

STATEMENT OF FINANCIAL POSITION 31 December 2013

	<i>Audited 31 December 2013 US\$'000</i>	<i>Audited 31 December 2012 US\$'000</i>
ASSETS		
Cash and balances with banks	150,345	7,102
Deposits with banks and other financial institutions	422,005	664,904
Investments held for trading	14,626	24
Non-trading investments	137,282	38,890
Loans and advances	362,998	378,684
Property, equipment and software	13,366	13,966
Interest receivable	5,916	8,034
Other assets	1,224	495
TOTAL ASSETS	1,107,762	1,112,099
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	501,186	519,017
Due to banks and other financial institutions	268,273	267,063
Due to customers	7,714	21,083
Interest payable	205	169
Other liabilities	14,283	4,168
Total liabilities	791,661	811,500
Equity		
Share capital	250,000	250,000
Statutory reserve	13,597	9,933
Retained earnings	28,642	20,666
Proposed dividend	25,000	20,000
Fair value reserve	(1,138)	-
Total equity	316,101	300,599
TOTAL LIABILITIES AND EQUITY	1,107,762	1,112,099

STATEMENT OF CHANGES IN EQUITY Year ended 31 December 2013

	<i>Share capital US\$'000</i>	<i>Statutory reserve US\$'000</i>	<i>Retained earnings US\$'000</i>	<i>Proposed dividend US\$'000</i>	<i>Fair value reserve US\$'000</i>	<i>Total US\$'000</i>
Balance as of 1 January 2013	250,000	9,933	20,666	20,000	-	300,599
Net profit for the year	-	-	36,640	-	-	36,640
Other comprehensive loss	-	-	-	-	(1,138)	(1,138)
Total comprehensive income (loss) for the period	-	-	36,640	-	(1,138)	35,502
Dividends paid	-	-	-	(20,000)	-	(20,000)
Transfer to statutory reserve	-	3,664	(3,664)	-	-	-
Proposed dividend	-	-	(25,000)	25,000	-	-
Balance as of 31 December 2013	250,000	13,597	28,642	25,000	(1,138)	316,101
Balance as of 1 January 2012	200,000	6,888	13,694	20,000	-	240,582
Net profit for the year	-	-	30,017	-	-	30,017
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	30,017	-	-	30,017
Issue of share capital	50,000	-	-	-	-	50,000
Dividend paid	-	-	-	(20,000)	-	(20,000)
Transfer to statutory reserve	-	3,045	(3,045)	-	-	-
Proposed dividend	-	-	(20,000)	20,000	-	-
Balance as of 31 December 2012	250,000	9,933	20,666	20,000	-	300,599

STATEMENT OF INCOME Year ended 31 December 2013

	<i>2013 US\$'000</i>	<i>2012 US\$'000</i>
Interest and similar income	34,627	26,280
Interest expense	(1,860)	(2,472)
Net interest income	32,767	23,808
Fees and commissions income	17,874	15,124
Trading and investment income - net	(74)	4
Foreign exchange gain	823	375
Other income	18	20
OPERATING INCOME	51,408	39,331
Provision for loan losses	(4,017)	(2,322)
NET OPERATING INCOME	47,391	37,009
Staff costs	6,253	4,518
Depreciation	1,078	354
Other operating expenses	3,420	2,120
OPERATING EXPENSES	10,751	6,992
NET PROFIT FOR THE YEAR	36,640	30,017

STATEMENT OF COMPREHENSIVE INCOME Year ended 31 December 2013

	<i>2013 US\$'000</i>	<i>2012 US\$'000</i>
NET PROFIT FOR THE YEAR	36,640	30,017
Other comprehensive loss:		
Items that may be reclassified to the statement of income in subsequent periods:		
Unrealised fair value loss on available-for-sale investments-net	(1,138)	-
Other comprehensive loss for the year	(1,138)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	35,502	30,017

STATEMENT OF CASH FLOWS Year ended 31 December 2013

	<i>2013 US\$'000</i>	<i>2012 US\$'000</i>
OPERATING ACTIVITIES		
Net profit for the year	36,640	30,017
Adjustments for:		
Provision for loan losses	4,017	2,322
Depreciation	1,078	354
Write off of property, equipment and software	-	9
Trading and investment income - net	74	(4)
Amortisation of assets reclassified as "Loans and advances" from trading investments	(554)	(509)
Gain on disposal of property, equipment and software	-	(20)
Operating income before changes in operating assets and liabilities	41,255	32,169
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	(188,910)	(10,000)
Loans and advances	12,223	(111,237)
Investments held for trading	(15,629)	2
Interest receivable	2,118	(2,920)
Other assets	(729)	371
Deposits from banks and other financial institutions	(17,831)	48,715
Due to banks and other financial institutions	1,210	(9,419)
Due to customers	(13,369)	12,716
Interest payable	36	(49)
Other liabilities	10,115	10
Net cash used in operating activities	(169,511)	(39,642)
INVESTING ACTIVITIES		
Purchase of non-trading investments	(109,523)	(29,773)
Proceeds from disposal of non-trading investments	10,946	4,702
Purchase of property, equipment and software	(478)	(2,737)
Proceeds from disposal of property, equipment and software	-	20
Net cash used in investing activities	(99,055)	(27,788)
FINANCING ACTIVITIES		
Issue of share capital	-	50,000
Dividend paid	(20,000)	(20,000)
Net cash (used in) from financing activities	(20,000)	30,000
DECREASE IN CASH AND CASH EQUIVALENTS	(288,566)	(37,430)
Cash and cash equivalents at 1 January	662,006	699,436
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	373,440	662,006

The above is an extract of financial statements for the year ended 31 December 2013 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified audit report dated 16th February 2014.

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

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