Al Salam Bank-Bahrain

Consolidated Financial Statements 2009

These consolidated financial statements were extracted from the audited consolidated financial statements on which Ernst & Young issued an unqualified opinion dated 15th February 2010.

CONSOLIDATED INCOME STATEMENT

	Year ended 31 December 2009	Year ended 31 December 2008
	BD	BD
OPERATING INCOME		
Income from financing contracts	**16,710,523**	14,087,135
Gains on disposal of investments	**11,781,651**	30,266,556
Gains on investments designated as fair value through profit or loss	**5,772,270**	5,259,691
Other operating income	**911,486**	2,300,596
	35,175,930	51,913,978
Less: Profit paid and payable on Murabaha from banks	**(1,118,975)**	(2,489,667)
Less: Profit on Wakala from non-banks	**(13,928,052)**	(9,279,138)
Less: Profit on unrestricted investment accounts	**(155,520)**	(219,939)
Less: Depreciation on Ijarah Muntahia Bittamleek	**(4,037,647)**	(2,323,976)
TOTAL OPERATING INCOME	**15,935,736**	37,601,258
OPERATING EXPENSES		
Staff costs	**5,130,940**	6,854,616
Premises and equipment cost	**723,322**	582,745
Depreciation	**1,009,690**	902,526
Other operating expenses	**2,853,219**	3,438,451
Total operating expenses	**9,717,171**	11,778,338
PROFIT BEFORE RESULTS OF SUBSIDIARY AND ASSOCIATE	**6,218,565**	25,822,920
Gain arising on acquisition of a subsidiary	**7,996,039**	-
Share of loss from an associate	**(254,224)**	(280,239)
Post acquisition profit from the subsidiary	**21,000**	-
Share of Shari'a prohibited income contributed to charity	**(18,965)**	-
NET PROFIT FOR THE YEAR	**13,962,415**	25,542,681
Attributable to:		
Equity holders of the Bank	**13,960,380**	-
Non-controlling interest	**2,035**	-
	13,962,415	25,542,681
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	**1,300,825,581**	1,200,000,000
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	**10.7**	21.3

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December 2009	Year ended 31 December 2008
	BD	BD
NET PROFIT FOR THE YEAR	**13,962,415**	25,542,681
Other comprehensive income:		
Net change in fair value	**(367,968)**	-
Exchange differences on investment in an associate	**(98,634)**	99,010
Other comprehensive income for the year	**(466,602)**	99,010
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**13,495,813**	25,641,691
Attributable to:		
Equity holders of the Bank	**13,480,309**	25,641,691
Non-controlling interest	**15,504**	-
	13,495,813	25,641,691

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Year ended 31 December 2009	Year ended 31 December 2008
	BD	BD
Balance at 1 January	**172,483,481**	159,470,877
Total comprehensive income for the year	**13,495,813**	25,641,691
Zakah paid	**(822,525)**	(529,087)
Dividends paid	**(12,000,000)**	(12,000,000)
Charitable donations	**(100,000)**	(100,000)
Shares issued	**25,150,381**	-
Non-controlling interest arising on acquisition of a subsidiary	**3,571,153**	-
Balance at 31 December	**201,778,303**	172,483,481

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2009	31 December 2008
	BD	BD
ASSETS		
Cash and balances with Central Bank of Bahrain	**126,739,202**	83,533,981
Central Bank of Bahrain Sukuk	**32,907,875**	31,095,000
Murabaha receivables from banks	**149,303,782**	87,167,449
Corporate Sukuk	**16,949,546**	-
Murabaha receivables	**87,273,825**	72,483,745
Ijarah Muntahia Bittamleek	**46,314,651**	41,530,784
Musharaka financing	**5,384,369**	-
Assets under conversion	**98,305,000**	-
Non-trading investments	**184,679,822**	116,929,500
Investment in an associate	**7,659,055**	8,011,913
Investment property	**1,177,528**	1,177,528
Receivables and prepayments	**26,902,192**	21,032,829
Premises and equipment	**2,337,436**	2,583,796
Assets held-for-sale	**-**	88,934,033
TOTAL ASSETS	**785,934,283**	554,480,558
LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY		
LIABILITIES		
Murabaha payables to banks	**89,397,722**	32,880,685
Wakala from non-banks	**317,369,585**	289,004,770
Customers' current accounts	**32,699,944**	42,985,844
Liabilities under conversion	**120,402,000**	-
Other liabilities	**14,877,262**	10,755,559
TOTAL LIABILITIES	**574,746,513**	375,626,858
UNRESTRICTED INVESTMENT ACCOUNTS	**9,409,467**	6,370,219
EQUITY		
Share capital	**142,577,508**	120,000,000
Reserves and retained earnings	**41,356,388**	39,660,956
Proposed appropriations	**14,257,750**	12,822,525
Total equity attributable to shareholders of the Bank	**198,191,646**	172,483,481
Non-controlling interest	**3,586,657**	-
TOTAL EQUITY	**201,778,303**	172,483,481
TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY	**785,934,283**	554,480,558

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 December 2009	Year ended 31 December 2008
	BD	BD
Net cash from (used in) operating activities	**53,625,823**	(51,497,754)
Net cash from (used in) investing activities	**57,826,669**	(507,070)
Net cash used in financing activities	**(9,099,214)**	(25,399,366)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**102,353,278**	(77,404,190)
Cash and cash equivalents at 1 January	**156,204,000**	233,608,190
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	**258,557,278**	156,204,000

These consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 15th February, 2010.

Mohamed Ali Rashid Alabbar
Chairman

Yousif Taqi
Director & Chief Executive Officer