

INTERIM STATEMENT OF FINANCIAL POSITION 31 March 2014 (Unaudited)

	<i>(Unaudited)</i> 31 March 2014 US\$'000	<i>Audited</i> 31 December 2013 US\$'000
ASSETS		
Cash and balances with banks	15,360	150,345
Deposits with banks and other financial institutions	379,524	422,005
Investments held for trading	7,957	14,626
Non-trading investments	156,587	137,282
Loans and advances	476,087	362,998
Property, equipment and software	13,111	13,366
Interest receivable	6,014	5,916
Other assets	1,264	1,224
TOTAL ASSETS	1,055,904	1,107,762
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	479,273	501,186
Due to banks and other financial institutions	230,976	268,273
Due to customers	3,852	7,714
Interest payable	542	205
Other liabilities	13,351	14,283
Total liabilities	727,994	791,661
Equity		
Share capital	250,000	250,000
Statutory reserve	13,597	13,597
Retained earnings	40,259	28,642
Proposed dividend	25,000	25,000
Fair value reserve	(946)	(1,138)
Total equity	327,910	316,101
TOTAL LIABILITIES AND EQUITY	1,055,904	1,107,762

INTERIM STATEMENT OF CHANGES IN EQUITY – Three months ended 31 March 2014 (Unaudited)

	<i>Share capital</i> US\$'000	<i>Statutory reserve</i> US\$'000	<i>Retained earnings</i> US\$'000	<i>Proposed dividend</i> US\$'000	<i>Fair value reserve</i> US\$'000	<i>Total</i> US\$'000
Balance as at 1 January 2014	250,000	13,597	28,642	25,000	(1,138)	316,101
Total comprehensive income for the period	-	-	11,617	-	192	11,809
At 31 March 2014	250,000	13,597	40,259	25,000	(946)	327,910
Balance as at 1 January 2013	250,000	9,933	20,666	20,000	-	300,599
Total comprehensive income for the period	-	-	8,623	-	-	8,623
At 31 March 2013	250,000	9,933	29,289	20,000	-	309,222

INTERIM STATEMENT OF PROFIT OR LOSS (Unaudited)

	<i>Three months ended</i> 31 March	
	2014 US\$'000	2013 US\$'000
Interest and similar income	10,043	7,692
Interest expense	(379)	(448)
Net interest income	9,664	7,244
Fee and commission income	4,619	2,713
Trading income	416	(224)
Gain on non-trading investments	254	953
Foreign exchange gain	(94)	56
Dividend income	26	-
Net operating income	14,885	10,742
Staff costs	2,096	1,340
Depreciation	309	203
Other operating expenses	863	576
Operating expenses	3,268	2,119
NET PROFIT FOR THE PERIOD	11,617	8,623

INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

	<i>Three months ended</i> 31 March	
	2014 US\$'000	2013 US\$'000
NET PROFIT FOR THE PERIOD	11,617	8,623
Other comprehensive income:		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Unrealised fair value gain on available-for-sale investments-net	192	-
Other comprehensive income for the period	192	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	11,809	8,623

INTERIM STATEMENT OF CASH FLOWS (Unaudited)

	<i>Three months ended</i> 31 March	
	2014 US\$'000	2013 US\$'000
OPERATING ACTIVITIES		
Net profit for the period	11,617	8,623
Adjustments for:		
Depreciation	309	203
Trading income	(416)	224
Gain on non-trading investments	(254)	(953)
Amortisation of assets reclassified as "loans and advances" from trading investments	(151)	(139)
Operating profit before changes in operating assets and liabilities	11,105	7,958
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	42,450	5,000
Loans and advances	(112,938)	(5,789)
Investments held for trading	7,085	(10,870)
Interest receivable and other assets	(138)	(1,148)
Deposits from banks and other financial institutions	(21,913)	(47,526)
Due to banks and other financial institutions	(37,297)	32,649
Due to customers	(3,862)	(3,594)
Interest payable and other liabilities	(595)	(1,133)
Net cash used in operating activities	(116,103)	(24,453)
INVESTING ACTIVITIES		
Purchase of property, equipment and software	(54)	(217)
Purchase of non-trading investments	(26,232)	(72,657)
Proceeds from disposal of non-trading investments	7,373	10,946
Net cash used in investing activities	(18,913)	(61,928)
FINANCING ACTIVITY		
Net cash from financing activity	-	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(135,016)	(86,381)
Cash and cash equivalents at beginning of the period	373,440	662,006
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	238,424	575,625

The above is an extract of interim condensed financial statements for the three month period ended 31 March 2014 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified review report dated 29 April 2014.

Mr. Moraja G. Solaiman Chairman
Mr. Sulieman Esa Al Azzabi Deputy Chairman
Mr. Hasan Khalifa Abulhasan Chief Executive Officer

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