

# FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

All amounts are in BD 000's

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 June 2016

	30 June 2016 (Reviewed)	31 December 2015 (Audited)
<b>ASSETS</b>		
Cash and bank balances	27,480	41,286
Placements with financial institutions	34,873	43,953
Financing assets	350,644	318,714
Investment in sukuk	55,394	63,533
Assets acquired for leasing	89,024	67,811
Lease rentals receivables	1,477	1,289
Investment in equity securities	58,901	67,801
Investment in associates	2,605	2,605
Investment property	19,071	19,071
Development property	6,173	6,952
Other assets	9,689	12,675
Property and equipment	8,025	8,285
<b>Total assets</b>	<b>663,356</b>	<b>653,975</b>
<b>LIABILITIES</b>		
Placement from financial institutions	61,370	47,007
Placement from non-financial institutions and individuals	59,497	48,311
Customers' current accounts	55,139	65,848
Other liabilities	9,396	9,837
<b>Total liabilities</b>	<b>185,402</b>	<b>171,003</b>
<b>Equity of investment account holders</b>	<b>362,538</b>	<b>371,271</b>
<b>OWNERS' EQUITY</b>		
Share capital	105,000	100,000
Statutory reserve	7,431	7,411
Treasury shares	(8,832)	(8,136)
Employee share incentive scheme	(126)	(284)
Investment fair value reserve	-	(86)
Retained earnings	8,189	8,998
<b>Total equity attributable to shareholders of the parent</b>	<b>111,662</b>	<b>107,903</b>
Non-controlling interest	3,754	3,798
<b>Total liabilities, equity of investment account holders and owners' equity</b>	<b>663,356</b>	<b>653,975</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT For the six months ended 30 June 2016

	Six Months ended 30 June 2016 (Reviewed)	Six Months ended 30 June 2015 (Reviewed)	Three Months ended 30 June 2016 (Reviewed)	Three Months ended 30 June 2015 (Reviewed)
Income from placements with financial institutions	341	257	167	134
Income from financing assets and assets acquired for leasing	12,715	10,457	6,621	4,957
Income from sukuk	1,351	1,945	499	1,037
Income from equity securities	319	863	147	780
Other income	1,905	1,881	949	1,568
<b>Total income before return to investment account holders</b>	<b>16,631</b>	<b>15,403</b>	<b>8,383</b>	<b>8,476</b>
Less: return to investment account holders before Bank's Share as Mudarib	(8,188)	(8,164)	(4,352)	(4,107)
Bank's Share as a Mudarib	4,748	4,446	2,598	2,410
<b>Return to investment account holders</b>	<b>(3,440)</b>	<b>(3,718)</b>	<b>(1,754)</b>	<b>(1,697)</b>
Expense on placements from financial institutions, non-financial institutions and individuals	(1,195)	(1,183)	(647)	(599)
<b>Total net income</b>	<b>11,996</b>	<b>10,502</b>	<b>5,982</b>	<b>6,180</b>
Staff cost	3,556	3,042	1,986	1,513
Depreciation	269	248	133	122
Other expenses	2,406	2,127	1,364	1,213
<b>Total expenses</b>	<b>6,231</b>	<b>5,417</b>	<b>3,483</b>	<b>2,848</b>
<b>Profit for the period before impairment allowances</b>	<b>5,765</b>	<b>5,085</b>	<b>2,499</b>	<b>3,332</b>
Impairment allowances	(1,592)	(680)	(1,161)	(598)
<b>PROFIT FOR THE PERIOD</b>	<b>4,173</b>	<b>4,405</b>	<b>1,338</b>	<b>2,734</b>
<b>Attributable to:</b>				
Shareholders of the parent	4,217	4,117	1,371	2,452
Non-controlling interest	(44)	288	(33)	282
	4,173	4,405	1,338	2,734
<b>Earnings per share</b>				
Basic and diluted earnings per share (filis)	4.301	4.265	1.384	2.549

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For the six months ended 30 June 2016

	Six Months ended 30 June 2016 (Reviewed)	Six Months ended 30 June 2015 (Reviewed)
<b>OPERATING ACTIVITIES</b>	<b>(20,874)</b>	<b>2,043</b>
(Disbursements) / Receipts for financing assets, net	-	(10,649)
Payments for assets acquired for leasing, net	(21,401)	257
Income from short-term placements received	341	-
Returns paid to investment account holders	(4,192)	(4,649)
(Payments) / receipts from investment account holders, net	(8,732)	42,525
Payments for expenses	(5,408)	(5,656)
Other receipts	1,905	1,342
Payment for charity	(35)	(55)
Net (Disbursements) / receipts in customers' current accounts	(10,710)	9,305
Placement from financial institutions, net	14,363	(9,991)
Placement from non-financial institutions and individuals, net	11,187	6,663
Net payment to CBB reserve account	(815)	(1,150)
Expense paid on placements	(1,195)	(1,183)
<b>Net cash generated (used in) / from operating activities</b>	<b>(45,566)</b>	<b>28,802</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of sukuk	(9,701)	(52,912)
Purchase of equity securities	(84)	(8,012)
Proceed from redemption/sale of sukuk	17,643	20,685
Proceed from sale of equity securities	12,383	-
Proceed from disposal of investment property	779	-
Income from sukuk received	1,166	916
Income from equity securities received	347	911
Purchase of property and equipment, net	(9)	64
<b>Net cash generated from / (used in) investing activities</b>	<b>22,524</b>	<b>(38,348)</b>
<b>FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(689)	(1,342)
<b>Net cash used in financing activities</b>	<b>(689)</b>	<b>(1,342)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(23,701)</b>	<b>(10,888)</b>
Cash and cash equivalents at the beginning of the period	66,369	96,491
<b>Cash and cash equivalents at the end of the period</b>	<b>42,668</b>	<b>85,603</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances (excluding CBB reserve)	7,795	32,768
Placements with financial institutions	34,873	52,835
	42,668	85,603

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the six months ended 30 June 2016

30 June 2016 (Reviewed)	Equity attributable to shareholders of the parent									Total equity
	Share capital	Share premium	Statutory reserve	Treasury shares	Employee share incentive scheme	Investment fair value reserve	Retained earnings	Total	Non-controlling interests	
Balance at 1 January 2016:	100,000	-	7,411	(8,136)	(284)	(86)	8,998	107,903	3,798	111,701
Changes in fair value of investments	-	-	-	-	-	322	-	322	-	322
Disposal of listed equity securities	-	-	-	-	-	(236)	-	(236)	-	(236)
<b>Profit for the period</b>	-	-	-	-	-	4,217	4,217	(44)	4,173	4,173
<b>Total recognised income and expense for the period</b>	-	-	-	-	-	86	4,217	4,303	(44)	4,259
Issue of Bonus shares	5,000	-	-	-	-	(5,000)	-	-	-	-
Transfer to statutory reserve	-	-	20	-	-	(20)	-	-	-	-
Net treasury shares purchased	-	-	-	(696)	-	-	(696)	-	(696)	(696)
Issue of shares under incentive scheme	-	-	-	-	158	-	158	-	158	158
Transfer to Zakah fund	-	-	-	-	-	(6)	(6)	-	(6)	(6)
<b>Balance at 30 June 2016</b>	<b>105,000</b>	<b>-</b>	<b>7,431</b>	<b>(8,832)</b>	<b>(126)</b>	<b>-</b>	<b>8,189</b>	<b>111,662</b>	<b>3,754</b>	<b>115,416</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the six months ended 30 June 2015

30 June 2015 (Reviewed)	Equity attributable to shareholders of the parent									Total equity
	Share capital	Share premium	Statutory reserve	Treasury shares	Employee share incentive scheme	Investment fair value reserve	Retained earnings	Total	Non-controlling interests	
Balance at 1 January 2015:	100,000	-	7,411	(8,136)	(284)	(86)	8,998	107,903	3,798	111,701
As reported	115,416	1,535	6,730	(6,351)	-	-	(14,273)	103,057	-	103,057
Impact of consolidation	-	-	-	-	-	-	47	47	2,791	2,838
As restated	115,416	1,535	6,730	(6,351)	-	-	(14,226)	103,104	2,791	105,895
Changes in fair value of investment securities	-	-	-	-	-	126	-	126	-	126
<b>Profit for the period</b>	-	-	-	-	-	4,117	4,117	288	4,405	4,405
<b>Total recognised income and expense for the period</b>	-	-	-	-	-	126	4,117	4,243	288	4,531
Capital reduction	(15,416)	(1,535)	-	-	-	-	16,951	-	(1,084)	(1,084)
Treasury shares acquired	-	-	-	(1,084)	-	-	-	-	33	33
Adjustment for shares forfeited	-	-	-	-	-	-	-	-	(19)	(19)
Transfer to Zakah fund	-	-	-	-	-	-	(19)	(19)	-	(19)
<b>Balance at 30 June 2015</b>	<b>100,000</b>	<b>-</b>	<b>6,730</b>	<b>(7,402)</b>	<b>-</b>	<b>-</b>	<b>6,823</b>	<b>106,277</b>	<b>3,079</b>	<b>109,356</b>

Dr. Ahmed Khalil Al Mutawa  
Chairman

Abdulrahman Mohammed Jamsheer  
Vice-Chairman

Khalil Ismaeel Al-Meer  
Chief Executive Officer

This information has been extracted from the condensed consolidated financial statements for the six months ended 30 June 2016 which were approved by the Board of Directors on 4 August 2016 and reviewed by KPMG Fakhro.

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