

ESKAN BANK B.S.C. (c)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016 (Reviewed) (Amounts in Bahraini Dinars thousands)	30 June 2016 (reviewed)	31 December 2015 (audited)
ASSETS		
Cash and bank balances	72,633	69,328
Investments	4,757	4,757
Loans	474,356	460,092
Investment in associates	6,012	6,911
Investment properties	31,969	31,996
Development properties	25,992	22,219
Other assets	2,010	1,961
TOTAL ASSETS	617,729	597,264
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from financial and other institutions	15,000	3,003
Government accounts	259,040	237,808
Term loans	89,000	109,000
Other liabilities	26,791	25,555
Total liabilities	389,831	375,366
EQUITY		
Share capital	108,300	108,300
Contribution by shareholder	1,509	1,509
Statutory reserve	54,462	54,462
Retained earnings	57,062	50,989
Equity attributable to Bank's shareholders	221,333	215,260
Non-controlling interest	6,565	6,638
Total equity	227,898	221,898
TOTAL LIABILITIES AND EQUITY	617,729	597,264

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Six month period ended 30 June 2016 (Reviewed) (Amounts in Bahraini Dinars thousands)	Three months ended 30 June		Six months ended 30 June	
	2016 (reviewed)	2015 (reviewed)	2016 (reviewed)	2015 (reviewed)
Management charges	3,848	3,576	7,670	7,077
Interest income	612	563	1,236	1,169
Income from investment properties	142	112	272	224
Share of profit of associates	291	604	313	611
Other income	80	61	167	167
TOTAL INCOME	4,973	4,916	9,658	9,248
Staff costs	1,273	1,375	2,469	2,441
Interest expense	290	106	358	221
Other expenses	383	421	724	792
Impairment provision on loans	80	122	107	165
TOTAL EXPENSES	2,026	2,024	3,658	3,619
PROFIT FOR THE PERIOD	2,947	2,892	6,000	5,629
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,947	2,892	6,000	5,629
Attributable to:				
Equity shareholders of the parent	3,024	2,892	6,073	5,633
Non-controlling interest	(77)	-	(73)	(4)
	2,947	2,892	6,000	5,629

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six month period ended 30 June 2016 (Reviewed) (Amounts in Bahraini Dinars thousands)	30 June 2016 (reviewed)	30 June 2015 (reviewed)
OPERATING ACTIVITIES		
Profit for the period	6,000	5,628
Adjustments for:		
Net share of profit of associates	(313)	(612)
Provision of impairment on loans	107	165
Depreciation	184	152
Operating profit before working capital changes	5,978	5,333
Decrease in placements with banks	777	4,278
Increase in loans	(14,371)	(16,008)
Increase in development properties	(3,890)	(2,443)
Decrease in other assets	86	19
Increase / (decrease) in deposits from financial and other institutions	11,997	(30,607)
Increase / (decrease) in other liabilities	1,313	(548)
Cash flows from (used in) operating activities	1,890	(39,976)
INVESTING ACTIVITIES		
Purchase of equipment	(252)	(34)
Investment in associate - capital repayment	1,212	-
Cash flows from (used in) investing activities	960	(34)
FINANCING ACTIVITY		
Repayment of term loans	(20,000)	-
Net movement in Government accounts	21,232	(10,722)
Net cash flows from (used in) financing activity	1,232	(10,722)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,082	(50,732)
Cash and cash equivalents at 1 January	34,509	83,749
CASH AND CASH EQUIVALENTS AT 30 JUNE	38,591	33,017
Non-cash activities		
Transfer between investment and development properties	117	-
Investment properties (land contribution by shareholder)	-	339

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six month period ended 30 June 2016 (Reviewed) (Amounts in Bahraini Dinars thousands)	Share capital	Contribution by shareholder	Statutory reserve	Retained earnings	Total	Non-controlling interest	Total equity
As at 1 January 2016	108,300	1,509	54,462	50,989	215,260	6,638	221,898
Total comprehensive income / (loss) for the period	-	-	-	6,073	6,073	(73)	6,000
As at 30 June 2016	108,300	1,509	54,462	57,062	221,333	6,565	227,898
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	-	-	-	5,633	5,633	(4)	5,629
As at 30 June 2015	108,300	19,499	54,462	45,181	227,442	6,627	234,069

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 audit opinion was issued by Ernst & Young, Kingdom of Bahrain on 14 August 2016.