

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2015

	2015	2014
	BD'000	BD'000
INCOME		
Income from financing	33,530	28,702
Income from investment in Sukuk	3,659	2,535
	37,189	31,237
Return on equity of investment accountholders	(21,582)	(23,379)
Group's share as Mudarib	16,395	16,092
Net return on equity of investment accountholders	(5,187)	(7,287)
Net financing income	32,002	23,950
Expense on placements from financial institutions	(546)	(252)
Fee and commission income	7,746	6,452
Income from investment securities	739	3,990
Income from investment in real estate	1,194	8,988
Share of results of associates, net	(711)	(1,550)
Net gain from foreign currencies	1,223	1,273
Other income	72	-
Total net income	41,719	42,851
EXPENSES		
Staff costs	10,212	11,482
Depreciation	1,554	1,641
Other expenses	9,795	8,502
Total expenses	21,561	21,625
Profit before impairment allowances	20,158	21,226
Impairment provisions on financing assets	(5,203)	(7,593)
Impairment provisions on investments	(3,750)	(4,336)
PROFIT FOR THE YEAR	11,205	9,297
BASIC AND DILUTED EARNINGS PER SHARE (fils)	14.02	11.76

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the year ended 31 December 2015

	2015	2014
	BD'000	BD'000
Balance at 1 January	79,095	78,116
Profit for the year	11,205	9,297
Shares allocated during the year	91	-
Rights issue	19,888	-
Net movement in investments fair value reserve	(480)	(3,147)
Net movement in real estate fair value reserve	(276)	(3,940)
Net movement in non-controlling interest	(11)	(1,231)
Balance at 31 December	109,512	79,095

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2015

	2015	2014
	BD'000	BD'000
OPERATING ACTIVITIES		
Profit for the year	11,205	9,297
Adjustments for non-cash items:		
Depreciation	1,554	1,641
Impairment provisions on financing assets	5,203	7,593
Impairment provisions on investments	3,750	4,336
Impairment charge / (reversal of impairment) on investment in real estate	339	(3,617)
Gain on sale of equity type instruments carried at fair value through equity	-	(1,946)
Gain on sale of investment in real estate	(1,166)	(4,951)
Share of results of associates	711	1,550
Gain on disposal of property and equipment	(72)	-
Dividends from investment in associates	-	(70)
Operating profit before changes in operating assets and liabilities	21,524	13,833
Working capital adjustments:		
Mandatory reserve with Central Bank of Bahrain	(3,010)	1,685
Financing assets	(71,256)	(64,808)
Ijarah Muntahia Bittamleek	(19,165)	(15,021)
Other assets	(8,885)	(498)
Customers' current accounts	3,821	31,491
Other liabilities	102	2,911
Placements from financial institutions	17,946	(19,574)
Customers' investment accounts	48,859	(50,893)
Net cash used in operating activities	(10,064)	(100,874)
INVESTING ACTIVITIES		
Purchase of investment in real estate	(1,092)	-
Disposal of investment in real estate	11,980	7,799
Dividends from investment in associates	-	70
Purchase of investment securities	(52,546)	(50,229)
Purchase of property and equipment	(1,481)	(1,715)
Disposal of property and equipment	506	40
Proceeds from disposal of investment securities	43,382	31,849
Net cash from / (used in) investing activities	749	(12,186)
FINANCING ACTIVITIES		
Rights issue	19,888	-
Dividends paid	(4)	(1)
Net cash from / (used in) financing activities	19,884	(1)
NET CHANGE IN CASH AND CASH EQUIVALENTS	10,569	(113,061)
Cash and cash equivalents at 1 January	89,630	202,691
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	100,199	89,630
Cash and cash equivalents at year end comprise of:		
Cash on hand	12,011	9,048
Balances with CBB, excluding mandatory reserve deposits	4,936	4,295
Balances with banks and other financial institutions	10,102	7,720
Placements with financial institutions with original maturities less than 90 days	73,150	68,567
	100,199	89,630

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	2015	2014
	BD'000	BD'000
ASSETS		
Cash and balances with banks and Central Bank	61,114	52,118
Placements with financial institutions	73,150	68,567
Financing assets	475,648	408,021
Investment securities	130,635	123,561
Ijarah Muntahia Bittamleek	118,061	102,277
Ijarah rental receivables	15,692	14,065
Investment in associates	28,116	30,835
Investment in real estate	43,601	53,934
Property and equipment	16,640	17,101
Other assets	13,691	4,728
TOTAL ASSETS	976,348	875,207
LIABILITIES, EQUITY OF INVESTMENT ACCOUNT-HOLDERS AND OWNERS' EQUITY		
Liabilities		
Placements from financial institutions	93,516	75,570
Customers' current accounts	141,244	137,423
Other liabilities	16,616	16,518
Total Liabilities	251,376	229,511
Equity of Investment Accountholders	615,460	566,601
Owners' Equity		
Share capital	97,441	93,967
Treasury shares	(563)	(563)
Shares under employee share incentive scheme	(879)	-
Share premium	2,794	-
Reserves	10,719	(14,320)
Equity attributable to owners of the parent	109,512	79,094
Non-controlling interest	-	11
Total Owners' Equity	109,512	79,095
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNT-HOLDERS AND OWNERS' EQUITY	976,348	875,207

These consolidated financial statements have been approved by the board of directors on 21 February 2016 and have been audited by KPMG, who expressed an unqualified opinion.

Abdulrazaq Al Qassim Chairman
Khalid Al Mannai Vice Chairman
Hassan Jarrar Chief Executive Officer