

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
TOTAL OPERATING INCOME	86,359	77,642
Provision and impairment losses	16,835	19,833
OPERATING INCOME AFTER PROVISION AND IMPAIRMENT LOSSES	69,524	57,809
TOTAL OPERATING EXPENSES	29,571	30,813
PROFIT BEFORE TAX	39,953	26,996
Taxation and Zakat	1,880	1,467
Directors' remuneration	75	75
PROFIT FOR THE YEAR	37,998	25,454
Attributable to:		
Bank's equity shareholders	38,539	31,544
Non-controlling interest	(541)	(6,090)
	37,998	25,454
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
Profit for the year	37,998	25,454
Other comprehensive income		
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
Total comprehensive income for the year	35,568	23,257
Total comprehensive income attributable to:		
Bank's equity shareholders	35,838	30,039
Non-controlling interest	(270)	(6,782)
	35,568	23,257

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)
NET (DECREASE)/ INCREASE IN CASH AND BALANCE WITH BANKS	(156,095)	39,987
Cash and balances with banks at 1 January	423,257	383,270
CASH AND BALANCES WITH BANKS AT 31 DECEMBER	267,162	423,257

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2012

	2012 KD '000	2011 KD '000
ASSETS		
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
TOTAL ASSETS	2,632,922	2,627,839
LIABILITIES		
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
	2,337,541	2,352,808
EQUITY		
Share capital	118,323	112,689
Reserves	208,443	193,458
	326,766	306,147
Treasury Shares	(43,957)	(43,957)
Attributable to the Bank's equity shareholders	282,809	262,190
Non - controlling interest	12,572	12,841
TOTAL EQUITY	295,381	275,031
TOTAL LIABILITIES AND EQUITY	2,632,922	2,627,839

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2012

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

Hamad Al-Marzouq
Chairman & Managing Director

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