



BAHRAIN MIDDLE EAST BANK B.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2017 (Reviewed)

	<i>Reviewed</i> 30 September 2017 US\$ '000	<i>Audited</i> 31 December 2016 US\$ '000
ASSETS		
Balances with banks and financial institutions	16,710	40,374
Treasury bills and placements with banks	28,708	4,207
Investments at fair value through profit or loss	9,173	1,149
Loans and advances	129,606	123,958
Available-for-sale investments	3,369	5,021
Held-to-maturity investment	-	179
Other assets	3,451	2,464
TOTAL ASSETS	191,017	177,352
LIABILITIES AND EQUITY		
LIABILITIES		
Due to financial institutions	143,900	126,567
Due to customers	3,129	8,405
Other liabilities	1,328	2,443
Total liabilities	148,357	137,415
EQUITY		
Share capital	60,501	60,501
Accumulated losses	(17,841)	(21,481)
Fair value reserve	-	917
Total equity	42,660	39,937
TOTAL LIABILITIES AND EQUITY	191,017	177,352

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2017 (Reviewed)

	<i>Share capital</i> US\$ '000	<i>Accumulated losses</i> US\$ '000	<i>Fair value reserve</i> US\$ '000	<i>Total equity</i> US\$ '000
Balance at 1 January 2017	60,501	(21,481)	917	39,937
Total comprehensive income (loss) for the period	-	3,640	(917)	2,723
Balance at 30 September 2017	60,501	(17,841)	-	42,660
Balance at 1 January 2016	60,501	(26,554)	1,315	35,262
Total comprehensive income (loss) for the period	-	4,633	(380)	4,253
Balance at 30 September 2016	60,501	(21,921)	935	39,515

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the nine-month period ended 30 September 2017 (Reviewed)

	<i>Three-month period ended 30 September</i>		<i>Nine-month period ended 30 September</i>	
	2017 US\$ '000	2016 US\$ '000	2017 US\$ '000	2016 US\$ '000
OPERATING INCOME				
Interest income	2,926	2,747	8,708	8,051
Interest expense	(82)	(244)	(209)	(837)
Net interest income	2,844	2,503	8,499	7,214
Investment banking income	59	177	26	478
Other income	63	70	150	300
Foreign exchange gain (loss)	22	(17)	97	(66)
Total operating income	2,988	2,733	8,772	7,926
OPERATING EXPENSES				
Staff expenses	454	772	2,005	2,313
Premises expenses	130	59	304	229
Other operating expenses	221	220	789	574
Total operating expenses	805	1,051	3,098	3,116
NET PROFIT FOR THE PERIOD BEFORE IMPAIRMENT PROVISIONS	2,183	1,682	5,674	4,810
Impairment provisions - net	(750)	(139)	(2,034)	(177)
NET PROFIT FOR THE PERIOD	1,433	1,821	3,640	4,633
BASIC AND DILUTED EARNINGS PER SHARE (IN US\$ CENTS)				
	0.59	0.75	1.50	1.91

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine-month period ended 30 September 2017 (Reviewed)

	<i>Three-month period ended 30 September</i>		<i>Nine-month period ended 30 September</i>	
	2017 US\$ '000	2016 US\$ '000	2017 US\$ '000	2016 US\$ '000
NET PROFIT FOR THE PERIOD	1,433	1,821	3,640	4,633
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	-	-	-	21
Net changes in fair value during the period	-	28	(917)	(401)
Total other comprehensive income (loss) for the period	-	28	(917)	(380)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,433	1,849	2,723	4,253

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine-month period ended 30 September 2017 (Reviewed)

	<i>Nine-month period ended 30 September</i>	
	2017 US\$ '000	2016 US\$ '000
OPERATING ACTIVITIES		
Net profit for the period	3,640	4,633
Adjustments for:		
Impairment provisions - net	2,034	177
Depreciation	57	34
Changes in operating assets and liabilities:		
Investments at fair value through profit or loss	(8,024)	(1,102)
Loans and advances	(7,398)	(1,801)
Available-for-sale investments	635	3,207
Held-to-maturity investment	(5)	27
Other assets	(1,044)	300
Due to financial institutions	17,333	11,406
Due to customers	(5,276)	2,411
Other liabilities	(1,115)	(1,210)
Net cash from operating activities	837	18,082
NET CHANGE IN CASH AND CASH EQUIVALENTS	837	18,082
Cash and cash equivalents at 1 January	44,581	48,371
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	45,418	66,453
CASH AND CASH EQUIVALENTS COMPRISE:		
Balances with banks and financial institutions	16,710	14,052
Treasury bills and placements with banks with original maturities of three months or less	28,708	52,401
	45,418	66,453

These Interim condensed consolidated financial statements were approved by the Board of Directors on 23 October 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