

Al Salam Bank-Bahrain B.S.C.

Consolidated Financial Statements for the year ended 31 December 2014
These statements have been extracted from the audited consolidated financial statements on which Ernst & Young issued an unqualified opinion dated 4th February 2015.



CONSOLIDATED INCOME STATEMENT	31 December 2014	31 December 2013
	BD '000	BD '000
OPERATING INCOME		
Income from financing contracts	51,494	26,132
Income from Sukuk	7,120	9,448
Gains on sale of investments and Sukuk	12,282	3,833
Income from investments	2,863	2,424
Fair value changes on investments	(6,413)	(1,398)
Dividend income	758	570
Foreign exchange gains	1,578	793
Fees, commission and other income - net	6,650	2,305
	76,332	44,107
Profit on Murabaha and Wakala payables to banks	(1,035)	(682)
Profit on Wakala payables to non-banks	(28,040)	(17,190)
Profit on term financing	(974)	-
Profit relating to equity of investment accountholders	(215)	(148)
Total operating income	46,068	26,087
OPERATING EXPENSES		
Staff cost	13,991	6,469
Premises and equipment cost	2,415	1,147
Depreciation	1,507	280
Other operating expenses	8,505	3,505
Total operating expenses	26,418	11,401
PROFIT BEFORE PROVISIONS AND RESULTS OF ASSOCIATES AND JOINT VENTURES	19,650	14,686
Provision for impairment - net	(4,198)	(3,208)
Share of profit from associates and joint ventures	369	894
NET PROFIT FOR THE YEAR	15,821	12,372
Attributable to:		
- Shareholders of the Bank	15,550	12,372
- Non-controlling interest	271	-
	15,821	12,372
WEIGHTED AVERAGE NUMBER OF SHARES (in '000)	1,982,531	1,491,372
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	8.0	8.3

OTHER COMPREHENSIVE INCOME	2014	2013
	BD '000	BD '000
Net profit for the year	15,821	12,372
Other comprehensive income / (loss):		
<i>Items to be reclassified to profit or loss in subsequent periods:</i>		
Net changes in fair value of available-for-sale investments	636	559
Changes in fair value of investments in real estate	1,045	21,659
Foreign currency re-translation	(819)	70
Other comprehensive income for the year	862	22,288
Total comprehensive income for the year	16,683	34,660
Attributable to:		
Equity holders of the Bank	16,331	34,660
Non-controlling interest	352	-
	16,683	34,660

CONSOLIDATED STATEMENT OF CASH FLOWS	31 December 2014	31 December 2013
	BD '000	BD '000
Net cash from (used in) operating activities	120,128	(12,471)
Net cash from (used in) investing activities	128,409	(81)
Net cash (used in) from financing activities	(11,042)	34,579
NET CHANGE IN CASH AND CASH EQUIVALENTS	237,495	22,027
Cash and cash equivalents at 1 January	171,040	149,013
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	408,535	171,040

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31 December 2014	31 December 2013
	BD '000	BD '000
ASSETS		
Cash and balances with banks and Central Bank of Bahrain	277,751	86,097
Central Bank of Bahrain Sukuk	94,678	102,937
Murabaha and Wakala receivables from banks	182,110	118,227
Corporate Sukuk	139,304	91,106
Murabaha financing	270,428	156,142
Mudaraba financing	189,601	114,084
Ijarah Muntahia Bittamleek	141,052	110,631
Musharaka	10,851	19,145
Assets under conversion	308,659	-
Non-trading investments	147,096	125,923
Investments in real estate	65,149	66,718
Development properties	59,262	65,891
Investment in associates	10,492	8,537
Other assets	32,893	22,814
Goodwill	25,971	-
TOTAL ASSETS	1,955,297	1,088,252
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY		
LIABILITIES		
Murabaha and Wakala payables to banks	121,266	106,796
Wakala payables to non-banks	1,034,052	584,365
Customers' current accounts	226,648	70,532
Term financing	21,337	23,637
Liabilities under conversion	149,621	-
Other liabilities	45,418	30,979
TOTAL LIABILITIES	1,598,342	816,309
EQUITY OF INVESTMENT ACCOUNTHOLDERS OWNERS' EQUITY	28,152	25,846
Share capital	214,093	149,706
Treasury stock	-	(492)
Reserves and retained earnings	93,777	78,580
Proposed appropriations	10,705	7,485
Total equity attributable to shareholders of the Bank	318,575	235,279
Non-controlling interest	10,228	10,818
TOTAL OWNERS' EQUITY	328,803	246,097
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY	1,955,297	1,088,252

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY	2014	2013
	BD '000	BD '000
Balance at 1 January	246,097	208,065
Net profit for the year	15,821	12,372
Net changes in fair value	1,681	22,218
Foreign currency re-translation	(819)	70
Dividend paid	(7,446)	(7,446)
Dividend relating to subsidiaries	(345)	-
Shares issued on acquisition	72,886	-
Share issue expenses	(125)	-
Net movements in non-controlling interest	(601)	-
Non-controlling interest arising on consolidation	-	10,818
Sale of treasury stock	1,754	-
Charitable donations	(100)	-
Balance at 31 December	328,803	246,097

These consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 4th February 2015.

Shaikha Hessa bint Khalifa Al Khalifa
Chairperson of the Board

Yousif Taqi
Director & CEO