



STATEMENT OF FINANCIAL POSITION As at 31 December 2018

	Audited	Audited
	2018 US\$'000	2017 US\$'000
ASSETS		
Cash and balances with central bank and other banks	364,769	298,349
Deposits with banks and other financial institutions	339,105	409,496
Investments classified as fair value through profit and loss	14,517	20,462
Investment securities	205,597	221,374
Loans and advances	163,338	150,256
Property, equipment and software	9,758	10,371
Interest receivable	6,628	6,744
Other assets	1,176	1,591
TOTAL ASSETS	1,104,888	1,118,643
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	644,570	569,557
Due to banks and other financial institutions	87,783	133,417
Due to customers	65,642	93,805
Interest payable	1,634	1,086
Other liabilities	7,192	6,927
Total liabilities	806,821	804,792
Equity		
Share capital	250,000	250,000
Statutory reserve	22,757	21,257
Retained earnings	26,352	40,399
Fair value reserve	(6,042)	(2,805)
Proposed dividend	5,000	5,000
Total equity	298,067	313,851
TOTAL LIABILITIES AND EQUITY	1,104,888	1,118,643

STATEMENT OF CHANGES IN EQUITY - For the year ended 31 December 2018

	Share capital US\$'000	Statutory reserve US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Proposed dividend US\$'000	Total US\$'000
Balance as at 1 January 2018	250,000	21,257	40,399	(2,805)	5,000	313,851
Transition adjustment on adoption of IFRS 9	-	-	(22,547)	2,931	-	(19,616)
At 1 January 2018 - restated	250,000	21,257	17,852	126	5,000	294,235
Net profit for the year	-	-	15,000	-	-	15,000
Other comprehensive loss	-	-	-	(6,168)	-	(6,168)
Dividends paid	-	-	-	-	(5,000)	(5,000)
Proposed dividend for 2018	-	-	(5,000)	-	5,000	-
Transfer to Statutory reserve	-	1,500	(1,500)	-	-	-
Balance as of 31 December 2018	250,000	22,757	26,352	(6,042)	5,000	298,067
Balance as of 1 January 2017	250,000	20,174	35,652	(3,549)	-	302,277
Net profit for the year	-	-	10,830	-	-	10,830
Other comprehensive income	-	-	-	744	-	744
Dividends proposed for 2017	-	-	(5,000)	-	5,000	-
Transfer to Statutory reserve	-	1,083	(1,083)	-	-	-
Balance as of 31 December 2017	250,000	21,257	40,399	(2,805)	5,000	313,851

STATEMENT OF PROFIT OR LOSS For the year ended 31 December 2018

	2018 US\$'000	2017 US\$'000
Interest and similar income	42,861	39,541
Interest expense	(14,068)	(10,212)
Net interest and similar income	28,793	29,329
Fee and commission income	4,856	4,254
(Loss) gain on investments classified as FVTPL	(383)	18
Gain (loss) on investment securities - net	270	(153)
Foreign exchange gain - net	752	683
Dividend income	2	9
Other income	97	90
OPERATING INCOME	34,387	34,230
Provision for expected credit losses for the year	(5,838)	(10,537)
NET OPERATING INCOME	28,549	23,693
Staff costs	7,798	7,533
Depreciation	1,004	1,082
Other operating expenses	4,747	4,248
OPERATING EXPENSES	13,549	12,863
NET PROFIT FOR THE YEAR	15,000	10,830

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2018

	2018 US\$'000	2017 US\$'000
NET PROFIT FOR THE YEAR	15,000	10,830
Other comprehensive income:		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Unrealised fair value (loss) gain on investments classified as fair value through other comprehensive income (FVOCI)	(4,321)	744
Reversal of impairment on FVOCI	(1,847)	-
Other comprehensive (loss) income for the year	(6,168)	744
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	8,832	11,574

STATEMENT OF CASH FLOWS For the year ended 31 December 2018

	2018 US\$'000	2017 US\$'000
OPERATING ACTIVITIES		
Net profit for the year	15,000	10,830
Adjustments for:		
Provision for expected credit losses for the year	5,838	10,537
Depreciation	1,004	1,082
Amortisation of investments carried at amortised cost	536	515
(Gain) loss on investment securities - net	(270)	153
Unrealised loss on investments classified as FVTPL	325	26
Gain on disposal of fixed asset	(7)	-
Amortisation of assets classified as loans and advances	(848)	(779)
Operating profit before changes in operating assets and liabilities	21,578	22,364
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	15,400	46,702
Investments classified as fair value through profit and loss	4,558	1,925
Investment securities	(2,769)	-
Loans and advances	(35,895)	48,027
Interest receivable	116	(610)
Other assets	415	47
Deposits from banks and other financial institutions	75,013	(17,267)
Due to banks and other financial institutions	(45,634)	(22,898)
Due to customers	(28,163)	(35,950)
Interest payable	548	105
Other liabilities	258	2,143
Net cash flows from operating activities	5,425	44,588
INVESTING ACTIVITIES		
Purchase of investment securities	(4,644)	(25,531)
Proceeds from disposal/redemption of investment securities	16,123	8,000
Purchase of property, equipment and software	(391)	(304)
Proceeds from sale of property and equipment	7	-
Net cash flows from (used in) investing activities	11,095	(17,835)
FINANCING ACTIVITY		
Dividends paid	(5,000)	-
Net cash flows used in financing activities	(5,000)	-
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	11,520	26,753
Cash and cash equivalents at 1 January	677,834	651,092
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	689,354	677,845

The above is an extract of financial statements for the year ended 31 December 2018 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified audit report 17 February 2019.

Talal Al Zain
Director

Anthony C. Mallis
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