

INTERIM STATEMENT OF FINANCIAL POSITION
At 30 September 2019

	<i>(Reviewed)</i> 30 September 2019 US\$'000	<i>Audited</i> 31 December 2018 US\$'000
ASSETS		
Cash and balances with Central Banks and other banks	360,885	364,769
Deposits with banks and other financial institutions	407,018	339,105
Investments classified as fair value through profit and loss	8,086	14,517
Investment securities	234,076	205,597
Loans and advances	87,505	163,338
Property, equipment and software	9,201	9,758
Interest receivable	4,600	6,628
Other assets	1,272	1,176
TOTAL ASSETS	1,112,643	1,104,888
LIABILITIES AND EQUITY		
Liabilities		
Deposits from banks and other financial institutions	604,101	644,570
Due to banks and other financial institutions	78,127	87,783
Due to customers	108,016	65,642
Interest payable	3,904	1,634
Other liabilities	9,198	7,192
Total liabilities	803,346	806,821
Equity		
Share capital	250,000	250,000
Statutory reserve	22,757	22,757
Retained earnings	37,158	26,352
Fair value reserve	(618)	(6,042)
Proposed dividend	-	5,000
Total equity	309,297	298,067
TOTAL LIABILITIES AND EQUITY	1,112,643	1,104,888

INTERIM STATEMENT OF CHANGES IN EQUITY
Nine months ended 30 September 2019 (Reviewed)

	<i>Share capital</i> US\$'000	<i>Statutory reserve</i> US\$'000	<i>Retained earnings</i> US\$'000	<i>Fair value reserve</i> US\$'000	<i>Proposed dividend</i> US\$'000	<i>Total</i> US\$'000
Balance as at 1 January 2019	250,000	22,757	26,352	(6,042)	5,000	298,067
Net profit for the period	-	-	10,806	-	-	10,806
Other comprehensive income for the period	-	-	-	5,424	-	5,424
Dividend paid	-	-	-	-	(5,000)	(5,000)
At 30 September 2019	250,000	22,757	37,158	(618)	-	309,297
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 period	-	-	12,003	-	-	12,003
Other comprehensive loss for the period	-	-	-	(5,608)	-	(5,608)
Dividend paid	-	-	-	-	(5,000)	(5,000)
At 30 September 2018	250,000	21,257	29,855	(5,482)	-	295,630

INTERIM STATEMENT OF PROFIT OR LOSS
Nine months ended 30 September 2019 (Reviewed)

	<i>Three months ended</i> 30 September		<i>Nine months ended</i> 30 September	
	2019 US\$'000	2018 US\$'000	2019 US\$'000	2018 US\$'000
Interest and similar income	9,548	11,084	31,244	31,727
Interest expense	(4,222)	(3,771)	(13,273)	(9,860)
Net interest income	5,326	7,313	17,971	21,867
Fees and commissions income	760	1,653	1,968	3,767
Gain (loss) on investments classified as FVTPL - net	63	20	506	(275)
Gain on investment securities - net	-	67	288	270
Foreign exchange gain - net	100	174	1,139	401
Other income	26	29	78	76
Operating income	6,275	9,256	21,950	26,106
Provision charge for the period	(625)	(1,251)	(1,875)	(3,753)
Net operating income	5,650	8,005	20,075	22,353
Staff costs	(2,155)	(1,815)	(6,475)	(5,759)
Depreciation	(214)	(210)	(647)	(733)
Other operating expenses	(828)	(723)	(2,147)	(3,858)
Operating expenses	(3,197)	(2,748)	(9,269)	(10,350)
NET PROFIT FOR THE PERIOD	2,453	5,257	10,806	12,003

INTERIM STATEMENT OF COMPREHENSIVE INCOME
Nine months ended 30 September 2019 (Reviewed)

	<i>Three months ended</i> 30 September		<i>Nine months ended</i> 30 September	
	2019 US\$'000	2018 US\$'000	2019 US\$'000	2018 US\$'000
NET PROFIT FOR THE PERIOD	2,453	5,257	10,806	12,003
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Fair value change in cash flow hedge	(173)	-	(440)	-
Unrealised fair value gain/(loss) on investments classified as fair value through other comprehensive income (FVOCI)	2,060	3,406	5,733	(3,749)
(Reversal) charge of impairment on FVOCI investments	(29)	70	131	(1,859)
Other comprehensive income / (loss) for the period	1,858	3,476	5,424	(5,608)
Total comprehensive income for the period	4,311	8,733	16,230	6,395

INTERIM STATEMENT OF CASH FLOWS
Nine months ended 30 September 2019 (Reviewed)

	<i>Nine months ended</i> 30 September	
	2019 US\$'000	2018 US\$'000
OPERATING ACTIVITIES		
Net profit for the period	10,806	12,003
Adjustments for:		
Provision charge for the period	1,875	3,753
Depreciation	647	733
Amortisation of investments carried at amortised cost	252	380
Investment income	(288)	(270)
Unrealised (gain) loss on investments classified as FVTPL	(555)	216
Gain on disposal of fixed asset	-	(7)
Amortisation of assets classified as loans and advances	(693)	(636)
Operating profit before changes in operating assets and liabilities	12,044	16,172
Changes in operating assets and liabilities:		
Balances with Central Banks	(99,437)	(15,399)
Deposits with banks and other financial institutions	(123,332)	29,566
Investments classified as fair value through profit and loss	6,986	4,558
Investment securities	-	(294)
Loans and advances	75,726	1,713
Interest receivable and other assets	1,932	1,875
Deposits from banks and other financial institutions	(40,469)	22,148
Due to banks and other financial institutions	(9,656)	259
Due to customers	42,374	42,647
Interest payable and other liabilities	4,395	1,996
Net cash (used in) from operating activities	(129,437)	105,241
INVESTING ACTIVITIES		
Purchase of investment securities	(44,390)	-
Proceeds from disposal/redemption of investment securities	20,191	15,163
Purchase of property, equipment and software	(90)	(281)
Proceeds from disposal of fixed assets	-	7
Net cash (used in) from investing activities	(24,289)	14,889
FINANCING ACTIVITY		
Dividend paid	(5,000)	(5,000)
Net cash used in financing activity	(5,000)	(5,000)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(158,726)	115,130
Cash and cash equivalents at beginning of the period	689,354	677,834
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	530,628	792,964

The above is an extract of interim condensed financial statements for the nine month period ended 30 September 2019 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified review report dated 11th November 2019

Anthony C. Mallis
Deputy Chairman

Moraja G. Solaiman
Chairman

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