

# CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2012 (Audited)



## CONSOLIDATED STATEMENT OF INCOME

Year ended 31 December 2012

	2012 KD '000	2011 KD '000
Net Financing income	71,596	63,360
Fees and other income	14,763	14,282
<b>TOTAL OPERATING INCOME</b>	<b>86,359</b>	<b>77,642</b>
Provision and impairment losses	16,835	19,833
<b>OPERATING INCOME AFTER PROVISION AND IMPAIRMENT LOSSES</b>	<b>69,524</b>	<b>57,809</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>29,571</b>	<b>30,813</b>
<b>PROFIT BEFORE TAX</b>	<b>39,953</b>	<b>26,996</b>
Taxation and Zakat	1,880	1,467
Directors' remuneration	75	75
<b>PROFIT FOR THE YEAR</b>	<b>37,998</b>	<b>25,454</b>
<b>Attributable to:</b>		
Bank's equity shareholders	38,539	31,544
Non-controlling interest	(541)	(6,090)
	<b>37,998</b>	<b>25,454</b>
Basic and diluted earnings per ordinary share attributable to the Bank's equity shareholder (fils)	36.2	29.6

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

	2012 KD '000	2011 KD '000
<b>Profit for the year</b>	<b>37,998</b>	<b>25,454</b>
<b>Other comprehensive income</b>		
Revaluation of freehold land	(2,647)	(491)
Net movement in cumulative changes in fair values of investments available for sale	154	(1,732)
Exchange differences on translation of foreign operations	63	26
<b>Total comprehensive income for the year</b>	<b>35,568</b>	<b>23,257</b>
<b>Total comprehensive income attributable to:</b>		
Bank's equity shareholders	35,838	30,039
Non-controlling interest	(270)	(6,782)
	<b>35,568</b>	<b>23,257</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2012

	2012 KD '000	2011 KD '000
Net cash (used in) /from operating activities	(106,874)	63,816
Net cash used in investing activities	(34,002)	(10,301)
Net cash used in financing activities	(15,219)	(13,528)
<b>NET (DECREASE)/ INCREASE IN CASH AND BALANCE WITH BANKS</b>	<b>(156,095)</b>	<b>39,987</b>
Cash and balances with banks at 1 January	423,257	383,270
<b>CASH AND BALANCES WITH BANKS AT 31 DECEMBER</b>	<b>267,162</b>	<b>423,257</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2012

	2012 KD '000	2011 KD '000
<b>ASSETS</b>		
Cash and balances with banks	267,162	423,257
Deposits with Central Bank of Kuwait	332,619	371,584
Deposits with other banks and financial institutions	145,541	82,353
Financing receivables	1,728,082	1,617,722
Investment available for sale	49,215	47,243
Investment in associate	9,237	8,353
Investment properties	32,176	2,490
Premises and equipment	38,914	42,662
Other assets and intangibles	29,976	32,175
<b>TOTAL ASSETS</b>	<b>2,632,922</b>	<b>2,627,839</b>
<b>LIABILITIES</b>		
Deposits from banks and other financial institutions	500,616	633,235
Deposits from customers	1,796,295	1,678,849
Other Liabilities	40,630	40,724
	<b>2,337,541</b>	<b>2,352,808</b>
<b>EQUITY</b>		
Share capital	118,323	112,689
Reserves	208,443	193,458
	<b>326,766</b>	<b>306,147</b>
Treasury Shares	(43,957)	(43,957)
<b>Attributable to the Bank's equity shareholders</b>	<b>282,809</b>	<b>262,190</b>
<b>Non - controlling interest</b>	<b>12,572</b>	<b>12,841</b>
<b>TOTAL EQUITY</b>	<b>295,381</b>	<b>275,031</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,632,922</b>	<b>2,627,839</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2012

	2012 KD '000	2011 KD '000
<b>BALANCE AT 1 JANUARY ATTRIBUTABLE TO THE BANK'S EQUITY SHAREHOLDERS</b>	<b>262,190</b>	<b>245,679</b>
Total comprehensive income for the year	35,838	30,039
Dividend paid	(15,219)	(13,528)
<b>BALANCE AT 31 DECEMBER ATTRIBUTABLE TO THE BANK'S EQUITY SHAREHOLDERS</b>	<b>282,809</b>	<b>262,190</b>
<b>NON-CONTROLLING INTEREST</b>	<b>12,572</b>	<b>12,841</b>
<b>TOTAL EQUITY AT 31 DECEMBER</b>	<b>295,381</b>	<b>275,031</b>

Hamad Al-Marzouq  
Chairman & Managing Director

Sh. Abdullah Jaber Al-Ahmed Al-Sabah  
Vice Chairman