

**CONDENSED CONSOLIDATED STATEMENT OF INCOME**

For the three months ended 31 March 2015

	31-Mar-15	31-Mar-14
	BD'000	BD'000
<b>INCOME</b>		
Income from financing	7,450	7,077
Income from investment in Sukuk	903	465
	<b>8,353</b>	<b>7,542</b>
Less: Return on equity of investment accountholders	(1,322)	(2,220)
	<b>7,031</b>	<b>5,322</b>
Expense on placements from financial institutions	(56)	(62)
Fee and commission income	1,857	1,371
Income from investments	22	2,945
Income from investment in real estate	603	789
Net share of (loss) / profits of associates	(144)	96
Net gain from foreign currencies	433	175
<b>Total income</b>	<b>9,746</b>	<b>10,636</b>
<b>EXPENSES</b>		
Staff costs	2,230	2,493
Depreciation	402	415
Other expenses	2,196	2,479
<b>Total expenses</b>	<b>4,828</b>	<b>5,387</b>
<b>Profit for the period before impairment allowances</b>	<b>4,918</b>	<b>5,249</b>
Impairment provisions on financing assets	(1,874)	(2,485)
Write back / (impairment provisions) on investments	35	(259)
<b>PROFIT FOR THE PERIOD</b>	<b>3,079</b>	<b>2,505</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (fils)</b>	<b>3.29</b>	<b>2.68</b>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY**

For the three months ended 31 March 2015

	2015	2014
	BD'000	BD'000
Balance at 1 January	79,095	78,116
Profit for the period	3,079	2,505
Net movement in investments fair value reserve	(314)	(2,127)
Net movement in real estate fair value reserve	(274)	(638)
Shares allocated during the period	91	-
Net movement in non-controlling interest	(11)	(269)
<b>Balance at 31 March</b>	<b>81,666</b>	<b>77,587</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At 31 March 2015

	31-Mar-15	31-Dec-14
	BD'000	BD'000
<b>ASSETS</b>		
Cash and balances with banks and central Bank	57,954	52,118
Placements with financial institutions	33,109	68,567
Financing assets	417,986	408,021
Investment securities	130,939	123,561
Ijarah Muntahia Bittamleek	107,541	102,277
Ijarah rental receivables	14,065	14,065
Investment in associates	30,472	30,835
Investment in real estate	48,060	53,934
Property and equipment	17,117	17,101
Other assets	4,809	4,728
<b>TOTAL ASSETS</b>	<b>862,052</b>	<b>875,207</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>		
<b>Liabilities</b>		
Placements from financial institutions	82,370	75,570
Customers' current accounts	147,966	137,423
Other liabilities	16,243	16,518
<b>Total Liabilities</b>	<b>246,579</b>	<b>229,511</b>
<b>Equity of Investment Accountholders</b>	<b>533,807</b>	<b>566,601</b>
<b>Owners' Equity</b>		
Share capital	94,907	93,967
Treasury shares	(563)	(563)
Shares under employee share incentive scheme	(879)	-
Share premium	30	-
Reserves	(11,829)	(14,320)
<b>Attributable to equity holders of the parent</b>	<b>81,666</b>	<b>79,084</b>
<b>Non-controlling interest</b>	<b>-</b>	<b>11</b>
<b>Total Owners' Equity</b>	<b>81,666</b>	<b>79,095</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>	<b>862,052</b>	<b>875,207</b>

These consolidated financial statements have been approved by the board of directors on 12 May 2015 and have been Reviewed by KPMG.

Abdulrazaq Al Qassim  
Chairman

Khalid Al Mannai  
Vice Chairman

Mohammed Janahi  
Acting Chief Executive Officer

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the three months ended 31 March 2015

	31-Mar-15	31-Mar-14
	BD'000	BD'000
<b>OPERATING ACTIVITIES</b>		
Profit for the period	3,079	2,505
Adjustments for non-cash items:		
Depreciation	402	415
Impairment provision on financing assets	1,874	2,744
Write back from investments	(35)	-
Gain on sale of investment in Sukuk	(902)	(1)
Gain on sale of equity type instruments	-	(1,896)
Gain on sale of investment in real estate	(603)	(695)
Share of results of associates	144	(96)
Gain on foreign exchange revaluation	(234)	12
<b>Operating profit before changes in operating assets and liabilities</b>	<b>3,725</b>	<b>2,988</b>
Working capital adjustments:		
Mandatory reserve with Central Bank of Bahrain	-	220
Financing assets	(11,881)	(9,827)
Ijarah Muntahia Bittamleek assets	(5,221)	1,667
Other assets	(81)	287
Customers' current accounts	10,543	6,916
Other liabilities	(185)	4,614
Placements from financial institutions	6,800	(17,586)
Equity of Investment accountholders	(32,794)	(18,471)
<b>Net cash used in operating activities</b>	<b>(29,094)</b>	<b>(29,192)</b>
<b>INVESTING ACTIVITIES</b>		
Disposal of investment in real estate	6,121	1,547
Purchase of property and equipment	(418)	(471)
Purchase of investment securities	(25,290)	(33,689)
Proceeds from disposal of investment securities	19,059	20,487
<b>Net cash used in investing activities</b>	<b>(528)</b>	<b>(12,126)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(29,622)</b>	<b>(41,318)</b>
Cash and cash equivalents at 1 January	89,630	145,410
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>60,008</b>	<b>104,092</b>
<b>Cash and cash equivalents comprise:</b>		
Cash on hand	8,456	7,004
Balances with CBB, excluding mandatory reserve deposits	7,365	2,904
Balances with banks and other financial institutions	11,078	6,372
Placements with financial institutions with original maturities of 90 days or less	33,109	87,812
	<b>60,008</b>	<b>104,092</b>