

FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

All amounts are in BD 000's

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 September 2016

	30 September 2016 (Reviewed)	31 December 2015 (Audited)
ASSETS		
Cash and bank balances	42,319	41,286
Placements with financial institutions	48,887	43,953
Financing assets	358,683	318,714
Investment in sukuk	63,685	63,533
Assets acquired for leasing	91,601	67,811
Lease rentals receivables	2,127	1,289
Investment in equity securities	58,907	67,801
Investment in associates	2,605	2,605
Investment property	17,031	19,071
Development property	5,904	6,952
Other assets	9,592	12,675
Property and equipment	7,965	8,285
Total assets	709,306	653,975
LIABILITIES		
Placement from financial institutions	31,419	47,007
Placement from non-financial institutions and individuals	98,800	48,311
Customers' current accounts	67,712	65,848
Other liabilities	8,388	9,837
Total liabilities	206,319	171,003
Equity of investment account holders	387,424	371,271
OWNERS' EQUITY		
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	8,548	8,998
Total equity attributable to shareholders of the parent	112,021	107,903
Non-controlling interest	3,542	3,798
Total liabilities, equity of investment account holders and owners' equity	709,306	653,975

CONDENSED CONSOLIDATED INCOME STATEMENT For the nine months ended 30 September 2016

	Nine Months ended 30 September 2016 (Reviewed)	Nine Months ended 30 September 2015 (Reviewed)	Three Months ended 30 September 2016 (Reviewed)	Three Months ended 30 September 2015 (Reviewed)
Income from financing assets and assets acquired for leasing	19,223	16,004	6,508	5,547
Income from sukuk	2,090	2,876	739	931
Income from equity securities	315	690	(4)	(173)
Income from placements with financial institutions	491	411	160	154
Share of loss from associate	-	(57)	-	(57)
Other income	2,303	2,466	398	585
Total income before return to investment account holders	24,422	22,390	7,791	6,987
Less: return to investment account holders before Bank's Share as Mudarib	(12,184)	(12,545)	(3,996)	(4,381)
Bank's Share as a Mudarib	6,909	6,968	2,161	2,522
Return to investment account holders	(5,275)	(5,577)	(1,835)	(1,859)
Expense on placements from financial institutions, non-financial institutions and individuals	(1,948)	(1,750)	(753)	(567)
Total income	17,199	15,063	5,203	4,561
Staff cost	5,141	4,470	1,585	1,428
Depreciation	390	354	121	106
Other expenses	3,642	3,307	1,236	1,180
Total expenses	9,173	8,131	2,942	2,714
Profit before impairment allowances	8,026	6,932	2,261	1,847
Impairment allowances	(3,706)	(847)	(2,114)	(167)
PROFIT FOR THE PERIOD	4,320	6,085	147	1,680
Attributable to:				
Shareholders of the parent	4,576	6,037	359	1,920
Non-controlling interest	(256)	48	(212)	(240)
	4,320	6,085	147	1,680
Earnings per share				
Basic earnings per share (fils)	4,724	6,254	0,372	2,003
Diluted earnings per share (fils)	4,724	6,251	0,372	2,002

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For the nine months ended 30 September 2016

	Nine Months ended 30 September 2016 (Reviewed)	Nine Months ended 30 September 2015 (Reviewed)
OPERATING ACTIVITIES		
(Disbursements) / Receipts for financing assets, net	(24,518)	1,163
Payments for assets acquired for leasing, net	(24,628)	(22,549)
Income from short-term placements received	491	(411)
Returns paid to investment account holders	(5,650)	(6,422)
Receipts from investment account holders, net	16,153	52,092
Payments for expenses	(10,536)	(4,047)
Other receipts	2,303	2,102
Payment for charity	(36)	(71)
Net receipts in customers' current accounts	1,864	13,209
Placement from financial institutions, net	(15,588)	(14,036)
Placement from non-financial institutions and individuals, net	50,489	7,321
Net receipt in / (payment to) CBB reserve account	80	(2,566)
Expense paid on placements	(1,948)	(1,750)
Net cash (used in) / generated from operating activities	(11,524)	24,857
INVESTING ACTIVITIES		
Purchase of sukuk	(22,709)	(65,952)
Purchase of equity securities	(84)	(10,085)
Proceed from redemption/sale of sukuk	22,361	29,713
Proceed from redemption/sale of equity securities	12,391	233
Proceed from disposal of investment property	3,088	-
Income from sukuk received	2,792	2,127
Income from equity securities received	358	914
(Purchase) / disposal of property and equipment	(70)	120
Net cash generated from / (used in) investing activities	18,127	(42,930)
FINANCING ACTIVITIES		
Purchase of treasury shares	(696)	(771)
Receipt of advances to purchase treasury shares	140	-
Net cash used in financing activities	(556)	(771)
Net increase / (decrease) in cash and cash equivalents	6,047	(18,844)
Cash and cash equivalents at the beginning of the period	66,369	96,489
Cash and cash equivalents at the end of the period	72,416	77,645
Cash and cash equivalents comprise:		
Cash and bank balances (excluding CBB reserve)	23,529	28,776
Placement with financial institutions	48,887	48,869
	72,416	77,645

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the nine months ended 30 September 2016

30 September 2016 (Reviewed)	Equity attributable to shareholders of the parent									Total	Non-controlling interests	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 equity securities	-	-	-	-	-	(236)	-	(236)	-	(236)		
Profit for the period	-	-	-	-	-	4,576	4,576	(256)	4,320			
Total recognised income and expense for the period	-	-	-	-	-	86	4,576	4,662	(256)	4,406		
Issue of Bonus shares	5,000	-	-	-	-	(5,000)	-	-	-	-		
Transfer to statutory reserve	-	-	20	-	-	(20)	-	-	-	-		
Net treasury shares purchased	-	-	-	(696)	-	-	-	(696)	-	(696)		
Issue of shares under incentive scheme	-	-	-	-	158	-	158	-	-	158		
Transfer to Zakah fund	-	-	-	-	-	(6)	(6)	-	-	(6)		
Balance at 30 September 2016	105,000	-	7,431	(8,832)	(126)	-	8,548	112,021	3,542	115,563		

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the nine months ended 30 September 2015

30 September 2015 (Reviewed)	Equity attributable to shareholders of the parent									Total	Non-controlling interests	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 previously	115,416	1,535	6,730	(6,351)	-	-	(14,273)	103,057	-	103,057		
Impact of consolidation	-	-	-	-	-	322	47	47	2,791	2,838		
Balance at 1 January 2015 (as restated)	115,416	1,535	6,730	(6,351)	-	-	(14,226)	103,104	2,791	105,895		
Changes in fair value of investments	-	-	-	-	-	322	-	322	-	322		
Profit for the period	-	-	-	-	-	4,576	4,576	(256)	4,320			
Total recognised income and expense for the period	-	-	-	-	-	86	4,576	4,662	(256)	4,406		
Capital reduction	(15,416)	(1,535)	-	-	-	-	-	16,951	-	15,416		
Net treasury shares purchased	-	-	-	(424)	-	-	-	(424)	-	(424)		
Adjustment for shares forfeited	-	-	-	33	-	-	-	33	-	33		
Transfer to Zakah fund	-	-	-	-	158	-	158	-	-	158		
Adjustment for issue of shares	-	-	-	-	-	(6)	(6)	-	-	(6)		
Balance at 30 September 2015	100,000	-	6,730	(6,742)	(89)	-	8,702	108,287	2,839	111,126		

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 nine months ended 30 September 2016 which were approved by the Board of Directors on 9 November 2016 and reviewed by KPMG Fakhro.

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