

Al Salam Bank-Bahrain

Consolidated Financial Statements 2009

These consolidated financial statements were extracted from the audited consolidated financial statements on which Ernst & Young issued an unqualified opinion dated 15th February 2010.

CONSOLIDATED INCOME STATEMENT	Year ended 31 December 2009	Year ended 31 December 2008	CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31 December 2009	31 December 2008
	BD	BD		BD	BD
OPERATING INCOME			ASSETS		
Income from financing contracts	16,710,523	14,087,135	Cash and balances with Central Bank of Bahrain	126,739,202	83,533,981
Gains on disposal of investments	11,781,651	30,266,556	Central Bank of Bahrain Sukuk	32,907,875	31,095,000
Gains on investments designated as fair value through profit or loss	5,772,270	5,259,691	Murabaha receivables from banks	149,303,782	87,167,449
Other operating income	911,486	2,300,596	Corporate Sukuk	16,949,546	-
	35,175,930	51,913,978	Murabaha receivables	87,273,825	72,483,745
Less: Profit paid and payable on Murabaha from banks	(1,118,975)	(2,489,667)	Ijarah Muntahia Bittamleek	46,314,651	41,530,784
Less: Profit on Wakala from non-banks	(13,928,052)	(9,279,138)	Musharaka financing	5,384,369	-
Less: Profit on unrestricted investment accounts	(155,520)	(219,939)	Assets under conversion	98,305,000	-
Less: Depreciation on Ijarah Muntahia Bittamleek	(4,037,647)	(2,323,976)	Non-trading investments	184,679,822	116,929,500
TOTAL OPERATING INCOME	15,935,736	37,601,258	Investment in an associate	7,659,055	8,011,913
OPERATING EXPENSES			Investment property	1,177,528	1,177,528
Staff costs	5,130,940	6,854,616	Receivables and prepayments	26,902,192	21,032,829
Premises and equipment cost	723,322	582,745	Premises and equipment	2,337,436	2,583,796
Depreciation	1,009,690	902,526	Assets held-for-sale	-	88,934,033
Other operating expenses	2,853,219	3,438,451	TOTAL ASSETS	785,934,283	554,480,558
Total operating expenses	9,717,171	11,778,338	LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY		
PROFIT BEFORE RESULTS OF SUBSIDIARY AND ASSOCIATE	6,218,565	25,822,920	LIABILITIES		
Gain arising on acquisition of a subsidiary	7,996,039	-	Murabaha payables to banks	89,397,722	32,880,685
Share of loss from an associate	(254,224)	(280,239)	Wakala from non-banks	317,369,585	289,004,770
Post acquisition profit from the subsidiary	21,000	-	Customers' current accounts	32,699,944	42,985,844
Share of Shari'a prohibited income contributed to charity	(18,965)	-	Liabilities under conversion	120,402,000	-
NET PROFIT FOR THE YEAR	13,962,415	25,542,681	Other liabilities	14,877,262	10,755,559
<i>Attributable to:</i>			TOTAL LIABILITIES	574,746,513	375,626,858
Equity holders of the Bank	13,960,380	-	UNRESTRICTED INVESTMENT ACCOUNTS	9,409,467	6,370,219
Non-controlling interest	2,035	-	EQUITY		
	13,962,415	25,542,681	Share capital	142,577,508	120,000,000
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	1,300,825,581	1,200,000,000	Reserves and retained earnings	41,356,388	39,660,956
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	10.7	21.3	Proposed appropriations	14,257,750	12,822,525
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Year ended 31 December 2009	Year ended 31 December 2008	Total equity attributable to shareholders of the Bank	198,191,646	172,483,481
	BD	BD	Non-controlling interest	3,586,657	-
NET PROFIT FOR THE YEAR	13,962,415	25,542,681	TOTAL EQUITY	201,778,303	172,483,481
Other comprehensive income:			TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY	785,934,283	554,480,558
Net change in fair value	(367,968)	-			
Exchange differences on investment in an associate	(98,634)	99,010			
Other comprehensive income for the year	(466,602)	99,010			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	13,495,813	25,641,691			
<i>Attributable to:</i>					
Equity holders of the Bank	13,480,309	25,641,691			
Non-controlling interest	15,504	-			
	13,495,813	25,641,691			
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Year ended 31 December 2009	Year ended 31 December 2008	CONSOLIDATED STATEMENT OF CASH FLOWS	Year ended 31 December 2009	Year ended 31 December 2008
	BD	BD		BD	BD
Balance at 1 January	172,483,481	159,470,877	Net cash from (used in) operating activities	53,625,823	(51,497,754)
Total comprehensive income for the year	13,495,813	25,641,691	Net cash from (used in) investing activities	57,826,669	(507,070)
Zakah paid	(822,525)	(529,087)	Net cash used in financing activities	(9,099,214)	(25,399,366)
Dividends paid	(12,000,000)	(12,000,000)	NET CHANGE IN CASH AND CASH EQUIVALENTS	102,353,278	(77,404,190)
Charitable donations	(100,000)	(100,000)	Cash and cash equivalents at 1 January	156,204,000	233,608,190
Shares issued	25,150,381	-	CASH AND CASH EQUIVALENTS AT 31 DECEMBER	258,557,278	156,204,000
Non-controlling interest arising on acquisition of a subsidiary	3,571,153	-			
Balance at 31 December	201,778,303	172,483,481			

These consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 15th February, 2010.

Mohamed Ali Rashid Alabbar
Chairman

Yousif Taqi
Director & Chief Executive Officer