## Interim Condensed Consolidated Financial Statements

**Six months ended 30 June 2016 (Reviewed)**

### Consolidated Statement of Income

<table>
<thead>
<tr>
<th></th>
<th>Three months ended</th>
<th>Six months ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2016</td>
<td>30 June 2015</td>
</tr>
<tr>
<td></td>
<td>US$ '000</td>
<td>US$ '000</td>
</tr>
<tr>
<td>Net interest income</td>
<td>206,152</td>
<td>200,909</td>
</tr>
<tr>
<td>Fees and other income</td>
<td>84,205</td>
<td>64,542</td>
</tr>
<tr>
<td><strong>OPERATING INCOME</strong></td>
<td>290,357</td>
<td>265,451</td>
</tr>
<tr>
<td>Net provision for loan losses and others</td>
<td>42,086</td>
<td>34,829</td>
</tr>
<tr>
<td>Net provision for investments</td>
<td>700</td>
<td>(3,329)</td>
</tr>
<tr>
<td><strong>NET OPERATING INCOME</strong></td>
<td>247,571</td>
<td>231,945</td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td>79,464</td>
<td>77,940</td>
</tr>
<tr>
<td>PROFIT BEFORE TAX</td>
<td>168,107</td>
<td>154,461</td>
</tr>
<tr>
<td>Tax expense</td>
<td>8,375</td>
<td>13,662</td>
</tr>
<tr>
<td><strong>NET PROFIT FOR THE PERIOD</strong></td>
<td>159,732</td>
<td>140,799</td>
</tr>
<tr>
<td>Net profit attributable to non-controlling interest</td>
<td>13,140</td>
<td>9,613</td>
</tr>
<tr>
<td><strong>NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE BANK</strong></td>
<td>146,592</td>
<td>131,186</td>
</tr>
</tbody>
</table>

### Earnings per Share Attributable to the Owners of the Bank for the Period

<table>
<thead>
<tr>
<th></th>
<th>Basic &amp; diluted earnings per ordinary share (US cents)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.9</td>
</tr>
</tbody>
</table>

### Consolidated Statement of Comprehensive Income

<table>
<thead>
<tr>
<th></th>
<th>Three months ended</th>
<th>Six months ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2016</td>
<td>30 June 2015</td>
</tr>
<tr>
<td></td>
<td>US$ '000</td>
<td>US$ '000</td>
</tr>
<tr>
<td>Net profit for the period</td>
<td>159,732</td>
<td>140,799</td>
</tr>
<tr>
<td>Other comprehensive income (OCI)</td>
<td>(3,329)</td>
<td>(2,239)</td>
</tr>
<tr>
<td>Foreign currency translation adjustments</td>
<td>5,724</td>
<td>(6,458)</td>
</tr>
<tr>
<td>Net fair value movements during the period</td>
<td>(18,616)</td>
<td>(14,515)</td>
</tr>
<tr>
<td>Net change in property revaluation reserve on sale of property</td>
<td>- (551)</td>
<td>(2,239)</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td>146,840</td>
<td>148,305</td>
</tr>
<tr>
<td><strong>Total comprehensive income attributable to non-controlling interest</strong></td>
<td>14,003</td>
<td>8,698</td>
</tr>
<tr>
<td><strong>Total comprehensive income attributable to owners of the Bank</strong></td>
<td>132,837</td>
<td>139,607</td>
</tr>
</tbody>
</table>

### Consolidated Statement of Cash Flows

<table>
<thead>
<tr>
<th></th>
<th>Six months ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2016</td>
</tr>
<tr>
<td></td>
<td>US$ '000</td>
</tr>
<tr>
<td>Net cash (used in) from operating activities</td>
<td>(1,153,911)</td>
</tr>
<tr>
<td>Net cash (used in) from investing activities</td>
<td>(417,944)</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>(310,255)</td>
</tr>
<tr>
<td>Net foreign exchange difference</td>
<td>(40,316)</td>
</tr>
<tr>
<td><strong>DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS</strong></td>
<td>(1,922,424)</td>
</tr>
<tr>
<td>Cash and cash equivalents at 1 January</td>
<td>3,940,640</td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS AT 30 JUNE</strong></td>
<td>2,018,214</td>
</tr>
</tbody>
</table>

### Consolidated Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>30 June (Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>US$ '000</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and balances with central banks</td>
<td>1,211,671</td>
</tr>
<tr>
<td>Treasury bills and deposits with central banks</td>
<td>2,669,044</td>
</tr>
<tr>
<td>Deposits with banks</td>
<td>2,577,693</td>
</tr>
<tr>
<td>Loans and advances</td>
<td>19,512,942</td>
</tr>
<tr>
<td>Non-trading investments</td>
<td>5,777,058</td>
</tr>
<tr>
<td>Investment in associates</td>
<td>315,183</td>
</tr>
<tr>
<td>Investment properties</td>
<td>153,770</td>
</tr>
<tr>
<td>Premises and equipment</td>
<td>232,765</td>
</tr>
<tr>
<td>Interest receivable and other assets</td>
<td>705,742</td>
</tr>
<tr>
<td>Goodwill and other intangible assets</td>
<td>553,134</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>33,703,002</td>
</tr>
<tr>
<td><strong>LIABILITIES AND EQUITY</strong></td>
<td></td>
</tr>
<tr>
<td>Deposits from banks</td>
<td>4,211,992</td>
</tr>
<tr>
<td>Borrowings under repurchase agreements</td>
<td>812,829</td>
</tr>
<tr>
<td>Customers’ deposits</td>
<td>23,290,454</td>
</tr>
<tr>
<td>Interest payable and other liabilities</td>
<td>844,783</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>249,901</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>29,409,595</td>
</tr>
<tr>
<td>Equity</td>
<td></td>
</tr>
<tr>
<td>Ordinary share capital</td>
<td>1,709,747</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>(11,498)</td>
</tr>
<tr>
<td>Perpetual Tier 1 Capital Securities</td>
<td>400,000</td>
</tr>
<tr>
<td>Reserves</td>
<td>1,732,163</td>
</tr>
<tr>
<td>Equity attributable to the owners and capital securities issued</td>
<td>3,830,413</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>462,630</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>4,293,043</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND EQUITY</strong></td>
<td>33,703,002</td>
</tr>
</tbody>
</table>

### Consolidated Statement of Changes in Equity

<table>
<thead>
<tr>
<th></th>
<th>Six months ended 30 June</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>US$ '000</td>
</tr>
<tr>
<td>Balance at 1 January attributable to the owners of the Bank</td>
<td>3,917,737</td>
</tr>
<tr>
<td>Donations</td>
<td>(1,000)</td>
</tr>
<tr>
<td>Additional shares issued</td>
<td>11,024</td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>(4,188)</td>
</tr>
<tr>
<td>Perpetual Tier 1 Capital Securities issued</td>
<td>400,000</td>
</tr>
<tr>
<td>Expenses related to Perpetual Tier 1 Capital Securities issued</td>
<td>- (2,271)</td>
</tr>
<tr>
<td>Ordinary share dividend paid</td>
<td>(292,401)</td>
</tr>
<tr>
<td>Distribution on Perpetual Tier 1 Capital Securities</td>
<td>(13,750)</td>
</tr>
<tr>
<td>Fair value amortisation of share based transactions</td>
<td>2,072</td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>212,696</td>
</tr>
<tr>
<td>Transfer from OCI reserve</td>
<td>(1,777)</td>
</tr>
<tr>
<td>Transfer of property revaluation reserve on sale of property</td>
<td>-</td>
</tr>
<tr>
<td><strong>BALANCE AT 30 JUNE ATTRIBUTABLE TO THE OWNERS AND CAPITAL SECURITIES ISSUED</strong></td>
<td>3,830,413</td>
</tr>
<tr>
<td><strong>NON-CONTROLING INTEREST</strong></td>
<td>462,630</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>4,293,043</td>
</tr>
</tbody>
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**Hamad M. Al-Humaidhi**  
Chairman  
Rashed Al-Meer  
Deputy Chairman  
Adel A. El-Labban  
Group Chief Executive Officer & Managing Director