



Public Disclosure

For the six month period ended 30 June 2016

TABLE OF CONTENTS

	Page
1. EXECUTIVE SUMMARY	1
2. GENERAL INFORMATION	1
2.1 Incorporation and principal activity	1
3. SCOPE OF APPLICATION	1
3.1 Consolidation	1
3.2 Restrictions on transfer of capital	1
3.3 Insurance entities	1
4. CAPITAL STRUCTURE	1
4.1 Capital instruments	1
4.2 Capital adequacy	2
5. CREDIT RISK	3
5.1 Gross and average credit exposures	3
5.2 Risk weighted exposures	3
5.3 Geographical sector exposures	4
5.4 Industry sector exposures	5
5.5 Impaired loans	5
5.6 Movement in impairment provisions	5
5.7 Residual contractual maturity	6
6. MARKET RISK	6
7. OPERATIONAL RISK	7
8. EQUITY POSITIONS IN BANKING BOOK	7
9. INTEREST RATE RISK IN THE BANKING BOOK	7
10. RELATED-PARTY TRANSACTIONS AND BALANCES	7
APPENDIX PD 2 - BALANCE SHEET UNDER THE REGULATORY SCOPE OF CONSOLIDATION	8
APPENDIX PD 3 - MAIN FEATURES TEMPLATE	9
APPENDIX PD 4 - DISCLOSURE TEMPLATE DURING THE TRANSITION PHASE	10

Bahrain Middle East Bank B.S.C.
Public Disclosure
For the six month period ended 30 June 2016

1. EXECUTIVE SUMMARY

This Public Disclosure ("the Disclosure" or "the Disclosures") has been prepared in accordance with Section PD-3.1.6 of Public Disclosure Module ("PD Module") of the Central Bank of Bahrain ("the CBB") Rule Book, Volume 1 for Conventional Banks. These Disclosures should be read in conjunction with the interim condensed consolidated financial statements for the six month period ended 30 June 2016.

2. GENERAL INFORMATION

2.1 Incorporation and principal activity

Bahrain Middle East Bank B.S.C. ("the Bank") is a Bahraini Shareholding Company incorporated in the Kingdom of Bahrain. On 9 April 2007, the CBB issued a Conventional Wholesale Banking license to the Bank. The commercial registration ("CR") number of the Bank is 12266. The Bank is listed on the Bahrain Bourse under the ticker 'BMB'.

The principal activities of the Bank, its subsidiary and investment holding companies (together "the Group") are trade finance and corporate advisory in the digital media and e-commerce sectors.

The Bank's principal and wholly owned subsidiary is BMB Property Services W.L.L., incorporated in the Kingdom of Bahrain and engaged in building management.

3. SCOPE OF APPLICATION

3.1 Consolidation

The subsidiary and investment holding companies of the Bank are fully consolidated in the Bank's consolidated financial statements as required by IFRS. For regulatory purposes, the investment holding companies are fully consolidated while the subsidiary of the Bank is not consolidated being a commercial entity.

3.2 Restrictions on transfer of capital

There is no regulatory impediment to the transfer of retained earnings to the Bank. None of the Bank's subsidiary or investment holding companies are registered and domiciled in jurisdictions which impose exchange controls or other restrictions on cross border transfer of funds.

3.3 Insurance entities

The Bank does not have any subsidiaries or investments in companies engaged in the insurance business.

4. CAPITAL STRUCTURE

4.1 Capital instruments

All of the Bank's equity capital consists of one class of common equity. The Bank has not issued any innovative, complex or hybrid capital instruments in the period under review, nor does it has any such capital instruments outstanding.

The Bank's Tier 1 Capital comprise of share capital, retained earnings, interim profits and eligible reserves. Tier 2 Capital comprise of collective impairment provisions up to 1.25% of risk weighted assets. The Bank does not have any additional Tier 1 Capital.

Bahrain Middle East Bank B.S.C.
Public Disclosure
For the six month period ended 30 June 2016

4. CAPITAL STRUCTURE (continued)

4.2 Capital adequacy

The Group's capital adequacy ratio as at 30 June 2016 was as follows:

Regulatory capital	30 June 2016 US\$ '000
<u>Tier 1 capital</u>	
Share capital	60,501
Accumulated losses	(26,741)
Current interim profits	2,841
Fair value reserve on available-for-sale investments	907
Total Tier 1 and common equity Tier 1 capital (a)	37,508
<u>Tier 2 capital</u>	
Collective impairment provision	1,436
Total Tier 2 capital (b)	1,436
Total capital (c) = (a) + (b)	38,944
<u>Risk weighted exposure</u>	
Credit risk weighted exposures	145,254
Market risk weighted exposures	3,475
Operational risk weighted exposures	19,791
Total risk weighted exposures (d)	168,520
<u>Capital adequacy ratios</u>	
Capital adequacy ratio - Common equity Tier 1 (a) / (d)	22.26%
Capital adequacy ratio - Tier 1 (a) / (d)	22.26%
Capital adequacy ratio - Total capital (c) / (d)	23.11%

Bahrain Middle East Bank B.S.C.
Public Disclosure
For the six month period ended 30 June 2016

5. CREDIT RISK

The Bank uses standardised approach for credit risk which requires the use of external credit ratings to determine the risk weightings applied to counterparties.

5.1 Gross and average credit exposures

	<i>30 June 2016</i>	
	<i>Gross exposures US\$ '000</i>	<i>Average exposures US\$ '000</i>
Balances with banks and financial institutions	12,067	13,445
Treasury bills and placements with financial institutions	37,976	30,953
Investments at fair value through profit or loss	1,258	1,363
Loans and advances	128,013	123,734
Available-for-sale investments	5,733	7,272
Held-to-maturity investments	196	203
Other assets	2,548	2,767
Total on-balance sheet exposures	187,791	179,737
Off-balance sheet items	7,264	7,394
Total credit risk exposures	195,055	187,131

The average credit exposures are based on quarter end Prudential Information Return ("PIR") reporting.

5.2 Risk weighted exposures

The credit risk weighted exposures and capital requirements for credit risk are as follows:

	<i>30 June 2016</i>				
	<i>Gross credit exposures US\$ '000</i>	<i>Eligible financial collateral US\$ '000</i>	<i>Net credit exposures US\$ '000</i>	<i>Risk weighted exposures US\$ '000</i>	<i>Capital requirement US\$ '000</i>
Claims on sovereigns	25,079	-	25,079	-	-
Claims on banks	24,864	-	24,864	10,604	1,326
Claims on corporates*	133,398	4,000	129,398	121,440	15,180
Past due exposures	787	-	787	787	98
Investments in securities	7,071	-	7,071	10,106	1,263
Other assets	2,317	-	2,317	2,317	290
Total	193,516	4,000	189,516	145,254	18,157
Credit risk capital requirement				145,254	18,157
Market risk capital requirement				3,475	434
Operational risk capital requirement				19,791	2,474
Total				168,520	21,065

*Claims on corporates include exposures of US\$ 5,842 thousand which are credit insured.

Bahrain Middle East Bank B.S.C.
Public Disclosure
For the six month period ended 30 June 2016

5. CREDIT RISK (continued)

5.2 Risk weighted exposures (continued)

The Bank uses the following credit risk mitigation techniques:

Adjusted exposure amount: The Bank uses the comprehensive approach for eligible financial collateral. In this approach, the Bank calculates the adjusted exposure to a counterparty by reducing the credit exposure by the amount of collateral taken.

Substitution of counterparty: The Bank uses the substitution approach for eligible guarantees and credit derivatives (if the rating of the credit guarantee / credit protection provider is A- or better) whereby the credit rating of the counterparty is substituted with the credit rating of the guarantor / credit protection provider.

5.3 Geographical sector exposures

The following table summarizes the Group's geographical sector exposures. The exposures are disclosed without considering the effects, if any, of collateral or other credit mitigation techniques.

	30 June 2016				
	<i>Europe</i>	<i>North</i>		<i>Rest of the</i>	
	<i>US\$ '000</i>	<i>America</i>	<i>GCC</i>	<i>world</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Balances with banks and financial institutions	1,990	5,824	4,249	4	12,067
Treasury bills and placements with financial institutions	6,000	-	31,976	-	37,976
Investments at fair value through profit or loss	-	256	1,002	-	1,258
Loans and advances	119,957	1,800	5,269	987	128,013
Available-for-sale investments	142	5,591	-	-	5,733
Held-to-maturity investments	196	-	-	-	196
Other assets	1,911	13	504	120	2,548
Total on-balance sheet exposures	130,196	13,484	43,000	1,111	187,791
Off-balance sheet items	1,958	2,727	2,579	-	7,264
Total exposures	132,154	16,211	45,579	1,111	195,055

Bahrain Middle East Bank B.S.C.
Public Disclosure
For the six month period ended 30 June 2016

5. CREDIT RISK (continued)

5.4 Industry sector exposures

The following tables summarizes the Group's industry sector exposures. The exposures are disclosed without considering the effects, if any, of collateral or other credit mitigation techniques.

	30 June 2016				
	Banking/ Finance US\$ '000	Govern- ment US\$000	Consumer Goods US\$ '000	Others US\$ '000	Total US\$ '000
Balances with banks and financial institutions	12,067	-	-	-	12,067
Treasury bills and placements with financial institutions	12,950	25,026	-	-	37,976
Investments at fair value through profit or loss	256	-	-	1,002	1,258
Loans and advances Available for sale investments	3,746	-	106,262	18,005	128,013
Held-to-maturity investments	5,733	-	-	-	5,733
Other assets	-	-	-	196	196
	139	66	1,748	595	2,548
Total on-balance sheet exposures	34,891	25,092	108,010	19,798	187,791
Off-balance sheet items	4,685	-	-	2,579	7,264
Total exposures	39,576	25,092	108,010	22,377	195,055

5.5 Impaired loans

The details of impaired loans as of 30 June 2016 are as follows:

	30 June 2016 US\$ '000
Gross amount of impaired loans	2,287
Specific impairment provision	(1,500)
Net amount of impaired loans	787

The impaired loans relate to industry sector "Banking/Finance" and geographical sector "Rest of the world". The ageing of impaired loans is below to 12 months.

Bahrain Middle East Bank B.S.C.
Public Disclosure
For the six month period ended 30 June 2016

5. CREDIT RISK (continued)

5.6 Movement in impairment provisions

	30 June 2016		
	<i>Specific provision US\$ '000</i>	<i>Collective provision US\$ '000</i>	<i>Total US\$ '000</i>
At 1 January 2016	1,500	1,436	2,936
Charge for the period	-	-	-
Reversal on recovery	-	-	-
Foreign exchange movements	-	-	-
At 30 June 2016	<u>1,500</u>	<u>1,436</u>	<u>2,936</u>

5.7 Residual contractual maturity

The residual contractual maturity of credit exposures is as follows:

	30 June 2016					<i>Total US\$'000</i>
	<i>Up to 3 months US\$'000</i>	<i>> 3 months up to 6 months US\$'000</i>	<i>> 6 months up to 12 months US\$'000</i>	<i>> 1 year up to 5 years US\$'000</i>	<i>Over 5 years US\$'000</i>	
Balances with banks and financial institutions	12,067	-	-	-	-	12,067
Treasury bills and placements with financial institutions	37,976	-	-	-	-	37,976
Investments at fair value through profit or loss	1,258	-	-	-	-	1,258
Loans & advances	70,393	51,087	6,533	-	-	128,013
Available-for-sale investments	1,147	1,720	2,866	-	-	5,733
Held-to-maturity investments*	-	-	-	-	196	196
Other assets	2,003	330	85	130	-	2,548
Total on-balance sheet exposures	<u>124,844</u>	<u>53,137</u>	<u>9,484</u>	<u>130</u>	<u>196</u>	<u>187,791</u>
Off- balance sheet items	937	1,406	2,342	2,579	-	7,264
Total exposures	<u>125,781</u>	<u>54,543</u>	<u>11,826</u>	<u>2,709</u>	<u>196</u>	<u>195,055</u>

*Held-to-maturity investments mature in 2028.

Bahrain Middle East Bank B.S.C.
Public Disclosure
For the six month period ended 30 June 2016

6. MARKET RISK

The Bank uses the standardised approach for calculating market risk capital charges.

The capital requirement for market risk using the standardised approach as at 30 June 2016 is as follows:

<u>Risk type</u>	<i>Capital requirement</i>			
	<i>30 June 2016 US\$ '000</i>	<i>Maximum value US\$ '000</i>	<i>Minimum value US\$ '000</i>	<i>Average value US\$ '000</i>
Foreign exchange risk	184	184	175	180
Equity position risk	250	327	250	289

The Bank is not exposed to interest rate risk as it does not have any interest bearing exposures in its trading book.

7. OPERATIONAL RISK

The Bank follows the Basic Indicator approach for assessing the capital requirement for operational risk. As at 30 June 2016, the total capital requirement in respect of operational risk was US\$ 2,474 thousand on operational risk weighted exposure of US\$ 19,791 thousand. The operational risk weighted exposure is based on the gross operating income (excluding profit/loss on available-for-sale and held to maturity categories and any exceptional items of income) for the last 3 years multiplied by 15% (Alpha) and 12.5 (the reciprocal of the 8 percent minimum capital ratio) to arrive at the operational risk-weighted exposure.

8. EQUITY POSITIONS IN BANKING BOOK

The Bank holds equity investments as part of its strategic holdings or with the objective of capital appreciation and realizing gains on sale thereof. The equity positions in the banking book are classified as “investments at fair value through profit or loss” and “available-for-sale” investments.

Please refer section 5.2 Risk weighted exposures, for capital requirements for investments.

9. INTEREST RATE RISK IN THE BANKING BOOK

Interest rate risk is the risk that changes in market interest rates will affect the future cash flows or the fair values of financial instruments.

All of the Group’s interest earning assets and interest bearing liabilities carry fixed rates of interest; hence, there is no sensitivity to interest rate risk as of 30 June 2016.

10. RELATED-PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Bank exercises significant influence, major shareholders, directors, key management personnel of the Bank and entities owned, controlled, jointly controlled or significantly influenced by such parties.

Please refer note 7 of interim condensed consolidated financial statements for details on related party balances and transactions.

Bahrain Middle East Bank B.S.C.
Appendix PD 2 - Balance sheet under the regulatory scope of consolidation
30 June 2016

	<i>Financial statements</i>	<i>Consolidated PIR data</i>	<i>Ref.</i>
	<i>30 June 2016 US\$ '000</i>	<i>30 June 2016 US\$ '000</i>	
ASSETS			
Balances with banks and financial institutions	12,067	11,914	
Placements with financial institutions	37,976	37,976	
Investments at fair value through profit or loss	1,258	1,258	
Loans and advances	128,013	129,449	
<i>of which net loans and advances (net of provisions)</i>		128,013	
<i>of which collective provision (qualifying as Tier 2 capital)</i>		1,436	d
Available-for-sale investments	5,733	5,733	
Held-to-maturity investments	196	196	
Investment in unconsolidated subsidiary	-	80	
Other assets	2,548	2,371	
TOTAL ASSETS	187,791	188,977	
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits from financial institutions	141,471	141,471	
Deposits from customers	7,523	7,523	
Other liabilities	1,131	1,039	
Total liabilities	150,125	150,033	
EQUITY			
Share capital	60,501	60,501	a
Accumulated losses	(23,742)	(23,900)	b
<i>Total accumulated losses</i>		(23,742)	
<i>Retained earnings of unconsolidated subsidiary</i>		(158)	
Fair value reserve	907	907	c
of which collective provision (qualifying as Tier 2 capital)	-	1,436	d
Total equity	37,666	38,944	
TOTAL LIABILITIES AND EQUITY	187,791	188,977	

Note: BMB Property Services W.L.L., a commercial subsidiary of the Bank, has not been consolidated for regulatory purposes as per the guidelines of CBB Rulebook.

Bahrain Middle East Bank B.S.C.
Appendix PD 3 - Main features template
30 June 2016

Disclosure template for main features of regulatory capital instruments		
1.	Issuer	Bahrain Middle East Bank B.S.C.
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN: BH0004657779
3.	Governing law(s) of the instrument	Laws of the Kingdom of Bahrain
	<i>Regulatory treatment</i>	
4.	Transitional CBB rules	Common equity Tier 1
5.	Post-transitional CBB rules	Common equity Tier 1
6.	Eligible at solo/group/group & solo	Solo and Group
7.	Instrument type (types to be specified by each jurisdiction)	Common equity shares
8.	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	US\$ 60.50 million
9.	Par value of instrument	US\$ 0.25 each
10.	Accounting classification	Shareholders' equity
11.	Original date of issuance	Various
12.	Perpetual or dated	Perpetual
13.	Original maturity date	No maturity
14.	Issuer call subject to prior supervisory approval	NA
15.	Optional call date, contingent call dates and redemption amount	NA
16.	Subsequent call dates, if applicable	NA
	<i>Coupons / dividends</i>	
17.	Fixed or floating dividend/coupon	NA
18.	Coupon rate and any related index	NA
19.	Existence of a dividend stopper	NA
20.	Fully discretionary, partially discretionary or mandatory	Full discretionary
21.	Existence of step up or other incentive to redeem	NA
22.	Noncumulative or cumulative	NA
23.	Convertible or non-convertible	
24.	If convertible, conversion trigger (s)	NA
25.	If convertible, fully or partially	NA
26.	If convertible, conversion rate	NA
27.	If convertible, mandatory or optional conversion	NA
28.	If convertible, specify instrument type convertible into	NA
29.	If convertible, specify issuer of instrument it converts into	NA
30.	Write-down feature	
31.	If write-down, write-down trigger(s)	NA
32.	If write-down, full or partial	NA
33.	If write-down, permanent or temporary	NA
34.	If temporary write-down, description of write-up mechanism	NA
35.	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The instrument i.e. shareholders' equity is not subordinate to any other instrument
36.	Non-compliant transitioned features	No
37.	If yes, specify non-compliant features	NA

		Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
Common Equity Tier 1 capital: instruments and reserves				
1.	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	60,501		a
2.	Retained earnings	(23,900)		b
3.	Accumulated other comprehensive income (and other reserves)	907		c
4.	<i>Not Applicable</i>			
5.	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		
6.	Common Equity Tier 1 capital before regulatory adjustments	37,508		
Common Equity Tier 1 capital: regulatory adjustments				
7.	Prudential valuation adjustments	-		
8.	Goodwill (net of related tax liability)	-		
9.	Other intangibles other than mortgage-servicing rights (net of related tax liability)	-		
10.	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-		
11.	Cash-flow hedge reserve	-		
12.	Shortfall of provisions to expected losses	-		
13.	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-		
14.	Not applicable.			
15.	Defined-benefit pension fund net assets	-		
16.	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-		
17.	Reciprocal cross-holdings in common equity	-		
18.	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-		
19.	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-		
20.	Mortgage servicing rights (amount above 10% threshold)	-		
21.	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		
22.	Amount exceeding the 15% threshold	-		
23.	of which: significant investments in the common stock of financials	-		
24.	of which: mortgage servicing rights	-		
25.	of which: deferred tax assets arising from temporary differences	-		
26.	National specific regulatory adjustments	-		

		Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-2015 treatment		-	
27.	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		-	
28.	Total regulatory adjustments to Common equity Tier 1		-	
29.	Common Equity Tier 1 capital (CET1)		37,508	
Additional Tier 1 capital: instruments				
30.	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		-	
31.	of which: classified as equity under applicable accounting standards		-	
32.	of which: classified as liabilities under applicable accounting standards		-	
33.	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>		-	
34.	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)		-	
35.	<i>of which: instruments issued by subsidiaries subject to phase out</i>		-	
36.	Additional Tier 1 capital before regulatory adjustments		-	
Additional Tier 1 capital: regulatory adjustments				
37.	Investments in own Additional Tier 1 instruments		-	
38.	Reciprocal cross-holdings in Additional Tier 1 instruments		-	
39.	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		-	
40.	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		-	
41.	National specific regulatory adjustments		-	
	Regulatory adjustments applied to Additional Tier 1 in respect of amounts subject to pre-2015 treatment		-	
42.	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	
43.	Total regulatory adjustments to Additional Tier 1 capital		-	
44.	Additional Tier 1 capital (AT1)		-	
45.	Tier 1 capital (T1 = CET1 + AT1)		37,508	

	Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
Tier 2 capital: instruments and provisions			
46.	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	
47.	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	-	
48.	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
49.	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-	
50.	Provisions	1,436	d
51.	Tier 2 capital before regulatory adjustments	1,436	
Tier 2 capital: regulatory adjustments			
52.	Investments in own Tier 2 instruments	-	
53.	Reciprocal cross-holdings in Tier 2 instruments	-	
54.	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	
55.	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56.	National specific regulatory adjustments	-	
	Regulatory adjustments applied to Tier 2 in respect of amounts subject to pre-2015 treatment	-	
57.	Total regulatory adjustments to Tier 2 capital	-	
58.	Tier 2 capital (T2)	1,436	d
59.	Total capital (TC = T1 + T2)	38,944	
	Risk weighted assets in respect of amounts subject to pre-2015 treatment	-	
60.	Total risk weighted assets	168,520	
Capital ratios			
61.	Common Equity Tier 1 (as a percentage of risk weighted assets)	22.26%	
62.	Tier 1 (as a percentage of risk weighted assets)	22.26%	
63.	Total capital (as a percentage of risk weighted assets)	23.11%	
64.	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus D-SIB buffer requirement expressed as a percentage of risk weighted assets)	9.00%	
65.	<i>of which: capital conservation buffer requirement</i>	2.5%	
66.	<i>of which: bank specific countercyclical buffer requirement (N/A)</i>	N/A	
67.	<i>of which: D-SIB buffer requirement (N/A)</i>	N/A	

Bahrain Middle East Bank B.S.C.

Appendix PD 4 - Disclosure template during the transition phase

30 June 2016

		Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
68.	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	22.26%		
National minima including CCB (if different from Basel 3)				
69.	CBB Common Equity Tier 1 minimum ratio	9.0		
70.	CBB Tier 1 minimum ratio	10.5		
71.	CBB total capital minimum ratio	12.5		
Amounts below the thresholds for deduction (before risk weighting)				
72.	Non-significant investments in the capital of other financials	-		
73.	Significant investments in the common stock of financials	-		
74.	Mortgage servicing rights (net of related tax liability)	-		
75.	Deferred tax assets arising from temporary differences (net of related tax liability)	-		
Applicable caps on the inclusion of provisions in Tier 2				
76.	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,436		d
77.	Cap on inclusion of provisions in Tier 2 under standardised approach	1,816		
78.	N/A			
79.	N/A			
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2020 and 1 Jan 2024)				
80.	Current cap on CET1 instruments subject to phase out arrangements	-		
81.	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		
82.	Current cap on AT1 instruments subject to phase out arrangements	-		
83.	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		
84.	Current cap on T2 instruments subject to phase out arrangements	-		
85.	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		