

Al Salam Bank - Bahrain B.S.C.

Condensed Consolidated Interim Financial Information for the period ended 30 June 2018.

These statements have been extracted from the Condensed Consolidated Interim Financial Information on which KPMG issued an unmodified review report dated 7 August 2018.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	(Reviewed) 30 June 2018	(Audited) 31 December 2017
	BD '000	BD '000
ASSETS		
Cash and balances with banks and Central Bank	60,539	66,351
Sovereign Sukuk	360,431	363,569
Placements with financial institutions	154,582	141,225
Corporate Sukuk	8,865	10,419
Financing assets	769,616	745,745
Non-trading investments	110,554	111,325
Investment properties	75,545	66,782
Development properties	6,448	6,448
Investment in associates	17,121	16,835
Other assets	25,431	34,558
Goodwill	25,971	25,971
TOTAL ASSETS	1,615,103	1,589,228
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Placements from banks	153,449	154,965
Placements from customers	622,907	602,784
Current accounts	277,866	283,886
Murabaha term financing	120,859	79,786
Other liabilities	40,354	45,089
TOTAL LIABILITIES	1,215,435	1,166,510
EQUITY OF INVESTMENT ACCOUNTHOLDERS	101,552	118,881
SHAREHOLDERS' EQUITY		
Share capital	214,093	214,093
Treasury stock	(2,104)	(1,879)
Reserves and retained earnings	85,567	91,016
Total equity attributable to shareholders of the Bank	297,556	303,230
Non-controlling interest	560	607
TOTAL SHAREHOLDERS' EQUITY	298,116	303,837
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND SHAREHOLDERS' EQUITY	1,615,103	1,589,228

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (REVIEWED)	Six months ended 30 June 2018	Six months ended 30 June 2017 (Restated)
	BD '000	BD '000
Balance as of 1 January	303,837	324,899
Transition adjustment on adoption of FAS 30 as of 1 January 2017	-	(26,771)
Restated balance as of 1 January	303,837	298,128
Net profit for the period	9,420	9,449
Net changes in fair value	-	947
Foreign currency re-translation	(70)	85
Dividend paid	(14,852)	(10,626)
Disposal of a subsidiary	-	(1,429)
Purchase of treasury stock	(225)	(87)
Net movements in non-controlling interest	6	-
Balance as of 30 June	298,116	296,467

CONDENSED CONSOLIDATED INCOME STATEMENT (REVIEWED)	Three months ended 30 June 2018	Three months ended 30 June 2017 (Restated)	Six months ended 30 June 2018	Six months ended 30 June 2017 (Restated)
	BD '000	BD '000	BD '000	BD '000
OPERATING INCOME				
Income from financing assets	11,143	10,822	23,123	21,624
Income from Sukuk	4,152	4,164	8,269	8,353
Income from investments	350	767	225	1,917
Fair value changes on investments	(67)	(563)	(548)	(275)
Dividend income	67	147	177	407
Fees and commission	1,476	1,821	3,278	3,661
Other income	3,057	2,843	7,798	4,726
	20,178	20,001	42,322	40,413
Profit on placements from banks	(760)	(472)	(1,406)	(981)
Profit on placements from customers	(4,418)	(3,801)	(8,530)	(8,006)
Profit on Murabaha term financing	(802)	(637)	(1,394)	(1,122)
Return on equity of investment accountholders before Group's share as a Mudarib	(108)	(49)	(190)	(91)
Group's share as a Mudarib	74	22	113	41
	(34)	(27)	(77)	(50)
Total operating income	14,164	15,064	30,915	30,254
OPERATING EXPENSES				
Staff cost	3,144	2,708	5,963	5,321
Premises and equipment cost	516	346	976	727
Depreciation	231	298	439	833
Other operating expenses	2,519	2,447	4,829	4,777
Total operating expenses	6,410	5,799	12,207	11,658
PROFIT BEFORE PROVISIONS AND RESULTS OF ASSOCIATES	7,754	9,265	18,708	18,596
Net allowance for credit losses / impairment	(4,178)	(4,685)	(9,847)	(10,057)
Share of profit from associates	514	-	559	910
NET PROFIT FOR THE PERIOD	4,090	4,580	9,420	9,449
ATTRIBUTABLE TO:				
- Shareholders of the Bank	4,107	4,616	9,473	9,531
- Non-controlling interest	(17)	(36)	(53)	(82)
	4,090	4,580	9,420	9,449
Weighted average number of shares (in '000)	2,121,713	2,125,092	2,121,713	2,125,092
Basic and diluted earnings per share (fils)	2	2	4	4

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (REVIEWED)	Six months ended 30 June 2018	Six months ended 30 June 2017 (Restated)
	BD '000	BD '000
Net cash used in operating activities	(22,878)	(86,391)
Net cash from investing activities	4,268	17,738
Net cash from (used in) financing activities	29,903	(4,505)
NET CHANGE IN CASH AND CASH EQUIVALENTS	11,293	(73,158)
Cash and cash equivalents at 1 January	175,352	284,928
CASH AND CASH EQUIVALENTS AT 30 JUNE	186,645	211,770

These condensed consolidated interim financial information have been authorized for issue in accordance with a resolution of the Board of Directors dated 7 August 2018.

Khaleefa Butti Omair Al Muhairi
Chairman

H.E. Shaikh Khalid bin Mustahail Al Mashani
Deputy Chairman

Rafik Nayed
Group Chief Executive Officer