

BBK B.S.C- Interim Condensed Consolidated Financial Statements 30 September 2010 (Unaudited)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2010 (Unaudited)
BD '000s

	Unaudited 30 Sep-10	Audited 31 Dec-09	Unaudited 30 Sep-09
ASSETS			
Cash and balances with central banks	344,339	162,408	134,708
Treasury bills	187,460	61,655	-
Deposits and amounts due from banks and other financial institutions	196,448	362,407	111,961
Loans and advances to customers	1,239,158	1,268,561	1,291,471
Non-trading investment securities	434,370	357,151	326,584
Investment in associated companies and joint venture	35,593	27,472	28,160
Interest receivable and other assets	10,299	11,235	10,525
Premises and equipment	28,533	28,003	22,425
TOTAL ASSETS	2,476,200	2,278,892	1,925,834
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits and amounts due to banks and other financial institutions	162,891	239,579	224,188
Term borrowings	247,240	257,173	265,770
Customers' current, savings and other deposits	1,790,454	1,516,909	1,178,846
Interest payable and other liabilities	41,734	34,237	36,716
TOTAL LIABILITIES	2,242,319	2,047,898	1,705,520
EQUITY			
Share capital	85,135	85,135	85,135
Treasury stock	(3,482)	(2,845)	(1,357)
Share premium	39,919	39,919	39,919
Statutory reserve	39,001	39,001	35,500
General reserve	27,000	20,000	20,000
Cumulative changes in fair values	(4,799)	924	(1,106)
Foreign currency translation adjustments	313	(462)	(579)
Retained earnings	50,525	18,853	42,704
Proposed appropriations	-	30,358	-
ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	233,612	230,883	220,216
Non-controlling interest	269	111	98
TOTAL EQUITY	233,881	230,994	220,314
TOTAL LIABILITIES AND EQUITY	2,476,200	2,278,892	1,925,834

CONSOLIDATED STATEMENT OF INCOME

Nine months ended 30 September 2010 (Unaudited)
BD '000s

	3 months ended		9 months ended	
	30-Sep-10	30-Sep-09	30-Sep-10	30-Sep-09
Interest and similar income	21,479	19,800	62,314	61,901
Interest and similar expense	(8,150)	(3,285)	(19,499)	(16,531)
Net interest income	13,329	16,515	42,815	45,370
Share of profit of associated companies and joint ventures	845	483	2,623	2,334
Other income	9,584	6,005	42,900	21,898
Total operating income	23,758	23,003	88,338	69,602
Staff costs	7,386	6,914	21,784	20,340
Other expenses	3,039	3,415	9,173	9,144
Depreciation	823	652	2,321	1,914
Net provision for impairment on loans and advances to customers	4,418	7,491	17,422	10,509
Net provision for impairment on non-trading investment securities	122	1,750	6,001	2,298
Total operating expenses	15,788	20,222	56,701	44,205
PROFIT BEFORE TAXATION	7,970	2,781	31,637	25,397
Net tax provision	(115)	(34)	(363)	(360)
PROFIT FOR THE PERIOD	7,855	2,747	31,274	25,037
Attributable to:				
Shareholders of the Bank	7,856	2,742	31,279	25,046
Non-controlling interest	(1)	5	(5)	(9)
	7,855	2,747	31,274	25,037
Basic and diluted earnings per share (BD)	0.009	0.003	0.037	0.030

Accounting policies and Notes :

- The interim condensed consolidated financial statements of the Group 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 2009.
- Other income for the nine months ended 30 September 2010 includes BD 2,717 thousand (30 September 2009: BD 3,257 thousand) of dividend income, which is of a seasonal nature.
- "Net interest income for the nine months ended 30 September 2010 includes a gain on partial redemption of term borrowings of BD 2,227 thousand (30 September 2009: BD 5,864 thousand).
- At the Annual General Meeting held on 7 March 2010, the shareholders approved the following appropriations:

	BD '000
Dividend (BD 0.025 per share)	21,033
Transfer to general reserve	7,000
Donations	1,800
Directors' remuneration	525
	30,358

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 2010 which was reviewed by Ernst & Young

Reviewed by Ernst & Young

Above information available on www.bbkonline.com

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Nine months ended 30 September 2010 (Unaudited)
BD '000s

	3 months ended		9 months ended	
	30-Sep-10	30-Sep-09	30-Sep-10	30-Sep-09
Profit for the period	7,855	2,747	31,274	25,037
Foreign exchange translation adjustments	1,427	102	775	(4,271)
Net movement in cumulative changes in fair values	6,139	7,745	853	8,093
Cash flow hedges	(2,719)	(76)	(6,576)	(297)
Directors' remuneration and donations	-	-	(2,325)	(1,455)
Other Comprehensive income (Loss) for the period	4,847	7,771	(7,273)	2,070
Total Comprehensive income (Loss) for the period	12,702	10,518	24,001	27,107
Attributable to:				
Shareholders of the parent	12,703	10,513	24,006	27,116
Non controlling interests	(1)	5	(5)	(9)
	12,702	10,518	24,001	27,107

CONSOLIDATED STATEMENT OF CASH FLOWS

Nine months ended 30 September 2010 (Unaudited)
BD '000s

	9 months ended	
	30-Sep-10	30-Sep-09
Net cash from (used in) operating activities	182,271	(124,216)
Net cash used in investing activities	(71,759)	(37,272)
Net cash used in financing activities	(33,928)	(81,279)
Foreign currency translation adjustment	775	(4,271)
NET CHANGE IN CASH AND CASH EQUIVALENTS	77,359	(247,038)
Cash and cash equivalents at beginning of the period	475,190	399,828
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	552,549	152,790

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine months ended 30 September 2010 (Unaudited)
BD '000s

	Attributable to shareholders of the Bank					Non controlling interests	Total equity
	Share capital	Other reserves	Retained earnings	Proposed appropriations	Total		
Balance at 31 December 2009	85,135	96,537	18,853	30,358	230,883	111	230,994
Share - based payments	-	-	393	-	393	-	393
General reserve transfer - 2009	-	7,000	-	(7,000)	-	-	-
Dividend - 2009	-	-	-	(21,033)	(21,033)	-	(21,033)
Profit for the period	-	-	31,279	-	31,279	(5)	31,274
Other comprehensive income for the period	-	(4,948)	-	(2,325)	(7,273)	-	(7,273)
Total comprehensive income	-	(4,948)	31,279	(2,325)	24,006	(5)	24,001
Purchase of Treasury Stock	-	(637)	-	-	(637)	-	(637)
Additional capital issued by subsidiaries	-	-	-	-	-	163	163
Balance at 30 September 2010	85,135	97,952	50,525	-	233,612	269	233,881
Balance at 31 December 2008	81,081	88,852	17,626	21,605	209,164	107	209,271
Share - based payments	-	-	32	-	32	-	32
Dividend - 2008	-	-	-	(16,096)	(16,096)	-	(16,096)
Issue of bonus shares	4,054	-	-	(4,054)	-	-	-
Profit for the period	-	-	25,046	-	25,046	(9)	25,037
Other comprehensive income for the period	-	3,525	-	(1,455)	2,070	-	2,070
Total comprehensive income	-	3,525	25,046	(1,455)	27,116	(9)	27,107
Balance at 30 September 2009	85,135	92,377	42,704	-	220,216	98	220,314

SEGMENTAL INFORMATION

Nine months ended 30 September 2010 (Unaudited)
BD '000s

30 September 2010	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
Operating income before share of profit of associated companies and joint venture	22,680	14,241	28,162	20,632	85,715
Segment result	8,302	3,338	5,021	11,990	28,651
Income from associated companies and joint venture					2,623
Profit for the period					31,274
Loss attributable to non-controlling interest					5
Profit attributable to the shareholders of the Bank					31,279
30 September 2009					
Operating income before share of profit of associated companies and joint venture	21,461	17,163	15,585	13,059	67,268
Segment result	7,840	6,435	2,219	6,209	22,703
Income from associated companies and joint venture					2,334
Profit for the period					25,037
Loss attributable to non-controlling interest					9
Profit attributable to the shareholders of the Bank					25,046

Murad Ali Murad
Chairman

Sh Mohammed bin Isa AL Khalifa
Deputy Chairman

Abdulkarim Ahmed Bucheery
Chief Executive