

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2018

(Amounts in Bahraini Dinars thousands)

	30 September 2018 (reviewed)	31 December 2017 (audited)
<b>Assets</b>		
Cash and bank balances	39,232	39,663
Investments	16,929	10,029
Loans	624,069	609,863
Investment in associates	5,569	5,573
Investment properties	53,411	53,507
Development properties	21,553	16,196
Other assets	30,044	3,571
<b>Total assets</b>	<b>790,807</b>	<b>738,402</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Deposits from financial and other institutions	21,000	20,500
Customer current accounts	3,107	3,634
Government accounts	400,021	415,674
Term loans	81,700	30,000
Other liabilities	4,967	6,229
<b>Total liabilities</b>	<b>510,795</b>	<b>476,037</b>
<b>Equity</b>		
Share capital	108,300	108,300
Contribution by shareholder	23,946	23,946
Statutory reserve	54,462	54,462
Retained earnings	86,645	68,976
Equity attributable to Bank's shareholder	273,353	255,684
Non-controlling interest	6,659	6,681
<b>Total equity</b>	<b>280,012</b>	<b>262,365</b>
<b>Total liabilities and equity</b>	<b>790,807</b>	<b>738,402</b>

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended 30 September 2018

(Amounts in Bahraini Dinars thousands)

	Nine months ended 30 September		Three months ended 30 September	
	2018 (reviewed)	2017 (reviewed)	2018 (reviewed)	2017 (reviewed)
Interest income	20,647	13,477	6,891	4,477
Income from properties	522	3,213	165	335
Share of profit/ (loss) from investment in associate	191	246	39	(143)
Other income	942	562	86	147
<b>Total income</b>	<b>22,302</b>	<b>17,498</b>	<b>7,181</b>	<b>4,816</b>
Staff costs	(3,400)	(4,049)	(1,137)	(1,307)
Interest expense	(234)	(457)	(79)	(181)
Other expenses	(1,098)	(1,062)	(357)	(323)
<b>Total expenses</b>	<b>(4,732)</b>	<b>(5,568)</b>	<b>(1,573)</b>	<b>(1,811)</b>
Profit before release / (charge) of provision for impairment	17,570	11,930	5,608	3,005
Release / (charge) of provision for impairment	146	(388)	(57)	(254)
<b>Profit for the period</b>	<b>17,716</b>	<b>11,542</b>	<b>5,551</b>	<b>2,751</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>17,716</b>	<b>11,542</b>	<b>5,551</b>	<b>2,751</b>
Attributable to:				
Equity shareholder of the parent	17,731	11,533	5,556	2,743
Non-controlling interest	(15)	9	(5)	8
	<b>17,716</b>	<b>11,542</b>	<b>5,551</b>	<b>2,751</b>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2018

(Amounts in Bahraini Dinars thousands)

	30 September 2018 (reviewed)	30 September 2017 (reviewed)
<b>Operating activities</b>		
Profit for the period	17,716	11,542
Adjustments for:		
Net share of profit of associates	(191)	(246)
Gain on sale of development properties	(47)	(2,793)
(Release) / charge of provision for impairment	(147)	388
Depreciation	227	244
Operating profit before working capital changes	17,558	9,135
Decrease / (increase) in placements with banks (original maturity more than 90 days)	1,353	(13,575)
Decrease in loans	17,747	5,816
(Increase) / decrease development properties	(5,310)	8,818
Decrease / (Increase) in other assets	515	(838)
Increase / (decrease) in deposits from financial and other institutions	500	(10,700)
Decrease in customer current account	(528)	(1,351)
Decrease in other liabilities	(1,262)	(256)
<b>Net cash generated from / (used in) operating activities</b>	<b>30,573</b>	<b>(2,951)</b>
<b>Investing activities</b>		
Purchase of equipment	(119)	(189)
Investment in debt securities	(6,900)	3,078
Investment in associate	195	(2,142)
<b>Net cash (used in) / generated from investing activities</b>	<b>(6,824)</b>	<b>747</b>
<b>Financing activities</b>		
Repayment of term loans	-	(30,000)
Proceeds from term loans	51,700	-
Net movement on Government accounts	(74,510)	1,917
<b>Net cash used in financing activities</b>	<b>(22,810)</b>	<b>(28,083)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>940</b>	<b>(30,288)</b>
Cash and cash equivalents at 1 January	38,310	71,879
<b>Cash and cash equivalents at 30 September</b>	<b>39,250</b>	<b>41,591</b>
<b>Cash and cash equivalent comprise:</b>		
Cash in hand and current accounts with banks	7,350	3,391
Placements with banks (with an original maturity of 90 days or less)	31,900	38,200
	<b>39,250</b>	<b>41,591</b>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2018

(Amounts in Bahraini Dinars thousands)

	Equity attributable to Bank's shareholder						
	Share capital by shareholder	Contribution by shareholder	Statutory reserve	Retained earnings	Total	Non-controlling interest	Total equity
<b>2018 (reviewed)</b>							
As at 1 January 2018	108,300	23,946	54,462	68,976	255,684	6,681	262,365
Adjustment on initial adoption of IFRS 9 as at 1 January 2018	-	-	-	(10,839)	(10,839)	(7)	(10,846)
Adjusted balance at 1 January 2018	108,300	23,946	54,462	58,137	244,845	6,674	251,519
Total comprehensive income for the period	-	-	-	17,731	17,731	(15)	17,716
Expected credit loss on social housing loans borne by the Government as on 1 January 2018	-	-	-	10,777	10,777	-	10,777
<b>As at 30 September 2018</b>	<b>108,300</b>	<b>23,946</b>	<b>54,462</b>	<b>86,645</b>	<b>273,353</b>	<b>6,659</b>	<b>280,012</b>
2017 (reviewed)							
As at 1 January 2017	108,300	13,950	54,462	47,451	224,163	6,665	230,828
Transfer of land	-	9,995	-	-	9,995	-	9,995
Total comprehensive income for the period	-	-	-	11,533	11,533	9	11,542
As at 30 September 2017	108,300	23,946	54,462	58,984	245,691	6,674	252,365

Basim Bin Yacob Al Hamer, Chairman

Dr. Khalid Abdulla, General Manager

This information has been extracted from the condensed consolidated interim financial information for the nine months ended 30 September 2018 which were approved by board of directors on 11 November 2018 and reviewed by KPMG Fakhro which issued unmodified review report.