

CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2015

	Three months ended		Six months ended	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
	BD'000	BD'000	BD'000	BD'000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
INCOME				
Income from financing	8,954	6,968	16,404	14,045
Income from investment in Sukuk	913	551	1,816	1,016
	9,867	7,519	18,220	15,061
Less: Return on equity of investment accountholders	(1,285)	(1,801)	(2,607)	(4,021)
	8,582	5,718	15,613	11,040
Expense on placements from financial institutions	(77)	(138)	(133)	(200)
Fee and commission income	1,797	1,725	3,654	3,096
Income from investments	672	354	694	3,205
Income from investment in real estate	468	415	1,071	1,298
Share of loss of associates, net	(750)	(394)	(894)	(298)
Net gain from foreign currencies	538	147	971	322
Total income	11,230	7,827	20,976	18,463
EXPENSES				
Staff costs	2,509	2,485	4,739	4,978
Depreciation	383	411	785	826
Other expenses	2,435	2,378	4,631	4,857
Total expenses	5,327	5,274	10,155	10,661
Profit for the period before impairment allowances	5,903	2,553	10,821	7,802
Impairment provisions on financing assets	(1,873)	(1,967)	(3,747)	(4,452)
Write back on investments	1,087	959	1,122	700
PROFIT FOR THE PERIOD	5,117	1,545	8,196	4,050
BASIC AND DILUTED EARNINGS PER SHARE (fils)	5.46	1.65	8.75	4.32

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the six months ended 30 June 2015

	2015		2014	
	BD'000	BD'000	BD'000	BD'000
	(reviewed)	(reviewed)	(reviewed)	(reviewed)
Balance at 1 January			79,095	78,116
Profit for the period			8,196	4,050
Net movement in investments fair value reserve			(427)	(2,372)
Net movement in real estate fair value reserve			(274)	149
Shares allocated during the period			91	-
Net movement in non-controlling interest			(11)	(624)
Balance at 30 June			86,670	79,319

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2015

	Six months ended	
	30-Jun-15	30-Jun-14
	BD'000	BD'000
	(reviewed)	(reviewed)
OPERATING ACTIVITIES		
Profit for the period	8,196	4,050
Adjustments for:		
Depreciation	785	826
Impairment on investment real estate	144	-
Impairment provision on financing assets	3,747	3,752
Write back on investments	(1,122)	-
Gain on sale of investment in Sukuk	(11)	3
Gain on sale of equity type instruments	-	(1,896)
Gain on sale of investment in real estate	(1,058)	(1,110)
Share of loss of associates, net	894	298
Foreign exchange revaluation	(1,690)	-
Operating profit before changes in operating assets and liabilities	9,885	5,923
Working capital adjustments:		
Mandatory reserve with Central Bank of Bahrain	(465)	295
Financing assets	(37,833)	(57,719)
Ijarah Muntahia Bittamleek assets	(7,903)	(4,962)
Other assets	(289)	617
Customers' current accounts	7,032	40,099
Other liabilities	1,300	5,507
Placements from financial institutions	16,156	(9,708)
Customers' investment accounts	(6,933)	(40,590)
Net cash used in operating activities	(19,050)	(60,538)
INVESTING ACTIVITIES		
Disposal of investment in real estate	7,569	2,241
Dividends from investment in associates	-	70
Purchase of property and equipment	(856)	(927)
Purchase of investment securities	(35,363)	(42,235)
Proceeds from disposal of investment securities	34,770	28,687
Net cash from / (used in) investing activities	6,120	(12,164)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,930)	(72,702)
Cash and cash equivalents at 1 January	89,630	145,410
CASH AND CASH EQUIVALENTS AT 30 JUNE	76,700	72,708
Cash and cash equivalents comprise:		
Cash on hand	10,464	7,382
Balances with CBB, excluding mandatory reserve deposits	8,257	6,132
Balances with banks and other financial institutions	8,476	14,794
Placements with financial institutions with original maturities of 90 days or less	49,503	44,400
	76,700	72,708

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2015

	30-Jun-15		31-Dec-14	
	BD'000	BD'000	BD'000	BD'000
	(reviewed)	(reviewed)	(audited)	(audited)
ASSETS				
Cash and balances with banks and Central Bank	58,716		58,716	
Placements with financial institutions	49,503		68,567	
Financing assets	442,941		408,021	
Investments securities	125,834		123,561	
Ijarah Muntahia Bittamleek	109,363		102,277	
Ijarah rental receivables	14,065		14,065	
Investment in associates	29,624		30,835	
Investment in real estate	48,102		53,934	
Property and equipment	17,172		17,101	
Other assets	5,017		4,728	
TOTAL ASSETS	900,337		875,207	
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY				
Liabilities				
Placements from financial institutions	91,726		75,570	
Customers' current accounts	144,455		137,423	
Other liabilities	17,818		16,518	
Total Liabilities	253,999		229,511	
Equity of Investment Accountholders	559,668		566,601	
Owners' Equity				
Share capital	94,907		93,967	
Treasury shares	(563)		(563)	
Shares under employee share incentive scheme	(879)		-	
Share premium	30		-	
Reserves	(6,825)		(14,320)	
Equity Attributable to owners of the parent	86,670		79,084	
Non-controlling interest	-		11	
Total Owners' Equity	86,670		79,095	
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY	900,337		875,207	

These condensed consolidated financial statements have been approved by the board of directors on 29 July 2015 and have been reviewed by KPMG.

Abdulrazaq Al Qassim
Chairman

Khalid Al Mannai
Vice Chairman

Hassan Jarrar
Chief Executive Officer