

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at 30 June 2017

US\$ 000's

	30 Jun 2017 (Reviewed)	31 Dec 2016 (Audited)
<b>ASSETS</b>		
Cash and balances with banks	5,587	5,151
Placements with financial institutions	4,021	7,902
Investment in sukuk	101,080	70,881
Financing receivables	6,793	6,915
Receivable from Ijarah investors	6,029	15,185
Investment in equity securities	92,419	87,680
Assets acquired for leasing	-	68,602
Investment in real estate	97,974	107,264
Equity-accounted investees	426	4,742
Other assets	34,080	13,603
<b>Total assets</b>	<b>348,409</b>	<b>387,925</b>
<b>LIABILITIES</b>		
Placements from financial institutions	3,001	6,503
Financing liabilities	83,380	73,273
Liabilities related to assets acquired for leasing	-	52,181
Other liabilities	19,050	13,963
<b>Total liabilities</b>	<b>105,431</b>	<b>145,920</b>
<b>OWNERS' EQUITY</b>		
Share capital	233,000	300,000
Statutory reserve	676	676
Retained earnings / (accumulated losses)	1,658	(66,634)
Property fair value reserve	302	610
General reserve	4,618	4,618
<b>Equity attributable to shareholders of Bank</b>	<b>240,254</b>	<b>239,270</b>
Non-controlling interests	2,724	2,735
<b>Total owners' equity</b>	<b>242,978</b>	<b>242,005</b>
<b>Total liabilities and owner's equity</b>	<b>348,409</b>	<b>387,925</b>

CONDENSED CONSOLIDATED INCOME STATEMENT  
for the six months ended 30 June 2017

US\$ 000's

	Six months ended		Three months ended	
	30 Jun 2017 (Reviewed)	30 Jun 2016 (Reviewed)	30 Jun 2017 (Reviewed)	30 Jun 2016 (Reviewed)
<b>INCOME</b>				
Income from investment banking services	497	-	56	-
Income from sukuk	3,233	3,202	2,055	1,628
Income from investment in equity securities	1,768	(421)	1,768	(497)
Income from assets acquired for leasing, net	776	3,983	-	1,972
Gain on sale of assets acquired for leasing	2,116	-	2,116	-
Finance income	438	566	265	280
Share of profit of equity-accounted investees	71	191	35	103
Gain on sale of equity-accounted investee	300	-	300	-
Gain on sale of investment in real estate	623	-	-	-
Other income	565	2,318	(23)	614
<b>Total income</b>	<b>10,387</b>	<b>9,839</b>	<b>6,572</b>	<b>4,100</b>
<b>EXPENSES</b>				
Staff cost	3,333	2,650	1,833	1,623
Finance expense on placements and financing liabilities	492	594	305	305
Depreciation and amortization	45	97	23	45
Other operating expenses	2,590	1,918	1,474	1,012
<b>Total operating expenses</b>	<b>6,460</b>	<b>5,259</b>	<b>3,635</b>	<b>2,985</b>
<b>Profit for the period before fair value changes and impairment allowances</b>	<b>3,927</b>	<b>4,580</b>	<b>2,937</b>	<b>1,115</b>
Fair value changes on investment securities, net	184	(948)	92	(996)
Impairment allowances:				
- Financing receivables	81	(8,956)	-	(8,994)
- Investment in sukuk	(500)	(1,514)	(500)	(1,514)
- Investment in equity securities	(2,367)	(26,572)	(2,367)	(26,572)
- Investment in real estate	-	(1,216)	-	(1,216)
- Equity accounted investees	-	(2,100)	-	(2,100)
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	<b>1,325</b>	<b>(36,726)</b>	<b>162</b>	<b>(40,277)</b>
Attributable to:				
- Shareholders of Bank	1,292	(37,807)	157	(40,817)
- Non-controlling interests	33	1,081	5	540
	<b>1,325</b>	<b>(36,726)</b>	<b>162</b>	<b>(40,277)</b>



CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION  
30 JUNE 2017

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
for the six months ended 30 June 2017

US\$ 000's

	Six months ended	
	30 Jun 2017 (Reviewed)	30 Jun 2016 (Reviewed)
<b>OPERATING ACTIVITIES</b>		
Profit / (loss) for the period	1,325	(36,726)
Adjustment for:		
- Depreciation and amortization	45	97
- Fair value changes on investment securities, net	(184)	949
- Share of profit of equity-accounted investees	(71)	(191)
- Gain on sale of equity accounted investee	(300)	-
- Gain on sale of investment in sukuk	(1,463)	(736)
- Gain on sale of investment in real estate	(623)	-
- Proceeds from sale of equipment	-	(17)
- Impairment allowance	2,786	40,358
- Excess legal provision written back	-	(1,597)
- Other income	-	(207)
- Amortisation of discount, net	37	56
Operating profit before changes in operating assets and liabilities	1,552	1,986
Changes in operating assets and liabilities:		
- Financing receivables	203	148
- Receivables from Ijarah investors	9,155	-
- Other assets	2,877	(1,520)
- Other liabilities	5,146	(4,122)
<b>Net cash generated from / (used in) operating activities</b>	<b>18,933</b>	<b>(3,508)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities	(141,348)	(81,187)
Proceeds from sale of investment securities	105,156	71,417
Purchase of investment in real estate	(1,584)	-
Proceeds from sale of investment in real estate	11,139	-
Proceeds from sale of equity-accounted investees	4,650	-
Proceeds from sale of equipment	-	17
Payments for purchase of equipment	(21)	(3)
Distribution received from equity-accounted investees	-	5,461
Assets acquired for leasing	(6,929)	(627)
<b>Net cash used in investing activities</b>	<b>(28,937)</b>	<b>(4,922)</b>
<b>FINANCING ACTIVITIES</b>		
Placements from financial institutions	(3,503)	(4,163)
Financing liabilities	10,107	9,278
Non-controlling interests	(44)	-
Non-controlling interests related to assets acquired for leasing	-	(603)
<b>Net cash generated from financing activities</b>	<b>6,560</b>	<b>4,512</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,444)</b>	<b>(3,918)</b>
Cash and cash equivalents at 1 January	13,052	15,221
<b>CASH AND CASH EQUIVALENTS AT 30 June</b>	<b>9,608</b>	<b>11,303</b>
CASH AND CASH EQUIVALENTS comprise:		
- Cash and bank balances	5,587	8,302
- Placements with financial institutions (with original maturity of 90 days or less)	4,021	3,001
	<b>9,608</b>	<b>11,303</b>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

Equity attributable to shareholders of Bank

US\$ 000's

30 June 2017 (reviewed)	Share capital	Statutory reserve	(Accumulated losses) / retained earnings	Investment fair value reserve	Property fair value reserve	General reserve	Total	Non-controlling interests	Total owners' equity
Balance at 1 January 2017	300,000	676	(66,634)	-	610	4,618	239,270	2,735	242,005
Profit for the period	-	-	1,292	-	-	-	1,292	33	1,325
Fair value changes, net	-	-	-	-	(308)	-	(308)	-	(308)
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>1,292</b>	<b>-</b>	<b>(308)</b>	<b>-</b>	<b>984</b>	<b>33</b>	<b>1,017</b>
Non-controlling interests relating to subsidiaries	-	-	-	-	-	-	-	(44)	(44)
Adjustment of losses	(67,000)	-	67,000	-	-	-	-	-	-
<b>Balance at 30 June 2017</b>	<b>233,000</b>	<b>676</b>	<b>1,658</b>	<b>-</b>	<b>302</b>	<b>4,618</b>	<b>240,254</b>	<b>2,724</b>	<b>242,978</b>

Equity attributable to shareholders of Bank

US\$ 000's

30 June 2016 (reviewed)	Share capital	Statutory reserve	(Accumulated losses) / retained earnings	Investment fair value reserve	Property fair value reserve	General reserve	Total	Non-controlling interests	Total owners' equity
Balances as at 1 January 2016	300,000	676	(17,249)	(107)	1,826	4,618	289,764	13,816	303,580
(Loss) / profit for the period	-	-	(37,807)	-	-	-	(37,807)	1,081	(36,726)
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>(37,807)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(37,807)</b>	<b>1,081</b>	<b>(36,726)</b>
Non-controlling interests relating to subsidiaries	-	-	-	-	-	-	-	(602)	(602)
<b>Balance at 30 June 2016</b>	<b>300,000</b>	<b>676</b>	<b>(55,056)</b>	<b>(107)</b>	<b>1,826</b>	<b>4,618</b>	<b>251,957</b>	<b>14,295</b>	<b>266,252</b>

The above has been extracted from 30 June consolidated interim financial statements reviewed by KPMG. The financials have been approved by Board of Directors. The condensed consolidated interim financial statements are available on Ibdar website: www.ibdarbank.com