

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2018

	(Reviewed) 30 September 2018 BD '000	(Audited) 31 December 2017 BD '000
ASSETS		
Cash and balances with Central Bank of Bahrain	2,713	2,873
Placement with banks and other financial institutions	19,971	27,011
Islamic financing and loans to customers	94,076	114,535
Investment securities	30,643	15,143
Investment in associates	259	419
Investment properties	11,710	12,033
Property and equipment	1,432	1,216
Other assets	2,825	2,940
TOTAL ASSETS	163,629	176,170
LIABILITIES AND EQUITY		
Liabilities		
Term loans	53,238	51,674
Deposits	36,041	46,440
Other liabilities	5,661	5,371
Total liabilities	94,940	103,485
Equity		
Share capital	65,000	65,000
Statutory reserve	1,186	1,186
Other capital contribution	4,048	4,048
Other reserves	(196)	181
Retained earnings	(1,331)	2,280
Equity attributable to owners of the Bank	68,707	72,695
Non-controlling interest	(18)	(10)
Total equity	68,689	72,685
TOTAL LIABILITIES AND EQUITY	163,629	176,170

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Nine month period ended 30 September 2018 (Reviewed)

	Nine months ended 30 September		Three months ended 30 September	
	2018 BD'000	2017 BD'000	2018 BD'000	2017 BD'000
Income				
Islamic financing and interest income	6,355	6,964	2,296	2,211
Islamic financing and interest expense	(1,413)	(1,823)	(493)	(553)
Net Islamic finance and interest income	4,942	5,141	1,803	1,658
Fee and commission income	241	313	58	82
Investment income	50	76	-	(47)
Share of profit from associates	112	-	-	-
Rental income	1,484	1,491	503	534
Other income	877	39	103	(50)
Total income	7,706	7,060	2,467	2,177
Expenses				
Staff costs	(3,333)	(3,427)	(1,064)	(1,084)
Other operating expenses	(2,607)	(3,083)	(820)	(939)
Net profit before expected credit losses	1,766	550	583	154
Allowance for expected credit losses / provision - net impairment on investment in associates	(1,756)	(3,891)	(899)	(2,863)
Loss for the period	(82)	(3,341)	(316)	(2,709)
Loss attributable to:				
- Owners of the Bank	(74)	(3,344)	(316)	(2,711)
- Non-controlling interest	(8)	3	-	2
	(82)	(3,341)	(316)	(2,709)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Nine month period ended 30 September 2018 (Reviewed)

	Equity attributable to owners of the Bank							
	Share capital BD'000	Statutory reserve BD'000	Other capital contribution BD'000	Other reserves BD'000	Retained earnings BD'000	Total BD'000	Non - controlling interest BD'000	Total equity BD'000
As at 31 December 2017	65,000	1,186	4,048	181	2,280	72,695	(10)	72,685
Impact due to recognition of expected credit losses under IFRS 9 [note 2.4 (iv)]	-	-	-	-	(3,557)	(3,557)	-	(3,557)
Impact due to reclassification of investment securities - debt under IFRS 9 [note 2.4 (iv)]	-	-	-	(20)	20	-	-	-
Restated opening balance as at 1 January 2018	65,000	1,186	4,048	161	(1,257)	69,138	(10)	69,128
Total comprehensive loss for the period	-	-	-	-	(357)	(74)	(8)	(439)
As at 30 September 2018	65,000	1,186	4,048	(196)	(1,331)	68,707	(18)	68,689

	Equity attributable to owners of the Bank							
	Share capital BD'000	Statutory reserve BD'000	Other capital contribution BD'000	Other reserves BD'000	Retained earnings BD'000	Total BD'000	Non - controlling interest BD'000	Total equity BD'000
As at 1 January 2017	65,000	1,186	4,048	181	9,940	80,355	6	80,361
Total comprehensive loss for the period	-	-	-	-	(3,344)	(3,344)	3	(3,341)
As at 30 September 2017	65,000	1,186	4,048	181	6,596	77,011	9	77,020

INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
Nine month period ended 30 September 2018 (Reviewed)

	Nine months ended 30 September		Three months ended 30 September	
	2018 BD'000	2017 BD'000	2018 BD'000	2017 BD'000
Loss for the period	(82)	(3,341)	(316)	(2,709)
Other comprehensive income:				
Items that will be reclassified to profit or loss in subsequent periods:				
Changes in fair value of investments classified as fair value through other comprehensive income	(357)	-	166	-
Total comprehensive loss for the period	(439)	(3,341)	(150)	(2,709)
Total comprehensive loss attributable to:				
- Owners of the Bank	(431)	(3,344)	(150)	(2,711)
- Non-controlling interest	(8)	3	-	2
	(439)	(3,341)	(150)	(2,709)

	Nine months ended 30 September	
	2018 BD'000	2017 BD'000
OPERATING ACTIVITIES		
Loss for the period	(82)	(3,341)
Adjustments for:		
Depreciation	690	605
Allowance for expected credit losses / provision - net impairment on investments	1,756	3,891
Changes in fair value of investments classified as fair value through profit or loss	40	14
Dividend income	(90)	(90)
Share of profit from associates	(112)	-
Loss on foreign currency translation	58	18
Operating profit before changes in operating assets and liabilities	2,352	1,097
Changes in operating assets and liabilities:		
Placement with banks and other financial institutions having original maturity of more than 90 days	1,796	2,472
Islamic financing and loans to customers	15,958	12,798
Other assets	(537)	(566)
Deposits	(10,399)	(15,059)
Other liabilities	290	552
Net cash from operating activities	9,460	1,294
INVESTING ACTIVITIES		
Purchases for property and equipment	(579)	(140)
Purchase of investment securities	(22,601)	(167)
Proceeds from sale of investment securities	6,834	2,200
Dividend income received	90	90
Net cash (used in) / from investing activities	(16,256)	1,983
FINANCING ACTIVITY		
Repayment of term loans	1,564	(1,844)
Net cash from / (used in) financing activity	1,564	(1,844)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(5,232)	1,433
Cash and cash equivalents at beginning of the period	16,524	24,979
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11,292	26,412

The published figures are an extract from the interim consolidated financial statements reviewed by Ernst & Young and approved by Board of Directors on 4 November 2018.

Khalid Al Rumaihi
Chairman

Sanjeev Paul
CEO