

**Basel II, Pillar III Disclosures 31 December 2013**

**Table – 17. Credit Risk – Restructured Financing Facilities (PD-1.3.23(j))**

The following table summarises the aggregate amount of restructured financing facilities during the year financed by own capital and current account and profit sharing investment account as of 31 December 2013;

	<i>Own capital and current account</i>	<i>Profit Sharing Investment Account</i>
	<i>Aggregate amount BD'000</i>	<i>Aggregate amount BD'000</i>
Restructured financing facilities	1,120	9,297
<b>Total</b>	<b>1,120</b>	<b>9,297</b>

	LC Cur Bal	LC Deferre	Provision	PAYOFF
Total Islamic Financing	584,396	98,201	30,334	20,087
Restructured financing facilities	26,210	3,444	276	20,087
<b>Percentage</b>	<b>4.48%</b>	<b>3.51%</b>	<b>0.91%</b>	<b>100.00%</b>

The provision on restructured facilities is BD 276 thousand and the impact on present and future earnings is not significant.

**Table – 18. Credit Risk Mitigation (PD-1.3.25 (b) and (c))**

The following table summarises the exposure as of 31 December 2013 by type of Islamic financing contract covered by eligible collateral;

	<i>Total exposure covered by</i>	
	<i>Eligible collateral BD'000</i>	<i>Guarantees BD'000</i>
Murabaha receivables	8,050	13,745
Musharaka investments	10	550
Ijarah muntahia bittamleek	430	1,000
<b>Total</b>	<b>8,490</b>	<b>15,295</b>

<i>Type of Guarantees</i>	<i>Risk</i>	
	<i>Guarantees BD'000</i>	<i>Weighted BD'000</i>
Bank Guarantee	1,000	375
Tamkeen Guarantee	14,295	5,364
<b>Total</b>	<b>15,295</b>	<b>5,739</b>

**Table – 35. Quantitative Indicators of Financial Performance and Position (PD-1.3.9 (b) PD-1.3.33 (d))**

The following table summarises the basic quantitative indicators of financial performance for the past 5 years;

	2013	2012	2011	2010	2009	2008
Return on average equity	8.26%	-42.31%	-17.23%	-33.02%	-12.64%	-12.62%
Return on average assets	0.70%	-4.33%	-1.96%	-4.30%	-2.17%	-2.91%
Cost to Income Ratio	53.44%	80.14%	74.89%	107.73%	70.66%	31.32%

During the year, the Bank was charged with the following penalties by the CBB;

1. 18 March 2013	BHD 300
2. 18 March 2013	BHD 50
3. 14 August 2013	BHD 12,400
4. 12 September 2013	BHD 150
<b>Total</b>	<b>BHD 12,900</b>

**Table – 36. The following table summarises the historical data over the past five yeas for the following(PD-1.3.41)**

	2013	2012	2011	2010	2009
Mudarabah profit / Mudarabah assets	7.23%	6.40%	7.30%	7.64%	6.72%
Mudarabah profit paid / Mudarabah assets	2.54%	3.37%	3.76%	2.69%	4.03%
PIRI & IRR Movment	232	63	0	-158	-9
Rate of Return on IAH	1.56%	2.12%	1.98%	2.39%	2.61%