

# BBK B.S.C- Interim Condensed Consolidated Financial Statements

## 31 March 2016 (Reviewed)



### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2016 (Reviewed)  
BD '000s

	Reviewed 31 March 2016	Audited 31 December 2015	Reviewed 31 March 2015
<b>ASSETS</b>			
Cash and balances with central banks	286,136	286,750	267,218
Treasury bills	443,446	394,090	307,348
Deposits and amounts due from banks and other financial institutions	413,196	325,096	299,833
Loans and advances to customers	1,750,741	1,764,799	1,886,725
Non-trading investment securities	764,489	758,107	796,719
Investments in associated companies and joint ventures	37,192	35,823	37,268
Interest receivable and other assets	57,688	56,970	63,483
Premises and equipment	24,396	24,806	24,610
<b>TOTAL ASSETS</b>	<b>3,777,284</b>	<b>3,646,441</b>	<b>3,683,204</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Deposits and amounts due to banks and other financial institutions	277,509	179,404	228,060
Borrowings under repurchase agreement	174,508	174,508	37,704
Term borrowings	205,036	204,677	392,093
Customers' current, savings and other deposits	2,667,981	2,642,892	2,587,990
Interest payable and other liabilities	120,088	84,226	89,740
<b>Total liabilities</b>	<b>3,445,122</b>	<b>3,285,707</b>	<b>3,335,587</b>
<b>Equity</b>			
Share capital	108,165	108,165	108,165
Treasury stock	(4,728)	(4,728)	(6,691)
Share premium	39,919	39,919	39,919
Statutory reserve	54,082	54,082	51,507
General reserve	54,082	51,507	51,507
Cumulative changes in fair values	(28,655)	(12,304)	13,303
Foreign currency translation adjustments	(10,204)	(10,635)	(8,610)
Retained earnings	117,888	102,580	97,034
Appropriations	-	30,586	-
<b>ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>	<b>330,549</b>	<b>359,172</b>	<b>346,134</b>
Non-controlling interest	1,613	1,562	1,483
<b>Total equity</b>	<b>332,162</b>	<b>360,734</b>	<b>347,617</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,777,284</b>	<b>3,646,441</b>	<b>3,683,204</b>

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Three-month period ended 31 March 2016 (Reviewed)  
BD '000s

	Three-month ended	
	31-Mar-16	31-Mar-15
Interest and similar income	30,951	27,535
Interest and similar expense	(10,540)	(9,628)
<b>Net interest income</b>	<b>20,411</b>	<b>17,907</b>
Share of profit of associated companies and joint ventures	1,196	725
Other income	10,625	10,828
<b>Total operating income</b>	<b>32,232</b>	<b>29,460</b>
Staff costs	8,593	7,567
Other expenses	3,654	3,287
Depreciation	746	839
Net provision for impairment on loans and advances to customers	4,359	2,935
Net write-back for impairment on investments	(683)	-
<b>Total operating expenses</b>	<b>16,669</b>	<b>14,628</b>
<b>PROFIT BEFORE TAXATION</b>	<b>15,563</b>	<b>14,832</b>
Net tax (provision)/ benefit	(237)	43
<b>PROFIT FOR THE PERIOD</b>	<b>15,326</b>	<b>14,875</b>
<b>Attributable to:</b>		
Owners of the Bank	15,275	14,850
Non-controlling interest	51	25
	<b>15,326</b>	<b>14,875</b>
Basic and diluted earnings per share (BD)	0.014	0.014

### CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Three-month period ended 31 March 2016 (Reviewed)  
BD '000s

	Three-month ended	
	31-Mar-16	31-Mar-15
<b>Profit for the period</b>	<b>15,326</b>	<b>14,875</b>
<b>Other comprehensive income (loss)</b>		
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:		
Foreign currency translation adjustments	431	(1,351)
Net movement in cumulative changes in fair values	(16,090)	(3,690)
Fair value changes in cash flow hedges	(261)	(427)
<b>Other comprehensive loss for the period</b>	<b>(15,920)</b>	<b>(5,468)</b>
<b>Total comprehensive (loss) income for the period</b>	<b>(594)</b>	<b>9,407</b>
<b>Attributable to:</b>		
Owners of the Bank	(645)	9,382
Non-controlling interest	51	25
	<b>(594)</b>	<b>9,407</b>

The consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity, segmental information, accounting policies and notes have been extracted from the interim condensed consolidated financial statements of BBK B.S.C. for the three-month period ended 31 March 2016 which were reviewed by Ernst & Young.

Above information available on [www.bbkonline.com](http://www.bbkonline.com)

Reviewed by Ernst & Young

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Three-month period ended 31 March 2016 (Reviewed)  
BD '000s

	Attributable to the owners of the Bank					Non-controlling interest	Total equity
	Share capital	Others	Retained earnings	Appropriations	Total		
Balance at 1 January 2016	108,165	117,841	102,580	30,586	359,172	1,562	360,734
Profit for the period	-	-	15,275	-	15,275	51	15,326
Other comprehensive loss	-	(15,920)	-	-	(15,920)	-	(15,920)
Total comprehensive loss	-	(15,920)	15,275	-	(645)	51	(594)
Share - based payments	-	-	33	-	33	-	33
Dividends paid	-	-	-	(26,611)	(26,611)	-	(26,611)
Donations	-	-	-	(1,400)	(1,400)	-	(1,400)
Transfer to general reserve 2015	-	2,575	-	(2,575)	-	-	-
<b>Balance at 31 March 2016</b>	<b>108,165</b>	<b>104,496</b>	<b>117,888</b>	<b>-</b>	<b>330,549</b>	<b>1,613</b>	<b>332,162</b>
Balance at 1 January 2015	103,014	141,461	82,017	31,402	357,894	1,458	359,352
Profit for the period	-	-	14,850	-	14,850	25	14,875
Other comprehensive loss	-	(5,468)	-	-	(5,468)	-	(5,468)
Total comprehensive income	-	(5,468)	14,850	-	9,382	25	9,407
Share - based payments	-	-	167	-	167	-	167
Dividends paid	-	-	-	(20,179)	(20,179)	-	(20,179)
Stock dividends	5,151	-	-	(5,151)	-	-	-
Donations	-	-	-	(1,390)	(1,390)	-	(1,390)
Movement in treasury stock	-	260	-	-	260	-	260
Transfer to general reserve 2014	-	4,682	-	(4,682)	-	-	-
<b>Balance at 31 March 2015</b>	<b>108,165</b>	<b>140,935</b>	<b>97,034</b>	<b>-</b>	<b>346,134</b>	<b>1,483</b>	<b>347,617</b>

### CONSOLIDATED STATEMENT OF CASH FLOWS

Three-month period ended 31 March 2016 (Reviewed)  
BD '000s

	Three-month ended	
	31-Mar-16	31-Mar-15
Net cash from operating activities	153,478	72,634
Net cash used in investing activities	(21,613)	(13,067)
Net cash (used in) from financing activities	(28,011)	129,491
Foreign currency translation adjustments	431	(1,351)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>104,285</b>	<b>187,707</b>
Cash and cash equivalents at beginning of the period	533,116	352,639
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>637,401</b>	<b>540,346</b>

### SEGMENTAL INFORMATION

Three-month period ended 31 March 2016 (Reviewed)  
BD '000s

31 March 2016	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
Operating income before share of profit of associated companies and joint ventures	9,710	7,475	6,278	7,573	31,036
Segment result	2,262	1,524	2,686	7,658	14,130
Share of profit of associated companies and joint ventures	1,196	-	-	-	1,196
Profit for the period					15,326
Profit attributable to non-controlling interest					(51)
<b>Profit attributable to the owners of the Bank</b>					<b>15,275</b>

31 March 2015	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
Operating income before share of profit of associated companies and joint ventures	8,433	6,460	6,453	7,389	28,735
Segment result	2,904	3,571	1,758	5,917	14,150
Share of profit of associated companies and joint ventures	725	-	-	-	725
Profit for the period					14,875
Profit attributable to non-controlling interest					(25)
<b>Profit attributable to the owners of the Bank</b>					<b>14,850</b>

### Accounting policies and Notes :

- The Interim condensed consolidated financial statements of the Group for the three-month period ended 31 March 2016 are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. 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 2015.
- Other income for the three-month period ended 31 March 2016 includes BD 1,253 thousand (31 March 2015: BD 1,701 thousand) of dividend income, which is of a seasonal nature.
- At the Annual General Meeting held on 28 March 2016, the shareholders approved the following proposed appropriations:

	31 December 2015	31 December 2014
Cash dividend	BD '000 26,611	BD '000 20,179
Stock dividend	-	5,151
Transfer to general reserve	2,575	4,682
Donations	1,400	1,390
	<b>30,586</b>	<b>31,402</b>

Murad Ali Murad  
Chairman

Aref Saleh Khamis  
Deputy Chairman

Rayadh Yousif Sater  
Chief Executive