



STATEMENT OF FINANCIAL POSITION As at 31 December 2017

	Audited 2017 US\$'000	Audited 2016 US\$'000
ASSETS		
Cash and balances with central bank and other banks	298,349	289,802
Deposits with banks and other financial institutions	409,496	437,992
Investments held for trading	20,462	22,413
Non-trading investments	221,374	203,767
Loans and advances	150,256	208,041
Property, equipment and software	10,371	11,149
Interest receivable	6,744	6,134
Other assets	1,591	1,638
TOTAL ASSETS	1,118,643	1,180,936
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	569,557	586,824
Due to banks and other financial institutions	133,417	156,315
Due to customers	93,805	129,755
Interest payable	1,086	981
Other liabilities	6,927	4,784
Total liabilities	804,792	878,659
Equity		
Share capital	250,000	250,000
Statutory reserve	21,257	20,174
Retained earnings	40,399	35,652
Fair value reserve	(2,805)	(3,549)
Proposed dividend	5,000	-
Total equity	313,851	302,277
TOTAL LIABILITIES AND EQUITY	1,118,643	1,180,936

STATEMENT OF CHANGES IN EQUITY - For the year ended 31 December 2017

	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 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
Total comprehensive income for the year	-	-	10,830	744	-	11,574
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
Balance as of 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

STATEMENT OF PROFIT OR LOSS For the year ended 31 December 2017

	2017 US\$'000	2016 US\$'000
Interest and similar income	39,541	39,605
Interest expense	(10,212)	(8,577)
Net interest and similar income	29,329	31,028
Fee and commission income	4,254	5,598
Trading gain/(loss)	18	(30)
Loss on non-trading investments - net	(153)	-
Foreign exchange gain - net	683	1,365
Dividend income	9	7
Other income	90	75
OPERATING INCOME	34,230	38,043
Provision for impairment of loans and advances	(10,537)	(37,467)
Settlement of legal claim	-	(5,737)
NET OPERATING INCOME (LOSS)	23,693	(5,161)
Staff costs	7,533	5,504
Depreciation	1,082	1,022
Other operating expenses	4,248	2,998
OPERATING EXPENSES	12,863	9,524
NET PROFIT (LOSS) FOR THE YEAR	10,830	(14,685)

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2017

	2017 US\$'000	2016 US\$'000
NET PROFIT (LOSS) FOR THE YEAR	10,830	(14,685)
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 - net	744	(308)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods and other comprehensive income for the year	744	(308)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	11,574	(14,993)

STATEMENT OF CASH FLOWS For the year ended 31 December 2017

	2017 US\$'000	2016 US\$'000
OPERATING ACTIVITIES		
Net profit (loss) for the year	10,830	(14,685)
Adjustments for:		
Provision for impairment of loans and advances	10,537	37,467
Depreciation	1,082	1,022
Changes in fair value of investments held for trading	26	68
Amortisation of non-trading investments	515	545
Amortisation of assets reclassified as "loans and advances" from trading investments	(779)	(715)
Operating profit before changes in operating assets and liabilities	22,211	23,702
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	46,702	120,849
Loans and advances	48,027	115,383
Investments held for trading	1,925	(1,004)
Interest receivable	(610)	447
Other assets	47	310
Deposits from banks and other financial institutions	(17,267)	(283,577)
Due to banks and other financial institutions	(22,898)	(46,044)
Due to customers	(35,950)	98,183
Interest payable	105	(321)
Other liabilities	2,143	(2,819)
Net cash flows from operating activities	44,435	25,109
INVESTING ACTIVITIES		
Purchase of non-trading investments	(25,378)	(199,741)
Proceeds from disposal of non-trading investments	8,000	139,410
Purchase of property, equipment and software	(304)	(278)
Net cash flows used in investing activities	(17,682)	(60,609)
FINANCING ACTIVITY		
Dividends paid	-	(12,500)
Net cash flows used in financing activities	-	(12,500)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	26,753	(48,000)
Cash and cash equivalents at 1 January	651,092	699,092
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	677,845	651,092

The above is an extract of financial statements for the year ended 31 December 2017 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified audit report dated 18 February 2018

Mr. Moraja G. Solaiman Chairman
Mr. Anthony C. Mallis Director
Mr. Hasan Khalifa Abulhasan Chief Executive Officer

Alubaf Arab International Bank B.S.C (c)

Alubaf Tower, Al-Seef District, Kingdom of Bahrain
P.O. Box 11529, Tel: +973 17 517722, Fax: +973 17 540094
www.alubafbank.com, Swift: ALUBBHBM