



# Al Salam Bank-Bahrain B.S.C.

Interim Condensed Consolidated Financial Statements for the period ended 30 June 2013

AL SALAM BANK  
Bahrain البحرين

These were extracted from the interim condensed consolidated financial statements on which Ernst & Young issued an unqualified review report dated 15<sup>th</sup> July 2013.

INTERIM CONSOLIDATED INCOME STATEMENT (REVIEWED)	Three months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2013	Six months ended 30 June 2012	INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 June 2013 (Reviewed)	31 December 2012 (Audited)
	BD '000	BD '000	BD '000	BD '000		BD '000	BD '000
<b>OPERATING INCOME</b>					<b>ASSETS</b>		
Income from financing contracts	5,348	4,285	11,029	8,587	Cash and balances with banks and Central Bank of Bahrain	76,408	66,843
Income from Sukuk	2,315	2,204	4,597	4,235	Central Bank of Bahrain Sukuk	102,937	117,612
Gains on sale of investments and sukuk	1,097	3,578	1,972	3,578	Murabaha and Wakala receivables from banks	116,275	103,290
Income from FVTPL investments	563	497	1,445	454	Corporate Sukuk	81,214	74,993
Fair value changes on FVTPL investments	135	(7,377)	246	(4,085)	Murabaha financing	171,512	127,537
Net gain from available-for-sale investments	-	1,950	-	1,759	Mudaraba financing	110,455	99,572
Dividend income	81	228	405	768	Ijarah Muntahia Bittamleek	94,106	82,954
Foreign exchange gains	202	135	386	377	Musharaka	19,686	17,467
Fees, commission and other income	801	218	1,085	432	Non-trading investments	208,554	204,202
	10,542	5,718	21,165	16,105	Investment in an associate	7,492	7,573
Profit on Murabaha and Wakala payables to banks	(162)	(154)	(349)	(302)	Investment properties	12,545	2,500
Profit on Wakala payables to non-banks	(4,355)	(5,321)	(8,576)	(10,841)	Other assets	20,620	36,908
Profit relating to equity of investment accountholders	(36)	(49)	(67)	(87)	Premises and equipment	694	767
Total operating income	5,989	194	12,173	4,875	<b>TOTAL ASSETS</b>	<b>1,022,498</b>	<b>942,218</b>
<b>OPERATING EXPENSES</b>					<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>		
Staff costs	1,396	1,549	2,776	3,058	<b>LIABILITIES</b>		
Premises and equipment cost	291	313	602	600	Murabaha and Wakala payables to banks	99,638	90,852
Depreciation	69	108	139	246	Wakala payables to non-banks	592,858	521,929
Other operating expenses	850	821	1,719	1,639	Customers' current accounts	84,015	83,921
Total operating expenses	2,606	2,791	5,236	5,543	Other liabilities	16,687	19,175
<b>PROFIT (LOSS) BEFORE PROVISIONS</b>	<b>3,383</b>	<b>(2,597)</b>	<b>6,937</b>	<b>(668)</b>	<b>TOTAL LIABILITIES</b>	<b>793,198</b>	<b>715,877</b>
Provisions / write-off	(414)	(27)	(915)	(144)	<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>	<b>23,414</b>	<b>18,276</b>
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>2,969</b>	<b>(2,624)</b>	<b>6,022</b>	<b>(812)</b>	<b>OWNERS' EQUITY</b>		
<b>Attributable to:</b>					Share capital	149,706	149,706
Shareholders of the Bank	2,969	(2,624)	6,022	(848)	Treasury stock	(492)	(492)
Non-controlling interest	-	-	-	36	Reserves and retained earnings	56,672	51,366
	2,969	(2,624)	6,022	(812)	Proposed appropriations	-	7,485
<b>WEIGHTED AVERAGE NUMBER OF SHARES (in '000)</b>	<b>1,491,372</b>	<b>1,491,465</b>	<b>1,491,372</b>	<b>1,491,465</b>	<b>TOTAL OWNERS' EQUITY</b>	<b>205,886</b>	<b>208,065</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (FILS)</b>	<b>2.0</b>	<b>(1.8)</b>	<b>4.0</b>	<b>(0.6)</b>	<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>	<b>1,022,498</b>	<b>942,218</b>
<b>INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (REVIEWED)</b>	<b>Six months ended 30 June 2013</b>	<b>Six months ended 30 June 2012</b>	<b>INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (REVIEWED)</b>		<b>Six months ended 30 June 2013</b>	<b>Six months ended 30 June 2012</b>	
	BD '000	BD '000			BD '000	BD '000	
Balance at 1 January	208,065	200,625	Net cash from operating activities	30,945	41,087		
Net profit (loss) for the period	6,022	(812)	Net cash used in investing activities	(10,111)	(52)		
Net change in fair value	(674)	1,290	Net cash (used in) from financing activities	(2,308)	11,542		
Changes on investment in an associate	(81)	-	<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>18,526</b>	<b>52,577</b>		
Dividend paid	(7,446)	-	Cash and cash equivalents at 1 January	149,013	187,729		
Treasury shares purchased	-	(27)	<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>167,539</b>	<b>240,306</b>		
Transfer to other liabilities	-	(4,192)					
Balance at 30 June	205,886	196,884					

These interim condensed consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors dated 15<sup>th</sup> July 2013.

Shaikha Hessa bint Khalifa Al Khalifa  
Chairperson of the Board

Yousif Taqi  
Director & CEO