

INTERIM CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	At 30 June 2017 (Reviewed)
ASSETS	
Cash and balances with banks and central banks	242,185
Commodity and other placements with banks, financial and other institutions	76,305
Murabaha and other financings	1,828,429
Musharaka financing	116,561
Investment in associates	135
Sukuk and investment securities	708,471
Restricted investment accounts	27,183
Assets acquired for leasing	110,124
Investment in real estate	3,889
Other assets	64,385
Fixed assets	21,741
Intangible assets	64,140
Total assets	3,263,548
LIABILITIES, EQUITY OF UNRESTRICTED INVESTMENT ACCOUNTHOLDERS, MINORITY INTEREST AND OWNERS' EQUITY	
Customers' current accounts	657,075
Due to banks, financial and other institutions	491,462
Due to investors	719,867
Other liabilities	143,934
Total liabilities	2,012,338
Equity of unrestricted investment accountholders	1,047,172
Minority interest	45,311
Total liabilities, equity of unrestricted investment accountholders and minority interest	3,104,821
Share capital	100,000
Reserves	35,907
Retained earnings	22,820
Total owners' equity	158,727
Total liabilities, equity of unrestricted investment accountholders, minority interest and owners' equity	3,263,548

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	Share capital	Reserves					Retained Earnings	Total owners' equity
		Investments fair value reserve	Investment in real estate fair value reserve	Foreign currency translation	Other reserves	Total reserves		
At 1 January 2017 (Reviewed)	-	-	-	-	-	-	-	-
Balances transferred as part of reorganization	100,000	5,428	797	(8,823)	40,280	37,682	21,277	158,959
Net income for the period	-	-	-	-	-	-	1,543	1,543
Movement in fair value of sukuk and investment securities	-	(1,512)	-	-	-	(1,512)	-	(1,512)
Foreign currency translation adjustments	-	(4)	-	(259)	-	(263)	-	(263)
At 30 June 2017 (Reviewed)	100,000	3,912	797	(9,082)	40,280	35,907	22,820	158,727

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	Six months ended 30 June 2017 (Reviewed)
INCOME	
Income from unrestricted investment accounts	29,319
Less: return to unrestricted investment accounts and impairment provisions	(16,364)
Group's share of income from unrestricted investment accounts as a Mudarib	12,955
Income from murabaha and other financings	31,010
Income from other investments	24,688
Other income	7,790
Total income	76,443
Less: profit paid to banks, financial and other institutions - net	(30,681)
Operating income	45,762
EXPENSES	
Administrative and general expenses	(28,396)
Depreciation and amortization	(4,657)
Total expenses	(33,053)
Net income before provision for impairment and overseas taxation	12,709
Provision for impairment - net	(1,474)
Net income before overseas taxation	11,235
Overseas taxation	(6,854)
NET INCOME FOR THE PERIOD	4,381
Attributable to:	
Equity holders of the Bank	1,543
Minority interests	2,838
	4,381
Basic and diluted earnings per share	Fils 1.54

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	Six months ended 30 June 2017 (Reviewed)
OPERATING ACTIVITIES	
Net income before overseas taxation	11,235
Adjustments for:	
Depreciation and amortization	4,657
Share of loss after tax from associates	31
Provision for impairment - net	1,474
Gain on sale of fixed assets	(40)
Operating income before changes in operating assets and liabilities	17,357
Balances with banks maturing after ninety days and including with central banks relating to minimum reserve requirement	(16,371)
(Increase)/decrease in operating assets:	
Murabaha and other financings	(21,878)
Musharaka financing	(28,437)
Other assets	3,334
Increase/(decrease) in operating liabilities:	
Customers' current accounts	62,196
Due to banks, financial and other institutions	61,839
Due to investors	4,747
Other liabilities	4,342
Decrease in equity of unrestricted investment accountholders	4,680
Taxes paid	(6,935)
Net cash provided by operating activities	84,874
INVESTING ACTIVITIES	
Net (increase)/decrease:	
Assets acquired for leasing	(13,535)
Sukuk and Investment securities	(91,376)
Purchase of fixed assets	(1,125)
Net cash used in investing activities	(106,036)
Foreign currency translation adjustments	1,280
Net decrease in cash and cash equivalents	(19,882)
Cash and cash equivalents at the beginning of the period	260,993
Cash and cash equivalents at the end of the period	241,111

The above Interim Condensed Consolidated Statement of Financial Position, Interim Condensed Consolidated Income Statement, Interim Condensed Consolidated Statement of Changes in Owners' Equity and Interim Condensed Consolidated Statement of Cash Flows have been extracted from the Interim Condensed Consolidated Financial Information of Ithmaar Bank B.S.C.(c) for the six month period ended 30 June 2017, which were approved for issue by the Board of Directors and reviewed by PricewaterhouseCoopers ME Limited, Kingdom of Bahrain, who expressed an unqualified review conclusion on 13 August 2017.

HRH Prince Amr Mohamed Al Faisal
Chairman

Dr. Amani Khaled Bouresli
Director

Ahmed Abdul Rahim
CEO

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