

Ahli United Bank B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 SEPTEMBER 2014

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF AHLI UNITED BANK B.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Ahli United Bank B.S.C. (the "Bank") and its subsidiaries (the "Group") as at 30 September 2014, comprising of the interim consolidated balance sheet as at 30 September 2014 and the related interim consolidated statements of income, comprehensive income, changes in equity and condensed cash flows for the nine-month period then ended and explanatory notes. The Bank's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



27 October 2014
Manama, Kingdom of Bahrain

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

Nine months ended 30 September 2014 (Reviewed)

	Note	Three months ended 30 September		Nine months ended 30 September	
		2014	2013	2014	2013
		US\$ '000	US\$ '000	US\$ '000	US\$ '000
Interest income		304,546	283,731	890,242	809,465
Interest expense		107,567	94,934	311,567	284,877
Net interest income		196,979	188,797	578,675	524,588
Fees and commissions		33,008	36,417	111,468	106,703
Trading income		10,399	8,156	24,649	22,127
Net gains on investments		796	8,737	37,408	10,481
Share of profit from associates and joint venture		5,698	4,077	18,181	23,006
Other operating income	3	7,190	4,561	21,439	13,916
Fees and other income		57,091	61,948	213,145	176,233
OPERATING INCOME		254,070	250,745	791,820	700,821
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
NET OPERATING INCOME		216,652	195,689	678,548	568,633
Staff costs		43,023	40,404	129,071	118,611
Depreciation		5,949	5,668	17,353	17,251
Other operating expenses		26,485	24,983	78,385	71,400
OPERATING EXPENSES		75,457	71,055	224,809	207,262
Gain on sale of investment held for sale	4	-	-	-	212,910
PROFIT BEFORE TAX		141,195	124,634	453,739	574,281
Tax expense		13,897	12,216	37,685	33,425
NET PROFIT FOR THE PERIOD		127,298	112,418	416,054	540,856
Attributable to:					
Owners of the Bank		113,826	99,144	376,332	502,180
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
Non-controlling interest		13,472	13,274	39,722	38,676
		127,298	112,418	416,054	540,856
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE BANK FOR THE PERIOD					
Basic earnings per ordinary share (US cents)	5	1.9	1.7	6.3	8.7
Diluted earnings per ordinary share (US cents)	5	1.9	1.7	6.3	8.5

Fahad Al-Rajaan
Chairman

Rashid Al-Meer
Deputy Chairman

Adel A. El-Labban
Group Chief Executive Officer
& Managing Director

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Nine months ended 30 September 2014 (Reviewed)

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
				<i>Restated</i>
Net profit for the period	127,298	112,418	416,054	540,856
Other comprehensive income (OCI)				
Items that will not be reclassified to consolidated statement of income				
Net change in fair value of financial assets measured at fair value through OCI	(14,239)	(2,372)	(15,114)	(4,875)
Net change in pension fund reserve	(10,025)	(3,938)	(14,717)	5,167
Items that may be reclassified subsequently to consolidated statement of income				
Foreign currency translation adjustments	(27,885)	18,268	(38,669)	(38,390)
Net change in fair value of cash flow hedges	514	(988)	(11,352)	1,655
Other comprehensive income for the period	(51,635)	10,970	(79,852)	(36,443)
Total comprehensive income for the period	75,663	123,388	336,202	504,413
Total comprehensive income attributable to:				
Owners of the Bank	71,844	106,542	304,756	471,933
Non-controlling interest	3,819	16,846	31,446	32,480
	75,663	123,388	336,202	504,413

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED BALANCE SHEET

30 September 2014 (Reviewed)

	<i>Audited</i>
	<i>30 September</i>
	<i>31 December</i>
	<i>2014</i>
	<i>2013</i>
<i>Note</i>	<i>US\$ '000</i>
	<i>US\$ '000</i>
ASSETS	
Cash and balances with central banks	874,918
Treasury bills and deposits with central banks	2,508,961
Deposits with banks	4,491,430
Loans and advances	18,728,593
Non-trading investments	5,373,725
Investment in associates and joint venture	310,765
Investment properties	264,325
Premises and equipment	269,497
Interest receivable and other assets	644,748
Goodwill and other intangible assets	647,996
TOTAL ASSETS	34,114,958
LIABILITIES AND EQUITY	
LIABILITIES	
Deposits from banks	4,594,338
Borrowings under repurchase agreements	165,166
Customers' deposits	24,379,801
Interest payable and other liabilities	846,939
Subordinated liabilities	463,029
10	
TOTAL LIABILITIES	30,449,273
EQUITY	
Ordinary share capital	1,500,819
Treasury shares	(3,682)
Preference share capital	-
Reserves	1,729,577
Equity attributable to the owners of the Bank	3,226,714
Non - controlling interest	438,971
TOTAL EQUITY	3,665,685
TOTAL LIABILITIES AND EQUITY	34,114,958

Fahad Al-Rajaan
Chairman

Rashid Al-Meer
Deputy Chairman

Adel A. El-Labban
Group Chief Executive Officer
& Managing Director

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

Ahli United Bank B.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Nine months ended 30 September 2014 (Reviewed)

	<i>Nine months ended</i>	
	<i>30 September</i>	
	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)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,148,780)	325,173
Cash and cash equivalents at 1 January	4,174,706	3,424,315
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	3,025,926	3,749,488
Comprising:		
Cash and balances with central banks, excluding mandatory reserve deposits	520,413	418,683
Deposits with banks with an original maturity of three months or less	2,505,513	3,330,805
	3,025,926	3,749,488

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine months ended 30 September 2014 (Reviewed)

	Attributable to the owners of the Bank										
	Ordinary share capital US\$ '000	Preference share capital US\$ '000	Treasury shares US\$ '000	Share premium US\$ '000	Statutory reserve US\$ '000	Retained earnings US\$ '000	Proposed appropriations US\$ '000	Other reserves (note 8) US\$ '000	Total reserves US\$ '000	Non-controlling interest US\$ '000	Total US\$ '000
Balance at 31 December 2013	1,415,570	12,500	(20,710)	648,169	295,814	592,001	255,713	(50,233)	1,741,464	416,279	3,565,103
Mandatorily convertible preference shares dividend paid	-	-	-	-	-	-	(3,217)	-	(3,217)	-	(3,217)
Donations	-	-	-	-	-	-	(1,000)	-	(1,000)	-	(1,000)
Bonus shares issued	71,468	-	-	-	-	(71,468)	-	-	(71,468)	-	-
Purchase of treasury shares	-	-	(3,682)	-	-	-	-	-	-	-	(3,682)
Ordinary shares issued on conversion of Class B preference shares	13,781	(12,500)	-	(1,281)	-	-	-	-	(1,281)	-	-
Ordinary share dividend paid	-	-	-	-	-	-	(251,496)	-	(251,496)	-	(251,496)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	(20,856)	(20,856)
Additional acquisition in subsidiaries	-	-	-	2,245	-	-	-	-	2,245	12,102	14,347
Fair value amortisation of share based transactions	-	-	-	-	-	-	-	3,198	3,198	-	3,198
Sale of treasury shares	-	-	20,710	-	-	-	-	6,376	6,376	-	27,086
Total comprehensive income for the period	-	-	-	-	-	376,332	-	(71,576)	304,756	31,446	336,202
Other equity movements	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2014	1,500,819	-	(3,682)	649,133	295,814	896,865	-	(112,235)	1,729,577	438,971	3,665,685

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine months ended 30 September 2014 (Reviewed)

	Attributable to the owners of the Bank										
	Ordinary share capital US\$ '000	Preference share capital US\$ '000	Treasury shares US\$ '000	Share premium US\$ '000	Statutory reserve US\$ '000	Retained earnings US\$ '000	Proposed appropriations US\$ '000	Other reserves (note 8) US\$ '000	Total reserves US\$ '000	Not-controlling interest US\$ '000	Total US\$ '000
Balance at 31 December 2012	1,303,164	125,000	-	540,508	237,877	390,693	214,880	(35,913)	1,348,045	385,298	3,161,507
Mandatorily convertible preference shares dividend paid	-	-	-	-	-	-	(4,538)	-	(4,538)	-	(4,538)
Donations	-	-	-	-	-	-	(1,000)	-	(1,000)	-	(1,000)
Bonus shares issued	65,419	-	-	-	-	(65,419)	-	-	(65,419)	-	-
Treasury shares	5,225	-	(20,179)	9,238	-	-	-	1,677	10,915	-	(4,039)
Realised gain on sale of FVOCI investments	-	-	-	-	-	811	-	-	811	-	811
Ordinary share dividend paid	-	-	-	-	-	-	(209,342)	-	(209,342)	-	(209,342)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	(19,864)	(19,864)
Additional acquisition in subsidiaries	-	-	-	685	-	-	-	-	685	9,425	10,110
Total comprehensive income for the period	-	-	-	-	-	502,180	-	(30,247)	471,933	32,480	504,413
Other equity movements	-	-	-	-	-	-	-	-	-	(880)	(880)
Balance at 30 September 2013	1,373,808	125,000	(20,179)	550,431	237,877	828,265	-	(64,483)	1,552,090	406,459	3,437,178

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements

1 CORPORATE INFORMATION

Ahli United Bank B.S.C. ("the Bank") was incorporated in the Kingdom of Bahrain on 31 May 2000 originally as a closed company and changed on 12 July 2000 to a public shareholding company by Amiri Decree number 16/2000. The Bank and its subsidiaries (collectively known as the Group) are engaged in retail, commercial, Islamic and investment banking business, global fund management and private banking services through 103 branches, as at 30 September 2014, in the Kingdom of Bahrain (21 branches), the State of Kuwait (37 branches), the Arab Republic of Egypt (33 branches), Republic of Iraq (10 branches) and the United Kingdom (2 branches). It also operates through its managed associates in the Sultanate of Oman (19 branches) and Libya (12 branches) with an additional network of 31 branches as at 30 September 2014.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial statements of the Bank and the Group are prepared in accordance with International Accounting Standard IAS 34, Interim Financial Reporting ("IAS 34").

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2013, except for the adoption of the new and amended International Financial Reporting Standards ("IFRS") that have become effective from 1 January 2014 and which are applicable to the Group as under:

- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
- IAS 32 – Financial Instruments: Presentation - Offsetting Financial Assets and Financial liabilities (Amendment)
- IAS 36 – Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets (Amendment)
- IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting (Amendment)

The above amendments to IFRSs which are effective for annual accounting periods starting from 1 January 2014 did not have any material impact on the accounting policies, financial position or performance of the Group.

During the period, the following new Standards were issued but is not yet effective:

- IFRS 15 - Revenue from Contracts with customers (effective 1 January 2017).
- IFRS 9 – Financial Instruments (effective for annual periods beginning on or after 1 January 2018)

During 2012, the Group early adopted phase 1 of IFRS 9 – "Classification and Measurement". It is currently evaluating the impact of IFRS 15 and the Impairment and Hedge accounting sections of IFRS 9 which were issued in 2014.

The interim condensed consolidated financial statements of the Group for the nine-month period ended 30 September 2014 were authorised for issue in accordance with a resolution of the Directors on 27 October 2014.

3 OTHER OPERATING INCOME

Other operating income includes income amounting to US\$ 12,399 thousand for the nine months ended 30 September 2014 (30 September 2013: US\$ 7,542 thousand) which is of a seasonal nature.

4 GAIN ON SALE OF INVESTMENT HELD FOR SALE

During the previous period ended 30 September 2013, the Bank divested its diluted stake of 29.4% in Ahli Bank Qatar (ABQ) to the Qatar Foundation for Education, Science and Community Development at a price of QR 60 per share, generating a net non-recurring profit of US\$ 212.9 million.

30 September 2014 (Reviewed)

5 EARNINGS PER ORDINARY SHARE

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
Net profit for the period attributable to owners of the Bank for basic and diluted earnings per share computation (US\$ '000)	113,826	99,144	376,332	502,180
Weighted average ordinary shares outstanding during the period adjusted for bonus shares (million)	6,002	5,739	6,002	5,739
Weighted average ordinary shares adjusted for bonus shares and dilutive effect of the mandatorily convertible preference shares (million)	6,002	5,906	6,002	5,906
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
Issued and fully paid ordinary shares of US\$ 0.25 each (in million)			6,003	5,495

6 CONTINGENT LIABILITIES

The Group had the following credit related contingent liabilities:

	<i>30 September</i> <i>2014</i> <i>US\$ '000</i>	<i>Audited</i> <i>31 December</i> <i>2013</i> <i>US\$ '000</i>
Guarantees	1,952,921	1,860,647
Acceptances	154,485	121,298
Letters of credit	968,109	914,167
	3,075,515	2,896,112

7 SEGMENT INFORMATION

For management reporting purposes the Group is organised into four major business segments. During the period the Group expanded its segmental reporting into four business segments.

- Retail banking
- Corporate banking
- Treasury and investments
- Private banking and wealth management

Transactions between segments are conducted at estimated market rates on an arm's length basis. Interest is charged/credited to business segments based on a pool rate, which approximates the cost of funds.

30 September 2014 (Reviewed)

7 SEGMENT INFORMATION (continued)

Segmental information for the period was as follows:

	<i>Retail banking</i>	<i>Corporate banking</i>	<i>Treasury and investments</i>	<i>Private banking and wealth management</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Nine months ended 30 September 2014:					
Net interest income	113,740	244,074	181,863	38,998	578,675
Fees and commissions	26,615	62,609	5,405	16,839	111,468
Trading income	-	-	24,649	-	24,649
Net gains on investments	-	-	37,408	-	37,408
Share of profit from associates and joint venture	4,910	7,272	5,999	-	18,181
Other operating income	1,260	2,017	18,011	151	21,439
OPERATING INCOME	146,525	315,972	273,335	55,988	791,820
Net impairment provisions	5,794	80,570	24,586	2,322	113,272
NET OPERATING INCOME	140,731	235,402	248,749	53,666	678,548
Operating expenses	81,165	53,580	61,720	28,344	224,809
PROFIT BEFORE TAX	59,566	181,822	187,029	25,322	453,739
Tax expense					37,685
NET PROFIT FOR THE PERIOD					416,054
Less : Non - controlling interest					39,722
NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE BANK					376,332

30 September 2014 (Reviewed)

7 SEGMENT INFORMATION (Continued)

	<i>Retail banking</i>	<i>Corporate banking</i>	<i>Treasury and investments</i>	<i>Private banking and wealth management</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Nine months ended 30 September 2013:					
Net interest income	95,200	230,855	163,129	35,404	524,588
Fees and commissions	25,841	58,061	5,311	17,490	106,703
Trading income	-	-	22,127	-	22,127
Net gains on investments	-	-	10,481	-	10,481
Share of profit from associates and joint venture	5,170	7,771	10,065	-	23,006
Other operating income	496	1,424	11,882	114	13,916
OPERATING INCOME	126,707	298,111	222,995	53,008	700,821
Net impairment provisions	3,195	84,530	43,045	1,418	132,188
NET OPERATING INCOME	123,512	213,581	179,950	51,590	568,633
Operating expenses	69,997	45,976	64,226	27,063	207,262
PROFIT BEFORE GAIN ON SALE OF INVESTMENT HELD FOR SALE	53,515	167,605	115,724	24,527	361,371
Gain on sale of investment held for sale					212,910
PROFIT BEFORE TAX					574,281
Tax expense					33,425
NET PROFIT FOR THE PERIOD					540,856
Less : Non-controlling interest					38,676
NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE BANK					502,180

Ahli United Bank B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2014 (Reviewed)

8 MOVEMENT IN OTHER RESERVES

	Capital reserve	Property revaluation reserve	Foreign exchange translation reserve	Cumulative changes in			Pension fund reserve	Total other reserves
				OCI reserve	Cash flow hedge reserve	ESPP reserve		
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Balance at 1 January 2014	2,102	36,497	(74,507)	20,414	(6,012)	-	(28,727)	(50,233)
Currency translation adjustments	-	(7)	(31,183)	-	-	-	-	(31,190)
Transfers to consolidated statement of income	-	-	-	-	582	-	-	582
Sale of treasury shares	6,376	-	-	-	-	-	-	6,376
Net fair value movements during the period	-	-	-	(14,317)	(11,934)	3,198	-	(23,053)
Fair value movements in pension fund reserve during the period	-	-	-	-	-	-	(14,717)	(14,717)
Balance at 30 September 2014	8,478	36,490	(105,690)	6,097	(17,364)	3,198	(43,444)	(112,235)

	Capital reserve	Property revaluation reserve	Foreign exchange translation reserve	Cumulative changes in			Pension fund reserve	Total other reserves
				OCI reserve	Cash flow hedge reserve	ESPP reserve		
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Balance at 1 January 2013	425	26,737	(36,248)	16,778	(8,283)	-	(35,322)	(35,913)
Currency translation adjustments	-	25	(34,285)	-	-	-	-	(34,260)
Transfers to consolidated statement of income	-	-	-	-	95	-	-	95
Transfers to retained earnings	-	-	-	(811)	-	-	-	(811)
Sale of treasury shares	1,677	-	-	-	-	-	-	1,677
Net fair value movements during the period	-	-	-	(1,998)	1,560	-	-	(438)
Fair value movements in pension fund reserve during the period	-	-	-	-	-	-	5,167	5,167
Balance at 30 September 2013	2,102	26,762	(70,533)	13,969	(6,628)	-	(30,155)	(64,483)

30 September 2014 (Reviewed)

9 FAIR VALUE MEASUREMENT

The fair value of financial assets and financial liabilities, with the exception of non-trading investments that are carried at amortised cost, approximate their carrying values. The fair value of the non-trading investments held at amortised cost is US\$ 5,353.1 million as at 30 September 2014 (31 December 2013: US\$ 5,378.9 million). Carrying value of these non-trading investments is US\$ 5,236.3 million as at 30 September 2014 (31 December 2013: US\$ 5,272.8 million).

The Group's primary financial liabilities are the subordinated liabilities. The fair values of these financial liabilities are not materially different from their carrying values, since these liabilities are repriced at intervals of three or six months, depending on the terms and conditions of the instrument and the resultant applicable margins approximate the current spreads that would apply for borrowings with similar maturities.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:-

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	<i>30 September 2014</i>			<i>31 December 2013</i>		
	<i>Level 1</i>	<i>Level 2</i>	<i>Total</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Financial assets at Fair value	79,322	303,025	382,347	131,187	347,731	478,918
Derivative assets	83,807	106,673	190,480	14,606	96,308	110,914
Derivative liabilities	(83,202)	(186,782)	(269,984)	(37,032)	(181,170)	(218,202)

There are no financial instruments that qualify for classification under Level 3 as at 30 September 2014 and 31 December 2013. During the nine month period ended 30 September 2014 and 30 September 2013 there have been no transfers between Levels 1, 2 and 3.

10 SUBORDINATED LIABILITIES

During the nine-month period ended 30 September 2014, the residual outstanding of US\$ 179.1 million (representing the non-convertible subordinated debt portion with original maturity of 1 January 2015) as of the record date 5 February 2014, has been redeemed in accordance with the terms of the Class A non-cumulative preference share issue.