

INTERIM STATEMENT OF FINANCIAL POSITION At 30 September 2016 (Reviewed)

	<i>(Reviewed) 30 September 2016 US\$'000</i>	<i>Audited 31 December 2015 US\$'000</i>
ASSETS		
Cash and balances with Central banks and other banks	333,413	488,526
Deposits with banks and other financial institutions	372,407	408,117
Investments held for trading	23,510	21,477
Non-trading investments	204,389	144,289
Loans and advances	264,626	360,176
Property, equipment and software	11,412	11,893
Interest receivable	5,138	6,581
Other assets	1,676	1,948
TOTAL ASSETS	1,216,571	1,443,007
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	648,739	870,401
Due to banks and other financial institutions	174,566	202,359
Due to customers	81,549	31,572
Interest payable	2,266	1,302
Other liabilities	8,965	7,603
Total liabilities	916,085	1,113,237
Equity		
Share capital	250,000	250,000
Statutory reserve	20,174	20,174
Retained earnings	33,374	62,837
Fair value reserve	(3,062)	(3,241)
Total equity	300,486	329,770
TOTAL LIABILITIES AND EQUITY	1,216,571	1,443,007

INTERIM STATEMENT OF CHANGES IN EQUITY Nine months ended 30 September 2016 (Reviewed)

	<i>Share capital US\$'000</i>	<i>Advance towards capital increase US\$'000</i>	<i>Statutory reserve US\$'000</i>	<i>Retained earnings US\$'000</i>	<i>Fair value reserve US\$'000</i>	<i>Total US\$'000</i>
Balance as at 1 January 2016	250,000	-	20,174	62,837	(3,241)	329,770
Dividend paid	-	-	-	(12,500)	-	(12,500)
Total comprehensive loss for the period	-	-	-	(16,963)	179	(16,784)
At 30 September 2016	250,000	-	20,174	33,374	(3,062)	300,486
Balance as at 1 January 2015	250,000	140	17,667	65,272	(1,167)	331,912
Return of advance towards capital increase	-	(140)	-	-	-	(140)
Dividend paid	-	-	-	(25,000)	-	(25,000)
Total comprehensive income for the period	-	-	-	22,789	(1,366)	21,423
At 30 September 2015	250,000	-	17,667	63,061	(2,533)	328,195

INTERIM STATEMENT OF PROFIT OR LOSS

Nine months ended 30 September 2016 (Reviewed)

	<i>Three months ended 30 September 2016 US\$'000</i>	<i>2015 US\$'000</i>	<i>Nine months ended 30 September 2016 US\$'000</i>	<i>2015 US\$'000</i>
Interest and similar income	9,488	14,551	29,087	35,950
Interest expense	(2,107)	(690)	(6,405)	(1,523)
Net interest income	7,381	13,861	22,682	34,427
Fees and commissions income	1,601	3,672	4,265	11,745
Trading income - net	34	(333)	(48)	(395)
Gain on non-trading investments - net	-	(7)	-	122
Foreign exchange gain - net	320	392	1,101	1,029
Other income	23	14	59	26
Operating income	9,359	17,599	28,059	46,954
Provision for credit losses (net)	(16,823)	(13,759)	(29,522)	(14,590)
Settlement of legal claim	(325)	-	(5,756)	-
Provision for impairment of held to maturity investments	-	-	-	(263)
Net operating (loss)/ income	(7,789)	3,840	(7,219)	32,101
Staff costs	1,959	2,009	6,016	5,997
Depreciation	260	271	749	882
Other operating expenses	694	983	2,979	2,433
Operating expenses	2,913	3,263	9,744	9,312
NET (LOSS) / PROFIT FOR THE PERIOD	(10,702)	577	(16,963)	22,789

INTERIM STATEMENT OF COMPREHENSIVE INCOME Nine months ended 30 September 2016 (Reviewed)

	<i>Three months ended 30 September 2016 US\$'000</i>	<i>2015 US\$'000</i>	<i>Nine months ended 30 September 2016 US\$'000</i>	<i>2015 US\$'000</i>
Net (Loss) / profit for the period	(10,702)	577	(16,963)	22,789
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Unrealised fair value (loss) /gain on available-for-sale investments	(773)	(1,526)	179	(1,366)
Other comprehensive income for the period	(773)	(1,526)	179	(1,366)
Total comprehensive (loss) / income for the period	(11,475)	(949)	(16,784)	21,423

INTERIM STATEMENT OF CASH FLOWS

Nine months ended 30 September 2016 (Reviewed)

	<i>Nine months ended 30 September 2016 US\$'000</i>	<i>2015 US\$'000</i>
OPERATING ACTIVITIES		
Net (loss) / profit for the period	(16,963)	22,789
Adjustments for:		
Provision for credit losses - net	29,522	14,590
Settlement of legal claim	5,756	-
Provision for impairment of held to maturity investments	-	263
Depreciation	749	882
Amortisation of non-trading investments	410	557
Unrealised loss on held for trading securities	109	71
Gain on non-trading investments - net	-	(122)
Amortisation of assets reclassified as "loans and advances" from trading investments	(537)	(493)
Operating profit before changes in operating assets and liabilities	19,046	38,537
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	94,917	(112,004)
Loans and advances	66,565	40,984
Investments held for trading	(2,142)	(21,873)
Interest receivable and other assets	1,715	1,973
Deposits from banks and other financial institutions	(221,662)	(9,349)
Due to banks and other financial institutions	(27,793)	(36,201)
Due to customers	49,977	6,103
Interest payable and other liabilities	(3,430)	(5,171)
Net cash used in operating activities	(22,807)	(97,001)
INVESTING ACTIVITIES		
Purchase of non-trading investments	(199,741)	(21,055)
Proceeds from disposal/redemption of non-trading investments	139,410	16,202
Purchase of property, equipment and software	(268)	(608)
Net cash used in investing activities	(60,599)	(5,461)
FINANCING ACTIVITIES		
Dividend paid	(12,500)	(25,000)
Refund of advance towards capital increase	-	(140)
Net cash used in financing activities	(12,500)	(25,140)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(95,906)	(127,602)
Cash and cash equivalents at beginning of the period	699,092	388,257
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	603,186	260,655

The above is an extract of interim condensed financial statements for the nine month period ended 30 September 2016 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified review report dated 03rd November 2016

Mr. Moraja G. Solaiman
Chairman

Talal Al Zain
Director

Mr.Hasan Khalifa Abulhasan
Chief Executive Officer

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