

# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine months ended 30 September 2014 (Reviewed)

## CONSOLIDATED STATEMENT OF INCOME

	Three months ended 30 September		Nine months ended 30 September	
	2014	2013	2014	2013
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Net interest income	196,979	188,797	578,675	524,588
Fees and other income	57,091	61,948	213,145	176,233
<b>TOTAL OPERATING INCOME</b>	<b>254,070</b>	<b>250,745</b>	<b>791,820</b>	<b>700,821</b>
Net provision for loan losses and others	(30,252)	(36,257)	(88,686)	(89,143)
Provision for non-trading investments	(7,166)	(18,799)	(24,586)	(43,045)
<b>NET OPERATING INCOME</b>	<b>216,652</b>	<b>195,689</b>	<b>678,548</b>	<b>568,633</b>
Total operating expenses	(75,457)	(71,055)	(224,809)	(207,262)
Gain on sale of investment held for sale	-	-	-	212,910
<b>PROFIT BEFORE TAX</b>	<b>141,195</b>	<b>124,634</b>	<b>453,739</b>	<b>574,281</b>
Tax expense	(13,897)	(12,216)	(37,685)	(33,425)
<b>NET PROFIT FOR THE PERIOD</b>	<b>127,298</b>	<b>112,418</b>	<b>416,054</b>	<b>540,856</b>
<b>NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO:</b>				
<b>OWNERS OF THE BANK</b>	<b>113,826</b>	<b>99,144</b>	<b>376,332</b>	<b>502,180</b>
• Owners of the Bank before gain on sale of investment held for sale	113,826	99,144	376,332	289,270
• Gain on sale of investment held for sale	-	-	-	212,910
<b>NON-CONTROLLING INTEREST</b>	<b>13,472</b>	<b>13,274</b>	<b>39,722</b>	<b>38,676</b>
<b>NET PROFIT FOR THE PERIOD</b>	<b>127,298</b>	<b>112,418</b>	<b>416,054</b>	<b>540,856</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE BANK FOR THE PERIOD</b>				
Basic earnings per ordinary share (US cents)	1.9	1.7	6.3	8.7
Diluted earnings per ordinary share (US cents)	1.9	1.7	6.3	8.5

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30 September		Nine months ended 30 September	
	2014	2013	2014	2013
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
<b>Net profit for the period</b>	<b>127,298</b>	<b>112,418</b>	<b>416,054</b>	<b>540,856</b>
<b>Other comprehensive income (OCI)</b>				
Foreign currency translation adjustments	(27,885)	18,268	(38,669)	(38,390)
Net fair value movements during the period	(23,750)	(7,298)	(41,183)	1,947
<b>Total comprehensive income for the period</b>	<b>75,663</b>	<b>123,388</b>	<b>336,202</b>	<b>504,413</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Bank	71,844	106,542	304,756	471,933
Non-controlling interest	3,819	16,846	31,446	32,480
	<b>75,663</b>	<b>123,388</b>	<b>336,202</b>	<b>504,413</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine months ended 30 September	
	2014	2013
	US\$ '000	US\$ '000
Net cash (used in) from operating activities	(722,176)	401,931
Net cash from investing activities	95,474	271,102
Net cash used in financing activities	(483,409)	(309,470)
Foreign currency translation adjustments	(38,669)	(38,390)
<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,148,780)</b>	<b>325,173</b>
Cash and cash equivalents at 1 January	4,174,706	3,424,315
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>3,025,926</b>	<b>3,749,488</b>

## CONSOLIDATED BALANCE SHEET

	30 September	Audited
	2014	31 December
	US\$ '000	US\$ '000
<b>ASSETS</b>		
Cash and balances with central banks	874,918	820,296
Treasury bills and deposits with central banks	2,508,961	2,587,534
Deposits with banks	4,491,430	4,409,068
Loans and advances	18,728,593	17,305,682
Non-trading investments	5,373,725	5,527,973
Investment in associates and joint venture	310,765	302,258
Investment properties	264,325	201,146
Premises and equipment	269,497	274,696
Interest receivable and other assets	644,748	560,854
Goodwill and other intangible assets	647,996	662,386
<b>TOTAL ASSETS</b>	<b>34,114,958</b>	<b>32,651,893</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits from banks	4,594,338	4,366,757
Borrowings under repurchase agreements	165,166	1,271,111
Customers' deposits	24,379,801	22,028,457
Interest payable and other liabilities	846,939	778,260
Subordinated liabilities	463,029	642,205
<b>TOTAL LIABILITIES</b>	<b>30,449,273</b>	<b>29,086,790</b>
<b>EQUITY</b>		
Ordinary share capital	1,500,819	1,415,570
Treasury shares	(3,682)	(20,710)
Preference share capital	-	12,500
Reserves	1,729,577	1,741,464
Equity attributable to the owners of the Bank	3,226,714	3,148,824
Non - controlling interest	438,971	416,279
<b>TOTAL EQUITY</b>	<b>3,665,685</b>	<b>3,565,103</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>34,114,958</b>	<b>32,651,893</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	2014	2013
	US\$ '000	US\$ '000
<b>BALANCE AT 1 JANUARY ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>3,148,824</b>	<b>2,776,209</b>
Total comprehensive income for the period	304,756	471,933
Mandatorily convertible preference shares dividend paid	(3,217)	(4,538)
Donations	(1,000)	(1,000)
Ordinary share dividend paid	(251,496)	(209,342)
Realised gain on sale of FVOCI investments	-	811
Fair value amortisation of share based transactions	3,198	-
Sale (purchase) of treasury shares	23,404	(4,039)
Additional acquisition in subsidiaries	2,245	685
<b>BALANCE AT 30 SEPTEMBER ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>3,226,714</b>	<b>3,030,719</b>
<b>NON-CONTROLLING INTEREST</b>	<b>438,971</b>	<b>406,459</b>
<b>TOTAL EQUITY AT 30 SEPTEMBER</b>	<b>3,665,685</b>	<b>3,437,178</b>

Fahad Al-Rajaan  
Chairman

Rashid Al-Meer  
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 nine months ended 30 September 2014, which were approved by the Board of Directors and on which an unqualified review conclusion was issued by Ernst & Young, Kingdom of Bahrain on 27 October 2014. For further information please visit [www.ahliunited.com](http://www.ahliunited.com).