

# Al Salam Bank-Bahrain B.s.c.

Interim Condensed Consolidated Financial Statements for the period ended 31 March 2016

These were extracted from the interim condensed consolidated financial statements on which Ernst & Young issued an unqualified review report dated 25<sup>th</sup> April 2016.



AL SALAM BANK  
السلام بنك البحرين

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	(Reviewed) 31 March 2016	(Audited) 31 December 2015	INTERIM CONSOLIDATED INCOME STATEMENT (REVIEWED)	Three months period ended 31 March 2016	Three months period ended 31 March 2015
	BD '000	BD '000		BD '000	BD '000
<b>ASSETS</b>			<b>OPERATING INCOME</b>		
Cash and balances with banks and Central Bank	123,993	152,572	Income from financing contracts	9,112	12,432
Sovereign Sukuk	357,527	350,474	Income from Sukuk	4,389	4,044
Murabaha and Wakala receivables from banks	174,999	103,345	Gains on sale of investments and Sukuk	1,112	155
Corporate Sukuk	50,213	50,472	Income from investments	332	676
Murabaha financing	261,296	245,168	Fair value changes on investments	1,096	274
Mudaraba financing	217,632	239,031	Dividend income	352	378
Ijarah Muntahia Bittamleek	158,779	155,217	Foreign exchange gains (losses)	449	(117)
Musharaka	7,005	7,154	Fees, commission and other income - net	1,210	1,487
Assets under conversion	29,388	32,032		<b>18,052</b>	<b>19,329</b>
Non-trading investments	121,706	123,514	Profit on Murabaha and Wakala payables to banks	(334)	(186)
Investments in real estate	72,529	71,517	Profit on Wakala payables to non-banks	(4,729)	(7,265)
Development properties	43,487	49,021	Profit on term financing	(410)	(223)
Investment in associates	10,689	9,994	Return on equity of investment accountholders before Group's share as a Mudarib	(55)	(98)
Other assets	32,769	41,161	Group's share as a Mudarib	25	44
Goodwill	25,971	25,971		<b>(30)</b>	<b>(54)</b>
<b>TOTAL ASSETS</b>	<b>1,687,983</b>	<b>1,656,643</b>	Total operating income	<b>12,549</b>	<b>11,601</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>			<b>OPERATING EXPENSES</b>		
<b>LIABILITIES</b>			Staff cost	2,631	3,235
Murabaha and Wakala payables to banks	107,270	120,795	Premises and equipment cost	645	693
Murabaha and Wakala payables to non-banks	822,061	842,570	Depreciation	992	567
Current accounts	256,391	224,366	Other operating expenses	2,146	2,835
Liabilities under conversion	677	2,327	Total operating expenses	<b>6,414</b>	<b>7,330</b>
Term financing	74,283	35,986	<b>PROFIT BEFORE PROVISIONS AND RESULTS OF ASSOCIATES</b>	<b>6,135</b>	<b>4,271</b>
Other liabilities	49,313	48,246	Provision for financing and investments - net	(2,361)	(1,212)
<b>TOTAL LIABILITIES</b>	<b>1,309,995</b>	<b>1,274,290</b>	Share of profit from associates	727	855
<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS OWNERS' EQUITY</b>	<b>64,209</b>	<b>62,351</b>	<b>NET PROFIT FOR THE PERIOD</b>	<b>4,501</b>	<b>3,914</b>
Share capital	214,093	214,093	<b>ATTRIBUTABLE TO:</b>		
Reserves and retained earnings	98,708	94,140	Shareholders of the Bank	4,650	3,793
Proposed appropriations	-	10,705	Non-controlling interest	(149)	121
Total equity attributable to shareholders of the Bank	312,801	318,938		<b>4,501</b>	<b>3,914</b>
Non-controlling interest	978	1,064	<b>Weighted average number of shares (in '000)</b>	<b>2,140,931</b>	<b>2,140,931</b>
<b>TOTAL OWNERS' EQUITY</b>	<b>313,779</b>	<b>320,002</b>	<b>Basic and diluted earnings per share (fils)</b>	<b>2.2</b>	<b>1.8</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>	<b>1,687,983</b>	<b>1,656,643</b>	<b>INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (REVIEWED)</b>	Three months period ended 31 March 2016	Three months period ended 31 March 2015
<b>OTHER COMPREHENSIVE INCOME (REVIEWED)</b>	Three months period ended 31 March 2016	Three months period ended 31 March 2015		BD '000	BD '000
<b>Net profit for the period</b>	<b>4,501</b>	<b>3,914</b>	<b>Balance at 1 January</b>	<b>320,002</b>	<b>328,803</b>
<b>Other comprehensive (loss)/income:</b>			Net profit for the period	4,501	3,914
<i>Items to be reclassified to income statement in subsequent periods:</i>			Net changes in fair value	(48)	961
Unrealized gain reclassified to consolidated income statement on disposal of available-for-sale investments	(23)	-	Foreign currency re-translation	(131)	(689)
Unrealised (loss) / gain on available-for-sale investments	(25)	945	Dividend paid	(10,705)	(10,830)
Changes in fair value of investments in real estate	-	16	Net movements in non-controlling interest	160	3,398
Foreign currency re-translation	(131)	(689)	<b>Balance at 31 March</b>	<b>313,779</b>	<b>325,557</b>
<b>Other comprehensive (loss) income for the period</b>	<b>(179)</b>	<b>272</b>	<b>INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (REVIEWED)</b>	Three months period ended 31 March 2016	Three months period ended 31 March 2015
<b>Total comprehensive income for the period</b>	<b>4,322</b>	<b>4,186</b>		BD '000	BD '000
<b>Attributable to:</b>			Net cash from (used in) operating activities	14,517	(809)
Shareholders of the Bank	4,568	4,065	Net cash used in investing activities	(647)	(49,726)
Non-controlling interest	(246)	121	Net cash from financing activities	29,610	190
	<b>4,322</b>	<b>4,186</b>	<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>43,480</b>	<b>(50,345)</b>
			Cash and cash equivalents at 1 January	223,677	408,535
			<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>267,157</b>	<b>358,190</b>

These interim condensed consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 25<sup>th</sup> April 2016.

Shaikha Hessa bint Khalifa Al Khalifa  
Chairperson of the Board

Yousif Taqi  
Director & CEO