



Branch Hk Jozef Israelstraat and Kristalstraat (opening in November)

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KEY FIGURES

(in thousands SRD)	Interim 2015	Interim 2014
Results		
Interest margin	17,232	13,158
Other income	5,009	3,891
Total income	22,241	17,049
Expenses	9,985	8,307
Provision credit risk	4,885	3,271
Result before taxes	7,371	5,471
Net profit	4,717	3,501
Balance sheet		
ASSETS		
Cash and cash equivalents	98,164	165,863
Advances to banks	39,669	29,163
Loans and advances to customers	330,146	287,617
Other assets	126,302	44,791
Total balance sheet	594,281	527,434
LIABILITIES		
Debts to banks and Central Bank of Suriname	41,315	34,884
Debts to customers	442,153	427,441
Long term debt	2,259	-
Other liabilities	37,102	37,191
Equity	71,452	27,918
Total balance sheet	594,281	527,434
Ratios (in %)		
Return on equity (half year ratios annualized)	14	27
Return on assets (half year ratios annualized)	2	1
Loan loss provision ratio	5	5
Non-performing ratio	4	5
Loan to deposit ratio	68	62
Operational ratio	45	49
Profit ratio	55	51
Capital Ratio	12	5
BIS-ratio	19	8
Number of employees	110	101

CORPORATE PHYLOSOPHY

Mission

We are a modern bank that is engaged in marketing innovative financial products and services in order to fulfil the financial needs of our customers.

Vision

We offer tailor made, high quality financial products and services, and aim at a sustainable partnership with our customers.

Core values

Customer focus: the customer is central to our bank, while our philosophy is based on his legitimate needs and wishes.

Continuous improvement: we constantly improve the quality of our service by readjusting our organization to the dynamic environment.

Transparency: we safeguard our integrity and transparency in order to maintain the trust of the customers in our bank.

Expertise: our expert and motivated staff works at satisfying the needs and wishes of the customers, while ensuring responsible risk management.

Objective

We aim at sustainable growth, at increasing the market share of our bank, and at a balanced protection of the interests of all our stakeholders.

Strategy

Our policy is based on the principles of corporate responsibility, thereby strictly adhering to the highest norms, including in the areas of risk management and compliance.

Stakeholders

We appreciate the active involvement of all stakeholders in the performance of the bank; we conduct a transparent policy and are open to feedback on our business operations.

TO THE STAKEHOLDERS

The Board of Supervisory Directors and management are proud to present our first half-yearly financial report. The report is a result of the ambition of the bank to increase transparency towards our shareholders, customers and other stakeholders. It is also an important part of strengthening of our corporate governance structure. Due to the increasing globalization and the environment wherein the bank operates, we will change our financial reporting standards from the accounting principles generally accepted in the Netherlands to International Financial Reporting Standards, as of today we will publish our financial reports in English.

The first-half of 2015 was challenging in several ways. It was characterized by the parliamentary elections, which were won by the National Democratic Party. Due to the elections and the prevailing uncertain economic climate, companies were hesitant to invest. General business activities slowed down, as a result of a combination of international and domestic factors, including the continuing modest global growth, financing constraints in the public sector, and the strict policy of the Centrale Bank van Suriname to contain the increase in private sector lending.

Despite a weaker macro-economic environment, the bank performed well during the first half-year of 2015. Her balance sheet total increased by 7,3%. It amounted to 594.3 million, compared to SRD 553.8 million in December 2014. The net result of the bank increased by 35% to 4.7 million compared to the first half year 2014. This was in line with our projections.

We thank our customers for the trust they have placed in us, and our employees for their efforts. We also thank the Supervisory Board for their supervision and advice.

Paramaribo, July 31, 2015

Eblein G. Frangie
Chief Executive Officer

Chief Executive Officer
Eblein G. Frangie M.Sc.



Management Report

THE MACROECONOMIC AMBIENT CLIMATE

During the reporting period, the situation in the advanced economies was characterized by a modest growth in general business activities. It resulted mainly from improving confidence of producers and consumers, from accommodating public policies, as well as from a low interest rate and inflation. However, growth in other groups of countries slowed down, particularly due to financial and structural bottlenecks, and geopolitical factors. On balance, world output continued to grow at a disappointing rate of 3.3% on an annual basis.

The modest growth and the partly related excess supply of goods and services exerted downward pressure on world commodity prices. In the reporting period, the price of Brent oil crumbled by 47% to an average of US\$ 58 per barrel, compared to the first half-year of 2014. The gold price fell by 7% to US\$ 1.206 per troy ounce, after declining strongly during 2013 and to a lesser extent in 2014. The price of aluminium continued to fluctuate around a low level compared to its cost price. The indicated price developments had an adverse effect on the mineral and oil industries in Suriname, which contribute for an ample 90% to exports and for about one third to government revenue.

The decreased performance of our export industry has a noticeable impact on the general business activities, also because this industry exerts strong radiation effects on the rest of the economy. This was only partly compensated for by the continuing growth in spending by the government, consumers and domestic producers, which, however, proceeded at a slower pace than in the preceding years due to financing constraints. Thus, the cyclical slowdown in growth in gross domestic product, which started in the course of 2013, will in all probability continue, and is expected to reach some 2% at the end of 2015. This percentage is still satisfactory when compared with the projected growth in Latin America and the Caribbean of a mere 0.5%.

The decreased performance of the export industry contributed to a decline in government revenue of 18% during the first five months of 2015, compared to the corresponding period of 2014. At the same time, current expenditure was raised further, while capital spending was postponed. Total expenditure increased by 8%. On balance, the recorded cash deficit surged by 51% to SRD 540 million. This by itself too large deficit is flattering, partly because not all payment obligations to suppliers of goods and services are included in this amount. The cash deficit was financed by taking recourse to domestic

Management Report

money creating institutions and by drawings on foreign loans.

This financing method coincided with an increase in debt to almost 36% of estimated domestic product. Government transactions contributed for SRD 179 million or for 51% to the money creation from domestic sources. The latter amount includes loans of the deposit creating institutions (excluding the Central Bank) to the government, which increased further, albeit at a much slower pace than in 2014, i.e., by 3% to SRD 1.0 billion. Other domestic sectors caused a money creation of SRD 175 million. The amount mainly comprises bank loans to the private sector, which grew somewhat faster than in the first five months of 2014, i.e., by 5% to SRD 4.9 billion, despite a mere one percent increase in deposits.

The mere increase in deposits contributed to an apparent scarcity of Surinamese currency that was accentuated by the outflow to abroad of part of the initial domestic money creation. The scarcity put some upward pressure on interest rates. Net foreign assets of the money creating institutions shrank by SRD 469 million or by 12%. The international reserves held by the Central Bank, which are part of these assets, fell by almost 18% to US\$ 515 million; equivalent to the internationally accepted minimum standard of 3 months of imports of goods and services. On balance, the domestic liquidity supply declined by 3% to SRD 9.2 billion or 51% of the estimated gross domestic product.

The decline in international reserves also resulted from the Central Bank's policy aim to keep the exchange rate of our national currency vis-à-vis the United States dollar stable through market interventions. This policy also contributed to a rather strong increase in the Bank's liabilities denominated in foreign currencies. Eventually, the exchange rate on the free market remained manageable and fluctuated within a margin of maximum 3%.

The prevailing economic uncertainties contributed to acceleration in the consumer price index. In June 2015, the index was 5.2% higher than a year earlier, while the corresponding figure for 2014 was 2.1%. The annual average inflation rate went up from 2.9% to 3.2%. Domestic cost increases were only partly compensated for by on average favorable import prices. The government continued its policy to influence prices of necessities. There are indications that prices of other goods and services are rising faster.

In view of the remarks made above, it may be concluded that presently macroeconomic risks are dominating. After all, we do not expect commodity prices to soon increase materially, while it will take some time to alleviate existing internal structural and institutional constraints. Under such circumstances, we shall have to work with renewed élan to simultaneously promote general business activities and to restore balanced financial conditions. Given the relative large importance of the government within the economy, special attention should be paid to restructuring the public sector and its finances. Against this background, it is encouraging that in the meantime a broad based platform has been established that will formulate concrete advices in order to cope with the present economic and financial challenges.

THE FINANCIAL POLICY AND ANALYSIS OF THE BANK

Our financial accounts are presently drafted in accordance with the accounting principles generally accepted in the Netherlands. It is the intention of the bank to start reporting on the basis of the International Financial Reporting Standards effective January 2016, partly because of our ambition to broaden our international activities.

The balance sheet total of the bank grew by SRD 40.5 million (7.3%) from SRD 553.8 million to SRD 594.3 million. The growth was mainly caused by an increase in the liabilities to other banks and to the Central Bank of Suriname, i.e., by 46.4% from SRD 28.2 million to SRD 41.3 million. Other liabilities also contributed to the increase of the balance sheet total. The funds entrusted to the bank increased by a modest 3% to SRD 442.2 million, mainly due to the scarcity of national currency in the market. The dollarization in the entrusted funds remained stable at 61%.

After a large extension in 2014, the equity of the bank increased by a further 7% from SRD 66.7 million to SRD 71.5 million, due to the profit made in the reporting period. The solvency was 19%, well above our internal benchmark of 15%, and the 10% norm determined by the Central Bank.

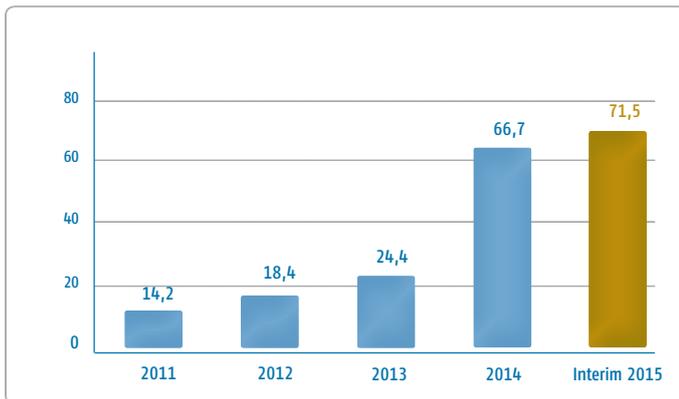
Balance sheet total (x SRD 1million)



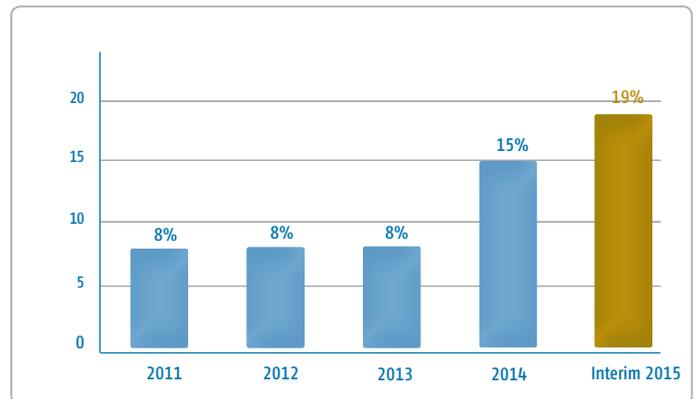
Funds entrusted (x SRD 1million)



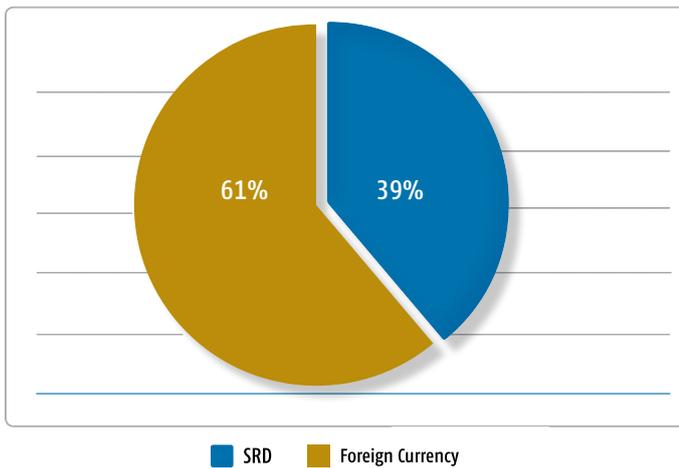
Equity (x SRD 1million)



BIS-ratio



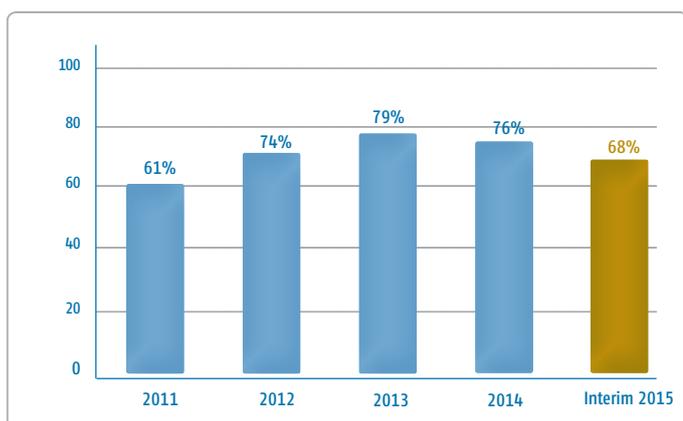
Composition of funds entrusted in SRD and foreign currency as at June 30, 2015



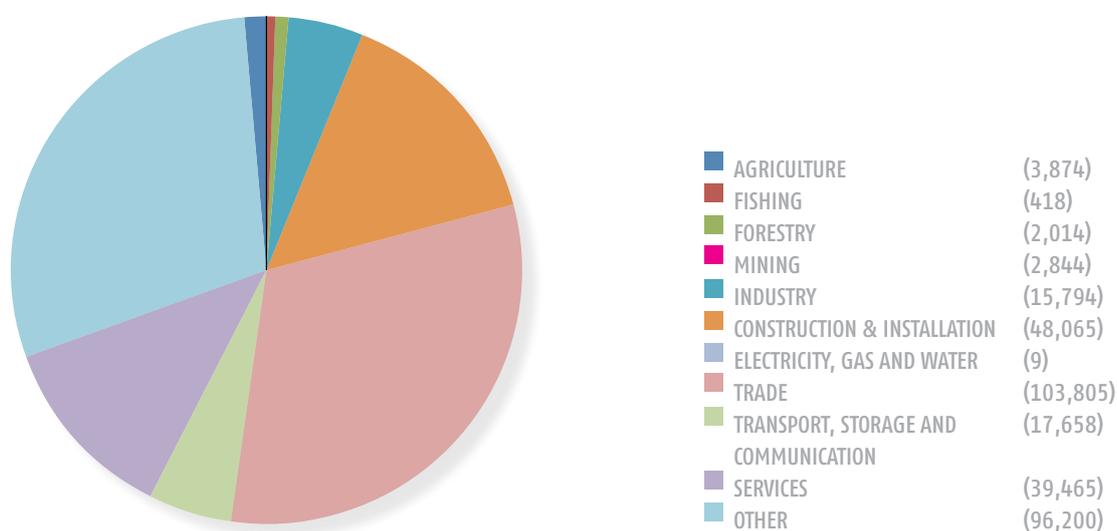
Management Report

On the asset side of the balance sheet, there was a decrease in the item cash and cash equivalents by 15.3%, due to a stricter asset and liability management and the slower growth in entrusted funds. A policy change with respect to our asset and liability management resulted in a surge in our investments from SRD 2.1 million to SRD 31.2 million. The credit portfolio increased by 5% from SRD 313.3 million to SRD 330.1 million, mainly reflecting the growth in business lending. Growth in the retail market stagnated. The dollarization in our credit portfolio fell by more than 6% to 40%. The non-performing ratio increased noticeably from 1.14% to 3.75%, mainly due to 2 problem loans; 0.75 percentage point higher than the banks internal benchmark of 3%. Management, in cooperation with the Restructuring and Recovery department, is now engaged in finding a solution for these loans.

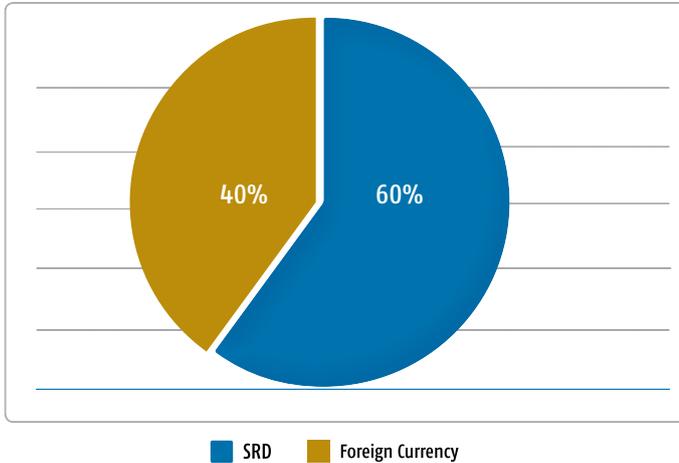
Loan to deposit ratio



Credit portfolio by sector (x SRD 1.000)



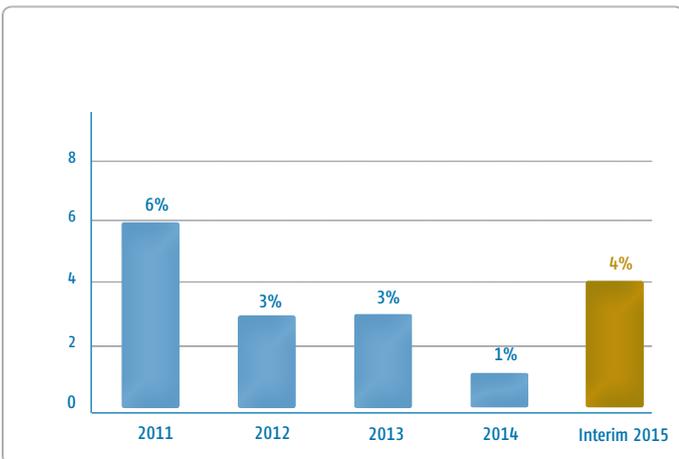
Composition of credit portfolio in SRD and foreign currency as at June 30, 2015



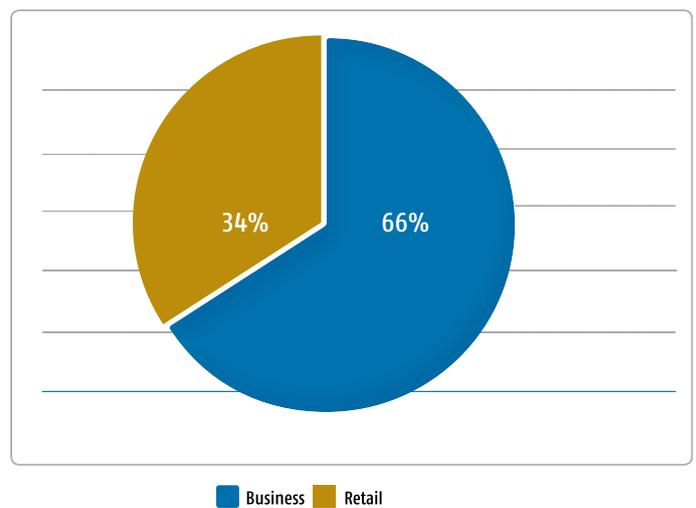
Creditportfolio (x SRD 1million)



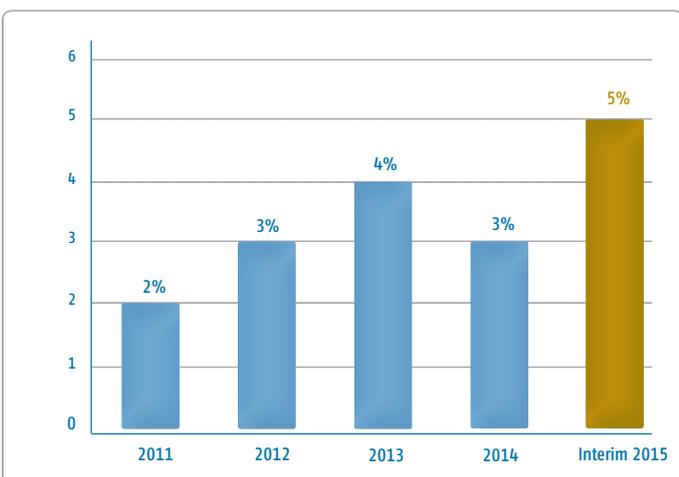
Non performing ratio



Composition of credit portfolio in Business and Retail as at June 30, 2015



Loan loss provision ratio

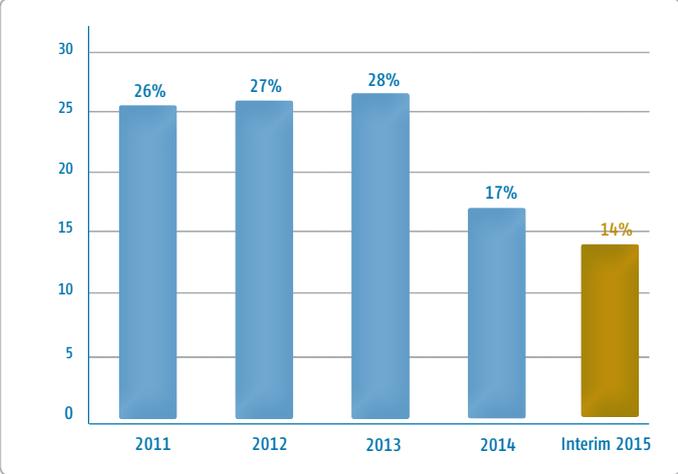


Management Report

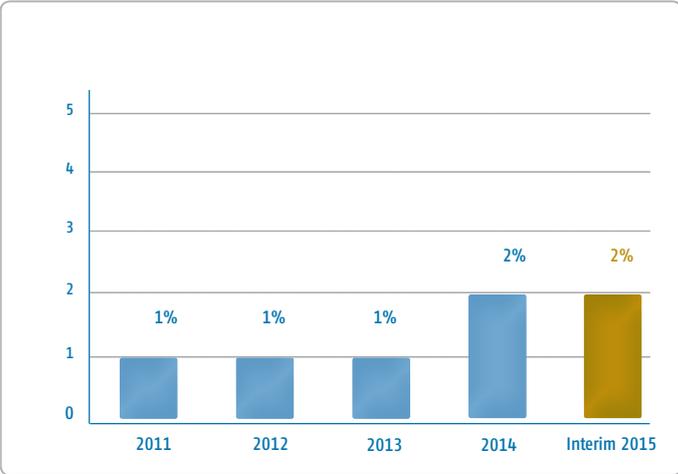
The net result of the bank increased by 35% to SRD 4.7 million compared to the first half-year of 2014. This result is in line with our projections. Total income amounted to SRD 22.2 million; 30% higher than half-year 2014. The higher income was mainly obtained from the business lending and Treasury Paper. Net interest contributed for 77% to total income. It surged by 31%. The item other income increased by 29% to SRD 5 million.

The operating costs rose by 28% to SRD 14.9 million, up from SRD 11.6 million. Major cost drivers were the allowances for credit provisions and for additional costs ensuing from the new Central Bank regulations. Depreciations of assets are the second cost driver, also because we started to depreciate our new Head Quarters and the new Information Technology Infrastructure. The return of equity is 14%, which is satisfactory. The return on assets is 2%, well above our one percent benchmark.

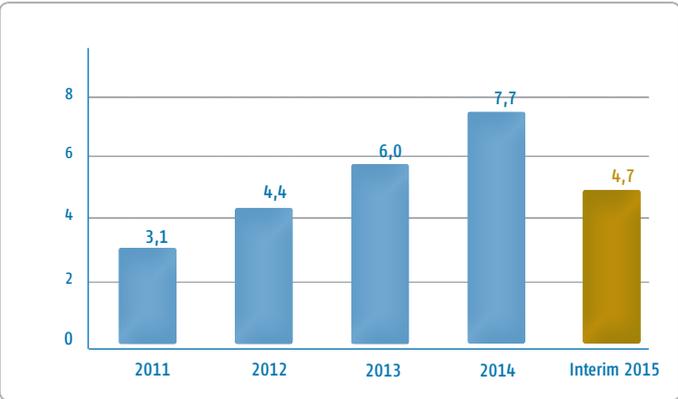
Return on equity



Return on assets



Net profit (x SRD 1 million)



CONDENSED INTERIM FINANCIAL STATEMENTS 2015

CONDENSED STATEMENT OF FINANCIAL POSITION

	June 30, 2015	December 31, 2014
	SRD	SRD
ASSETS		
Cash and cash equivalents	98,163,709	115,946,114
Treasury paper	63,759,811	62,403,380
Advances to banks	39,668,881	29,121,216
Loans and advances to customers	330,146,459	313,336,276
Investments	31,249,591	2,054,478
Securities	85,300	85,300
Tangible fixed assets	20,691,906	18,450,879
Accrued assets	10,515,247	12,353,466
	594,280,904	553,751,109
	June 30, 2015	December 31, 2014
	SRD	SRD
LIABILITIES		
Debts to banks and Central Bank of Suriname	41,315,603	28,227,678
Debts to customers	442,153,183	430,987,954
Accrued liabilities	29,472,418	21,606,947
Long-term debt	2,258,893	3,065,029
Provision for deferred tax liability	7,628,979	3,128,979
Equity		
Share capital	2,230,770	2,230,770
Premium reserve	33,527,575	33,527,575
Revaluation reserve	329,800	329,800
Other reserve	30,646,378	22,905,833
Result for the reporting period	4,717,305	7,740,544
	594,280,904	553,751,109

Supervisory Board

Cornelis Dilweg	Chairman
Sonny Kertoidjojo	Member
Maikel Muringen	Member
Feroz Ishaak	Member
Shirley Sowma-Sumter	Member
Ferdinand Welzijn	Member

Management

Eblein G. Frangie	Chief Executive Officer
Almar Giesberts	Chief Commercial Officer

CONDENSED INCOME STATEMENT

	Six month period ending June 30, 2015	Six month period ending June 30, 2014
	SRD	SRD
INCOME		
Interest income	24,398,680	19,321,148
Interest expenses	7,166,753	6,162,862
Interest margin	17,231,927	13,158,286
Commission income	662,686	409,759
Other income	4,346,076	3,480,529
Total income	22,240,689	17,048,574
EXPENSES		
Personnel expenses	4,830,979	3,650,932
Other general and administrative expenses	4,685,136	4,315,524
Depreciation	468,836	340,117
Allowance for credit losses	4,884,949	3,271,083
Total expenses	14,869,900	11,577,656
Result before taxes	7,370,789	5,470,918
Income taxes	2,653,484	1,969,530
Net result	4,717,305	3,501,388

Supervisory Board

Cornelis Dilweg	Chairman
Sonny Kertoidjojo	Member
Maikel Muringen	Member
Feroz Ishaak	Member
Shirley Sowma-Sumter	Member
Ferdinand Welzijn	Member

Management

Eblein G. Frangie	Chief Executive Officer
Almar Giesberts	Chief Commercial Officer

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital	Premium reserve	Revaluation reserve	Other reserves	Prior period result	Result for the interim period	Total
	SRD	SRD	SRD	SRD	SRD	SRD	SRD
June 30, 2014							
Balance at beginning of period (12-31-2013)	952,000	66,000	496,793	16,906,742	5,999,091	-	24,420,626
Net result for the first half year 2014	-	-	-	-	-	3,501,388	3,501,388
Total change	-	-	-	-	-	3,501,388	3,501,388
Balance at the end of the period (06-30-2014)	952,000	66,000	496,793	16,906,742	5,999,091	3,501,388	27,922,014
During the second half of 2014 there was an issue of new shares which increased the banks equity by SRD 34.740.345.							
June 30, 2015							
Balance at beginning of period (12-31-2014)	2,230,770	33,527,575	329,800	22,905,833	7,740,544	-	66,734,522
Net result for the first half year 2015	-	-	-	-	-	4,717,305	4,717,305
Appropriation of prior year result	-	-	-	7,740,544	(7,740,544)	-	-
Total change	-	-	-	7,740,544	(7,740,544)	4,717,305	4,717,305
Balance at the end of the period (06-30-2015)	2,230,770	33,527,575	329,800	30,646,377	-	4,717,305	71,451,828

Supervisory Board

Cornelis Dilweg	Chairman
Sonny Kertoidjojo	Member
Maikel Muringen	Member
Feroz Ishaak	Member
Shirley Sowma-Sumter	Member
Ferdinand Welzijn	Member

Management

Eblein G. Frangie	Chief Executive Officer
Almar Giesberts	Chief Commercial Officer

CONDENSED STATEMENT OF CASH FLOWS

	Six month period ending June 30, 2015	Six month period ending June 30, 2014
	SRD	SRD
Cash flows from operating activities		
Result before taxes	7,370,789	5,470,918
Depreciation	468,836	340,117
Allowance for credit losses	4,977,123	3,202,268
Total	12,816,748	9,013,303
Adjusted for		
Loans and advances to customers	(21,787,306)	992,785
Accrued assets	1,838,219	13,568,707
Debts to banks and Central Bank of Suriname	13,087,925	(5,439,070)
Debts to customers	11,165,229	39,265,427
Provision for deferred tax liability	4,500,000	-
Tax burden on result before taxes	(2,653,484)	(1,969,530)
Accrued liabilities	7,865,472	12,159,370
Total	14,016,055	58,577,689
Net cash flow from operating activities	26,832,803	67,590,992
Cash flows from investing activities		
Investment in tangible fixed assets	(2,709,862)	259,538
Securities	-	(10,800)
Investment	(29,195,113)	(20,791,046)
Treasury paper	(1,356,431)	4,254,973
Net cash flow from investing activities	(33,261,406)	(16,287,335)
Cash flows from financing activities		
Long-term-debt	(806,137)	-
Revaluation reserve	-	(12,080)
Net cash flow from financing activities	(806,137)	(12,080)
Net increase/decrease in cash and cash equivalents and receivables from credit institutions	(7,234,740)	51,291,577
Opening balance in cash and cash equivalents and receivables from credit institutions	145,067,330	143,734,693
Closing balance in cash and cash equivalents and receivables from credit institutions	137,832,590	195,026,270

Supervisory Board

Cornelis Dilweg	Chairman
Sonny Kertoidjojo	Member
Maikel Muringen	Member
Feroz Ishaak	Member
Shirley Sowma-Sumter	Member
Ferdinand Welzijn	Member

Management

Eblein G. Frangie	Chief Executive Officer
Almar Giesberts	Chief Commercial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS 2015

General information

Finabank N.V. (hereafter; "Finabank" or "the Bank"), established on 24 April 1991 and located in Paramaribo, Suriname, is a limited liability company and is registered at the Chamber of Commerce in Suriname. The main activities of Finabank relate to the execution of general banking business in the broadest sense. All offices are located in Suriname. The head office of Finabank is situated at 59-61, Dr. Sophie Redmondstraat in Paramaribo, Suriname. There are two branches; one in the Nickerie district of Suriname at 72, Doerga Sawhstraat, and one at 49, Mr. Jagernath Lachmonstraat, Paramaribo, Suriname. In the second half of 2015, a third branch will be opened in Paramaribo North, at the corner of Kristalstraat and Jozef Israelstraat.

Reporting period and currency

The reporting period of Finabank is from 1 January up to and including 31 December. Each half year (for the first time at June 30, 2015), condensed interim accounts are published. Finabank drafts its accounts in Suriname dollar, which is its functional currency.

Principles applied

The annual and interim accounts are prepared in accordance with accounting principles generally accepted in the Netherlands.

These accounts are drafted based on the assumption of going concern.

Comparison with previous years

The principles for valuation of assets and liabilities and for the calculation of profit applied have not changed compared to the previous report year. The profit and loss period cover the period of January 1, up till June 30 for both 2014 and 2015.

Principles for the valuation of assets and liabilities

General

An asset is recognised in the balance sheet when it is likely that its future economic advantages will flow towards the company and its value can be reliably determined.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS 2015

An asset is recognised in the balance sheet when it is likely that its future economic advantages will flow towards the company and its value can be reliably determined. A liability is recognised in the balance sheet when it is likely that the settlement will result in an outflow of means that may hold economic advantages and of which the size can be reliably determined.

Income is recognised in the profit and loss account when an increase of the economic potential, associated with an increase of an asset or a decrease of a liability, has occurred, of which the size can be reliably determined. Expenses are recognised when a decrease of the economic potential, associated with a decrease of an asset or an increase of a liability has occurred, of which the size can be reliably determined.

When a transaction results in all or nearly all future economic advantages, and all or nearly all risks related to an asset or liability being transferred to a third party, the asset or the liability is no longer recognised in the balance sheet. Furthermore, assets and liabilities are no longer recognised in the balance sheet from the moment the conditions of likelihood of the future economic advantages and/or reliability of the valuation are no longer met.

The income and costs are allocated to the period to which they relate. Income is recognised once all the key risks of the associated assets or liabilities have been transferred.

Notes to the cash flow statement

The cash flow statement is drafted based on the indirect method. The liquid assets comprise cash and cash equivalents and receivables from banks.

Use of estimates

The format of the annual and interim accounts requires Management to express opinions, make estimates and assumptions that affect the application of accounting principles and the reported value of assets and liabilities and of income and expenses. The actual results may deviate from these estimates. The estimates and underlying assumptions are continuously assessed by Management. Revisions of estimates are recognised in the period in which the estimate is reviewed and in future periods impacted by the revision.

Conversion of foreign currencies

Finabank uses the exchange rates (bills, cheques and transfers) published by the central bank of Suriname, officially named Centrale Bank van Suriname (CBvS).

The exchange rates as at balance sheet date of the relevant foreign currencies as mentioned by the CBvS are:

	June 30, 2015	December 31, 2014
	SRD	SRD
USD 1	3,25	3,25
Euro 1	3,62	3,95

Note: SRD = Surinam dollar; USD = United States dollar; EUR = Euro.

Transactions in foreign currency are converted at the time of first processing to SRD at the exchange rate that is applicable at the transaction date.

The monetary assets and liabilities in foreign currency have been converted at the exchange rates as at balance sheet date.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS 2015

Non-monetary assets and liabilities in foreign currency have been converted at the exchange rate at the transaction date (date it was formed). Exchange rate differences are recognised in the profit and loss account.

Cash and cash equivalents

The cash and cash equivalents have been valued at nominal value.

Treasury paper

Investments are valued at first processing at fair value. These are valued at amortised cost price based on the effective interest method after first processing.

Advances to banks

Receivables from banks and other credit institutions are valued at nominal value.

Loans and advances to customers

These are valued at amortised cost of the loans provided. The interest not yet earned, a provision for debtor risk and the interest of non-performing loans have been deducted from the loans provided.

Investments

These are valued at fair value at first processing. The investments are valued at amortised cost based on the effective interest method, less impairment from expected losses.

Securities

Securities are valued at fair value.

Tangible fixed assets

Land and buildings are valued at current value and in the case of buildings, less the cumulative depreciations.

The means of transport, office furnishings and equipment and software are valued at the acquisition price or construction cost, less cumulative depreciations.

The valuation of tangible fixed assets under construction includes costs that are directly related to the project.

Depreciation is calculated according to the linear method based on the economic lifecycle. Land and tangible fixed assets under construction and prepayments on tangible fixed assets are not depreciated.

The following depreciation percentages are used:

- Buildings	:	3% per year
- Means of transport	:	20% per year
- Office furnishings	:	33.33% per year
- Office equipment	:	33.33% per year
- Software	:	20%-33.33% per year.

Impairments of fixed assets

At each balance sheet date, the company assesses whether there are indications that a fixed asset is impaired. If such indications are present, the recoverable amount of the assets is determined and the valuation adjusted accordingly.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS 2015

Accrued assets

Accrued assets are valued at nominal value. Provisions for non-payment are deducted.

Debt

Debts are valued at first processing at fair value less transaction costs. Transaction costs that are directly related to the acquisition of the debts are recognised in the valuation at first processing. Debts are valued at amortised cost after first processing, being the amount received considering premium or non-premium.

The difference between the book value and the ultimate repayment value is processed as interest liability, based on the effective interest method, for the duration of the debt in the profit and loss account.

Debts to banks and Central Bank of Suriname

These are valued at nominal value.

Debts to customers

Debts to customers are valued at amortised cost based on the effective interest method.

Accrued liabilities

These are valued at first processing at fair value less transaction costs. Transaction costs that are directly related to the acquisition of the debts are recognised in the valuation at first processing.

Long-term debt

Long-term debts are valued at first processing at fair value and thereafter at amortised cost, where a difference between the amortised cost and the repayment amount, based on the effective interest method, after the duration of the loans is recognised in the profit and loss account. The short-term part is recognised as 'Accrued liabilities' under 'Short-term part of long-term debts'.

LEASING

Whether or not an agreement is a lease agreement is determined by the economic reality on the time of entering the agreement. A contract is designated as a lease agreement when observing the agreement depends on the usage of a specific asset and the agreement mentions the right of use of the specific asset.

Financial lease

Assets that are financed through a financial lease are capitalised in the balance sheet at the time of entering the lease contract at the fair value of the asset or the lower cash value of the minimal lease terms. The lease payments are split on a straight-line basis, with a constant periodic interest rate in a payment of the outstanding lease liability and in interest over the lease liability. The lease liabilities are recognised as long-term debt excluding the interest. The interest component as part of the lease terms is recognised in the profit and loss account for the duration. The relevant assets are depreciated over the estimated economic lifetime.

Operational lease

The operational lease payments are recognised in the profit and loss account for the duration of the contract. A general description of the key conditions of the operational lease contracts are mentioned in the notes to the non-balance sheet liabilities.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS 2015

Provision for deferred tax liabilities

This item recognises deferred tax liabilities for temporary differences between the economic valuation and the fiscal valuation of the assets and liabilities at nominal tax rate.

Premium reserve

The premium reserve was established at the time of the issue of shares in 2004 and at the equity issue in 2014.

Revaluation reserve

The revaluation reserve regards the amount of the revaluation of land and buildings, based on the last valuation, less the related deferred tax liability and the release which was realised through depreciations on the building.

The revaluations through depreciations are added to the result.

PRINCIPLES TO CALCULATE THE RESULT

General

The result is calculated as the difference between the net realisable value of services delivered and the costs and other expenses of the year, considering the above principles for the valuation of assets and liabilities.

The result is also calculated considering the processing of unrealised changes in the value of assets and liabilities based on fair value.

Interest income and expenses

The interest of interest-generating investments is recognised on the day the interest became entitled. The interest is calculated using the effective interest method.

Interest income and expenses are recognised at the average over the period, considering the effective interest rate of the assets and liabilities concerned. When recognising the interest expenses, the transaction costs of loans received, which are considered when calculating the effective interest, are considered.

Fees and commissions that are integral part of the effective profit of financial assets or liabilities are recognised as adjustments to the effective interest rate of the instrument.

Commission income and other income

These items do not include income that is of an interest nature. The income under these headings is recognised as income in the period in which the services are delivered or the sale has occurred.

Other general and administrative expenses

These expenses are determined on an historic basis and recognised in the report year to which they relate.

Income taxes

Taxes on result are calculated on the result before taxes in the profit and loss account considering the tax at the prevailing nominal tax rate. Changes that occur in the deferred tax receivables and deferred tax debts are also considered.

NOTES TO THE CONDENSED STATEMENT OF FINANCIAL POSITION

	June 30, 2015	December 31, 2014
	SRD	SRD
Cash and cash equivalents This item recognises the cash and cash equivalents in Suriname dollar and foreign currency. This item also recognises the free available liquid assets and not directly withdrawable liquid assets trapped by the cash reserve arrangement of the Central Bank of Suriname. Adjusted to this balance sheet item is the provision for unrealised exchange rate results arising from the currency swaps with the Central Bank of Suriname.	98,163,709	115,946,114
Treasury paper This regards investments in Suriname Government treasury paper held at the Central Bank of Suriname.	63,759,811	62,403,380
Advances to banks This regards receivables and balances of current accounts held at commercial banks. Included are funds in transit to and from banks that have not yet been cleared.	39,668,881	29,121,216
Loans and advances to customers This regards receivables from loans less provisions and interest of uncollectable loans.	330,146,459	313,336,276
Investments This regards interest-bearing deposits and other investments at financial institutions.	31,249,591	2,054,478
Securities This refers to shares held in other companies.	85,300	85,300
Tangible fixed assets		
Land and buildings	12,393,722	4,971,556
Means of transportation	-	276
Office furnishings	2,949,497	22,857
Office equipment	3,744,913	66,320
Software	1,603,774	445
Tangible fixed assets under construction	-	13,389,425
	20,691,906	18,450,879
Accrued assets This regards prepayments and amounts yet to be received.	10,515,247	12,353,466
Debts to banks and Central Bank of Suriname This regards direct withdrawable funds and term deposits. Included are funds in transit to and from credit institutions that have not yet been cleared. Also included are short term lending facilities from the Central Bank of Suriname.	41,315,603	28,227,678
Debts to customers This includes:		
Savings accounts	167,833,282	178,718,612
Checking accounts	114,278,835	121,816,914
Term deposits	160,041,066	130,452,428
	442,153,183	430,987,954
Accrued liabilities This includes pre-provided collaterals, income taxes and other costs payable.	29,472,418	21,606,947
Long-term debt This regards long-term commitments regarding financial leases.	2,258,893	3,065,029
Provision for deferred tax liability This regards the tax impact on the difference in economic (fair value) and tax (historic cost) valuation of assets and liabilities.	7,628,979	3,128,979

	June 30, 2015	December 31, 2014
	SRD	SRD
<p>Equity For the disclosure of the movement in equity please refer to the Statement of changes in equity.</p>		
<p>Share capital As at July 8, 2014, a request to change the articles of association of Finabank was submitted. As at July 16, 2014, the declaration of no objection and the approval to change the articles of association was received. The amended articles of association are published in the Advertisement magazine of the Republic of Surinam number 59 dated July 25, 2014.</p> <p>The share capital of the company amounts to SRD 50,000,000 divided into 5,000,000 named shares at a nominal value of SRD 10 . Of the 5,000,000 shares 223,077 have been placed.</p>	2,230,770	2,230,770
<p>Premium reserve The premium reserve that initially started at the extension of the share capital in 2004 has increased because of the issue of shares in 2014. The issue price of a share amounted to SRD 271.67 at the issue of shares in 2014. The difference between the nominal value of SRD 10 and the issue price of SRD 271.67 of the new shares amounting to SRD 33,461,575 was recognised as premium reserve. As at December 31, 2014, SRD 2,000,069 was still to be received from one of the new shareholders. As at June 30, 2015 all placed shares are paid up in full.</p>	33,527,575	33,527,575
<p>Revaluation reserve This regards the difference between the fair value (valuation value) and the historic cost of land and buildings less the calculated provision based on this for deferred tax liability and the part realised through depreciation.</p>	329,800	329,800

NOTES TO THE CONDENSED INCOME STATEMENT

	Six month period ending June 30, 2015	Six month period ending June 30, 2014
	SRD	SRD
INCOME		
Interest margin This is the difference between interest income from loan provision and interest expenses from funds entrusted.	17,231,927	13,158,286
Commission This is commission which is charged for the loans provided.	662,686	409,759
Other income This regards costs charged on to third parties with regard to the provision of loans, service costs, transfer costs and other costs.	4,346,076	3,480,529
EXPENSES		
Personnel expenses This regards salaries, bonuses and other personnel provisions.	4,830,979	3,650,932
Other general and administrative expenses This includes office costs, housing costs and other general costs.	4,685,136	4,315,524
Depreciation This is the depreciation of tangible fixed assets.	468,836	340,117
Allowance for credit losses This regards provisions for loans and giro debit balances.	4,884,949	3,271,083

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS 2015

OTHER NOTES

Off balance sheet receivables and commitments

Off balance sheet receivables

The off balance sheet receivables refer to the currency swaps with the Central Bank of Suriname (one for own account and six resulting from the macro economic stabilisation packages of June and December 2014).

Off balance sheet liabilities

Bank guarantees

Bank guarantees of a total amount of SRD 135.387 and USD 36.000 were provided.

Operational lease

In 2014, Finabank concluded operational lease contracts for two printers for an amount of USD 1,482 per month. The duration is one year.

In 2014, Finabank concluded operational lease contracts for four vehicles for an amount of USD 2,050 per month. The duration is five years.

REVIEW REPORT

To: The Board of Directors of
 Finabank N.V.
 Dr. Sophie Redmonstraat 59-61
 Paramaribo
 Suriname

Our ref: 15/06-179

REVIEW REPORT**Introduction**

We have reviewed the accompanying interim financial statements of Finabank N.V. (the "Company"), as at June 30, 2015. Management is responsible for the preparation and presentation of the interim financial statements in accordance with the accounting policies generally accepted in the Netherlands. Our responsibility is to issue a review report on these interim financial statements.

Scope of Review

We conducted our review in accordance with the International Standards Review Engagements 2410, "Review of Interim Financial Statements Performed by the Auditor of the Entity". This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the financial position of the Company as at June 30, 2015, and of its results for the six month period then ended in accordance with the accounting policies generally accepted in the Netherlands.

Suriname,
 July 31, 2015

KPMG Assurance Services N.V. | **Nicole Baptista RA**

Finabank Hoofdkantoor

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Hk Jozef Israelstraat and Kristalstraat (opening in November)

Swift address: FBNASRPA

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