

ESKAN BANK B.S.C. (c)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015 (Reviewed)

(Amounts in Bahraini Dinars thousands)

	30 June 2015 (reviewed)	31 December 2014 (audited)
ASSETS		
Cash and bank balances	39,400	94,410
Investments	4,757	4,757
Loans	450,613	434,770
Investment in associates	9,722	9,111
Investment properties	42,893	42,604
Development properties	21,035	18,593
Other assets	6,401	6,486
TOTAL ASSETS	574,821	610,731
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from financial and other institutions	17,500	48,107
Government accounts	240,737	251,459
Term loans	59,000	59,000
Other liabilities	23,516	24,064
Total liabilities	340,753	382,630
EQUITY		
Share capital	108,300	108,300
Contribution by shareholder	19,499	19,160
Statutory reserve	54,462	54,462
Retained earnings	45,180	39,548
Equity attributable to Bank's shareholders	227,441	221,470
Non-controlling interest	6,627	6,631
Total equity	234,068	228,101
TOTAL LIABILITIES AND EQUITY	574,821	610,731

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six month period ended 30 June 2015 (Reviewed)

(Amounts in Bahraini Dinars thousands)

	Three months ended		Six months ended	
	2015 (reviewed)	2014 (reviewed)	2015 (reviewed)	2014 (reviewed)
Management charges	3,577	3,335	7,077	6,514
Interest income	563	722	1,169	1,462
Income from investment properties	112	108	224	207
Share of profit of associates	603	239	611	238
Other income	61	154	167	272
TOTAL INCOME	4,916	4,558	9,248	8,693
Staff costs	1,375	1,101	2,441	2,195
Interest expense	106	192	221	378
Other expenses	421	395	793	736
Impairment provision on loans	122	21	165	133
TOTAL EXPENSES	2,024	1,709	3,620	3,442
PROFIT FOR THE PERIOD	2,892	2,849	5,628	5,251
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,892	2,849	5,628	5,251
Attributable to:				
Equity shareholders of the parent	2,892	2,849	5,632	5,251
Non-controlling interest	(0)	-	(4)	-
	2,892	2,849	5,628	5,251

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six month period ended 30 June 2015 (Reviewed)

(Amounts in Bahraini Dinars thousands)

	30 June 2015 (reviewed)	30 June 2014 (reviewed)
OPERATING ACTIVITIES		
Profit for the period	5,628	5,251
Adjustments for:		
Net share of profit of associates	(611)	(238)
Impairment provision on loans	165	133
Depreciation	147	188
Operating profit before working capital changes	5,329	5,334
Decrease in placements with banks	4,278	2,152
Increase in loans	(16,008)	(16,931)
Increase in development properties	(2,443)	(341)
(Decrease) increase in other assets	19	(85)
Decrease in deposits from financial and other institutions	(30,607)	(600)
(Decrease) increase in other liabilities	(548)	757
Cash flows used in operating activities	(39,980)	(9,714)
INVESTING ACTIVITY		
Purchase of equipment	(30)	(55)
Cash flows used in investing activity	(30)	(55)
FINANCING ACTIVITY		
Net movement in Government Accounts	(10,722)	3,238
Net cash flows (used in) from financing activity	(10,722)	3,238
NET DECREASE IN CASH AND CASH EQUIVALENTS	(50,732)	(6,531)
Cash and cash equivalents at 1 January	83,749	91,906
CASH AND CASH EQUIVALENTS AT 30 June	33,017	85,375
Non-cash activities		
Investment properties (land contribution by shareholder)	339	227

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six month period ended 30 June 2015 (Reviewed)

(Amounts in Bahraini Dinars thousands)

	Contribution		Statutory reserve	Retained earnings	Total	Non-controlling interest		Total equity
	Share capital	by shareholder				-	-	
As at 1 January 2015	108,300	19,160	54,462	39,548	221,470	6,631	-	228,101
Transfer of land	-	339	-	-	339	-	-	339
Total comprehensive income / (loss) for the period	-	-	-	5,632	5,632	(4)	-	5,628
At 30 June 2015	108,300	19,499	54,462	45,180	227,441	6,627	-	234,068
As at 1 January 2014	108,300	18,524	54,462	29,065	210,351	-	-	210,351
Transfer of land	-	227	-	-	227	-	-	227
Total comprehensive income for the period	-	-	-	5,251	5,251	-	-	5,251
At 30 June 2014	108,300	18,751	54,462	34,316	215,829	-	-	215,829

Basim Bin Yacob Al Hamer, Chairman

Dr. Khalid Abdulla, General Manager

The above interim consolidated statement of financial position and the related interim consolidated statements of comprehensive income, changes in equity and cash flows have been extracted from the interim consolidated financial statements of ESKAN BANK B.S.C. (c), which were approved by the Board of Directors and on which an unqualified review opinion was issued by Ernst & Young, Kingdom of Bahrain on 11th Aug 2015.