

**Al Salam Bank-Bahrain B.S.C.**

**INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS**

**31 MARCH 2013**

## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF AL SALAM BANK-BAHRAIN B.S.C.

### Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Al Salam Bank-Bahrain B.S.C. ("the Bank") as at 31 March 2013, comprising of the interim consolidated statement of financial position as at 31 March 2013 and the related interim consolidated statements of income, cash flows and changes in owners' equity for the three month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the accounting policies disclosed in note 2. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material aspects, in accordance with the accounting policies disclosed in note 2.



29 April 2013  
Manama, Kingdom of Bahrain

# Al Salam Bank-Bahrain B.S.C.

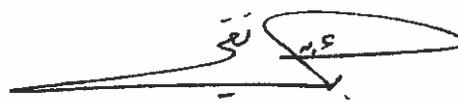
## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2013 (reviewed)

		<i>(Reviewed)</i> 31 March 2013 BD '000	<i>(Audited)</i> 31 December 2012 BD '000
	<i>Note</i>		
<b>ASSETS</b>			
Cash and balances with banks and Central Bank of Bahrain		76,314	66,843
Central Bank of Bahrain Sukuk		108,716	117,612
Murabaha and Wakala receivables from banks		124,214	103,290
Corporate Sukuk		79,626	74,993
Murabaha financing		150,193	127,537
Mudaraba financing		109,184	99,572
Ijarah Muntahia Bittamleek		90,624	82,954
Musharaka		18,510	17,467
Non-trading investments	3	187,391	204,202
Investment in an associate		7,589	7,573
Investment properties		13,004	2,500
Other assets	4	23,191	36,908
Premises and equipment		737	767
<b>TOTAL ASSETS</b>		<b>989,293</b>	<b>942,218</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>			
<b>LIABILITIES</b>			
Murabaha and Wakala payables to banks		99,210	90,852
Wakala payables to non-banks		561,031	521,929
Customers' current accounts		83,590	83,921
Other liabilities		22,802	19,175
<b>TOTAL LIABILITIES</b>		<b>766,633</b>	<b>715,877</b>
<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>		<b>19,042</b>	<b>18,276</b>
<b>OWNERS' EQUITY</b>			
Share capital	5	149,706	149,706
Treasury stock		(492)	(492)
Reserves and retained earnings		54,404	51,366
Proposed appropriations		-	7,485
<b>TOTAL OWNERS' EQUITY</b>		<b>203,618</b>	<b>208,065</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>		<b>989,293</b>	<b>942,218</b>



Sh. Hessa Bint Khalifa Al Khalifa  
Chairperson of the Board



Yousif A. Taqi  
Director and Chief Executive Officer

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

**Al Salam Bank-Bahrain B.S.C.**

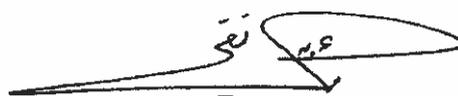
**INTERIM CONSOLIDATED INCOME STATEMENT**

For the three month period ended 31 March 2013 (reviewed)

	<b>31 March 2013 BD '000</b>	<b>31 March 2012 BD '000</b>
<b>OPERATING INCOME</b>		
Income from financing contracts	5,681	4,302
Income from Sukuk	2,282	2,031
Gains on sale of investments and sukuk	875	-
Income (loss) from FVTPL investments	882	(43)
Fair value changes on FVTPL investments	111	3,292
Net loss from available-for-sale investments	-	(191)
Dividend income	324	540
Foreign exchange gains	184	242
Fees, commission and other income	284	214
	<b>10,623</b>	<b>10,387</b>
Profit on Murabaha and Wakala payables to banks	(187)	(148)
Profit on Wakala payables to non-banks	(4,221)	(5,520)
Profit relating to equity of investment accountholders	(31)	(38)
<b>Total operating income</b>	<b>6,184</b>	<b>4,681</b>
<b>OPERATING EXPENSES</b>		
Staff costs	1,380	1,509
Premises and equipment cost	311	287
Depreciation	70	138
Other operating expenses	869	818
<b>Total operating expenses</b>	<b>2,630</b>	<b>2,752</b>
<b>PROFIT BEFORE PROVISIONS</b>	<b>3,554</b>	<b>1,929</b>
Provisions / write-off	(501)	(117)
<b>NET PROFIT FOR THE PERIOD</b>	<b>3,053</b>	<b>1,812</b>
<i>Attributable to:</i>		
Shareholders of the Bank	3,053	1,776
Non-controlling interest	-	36
	<b>3,053</b>	<b>1,812</b>
<b>WEIGHTED AVERAGE NUMBER OF SHARES (in '000)</b>	<b>1,491,372</b>	<b>1,491,652</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (FILS)</b>	<b>2.0</b>	<b>1.2</b>



Sh. Hessa Bint Khalifa Al Khalifa  
Chairperson of the Board



Yousif A. Taqi  
Director and Chief Executive Officer

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

Al Salam Bank-Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three month period ended 31 March 2013 (reviewed)

	31 March 2013 BD '000	31 March 2012 BD '000
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	3,053	1,812
Adjustments:		
Depreciation	70	138
Net gain on investments	(111)	(3,101)
Provisions	501	117
Operating income / (loss) before changes in operating assets and liabilities	<u>3,513</u>	<u>(1,034)</u>
<b>Changes in operating assets and liabilities:</b>		
Mandatory reserve with Central Bank of Bahrain	500	(459)
Central Bank of Bahrain Sukuk	8,896	(1,739)
Murabaha and Wakala receivables from banks with original maturities of 90 days or more	(87)	(3,027)
Corporate Sukuk	(4,633)	(12,860)
Murabaha financing	(23,133)	1,510
Mudaraba financing	(9,612)	(11,293)
Ijarah Muntahia Bittamleek	(7,690)	2,100
Musharaka financing	(1,043)	(458)
Non-trading investments, net	16,852	(427)
Other assets	13,713	(2,317)
Murabaha and Wakala payables to banks	8,358	582
Wakala from non-banks	39,102	149,845
Customers' current accounts	(331)	(1,196)
Other liabilities	3,627	(7,377)
Net cash from operating activities	<u>48,032</u>	<u>111,850</u>
<b>INVESTING ACTIVITIES</b>		
(Purchase) sale of premises and equipment	(40)	8
Purchase of investment properties	(10,504)	-
Net cash (used in) from investing activities	<u>(10,544)</u>	<u>8</u>
<b>FINANCING ACTIVITIES</b>		
Equity of investment accountholders	766	6,597
Purchase of treasury stock	-	(27)
Dividends	(7,446)	-
Net cash (used in) from financing activities	<u>(6,680)</u>	<u>6,570</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>30,808</b>	<b>118,428</b>
Cash and cash equivalents at 1 January	<u>149,013</u>	<u>187,729</u>
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>179,821</b>	<b>306,157</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash and other balances with Central Bank of Bahrain	45,207	66,486
Balances with other banks	11,542	74,842
Murabaha and Wakala receivables from banks with original maturities of less than 90 days	123,072	164,829
	<u>179,821</u>	<u>306,157</u>

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

Al Salam Bank-Bahrain B.S.C.

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the three month period ended 31 March 2013 (reviewed)

Amounts in BD '000s

	Attributable to shareholders of the Bank										Total owners' equity	
	Share capital	Treasury stock	Statutory reserve	Retained earnings	Changes in fair value	Foreign exchange translation reserve	Share premium reserve	Total reserves	Proposed appropriations	Total		Non-controlling interest
<b>Balance as of 1 January 2013</b>	149,706	(492)	9,689	39,583	92	(571)	2,573	51,366	7,485	208,065	-	208,065
Net profit for the period	-	-	-	3,053	-	-	-	3,053	-	3,053	-	3,053
Net change in fair value	-	-	-	-	(70)	-	-	(70)	-	(70)	-	(70)
Changes on investment in an associate	-	-	-	-	-	16	-	16	-	16	-	16
Dividend paid	-	-	-	-	-	-	-	-	(7,446)	(7,446)	-	(7,446)
Transfer	-	-	-	39	-	-	-	39	(39)	-	-	-
<b>Balance at 31 March 2013</b>	149,706	(492)	9,689	42,675	22	(555)	2,573	54,404	-	203,618	-	203,618
<b>Balance as of 1 January 2012</b>	149,706	(465)	8,662	37,823	(1,830)	-	2,573	47,228	-	196,469	4,156	200,625
Net profit for the period	-	-	-	1,776	-	-	-	1,776	-	1,776	36	1,812
Net change in fair value	-	-	-	-	1,262	-	-	1,262	-	1,262	-	1,262
Treasury shares purchased	-	(27)	-	-	-	-	-	-	-	(27)	-	(27)
<b>Balance at 31 March 2012</b>	149,706	(492)	8,662	39,599	(568)	-	2,573	50,266	-	199,480	4,192	203,672

31 March 2013 (reviewed)

## **1 INCORPORATION AND PRINCIPAL ACTIVITIES**

Al Salam Bank-Bahrain B.S.C. ("the Bank") was incorporated in the Kingdom of Bahrain under the Bahrain Commercial Companies Law No. 21/2001 and was registered with Ministry of Industry and Commerce under Commercial Registration Number 59308 on 19 January 2006. The Bank is regulated and supervised by the Central Bank of Bahrain ("the CBB") and has an Islamic retail banking license and is operating under Islamic principles, and in accordance with all the relevant regulatory guidelines for Islamic banks issued by the CBB. The Bank's registered office is P.O. Box 18282, Building 22, Avenue 58, Block 436, Al Seef District, Kingdom of Bahrain.

In 2009, the Bank acquired a 90.31% stake in Bahraini Saudi Bank B.S.C. (BSB), a publicly listed commercial bank in the Kingdom of Bahrain engaged in retail banking. In January 2012, BSB shares were delisted from Bahrain Stock Exchange. On 26 February 2012, approval was granted by CBB to convert BSB's license from conventional to Islamic Bank. On 24 April 2012, the operations of BSB merged with those of the Bank as more fully explained in note 5.

The Bank operates through ten retail branches in the Kingdom of Bahrain and offers a full range of Shari'a-compliant banking services and products. The activities of the Bank include managing profit sharing investment accounts, offering Islamic financing contracts, dealing in Shari'a-compliant financial instruments as principal/agent, managing Shari'a-compliant financial instruments and other activities permitted for under the CBB's Regulated Banking Services as defined in the licensing framework. The Bank's ordinary shares are listed in the Bahrain Bourse and Dubai Financial Market.

These interim condensed consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors dated 29 April 2013.

## **2 BASIS OF PREPARATION AND ACCOUNTING POLICIES**

These interim condensed consolidated financial statements have been prepared in accordance with the guidance given by International Accounting Standard 34 - "Interim Financial Reporting". These interim condensed consolidated financial statements incorporate all assets, liabilities and off-balance sheet financial instruments held by the Bank. With the exception of the application of accounting policy for investment real estate, the accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2012, which were prepared in accordance with the Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) and in conformity with the Bahrain Commercial Companies Law and the Central Bank of Bahrain and Financial Institutions Law. In accordance with AAOIFI, for matters for which no AAOIFI standards exist, including "Interim Financial Reporting", the Bank uses the relevant International Financial Reporting Standard.

AAOIFI issued a new accounting standard, Financial Accounting Standard 26 - Investment in real estate ("FAS 26") and is effective for financial periods beginning 1 January 2013. This standard shall apply in the recognition, measurement and disclosure of the entity's direct investment in real estate that is acquired for the purpose of earning periodical income or held for future capital appreciation or both. In accordance with FAS 26, the investment in real estate initially recognized at cost and subsequently measured based on intention whether the investment in real estate is held for use or held for sale. For held for use investments, an entity shall choose as its accounting policy either the fair value model or the cost model. The Bank has adopted the fair value model for its investments in real estate. Under the fair value model any unrealized gains are recognized directly in owners' equity. Any unrealized losses are adjusted in equity to the extent of the available credit balance. Where unrealized losses exceed the available balance in owners' equity, these are recognized in the consolidated income statement. In case there are unrealized losses relating to investment in real estate that have been recognized in the consolidated income statement in a previous financial period, the unrealized gains relating to the current financial period is recognized to the extent of crediting back such previous losses in the consolidated income statement. The adoption of FAS 26 did not have any material impact on the Bank's interim condensed consolidated financial statements.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with AAOIFI. In addition, results for the three months ended 31 March 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013.

31 March 2013

**3 NON-TRADING INVESTMENTS**

Fair value of available-for-sale financial assets is derived from quoted market prices in active markets, if available.

Fair value of unquoted available-for-sale financial assets is estimated using appropriate valuation techniques.

**Fair value hierarchy**

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of the financial instruments carried at fair value in the interim consolidated statement of financial position:

**31 March 2013**

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Financial assets at fair value through profit or loss	9,208	440	169,068	178,716
Available-for-sale financial assets	8,675	-	-	8,675
	<b>17,883</b>	<b>440</b>	<b>169,068</b>	<b>187,391</b>

During the reporting period ended 31 March 2013 and 31 December 2012, there were no transfers between Level 1 and Level 2 fair value measurements.

**31 December 2012**

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Financial assets at fair value through profit or loss	9,736	445	182,987	193,168
Available-for-sale financial assets	11,034	-	-	11,034
	<b>20,770</b>	<b>445</b>	<b>182,987</b>	<b>204,202</b>

# Al Salam Bank-Bahrain B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2013 (reviewed)

### 4 OTHER ASSETS

	<i>31 March</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
	<i>BD '000</i>	<i>BD '000</i>
Assets under conversion	6,928	18,393
Income receivable on islamic financing contracts and Sukuk	6,010	4,775
Prepayments	590	365
Reposessed assets	5,277	6,425
Other receivables	4,386	6,950
	<u>23,191</u>	<u>36,908</u>

The above assets were previously disclosed as assets under conversion. Subsequent to the merger of BSB with the Bank, these non-Shari'a compliant assets were reclassified to other assets.

### 5 OWNERS' EQUITY

	<i>31 March</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
	<i>BD '000</i>	<i>BD '000</i>
<b>Share capital:</b>		
Authorised:		
2,000,000,000 (2010: 2,000,000,000) ordinary shares of BD 0.100 each	<u>200,000</u>	<u>200,000</u>
Issued and fully paid: (BD 0.100 per share)		
Balance at beginning and end of period - 1,497,063,825 shares	<u>149,706</u>	<u>149,706</u>

#### Non-controlling interest:

The shareholders of BSB in an Extraordinary General Assembly Meeting held on 22 December 2011 resolved to merge BSB's operations with those of the Bank. Consequently, on 24 April 2012, the Commercial Registration of BSB was cancelled by the Ministry of Industry and Commerce (MOIC). Following this, the Bank acquired all the assets, and assumed all the liabilities of BSB, with effect from 25 April 2012 and integrated BSB's operations with those of the Bank.

The Bank's financial obligations to the non-controlling interest of BSB have been transferred to other liabilities in the interim consolidated statement of financial position, pending completion of legal formalities and settlement.

### 6 TOTAL COMPREHENSIVE INCOME

	<i>31 March</i>	<i>31 March</i>
	<i>2013</i>	<i>2012</i>
	<i>BD '000</i>	<i>BD '000</i>
<b>NET PROFIT FOR THE PERIOD</b>	<u>3,053</u>	<u>1,812</u>
<b>Other comprehensive income</b>		
Items to be reclassified to profit or loss in subsequent periods:		
Net changes in fair value	(70)	1,262
Exchange differences on investment in an associate	16	-
<b>Other comprehensive income for the period</b>	<u>(54)</u>	<u>1,262</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>2,999</u>	<u>3,074</u>
<i>Attributable to:</i>		
Equity holders of the Bank	2,999	3,038
Non-controlling interest	-	36
	<u>2,999</u>	<u>3,074</u>

31 March 2013 (reviewed)

**7 RELATED PARTY TRANSACTIONS**

Related parties comprise major shareholders, directors of the Bank, close members of their families, entities owned or controlled by them and companies affiliated by virtue of common ownership or directors with that of the Bank. The transactions with these parties were made on commercial terms.

The significant balances with related parties at 31 March 2013 were as follows:

	<i>31 March 2013</i>			<i>Total BD '000</i>
	<i>Associates and joint ventures BD '000</i>	<i>Directors and related entities BD '000</i>	<i>Senior management BD '000</i>	
<b>Assets:</b>				
Murabaha financing	37,158	11	58	37,227
Mudaraba financing	14,320	80	-	14,400
Ijarah Muntahia Bittamleek	-	2,310	-	2,310
Musharaka financing	2,062	-	-	2,062
Other assets	368	13	-	381
<b>Liabilities and equity of investment accountholders:</b>				
Wakala payables to non-banks	2,470	1,319	359	4,148
Customers' current accounts	4,166	241	72	4,479
Equity of investment accountholders	1,410	154	20	1,584
Commitments & Contingent liabilities	3,434	-	-	3,434

The income and expenses in respect of related parties included in the interim condensed consolidated financial statements are as follows:

	<i>31 March 2013</i>			<i>Total BD '000</i>
	<i>Associates and joint ventures BD '000</i>	<i>Directors and related entities BD '000</i>	<i>Senior management BD '000</i>	
<b>Income:</b>				
Income from financing contracts	713	2	2	717
<b>Expenses:</b>				
Profit on Wakala payables to non-banks	15	9	2	26
Share of profits on equity of investment accountholders	-	-	-	-

31 March 2013 (reviewed)

**7 RELATED PARTY TRANSACTIONS (continued)**

The significant balances with related parties at 31 December 2012 were as follows:

	31 December 2012			Total BD '000
	Associates and joint ventures BD '000	Directors and related entities BD '000	Senior management BD '000	
<b>Assets:</b>				
Murabaha financing	30,198	13	70	30,281
Mudaraba financing	14,214	100	-	14,314
Ijarah Muntahia Bittamleek	-	2,310	-	2,310
Musharaka financing	2,061	-	-	2,061
Other assets	822	4	-	826
<b>Liabilities and equity of investment accountholders:</b>				
Wakala payables to non-banks	2,459	926	230	3,615
Customers' current accounts	5,145	154	10	5,309
Equity of investment accountholders	1,866	110	10	1,986
Commitments & Contingent liabilities	13,698	-	-	13,698

The income and expenses in respect of related parties included in the interim condensed consolidated financial statements are as follows:

	31 March 2012			Total BD '000
	Associates and joint ventures BD '000	Directors and related entities BD '000	Senior management BD '000	
<b>Income:</b>				
Income from Islamic financing contracts	572	1	2	575
<b>Expenses:</b>				
Profit on Wakala payables to non-banks	14	10	1	25
Share of profits on equity of investment accountholders	-	-	-	-

31 March 2013 (reviewed)

**8 CONTINGENT LIABILITIES AND COMMITMENTS**

The Bank has the following commitments:

	<i>31 March</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
	<i>BD '000</i>	<i>BD '000</i>
<b>Contingent liabilities on behalf of customers</b>		
Guarantees	8,904	9,744
Letters of credit	466	814
Acceptances	487	275
	<u>9,857</u>	<u>10,833</u>
<b>Irrevocable unutilised commitments</b>		
Unutilised financing commitments	10,303	20,396
Unutilised non-funded commitments	4,712	6,219
Unutilised capital commitments	1,253	1,391
	<u>16,268</u>	<u>28,006</u>
	<u><u>26,125</u></u>	<u><u>38,839</u></u>

Letters of credit, guarantees (including standby letters of credit) commit the Bank to make payments on behalf of customers contingent upon their failure to perform under the terms of the contract.

Commitments generally have fixed expiration dates, or other termination clauses. Since commitment may expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements.

**Operating lease commitment - Bank as lessee**

The Bank has entered into various operating lease agreements for its premises. Future minimal rentals payable under the non-cancellable leases are as follows:

	<i>31 March</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
	<i>BD '000</i>	<i>BD '000</i>
Within 1 year	714	714
After one year but not more than five years	800	915
	<u>1,514</u>	<u>1,629</u>

31 March 2013 (reviewed)

**9 SEGMENT INFORMATION****Primary segment information**

For management purposes, the Bank is organised into four major business segments:

- Banking** - principally managing Shari'a compliant profit sharing investment accounts, and offering Shari'a compliant financing contracts and other Shari'a-compliant products. This segment comprises corporate banking, retail banking and private banking and wealth management.
- Treasury** - principally handling Shari'a-compliant money market, trading and treasury services including short-term commodity Murabaha.
- Investments** - principally the Bank's proprietary portfolio and serving clients with a range of investment products, funds and alternative investments.
- Capital** - manages the undeployed capital of the Bank by investing it in high quality financial instruments, incurs all expenses in managing such investments and accounts for the capital governance related expenses.

These segments are the basis on which the Bank reports its primary segment information. Transactions between segments are conducted at estimated market rates on an arm's length basis. Transfer charges are based on a pool rate which approximates the cost of funds.

Segment information for the period ended 31 March 2013 was as follows:

	<i>31 March 2013</i>				
	<i>Banking</i>	<i>Treasury</i>	<i>Investments</i>	<i>Capital</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Operating income	2,824	1,528	1,602	230	6,184
Segment result	1,461	1,334	1,281	(1,023)	3,053
<b>Other information</b>					
Segment assets	374,840	389,971	164,430	60,052	989,293
Segment liabilities and equity	668,999	99,278	2,489	218,527	989,293

Segment information for the period ended 31 March 2012 was as follows:

	<i>Banking</i>	<i>Treasury</i>	<i>Investments</i>	<i>Capital</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Operating income	681	642	712	2,646	4,681
Segment result	(420)	438	270	1,524	1,812

Segment information for the year ended 31 December 2012 was as follows:

	<i>Banking</i>	<i>Treasury</i>	<i>Investments</i>	<i>Capital</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Segment assets	348,043	361,628	171,287	61,260	942,218
Segment liabilities and equity	629,981	90,966	2,547	218,724	942,218

**Secondary segment information**

The Bank primarily operates in the GCC and derives substantially all its operating income and incurs all operating expenses in the GCC.