

First Quarter Financial Results 31 March 2018

Interim Consolidated Statement Of Financial Position

31 March 2018 (Reviewed)

	Reviewed 31 March 2018 US\$ '000	Audited 31 December 2017 US\$ '000
ASSETS		
Cash and bank balances	6,483	16,721
Investments	543,105	590,036
Murabaha receivables	873,168	753,130
Ijarah	214,602	189,967
Equipment	21	25
Other assets	15,295	9,135
TOTAL ASSETS	1,652,674	1,559,014
LIABILITIES AND OWNERS' EQUITY		
Liabilities		
Other liabilities	18,061	14,233
Murabaha payables	1,306,728	1,211,930
	1,324,789	1,226,163
Owners' equity		
Share capital	132,500	132,500
Reserves	195,385	200,351
	327,885	332,851
TOTAL LIABILITIES AND OWNERS' EQUITY	1,652,674	1,559,014

Interim Consolidated Statement of Income

Three-month period ended 31 March 2018 (Reviewed)

	Three months ended 31 March	
	2018 US\$ '000	2017 US\$ '000
OPERATING INCOME		
Income from financial institutions	-	184
Income from investments	5,349	5,437
Income from Murabaha receivables	6,426	3,916
Ijarah income - net	1,794	1,527
	13,569	11,064
Profit on Murabaha payables	(6,318)	(4,202)
	7,251	6,862
Gain on sale of investments	2,685	626
Fee and commission income - net	1,104	1,084
Total operating income	11,040	8,572
Allowances for credit losses - net	(861)	-
Net operating income	10,179	8,572
OPERATING EXPENSES		
Staff costs	1,300	1,607
Depreciation	4	4
Other expenses	543	458
Total operating expenses	1,847	2,069
PROFIT FOR THE PERIOD BEFORE ZAKAH	8,332	6,503
Zakah	(93)	(91)
NET PROFIT FOR THE PERIOD	8,239	6,412

Interim Consolidated Statement of Cash Flows

Three-month period ended 31 March 2018 (Reviewed)

	Three months ended 31 March	
	2018 US\$ '000	2017 US\$ '000
OPERATING ACTIVITIES		
Net profit for the period	8,239	6,412
Adjustments for:		
Depreciation	4	4
Gain on sale of investments	(2,685)	(626)
Allowances for credit losses - net	861	-
Operating profit before changes in operating assets and liabilities	6,419	5,790
Changes in:		
Due from financial institutions	-	75,000
Murabaha receivables	(127,838)	17,587
Ijarah	(25,917)	(1,599)
Other assets	(6,178)	(3,967)
Murabaha payables	94,798	(121,666)
Other liabilities	396	2,129
Net cash used in operating activities	(58,320)	(26,726)
INVESTING ACTIVITIES		
Purchase of investments	(34,807)	(23,553)
Proceeds from redemption / sale of investments	82,889	52,226
Net cash flows from investing activities	48,082	28,673
NET CHANGE IN CASH AND CASH EQUIVALENTS	(10,238)	1,947
Cash and cash equivalents at the beginning of the period	16,721	6,317
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6,483	8,264

Interim Consolidated Statement of Changes In Owners' Equity

Three-month period ended 31 March 2018 (Reviewed)

	Reserves					Total Owners' equity US\$ '000
	Share capital US\$ '000	Statutory reserve US\$ '000	Investments fair value reserve US\$ '000	Retained earnings US\$ '000	Total reserves US\$ '000	
At 1 January 2018	132,500	24,408	1,745	174,198	200,351	332,851
Transition adjustment on adoption of FAS 30 as of 1 January 2018 (Note. 2.4)	-	-	-	(12,635)	(12,635)	(12,635)
Restated balance as of 1 January 2018	132,500	24,408	1,745	161,563	187,716	320,216
Net profit for the period	-	-	-	8,239	8,239	8,239
Cumulative changes in fair value	-	-	(570)	-	(570)	(570)
At 31 March 2018 (reviewed)	132,500	24,408	1,175	169,802	195,385	327,885
At 1 January 2017	132,500	21,851	1,153	151,186	174,190	306,690
Net profit for the period	-	-	-	6,412	6,412	6,412
Cumulative changes in fair value	-	-	307	-	307	307
At 31 March 2017 (reviewed)	132,500	21,851	1,460	157,598	180,909	313,409

The above Interim Consolidated Statement of Financial Position, Interim Consolidated Statement of Income, Interim Consolidated Statement of Cash Flows and Interim Consolidated Statement of Changes in Owners' Equity have been extracted from the Interim Condensed Consolidated Financial Statements of ABC Islamic Bank (E.C.) for the period ended 31st March 2018, reviewed by Ernst & Young, Kingdom of Bahrain.