

# CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2014 (Audited)

## CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2014

	2014 US\$ '000	2013 US\$ '000
Interest income	1,180,503	1,093,547
Interest expense	417,247	380,298
Net interest income	763,256	713,249
Fees and commissions	147,227	141,138
Trading income	35,204	34,901
Net gains on investments	37,724	18,271
Share of profit from associates and joint venture	24,362	28,086
Other operating income	33,495	22,684
Fees and other income	278,012	245,080
<b>OPERATING INCOME</b>	<b>1,041,268</b>	<b>958,329</b>
Net provision for loan losses and others	132,180	157,358
Provision for investments	18,430	59,321
Total provisions	150,610	216,679
<b>NET OPERATING INCOME</b>	<b>890,658</b>	<b>741,650</b>
Staff costs	171,643	162,032
Depreciation and impairment	28,673	26,807
Other operating expenses	108,854	98,815
<b>OPERATING EXPENSES</b>	<b>309,170</b>	<b>287,654</b>
Gain on sale of investment held for sale	-	212,910
<b>PROFIT BEFORE TAX</b>	<b>581,488</b>	<b>666,906</b>
Tax expense	50,234	42,663
<b>NET PROFIT</b>	<b>531,254</b>	<b>624,243</b>
<b>NET PROFIT ATTRIBUTABLE TO:</b>		
<b>OWNERS OF THE BANK</b>	<b>482,529</b>	<b>579,374</b>
Owners of the Bank before gain on sale of investment held for sale	482,529	366,464
Gain on sale of investment held for sale	-	212,910
<b>NON-CONTROLLING INTEREST</b>	<b>48,725</b>	<b>44,869</b>
<b>NET PROFIT</b>	<b>531,254</b>	<b>624,243</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE BANK FOR THE YEAR:</b>		
Basic earnings per share (US cents)	8.0	10.0
Diluted earnings per share (US cents)	8.0	9.9

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	2014 US\$ '000	2013 US\$ '000
Net profit for the year	531,254	624,243
<b>Other comprehensive income (OCI)</b>		
Foreign currency translation adjustments	(62,527)	(42,312)
Net fair value movements during the year	(69,510)	12,290
Revaluation of freehold land	640	11,444
<b>Total comprehensive income for the year</b>	<b>399,857</b>	<b>605,665</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the Bank	368,165	563,377
Non-controlling interest	31,692	42,288
	<b>399,857</b>	<b>605,665</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2014

	2014 US\$ '000	2013 US\$ '000
Net cash from operating activities	148,144	873,105
Net cash (used in) from investing activities	(335,494)	218,170
Net cash used in financing activities	(501,454)	(298,572)
Foreign currency translation adjustments	(62,527)	(42,312)
<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(751,331)</b>	<b>750,391</b>
Cash and cash equivalents at 1 January	4,174,706	3,424,315
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>3,423,375</b>	<b>4,174,706</b>

## CONSOLIDATED BALANCE SHEET

At 31 December 2014

	2014 US\$ '000	2013 US\$ '000
<b>ASSETS</b>		
Cash and balances with central banks	649,212	820,296
Treasury bills and deposits with central banks	2,611,085	2,587,534
Deposits with banks	3,823,517	4,409,068
Loans and advances	18,464,536	17,305,682
Non-trading investments	5,771,902	5,527,973
Investments in associates and joint venture	288,315	302,258
Investment properties	254,490	201,146
Premises and equipment	267,002	274,696
Interest receivable and other assets	672,890	560,854
Goodwill and other intangible assets	641,939	662,386
<b>TOTAL ASSETS</b>	<b>33,444,888</b>	<b>32,651,893</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits from banks	4,499,672	4,366,757
Borrowings under repurchase agreements	901,590	1,271,111
Customers' deposits	23,006,768	22,028,457
Interest payable and other liabilities	854,993	778,260
Subordinated liabilities	351,646	642,205
<b>TOTAL LIABILITIES</b>	<b>29,614,669</b>	<b>29,086,790</b>
<b>EQUITY</b>		
Ordinary share capital	1,530,471	1,415,570
Treasury shares	(3,997)	(20,710)
Preference share capital	-	12,500
Reserves	1,864,400	1,741,464
Equity attributable to the owners of the Bank	3,390,874	3,148,824
Non-controlling interest	439,345	416,279
<b>TOTAL EQUITY</b>	<b>3,830,219</b>	<b>3,565,103</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>33,444,888</b>	<b>32,651,893</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	2014 US\$ '000	2013 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 year	368,165	563,377
Mandatorily convertible preference shares dividend paid	(3,217)	(4,538)
Ordinary share dividend paid	(251,496)	(209,342)
Donations	(1,000)	(1,000)
Transferred on sale of FVOCI investments	-	1,003
Fair value amortisation of share based transactions	4,262	-
Issue of Class B preference shares	-	27,000
Conversion of convertible subordinated debt	100,000	-
Additional acquisition in a subsidiary	2,245	685
Sale (purchase) of treasury shares	23,091	(4,570)
<b>BALANCE AT 31 DECEMBER ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>3,390,874</b>	<b>3,148,824</b>
<b>NON-CONTROLLING INTEREST</b>	<b>439,345</b>	<b>416,279</b>
<b>TOTAL EQUITY AT 31 DECEMBER</b>	<b>3,830,219</b>	<b>3,565,103</b>

Mohammad J. Al-Marzooq  
Chairman (acting)

Rashid Al-Meer  
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 2014, which were approved by the Board of Directors and on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain on 22 February 2015. For further information please visit [www.ahliunited.com](http://www.ahliunited.com).