

FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2017

All amounts are in BD 000's

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 March 2017

| | 31 March 2017 (Reviewed) | 31 December 2016 (Audited) |
|---|-----------------------------|-------------------------------|
| ASSETS | | |
| Cash and bank balances | 44,113 | 56,006 |
| Placements with financial institutions | 67,251 | 78,714 |
| Financing assets | 351,648 | 355,377 |
| Investment in sukuk | 88,930 | 74,154 |
| Assets acquired for leasing | 92,948 | 92,839 |
| Lease rentals receivables | 2,816 | 2,573 |
| Investment in equity securities | 55,514 | 55,121 |
| Investment property | 21,777 | 21,508 |
| Development property | 6,003 | 6,003 |
| Other assets | 13,995 | 14,496 |
| Property and equipment | 8,201 | 8,208 |
| Total assets | 753,196 | 764,999 |
| LIABILITIES | | |
| Placement from financial institutions | 38,794 | 59,079 |
| Placement from non-financial institutions and individuals | 100,598 | 100,649 |
| Customers' current accounts | 75,397 | 75,814 |
| Other liabilities | 8,764 | 8,311 |
| Total liabilities | 223,553 | 243,853 |
| Equity of investment account holders | 412,062 | 404,651 |
| OWNERS' EQUITY | | |
| Share capital | 105,000 | 105,000 |
| Statutory reserve | 7,962 | 7,962 |
| Treasury shares | (8,832) | (8,832) |
| Employee share incentive scheme | (182) | (182) |
| Retained earnings | 9,888 | 8,751 |
| Total equity attributable to shareholders of the parent | 113,836 | 112,699 |
| Non-controlling interest | 3,745 | 3,796 |
| Total liabilities, equity of investment account holders and owners' equity | 753,196 | 764,999 |

CONDENSED CONSOLIDATED INCOME STATEMENT For the three months ended 31 March 2017

| | Three months ended 31 March 2017 (Reviewed) | Three months ended 31 March 2016 (Reviewed) |
|---|---|---|
| Income from financing assets and assets acquired for leasing | 6,605 | 6,094 |
| Income from placements with financial institutions | 183 | 174 |
| Income from sukuk | 958 | 852 |
| Income from equity securities | 8 | 172 |
| Other income | 833 | 956 |
| Total income before return to investment account holders | 8,587 | 8,248 |
| Less: Return to investment account holders before Bank's share as Mudarib | (4,154) | (3,836) |
| Bank's share as a Mudarib | 2,216 | 2,150 |
| Return to investment account holders | (1,938) | (1,686) |
| Expense on placements from financial institutions, non-financial institutions and individuals | (993) | (548) |
| Total income | 5,656 | 6,014 |
| Staff cost | 1,592 | 1,570 |
| Other expenses | 1,390 | 1,178 |
| Total expenses | 2,982 | 2,748 |
| Profit for the period before impairment allowances | 2,674 | 3,266 |
| Impairment allowances | (1,227) | (431) |
| PROFIT FOR THE PERIOD | 1,447 | 2,835 |
| Attributable to: | | |
| Shareholders of the parent | 1,498 | 2,846 |
| Non-controlling interest | (51) | (11) |
| | 1,447 | 2,835 |
| Earnings per share: | | |
| Basic and diluted earnings per share (fil) | 1.55 | 2.92 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For the three months ended 31 March 2017

| | Three months ended 31 March 2017 (Reviewed) | Three months ended 31 March 2016 (Reviewed) |
|---|---|---|
| OPERATING ACTIVITIES | | |
| Receipts / (Payments) for financing assets, net | 8,431 | (8,168) |
| Payments for assets acquired for leasing, net | (352) | (8,387) |
| Income from short-term placements received | 183 | 174 |
| Returns paid to investment account holders | (2,379) | (2,636) |
| Receipts from / (Payment to) investment account holders, net | 7,410 | (418) |
| Payments for expenses | (2,898) | (1,290) |
| Other receipts | 933 | 956 |
| Net contribution and allocation for charity and zakah fund | 364 | 1 |
| Net receipts in customers' current accounts | (417) | 3,893 |
| Placements from financial institutions, net | (20,284) | 8,720 |
| Placements from non-financial institutions and individuals, net | (51) | 4,730 |
| Net withdrawal from CBB reserve account | 685 | 115 |
| Finance expense on placement paid | (993) | (548) |
| Net cash used in operating activities | (9,368) | (2,848) |
| INVESTING ACTIVITIES | | |
| Purchase of sukuk | (16,942) | (9,701) |
| Purchase of equity securities | - | (84) |
| Proceed from redemption/sale of sukuk | 2,098 | 5,025 |
| Proceed from redemption/sale of equity securities | - | 1,987 |
| Income from sukuk received | 1,616 | 1,414 |
| Dividend/income from equity securities | 22 | 186 |
| Purchase of property and equipment | (97) | (15) |
| Net cash used in investing activities | (13,303) | (1,188) |
| FINANCING ACTIVITIES | | |
| Payment for treasury shares | - | (696) |
| Net cash used in financing activities | - | (696) |
| Net decrease in cash and cash equivalents | (22,671) | (4,732) |
| Cash and cash equivalents at the beginning of the period | 114,865 | 66,369 |
| Cash and cash equivalents at the end of the period | 92,194 | 61,637 |
| Cash and cash equivalents comprise: | | |
| Cash and bank balances (excluding CBB reserve) | 24,943 | 11,255 |
| Placements with financial institutions | 67,251 | 50,382 |
| | 92,194 | 61,637 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the three months ended 31 March 2017

| 31 March 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 year | - | - | - | - | - | 1,498 | 1,498 | (51) | 1,447 |
| Total recognised income and expense for the period | - | - | - | - | - | 1,498 | 1,498 | (51) | 1,447 |
| Transfer to Zakah fund | - | - | - | - | - | (361) | (361) | - | (361) |
| Balance at 31 March 2017 | 105,000 | 7,962 | (8,832) | (182) | - | 9,888 | 113,836 | 3,745 | 117,581 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the three months ended 31 March 2016

| 31 March 2016 (Reviewed) | Equity attributable to shareholders of the parent | | | | | | | Non-controlling interests | Total equity |
|---|---|-------------------|-----------------|----------------------------------|-------------------------------|-------------------|----------------|---------------------------|----------------|
| | Share Capital | Statutory reserve | Treasury shares | Employees share incentive scheme | Investment fair value reserve | Retained earnings | Total | | |
| 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 |
| Profit for the year | - | - | - | - | - | 2,846 | 2,846 | (11) | 2,835 |
| Total recognised income and expense for the period | - | - | - | - | 322 | 2,846 | 3,168 | (11) | 3,157 |
| Issue of Bonus shares | 5,000 | - | - | - | - | (5,000) | - | - | - |
| Transfer to statutory reserve | - | 20 | - | - | - | (20) | - | - | - |
| Net treasury shares purchased | - | - | (696) | - | - | - | (696) | - | (696) |
| Balance at 31 March 2016 | 105,000 | 7,431 | (8,832) | (284) | 236 | 6,824 | 110,375 | 3,787 | 114,162 |

Dr. Ahmed Khalil Al Mutawa
Chairman

Abdulkarim Ahmed Bucheery
Vice-Chairman

Khalil Ismaeel Al-Meer
Chief Executive Officer

This information has been extracted from the condensed consolidated financial statements for the three months ended 31 March 2017 which were approved by the Board of Directors on 10 May 2017 and reviewed by KPMG Fakhro

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