

# FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

All amounts are in BD 000's

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 March 2019

	31 March 2019 (Reviewed)	31 December 2018 (Audited)
<b>ASSETS</b>		
Cash and bank balances	138,345	99,401
Placements with financial institutions	116,026	43,637
Financing assets	342,442	327,640
Investment in sukuk	173,248	161,324
Assets acquired for leasing	119,616	108,678
Lease rentals receivables	12,476	11,525
Investment in equity securities	50,025	50,039
Investment in real estate	18,081	18,081
Development property	6,251	6,251
Other assets	17,303	16,498
Property and equipment	7,751	7,865
<b>Total assets</b>	<b>1,001,564</b>	<b>850,939</b>
<b>LIABILITIES</b>		
Placement from financial institutions	150,770	158,349
Placement from non-financial institutions and individuals	109,538	120,470
Medium-term borrowing	34,587	41,357
Customers' current accounts	64,226	70,416
Other liabilities	11,275	10,512
<b>Total liabilities</b>	<b>370,396</b>	<b>401,104</b>
<b>Equity of investment account holders</b>	<b>528,165</b>	<b>346,373</b>
<b>OWNERS' EQUITY</b>		
Share capital	105,000	105,000
Statutory reserve	8,225	8,225
Treasury shares	(11,715)	(11,295)
Employee share incentive scheme	(29)	(29)
Accumulated losses	(742)	(729)
<b>Total equity attributable to shareholders of the parent</b>	<b>100,739</b>	<b>101,172</b>
Non-controlling interest	2,264	2,290
<b>Total Liabilities, equity of investment account holders, owner's equity and non-controlling interest</b>	<b>1,001,564</b>	<b>850,939</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT For the three months ended 31 March 2019

	Three months ended 31 March 2019 (Reviewed)	Three months ended 31 March 2018 (Reviewed)
Income from financing assets and assets acquired for leasing	7,276	6,222
Income from placements with financial institutions	706	215
Income from sukuk	2,370	1,278
Income from equity securities	(14)	9
Fees and other income	676	689
<b>Total income before return to investment account holders</b>	<b>11,014</b>	<b>8,413</b>
Less: Return to investment account holders before Bank's Share as Mudarib	(5,490)	(2,949)
Bank's Share as a Mudarib	2,174	859
<b>Return to investment account holders</b>	<b>(3,316)</b>	<b>(2,090)</b>
Expense on placements from financial institutions, non-financial institutions and individuals	(3,027)	(1,600)
Finance expense on medium-term borrowing	(559)	(458)
<b>Total income</b>	<b>4,112</b>	<b>4,265</b>
Staff cost	1,678	1,578
Other expenses	961	1,256
<b>Total expenses</b>	<b>2,639</b>	<b>2,834</b>
<b>Profit for the period before impairment allowances</b>	<b>1,473</b>	<b>1,431</b>
Impairment allowances	(1,323)	(631)
<b>PROFIT FOR THE PERIOD</b>	<b>150</b>	<b>800</b>
<b>Attributable to:</b>		
Shareholders of the parent	176	820
Non-controlling interest	(26)	(20)
	<b>150</b>	<b>800</b>
<b>Earnings per share</b>		
Basic and diluted earnings per share (fil)	<b>0.19</b>	<b>0.86</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For the three months ended 31 March 2019

	31 March 2019 (Reviewed)	31 March 2018 (Reviewed)
<b>OPERATING ACTIVITIES</b>		
(Disbursements) / Receipts from financing assets, net	(10,625)	20,157
(Payments for) / Receipts from assets acquired for leasing, net	(11,947)	1,295
Income from short-term placements received	706	215
Returns paid to investment account holders	(3,160)	(2,641)
Payment to / (Withdrawal from) investment account holders, net	181,792	(28,672)
Payment for expenses	(1,456)	(2,332)
Other receipts	714	698
Contributions paid to charitable organisations	(5)	(1)
Withdrawal from customers' current accounts, net	(6,199)	(561)
Withdrawal from financial institutions, net	(7,580)	(24,889)
(Withdrawal) / Placements from non-financial institutions, net	(10,932)	15,174
Net payment to CBB reserve account	(2,975)	(1,810)
Finance expense on placement paid	(3,027)	(1,600)
Income from sukuk received	2,768	2,449
<b>Net cash from / (used in) operating activities</b>	<b>128,074</b>	<b>(22,318)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of sukuk	(12,011)	(11,279)
Proceed from redemption / sale of sukuk	-	13,561
Dividend from equity securities received	-	23
Purchase of property and equipment	(26)	(193)
<b>Net cash (used in) / from investing activities</b>	<b>(12,037)</b>	<b>2,112</b>
<b>FINANCING ACTIVITIES</b>		
Treasury shares, net	(349)	-
Repayment of medium-term borrowing	(7,330)	(455)
<b>Net cash used in financing activities</b>	<b>(7,679)</b>	<b>(455)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>108,358</b>	<b>(20,661)</b>
Cash and cash equivalents at beginning of the period	121,161	92,296
<b>Cash and cash equivalents at end of the period</b>	<b>229,519</b>	<b>71,635</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances (excluding CBB reserve)	114,550	26,591
Placement with financial institutions	114,969	45,044
	<b>229,519</b>	<b>71,635</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the three months ended 31 March 2019

31 March 2019 (Reviewed)	Equity attributable to shareholders of the parent						Non-controlling interest	Total Equity
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Accumulated losses	Total		
Balance at 1 January 2019	105,000	8,225	(11,295)	(29)	(729)	101,172	2,290	103,462
Profit for the period	-	-	-	-	176	176	(26)	150
<b>Total recognised income and expense for the period</b>	-	-	-	-	176	176	(26)	150
Purchase of treasury shares	-	-	(420)	-	-	(420)	-	(420)
Transfer to Zakah fund	-	-	-	-	(189)	(189)	-	(189)
<b>Balance at 31 March 2019</b>	<b>105,000</b>	<b>8,225</b>	<b>(11,715)</b>	<b>(29)</b>	<b>(742)</b>	<b>100,739</b>	<b>2,264</b>	<b>103,003</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the three months ended 31 March 2018

31 March 2018 (Reviewed)	Equity attributable to shareholders of the parent						Non-controlling interest	Total equity
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Retained earnings/ (Accumulated losses)	Total		
Balance at 1 January 2018 (as previously reported)	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)
Balance at 1 January 2018 (restated)	105,000	8,159	(10,212)	(70)	(907)	101,970	2,645	104,615
Profit for the period	-	-	-	-	820	820	(20)	800
<b>Total recognised income and expense for the period</b>	-	-	-	-	820	820	(20)	800
Loss of control	-	-	-	-	(24)	(24)	(268)	(292)
Transfer to Zakah fund	-	-	-	-	(441)	(441)	-	(441)
<b>Balance at 31 March 2018</b>	<b>105,000</b>	<b>8,159</b>	<b>(10,212)</b>	<b>(70)</b>	<b>(552)</b>	<b>102,325</b>	<b>2,357</b>	<b>104,682</b>

Jassim Mohamed Alseddiqi  
Chairman

Sh. Ahmed Bin Isa Al Khalifa  
Vice Chairman

Sattam Sulaiman Algosaibi  
Chief Executive Officer

This information has been extracted from the condensed consolidated financial statements for the three months ended 31 March 2019 which were approved by the Board of Directors on 2 May 2019 and reviewed by KPMG Fakhro. Earnings per share is updated in the above information as compared to prior publication on 3 May 2019.

www.khcbonline.com

Licensed by the Central Bank of Bahrain as a Retail Islamic Bank

