

# FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

All amounts are in BD 000's

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 September 2018

	30 September 2018 (Reviewed)	31 December 2017 (Audited)
<b>ASSETS</b>		
Cash and bank balances	92,227	75,787
Placements with financial institutions	31,281	33,969
Financing assets	328,251	354,504
Investment in sukuk	135,463	113,347
Assets acquired for leasing	97,231	97,193
Lease rentals receivables	3,547	8,590
Investment in equity securities	50,826	52,203
Investment in real estate	18,624	20,163
Development property	6,003	6,003
Other assets	14,345	15,706
Property and equipment	7,724	7,755
<b>Total assets</b>	<b>785,522</b>	<b>785,220</b>
<b>LIABILITIES</b>		
Placement from financial institutions	106,340	124,265
Medium-term borrowing	41,339	41,308
Customers' current accounts	62,368	74,833
Other liabilities	9,617	7,953
<b>Total liabilities</b>	<b>332,922</b>	<b>309,718</b>
<b>Equity of investment account holders</b>	<b>347,316</b>	<b>359,818</b>
<b>OWNERS' EQUITY</b>		
Share capital	105,000	105,000
Statutory reserve	8,159	8,159
Treasury shares	(10,572)	(10,212)
Employee share incentive scheme	(29)	(70)
Retained earnings	410	10,162
<b>Total equity attributable to shareholders of the parent</b>	<b>102,968</b>	<b>113,039</b>
Non-controlling interest	2,316	2,645
<b>Total liabilities, equity of investment account holders and owners' equity and non-controlling interest</b>	<b>785,522</b>	<b>785,220</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT For the nine months ended 30 September 2018

	Nine Months ended 30 September 2018 (Reviewed)	Nine Months ended 30 September 2017 (Reviewed)	Three Months ended 30 September 2018 (Reviewed)	Three Months ended 30 September 2017 (Reviewed)
Income from financing assets and assets acquired for leasing	19,173	20,389	6,625	6,914
Income from placements with financial institutions	693	557	279	197
Income from sukuk	4,269	3,227	1,629	1,002
Income from equity securities	1,277	356	3	21
Other income	2,033	2,017	729	294
<b>Total income before return to investment account holders</b>	<b>27,445</b>	<b>26,546</b>	<b>9,265</b>	<b>8,428</b>
Less: return to investment account holders before Bank's Share as Mudarib	(9,799)	(11,734)	(3,993)	(3,432)
Bank's Share as a Mudarib	3,472	6,059	1,725	1,595
<b>Return to investment account holders</b>	<b>(6,327)</b>	<b>(5,675)</b>	<b>(2,268)</b>	<b>(1,837)</b>
Expense on placements from financial institutions, non-financial institutions and individuals	(5,301)	(3,903)	(1,987)	(1,490)
Finance expense on medium-term borrowing	(1,479)	(201)	(521)	(201)
<b>Total income</b>	<b>14,338</b>	<b>16,767</b>	<b>4,489</b>	<b>4,900</b>
Staff cost	5,512	5,253	1,644	1,453
Other expenses	3,697	3,756	1,204	1,309
<b>Total expenses</b>	<b>9,209</b>	<b>9,009</b>	<b>2,848</b>	<b>2,762</b>
<b>Profit for the period before impairment allowances</b>	<b>5,129</b>	<b>7,758</b>	<b>1,641</b>	<b>2,138</b>
Impairment allowances	(3,448)	(4,033)	(1,317)	(1,380)
<b>PROFIT FOR THE PERIOD</b>	<b>1,681</b>	<b>3,725</b>	<b>324</b>	<b>758</b>
<b>Attributable to:</b>				
Shareholders of the parent	1,740	4,132	341	1,074
Non-controlling interest	(59)	(407)	(17)	(316)
	<b>1,681</b>	<b>3,725</b>	<b>324</b>	<b>758</b>
<b>Earnings per share</b>				
Basic and diluted earnings per share (filis)	1.82	4.28	0.36	1.12

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For the nine months ended 30 September 2018

	Nine Months ended 30 September 2018 (Reviewed)	Nine Months ended 30 September 2017 (Reviewed)
<b>OPERATING ACTIVITIES</b>		
Receipts from financing assets, net	34,305	11,947
Receipts / (payment for) assets acquired for leasing, net	4,402	(9,470)
Income from short-term placements received	688	557
Returns paid to investment account holders	(5,459)	(6,016)
Payment to investment account holders, net	(12,502)	(26,384)
Payment for expenses	(7,746)	(9,737)
Other receipts	2,055	2,311
Contributions paid to charitable organisations	(6)	(373)
Withdrawal from customers' current accounts, net	(12,341)	(12,053)
(Withdrawal) Placements from financial institutions, net	(17,925)	52,058
Placements/(Withdrawal) from non-financial institutions, net	51,899	(28,710)
(Payment to) / Net withdrawal from CBB reserve account	(3,005)	1,275
Finance expense on placements paid	(5,301)	(3,360)
Income from sukuk received	4,815	3,830
<b>Net cash from / (used in) operating activities</b>	<b>33,879</b>	<b>(24,165)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of sukuk	(36,951)	(60,677)
Proceed from redemption / sale of sukuk	14,721	22,280
Proceed from disposal of investment property	-	1,079
dividend from equity securities received	1,319	399
Purchase of property and equipment	(393)	(308)
<b>Net cash used in investing activities</b>	<b>(21,304)</b>	<b>(37,227)</b>
<b>FINANCING ACTIVITIES</b>		
Treasury shares, net	(384)	(1,379)
(Repayment) / Drawdown of medium-term borrowing	(1,448)	41,098
<b>Net cash (used in) / generated from financing activities</b>	<b>(1,832)</b>	<b>39,719</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>10,743</b>	<b>(21,673)</b>
Cash and cash equivalents at the beginning of the period	91,248	114,865
<b>Cash and cash equivalents at end of the period</b>	<b>101,991</b>	<b>93,192</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances (excluding CBB reserve)	71,762	43,828
Placement with financial institutions	30,229	49,364
	<b>101,991</b>	<b>93,192</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the nine months ended 30 September 2018

30 September 2018 (Reviewed)	Equity attributable to shareholders of the parent							Non-controlling interests	Total equity
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Investment fair value reserve	Retained earnings	Total		
Balance at 1 January 2018:	105,000	8,159	(10,212)	(70)	-	10,162	113,039	2,645	115,684
Impact of adopting FAS 30	-	-	-	-	-	(11,069)	(11,069)	-	(11,069)
<b>Restated balance at 1 January 2018</b>	<b>105,000</b>	<b>8,159</b>	<b>(10,212)</b>	<b>(70)</b>	<b>-</b>	<b>(907)</b>	<b>101,970</b>	<b>2,645</b>	<b>104,615</b>
Profit for the period	-	-	-	-	-	1,740	1,740	(59)	1,681
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,740</b>	<b>1,740</b>	<b>(59)</b>	<b>1,681</b>
Purchase of treasury shares	-	-	(360)	-	-	-	(360)	-	(360)
Issue of shares under incentive scheme	-	-	-	41	-	42	83	-	83
Loss of Control	-	-	-	-	-	(24)	(24)	(270)	(294)
Transfer to Zakah fund	-	-	-	-	-	(441)	(441)	-	(441)
<b>Balance at 30 September 2018</b>	<b>105,000</b>	<b>8,159</b>	<b>(10,572)</b>	<b>(29)</b>	<b>-</b>	<b>410</b>	<b>102,968</b>	<b>2,316</b>	<b>105,284</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the nine months ended 30 September 2017

30 September 2017 (Reviewed)	Equity attributable to shareholders of the parent							Non-controlling interests	Total equity
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Investment fair value reserve	Retained earnings	Total		
Balance at 1 January 2017:	105,000	7,962	(8,832)	(182)	-	8,751	112,699	3,796	116,495
Profit for the period	-	-	-	-	-	4,132	4,132	(407)	3,725
Changes in fair value value of equity type sukuk	-	-	-	-	(37)	-	(37)	-	(37)
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(37)</b>	<b>4,132</b>	<b>4,095</b>	<b>(407)</b>	<b>3,688</b>
Net treasury shares purchased	-	-	(1,379)	-	-	-	(1,379)	-	(1,379)
Issue of shares under incentive scheme	-	-	-	112	-	-	112	-	112
Transfer to Zakah fund	-	-	-	-	-	(361)	(361)	-	(361)
<b>Balance at 30 September 2017</b>	<b>105,000</b>	<b>7,962</b>	<b>(10,211)</b>	<b>(70)</b>	<b>(37)</b>	<b>12,522</b>	<b>115,166</b>	<b>3,389</b>	<b>118,555</b>

Jassim Mohamed Alseddiq  
Chairman

Sh. Ahmed Bin Isa Al Khalifa  
Vice Chairman

Sattam Sulaiman Algosaidi  
Chief Executive Officer

This information has been extracted from the condensed consolidated financial statements for the nine months ended 30 September 2018 which were approved by the Board of Directors on 7 November 2018 and reviewed by KPMG Fakhro.

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