

Half Yearly/Preliminary final report

Bank of South Pacific Limited

Company No	Half yearly	Final	Half year ended
HUBSP0000055.	X		30-Jun-13

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

K' 000

Sales (or equivalent operating) revenue (item 1.1)	up	3% to	382,955
Abnormal after tax attributable to shareholders (item (2.5)	gain (loss) of	0%	-
Operating profit (loss after tax (before amortisation of goodwill) attributable to shareholders (item 1.26)	up	0.3% to	204,525
Operating profit (loss) after tax attributable to shareholders (item 1.10)	up	0.3% to	204,525
Extraordinary items after tax attributable to shareholders item 1.13	up	0% to	-
Operating profit(loss) and extraordinary items after tax attributable to shareholders (item 1.16)	up	0.3% to	204,525

Dividend (distributions)	Amount per + security	
Final dividend (preliminary final report only -item 15.4)	38toea	178,001
Interim Dividend (Half yearly report only - item 15.6)	-	-
Previous corresponding period (Preliminary final report -item 15.5)	35toea	165,005
Half yearly report - item 15.7)	15.6toea	167,527

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)	382,955	371,009
1.2 Share of associates "net profit(loss) attributable to shareholders" (equal to item 16.7)	-	-
1.3 Other Revenue	363,515	312,141
1.4 Operating profit (loss) before abnormal items and tax	281,154	273,506
1.5 Abnormal items before tax (detail in item 2.4)	-	-
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	281,154	273,506
1.7 Less tax	76,629	69,493
1.8 Operating profit (loss) after tax but before outside equity interest	204,525	204,013
1.9 Less outside equity Interest	-	-
1.10 Operating profit(loss) after tax attributable to shareholders	204,525	204,013
1.11 Extraordinary items after tax (detail in item 2.6)	-	-
1.12 Less outside Equity Interest	-	-
1.13 Extraordinary items after tax attributable to shareholders	-	-
1.14 Total Operating profit(loss) and extraordinary items after tax (items 1.8 + 1.11)	204,525	204,013
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interest (items 1.9 + 1.12)	-	-
1.16 Operating profit (loss) and extraordinary items after tax attributable to shareholders (item 1.10+1.13)	204,525	204,013
1.17 Retained profits (accumulated losses) at beginning of financial period	870,148	721,398
1.18 If change in accounting policy (include brief description)	-	-
1.19 Aggregate of amounts transferred from reserves	-	-
1.20 Total available for appropriation (carried forward)	1,074,673	925,411
1.21 Dividend provided for or paid	-170,199	-157,687
1.22 Aggregate of amounts transferred to Reserves	-	-
1.23 Retained profits (accumulated losses) at end of financial period	904,474	767,724
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	204,525	204,013
1.25 Less(plus) outside equity interest	-	-
1.26 Operating profit(loss) after tax (before amortisation of goodwill) attributable to shareholders	204,525	204,013

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	9,657	2,897	-	6,760
2.3	Total Amortisation of Intangibles	9,657	2,897	-	6,760
2.4	Abnormal items	-	-	-	-
2.5	Total abnormal items	-	-	-	-
2.6	Extraordinary items	-	-	-	-
2.7	Total extraordinary items	-	-	-	-
Comparision 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)			204,525	204,013
3.2	Consolidated operating profit(loss) after tax attributable to shareholders for the second half year			-	-

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	1,693,021	1,806,597	1,987,714
4.2 Receivables	1,951,611	1,435,845	1,240,217
4.3 Investments	3,516,702	3,237,517	3,681,962
4.4 Inventories		-	-
4.5 Other(provide details if material)	786,796	327,563	180,611
4.6 Total Current assets	7,948,130	6,807,522	7,090,504
Non Current Assets			
4.7 Receivables	4,089,251	3,914,538	3,286,178
4.8 Investment in associates	70,612	65,729	75,298
4.9 other investments	1,772,522	1,557,950	1,503,782
4.10 Inventories	-	-	-
4.11 Exploration and evaluation expenditure capitalised (see para. 9 of IFRS 6)	-	-	-
4.12 Development properties (mining entities)	-	-	-
4.13 Other property, plant and equipment (net)	744,110	813,518	750,557
4.14 Intangibles (net)	128,461	113,384	160,549
4.15 Other (provide details if material)	60,498	60,461	437,550
4.16 Total Non current Assets	6,865,454	6,525,580	6,213,914
4.17 Total Assets	14,813,584	13,333,102	13,304,418
Current Liabilities			
4.18 Accounts payables	9,338,452	9,085,188	8,883,937
4.19 Borrowings	-	-	-
4.20 Provisions	38,294	47,672	111,953
4.21 Other (provide details if material)	1,086,000	774,538	1,031,518
4.22 Total current liabilities	10,462,746	9,907,398	10,027,408
Non Current Liabilities			
4.23 Accounts payable	2,738,896	1,848,109	1,792,386
4.24 Borrowings	75,525	75,525	75,525
4.25 Provisions	38,585	36,177	33,608
4.26 Other (provide details if material)	-	-	-
4.27 Total non- current liabilities	2,853,006	19,598,111	1,901,519
4.28 Total Liabilities	13,315,752	11,867,209	11,928,927
4.29 Net Assets	1,497,832	1,465,893	1,375,491

Consolidated Balance Sheet (continued)]			
	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	381,532	384,814	399,345
4.31 Reserves	211,826	210,931	208,424
4.32 Retained Profits (accumulated losses)	904,474	870,148	767,723
4.33 Equity attributable to shareholders of the parent entity	1,497,832	1,465,893	1,375,492
4.34 Outside equity to shareholders of the parent entity	-	-	-
4.35 Total equity	1,497,832	1,465,893	1,375,492
4.36 Preference Capital included as part of 4.33	-	-	-

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 Opening Balance	-	-
5.2 Expenditure incurred during current period	-	-
5.3 Expenditure written off during current period	-	-
5.4 Acquisition, disposals, revaluation, increments, etc	-	-
5.5 Expenditure transferred to development properties	-	-
5.6 Closing balance as shown in the consolidated balance sheet (item 4.11)	-	-

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	722,749	675,414

7.2 Payments to suppliers and employees	-288,815	-251,308
7.3 Dividends received from associates	-	-
7.4 Other Dividends received	-	-
7.5 Interest and other items of similar nature received	-	-
7.6 Interest and other finance paid	-24,746	-38,797
7.7 Income taxes paid	-56,254	-52,031
7.8 Other (due largely to movement in customer deposits)	665,559	1,127,470
7.9 Net Operating cash flows	1,018,493	1,460,748
Cash flows related to investing activities		
7.10 Payment of purchase of property, plant and equipment	-90,063	-78,693
7.11 Proceeds from sale of property, plant and equipment	-18	1,236
7.12 Receipts for sale of equity investments (Sale of shares in Microfinance Shares)		
7.13 Share trading activities	-14,503	6,311
7.14 Payment for other investments	-1,590	-
7.15 Investment in associates	-	-16,545
7.16 Other (Government Inscribed stock & T.Bills net cashflow)	-482,384	-463,664
7.17 Net Investing cash flows	-588,558	-551,355
Cash flows related to financing activities		
7.18 Shares Buy Back	-3,282	-27,099
7.19 Proceeds from borrowings	-	-
7.20 Proceeds of amount due to holding company	0	417
7.21 Dividend paid	-170,500	-157,687
7.22 Other (provide details if material)	15,084	-3,140
7.23 Net financing cash flows	-158,698	-187,509
7.24 Net Increase (decrease) in cash held	271,238	721,883
7.25 Cash at beginning of period (see reconciliation of cash)	2,061,385	1,423,569
7.26 Exchange rate adjustment to item 7.25	-2,692	1,434
7.27 Cash at end of period(see reconciliation of cash)	2,329,931	2,146,886

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
8.1 Cash on hand and at Bank	1,693,021	1,987,714
8.2 Deposits at call- From other Banks	786,796	180,611
8.3 Bank Overdraft	-	-

8.4 Other (provide details) - Due to other banks	-149,886	-21,439
8.5 Total cash at end of period (item 7.27)	2,329,931	2,146,886
Ratios	Current Period	Previous Corresponding period
Profit before abnormal and tax sales		
9.1 Consolidated operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue (item 1.1)	72.87%	72.29%
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)	13.73%	14.83%

Earnings per share (EPS)	Current Period	Previous Corresponding period
10.1 Calculation of the following in accordance with IAS 33: <i>Earnings per share</i>		
(a) Basic EPS	K0.04366	K0.0431
(b) Diluted EPS (if materially different from (a))	n/a	n/a
(c) Weighted average number of ordinary shares (K'000) outstanding during the period used in the calculation of the basic EPS	468,424	470,738
NTA backing (see note 7)		
11.1 Net tangible asset backing per ordinary security	3.179	2.922

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	382,955	371,009
12.2 Interest revenue included in item 12.1 but not yet received (if material)	82,563	63,773
12.3 Interest expense included in item 1.4 (include all forms of interest, lease finance charges, etc)	26,339	38,797
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	-	-
12.5 Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.6 Depreciation and amortisation (excluding amortisation of intangibles)	62,819	31,142

Control gained over entities having material effect

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	nil
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

Segments

The Bank of South Pacific Limited operates in the following segments - provision of banking services, insurance and stock broking and fund management services to the national market

	Current Period	Previous Corresponding period
Operating Revenue		
Sales to customers outside the economic entity	746,470	677,863
Inter-segment sales	-	-
Unallocated revenue	-	-
Total Revenue	746,470	677,863
Segment result (including abnormal items where relevant)	281,154	268,219
Unallocated expenses	-	-
Consolidated operating profit before tax (equal to item 1.6)	281,154	268,219
	Current year	Previous year
Segment assets	14,826,758	13,304,418
Unallocated assets	-	-
Total assets (equal to item 4.17)	14,826,758	13,304,418

Dividends (in the case of a trust, distribution)

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

Amount per security		Amount per security	Amount
	(Preliminary final report)		
15.4	Final Dividend: Current year:	38toea	178,001
15.5	Previous year	35toea	165,005
	Half yearly and preliminary final reports		
15.6	Interim Dividend: Current year	-	-
15.7	Previous year	15.6toea	167,527

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

	Current year	Previous year
15.8 Ordinary securities	38toea	35toea
15.9 Preference securities		

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

	Current year K'000	Previous year K'000
15.10 Ordinary Securities	38toea	35toea
15.11 Preference securities	-	-
15.12 Total	38toea	35toea

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

Entity share of associates	Current period K'000	Previous corresponding period K'000
16.1 Operating profit(loss) before income tax	-	-
16.2 Income tax expense		
16.3 Operating profit(loss) after income tax	-	-
16.4 Extraordinary items net of tax	-	-
16.5 Net profit(loss)	-	-
16.6 Outside equity interest		
16.7 Net profit(loss) attributable to shareholders	-	-

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 of period or date of disposal		Contribution to operating profit(loss) and extraordinary items after tax(item 1.14)	
	Current period	Previous corresponding period	Current period K'000	Previous corresponding period K'000
17.1 Equity accounted associated entities				
PNG Microfinance	-	-	-	-
Suva Central Limited	50%	50%	-	-
Richmond Limited	61.3%	61.3%	-	5188
Williams and Gosling	27.70%	27.70%	-	99
Malagan Ltd	28.57%	28.57%	-	-
17.2 Total	168%	168%	-	5,287
17.3 Other material interest	-	-	-	-
17.4 Total	168%	168%	-	5,287

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	468,424,636	468,424,636	
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				
Share Split				
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

There are no material factors affecting the revenues and expenses of the economic entity for the current period

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)

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)

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

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 POMSoX (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.

☐ The financial statements have been audited

☒ The financial statements have been subject to review


☐ The financial statements are in the process of being audited or subject to review

☐ 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 will follow immediately they are available (delete one)

- 6 The entity has a formally constituted audit committee.

Sign here.....
Director



Date... 29 AUGUST 2013

Print name..... Robin Fleming