



STATEMENT OF FINANCIAL POSITION At 31 December 2016

	Audited 2016 US\$'000	Audited 2015 US\$'000
ASSETS		
Cash and balances with central bank & other banks	289,802	488,526
Deposits with banks and other financial institutions	437,992	408,117
Investments held for trading	22,413	21,477
Non-trading investments	203,767	144,289
Loans and advances	208,041	360,176
Property, equipment and software	11,149	11,893
Interest receivable	6,134	6,581
Other assets	1,638	1,948
TOTAL ASSETS	1,180,936	1,443,007
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	586,824	870,401
Due to banks and other financial institutions	156,315	202,359
Due to customers	129,755	31,572
Interest payable	981	1,302
Other liabilities	4,784	7,603
Total liabilities	878,659	1,113,237
Equity		
Share capital	250,000	250,000
Statutory reserve	20,174	20,174
Retained earnings	35,652	62,837
Fair value reserve	(3,549)	(3,241)
Total equity	302,277	329,770
TOTAL LIABILITIES AND EQUITY	1,180,936	1,443,007

STATEMENT OF CHANGES IN EQUITY - For the year ended 31 December 2016

	Share capital US\$'000	Advanced towards capital increase US\$'000	Statutory reserve US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Total US\$'000
Balance as at 1 January 2016	250,000	-	20,174	62,837	(3,241)	329,770
Net loss for the year	-	-	-	(14,685)	-	(14,685)
Other comprehensive income	-	-	-	-	(308)	(308)
Total comprehensive income for the year	-	-	-	(14,685)	(308)	(14,993)
Dividends paid for 2015	-	-	-	(12,500)	-	(12,500)
Balance as of 31 December 2016	250,000	-	20,174	35,652	(3,549)	302,277
Balance as at 1 January 2015	250,000	140	17,667	65,272	(1,167)	331,912
Advance towards capital increase	-	(140)	-	-	-	(140)
Net profit for the year	-	-	-	25,072	-	25,072
Other comprehensive income	-	-	-	-	(2,074)	(2,074)
Total comprehensive income for the year	-	-	-	25,072	(2,074)	22,998
Dividends paid for 2014	-	-	-	(25,000)	-	(25,000)
Transfer to statutory reserve	-	-	2,507	(2,507)	-	-
Balance as of 31 December 2015	250,000	-	20,174	62,837	(3,241)	329,770

STATEMENT OF PROFIT OR LOSS For the year ended 31 December 2016

	2016 US\$'000	2015 US\$'000
Interest and similar income	39,605	47,558
Interest expense	(8,577)	(3,021)
Net interest and similar income	31,028	44,537
Fee and commission income	5,598	13,694
Trading loss	(30)	(420)
Loss on non-trading investments-net	-	(436)
Foreign exchange gain - net	1,365	1,558
Dividend income	7	25
Other income	75	303
OPERATING INCOME	38,043	59,261
Provision for impairment of loans and advances	(37,467)	(21,278)
Settlement of legal claim	(5,737)	-
Provision for impairment of investments	-	(263)
NET OPERATING (LOSS) INCOME	(5,161)	37,720
Staff costs	5,504	8,020
Depreciation	1,022	1,155
Other operating expenses	2,998	3,473
OPERATING EXPENSES	9,524	12,648
NET (LOSS) PROFIT FOR THE YEAR	(14,685)	25,072

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2016

	2016 US\$'000	2015 US\$'000
NET (LOSS) PROFIT FOR THE YEAR	(14,685)	25,072
Other comprehensive income:		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Unrealised fair value loss on available-for-sale investments - net	(308)	(2,074)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods and other comprehensive (loss) income for the year	(308)	(2,074)
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	(14,993)	22,998

STATEMENT OF CASH FLOWS For the year ended 31 December 2016

	2016 US\$'000	2015 US\$'000
OPERATING ACTIVITIES		
Net (loss) profit for the year	(14,685)	25,072
Adjustments for:		
Provision for impairment of loans and advance	37,467	21,278
Provision for impairment of investment	-	263
Depreciation	1,022	1,155
Changes in fair value of investments held for trading	68	(5)
Net loss on non-trading investments	-	436
Amortisation of non-trading investments	545	710
Amortisation of assets reclassified as "loans and advances" from trading investments	(715)	(657)
Operating profit before changes in operating assets and liabilities	23,702	48,252
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	120,849	(39,656)
Loans and advances	115,383	104,458
Investments held for trading	(1,004)	(18,435)
Interest receivable	447	2,341
Other assets	310	(671)
Deposits from banks and other financial institutions	(283,577)	254,082
Due to banks and other financial institutions	(46,044)	(17,277)
Due to customers	98,183	6,421
Interest payable	(321)	1,113
Other liabilities	(2,819)	(4,147)
Net cash from operating activities	25,109	336,481
INVESTING ACTIVITIES		
Purchase of non-trading investments	(199,741)	(21,055)
Proceeds from disposal of non-trading investments	139,410	21,277
Purchase of property, equipment and software	(278)	(728)
Net cash used in investing activities	(60,609)	(506)
FINANCING ACTIVITIES		
Advance towards capital increase repaid	-	(140)
Dividends paid	(12,500)	(25,000)
Net cash used in financing activities	(12,500)	(25,140)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(48,000)	310,835
Cash and cash equivalents at 1 January	699,092	388,257
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	651,092	699,092

The above is an extract of financial statements for the year ended 31 December 2016 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified audit report dated 26 February 2017

Mr. Moraja G. Solaiman Chairman
Mr. Talal Al Zain Director
Mr. Hasan Khalifa Abulhasan Chief Executive Officer

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