

BBK B.S.C.- Interim Condensed Consolidated Financial Statements 30 September 2013 (Unaudited)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2013 (Unaudited)
BD '000s

	Unaudited 30 September 2013	Audited 31 December 2012	Unaudited 30 September 2012
ASSETS			
Cash and balances with central banks	311,047	262,741	279,386
Treasury bills	261,589	165,168	143,638
Financial assets at fair value through statement of income	-	346	347
Deposits and amounts due from banks and other financial institutions	247,591	349,850	253,825
Loans and advances to customers	1,609,008	1,498,745	1,464,322
Non-trading investment securities	744,464	717,325	723,044
Investment in associated companies and joint venture	56,080	54,566	53,131
Interest receivable and other assets	39,933	30,947	34,961
Premises and equipment	26,529	27,873	28,321
TOTAL ASSETS	3,296,241	3,107,561	2,980,975
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits and amounts due to banks and other financial institutions	319,472	255,079	222,492
Borrowings under repurchase agreement	56,307	47,913	-
Term borrowings	239,135	238,059	237,696
Customers' current, savings and other deposits	2,300,646	2,204,793	2,178,968
Interest payable and other liabilities	69,010	72,050	72,517
TOTAL LIABILITIES	2,984,570	2,817,894	2,711,673
EQUITY			
Share capital	93,649	85,135	85,135
Treasury stock	(3,723)	(3,561)	(3,261)
Share premium	39,919	39,919	39,919
Statutory reserve	42,568	42,568	42,568
General reserve	43,700	39,500	39,500
Cumulative changes in fair values	14,893	15,515	5,075
Foreign currency translation adjustments	(4,868)	(2,112)	(1,837)
Retained earnings	84,877	49,840	61,734
Appropriations	-	22,361	-
ATTRIBUTABLE TO THE OWNERS OF THE BANK	311,015	289,165	268,833
Non-controlling interest	656	502	469
TOTAL EQUITY	311,671	289,667	269,302
TOTAL LIABILITIES AND EQUITY	3,296,241	3,107,561	2,980,975

CONSOLIDATED STATEMENT OF INCOME

Nine months ended 30 September 2013 (Unaudited)
BD '000s

	Three months ended		Nine months ended	
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12
Interest and similar income	27,063	26,623	82,165	77,191
Interest and similar expense	(10,171)	(9,664)	(30,709)	(28,802)
Net interest income	16,892	16,959	51,456	48,389
Share of profit of associated companies and joint venture	1,181	1,513	4,152	4,219
Other income	9,436	9,916	28,493	26,933
TOTAL OPERATING INCOME	27,509	28,388	84,101	79,541
Staff costs	9,298	7,973	25,344	24,204
Other expenses	4,384	3,589	11,422	10,428
Depreciation	847	872	2,555	2,594
Net provision for impairment on loans and advances to customers	3,242	6,596	10,628	7,504
Net provision / (write back) of impairment on non-trading investment securities	150	694	(1,019)	2,208
Total operating expenses	17,921	19,724	48,930	46,938
PROFIT BEFORE TAXATION	9,588	8,664	35,171	32,603
Net tax provision	(202)	125	(480)	(419)
PROFIT FOR THE PERIOD	9,386	8,789	34,691	32,184
Attributable to:				
Owners of the Bank	9,321	8,759	34,537	32,066
Non-controlling interest	65	30	154	118
Basic and diluted earnings per share (BD)	0.010	0.010	0.037	0.035

Accounting policies and Notes:

- The Interim condensed consolidated financial statements of the Group for the nine months period ended 30 September 2013 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 2012.
- Other income for the nine months ended 30 September 2013 includes BD 1,832 thousand (nine months ended 30 September 2012: BD 1,558 thousand) of dividend income, which is of a seasonal nature.
- At the Annual General Meeting held on 4 March 2013, the shareholders approved the following appropriations, which were subsequently paid:

	31 December 2012	31 December 2011
	BD '000	BD '000
Cash dividend	8,397	20,938
Stock dividend	8,514	-
Transfer to general reserve	4,200	3,500
Donations	1,250	1,500
	22,361	25,938

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Nine months ended 30 September 2013 (Unaudited)
BD '000s

	Three months ended		Nine months ended	
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12
Profit for the period	9,386	8,789	34,691	32,184
Items that could be reclassified subsequently to the consolidated statement of income				
Net movement in cumulative changes in fair values	6,963	10,816	(1,074)	20,799
Foreign currency translation adjustments	(496)	(85)	(2,756)	(1,276)
Share of changes in fair value reserve of associates	69	95	234	468
Fair value changes in cash flow hedges	(205)	-	218	-
Other comprehensive income (loss) for the period	6,331	10,826	(3,378)	19,991
Total comprehensive income for the period	15,717	19,615	31,313	52,175
Attributable to:				
Owners of the Bank	15,652	19,585	31,159	52,057
Non-controlling interest	65	30	154	118
	15,717	19,615	31,313	52,175

CONSOLIDATED STATEMENT OF CASH FLOWS

Nine months ended 30 September 2013 (Unaudited)
BD '000s

	Nine months ended	
	30-Sep-13	30-Sep-12
Net cash from operating activities	15,191	260,258
Net cash used in investing activities	(21,033)	(138,377)
Net cash used in financing activities	(9,809)	(21,254)
Foreign currency translation adjustments	(2,756)	(1,276)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(18,407)	99,351
Cash and cash equivalents at beginning of the period	506,140	313,769
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	487,733	413,120

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine months ended 30 September 2013 (Unaudited)
BD '000s

	Attributable to the owners of the Bank				Non-controlling interest	Total equity	
	Share capital	Others	Retained earnings	Proposed appropriations			
Balance at 1 January 2013	85,135	131,829	49,840	22,361	289,165	502	289,667
Profit for the period	-	-	34,537	-	34,537	154	34,691
Other comprehensive income for the period	-	(3,378)	-	-	(3,378)	-	(3,378)
Total comprehensive income	-	(3,378)	34,537	-	31,159	154	31,313
Share - based payments	-	-	500	-	500	-	500
Dividends paid	-	-	-	(8,397)	(8,397)	-	(8,397)
Stock dividends	8,514	-	-	(8,514)	-	-	-
Donations	-	-	-	(1,250)	(1,250)	-	(1,250)
Purchase of treasury stock	-	(162)	-	-	(162)	-	(162)
Transfer to general reserve 2012	-	4,200	-	(4,200)	-	-	-
Balance at 30 September 2013	93,649	132,489	84,877	-	311,015	656	311,671
Balance at 1 January 2012	85,135	97,289	29,306	25,938	237,668	351	238,019
Profit for the period	-	-	32,066	-	32,066	118	32,184
Other comprehensive income for the period	-	19,991	-	-	19,991	-	19,991
Total comprehensive income	-	19,991	32,066	-	52,057	118	52,175
Share - based payments	-	-	362	-	362	-	362
Dividends paid	-	-	-	(20,938)	(20,938)	-	(20,938)
Stock dividends	-	-	-	-	-	-	-
Donations	-	-	-	(1,500)	(1,500)	-	(1,500)
Sale of treasury stock	-	1,184	-	-	1,184	-	1,184
Transfer to general reserve 2011	-	3,500	-	(3,500)	-	-	-
Balance at 30 September 2012	85,135	121,964	61,734	-	268,833	469	269,302

SEGMENTAL INFORMATION

Nine months ended 30 September 2013 (Unaudited)
BD '000s

	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
30 September 2013					
Operating income before share of profit of associated companies and joint venture	25,710	22,539	21,494	10,206	79,949
Segment result	7,763	7,354	10,319	5,103	30,539
Share of profit of associated companies and joint venture	2,703	-	-	1,449	4,152
Profit for the period	34,691				34,691
Profit attributable to non-controlling interest					(154)
Profit attributable to the owners of the Bank	34,537				34,537

	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
30 September 2012					
Operating income before share of profit of associated companies and joint venture	26,364	22,340	19,958	6,660	75,322
Segment result	10,035	9,315	6,986	1,629	27,965
Share of profit of associated companies and joint venture	2,558	-	-	1,661	4,219
Profit for the period	32,184				32,184
Profit attributable to non-controlling interest					(118)
Profit attributable to the owners of the Bank	32,066				32,066

The consolidated statement of financial position, consolidated statement of income, consolidated statement of 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 nine months period ended 30 September 2013 which were reviewed by Ernst & Young.

Murad Ali Murad
Chairman

Aref Saleh Khamis
Deputy Chairman

Abdulkarim Ahmed Bucheery
Chief Executive

Reviewed by Ernst & Young

Above information available on www.bbkonline.com