



## CONSOLIDATED FINANCIAL STATEMENTS

### Year ended 31 December 2018 (Audited)

#### CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2018

	2018	2017
	US\$ '000	US\$ '000
Interest income	1,655,750	1,379,174
Interest expense	715,226	502,704
Net interest income	940,524	876,470
Fees and commissions	128,888	131,767
Trading income	39,068	35,239
Investment income and others	61,129	52,645
Share of profit from associates	40,941	23,251
Fees and other income	270,026	242,902
<b>OPERATING INCOME</b>	<b>1,210,550</b>	<b>1,119,372</b>
Provision for credit losses	86,222	88,950
<b>NET OPERATING INCOME</b>	<b>1,124,328</b>	<b>1,030,422</b>
Staff costs	196,839	193,831
Depreciation	22,269	20,824
Other operating expenses	109,110	108,245
<b>OPERATING EXPENSES</b>	<b>328,218</b>	<b>322,900</b>
<b>PROFIT BEFORE TAX</b>	<b>796,110</b>	<b>707,522</b>
Tax expense	43,745	41,008
<b>NET PROFIT FOR THE YEAR</b>	<b>752,365</b>	<b>666,514</b>
Net profit attributable to non-controlling interests	54,831	47,799
<b>NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>697,534</b>	<b>618,715</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE BANK FOR THE YEAR:</b>		
Basic & diluted earnings per ordinary share (US cents)	8.3	7.4

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018

	2018	2017
	US\$ '000	US\$ '000
<b>Net profit for the year</b>	<b>752,365</b>	<b>666,514</b>
<b>Other comprehensive income (OCI)</b>		
Net fair value movement during the year	(23,485)	(2,755)
Net change in property revaluation reserve	(457)	(750)
Foreign currency translation adjustments	(13,852)	37,424
<b>Total comprehensive income for the year</b>	<b>714,571</b>	<b>700,433</b>
Total comprehensive income attributable to non-controlling interests	52,072	53,652
<b>Total comprehensive income attributable to owners of the Bank</b>	<b>662,499</b>	<b>646,781</b>

#### CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	2018	2017
	US\$ '000	US\$ '000
Net cash from operating activities	2,478,857	1,129,693
Net cash used in investing activities	(1,509,225)	(551,489)
Net cash used in financing activities	(404,781)	(367,476)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>564,851</b>	<b>210,728</b>
Net foreign exchange difference	(4,609)	8,881
Cash and cash equivalents at 1 January	2,528,722	2,309,113
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>3,088,964</b>	<b>2,528,722</b>

#### CONSOLIDATED BALANCE SHEET

As at 31 December 2018

	2018	2017
	US\$ '000	US\$ '000
<b>ASSETS</b>		
Cash and balances with central banks	1,390,470	809,986
Treasury bills and deposits with central banks	1,918,727	2,576,352
Deposits with banks	3,061,818	2,469,751
Loans and advances	19,503,961	19,498,702
Non-trading investments	7,568,528	6,002,410
Investment in associates	318,802	304,020
Investment properties	265,794	256,242
Interest receivable and other assets	764,094	616,920
Premises and equipment	237,064	226,672
Goodwill and other intangible assets	478,319	480,830
<b>TOTAL ASSETS</b>	<b>35,507,577</b>	<b>33,241,885</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits from banks	3,752,792	3,943,233
Borrowings under repurchase agreements	1,832,134	1,272,758
Customers' deposits	23,660,035	22,009,857
Interest payable and other liabilities	1,097,911	912,679
Subordinated liabilities	192,697	215,204
<b>TOTAL LIABILITIES</b>	<b>30,535,569</b>	<b>28,353,731</b>
<b>EQUITY</b>		
Ordinary share capital	1,992,541	1,889,213
Treasury shares	(13,190)	(11,661)
Reserves	1,929,350	1,938,070
Equity attributable to the owners	3,908,701	3,815,622
Perpetual Tier 1 Capital Securities	600,000	600,000
Non - controlling interests	463,307	472,532
<b>TOTAL EQUITY</b>	<b>4,972,008</b>	<b>4,888,154</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>35,507,577</b>	<b>33,241,885</b>

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2018

	2018	2017
	US\$ '000	US\$ '000
<b>BALANCE AT 1 JANUARY ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>3,815,622</b>	<b>3,500,827</b>
Transition adjustment on adoption of IFRS 9	(194,899)	-
<b>At 1 January 2018 - restated</b>	<b>3,620,723</b>	<b>3,500,827</b>
Total comprehensive income for the year	662,499	646,781
Donations paid	(1,000)	(1,000)
Ordinary share dividend paid	(340,760)	(308,411)
Distribution related to Perpetual Tier 1 Capital Securities	(27,500)	(27,500)
Additional shares issued	17,797	12,517
Transfer from OCI reserve	(7,633)	(3,704)
Distribution related to Perpetual Tier 1 Sukuk	(8,240)	(8,240)
Transfer of property revaluation reserve on sale of property	-	243
Fair value amortisation of share based transactions	4,435	3,921
Movement in subsidiaries	-	352
Movement in associates	(10,091)	-
Purchase of treasury shares	(1,529)	(164)
<b>BALANCE AT 31 DECEMBER ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>3,908,701</b>	<b>3,815,622</b>
<b>PERPETUAL TIER 1 CAPITAL SECURITIES</b>	<b>600,000</b>	<b>600,000</b>
<b>NON - CONTROLLING INTERESTS</b>	<b>463,307</b>	<b>472,532</b>
<b>TOTAL EQUITY AT 31 DECEMBER</b>	<b>4,972,008</b>	<b>4,888,154</b>

Meshal A A Al-Othman  
Chairman

Rashed 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 Changes in Equity have been extracted from the Consolidated Financial Statements of Ahli United Bank B.S.C. for the year ended 31 December 2018, 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 2019. For further information please visit [www.ahliunited.com](http://www.ahliunited.com).

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