

Financial Year ended

Bank of South Pacific Limited and Subsidiaries

Company No	Half yearly	Final	financial year ended
HUBSP0000055.		X	31-Dec-18

Extracts from this report for announcement to the market (see note 1)

K' 000

Sales (or equivalent operating) revenue (item 1.1 + 1.3)	up	8.37%	2,165,705
Abnormal after tax attributable to shareholders (item (2.5))	gain (loss) of	0.00%	0
Operating profit (loss after tax (before amortisation of goodwill)) attributable to shareholders (item 1.26)	up	11.50%	844,072
Operating profit (loss) after tax attributable to shareholders (item 1.10)	up	11.50%	844,072
Extraordinary items after tax attributable to shareholders (item 1.13)	-	0.00%	0
Operating profit(loss) and extraordinary items after tax attributable to shareholders (item 1.16)	up	11.50%	844,072

Dividend (distributions)

Final dividend (preliminary final report only -item 15.4) Interim Dividend (Half yearly report only - item 15.5)	91 toea	428,023
Previous corresponding period (Preliminary final report -item 15.6 Half yearly report - item 15.7)	36 toea	169,341

Record date for determining entitlements to the dividend
(In the case of a trust, distribution) (see item 15.2)

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Consolidated Profit and loss account

	Current Period K' 000	Previous Corresponding period K' 000
1.1 Sales (or equivalent operating) revenue)	1,380,796	1,277,676
1.2 Share of associates "net profit(loss) attributable to shareholders" (equal to item 16.7)	21,307	23,288
1.3 Other Revenue	763,602	697,386
1.4 Operating profit (loss) before abnormal items and tax	1,196,168	1,068,524
1.5 Abnormal items before tax (detail in item 2.4)	0	0
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	1,196,168	1,068,524
1.7 Less tax	352,096	311,521
1.8 Operating profit (loss) after tax but before outside equity interest	844,072	757,003
1.9 Less outside equity Interest		
1.10 Operating profit(loss) after tax attributable to shareholders	844,072	757,003
1.11 Extraordinary items after tax (detail in item 2.6)	0	0
1.12 Less outside Equity Interest	0	0
1.13 Extraordinary items after tax attributable to shareholders	0	0
1.14 Total Operating profit(loss) and extraordinary items after tax (items 1.8 + 1.11)	844,072	757,003
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interest (items 1.9 +1.12)	0	0
1.16 Operating profit (loss) and extraordinary items after tax attributable to shareholders (item 1.10+1.13)	844,072	757,003
1.17 Retained profits (accumulated losses) at beginning of financial period	1,904,462	1,670,595
1.18 If change in accounting policy as set out in clause 11 of AASB 1018 Profit and loss accounts, adjustments as required by that clause (include brief description)	(9,903)	0
1.19 Aggregate of amounts transferred from / (to) reserves	15,606	(1,278)
1.20 Total available for appropriation (carried forward)	2,754,237	2,426,320
1.21 Dividend provided for or paid	(597,364)	(521,858)
1.22 Prior year adjustments	0	0
1.23 Retained profits (accumulated losses) at end of financial period	2,156,873	1,904,462

Profit restated to exclude amortisation of goodwill

1.24 Operating profit(loss) after tax before outside equity interests (items 1.8) and amortisation of goodwill	844,072	757,003
1.25 Less(plus) outside equity interest	0	0
1.26 Operating profit(loss) after tax (before amortisation of goodwill) attributable to shareholders	844,072	757,003

Intangible, abnormal and extra ordinary items

Consolidated- current period

	Before tax K' 000	Related tax K' 000	Related outside equity interest K' 000	Amount (after tax) attributable to shareholders K' 000
2.1 Amortisation of goodwill				
2.2 Amortisation of other intangibles	27,399	8,220	0	19,179
2.3 Total Amortisation of Intangibles	27,399	8,220	0	19,179
2.4 Abnormal items	0	0	0	0
2.5 Total abnormal items	0	0	0	0
2.6 Extraordinary items	0	0	0	0
2.7 Total extraordinary items	0	0	0	0

Comparison of half year profits

	Current year - K' 000	Previous year K' 000
3.1 Consolidated operating profit(loss) after tax attributable to shareholders reported for the 1st half year (item 1.10 in the half yearly report)	418,289	370,885
3.2 Consolidated operating profit(loss) after tax attributable to shareholders for the second half year	425,783	386,118

Consolidated Balance Sheet

	At end of current period K' 000	As shown in last annual report K' 000	As in last half yearly report K' 000
Current Assets			
4.1 Cash	2,107,468	2,154,411	1,955,018
4.2 Receivables	4,417,152	3,969,741	6,587,500
4.3 Investments	2,494,700	3,298,626	3,014,380
4.4 Inventories	0	0	0
4.5 Other (provide details if material)	205,482	264,361	296,359
4.6 Total Current assets	9,224,802	9,687,139	11,853,257
Non Current Assets			
4.7 Receivables	9,811,794	8,838,129	7,192,239
4.8 Investment in associates	175,579	154,135	159,033
4.9 other investments	2,555,443	2,457,327	2,492,668
4.10 Inventories	0	0	0
4.11 Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022)	0	0	0
4.12 Development properties (mining entities)	0	0	0
4.13 Other property, plant and equipment (net)	745,710	809,359	756,859
4.14 Intangibles (net) and deferred tax	383,067	289,752	358,714
4.15 Other (Investment Properties)	153,665	134,020	134,058
4.16 Total Non current Assets	13,825,258	12,682,722	11,093,571
4.17 Total Assets	23,050,060	22,369,861	22,946,828
Current Liabilities			
4.18 Accounts payables	16,111,221	16,026,463	16,773,346
4.19 Borrowings	0	0	0
4.20 Provisions	135,497	167,864	245,092
4.21 Other (provide details if material)	1,623,992	1,382,888	1,394,176
4.22 Total current liabilities	17,870,710	17,577,215	18,412,614
Non Current Liabilities			
4.23 Accounts payable	2,173,084	2,035,629	1,806,337
4.24 Borrowings (Promissory Notes)	75,525	75,525	75,525

Consolidated Balance Sheet (continued)]

4.25 Provisions	58,606	53,157	56,022
4.26 Other (provide details if material)			
4.27 Total non- current liabilities	2,307,215	2,164,311	1,937,884
4.28 Total Liabilities	20,177,925	19,741,526	20,350,498
4.29 Net Assets	2,872,135	2,628,335	2,596,330
	At end of current period K' 000	As shown in last annual report K' 000	As in last half yearly report K' 000
Equity			
4.30 Capital	372,364	373,001	372,463
4.31 Reserves	339,320	346,388	323,637
4.32 Retained Profits (accumulated losses)	2,156,873	1,904,462	1,896,000
4.33 Equity attributable to shareholders of the parent entity	2,868,557	2,623,851	2,592,100
4.34 Outside equity to shareholders of the parent entity	3,578	4,484	4,230
4.35 Total equity	2,872,135	2,628,335	2,596,330
4.36 Preference Capital included as part of 4.33	0	0	0

Exploration and evaluation expenditure capitalised

To be completed only by entities with mining interest if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current Period K' 000	Previous Corresponding period K' 000
5.10 Aggregate of amounts transferred from / (to) reserves	0	
5.2 Expenditure incurred during current period	0	0
5.3 Expenditure written off during current period		
5.4 Acquisition, disposals, revaluation, increments, etc Prior year adjustments	0	0
5.5 Expenditure transferred to development properties		
5.6 Closing balance as shown in the consolidated balance sheet (item 4.11)	0	0

Development properties

To be completed only by entities with mining interest if amounts are material

	Current Period K' 000	Previous Corresponding period K' 000
6.1 Opening Balance		
6.2 Expenditure incurred during current period		
6.3 Expenditure transferred from exploration and evaluation		
6.4 Expenditure written off during current period		
6.5 Acquisition, disposals, revaluation, increments, etc		
6.6 Expenditure transferred to mine properties		
6.7 Closing balance as shown in the consolidated balance sheet (item 4.12)		

Consolidated Statement of Cash Flows**Cash Flows related to operating activities**

	Current Period K' 000	Previous Corresponding period K' 000
7.1 Receipts from customers	1,544,691	1,432,265
7.2 Payments to suppliers and employees	(666,153)	(617,878)
7.3 Dividends received from associates	0	0
7.4 Other Dividends received	0	0
7.5 Interest and other items of similar nature received	0	0
7.6 Interest and other finance paid	(183,137)	(145,505)
7.7 Income taxes paid	(420,430)	(293,697)
Other (due largely to movement in customer deposits, loans & 7.8 advances)	(178,454)	407,991
7.9 Net Operating cash flows	96,517	783,176
Cash flows related to investing activities		
7.10 Payment of purchase of property, plant and equipment	(111,929)	(168,614)
7.11 Proceeds from sale of property, plant and equipment	966	2,182
7.12 Payment for purchases of equity investments	0	0
7.13 Proceeds from other investments	0	0
7.14 Movement in share trading activities	0	0
7.15 Loans repaid by other entities	0	0
7.16 Other (Government & central Bank Securities)	695,907	(490,860)
7.17 Net Investing cash flows	584,944	(657,292)
Cash flows related to financing activities		
7.18 Share buyback	(637)	(100)
7.19 Client management trust	0	0
7.20 Repayment of borrowings	(102,866)	(101,973)
7.21 Dividend paid	(597,364)	(521,858)
7.22 Other (provide details if material)(share buy back)	80,273	33,127
7.23 Net financing cash flows	(620,594)	(590,804)

Consolidated Statement of Cash Flows (continued)

7.24 Net Increase (decrease) in cash held	60,867	(464,920)
7.25 Cash at beginning of period (see reconciliation of cash)	1,994,010	2,413,170
7.26 Exchange rate adjustment to item 7.25	1,052	45,760
7.27 Cash at end of period(see reconciliation of cash)	2,055,929	1,994,010

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows. If an amount is qualified, show comparative amount.

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Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current Period K' 000	Previous Corresponding period K' 000
8.1 Cash on hand and at Bank	1,253,449	1,205,196
8.2 Deposits at call- From other Banks	854,019	949,214
8.3 Bank Overdraft		
8.4 Other (provide details) - Due to other banks	(51,539)	(160,400)
8.5 Total cash at end of period(items 7.27)	2,055,929	1,994,010

Ratios**Profit before abnormal and tax sales**

	Current Period	Previous Corresponding period K' 000
9.1 Consolidated operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue(item 1.1 & 1.3)	55.78%	54.10%
9.2 Consolidated operating profit (loss) after tax attributable to shareholders (item 1.10) as a percentage of equity (similarly attributable) at the end of period(item 4.33)	29.42%	28.85%

Earnings per share (EPS)	Current Period	Previous Corresponding period K' 000
10.1 Calculation of the following in accordance with AASB 1027: <i>Earnings per share</i>		
(a) Basic EPS (expressed toea)	180.6	162.0
(b) Diluted EPS (if material differently from (a))	n/a	n/a
(c) Weighted average number of ordinary shares ('000) outstanding during the period used in the calculated of the basic EPS	467,279	467,323
NTA backing (see note 7)		
11.1 Net tangible asset backing per ordinary security	6.05	5.53

Details of specific receipts/outlays,revenues/expenses

	Current Period K' 000	Previous Corresponding period K' 000
12.1 Interest revenue included in determining item 1.4(from 1.1)	1,380,796	1,277,676
12.2 Interest revenue included in item 12.1 but not yet received (if material)	99,785	82,784
12.3 Interest expense included in item 1.4(include all forms of interest,lease finance charges, etc)	180,895	154,964
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	175,221	125,932
12.5 Outlays(except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	0	0
12.6 Depreciation and amortisation	108,399	99,758

Control gained over entities having material effect

see note 8

13.1 Name of entity (or group entities)	nil
13.2 Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) since the date in the current period on which control was acquired	nil
13.3 Date from which such profit was calculated	
13.4 Operating profit(loss) and extraordinary items after tax of the entity (or group of entities) for the whole of the corresponding period	nil

Loss of control of entities having material effect

14.1 Name of Entity (or group of entity)	nil
14.2 Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) for the current period to the date of loss of control	nil
14.3 Date to which the profit(loss) in item 14.2 has been calculated	
14.4 Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) while controlled during the whole of the previous corresponding period	nil
14.5 contribution to consolidated operating profit(loss) and extraordinary items from sale of interest leading to loss of control	nil

Reports for industry and geographical segments

The Bank of South Pacific Limited and its subsidiaries operates in the following segments - provision of banking services, asset financing, stock broking services, fund management and insurance business throughout the Pacific region.

Operating Revenue

Sales to customers outside the economic entity	2,165,705	1,998,350
Inter-segment sales	0	0
Unallocated revenue	0	0
Total Revenue	2,165,705	1,998,350
Segment result (including abnormal items where applicable)	1,196,168	1,068,524
Unallocated expenses	0	0
Consolidated operating profit before tax (equal to item 4.17)	1,196,168	1,068,524
Segment assets	23,050,060	22,369,861
Unallocated assets	0	0
Total assets (equal to item 4.17)	23,050,060	22,369,861

Dividends (in the case of a trust, distribution)

- 15.1 Date the dividend(distribution) is payable
- 15.2 Record date to determine entitlements to the dividends (distribution) (ie, on the basis of registrable transfers received up to 5.00 pm)
- 15.3 If it is a final dividend, has it been declared? preliminary report only - Special dividend

Amount per security

		Amount per security	Amount
	(Preliminary final report)		
15.4	Final Dividend: Current year:	91 toea	428,023
15.5	Previous year	79 toea	372,317
	Half yearly and preliminary final reports		
15.6	Interim Dividend: Current year	36 toea	169,341
15.7	Previous year	32 toea	149,541

Total dividend (distribution) per security (interim plus final)
(preliminary final report only)

	Current year	Previous year
15.8 Ordinary securities	127 toea	111 toea
15.9 Preference securities		

Half yearly report- interim dividend(distribution) on all securities or

	Current year K'000	Previous year K'000
15.10 Ordinary Securities	36 toea	32 toea
15.11 Preference securities	0	0
15.12 Total	36 toea	32 toea

The dividend or distribution plans shown below are in operation

The last date(s) for receipt of election notices for the dividend or distribution plans

Any other disclosures in relation to dividends (distributions)

Details of aggregate share of profits (losses) of associates & joint ventures

Entity share of associates	Current period	Previous
	K'000	corresponding period K'000
16.1 Operating profit(loss) before income tax	14,354	12,470
16.2 Income tax expense	0	0
16.3 Operating profit(loss) after income tax	14,354	12,470
16.4 Extraordinary items net of tax	0	0
16.5 Net profit(loss)	14,354	12,470
16.6 Outside equity interest	6,953	10,818
16.7 Net profit(loss) attributable to shareholders	21,307	23,288

Material interest in entities which are not controlled entities

The Bank of South Pacific Limited has no material interest(s) in any other entity.

Name of Entity	Percentage of ownership interest held at end		Contribution to operating profit(loss) and	
	Current period	Previous corresponding period	Current period K'000	Previous corresponding period K'000
17.1 Equity accounted associated entities				
Suva Central Limited	50%	50%	921	1,675
Richmond Limited	61.3%	61.3%	19,566	21,547
BSP Finance Cambodia	50.00%	50.00%	820	66
17.2 Total			21,307	23,288
17.3 Other material interest	0	0	0	0
17.4 Total	0%	0%	21,307	23,288

Issued and quoted securities at end of current period

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities	Number issued	Number quoted	Amount paid per share(toea)
18.1 Preference securities (description)			
18.2 Issued during period	-	-	-
18.3 Ordinary Securities	467,245,179	467,245,179	
18.4 Issued during current period	-	-	-
	-	-	-
18.5 Convertible debt securities (description and factor)			
18.6 Issued during current period			
18.7 Options (description and conversion factor)		Exercise price	Expiry date (if any)
Executive Management Share Option Plan			
Executive Management Share Option Plan			
18.8 Issued during current period			
18.9 Exercised during current period			
18.10 Expired during current period			
18.11 Debentures (total only)			
18.12 Unsecured notes (totals only)			

Comments by directors

Comments on the following matters are required by POMSoX or, in relation to the half yearly report, by IAS 34. Half year accounts and consolidated Accounts. The comments do not take the place of the directors report (as required by the companies Act 1997) and may be incorporated into the directors report. For both half yearly and preliminary final reports, if there are no comments in a section state Nil. If there is insufficient space to comment attach notes to this report.

Basis of accounts preparation

If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and IAS 34. Half-year accounts and consolidated accounts. It should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period. (delete if preliminary statement)

Material factors affecting the revenues and expenses of the economic entity for the current period

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A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

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Changes in accounting policies since the last annual report are disclosed as follows

(Disclose changes in the half yearly report in accordance with IAS 34.
Half-year accounts and consolidated accounts. Disclose changes in the preliminary final report in accordance with IAS: Accounting Policies Disclosure)

There have been no changes in accounting policies since the last annual report
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Additional disclosure for trust

19.1 Number of units held by the management company or a related party of it

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19.2 A statement of the fees and commissions payable to the management company

initial service charges
Management fees
other fees

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Annual meeting

(preliminary final report only)

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the annual report will be available

Port Moresby
24 May 2019
10.00am
24 May 2019

Compliance statement

1 This report has been prepared under accounting policies which comply with accounting standards approved by the Accounting Standards Board pursuant to the Companies Act 1997 or other Standards acceptable to POMS0X (see note 13)

Identify other standards used

International Financial Reporting Standards

2 Report the financial statements prepared under the Companies Act 1997 (if separate), use accounting policies.

3 This report does give a true and fair view of the matters disclosed (see note 2)

4 This report is based on financial statements to which one of the following applies.


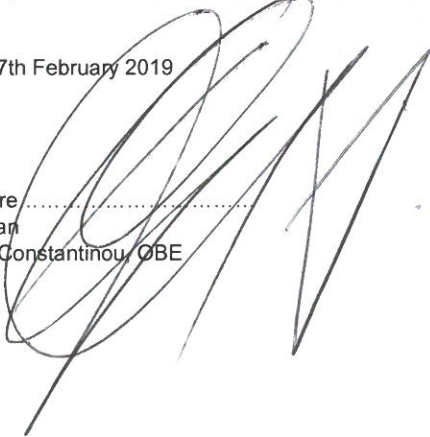
<input checked="" type="checkbox"/>	The financial statements have been audited	<input type="checkbox"/>	The financial statements have been subject to review
<input type="checkbox"/>	The financial statements are in the process of being audited	<input type="checkbox"/>	The financial statements have not yet been audited or reviewed

5 If the audit report or review by the auditor is not attached, details of any qualifications are attached/ will follow immediately they are available (delete one)

6 The entity has a formally constituted audit committee.

Date: 27th February 2019

Sign here
Chairman
Kostas Constantinou, OBE



CEO
Robin Fleming, CSM