



BAHRAIN MIDDLE EAST BANK B.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2016 (Reviewed)

	Reviewed 30 September 2016 US\$ '000	Audited 31 December 2015 US\$ '000
ASSETS		
Balances with banks and financial institutions	14,052	28,373
Treasury bills and placements with financial institutions	52,401	19,998
Investments at fair value through profit or loss	1,263	161
Loans and advances	112,663	110,705
Available-for-sale investments	5,609	9,530
Held-to-maturity investments	189	216
Other assets	2,555	2,889
TOTAL ASSETS	188,732	171,872
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from financial institutions	136,504	125,098
Deposits from customers	11,137	8,726
Other liabilities	1,576	2,786
Total liabilities	149,217	136,610
EQUITY		
Share capital	60,501	60,501
Accumulated losses	(21,921)	(26,554)
Fair value reserve	935	1,315
Total equity	39,515	35,262
TOTAL LIABILITIES AND EQUITY	188,732	171,872

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2016 (Reviewed)

	Share capital US\$ '000	Accumulated losses US\$ '000	Fair value reserve US\$ '000	Total equity US\$ '000
Balance at 1 January 2016	60,501	(26,554)	1,315	35,262
Total comprehensive income (loss) for the period	-	4,633	(380)	4,253
Balance at 30 September 2016	60,501	(21,921)	935	39,515
Balance at 1 January 2015	60,501	(31,633)	2,136	31,004
Total comprehensive income (loss) for the period	-	5,010	(614)	4,396
Balance at 30 September 2015	60,501	(26,623)	1,522	35,400

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the nine-month period ended 30 September 2016 (Reviewed)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2016 US\$ '000	2015 US\$ '000	2016 US\$ '000	2015 US\$ '000
OPERATING INCOME				
Interest income	2,747	2,987	8,051	8,451
Interest expense	(244)	(403)	(837)	(1,144)
Net interest income	2,503	2,584	7,214	7,307
Investment banking income	177	551	478	1,324
Other income	70	83	300	256
Foreign exchange (loss) gain	(17)	6	(66)	110
Total operating income	2,733	3,224	7,926	8,997
OPERATING EXPENSES				
Staff expenses	772	761	2,313	2,293
Premises expenses	59	90	229	276
Other operating expenses	220	226	574	761
Total operating expenses	1,051	1,077	3,116	3,330
NET PROFIT FOR THE PERIOD BEFORE IMPAIRMENT PROVISIONS	1,682	2,147	4,810	5,667
Impairment provisions - net	139	(349)	(177)	(657)
NET PROFIT FOR THE PERIOD	1,821	1,798	4,633	5,010
BASIC AND DILUTED EARNINGS PER SHARE (IN US\$ CENTS)				
	0.75	0.74	1.91	2.07

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine-month period ended 30 September 2016 (Reviewed)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2016 US\$ '000	2015 US\$ '000	2016 US\$ '000	2015 US\$ '000
NET PROFIT FOR THE PERIOD	1,821	1,798	4,633	5,010
Other comprehensive income (loss):				
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:				
Fair value reserves (available-for-sale investments):				
Net amount transferred to statement of income on sale/impairment	-	(469)	21	(695)
Net changes in fair value during the period	28	305	(401)	81
Total other comprehensive income (loss) for the period	28	(164)	(380)	(614)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,849	1,634	4,253	4,396

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine-month period ended 30 September 2016 (Reviewed)

	Nine-month period ended 30 September	
	2016 US\$ '000	2015 US\$ '000
OPERATING ACTIVITIES		
Net profit for the period	4,633	5,010
Adjustments for:		
Impairment provisions - net	177	657
Depreciation and amortisation	34	38
Changes in operating assets and liabilities:		
Treasury bills and placements with financial institutions	-	3,000
Investments at fair value through profit or loss	(1,102)	128
Loans and advances	(1,801)	(24,767)
Available-for-sale investments	3,207	(2,697)
Held-to-maturity investments	27	7
Other assets	300	(439)
Deposits from financial institutions	11,406	441
Deposits from customers	2,411	(5,389)
Other liabilities	(1,210)	(523)
Net cash from (used in) operating activities	18,082	(24,534)
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,082	(24,534)
Cash and cash equivalents at 1 January	48,371	40,608
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	66,453	16,074
CASH AND CASH EQUIVALENTS COMPRISE:		
Balances with banks and financial institutions	14,052	7,492
Treasury bills and placements with financial institutions with original maturities of three months or less	52,401	8,582
	66,453	16,074

These Interim condensed consolidated financial statements were approved by the Board of Directors on 3 November 2016 and signed on its behalf by:

Wilson S Benjamin
Chairman

Sheikh Abdullah A.K Al Sabah
Vice Chairman

Ritchie Skelding
Chief Executive Officer

These interim condensed consolidated financial statements were extracted from reviewed interim condensed consolidated financial statements on which Ernst and Young issued an unqualified review report.

Please refer to interim condensed consolidated financial statements available on the Bank's website: www.bmb.com
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