

INTERIM CONSOLIDATED FINANCIAL STATEMENTS - For the three months ended 31 March 2016

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2016

| | Bahraini Dinars | |
|--|-----------------------------|-------------------------------|
| | 31 March 2016 (Reviewed) | 31 December 2015 (Audited) |
| Assets | | |
| Cash and cash equivalents | 2,823,742 | 3,846,119 |
| Investment securities | 41,158,944 | 40,546,449 |
| Investment property | 853,131 | 851,932 |
| Other assets | 940,577 | 554,754 |
| Total assets | 45,776,394 | 45,799,254 |
| Liabilities | | |
| Borrowings | 7,139,626 | 6,762,626 |
| Dividends payable | 1,910,779 | 1,024,735 |
| Other liabilities | 776,607 | 649,706 |
| Total liabilities | 9,827,012 | 8,437,067 |
| Total net assets | 35,949,382 | 37,362,187 |
| Shareholders' equity | | |
| Share capital | 14,000,000 | 14,000,000 |
| Share premium | 7,966,301 | 7,966,301 |
| Treasury shares | (93,961) | (93,961) |
| Reserves | 10,000,000 | 14,039,759 |
| Retained earnings | 3,641,037 | 1,020,074 |
| Total equity attributable to shareholders of the parent company | 35,513,377 | 36,932,173 |
| Non-controlling interest | 436,005 | 430,014 |
| Total equity | 35,949,382 | 37,362,187 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2016

| | Bahraini Dinars | |
|---|--|---|
| | 3 months ended 31 March 2016 (reviewed) | 3 months ended 31 March 2015 (reviewed) (restated) |
| Investment income | 794,938 | 1,197,270 |
| Income from investment Property | 11,963 | 7,897 |
| Other income | - | 43,500 |
| Total income | 806,901 | 1,248,667 |
| General and administrative expenses | 302,296 | 262,487 |
| Interest on borrowings | 46,201 | 64,139 |
| Total expenses | 348,497 | 326,626 |
| Profit for the period | 458,404 | 922,041 |
| Other comprehensive income: | | |
| Items that will not be reclassified to profit or loss | | |
| Net changes in fair value of equity investments classified as fair value through other comprehensive income | (476,167) | (145,274) |
| Total other comprehensive income for the period | (476,167) | (145,274) |
| Total comprehensive income for the period | (17,763) | 776,767 |
| Profit for the period attributable to: | | |
| Shareholders of the parent company | 452,413 | 918,589 |
| Non-controlling interest | 5,991 | 3,452 |
| | 458,404 | 922,041 |
| Total comprehensive income for the period attributable to: | | |
| Shareholders of the parent company | (23,754) | 773,315 |
| Non-controlling interest | 5,991 | 3,452 |
| | (17,763) | 776,767 |
| Basic earnings per 100 fils share | 3.24 fils | 6.58 fils |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2016

| | Bahraini Dinars | |
|---|--|--|
| | 3 months ended 31 March 2016 (reviewed) | 3 months ended 31 March 2015 (reviewed) |
| Operating activities | | |
| Dividends received | 584,384 | 476,994 |
| Interest received | 101,340 | 281,199 |
| Proceeds from sale of equity securities | 693,891 | 1,696,016 |
| Purchase of equity securities | (290,035) | (2,436,294) |
| Purchase of debt securities | (1,523,894) | (440,304) |
| (Payments for) / proceeds from derivative instruments | (67,849) | 216,798 |
| Custody fees and investment related expenses paid | (23,473) | (24,119) |
| Salaries and benefits paid | (188,157) | (213,547) |
| Payments for general and administrative expenses | (119,249) | (99,837) |
| Rent received and other income net of expenses paid | - | 55,779 |
| Net cash used in operating activities | (833,042) | (487,315) |
| Investing activities | | |
| Acquisition of equipment | (2,776) | (11,770) |
| Net cash used in investing activities | (2,776) | (11,770) |
| Financing activities | | |
| Funds borrowed, net | 377,000 | 439,205 |
| Interest paid | (46,347) | (38,359) |
| Dividends paid | (508,998) | (9,653) |
| Distribution to non-controlling interest on liquidation of subsidiaries | (8,214) | - |
| Loan to related party | - | (173,460) |
| Net cash (used in)/ generated from financing activities | (186,559) | 217,733 |
| Net decrease in cash and cash equivalents during the period | (1,022,377) | (281,352) |
| Cash and cash equivalents as at 1 January | 3,846,119 | 3,273,769 |
| Cash and cash equivalents at 31 March | 2,823,742 | 2,992,417 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - For the three months ended 31 March 2016

| 2016 (reviewed) | Attributable to the shareholders of the parent company | | | | | | Non-controlling interest | Total equity |
|--|--|------------------|-----------------|-------------------|-------------------|-------------------|--------------------------|-------------------|
| | Share Capital | Share premium | Treasury shares | Reserves | Retained earnings | Total | | |
| At 1 January 2016 | 14,000,000 | 7,966,301 | (93,961) | 14,039,759 | 1,020,074 | 36,932,173 | 430,014 | 37,362,187 |
| Comprehensive income for the period | - | - | - | - | 452,413 | 452,413 | 5,991 | 458,404 |
| Other comprehensive income | - | - | - | - | (476,167) | (476,167) | - | (476,167) |
| Total comprehensive income for the period | - | - | - | - | (23,754) | (23,754) | 5,991 | (17,763) |
| Dividends declared for 2015 | - | - | - | - | (1,395,042) | (1,395,042) | - | (1,395,042) |
| Transfer from reserve to retained earnings | - | - | - | (4,039,759) | 4,039,759 | - | - | - |
| At 31 March 2016 | 14,000,000 | 7,966,301 | (93,961) | 10,000,000 | 3,641,037 | 35,513,377 | 436,005 | 35,949,382 |

| 2015 (reviewed) | Attributable to the shareholders of the parent company | | | | | | Non-controlling interest | Total equity |
|--|--|------------------|-----------------|-------------------|-------------------|-------------------|--------------------------|-------------------|
| | Share Capital | Share premium | Treasury shares | Reserves | Retained earnings | Total | | |
| At 1 January 2015 previously reported | 14,000,000 | 7,966,301 | (93,961) | 14,011,369 | 2,296,067 | 38,179,776 | 309,188 | 38,488,964 |
| Impact of change in accounting policy | - | - | - | 23,786 | 105,570 | 129,356 | 108,504 | 237,860 |
| At 1 January 2015 (restated) | 14,000,000 | 7,966,301 | (93,961) | 14,035,155 | 2,401,637 | 38,309,132 | 417,692 | 38,726,824 |
| Comprehensive income for the period | - | - | - | - | 918,589 | 918,589 | 3,452 | 922,041 |
| Other comprehensive income | - | - | - | - | (145,274) | (145,274) | - | (145,274) |
| Total comprehensive income for the period | - | - | - | - | 773,315 | 773,315 | 3,452 | 776,767 |
| Dividends declared for 2014 | - | - | - | - | (1,395,042) | (1,395,042) | - | (1,395,042) |
| At 31 March 2015 | 14,000,000 | 7,966,301 | (93,961) | 14,035,155 | 1,779,910 | 37,687,405 | 421,144 | 38,108,549 |