



BAHRAIN MIDDLE EAST BANK B.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2018 (Reviewed)

	<i>Reviewed</i> 30 June 2018 US\$ '000	<i>Audited</i> 31 December 2017 US\$ '000
ASSETS		
Balances with banks and financial institutions	10,713	30,023
Treasury bills and placements with financial institutions	82,699	50,061
Investment securities	47,645	23,456
Loans and advances	142,773	138,714
Other assets	5,314	3,385
TOTAL ASSETS	289,144	245,639
LIABILITIES AND EQUITY		
LIABILITIES		
Due to financial institutions	178,734	154,064
Due to customers	3,448	3,124
Borrowings	18,501	4,810
Other liabilities	1,952	1,859
Total liabilities	202,635	163,857
EQUITY		
Share capital	100,000	100,000
Accumulated losses	(13,491)	(18,218)
Total equity	86,509	81,782
TOTAL LIABILITIES AND EQUITY	289,144	245,639

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2018 (Reviewed)

	<i>Share capital</i> US\$ '000	<i>Accumulated losses</i> US\$ '000	<i>Total equity</i> US\$ '000
Balance at 1 January 2018	100,000	(18,218)	81,782
Total comprehensive income for the period	-	4,727	4,727
Balance at 30 June 2018	100,000	(13,491)	86,509
BBalance at 1 January 2017 (Restated)	60,501	(23,418)	37,083
Total comprehensive income for the period (Restated)	-	3,130	3,130
Balance at 30 June 2017	60,501	(20,288)	40,213

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2018 (Reviewed)

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	2018 US\$ '000	Restated 2017 US\$ '000	2018 US\$ '000	Restated 2017 US\$ '000
OPERATING INCOME				
Interest income	4,400	2,969	8,307	5,782
Interest expense	(252)	(64)	(444)	(127)
Net interest income	4,148	2,905	7,863	5,655
Gain (loss) on investment securities	758	(136)	418	(179)
Fee and commission income	48	21	94	46
Other income	45	53	108	87
Foreign exchange (loss) gain	(35)	61	21	75
Total operating income	4,964	2,904	8,504	5,684
OPERATING EXPENSES				
Staff expenses	990	588	1,727	1,551
Travel and business development expenses	176	20	311	42
Legal and professional expenses	68	76	156	201
Premises and equipment expenses	106	73	219	148
Depreciation and amortisation expenses	49	17	85	26
Other operating expenses	197	183	411	325
Total operating expenses	1,586	957	2,909	2,293
NET PROFIT FOR THE PERIOD BEFORE IMPAIRMENT ALLOWANCE	3,378	1,947	5,595	3,391
Impairment allowance - net	(465)	(313)	(868)	(261)
NET PROFIT FOR THE PERIOD	2,913	1,634	4,727	3,130
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,913	1,634	4,727	3,130
BASIC AND DILUTED EARNINGS PER SHARE (IN US\$ CENTS)	0.73	0.68	1.18	1.29

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2018 (Reviewed)

	<i>Six-month period ended 30 June</i>	
	2018 US\$ '000	Restated 2017 US\$ '000
OPERATING ACTIVITIES		
Net profit for the period	4,727	3,130
Adjustments for:		
Impairment allowance - net (excluding on cash and cash equivalents)	489	250
Depreciation and amortisation	85	26
Changes in operating assets and liabilities:		
Investment securities	(24,522)	1,190
Loans and advances	(4,215)	(5,203)
Other assets	(1,627)	(839)
Due to financial institutions	24,670	475
Due to customers	324	(3,980)
Borrowings	13,691	-
Other liabilities	93	(1,111)
Net cash from (used in) operating activities	13,715	(6,062)
INVESTING ACTIVITIES		
Purchase of premises and equipment	(109)	-
Purchase of intangible assets	(278)	-
Net cash used in investing activities	(387)	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	13,328	(6,062)
Cash and cash equivalents at 1 January	80,084	44,561
CASH AND CASH EQUIVALENTS AT 30 JUNE	93,412	38,499
CASH AND CASH EQUIVALENTS COMPRISE:		
Balances with banks and financial institutions	10,713	25,019
Treasury bills and placements with financial institutions with original maturities of three months or less	82,699	13,480
	93,412	38,499

These Interim condensed consolidated financial statements were approved by the Board of Directors on 26 July 2018 and signed on its behalf by:

Wilson S Benjamin
Chairman

Murat Solak
Vice Chairman

Korhan Alev
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