

# CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2011 (Audited)

## CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2011

	2011 US\$ '000	2010 US\$ '000
Interest income	973,936	893,498
Interest expense	407,009	384,724
Net interest income	566,927	508,774
Fees and commissions	122,422	123,319
Trading income	28,221	28,219
Net gains on investments	43,471	18,500
Share of profit from associates and joint venture	56,703	51,554
Other operating income	24,368	24,303
Fees and other income	275,185	245,895
<b>OPERATING INCOME</b>	<b>842,112</b>	<b>754,669</b>
Net provision for loan losses and others	129,847	151,671
Provision for non-trading investments	73,376	40,610
Total provisions	203,223	192,281
<b>NET OPERATING INCOME</b>	<b>638,889</b>	<b>562,388</b>
Staff costs	145,608	142,290
Depreciation and impairment	39,123	24,046
Other operating expenses	88,503	87,079
<b>OPERATING EXPENSES</b>	<b>273,234</b>	<b>253,415</b>
<b>PROFIT BEFORE TAX</b>	<b>365,655</b>	<b>308,973</b>
Tax expense	29,842	16,774
<b>NET PROFIT FOR THE YEAR</b>	<b>335,813</b>	<b>292,199</b>
<b>Attributable to:</b>		
Bank's equity shareholders	310,610	265,499
Non-controlling interests	25,203	26,700
	<b>335,813</b>	<b>292,199</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO THE BANK'S EQUITY SHAREHOLDERS FOR THE YEAR:</b>		
Basic earnings per share (US cents)	6.2	5.4
Diluted earnings per share (US cents)	6.1	5.4

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2011

	2011 US\$ '000	2010 US\$ '000
Net profit for the year	335,813	292,199
<b>Other comprehensive income</b>		
Directors' fees paid and donations approved	(1,000)	(2,211)
Foreign currency translation adjustments	(10,115)	(11,315)
Net fair value movements during the year	(154,608)	17,492
Revaluation of freehold land	(6,595)	(19,439)
<b>Total comprehensive income for the year</b>	<b>163,495</b>	<b>276,726</b>
<b>Total comprehensive income attributable to:</b>		
Bank's equity shareholders	143,065	240,490
Non-controlling interests	20,430	36,236
	<b>163,495</b>	<b>276,726</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2011

	2011 US\$ '000	2010 US\$ '000
<b>OPERATING ACTIVITIES</b>		
Net cash from operating activities	1,083,065	1,593,990
Net cash used in investing activities	(115,827)	(570,410)
Net cash used in financing activities	(54,184)	(228,583)
Foreign currency translation adjustments	(10,115)	(11,315)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>902,939</b>	<b>783,682</b>
Cash and cash equivalents at 1 January	2,963,158	2,179,476
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>3,866,097</b>	<b>2,963,158</b>

## CONSOLIDATED BALANCE SHEET

At 31 December 2011

	2011 US\$ '000	2010 US\$ '000
<b>ASSETS</b>		
Cash and balances with central banks	673,800	361,376
Treasury bills and deposits with central banks	2,612,287	2,153,711
Deposits with banks and other financial institutions	3,068,879	2,915,259
Loans and advances	15,495,961	14,477,713
Non-trading investments	4,370,441	4,413,302
Investments in associates and joint venture	629,843	605,679
Premises and equipment	351,720	373,094
Interest receivable and other assets	435,484	440,969
Goodwill and other intangible assets	691,347	716,358
<b>TOTAL ASSETS</b>	<b>28,329,762</b>	<b>26,457,461</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits from banks and other financial institutions	4,434,645	4,965,223
Borrowings under repurchase agreements	1,352,601	1,645,061
Customers' deposits	17,345,034	14,835,796
Term debts	768,000	946,562
Interest payable and other liabilities	745,056	693,689
Subordinated liabilities	773,285	618,955
<b>TOTAL LIABILITIES</b>	<b>25,418,621</b>	<b>23,705,286</b>
<b>EQUITY</b>		
Ordinary share capital	1,242,135	1,223,188
Preference share capital	125,000	13,937
Reserves	1,170,296	1,155,056
Attributable to the Bank's equity shareholders	2,537,431	2,392,181
Non-controlling interest	373,710	359,994
<b>TOTAL EQUITY</b>	<b>2,911,141</b>	<b>2,752,175</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>28,329,762</b>	<b>26,457,461</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2011

	2011 US\$ '000	2010 US\$ '000
<b>BALANCE AT 1 JANUARY ATTRIBUTABLE TO THE BANK'S EQUITY SHAREHOLDERS</b>	<b>2,392,181</b>	<b>2,213,523</b>
Total comprehensive income for the year	143,065	240,490
Class B Preference share dividend paid	(149)	(1,129)
Ordinary share dividend paid	(122,697)	(97,043)
Preference shares issued	125,000	21,743
Equity shares surrendered	(290)	(1,618)
Issue of shares on AUB Egypt acquisition	-	35,422
Additional acquisition in subsidiaries	529	(18,422)
Treasury shares sold	-	1,665
Other equity movements	(208)	(2,450)
<b>BALANCE AT 31 DECEMBER ATTRIBUTABLE TO THE BANK'S EQUITY SHAREHOLDERS</b>	<b>2,537,431</b>	<b>2,392,181</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>373,710</b>	<b>359,994</b>
<b>BALANCE AT 31 DECEMBER</b>	<b>2,911,141</b>	<b>2,752,175</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 and the Consolidated Statements of Income, Comprehensive Income, Cash Flows and Statement of Changes in Equity have been extracted from the Consolidated Financial Statements of Ahli United Bank B.S.C. for the year ended 31 December 2011, which were approved by the Board of Directors and on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain on 21 February 2012. For further information please visit [www.ahliunited.com](http://www.ahliunited.com).