



Half Year Financial Results 30 June 2020

Interim Consolidated Statement of Financial Position		
30 June 2020 (Reviewed)	All figures in US\$ Million	
	Reviewed 30 June 2020	Audited 31 December 2019
ASSETS		
Liquid funds	1,960	1,874
Trading securities	582	507
Placements with banks and other financial institutions	2,259	2,051
Securities bought under repurchase agreements	1,467	1,398
Non-trading investments	5,873	5,836
Loans and advances	14,583	16,452
Other assets	2,712	1,767
Premises and equipment	187	183
TOTAL ASSETS	29,623	30,068
LIABILITIES		
Deposits from customers	15,989	16,666
Deposits from banks	3,876	3,897
Certificates of deposit	283	399
Securities sold under repurchase agreements	1,276	1,008
Taxation	168	63
Other liabilities	2,154	1,466
Borrowings	1,885	2,080
Total liabilities	25,631	25,579
EQUITY		
Share capital	3,110	3,110
Treasury shares	(6)	(6)
Statutory reserve	520	520
Retained earnings	986	1,051
Other reserves	(973)	(644)
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	3,637	4,031
Non-controlling interests	355	458
Total equity	3,992	4,489
TOTAL LIABILITIES AND EQUITY	29,623	30,068

Interim Condensed Consolidated Statement of Cash Flows		
Six-month period ended 30 June 2020 (Reviewed)	All figures in US\$ Million	
	Reviewed	
	Six months ended 30 June	
	2020	2019
OPERATING ACTIVITIES		
Net cash from (used in) operating activities	452	(326)
INVESTING ACTIVITIES		
Net cash used in investing activities	(55)	(294)
FINANCING ACTIVITIES		
Net cash (used in) from financing activities	(285)	328
Net change in cash and cash equivalents	112	(292)
Effect of exchange rate changes on cash and cash equivalents	(47)	5
Cash and cash equivalents at beginning of the period	1,657	1,341
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD*	1,722	1,054

* Cash and cash equivalents comprises of liquid funds excluding treasury and other eligible bills with original maturities of more than three months amounting to US\$ 238 million (30 June 2019: US\$ 288 million).

Interim Consolidated Statement of Profit or Loss		
Six-month period ended 30 June 2020 (Reviewed)	All figures in US\$ Million	
	Reviewed	
	Six months ended 30 June	
	2020	2019
OPERATING INCOME		
Interest and similar income	683	745
Interest and similar expense	(431)	(466)
Net interest income	252	279
Other operating (expense) income	(12)	158
Total operating income	240	437
Credit loss expense	(174)	(21)
NET OPERATING INCOME AFTER CREDIT LOSS EXPENSE	66	416
OPERATING EXPENSES		
Staff	152	170
Premises and equipment	21	20
Other	74	67
Total operating expenses	247	257
(LOSS) PROFIT BEFORE TAXATION	(181)	159
Taxation reversal (charge) on foreign operations	124	(24)
(LOSS) PROFIT FOR THE PERIOD	(57)	135
Profit attributable to non-controlling interests	(10)	(23)
(LOSS) PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	(67)	112
BASIC AND DILUTED (LOSS) EARNINGS PER SHARE (EXPRESSED IN US\$)	(0.02)	0.04

Interim Consolidated Statement of Comprehensive Income		
Six-month period ended 30 June 2020 (Reviewed)	All figures in US\$ Million	
	Reviewed	
	Six months ended 30 June	
	2020	2019
(LOSS) PROFIT FOR THE PERIOD	(57)	135
Other comprehensive (loss) income:		
<i>Other comprehensive (loss) income that will be reclassified (or recycled) to profit or loss in subsequent periods:</i>		
Foreign currency translation:		
Unrealised (loss) gain on exchange translation in foreign subsidiaries	(275)	22
Debt instruments at FVOCI:		
Net change in fair value during the period	(155)	29
	(430)	51
<i>Other comprehensive income that will not be reclassified (or recycled) to profit or loss in subsequent periods:</i>		
Net change in pension fund reserve	-	-
Net change in fair value of equity securities during the period	-	-
	-	-
Other comprehensive (loss) income for the period	(430)	51
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	(487)	186
Attributable to:		
Shareholders of the parent	(396)	159
Non-controlling interests	(91)	27
	(487)	186

Interim Consolidated Statement of Changes In Equity										All figures in US\$ Million	
Six-month period ended 30 June 2020 (Reviewed)										Non-controlling interests	Total equity
	Equity attributable to the shareholders of the parent										
	Share capital	Treasury shares	Statutory reserve	Retained earnings*	Other reserves				Total		
					General reserve	Foreign exchange translation adjustments	Cumulative changes in fair value	Pension fund reserve			
At 31 December 2019	3,110	(6)	520	1,051	100	(754)	42	(32)	4,031	458	4,489
(Loss) profit for the period	-	-	-	(67)	-	-	-	-	(67)	10	(57)
Other comprehensive loss for the period	-	-	-	-	-	(174)	(155)	-	(329)	(101)	(430)
Total comprehensive loss for the period	-	-	-	(67)	-	(174)	(155)	-	(396)	(91)	(487)
Other equity movements in subsidiaries	-	-	-	2	-	-	-	-	2	(12)	(10)
At 30 June 2020 (reviewed)	3,110	(6)	520	986	100	(928)	(113)	(32)	3,637	355	3,992
At 31 December 2018	3,110	(4)	501	966	100	(744)	(37)	(30)	3,862	454	4,316
Profit for the period	-	-	-	112	-	-	-	-	112	23	135
Other comprehensive income for the period	-	-	-	-	-	18	29	-	47	4	51
Total comprehensive income for the period	-	-	-	112	-	18	29	-	159	27	186
Dividend	-	-	-	(93)	-	-	-	-	(93)	-	(93)
Purchase of treasury shares - net	-	(1)	-	-	-	-	-	-	(1)	-	(1)
Other equity movements in subsidiaries	-	-	-	1	-	-	-	-	1	(10)	(9)
At 30 June 2019 (reviewed)	3,110	(5)	501	986	100	(726)	(8)	(30)	3,928	471	4,399

* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 482 million (31 December 2019: US\$ 479 million).

The above interim consolidated statement of financial position, interim consolidated statement of profit or loss, interim consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows, and interim consolidated statement of changes in equity have been extracted from the Interim Condensed Consolidated Financial Statements of Arab Banking Corporation (B.S.C.) for the period ended 30th June 2020, which were approved by the Board of Directors and on which an unqualified review conclusion was issued by Ernst & Young, Kingdom of Bahrain, on 14th August 2020.

T +973 1754 3000
F +973 1753 3163

www.bank-abc.com

Head Office

P.O. Box 5698, Manama, Kingdom of Bahrain (CR: 10299)
Bank ABC (Arab Banking Corporation B.S.C.) is licensed as a conventional wholesale bank by the Central Bank of Bahrain