

CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	At 31 December 2017 (Audited)
ASSETS	
Cash and balances with banks and central banks	263,819
Commodity and other placements with banks, financial and other institutions	98,545
Murabaha and other financings	1,808,841
Musharaka financing	139,252
Sukuk and investment securities	617,156
Restricted investment accounts	27,183
Assets acquired for leasing	131,106
Investment in real estate	3,994
Other assets	69,150
Fixed assets	22,252
Intangible assets	61,121
Total assets	3,242,419
LIABILITIES, EQUITY OF UNRESTRICTED INVESTMENT ACCOUNTHOLDERS, MINORITY INTEREST AND OWNERS' EQUITY	
Customers' current accounts	676,888
Due to banks, financial and other institutions	434,635
Due to investors	719,303
Other liabilities	147,551
Total liabilities	1,978,377
Equity of unrestricted investment accountholders	1,064,898
Minority interest	44,541
Total liabilities, equity of unrestricted investment accountholders and minority interest	3,087,816
Share capital	100,000
Reserves	31,902
Retained earnings	22,701
Total owners' equity	154,603
Total liabilities, equity of unrestricted investment accountholders, minority interest and owners' equity	3,242,419

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

(All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	Share capital	Reserves						Retained earnings	Total owners' equity
		Statutory reserve	Investment fair value reserve	Investment in real estate fair value reserve	Foreign currency translation	Share premium	Total reserves		
Balances transferred as part of reorganization (2 January 2017)	100,000	-	5,428	797	(8,823)	40,280	37,682	21,277	158,959
Net income for the period	-	-	-	-	-	-	-	1,582	1,582
Transfer to statutory reserve	-	158	-	-	-	-	158	(158)	-
Movement in fair value of sukuk and investment securities	-	-	(1,609)	-	-	-	(1,609)	-	(1,609)
Movement in fair value of investment in real estate	-	-	-	93	-	-	93	-	93
Foreign currency translation adjustments	-	-	(4)	-	(4,418)	-	(4,422)	-	(4,422)
At 31 December 2017 (Audited)	100,000	158	3,815	890	(13,241)	40,280	31,902	22,701	154,603

CONSOLIDATED INCOME STATEMENT

(All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	Period ended 31 December 2017 (Audited)
INCOME	
Income from unrestricted investment accounts	62,190
Less: return to unrestricted investment accounts and impairment provisions	(33,214)
Group's share of income from unrestricted investment accounts as a Mudarib	28,976
Income from murabaha and other financings	60,915
Income from other investments	43,912
Other income	16,921
Total income	150,724
Less: profit paid to banks, financial and other institutions - net	(61,525)
Operating income	89,199
EXPENSES	
Administrative and general expenses	(61,023)
Depreciation and amortization	(9,145)
Total expenses	(70,168)
Net income before provision for impairment and overseas taxation	19,031
Provision for impairment - net	(3,010)
Net income before overseas taxation	16,021
Overseas taxation	(9,783)
NET PROFIT FOR THE PERIOD	6,238
Attributable to:	
Equity holders of the Bank	1,582
Minority interests	4,656
	6,238
Basic and diluted earnings per share	Fils 1.58

CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts expressed in thousands of Bahraini Dinars unless otherwise stated)

	Period ended 31 December 2017 (Audited)
OPERATING ACTIVITIES	
Net income before overseas taxation	16,021
Adjustments for:	
Depreciation and amortization	9,145
Provision for impairment - net	3,010
Gain on sale of fixed assets	(205)
Operating income before changes in operating assets and liabilities	27,971
(Increase)/decrease in balances with banks maturing after ninety days and including with central banks relating to minimum reserve requirement	(3,489)
Changes in operating assets and liabilities:	
Murabaha and other financings	(689)
Musharaka financing	(58,323)
Other assets	(1,893)
Customers' current accounts	65,389
Due to banks, financial and other institutions	15,094
Due to investors	39,176
Other liabilities	12,493
Increase in equity of unrestricted investment accountholders	33,260
Taxes paid	(8,570)
Net cash provided by operating activities	120,419
INVESTING ACTIVITIES	
Net (increase)/decrease:	
Assets acquired for leasing	(34,634)
Sukuk and investment securities	(37,007)
Purchase of fixed assets	(2,686)
Net cash used in investing activities	(74,327)
Foreign currency translation adjustments	(9,231)
Net increase in cash and cash equivalents	36,861
Cash and cash equivalents at the beginning of the period	260,993
Cash and cash equivalents at the end of the period	297,854

The above Consolidated Statement of Financial Position, Consolidated Income Statement, Consolidated Statement of Changes in Owners' Equity and Consolidated Statement of Cash Flows have been extracted from the Consolidated Financial statements of Ithmaar Bank B.S.C.(c) for the period ended 31 December 2017, which were approved for issue by the Board of Directors on 27 February 2018 and audited by PricewaterhouseCoopers ME Limited, Kingdom of Bahrain, who expressed an unqualified opinion.

HRH Prince Amr Mohamed Al Faisal
Chairman

Dr. Amani Khaled Bouresli
Director

Ahmed Abdul Rahim
CEO

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