

BBK B.S.C- Consolidated Financial Statements 31 December 2009

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2009

BD '000s

	2009	2008
ASSETS		
Cash and balances with central banks	162,408	201,493
Treasury bills	61,655	4,050
Financial assets at fair value through statement of income	-	861
Deposits and amounts due from banks and other financial institutions	362,407	257,099
Loans and advances to customers	1,268,561	1,352,275
Non-trading investment securities	357,151	286,349
Investment in associated company and joint venture	27,472	27,007
Interest receivable and other assets	11,235	15,554
Premises and equipment	28,003	21,097
TOTAL ASSETS	2,278,892	2,165,785

LIABILITIES AND EQUITY

LIABILITIES

Deposits and amounts due to banks and other financial institutions	239,579	250,584
Term borrowings	257,173	329,498
Customers' current, savings and other deposits	1,516,909	1,336,561
Interest payable and other liabilities	34,237	39,871
TOTAL LIABILITIES	2,047,898	1,956,514

EQUITY

Share capital	85,135	81,081
Treasury stock	(2,845)	(1,357)
Share premium	39,919	39,919
Statutory reserve	39,001	35,500
General reserve	27,000	20,000
Cumulative changes in fair values	924	(8,902)
Foreign currency translation adjustments	(462)	3,692
Retained earnings	18,853	17,626
Proposed appropriations	23,358	21,605
ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	230,883	209,164
Non controlling interests	111	107
TOTAL EQUITY	230,994	209,271
TOTAL LIABILITIES AND EQUITY	2,278,892	2,165,785

CONSOLIDATED STATEMENT OF INCOME

Year ended 31 December 2009

BD '000s

	2009	2008
Interest income	82,422	107,312
Interest expense	21,125	50,330
Net interest income	61,297	56,982
Share of profit in associated company and joint venture	2,663	3,152
Other income	28,602	54,542
	92,562	114,676
Staff Costs	27,873	21,352
Other expenses	12,303	11,477
Depreciation	2,762	2,286
Net provision for impairment on loans and advances to customers	11,291	7,551
Net provision for impairment on non-trading investment securities	2,952	44,682
Total operating expenses	57,181	87,348
PROFIT BEFORE TAXATION	35,381	27,328
Net tax provision relating to Indian Branches	(364)	(173)
Kuwait National Labour support tax	-	(145)
PROFIT FOR THE YEAR	35,017	27,010
Attributable to:		
Shareholders of the Bank	35,013	27,081
Non controlling interest	4	(71)
	35,017	27,010
Basic and diluted earnings per share (BD)	0.042	0.034

Accounting policies and Notes :

- Interest income for the year ended 31 December 2009 includes gain on partial redemption of subordinated debt of BD 7.7 million (31 December 2008: BD 3.4 million).
- Other operating income for the year ended 31 December 2008 includes one off exceptional income of BD 2.8 million relating to the partial, mandatory redemption of the Groups membership interest in VISA, consequent to VISA's global restructuring & IPO, and gain on sale of equity investments of BD 20.6 million.

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 consolidated financial statements of BBK B.S.C. for the year ended 31 December 2009 which was reviewed by Ernst & Young

Murad Ali Murad
Chairman

Sh Mohammed bin Isa Al Khalifa
Deputy Chairman

Abdulkarim Ahmed Bucheery
Chief Executive

Above information available on www.bbkonline.com

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2009

BD '000s

	2009	2008
Profit for the year	35,017	27,010
Foreign exchange translation adjustments	(4,154)	202
Net movement in cumulative changes in fair values	10,544	(31,489)
Cash flow hedges	(718)	(1,648)
Directors' remuneration and donations	(1,455)	(1,455)
Other Comprehensive income (loss) for the year	4,217	(34,390)

Total Comprehensive income (loss) for the year **39,234** (7,380)

Attributable to:

Shareholders of the Bank	39,230	(7,309)
Non controlling interests	4	(71)
	39,234	(7,380)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2009

BD '000s

	2009	2008
Net cash from (used in) operating activities	243,115	(73,073)
Net cash (used in) from investing activities	(72,234)	99,800
Net cash used in financing activities	(91,365)	(31,951)
Foreign currency translation adjustments	(4,154)	(202)
NET CHANGE IN CASH AND CASH EQUIVALENTS	75,362	(5,426)
Cash and cash equivalents at beginning of the year	399,828	405,254
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	475,190	399,828

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2009

BD '000s

	Attributable to shareholders of the Bank					Non controlling interest	Total equity
	Share capital	Other reserves	Retained earnings	Proposed appropriations	Total		
Balance at 31 December 2007	77,220	119,079	14,822	26,010	237,131	178	237,309
Total comprehensive income	-	(32,935)	27,081	(1,455)	(7,309)	(71)	(7,380)
Share - based payments	-	-	36	-	36	-	36
Proposed dividend, Directors' remuneration and donations	-	-	(21,605)	911	(20,694)	-	(20,694)
Issue of bonus shares	3,861	-	-	(3,861)	-	-	-
Transfer to statutory reserve	-	2,708	(2,708)	-	-	-	-
Balance at 31 December 2008	81,081	88,852	17,626	21,605	209,164	107	209,271
Total comprehensive income	-	5,672	35,013	(1,455)	39,230	4	39,234
Share - based payments	-	-	73	-	73	-	73
Proposed dividend, Directors' remuneration and donations	-	-	(23,358)	7,262	(16,096)	-	(16,096)
Purchase of treasury stock	-	(1,488)	-	-	(1,488)	-	(1,488)
Issue of bonus shares	4,054	-	-	(4,054)	-	-	-
Transfer to statutory reserve	-	3,501	(3,501)	-	-	-	-
Transfer to general reserve	-	7,000	(7,000)	-	-	-	-
Balance at 31 December 2009	85,135	103,537	18,853	23,358	230,883	111	230,994

SEGMENTAL INFORMATION

BD '000s

	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
31 December 2009					
Operating income before share of profit of associated company and joint venture	28,806	22,393	20,621	18,079	89,899
Segment result	10,192	7,974	5,070	9,114	32,350
Income from associated company and joint venture					2,663
Profit for the year attributable to the shareholders of the Bank					35,013
31 December 2008					
Operating income before share of profit of associated company and joint venture	31,434	20,713	21,857	37,520	111,524
Segment result	17,457	10,053	6,064	(9,645)	23,929
Income from associated company and joint venture					3,152
Profit for the year attributable to the shareholders of the Bank					27,081