

FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2012

	BD 000's	
	31 December 2012	31 December 2011
	(Audited)	(Audited)
ASSETS		
Cash and bank balances	23,856	22,642
Placements with financial institutions	57,525	76,787
Financing assets	245,745	201,556
Investment securities	100,860	111,806
Assets acquired for leasing	20,938	11,712
Lease rentals receivable	3,035	1,946
Investment in associates	2,887	3,000
Investment property	6,583	6,583
Other assets	2,806	2,077
Property and equipment	8,924	9,406
Total assets	473,159	447,515
LIABILITIES		
Placements from financial institutions	67,732	45,435
Placements from non-financial institutions and individuals	53,416	46,647
Customers' current accounts	11,395	35,437
Other liabilities	4,739	5,706
Total liabilities	137,282	133,225
Equity of investment account holders	216,429	195,367
OWNERS' EQUITY		
Share capital	115,416	115,416
Share premium	1,535	1,485
Statutory reserve	6,425	6,350
Treasury shares	(6,060)	(6,043)
Unvested employee incentive scheme shares	(291)	(420)
Share grant reserve	-	120
Investments fair value reserve	-	54
Retained earnings	2,423	1,961
Total owners' equity	119,448	118,923
Total liabilities, equity of investment account holders and owners' equity	473,159	447,515

CONSOLIDATED INCOME STATEMENT for the year ended 31 December 2012

	BD 000's	
	31 December 2012	31 December 2011
	(Audited)	(Audited)
Management fees	111	703
Income from placements with financial institutions	244	259
Income from financing assets and assets acquired for leasing	18,168	16,812
Income from investment securities	986	6,021
Share of loss from associate companies	(113)	(1,226)
Other income	421	360
Total income before return to investment account holders	19,817	22,929
Less: Return to investment account holders before Bank's share as Mudarib	(9,923)	(9,022)
Bank's share as a Mudarib	3,626	2,393
Return to investment account holders	(6,297)	(6,629)
Expense on placements from financial institutions, non-financial institutions and individuals	(2,823)	(1,576)
Total net income	10,697	14,724
Staff cost	4,580	5,849
Depreciation	1,153	1,169
Other expenses	3,310	3,599
Total expenses	9,043	10,617
Profit for the year before impairment allowances	1,654	4,107
Impairment allowances	(903)	(3,589)
PROFIT FOR THE YEAR	751	518
Earnings per share:		
Basic earnings per share (fils)	0.67	0.46
Diluted earnings per share (fils)	0.67	0.46

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2012

	BD 000's	
	31 December 2012	31 December 2011
	(Audited)	(Audited)
OPERATING ACTIVITIES		
(Disbursements of) / receipts from financing assets, net	(25,888)	13,183
Payments for asset acquired for leasing, net	(10,421)	(5,678)
Management fees received	111	703
Income from short-term placements received	244	259
Returns paid to investment account holders	(6,055)	(6,798)
Net receipts from / (Withdrawal by) investment account holders	21,062	(2,465)
Payments for expenses	(9,292)	(9,981)
Other receipts	421	360
Payments for charity	(672)	(961)
(Withdrawal from) / receipts in customers' current accounts	(24,042)	24,509
Net payments to CBB reserve account	(1,130)	(809)
Net cash (used in) / from operating activities	(55,662)	12,322
INVESTING ACTIVITIES		
Purchase of investment securities, net	(11,710)	(14,792)
Proceeds from sale / redemption of investment securities	22,031	9,819
Purchase of investment property	-	(2,640)
Dividend / income from investment securities received	608	1,724
Purchase of equipment and capital advances made	(671)	(608)
Net cash from / (used in) investing activities	10,258	(6,497)
FINANCING ACTIVITIES		
Placements from financial institutions, net	22,297	(20,482)
Placements from non-financial institutions and individuals, net	6,769	27,629
Purchase of treasury shares, net	(17)	(25)
Expenses paid on placements	(2,823)	(1,576)
Net cash from financing activities	26,226	5,546
Net (decrease) / increase in cash and cash equivalents	(19,178)	11,371
Cash and cash equivalents at 1 January	90,264	78,893
Cash and cash equivalents at 31 December	71,086	90,264
Cash and cash equivalents comprise:		
Cash and bank balances (excluding CBB reserve)	13,561	13,477
Placements with financial institutions	57,525	76,787
	71,086	90,264

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012

	BD 000's									
31 December 2012	Share Capital	Share Premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grant reserve	Investments fair value reserve	Retained earnings	Total	
(Audited)										
At 1 January 2012	115,416	1,485	6,350	(6,043)	(420)	120	54	1,961	118,923	
Fair value changes	-	-	-	-	-	-	41	-	41	
Transfer on disposal of investments	-	-	-	-	-	-	(95)	-	(95)	
Profit for the year	-	-	-	-	-	-	-	751	751	
Total recognised income and expense for the year	-	-	-	-	-	-	(54)	751	697	
Transfer to statutory reserve	-	-	75	-	-	-	-	(75)	-	
Treasury shares acquired	-	-	-	(17)	-	-	-	-	(17)	
Adjustment for vesting and issue of shares	-	50	-	-	129	(50)	-	-	129	
Vesting charge for the year	-	-	-	-	-	(70)	-	-	(70)	
Transfer to zakah fund (2011)	-	-	-	-	-	-	-	(214)	(214)	
At 31 December 2012	115,416	1,535	6,425	(6,060)	(291)	-	-	2,423	119,448	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2011

	BD 000's									
31 December 2011	Share Capital	Share Premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grant reserve	Investments fair value reserve	Retained earnings	Total	
(Audited)										
At 1 January 2011	115,416	1,213	6,298	(6,018)	(937)	324	117	1,745	118,158	
Fair value changes	-	-	-	-	-	-	(63)	-	(63)	
Profit for the year	-	-	-	-	-	-	-	518	518	
Total recognised income and expense for the year	-	-	-	-	-	-	(63)	518	455	
Transfer to statutory reserve	-	-	52	-	-	-	-	(52)	-	
Treasury shares acquired	-	-	-	(131)	-	-	-	-	(131)	
Treasury shares sold	-	-	-	106	-	-	-	-	106	
Adjustment for vesting and issue of shares	-	272	-	-	517	(272)	-	-	517	
Vesting charge for the year	-	-	-	-	-	68	-	-	68	
Transfer to Zakah fund (2010)	-	-	-	-	-	-	-	(250)	(250)	
At 31 December 2011	115,416	1,485	6,350	(6,043)	(420)	120	54	1,961	118,923	

The consolidated financial statements were approved by the Board of Directors on 7 February 2013.

Dr. Fuad Abdulla Al-Omar | **Abdulrahman Mohamed Jamsheer** | **Silvan Varghese**
Chairman | *Vice-Chairman* | *Acting Chief Executive Officer*

These statements have been extracted from the consolidated financial information for the year ended 31 December 2012, which were audited by KPMG, who expressed an unqualified opinion on date.