>Net Interest Income</b>	<b>146,953</b>	<b>107,856</b>
Fees and Commission Income	25,046	11,173
Foreign Exchange Trading and translation gains	(4,165)	(3,368)
Gain/Loss on Sale of Investment	22,042	11,690
Dividend Income	1,490	469
Other Income	(1,836)	1,227
<b>Net operating revenue</b>	<b>189,531</b>	<b>129,048</b>
<b>Operating Expenses</b>		
Staff Costs	62,315	50,119
Administration	46,902	34,778
	<b>109,217</b>	<b>84,897</b>
<b>Profit before Taxation</b>	<b>80,315</b>	<b>44,150</b>
Taxation	(29,722)	(11,899)
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>	<b>50,592</b>	<b>32,251</b>
<b>Number of shares in Issue</b>	<b>445,002</b>	<b>445,002</b>
Earnings per stock unit	0.11	0.07

#### Basis of Preparation

These consolidated financial statements have been prepared in accordance with the accounting policies set out in note 2 of the audited financial statements for the year ended 30 September 2011.

The group has adopted IFRS 7 (amendment) which is effective for accounting periods commencing on or after January 1, 2011.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2011

Note	Unaudited DECEMBER 2011 \$,000	Unaudited DECEMBER 2010 \$,000
<b>ASSETS</b>		
Cash and bank balances	\$123,633	\$194,013
Securities purchased under resale agreements	\$487,407	\$1,243,945
Marketable securities	\$12,488,351	\$10,644,611
Receivables	\$500,195	\$355,241
Loan receivable	\$90,438	\$67,377
Interest receivables	\$303,024	\$285,379
Due from related parties	(\$6,504)	\$3,630
Property, plant and equipment	\$210,320	\$150,377
Investments	\$2	\$2
<b>Total assets</b>	<b>\$14,196,867</b>	<b>\$12,944,577</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Bank overdraft	\$53,890	\$47,021
Securities sold under repurchase agreements	\$11,431,434	\$10,980,303
Payables	\$139,675	\$57,541
Interest Payable	\$107,879	\$155,302
Redeemable Preference Shares	\$204,714	\$164,100
Convertible Preference Shares	\$3,460	\$3,460
Taxation	\$109,201	\$4,526
Deferred tax liabilities	\$344,204	\$168,156
<b>Total Liabilities</b>	<b>\$12,394,456</b>	<b>\$11,580,409</b>
<b>Shareholders' Equity</b>		
Stated capital	\$765,154	\$765,154
Treasury shares	(\$10,145)	(\$10,145)
Capital reserve	\$1,101	\$1,103
Fair value reserve	\$456,529	\$240,100
Retained earnings	\$589,771	\$367,956
<b>Total shareholders' equity</b>	<b>\$1,802,411</b>	<b>\$1,364,168</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$14,196,867</b>	<b>\$12,944,577</b>



Rita Humphries-Lewin – Chairman



Carl Domville – Director

# Barita

## INVESTMENTS LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE 3 MONTHS ENDED DECEMBER 31, 2011 CONT'D.

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED DECEMBER 31, 2011

	Stated Capital \$,000	Preference Shares	Treasury Shares \$,000	Capital Reserve \$,000	Fair Value Reserve \$,000	Retained Earnings \$,000	Total \$,000
Balance at 30 September 2010	\$765,154	\$0	(\$10,145)	\$1,103	\$26,787	\$335,705	\$1,118,604
Profit for the period						\$32,251	\$32,251
<b>Other Comprehensive Income:</b>							
Unrealised losses on available-for resale investments net of taxes					\$225,004		\$225,004
Gains recycled to the profit and loss account on disposal and maturity of available-for-sale investments					(\$11,690)		(\$11,690)
Revaluation surplus, net of taxes					\$213,314		\$213,314
Net profit						\$32,251	\$32,251
Total recognised income/(losses) to Dec. 2010					\$213,314	\$32,251	\$245,565
Purchase of treasury shares			(\$10,145)				
<b>Balance at 31 Dec 2010</b>	<b>\$765,154</b>		<b>(\$10,145)</b>	<b>\$1,103</b>	<b>\$240,101</b>	<b>\$367,956</b>	<b>\$1,364,169</b>
Balance at 30 September 2011	\$765,154		(\$10,145)	\$28,506	\$436,876	\$539,179	\$1,759,570
Profit for the period						\$50,592	
<b>Other comprehensive Income:</b>							
Unrealised gain on available-for resale investments net of taxes					\$41,695		\$41,695
Gains recycled to the profit and loss account on disposal and maturity of available-for-sale investments					(\$22,042)		(\$22,042)
Revaluation surplus, net of taxes				(\$27,405)			(\$27,405)
Net profit					\$19,653	\$50,592	\$50,592
Total			(\$27,405)		\$19,653	\$50,592	\$42,841
<b>Balance at 31 December 2011</b>	<b>\$765,154</b>	<b>\$0</b>	<b>(\$10,145)</b>	<b>\$1,101</b>	<b>\$456,529</b>	<b>\$589,771</b>	<b>\$1,802,411</b>

### STATEMENT OF COMPREHENSIVE INCOME FOR THE 3 MONTHS ENDED DECEMBER 31, 2011

	UNAUDITED 3 Months Ended Dec 31 2011 \$,000	UNAUDITED 3 Months Ended Dec 31 2010 \$,000
Profit for period	50,592	32,251
Unrealised gain on available-for resale investments net of taxes	41,695	225,004
Total Comprehensive Income	92,288	257,255

### CONSOLIDATED STATEMENT OF CASH FLOWS AS AT DECEMBER 31, 2011

	Unaudited 3 Months Ended DEC 31, 2011 \$,000	Unaudited 3 Months Ended DEC 31, 2010 \$,000
<b>Cash Flows from Operating Activities</b>		
Net Profit	\$50,592	\$32,251
Adjusted for:		
Depreciation	\$3,232	\$2,692
Effect of exchange gain/loss on foreign balances	\$7,206	\$7,181
Interest income	(\$331,468)	(\$334,378)
Interest expense	\$184,515	\$226,522
Income tax expense	\$29,722	\$11,899
Gain on the disposal of property, plant and equipment		
	(\$56,201)	(\$53,833)
Changes in operating assets and liabilities		
Marketable securities	(\$172,948)	(\$998,389)
Securities purchased under resale agreements	\$978,298	\$629,642
Securities sold under repurchase agreements	(\$766,796)	\$292,816
Receivables	(\$59,722)	\$81,496
Loans receivable	(\$16,685)	(\$7,953)
Payables	\$52,730	(\$17,186)
Due from related companies	\$12,801	\$2,863
	\$27,677	(\$16,711)
Interest received	\$217,280	\$210,156
Interest paid	(\$174,630)	(\$221,142)
Income tax paid	(\$29,722)	(\$11,899)
Cash provided by operating activities	\$12,928	(\$22,885)
<b>Cash Flows from Investing/financing Activities</b>		
Proceeds from the disposal of property, plant and equipment		
Interest paid on preference shares	(\$13,000)	(\$14,330)
Purchase of property, plant and equipment	(\$10,105)	(\$3,415)
Cash provided by investing/financing activities	(\$23,105)	(\$17,745)
Effect of exchange rate on cash and cash equivalents	\$1,081	(\$1,101)
(Decrease)/increase in net cash and cash equivalents	(\$37,619)	(\$112,275)
Net cash and cash equivalents at beginning of year	\$107,362	\$259,267
<b>NET CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$69,743</b>	<b>\$146,992</b>