



FINABANK N.V. STARTS REPORTING ON INTERNATIONAL FINANCIAL REPORTING STANDARDS IFRS AS FIRST BANK IN SURINAME

Following Finabank's corporate strategy, Finabank brought its financial reporting up to international standards within the banking industry: International Financial Reporting Standards (IFRS). Today, 1 December 2016, Finabank published its condensed interim financial statements of the first half year of 2016 based on IFRS after the bank has made an internal transition to adept the standard. Finabank states that the transition to IFRS and the corresponding improvement of its internal processes generously compensate the delayed publication of its interim financial statements of the first half year of 2016, which normally takes place in July. Banks operating within the Caribbean have already made the transition towards IFRS and listed companies, worldwide, are obliged to report according to these standards. Finabank has been the first Surinamese bank that published its financial reporting based on Dutch accounting standards and is now the first bank in Suriname that compiles its financial reporting based on international standards.

During the first half of 2016, Finabank has realized a profit before tax of SRD 6.9 million, an increase of 23% compared to the net profit during the first half of 2015. The increase in net profit is a result of the performance of the bank and a result of the transition of its reporting standard towards IFRS. The total income of the bank increased with 21% in the first half of 2016 to SRD 25 million, however the bank was confronted with a strong increase of expenses of 20% to SRD 18 million. The strong increase of expenses is a result of the devaluation of the Surinamese Dollar, since a significant component of expenses concern IT costs which are paid in US Dollars, together with a strong increase in personnel expenses as a result of the upward remuneration compensation and increase in staff.

Total assets of the bank increased with 49% compared to December 2015, from SRD 703 million to SRD 1 billion. The increase is a result of the efficient performance of the bank however, primarily related to reevaluation of the balance sheet's foreign currency components as a result of the devaluation of the Surinamese dollar. The net credit portfolio increased with 38%, from SRD 365 million to SRD 503 million, while the funds entrusted increased with 55% from SRD 550 million to SRD 854 million.

The key ratios of the bank are adequate. The non-performing ratio, that represents the quality of the bank's credit portfolio, according to the standards of the Central Bank of Suriname, slightly increased to 2%. The solvability ratio, according to the standards of the Central Bank of Suriname, which is an indicator for the bank's stability, is strong with 12% and well above the Central Bank of Suriname's standards.

Finabank has chosen to publish a condensed version of its balance sheet and profit and loss statement, opposed to publishing the traditional interim financial report, since the bank aims at publishing the annual report over 2016 in April 2017.

CONDENSED INTERIM FINANCIAL STATEMENTS 2016

FINABANK N.V. CONDENSED STATEMENT OF FINANCIAL POSITION

	June 30, 2016	December 31, 2015
	SRD	SRD
ASSETS		
Cash and cash equivalents	36,860,973	29,803,614
Amounts due from banks	290,994,875	174,179,161
loans and advances to customers	502,575,497	365,280,507
Property and equipment	34,269,713	31,515,441
Other assets	184,131,796	102,180,326
TOTAL ASSETS	1,048,832,854	702,959,049
LIABILITIES		
Amounts due to banks	57,713,131	27,619,401
Customers current, savings and deposit accounts	854,027,859	549,984,697
Long term debts	3,589,954	2,750,692
Other liabilities	49,225,993	40,100,925
Total liabilities	964,556,937	620,455,715
EQUITY	84,275,917	82,503,334
SHAREHOLDERS' EQUITY AND LIABILITIES	1,048,832,854	702,959,049

FINABANK N.V. CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	June 30, 2016	June 30, 2015
	SRD	SRD
Interest income	20,411,104	17,230,927
Other income	4,621,078	3,487,494
TOTAL INCOME	25,032,182	20,718,421
Net impairment losses on loans and advances	(35,082)	5,676,779
Expenses	18,167,541	9,449,804
Total expenses	18,132,459	15,126,583
PROFIT BEFORE TAX	6,899,723	5,591,838
Tax	2,483,900	2,013,062
NET PROFIT	4,415,823	3,578,776
Other comprehensive income	55,994	71,084
COMPREHENSIVE INCOME	4,471,817	3,649,860