



BAHRAIN MIDDLE EAST BANK B.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2017 (Reviewed)

	Reviewed 30 June 2017 US\$ '000	Audited 31 December 2016 US\$ '000
ASSETS		
Balances with banks and financial institutions	25,035	40,374
Treasury bills and placements with financial institutions	13,495	4,207
Investments at fair value through profit or loss	592	1,149
Loans and advances	128,161	123,958
Available-for-sale investments	3,466	5,021
Held-to-maturity investment	-	179
Other assets	3,277	2,464
TOTAL ASSETS	174,026	177,352
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from financial institutions	127,042	126,567
Deposits from customers	4,425	8,405
Other liabilities	1,332	2,443
Total liabilities	132,799	137,415
EQUITY		
Share capital	60,501	60,501
Accumulated losses	(19,274)	(21,481)
Fair value reserve	-	917
Total equity	41,227	39,937
TOTAL LIABILITIES AND EQUITY	174,026	177,352

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2017 (Reviewed)

	Share capital US\$ '000	Accumulated losses US\$ '000	Fair value reserve US\$ '000	Total equity US\$ '000
Balance at 1 January 2017	60,501	(21,481)	917	39,937
Total comprehensive income (loss) for the period	-	2,207	(917)	1,290
Balance at 30 June 2017	60,501	(19,274)	-	41,227
Balance at 1 January 2016	60,501	(26,554)	1,315	35,262
Total comprehensive income (loss) for the period	-	2,812	(408)	2,404
Balance at 30 June 2016	60,501	(23,742)	907	37,666

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the six-month period ended 30 June 2017 (Reviewed)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2017 US\$ '000	2016 US\$ '000	2017 US\$ '000	2016 US\$ '000
OPERATING INCOME				
Interest income	2,969	2,732	5,782	5,304
Interest expense	(64)	(254)	(127)	(593)
Net interest income	2,905	2,478	5,655	4,711
Investment banking (loss) income	(15)	(118)	(33)	301
Other income	53	148	87	230
Foreign exchange gain (loss)	61	(41)	75	(49)
Total operating income	3,004	2,467	5,784	5,193
OPERATING EXPENSES				
Staff expenses	588	764	1,551	1,541
Premises expenses	90	85	174	170
Other operating expenses	279	110	568	354
Total operating expenses	957	959	2,293	2,065
NET PROFIT FOR THE PERIOD BEFORE IMPAIRMENT PROVISIONS	2,047	1,508	3,491	3,128
Impairment provisions - net	(1,245)	(183)	(1,284)	(316)
NET PROFIT FOR THE PERIOD	802	1,325	2,207	2,812
BASIC AND DILUTED EARNINGS PER SHARE (IN US\$ CENTS)				
	0.33	0.55	0.91	1.16

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2017 (Reviewed)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2017 US\$ '000	2016 US\$ '000	2017 US\$ '000	2016 US\$ '000
NET PROFIT FOR THE PERIOD	802	1,325	2,207	2,812
Other comprehensive income (loss):				
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:				
Fair value reserves (available-for-sale investments):				
Net amount transferred to statement of income on sale/impairment	-	50	-	21
Net changes in fair value during the period	-	20	(917)	(429)
Total other comprehensive income (loss) for the period	-	70	(917)	(408)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	802	1,395	1,290	2,404

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2017 (Reviewed)

	Six-month period ended 30 June	
	2017 US\$ '000	2016 US\$ '000
OPERATING ACTIVITIES		
Net profit for the period	2,207	2,812
Adjustments for:		
Impairment provisions - net	1,284	316
Depreciation and amortisation	26	26
Changes in operating assets and liabilities:		
Investments at fair value through profit or loss	557	(1,097)
Loans and advances	(5,203)	(17,308)
Available-for-sale investments	538	3,073
Held-to-maturity investment	(5)	20
Other assets	(839)	315
Deposits from financial institutions	475	16,373
Deposits from customers	(3,980)	(1,203)
Other liabilities	(1,111)	(1,655)
Net cash (used in) from operating activities	(6,051)	1,672
NET CHANGE IN CASH AND CASH EQUIVALENTS	(6,051)	1,672
Cash and cash equivalents at 1 January	44,581	48,371
CASH AND CASH EQUIVALENTS AT 30 JUNE	38,530	50,043
CASH AND CASH EQUIVALENTS COMPRISE:		
Balances with banks and financial institutions	25,035	12,067
Treasury bills and placements with financial institutions with original maturities of three months or less	13,495	37,976
	38,530	50,043

These Interim condensed consolidated financial statements were approved by the Board of Directors on 26 July 2017 and signed on its behalf by:

Wilson S Benjamin
Chairman

Murat Solak
Vice Chairman

Gaurav Baid
Acting Chief Executive Officer

These interim condensed consolidated financial statements were extracted from reviewed interim condensed consolidated financial statements on which Ernst and Young issued an unqualified review report.

Please refer to interim condensed consolidated financial statements available on the Bank's website: www.bmb.com.bh

Bahrain Middle East Bank B.S.C. is licensed as conventional wholesale bank by the Central Bank of Bahrain