



# Al Salam Bank-Bahrain B.S.C. Interim Condensed Consolidated Financial Statements for the period ended 30 September 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> October 2012.

INTERIM CONSOLIDATED INCOME STATEMENT (REVIEWED)	Three months ended 30 September 2012	Three months ended 30 September 2011	Nine months ended 30 September 2012	Nine months ended 30 September 2011	INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 September 2012 (Reviewed)	31 December 2011 (Audited)
	BD '000	BD '000	BD '000	BD '000		BD '000	BD '000
<b>OPERATING INCOME</b>					<b>ASSETS</b>		
Income from financing contracts and sukuk	7,791	9,007	24,638	22,386	Cash and balances with banks and Central Bank of Bahrain	86,795	72,318
Gains on sale of investments and sukuk	1,495	472	5,073	2,209	Central Bank of Bahrain Sukuk	135,908	125,027
Income from FVTPL investments	463	844	917	356	Murabaha and Wakala receivables from banks	134,465	135,698
Fair value changes on FVTPL investments	(152)	70	(4,237)	742	Corporate Sukuk	75,505	49,650
Net (loss) gain from available-for-sale investments	(168)	-	1,591	-	Murabaha financing	125,591	135,383
Dividend income	410	416	1,178	975	Mudaraba financing	96,791	57,706
Foreign exchange gains	109	361	486	1,053	Ijarah Muntahia Bittamleek	77,379	66,477
Fees and commissions	114	131	432	603	Musharaka financing	16,245	11,711
Other income	6,149	125	6,263	243	Non-trading investments	213,333	223,320
	16,211	11,426	36,341	28,567	Investment in an associate	6,757	-
Profit on Murabaha and Wakala payables to banks	(134)	(165)	(436)	(529)	Investment properties	2,500	2,500
Profit on Wakala payables to non-banks	(4,970)	(4,082)	(15,811)	(11,787)	Other assets	47,640	43,028
Profit relating to equity of investment accountholders	(41)	(31)	(128)	(125)	Premises and equipment	825	1,089
Depreciation on Ijarah Muntahia Bittamleek	(1,530)	(2,885)	(5,555)	(4,862)	<b>TOTAL ASSETS</b>	<b>1,019,734</b>	<b>923,907</b>
Total operating income	9,536	4,263	14,411	11,264	<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>		
<b>OPERATING EXPENSES</b>					<b>LIABILITIES</b>		
Staff costs	1,435	1,498	4,493	4,547	Murabaha and Wakala payables to banks	102,806	104,573
Premises and equipment cost	280	328	880	894	Wakala payables to non-banks	572,636	515,147
Depreciation	80	193	326	796	Customers' current accounts	88,014	66,585
Other operating expenses	791	864	2,430	2,671	Other liabilities	17,966	20,721
Total operating expenses	2,586	2,883	8,129	8,908	<b>TOTAL LIABILITIES</b>	<b>781,422</b>	<b>707,026</b>
<b>NET PROFIT BEFORE PROVISIONS</b>	<b>6,950</b>	<b>1,380</b>	<b>6,282</b>	<b>2,356</b>	<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>	<b>34,146</b>	<b>16,256</b>
Provision on financing facilities	(65)	(34)	(209)	(387)	<b>OWNERS' EQUITY</b>		
<b>NET PROFIT FOR THE PERIOD</b>	<b>6,885</b>	<b>1,346</b>	<b>6,073</b>	<b>1,969</b>	Share capital	149,706	149,706
<b>Attributable to:</b>					Treasury stock	(492)	(465)
Shareholders of the Bank	6,885	1,308	6,037	1,826	Reserves and retained earnings	54,952	47,228
Non-controlling interest	-	38	36	143	Total equity attributable to shareholders of the Bank	204,166	196,469
	6,885	1,346	6,073	1,969	Non-controlling interest	-	4,156
<b>WEIGHTED AVERAGE NUMBER OF SHARES</b>	<b>1,491,402,726</b>	<b>1,492,426,455</b>	<b>1,491,402,726</b>	<b>1,492,426,455</b>	<b>TOTAL OWNERS' EQUITY</b>	<b>204,166</b>	<b>200,625</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (FILS)</b>	<b>4.6</b>	<b>0.9</b>	<b>4.0</b>	<b>1.2</b>	<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>	<b>1,019,734</b>	<b>923,907</b>

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (REVIEWED)	Nine months ended 30 September 2012	Nine months ended 30 September 2011
	BD '000	BD '000
Balance as of 1 January	200,625	202,625
Changes due to adoption of FAS 25	-	(765)
Balance as of 1 January (restated)	200,625	201,860
<b>Total comprehensive income for the period:</b>		
Net profit for the period	6,073	1,969
<i>Other comprehensive income:</i>		
Net change in fair value	1,687	(4,698)
Transfer to income statement	-	96
<b>Total comprehensive income</b>	<b>7,760</b>	<b>(2,633)</b>
Transfer to other liabilities	(4,192)	-
Treasury shares purchased	(27)	(465)
<b>Balance as of 30 September</b>	<b>204,166</b>	<b>198,762</b>

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (REVIEWED)	Nine months ended 30 September 2012	Nine months ended 30 September 2011
	BD '000	BD '000
Net cash used in operating activities	(6,171)	(32,843)
Net cash used in investing activities	(62)	(225)
Net cash from (used in) financing activities	17,863	(1,677)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>11,630</b>	<b>(34,745)</b>
Cash and cash equivalents at 1 January	187,729	203,116
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>199,359</b>	<b>168,371</b>

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

Shaikha Hessa bint Khalifa Al Khalifa  
Chairperson of the Board

Yousif Taqi  
Director & CEO