

# Al Salam Bank-Bahrain B.S.C. Interim Condensed Consolidated Financial Statements for the period ended 31 March 2012

These were extracted from the interim condensed consolidated financial statements on which Ernst & Young issued an unqualified review report dated 15<sup>th</sup> April 2012.

INTERIM CONSOLIDATED INCOME STATEMENT (REVIEWED)	31 March 2012	31 March 2011
	BD '000	BD '000
<b>OPERATING INCOME</b>		
Income from financing contracts and sukuk	8,117	6,413
Gains on sale of investments and sukuk	-	693
Loss from FVTPL investments	(43)	(301)
Fair value changes on FVTPL investments	3,292	108
Writedown of available for sale investments	(191)	-
Dividend income	540	248
Fees, commissions and foreign exchange gains	456	559
	<b>12,171</b>	<b>7,720</b>
Profit on Murabaha and Wakala payables to banks	(148)	(166)
Profit on Wakala payables to non-banks	(5,520)	(4,044)
Profit relating to equity of investment accountholders	(38)	(63)
Depreciation on Ijarah Muntahia Bittamleek	(1,784)	(780)
Total operating income	<b>4,681</b>	<b>2,667</b>
<b>OPERATING EXPENSES</b>		
Staff costs	1,509	1,505
Premises and equipment cost	287	277
Depreciation	138	307
Other operating expenses	818	923
Total operating expenses	<b>2,752</b>	<b>3,012</b>
<b>NET PROFIT (LOSS) BEFORE PROVISIONS</b>	<b>1,929</b>	<b>(345)</b>
Provision for impairment	(117)	(468)
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>1,812</b>	<b>(813)</b>
<i>Attributable to:</i>		
Shareholders of the Bank	1,776	(853)
Non-controlling interest	36	40
	<b>1,812</b>	<b>(813)</b>
<b>WEIGHTED AVERAGE NUMBER OF SHARES (in '000)</b>	<b>1,491,652</b>	<b>1,496,751</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (FILS)</b>	<b>1.2</b>	<b>(0.6)</b>

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (REVIEWED)	31 March 2012	31 March 2011
	BD '000	BD '000
Net cash from (used in) operating activities	111,850	(74,198)
Net cash from (used in) investing activities	8	(109)
Net cash from financing activities	6,570	7,767
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>118,428</b>	<b>(66,540)</b>
Cash and cash equivalents at 1 January	187,729	203,116
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>306,157</b>	<b>136,576</b>

These interim consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 15<sup>th</sup> April, 2012.

Shaikha Hessa bint Khalifa Al Khalifa  
Chairperson of the Board

Yousif Taqi  
Director & CEO

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	(Reviewed) 31 March 2012	(Audited) 31 December 2011
	BD '000	BD '000
<b>ASSETS</b>		
Cash and balances with banks and Central Bank of Bahrain	161,058	72,318
Central Bank of Bahrain Sukuk	126,766	125,027
Murabaha and Wakala receivables from banks	168,873	135,698
Corporate Sukuk	62,510	49,650
Murabaha financing	133,873	135,383
Mudaraba financing	68,999	57,706
Ijarah Muntahia Bittamleek	64,377	66,477
Musharaka financing	12,169	11,711
Assets under conversion	26,430	27,750
Non-trading investments	228,107	223,320
Investment properties	2,500	2,500
Receivables and prepayments	18,800	15,278
Premises and equipment	943	1,089
<b>TOTAL ASSETS</b>	<b>1,075,405</b>	<b>923,907</b>

## LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY

<b>LIABILITIES</b>		
Murabaha and Wakala payables to banks	105,155	104,573
Wakala payables to non-banks	664,992	515,147
Customers' current accounts	65,389	66,585
Liabilities under conversion	-	7,633
Other liabilities	13,344	13,088
<b>TOTAL LIABILITIES</b>	<b>848,880</b>	<b>707,026</b>
<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>	<b>22,853</b>	<b>16,256</b>
<b>OWNERS' EQUITY</b>		
Share capital	149,706	149,706
Treasury stock	(492)	(465)
Reserves and retained earnings	50,266	47,228
Total equity attributable to shareholders of the Bank	199,480	196,469
Non-controlling interest	4,192	4,156
<b>TOTAL OWNERS' EQUITY</b>	<b>203,672</b>	<b>200,625</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>	<b>1,075,405</b>	<b>923,907</b>

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (REVIEWED)	2012	2011
	BD '000	BD '000
Balance at 1 January	200,625	202,625
Changes due to adoption of FAS 25	-	(765)
As at 1 January (restated)	200,625	201,860
<b>Total comprehensive income for the period:</b>		
Net profit (loss) for the period	1,812	(813)
<i>Other comprehensive income:</i>		
Net change in fair value	1,262	(405)
Transfer to income statement	-	96
<b>Total comprehensive income (loss)</b>	<b>3,074</b>	<b>(1,122)</b>
Treasury shares purchased	(27)	(84)
<b>Balance at 31 March</b>	<b>203,672</b>	<b>200,654</b>