

CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2012 (Audited)

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2012

	2012 US\$ '000	2011 US\$ '000
Interest income	1,070,638	973,936
Interest expense	434,265	407,009
Net interest income	636,373	566,927
Fees and commissions	126,709	122,422
Trading income	26,616	28,221
Net gains on investments	19,899	43,471
Share of profit from associates and joint venture	61,535	56,703
Other operating income	21,674	24,368
Fees and other income	256,433	275,185
OPERATING INCOME	892,806	842,112
Net provision for loan losses and others	148,100	129,847
Provision for non-trading investments	61,800	73,376
Total provisions	209,900	203,223
NET OPERATING INCOME	682,906	638,889
Staff costs	148,869	145,608
Depreciation and impairment	25,786	39,123
Other operating expenses	92,523	88,503
OPERATING EXPENSES	267,178	273,234
PROFIT BEFORE TAX	415,728	365,655
Tax expense	37,993	29,842
NET PROFIT FOR THE YEAR	377,735	335,813
Attributable to:		
Owners of the Bank	335,703	310,610
Non-controlling interest	42,032	25,203
	377,735	335,813
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE BANK FOR THE YEAR:		
Basic earnings per share (US cents)	6.4	5.9
Diluted earnings per share (US cents)	6.3	5.8

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2012

	2012 US\$ '000	2011 US\$ '000
Net profit for the year	377,735	335,813
Other comprehensive income		
Donations approved	(1,000)	(1,000)
Foreign currency translation adjustments	(28,571)	(10,115)
Net fair value movements during the year	24,574	(154,608)
Revaluation of freehold land	(23,313)	(6,595)
Total comprehensive income for the year	349,425	163,495
Total comprehensive income attributable to:		
Owners of the Bank	313,831	143,065
Non-controlling interest	35,594	20,430
	349,425	163,495

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2012

	2012 US\$ '000	2011 US\$ '000
Net cash from operating activities	1,445,566	1,083,065
Net cash used in investing activities	(770,436)	(115,827)
Net cash used in financing activities	(1,088,341)	(54,184)
Foreign currency translation adjustments	(28,571)	(10,115)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(441,782)	902,939
Cash and cash equivalents at 1 January	3,866,097	2,963,158
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	3,424,315	3,866,097

CONSOLIDATED BALANCE SHEET

At 31 December 2012

	2012 US\$ '000	2011 US\$ '000
ASSETS		
Cash and balances with central banks	735,528	673,800
Treasury bills and deposits with central banks	1,986,236	2,612,287
Deposits with banks and other financial institutions	3,750,771	3,068,879
Loans and advances	15,972,219	15,495,961
Financial assets at fair value through profit or loss	27,399	84
Non-trading investments	5,120,421	4,370,357
Investments in associates and joint venture	278,125	629,843
Investment property	171,798	66,665
Premises and equipment	266,830	285,055
Interest receivable and other assets	509,214	435,484
Goodwill and other intangible assets	679,922	691,347
Investment held for sale	397,959	-
TOTAL ASSETS	29,896,422	28,329,762
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from banks and other financial institutions	5,145,255	4,434,645
Borrowings under repurchase agreements	1,861,357	1,352,601
Customers' deposits	18,231,131	17,345,034
Term debts	-	768,000
Interest payable and other liabilities	774,971	745,056
Subordinated liabilities	686,879	773,285
TOTAL LIABILITIES	26,699,593	25,418,621
EQUITY		
Ordinary share capital	1,303,164	1,242,135
Preference share capital	125,000	125,000
Reserves	1,382,795	1,170,296
Equity attributable to the owners of the Bank	2,810,959	2,537,431
Non-controlling interest	385,870	373,710
TOTAL EQUITY	3,196,829	2,911,141
TOTAL LIABILITIES AND EQUITY	29,896,422	28,329,762

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2012

	2012 US\$ '000	2011 US\$ '000
BALANCE AT 1 JANUARY ATTRIBUTABLE TO THE OWNERS OF THE BANK	2,537,431	2,392,181
Impact of adopting IFRS 9 at 1 January 2012	112,900	-
At 1 January 2012-restated	2,650,331	2,392,181
Total comprehensive income for the year	313,831	143,065
Mandatorily convertible preference shares dividend paid	(2,900)	-
Class B preference share dividend paid	-	(149)
Ordinary share dividend paid	(149,530)	(122,697)
Preference shares issued	-	125,000
Equity shares surrendered	(1,989)	(290)
Other equity movements	1,216	321
BALANCE AT 31 DECEMBER ATTRIBUTABLE TO THE OWNERS OF THE BANK	2,810,959	2,537,431
NON-CONTROLLING INTEREST	385,870	373,710
BALANCE AT 31 DECEMBER	3,196,829	2,911,141

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 2012, which were approved by the Board of Directors and on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain on 19 February 2013. For further information please visit www.ahliunited.com.