

INTERIM STATEMENT OF FINANCIAL POSITION At 30 September 2017 (Reviewed)

	<i>(Reviewed)</i> <i>30 September</i> <i>2017</i> <i>US\$'000</i>	<i>Audited</i> <i>31 December</i> <i>2016</i> <i>US\$'000</i>
ASSETS		
Cash and balances with Central banks and other banks	321,823	289,802
Deposits with banks and other financial institutions	430,155	437,992
Investments held for trading	21,248	22,413
Non-trading investments	225,179	203,767
Loans and advances	167,627	208,041
Property, equipment and software	10,513	11,149
Interest receivable	5,694	6,134
Other assets	1,620	1,638
TOTAL ASSETS	1,183,859	1,180,936
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	626,500	586,824
Due to banks and other financial institutions	134,769	156,315
Due to customers	99,365	129,755
Interest payable	2,633	981
Other liabilities	10,749	4,784
Total liabilities	874,016	878,659
Equity		
Share capital	250,000	250,000
Statutory reserve	20,174	20,174
Retained earnings	41,795	35,652
Fair value reserve	(2,126)	(3,549)
Total equity	309,843	302,277
TOTAL LIABILITIES AND EQUITY	1,183,859	1,180,936

INTERIM STATEMENT OF CHANGES IN EQUITY Nine months ended 30 September 2017 (Reviewed)

	<i>Share capital</i> <i>US\$'000</i>	<i>Statutory reserve</i> <i>US\$'000</i>	<i>Retained earnings</i> <i>US\$'000</i>	<i>Fair value reserve</i> <i>US\$'000</i>	<i>Total</i> <i>US\$'000</i>
Balance as at 1 January 2017	250,000	20,174	35,652	(3,549)	302,277
Net profit for the period	-	-	6,143	-	6,143
Other comprehensive income for the period	-	-	-	1,423	1,423
At 30 September 2017	250,000	20,174	41,795	(2,126)	309,843
Balance as at 1 January 2016	250,000	20,174	62,837	(3,241)	329,770
Dividend paid	-	-	(12,500)	-	(12,500)
Net profit for the period	-	-	(16,963)	-	(16,963)
Other comprehensive income for the period	-	-	-	179	179
At 30 September 2016	250,000	20,174	33,374	(3,062)	300,486

INTERIM STATEMENT OF PROFIT OR LOSS

Nine months ended 30 September 2017 (Reviewed)

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>2017</i> <i>US\$'000</i>	<i>2016</i> <i>US\$'000</i>	<i>2017</i> <i>US\$'000</i>	<i>2016</i> <i>US\$'000</i>
Interest and similar income	9,629	9,488	28,334	29,087
Interest expense	(2,650)	(2,107)	(7,500)	(6,405)
Net interest income	6,979	7,381	20,834	22,682
Fees and commissions income	794	1,601	3,104	4,265
Trading income - net	9	34	41	(48)
Gain on non-trading investments - net	-	-	5	-
Foreign exchange gain - net	78	320	570	1,101
Other income	24	23	75	59
Operating income	7,884	9,359	24,629	28,059
Provision for credit losses - net	(2,500)	(16,823)	(10,239)	(29,522)
Provision for legal claim	-	(325)	-	(5,756)
Net operating income / (Loss)	5,384	(7,789)	14,390	(7,219)
Staff costs	1,761	1,959	5,549	6,016
Depreciation	270	260	807	749
Other operating expenses	696	694	1,891	2,979
Operating expenses	2,727	2,913	8,247	9,744
NET PROFIT / (LOSS) FOR THE PERIOD	2,657	(10,702)	6,143	(16,963)

INTERIM STATEMENT OF COMPREHENSIVE INCOME

Nine months ended 30 September 2017 (Reviewed)

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>2017</i> <i>US\$'000</i>	<i>2016</i> <i>US\$'000</i>	<i>2017</i> <i>US\$'000</i>	<i>2016</i> <i>US\$'000</i>
Net profit / (Loss) for the period	2,657	(10,702)	6,143	(16,963)
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Unrealised fair value gain/(loss) on available-for-sale investments	141	(773)	1,423	179
Other comprehensive income for the period	141	(773)	1,423	179
Total comprehensive income / (loss) for the period	2,798	(11,475)	7,566	(16,784)

INTERIM STATEMENT OF CASH FLOWS

Nine months ended 30 September 2017 (Reviewed)

	<i>Nine months ended</i> <i>30 September</i>	
	<i>2017</i> <i>US\$'000</i>	<i>2016</i> <i>US\$'000</i>
OPERATING ACTIVITIES		
Net profit (loss) for the period	6,143	(16,963)
Adjustments for:		
Provision for credit losses - net	10,239	29,522
Provision for legal claim	-	5,756
Depreciation	807	749
Amortisation of non-trading investments	389	410
Unrealised loss on held for trading securities	20	109
Amortisation of assets reclassified as "loans and advances" from trading investments	(584)	(537)
Operating profit before changes in operating assets and liabilities	17,014	19,046
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	46,702	94,917
Loans and advances	30,759	66,565
Investments held for trading	1,145	(2,142)
Interest receivable and other assets	458	1,715
Deposits from banks and other financial institutions	39,676	(221,662)
Due to banks and other financial institutions	(21,546)	(27,793)
Due to customers	(30,390)	49,977
Interest payable and other liabilities	7,617	(3,430)
Net cash from (used in) operating activities	91,435	(22,807)
INVESTING ACTIVITIES		
Purchase of non-trading investments	(25,378)	(199,741)
Proceeds from disposal/redemption of non-trading investments	5,000	139,410
Purchase of property, equipment and software	(171)	(268)
Net cash used in investing activities	(20,549)	(60,599)
FINANCING ACTIVITIES		
Dividend paid	-	(12,500)
Net cash used in financing activity	-	(12,500)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	70,886	(95,906)
Cash and cash equivalents at beginning of the period	651,092	699,092
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	721,978	603,186

The above is an extract of interim condensed financial statements for the nine month period ended 30 September 2017 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified review report dated 7th November 2017

Mr. Talal Al Zain
Director

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Director

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