

ESKAN BANK B.S.C. (c)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2016 (Reviewed) (Amounts in Bahraini Dinars thousands)	30 Sep 2016 (reviewed)	31 December 2015 (audited)
ASSETS		
Cash and bank balances	84,426	69,328
Investments	4,757	4,757
Loans	474,214	460,092
Investment in associates	6,158	6,911
Investment properties	31,928	31,996
Development properties	26,790	22,219
Other assets	2,217	1,961
TOTAL ASSETS	630,490	597,264
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from financial and other institutions	20,000	3,003
Government accounts	270,826	237,808
Term loans	89,000	109,000
Other liabilities	40,010	25,555
Total liabilities	419,836	375,366
EQUITY		
Share capital	108,300	108,300
Contribution by shareholder	1,509	1,509
Statutory reserve	54,462	54,462
Retained earnings	39,813	50,989
Equity attributable to Bank's shareholders	204,084	215,260
Non-controlling interest	6,570	6,638
Total equity	210,654	221,898
TOTAL LIABILITIES AND EQUITY	630,490	597,264

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine month period ended 30 September 2016 (Reviewed) (Amounts in Bahraini Dinars thousands)	Three months ended 30 September		Nine months ended 30 September	
	2016 (reviewed)	2015 (reviewed)	2016 (reviewed)	2015 (reviewed)
Management charges	3,819	3,619	11,489	10,696
Interest income	612	536	1,848	1,705
Income from investment properties	114	106	386	330
Share of profit of associates	146	30	459	642
Other income	80	52	247	219
TOTAL INCOME	4,771	4,343	14,429	13,592
Staff costs	1,277	1,459	3,747	3,899
Interest expense	108	94	466	316
Other expenses	579	361	1,303	1,154
Provision / (Reversal) of impairment on loans	51	(39)	157	126
TOTAL EXPENSES	2,015	1,875	5,673	5,495
PROFIT FOR THE PERIOD	2,756	2,468	8,756	8,097
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,756	2,468	8,756	8,097
Attributable to:				
Equity shareholders of the parent	2,751	2,462	8,824	8,095
Non-controlling interest	5	6	(68)	2
	2,756	2,468	8,756	8,097

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine month period ended 30 September 2016 (Reviewed) (Amounts in Bahraini Dinars thousands)	30 September 2016 (reviewed)	30 September 2015 (reviewed)
OPERATING ACTIVITIES		
Profit for the period	8,756	8,097
Adjustments for:		
Net share of profit of associates	(459)	(642)
Provision of impairment on loans	157	126
Depreciation	331	229
Operating profit before working capital changes	8,785	7,810
(Increase) / decrease in placements with banks	(12,281)	8,475
Increase in loans	(14,279)	(21,840)
Increase in development properties	(4,738)	(4,218)
Increase in other assets	(71)	(6)
Increase / (decrease) in deposits from financial and other institutions	16,997	(37,107)
Increase in other liabilities	4,540	367
Cash flows used in operating activities	(1,047)	(46,519)
INVESTING ACTIVITIES		
Purchase of equipment	(366)	(100)
Investment in associate - capital repayment	1,212	-
Cash flows from (used in) investing activities	846	(100)
FINANCING ACTIVITIES		
Repayment of term loans	(20,000)	-
Dividends paid	(10,000)	-
Net movement in Government accounts	33,017	(14,070)
Net cash flows from (used in) financing activities	3,017	(14,070)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,816	(60,689)
Cash and cash equivalents at 1 January	34,510	83,749
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	37,326	23,060
Non-cash activities		
Transfer between investment and development properties	168	-
Investment properties (land contribution by shareholder)	-	339

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine month period ended 30 September 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
Dividend	-	-	-	(20,000)	(20,000)	-	(20,000)
Total comprehensive income / (loss) for the period	-	-	-	8,824	8,824	(68)	8,756
As at 30 September 2016	108,300	1,509	54,462	39,813	204,084	6,570	210,654
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	-	-	-	8,095	8,095	2	8,097
As at 30 September 2015	108,300	19,499	54,462	47,643	229,904	6,633	236,537

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 Nov 2016.