

# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six months ended 30 June 2013 (Unaudited)

## CONSOLIDATED STATEMENT OF INCOME

	Three months ended 30 June		Six months ended 30 June	
	2013 US\$ '000	2012 US\$ '000 Restated	2013 US\$ '000	2012 US\$ '000 Restated
Net interest income	168,386	156,165	335,791	306,936
Fees and other income	57,499	64,902	114,285	128,636
<b>TOTAL OPERATING INCOME</b>	<b>225,885</b>	<b>221,067</b>	<b>450,076</b>	<b>435,572</b>
Net provision for loan losses and others	(27,581)	(25,993)	(52,886)	(42,354)
Provision for non-trading investments	(12,590)	(20,840)	(24,246)	(50,607)
<b>NET OPERATING INCOME</b>	<b>185,714</b>	<b>174,234</b>	<b>372,944</b>	<b>342,611</b>
Total operating expenses	(69,089)	(66,268)	(136,207)	(129,634)
Gain on sale of investment held for sale	-	-	212,910	-
<b>PROFIT BEFORE TAX</b>	<b>116,625</b>	<b>107,966</b>	<b>449,647</b>	<b>212,977</b>
Tax expense	(10,070)	(9,752)	(21,209)	(17,813)
<b>NET PROFIT FOR THE PERIOD</b>	<b>106,555</b>	<b>98,214</b>	<b>428,438</b>	<b>195,164</b>
<b>Attributable to:</b>				
Owners of the Bank	93,180	86,509	403,036	172,921
Non-controlling interest	13,375	11,705	25,402	22,243
	<b>106,555</b>	<b>98,214</b>	<b>428,438</b>	<b>195,164</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE BANK FOR THE PERIOD</b>				
Basic earnings per share (US cents)	1.7	1.6	7.4	3.2
Diluted earnings per share (US cents)	1.7	1.5	7.1	3.1

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30 June		Six months ended 30 June	
	2013 US\$ '000	2012 US\$ '000 Restated	2013 US\$ '000	2012 US\$ '000 Restated
<b>Net profit for the period</b>	<b>106,555</b>	<b>98,214</b>	<b>428,438</b>	<b>195,164</b>
<b>Other comprehensive income</b>				
Donations approved	-	-	(1,000)	(1,000)
Foreign currency translation adjustments	(9,659)	(13,724)	(56,658)	(8,853)
Net fair value movements during the period	3,944	(15,787)	9,245	(293)
<b>Total comprehensive income for the period</b>	<b>100,840</b>	<b>68,703</b>	<b>380,025</b>	<b>185,018</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Bank	89,663	62,385	364,391	168,309
Non-controlling interest	11,177	6,318	15,634	16,709
	<b>100,840</b>	<b>68,703</b>	<b>380,025</b>	<b>185,018</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2013 US\$ '000	2012 US\$ '000
Net cash from operating activities	211,414	1,253,348
Net cash from (used in) investing activities	569,917	(635,318)
Net cash used in financing activities	(307,687)	(916,317)
Foreign currency translation adjustments	(56,658)	(8,853)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>416,986</b>	<b>(307,140)</b>
Cash and cash equivalents at 1 January	3,424,315	3,866,097
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>3,841,301</b>	<b>3,558,957</b>

## CONSOLIDATED BALANCE SHEET

	30 June 2013 US\$ '000	Audited 31 December 2012 US\$ '000 Restated
	<b>ASSETS</b>	
Cash and balances with central banks	682,880	735,528
Treasury bills and deposits with central banks	3,065,675	1,986,236
Deposits with banks and other financial institutions	3,958,359	3,750,771
Loans and advances	16,511,840	15,972,219
Financial assets at fair value through profit or loss	50,956	27,399
Non-trading investments	5,178,983	5,120,421
Investment in associates and joint venture	290,614	278,125
Investment property	167,729	171,798
Premises and equipment	256,334	266,830
Interest receivable and other assets	543,247	485,366
Goodwill and other intangible assets	655,373	679,922
Investment held for sale	-	397,959
<b>TOTAL ASSETS</b>	<b>31,361,990</b>	<b>29,872,574</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits from banks and other financial institutions	5,144,164	5,145,255
Borrowings under repurchase agreements	559,572	1,861,357
Customers' deposits	20,948,579	18,231,131
Interest payable and other liabilities	752,544	786,445
Subordinated liabilities	641,681	686,879
<b>TOTAL LIABILITIES</b>	<b>28,046,540</b>	<b>26,711,067</b>
<b>EQUITY</b>		
Ordinary share capital	1,354,115	1,303,164
Preference share capital	125,000	125,000
Reserves	1,444,656	1,347,473
Equity attributable to the owners of the Bank	2,923,771	2,775,637
Non - controlling interest	391,679	385,870
<b>TOTAL EQUITY</b>	<b>3,315,450</b>	<b>3,161,507</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>31,361,990</b>	<b>29,872,574</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	2013 US\$ '000	2012 US\$ '000
<b>BALANCE AT 1 JANUARY ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>2,810,959</b>	<b>2,537,431</b>
Impact of adopting IFRS 9	-	112,900
Impact of adopting amendments to IAS 19	(35,322)	(24,615)
<b>At 1 January - restated</b>	<b>2,775,637</b>	<b>2,625,716</b>
Total comprehensive income for the period	364,391	168,309
Mandatorily convertible preference shares dividend paid	(4,538)	(2,900)
Ordinary share dividend paid	(209,342)	(149,530)
Equity shares surrendered	-	(359)
Other equity movements	1,176	852
Treasury shares	(3,553)	-
<b>BALANCE AT 30 JUNE ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>2,923,771</b>	<b>2,642,088</b>
<b>NON-CONTROLLING INTEREST</b>	<b>391,679</b>	<b>369,726</b>
<b>TOTAL EQUITY AT 30 JUNE</b>	<b>3,315,450</b>	<b>3,011,814</b>

Fahad Al-Rajaan  
Chairman

Hamad Al-Marzouq  
Deputy Chairman

Adel A. El-Labban  
Group Chief Executive Officer  
& Managing Director

The above Consolidated Balance Sheet, Statements of Income, Comprehensive Income, Cash Flows and Statement of Changes in Equity have been extracted from the Interim Condensed Consolidated Financial Statements of Ahli United Bank B.S.C. for the six months ended 30 June 2013, which were approved by the Board of Directors and on which an unqualified review conclusion was issued by Ernst & Young, Kingdom of Bahrain on 29 July 2013. For further information please visit [www.ahliunited.com](http://www.ahliunited.com).