

## INTERIM STATEMENT OF FINANCIAL POSITION At 31 March 2017 (Reviewed)

	(Reviewed)	(Audited)
	31 March 2017 US\$'000	31 December 2016 US\$'000
<b>ASSETS</b>		
Cash and balances with Central banks and other banks	342,790	289,802
Deposits with banks and other financial institutions	415,939	437,992
Investments held for trading	22,831	22,413
Non-trading investments	206,666	203,767
Loans and advances	184,466	208,041
Property, equipment and software	10,921	11,149
Interest receivable	5,604	6,134
Other assets	1,626	1,638
<b>TOTAL ASSETS</b>	<b>1,190,843</b>	<b>1,180,936</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Deposits from banks and other financial institutions	584,443	586,824
Due to banks and other financial institutions	169,467	156,315
Due to customers	124,468	129,755
Interest payable	2,651	981
Other liabilities	5,727	4,784
<b>Total liabilities</b>	<b>886,756</b>	<b>878,659</b>
<b>Equity</b>		
Share capital	250,000	250,000
Statutory reserve	20,174	20,174
Retained earnings	35,900	35,652
Fair value reserve	(1,987)	(3,549)
<b>Total equity</b>	<b>304,087</b>	<b>302,277</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,190,843</b>	<b>1,180,936</b>

## INTERIM STATEMENT OF CHANGES IN EQUITY Three months ended 31 March 2017

	(Reviewed)				
	Share capital US\$'000	Statutory reserve US\$'000	Retained earnings US\$'000	Fair value reserve 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 period	-	-	248	-	248
Other comprehensive income for the period	-	-	-	1,562	1,562
<b>At 31 March 2017</b>	<b>250,000</b>	<b>20,174</b>	<b>35,900</b>	<b>(1,987)</b>	<b>304,087</b>
Balance as at 1 January 2016	250,000	20,174	62,837	(3,241)	329,770
Net profit for the period	-	-	3,777	-	3,777
Other comprehensive income for the period	-	-	-	119	119
<b>At 31 March 2016</b>	<b>250,000</b>	<b>20,174</b>	<b>66,614</b>	<b>(3,122)</b>	<b>333,666</b>

## INTERIM STATEMENT OF PROFIT OR LOSS Three months ended 31 March 2017

	(Reviewed)	
	Three months ended 31 March	
	2017 US\$'000	2016 US\$'000
Interest and similar income	8,858	9,487
Interest expense	(2,375)	(2,205)
<b>Net interest income</b>	<b>6,483</b>	<b>7,282</b>
Fee and commission income	1,278	1,175
Trading income - net	14	(48)
Gain on non-trading investments - net	75	-
Foreign exchange gain - net	364	303
Other income	23	7
<b>Operating income</b>	<b>8,237</b>	<b>8,719</b>
Provision for credit losses - net	(5,239)	(2,074)
<b>Net operating income</b>	<b>2,998</b>	<b>6,645</b>
Staff costs	1,891	2,018
Depreciation	268	250
Other operating expenses	591	600
<b>Operating expenses</b>	<b>2,750</b>	<b>2,868</b>
<b>NET PROFIT FOR THE PERIOD</b>	<b>248</b>	<b>3,777</b>

## INTERIM STATEMENT OF COMPREHENSIVE INCOME Three months ended 31 March 2017

	(Reviewed)	
	Three months ended 31 March	
	2017 US\$'000	2016 US\$'000
<b>NET PROFIT FOR THE PERIOD</b>	<b>248</b>	<b>3,777</b>
<b>Other comprehensive income:</b>		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Unrealised fair value gain on available-for-sale investments	1,562	119
<b>Other comprehensive income for the period</b>	<b>1,562</b>	<b>119</b>
<b>Total comprehensive income for the period</b>	<b>1,810</b>	<b>3,896</b>

## INTERIM STATEMENT OF CASH FLOWS Three months ended 31 March 2017

	(Reviewed)	
	Three months ended 31 March	
	2017 US\$'000	2016 US\$'000
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	248	3,777
Adjustments for:		
Provision for credit losses - net	5,239	2,074
Depreciation	268	250
Amortisation of non-trading investments	134	135
Unrealised loss on held for trading securities	7	80
Amortisation of assets reclassified as "loans and advances" from trading investments	(195)	(179)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>5,701</b>	<b>6,137</b>
Changes in operating assets and liabilities:		
Deposits with banks and other financial institutions	54,702	73,336
Loans and advances	18,531	40,363
Investments held for trading	(425)	(1,256)
Interest receivable and other assets	542	(2,274)
Deposits from banks and other financial institutions	(2,381)	55,466
Due to banks and other financial institutions	13,152	(7,950)
Due to customers	(5,287)	2,840
Interest payable and other liabilities	2,613	938
<b>Net cash from operating activities</b>	<b>87,148</b>	<b>167,600</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of non-trading investments	(1,471)	(86,021)
Purchase of property, equipment and software	(40)	(48)
<b>Net cash used in investing activities</b>	<b>(1,511)</b>	<b>(86,069)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>85,637</b>	<b>81,531</b>
Cash and cash equivalents at beginning of the period	651,092	699,092
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>736,729</b>	<b>780,623</b>

The above is an extract of interim condensed financial statements for the three month ended 31 March 2017 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified review report dated 11th May 2017

**Mr. Moraja G. Solaiman** Chairman  
**Mr. Talal Al Zain** Director  
**Mr. Hasan Khalifa Abulhasan** Chief Executive Officer

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