

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2018

	US\$ 000's	
	31 December 2018	31 December 2017
ASSETS		
Cash and balances with banks	6,628	9,409
Placements with financial institutions	34,021	5,031
Investment in sukuk	53,413	91,127
Financing receivables	3,204	11,970
Receivable from Ijarah investors	5,525	5,892
Investment in equity securities	82,950	88,987
Investment in real estate	133,871	144,201
Equity-accounted investees	-	461
Other assets	5,331	9,619
Total assets	324,943	366,697
LIABILITIES		
Placements from financial institutions	-	2,002
Financing liabilities	81,940	102,370
Other liabilities	5,357	17,682
Total liabilities	87,297	122,054
OWNERS' EQUITY		
Share capital	233,000	233,000
Statutory reserve	762	762
(Accumulated losses)/retained earnings	(20,899)	1,138
Property fair value reserve	-	278
Investment fair value reserve	947	-
General reserve	4,618	4,618
Equity attributable to shareholders of the Bank	218,428	239,796
Non-controlling interests	19,218	4,847
Total owners' equity	237,646	244,643
Total liabilities and owner's equity	324,943	366,697

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
for the year ended 31 December 2018

31 December 2018	Equity attributable to shareholders of the Bank								Non-controlling interests	Total owners' equity
	Share capital	Statutory reserve	Retained earnings/ (accumulated losses)	Property fair value reserve	Investment fair value reserve	General reserve	Total			
Balance at 1 January 2018	233,000	762	1,138	278	-	4,618	239,796	4,847	244,643	
Effect of adoption of FAS 30	-	-	(55)	-	-	-	(55)	-	(55)	
Balance at 1 January 2018 (restated)	233,000	762	1,083	278	-	4,618	239,741	4,847	244,588	
Loss for the year	-	-	(21,650)	-	-	-	(21,650)	(916)	(22,566)	
Net changes in fair value	-	-	-	(278)	947	-	669	-	669	
Total recognised income and expense for the year	-	-	(21,650)	(278)	947	-	(20,981)	(916)	(21,897)	
Dividends to shareholders	-	-	(750)	-	-	-	(750)	-	(750)	
Non-controlling interests arising from partial sale of subsidiaries	-	-	418	-	-	-	418	15,874	16,292	
Distribution to non-controlling interests	-	-	-	-	-	-	-	(587)	(587)	
Balance at 31 December 2018	233,000	762	(20,899)	-	947	4,618	218,428	19,218	237,646	
31 December 2017	Equity attributable to shareholders of the Bank								Non-controlling interests	Total owners' equity
	Share capital	Statutory reserve	Retained earnings/ (accumulated losses)	Property fair value reserve	General reserve	Total				
Balance at 1 January 2017	300,000	676	(66,634)	610	-	4,618	239,270	2,735	242,005	
Profit for the year	-	-	858	-	-	-	858	147	1,005	
Net changes in fair value	-	-	-	(332)	-	-	(332)	-	(332)	
Statutory reserves	-	86	(86)	-	-	-	-	-	-	
Total recognised income and expense for the year	-	86	772	(332)	-	-	526	147	673	
Non-controlling interests relating to subsidiaries	-	-	-	-	-	-	-	2,036	2,036	
Distribution to non-controlling interests	-	-	-	-	-	-	-	(71)	(71)	
Adjustment of losses	(67,000)	-	67,000	-	-	-	-	-	-	
Balance at 31 December 2017	233,000	762	1,138	278	-	4,618	239,796	4,847	244,643	

CONSOLIDATED STATEMENT OF INCOME
for the year ended 31 December 2018

	US\$ 000's	
	31 December 2018	31 December 2017
INCOME		
Income from investment banking services	225	908
Income from advisory services	537	-
Income from sukuk	2,086	4,650
Income from investment in equity securities	4,333	3,407
Finance income	1,191	1,218
Income from investment in real estate	2,429	2,134
Other income	633	1,327
Total income from continuing operations	11,434	13,644
Discontinued operations: (Loss) / income from discontinued operations, net	(90)	3,465
Total income	11,344	17,109
EXPENSES		
Staff cost	6,979	7,781
Finance expense	925	1,194
Depreciation and amortization	98	95
Other operating expenses	7,026	5,118
Total expenses	15,028	14,188
(Loss) / Profit before fair value changes and impairment allowances	(3,684)	2,921
Net fair value changes on investment securities	(4,911)	397
Impairment allowances on investments	(11,606)	(2,313)
Expected credit loss	(2,365)	-
(LOSS)/PROFIT FOR THE YEAR	(22,566)	1,005
Attributable to:		
Shareholders of Bank	(21,650)	858
Non-controlling interests	(916)	147
	(22,566)	1,005



CONSOLIDATED FINANCIAL INFORMATION

31 December 2018

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2018

	US\$ 000's	
	31 December 2018	31 December 2017
OPERATING ACTIVITIES		
(Loss) / profit for the year	(22,566)	1,005
Adjustment for:		
Depreciation and amortization	98	95
Net fair value loss on investment securities	4,911	(397)
Share of loss / (profit) of equity-accounted investees	90	(139)
Gain on sale of equity accounted investees	-	(298)
Loss / (gain) on sale of investment in sukuk	471	(1,127)
Gain on sale of investment in real estate	-	(623)
Impairment allowances	11,606	2,313
Expected credit loss	2,365	-
Other income	(633)	(217)
Amortisation of premium or discount, net	342	237
Operating profit before changes in operating assets and liabilities	(3,316)	849
Changes in operating assets and liabilities:		
Financing receivables	5,130	13,578
Receivables from Ijarah investors	567	(9,293)
Placements with financial institutions (with original maturity more than 90 days)	5,031	(5,031)
Other assets	2,053	27,809
Other liabilities	(3,127)	(7,337)
Net cash generated from operating activities	6,258	20,575
INVESTING ACTIVITIES		
Purchase of investment securities	(62,967)	(200,591)
Proceeds from sale of investment securities	102,510	178,012
Purchase of investment in real estate	-	(44,214)
Proceeds from sale of investment in real estate	-	9,546
Proceeds from equity accounted investees, net	350	4,689
Payment for purchase of equipment, net	48	(157)
Assets acquired for leasing	-	(6,929)
Net cash generated from / (used in) investing activities	39,941	(59,644)
FINANCING ACTIVITIES		
Placements from financial institutions, net	(2,002)	(4,501)
Financing liabilities, net	(20,429)	29,097
Dividends paid	(591)	-
Distribution to non-controlling interests	(587)	(71)
Proceeds from investors for partial sale of subsidiaries	8,650	10,900
Net cash (used in) / generated from financing activities	(14,959)	35,425
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	31,240	(3,644)
Cash and cash equivalents at 1 January	9,409	13,053
Cash and cash equivalents at 31 December	40,649	9,409
Cash and cash equivalents comprise:		
Cash and balances with banks*	6,628	9,409
Placements with financial institutions (with original maturity of 90 days or less)*	34,021	-
	40,649	9,409

* Net of expected credit loss of US\$ 4 thousands (31 December 2017: Nil)

The above has been extracted from 31 December 2018 consolidated financial statements audited by KPMG who expressed an unqualified audit opinion on the financials. The financials have been approved by the Board of Directors and are available on Ibdar website at www.Ibdarbank.com.