



Al Salam Bank-Bahrain B.S.C.

Consolidated Financial Statements for the year ended 31 December 2013

These statements have been extracted from the audited consolidated financial statements on which Ernst & Young issued an unqualified opinion dated 30th January 2014.

CONSOLIDATED INCOME STATEMENT	31 December 2013	31 December 2012	CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31 December 2013	31 December 2012
	BD '000	BD '000		BD '000	BD '000
OPERATING INCOME			ASSETS		
Income from financing contracts	26,132	20,545	Cash and balances with banks and Central Bank of Bahrain	86,097	66,843
Income from Sukuk	9,448	8,899	Central Bank of Bahrain Sukuk	102,937	117,612
Gains on sale of investments and Sukuk	3,833	10,876	Murabaha and Wakala receivables from banks	118,227	103,290
Income from FVTPL investments	2,424	635	Corporate Sukuk	91,106	74,993
Fair value changes on FVTPL investments	(1,398)	(7,021)	Murabaha financing	147,616	127,537
Net gain from available-for-sale investments	-	2,088	Mudaraba financing	114,084	99,572
Dividend income	570	1,275	Ijarah Muntahia Bittamleek	110,631	82,954
Foreign exchange gains	793	644	Musharaka	19,145	17,467
Fees, commission and other income - net	2,305	7,104	Non-trading investments	125,923	204,202
	44,107	45,045	Investment properties	77,736	2,500
Profit on Murabaha and Wakala payables to banks	(682)	(599)	Development properties	63,399	-
Profit on Wakala payables to non-banks	(17,190)	(20,228)	Investment in an associate	8,537	7,573
Profit relating to equity of investment accountholders	(148)	(166)	Other assets	22,814	37,675
Total operating income	26,087	24,052	TOTAL ASSETS	1,088,252	942,218
OPERATING EXPENSES			LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY		
Staff costs	6,469	6,350	LIABILITIES		
Premises and equipment cost	1,147	1,179	Murabaha and Wakala payables to banks	106,796	90,852
Depreciation	280	394	Wakala payables to non-banks	584,365	521,929
Other operating expenses	3,505	3,541	Customers' current accounts	70,532	83,921
Total operating expenses	11,401	11,464	Term financing	23,637	-
PROFIT BEFORE PROVISIONS AND RESULTS OF AN ASSOCIATE	14,686	12,588	Other liabilities	30,979	19,175
Provision for impairment - net	(3,208)	(3,058)	TOTAL LIABILITIES	816,309	715,877
Share of profit from an associate	894	778	EQUITY OF INVESTMENT ACCOUNTHOLDERS OWNERS' EQUITY	25,846	18,276
NET PROFIT FOR THE YEAR	12,372	10,308	Share capital	149,706	149,706
<i>Attributable to:</i>			Treasury stock	(492)	(492)
Shareholders of the Bank	12,372	10,272	Reserves and retained earnings	78,580	51,366
Non-controlling interest	-	36	Proposed appropriations	7,485	7,485
	12,372	10,308	Total equity attributable to shareholders of the Bank	235,279	208,065
WEIGHTED AVERAGE NUMBER OF SHARES (in '000)	1,491,372	1,491,372	Non-controlling interest	10,818	-
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	8.3	6.9	TOTAL OWNERS' EQUITY	246,097	208,065
			TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY	1,088,252	942,218
OTHER COMPREHENSIVE INCOME					
	BD '000	BD '000	CONSOLIDATED STATEMENT OF CASH FLOWS	31 December 2013	31 December 2012
NET PROFIT FOR THE YEAR	12,372	10,308		BD '000	BD '000
Other comprehensive income for the year	22,288	1,351	Net cash from (used in) operating activities	41,106	(40,637)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	34,660	11,659	Net cash used in investing activities	(53,658)	(72)
<i>Attributable to:</i>			Net cash from financing activities	34,579	1,993
Owners of the Bank	34,660	11,623	NET CHANGE IN CASH AND CASH EQUIVALENTS	22,027	(38,716)
Non-controlling interest	-	36	Cash and cash equivalents at 1 January	149,013	187,729
	34,660	11,659	CASH AND CASH EQUIVALENTS AT 31 DECEMBER	171,040	149,013
CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY	2013	2012			
	BD '000	BD '000			
Balance at 1 January	208,065	200,625			
Net profit for the year	12,372	10,308			
Net change in fair value	22,218	1,922			
Non-controlling interest arising on consolidation	10,818	-			
Changes on investment in an associate	70	(571)			
Treasury shares purchased	-	(27)			
Dividend paid	(7,446)	-			
Transfer to other liabilities	-	(4,192)			
Balance at 31 December	246,097	208,065			

These consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors dated 30th January 2014.

Shaikha Hessa bint Khalifa Al Khalifa
Chairperson of the Board

Yousif Taqi
Director & CEO