

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION for the three months ended 31 March 2019 / US\$ 000's	31 March 2019 (reviewed)	31 December 2018 (audited)	31 March 2018 (reviewed)
ASSETS			
Cash and bank balances	541,851	341,567	193,919
Treasury portfolio	1,477,225	818,000	419,553
Financing assets	1,272,561	1,208,947	1,195,862
Real estate Investments	1,824,879	1,840,010	1,516,429
Proprietary investments	271,336	234,012	249,222
Co-investments	77,590	77,644	77,044
Assets held-for-sale	147,141	147,141	-
Receivables and prepayments	269,456	229,142	203,525
Property and equipment	24,122	92,902	117,377
Total	5,906,161	4,989,365	3,972,931
LIABILITIES			
Clients' funds	41,028	46,639	35,183
Placements from financial, non-financial institutions and individuals	2,598,149	1,628,389	841,979
Customer current accounts	161,463	177,906	188,684
Term financing	238,151	256,137	367,035
Liabilities directly associated with assets held-for-sale	42,749	42,749	-
Payables and accruals	468,338	517,857	310,954
Total	3,549,878	2,669,677	1,743,835
Equity of investment account holders	947,176	896,910	812,326
OWNERS' EQUITY			
Share capital	975,638	975,638	975,638
Share premium	-	-	2,191
Treasury shares	(72,518)	(85,424)	(60,636)
Statutory reserve	117,301	117,301	105,893
Fair value reserve	(5,641)	(4,725)	1,139
Foreign currency translation reserve	(45,372)	(43,380)	-
Retained earnings	77,887	98,318	59,670
Share grant reserve	1,086	1,086	1,026
Total equity attributable to shareholders of Bank	1,048,381	1,058,814	1,084,921
Non-controlling interests	320,170	323,408	331,849
Non-controlling interests held-for-sale	40,556	40,556	-
Total owners' equity	1,409,107	1,422,778	1,416,770
Total liabilities, equity of investment account holders and owners' equity	5,906,161	4,989,365	3,972,931

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the three months ended 31 March 2019 / (US\$ 000's)	Attributable to shareholders of the Bank								Non-controlling interests	Non-controlling interests held for sale	Total owners' equity
	Share capital	Treasury shares	Statutory reserve	Retained earnings	Share grant reserve	Fair value reserve	Foreign currency translation reserve	Total			
Balance at 1 January 2019	975,638	(85,424)	117,301	98,318	1,086	(4,725)	(43,380)	1,058,814	323,408	40,556	1,422,778
Profit for the period	-	-	-	21,362	-	-	-	21,362	(662)	-	20,700
Fair value changes during the period	-	-	-	-	-	(916)	-	(916)	-	-	(916)
Foreign currency translation differences	-	-	-	-	-	-	(1,992)	(1,992)	(2,353)	-	(4,345)
Total recognised income and expense for the period	-	-	-	21,362	-	(916)	(1,992)	18,454	(3,015)	-	15,439
Dividends declared	-	-	-	(30,000)	-	-	-	(30,000)	-	-	(30,000)
Transfer to zakah and charity	-	-	-	(2,219)	-	-	-	(2,219)	(223)	-	(2,442)
Purchase of treasury shares	-	(27,954)	-	-	-	-	-	(27,954)	-	-	(27,954)
Sale of treasury shares	-	40,860	-	(9,574)	-	-	-	31,286	-	-	31,286
Balance at 31 March 2019	975,638	(72,518)	117,301	77,887	1,086	(5,641)	(45,372)	1,048,381	320,170	40,556	1,409,107

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (Continued) for the three months ended 31 March 2019 / (US\$ 000's)	Attributable to shareholders of the Bank								Non-controlling interests	Total owners' equity
	Share Capital	Treasury shares	Share premium	Statutory reserve	Retained earnings	Share grant reserve	Fair value reserve	Total		
Balance at 1 January 2018	975,638	(58,417)	3,058	105,893	122,825	1,026	-	1,150,023	345,770	1,495,793
Impact of adoption of FAS 30	-	-	-	-	(16,586)	-	-	(16,586)	(13,092)	(29,678)
Balance at 1 January 2018 (restated)	975,638	(58,417)	3,058	105,893	106,239	1,026	-	1,133,437	332,678	1,466,115
Profit for the period	-	-	-	-	36,479	-	-	36,479	416	36,895
Fair value changes during the period	-	-	-	-	-	-	1,139	1,139	-	1,139
Total recognised income and expense	-	-	-	-	36,479	-	1,139	37,618	416	38,034
Dividends to shareholders	-	-	-	-	(82,412)	-	-	(82,412)	-	(82,412)
Transfer to zakah and charity	-	-	-	-	(636)	-	-	(636)	(534)	(1,170)
Derecognition on loss of control	-	-	-	-	-	-	-	-	(711)	(711)
Purchase of treasury shares	-	(5,444)	-	-	-	-	-	(5,444)	-	(5,444)
Sale of treasury shares	-	3,225	(867)	-	-	-	-	2,358	-	2,358
Balance at 31 March 2018	975,638	(60,636)	2,191	105,893	59,670	1,026	1,139	1,084,921	331,849	1,416,770

The consolidated financial statements were approved by the Board of Directors on 13 May 2019 and signed on its behalf by:

H.E. Shaikh Ahmed Bin Khalifa Al-Khalifa
Vice Chairman

Hisham Alrayes
Chief Executive Officer & Board Member

CONDENSED CONSOLIDATED INCOME STATEMENT for the three months ended 31 March 2019 / US\$ 000's	Three months ended	
	31 March 2019 (reviewed)	31 March 2018 (reviewed)
CONDENSED CONSOLIDATED INCOME STATEMENT		
Continuing operations		
Investment banking income		
Asset management	735	537
Deal related income	6,654	8,900
	7,389	9,437
Commercial banking income		
Income from financing	19,300	16,504
Treasury and investment income	8,122	3,984
Fee and other income	1,793	1,828
Less: Return to investment account holders	(8,796)	(5,544)
Less: Finance expense	(6,458)	(5,459)
	13,961	11,313
Income from proprietary and co-investments		
Direct investment income, net	(230)	3,474
Restructuring related income	29,406	35,300
Dividend from co-investments	259	571
	29,435	39,345
Real estate income		
Development and sale	7,476	3,200
Rental and operating income	562	562
	8,038	3,762
Treasury and other income		
Finance income from treasury activities	5,264	738
Dividend and gain on treasury investments	5,783	-
Other income, net	252	1,265
	11,299	2,003
Total income	70,122	65,860
Operating expenses	21,436	21,287
Finance expense	23,707	7,168
Impairment allowances	3,812	1,674
Total expenses	48,955	30,129
Profit from continuing operations	21,161	35,731
Profit / (loss) from assets held-for-sale and discontinued operations, net	(467)	1,164
Profit for the period	20,700	36,895
Attributable to:		
Shareholders of Bank	21,362	36,479
Non-controlling interests	(662)	416
	20,700	36,895
Earnings per share		
Basic and diluted earnings per share (US cents)	0.63	1.02
Earnings per share - continuing operations		
Basic and diluted earnings per share (US cents)	0.61	1.02

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the three months ended 31 March 2019 / (US\$ 000's)	31 March 2019 (reviewed)	31 March 2018 (reviewed)
OPERATING ACTIVITIES		
Profit for the period	20,700	36,895
Adjustments for:		
Income from investment banking	(6,654)	-
Income from investment securities	(12,291)	(632)
Income from proprietary investments	330	(3,455)
Foreign exchange (gain) / loss	(521)	(969)
Restructuring related income	(29,406)	(35,300)
Other income	-	(2,547)
Finance expense	30,165	17,877
Impairment allowances (reversal) / charge	3,812	1,674
Depreciation and amortisation	544	509
	6,679	14,052
Changes in:		
Placements with financial institutions (maturities of more than 3 months)	(409,984)	2,756
Financing assets	(63,614)	24,768
Receivables and prepayments	(21,377)	21,136
CBB Reserve and restricted bank balance	(41,230)	(4,802)
Clients' funds	(5,611)	(4,230)
Placements from financial and non-financial institutions	969,760	(16,517)
Customer current accounts	(16,443)	(923)
Equity of investment account holders	51,796	(94,027)
Payables and accruals	(3,682)	(26,779)
Net cash generated from / (used in) operating activities	466,294	(84,566)
INVESTING ACTIVITIES		
Purchase of equipment, net	(69)	(512)
Sale / (purchase) of proprietary investments, net	2,156	(19,592)
Proceeds from sale of a subsidiary	-	104,591
(Purchase) / sale of treasury portfolio, net	(177,776)	12,549
Dividend received from proprietary investments and co-investments	259	632
Advance paid for development of real estate	(11,734)	-
Net cash (used in) / generated from investing activities	(187,164)	97,668
FINANCING ACTIVITIES		
Term financing (repaid) / availed, net	(22,041)	1,973
Finance expense paid	(17,728)	(8,839)
Dividend paid	(375)	(100)
Sale / (purchase) of treasury shares, net	3,332	(2,219)
Net cash used in financing activities	(36,812)	(9,185)
Net increase in cash and cash equivalents during the period	242,318	3,917
Cash and cash equivalents at 1 January *	397,620	256,887
CASH AND CASH EQUIVALENTS AT 31 March	639,938	260,804
Cash and cash equivalents comprise: *		
Cash and balances with banks (excluding CBB Reserve and restricted bank balances)	443,703	141,324
Placements with financial institutions (maturities of less than 3 months)	196,235	119,480
	639,938	260,804