

Financial Results *for the nine months ended 30 September 2018*

Condensed Consolidated Statement of Financial Position *As at 30 September 2018*

USD 000's

	30 September 2018 (reviewed)	31 December 2017 (audited)
ASSETS		
Cash and bank balances	10,336	12,100
Placements with financial institutions	107,253	84,953
Financing assets	129,588	131,482
Ijarah assets	76,000	78,700
Investment securities	389,622	407,569
Equity accounted investees	63,420	44,240
Other assets	40,605	36,406
Property and equipment	11,911	11,842
Assets held for sale	119,645	119,645
Total assets	948,380	926,937
LIABILITIES AND EQUITY		
LIABILITIES		
Placements from financial institutions	103,718	79,401
Bank financing	124,259	127,037
Liabilities directly associated with the assets held for sale	190	-
Other liabilities	18,663	20,498
Total liabilities	246,830	226,936
EQUITY		
Share capital	1,000,000	1,000,000
Treasury shares	(7,261)	(7,261)
Statutory reserve	11,808	11,808
Investments fair value reserve	(2,011)	5,664
Foreign exchange translation reserve	(2,171)	(2,171)
Accumulated losses	(345,997)	(355,202)
Total equity attributable to shareholders of the parent	654,368	652,838
Non-controlling interests	47,182	47,163
TOTAL EQUITY	701,550	700,001
Total liabilities and equity	948,380	926,937

Condensed Consolidated Income Statement

For the nine months ended 30 September 2018

USD 000's

	Nine months ended		Three months ended	
	30 September 2018 (reviewed)	30 September 2017 (reviewed)	30 September 2018 (reviewed)	30 September 2017 (reviewed)
INCOME				
Income from investment securities	18,071	25,672	2,840	14,720
Income from financing and placements with financial institutions	9,486	9,478	3,324	2,901
Gain on disposal of equity accounted investee	-	4,157	-	-
Share of results of equity accounted investees	(425)	(2,068)	(236)	(1,428)
Net income from Ijarah assets	2,001	(7,294)	680	(3,318)
Other income	3,488	1,590	188	223
Total income	32,621	31,535	6,796	13,098
EXPENSES				
Staff cost	9,448	6,623	2,950	2,140
Finance cost	3,037	1,888	1,087	573
Depreciation and amortization	382	318	110	87
Expenses related to assets held for sale	2,519	-	778	-
Other operating expenses	6,214	6,130	1,806	1,334
Total expenses	21,600	14,959	6,731	4,134
Profit before impairment allowance	11,021	16,576	65	8,964
Net impairment losses	(1,539)	-	(585)	-
PROFIT FOR THE PERIOD	9,482	16,576	(520)	8,964
Attributable to:				
Shareholders of the parent	9,455	16,496	(529)	8,979
Non-controlling interests	27	80	9	(15)
	9,482	16,576	(520)	8,964

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2018

USD 000's

30 September 2018 (reviewed)	Equity attributable to shareholders of the parent							Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserve	Investments fair value reserve	Foreign exchange translation reserve	Accumulated losses	Total		
Balance at 1 January 2018	1,000,000	(7,261)	11,808	5,664	(2,171)	(355,202)	652,838	47,163	700,001
Changes in fair value of investments at fair value through equity	-	-	-	(5,155)	-	-	(5,155)	-	(5,155)
Transfer to income statement on disposal of investments	-	-	-	(2,520)	-	-	(2,520)	-	(2,520)
Profit for the period	-	-	-	-	-	9,455	9,455	27	9,482
Total recognised income and expense for the period	-	-	-	(7,675)	-	9,455	1,780	27	1,807
Transfer to zakah and charity fund	-	-	-	-	-	(250)	(250)	-	(250)
Dividends of subsidiary	-	-	-	-	-	-	-	(8)	(8)
Balance at 30 September 2018	1,000,000	(7,261)	11,808	(2,011)	(2,171)	(345,997)	654,368	47,182	701,550
30 September 2017 (reviewed)									
Balance at 1 January 2017	1,000,000	(7,261)	9,802	4,715	(5,640)	(367,594)	634,022	41,484	675,506
Changes in fair value of investments at fair value through equity	-	-	-	(3,817)	-	-	(3,817)	-	(3,817)
Effects of exchange rate difference on equity accounted investees	-	-	-	-	3,469	-	3,469	-	3,469
Change in ownership interest in subsidiary	-	-	-	-	-	(5,558)	(5,558)	5,558	-
Profit for the period	-	-	-	-	-	16,496	16,496	80	16,576
Total recognised income and expense for the period	-	-	-	(3,817)	3,469	10,938	10,590	5,638	16,228
Issuance of share capital in a subsidiary	-	-	-	-	-	-	-	62	62
Transfer to zakah and charity fund	-	-	-	-	-	(100)	(100)	-	(100)
Dividends of subsidiary	-	-	-	-	-	-	-	(20)	(20)
Balance at 30 September 2017	1,000,000	(7,261)	9,802	898	(2,171)	(356,756)	644,512	47,164	691,676

Condensed Consolidated Statement of Cash Flows

For the nine months ended 30 September 2018

USD 000's

	Nine months ended 30 September 2018 (reviewed)	Nine months ended 30 September 2017 (reviewed)
OPERATING ACTIVITIES		
Net profit for the period	9,482	16,576
Adjustments for:		
Depreciation on Ijarah assets	2,700	6,476
Depreciation and amortization	382	318
Amortization of discount	(591)	(98)
Net impairment losses	1,539	-
Share of results of equity accounted investees	425	2,068
Gain on disposal of investment securities and equity accounted investees	(6,396)	(19,564)
Loss on disposal of property and equipment	-	3
Operating profit before changes in operating assets and liabilities	7,541	5,779
Net changes in operating assets and liabilities:		
Financing assets	1,429	52,354
Other assets	(4,377)	(5,514)
Placements from financial institutions	24,317	(94,505)
Other liabilities	(1,689)	(5,965)
Payment to charities	(206)	(149)
Net cash generated from / (used in) operating activities	27,015	(48,000)
INVESTING ACTIVITIES		
Purchase of investment securities	(112,930)	(229,443)
Proceeds from disposal / maturity of investment securities	129,746	285,998
Investment in a joint venture	(19,968)	-
Proceeds from disposal of joint venture	-	15,245
Purchase of property and equipment and intangible assets	(487)	(2,050)
Net cash (used in) / generated from investing activities	(3,639)	69,750
FINANCING ACTIVITIES		
Issuance of share capital in a subsidiary	-	62
Dividend paid to non-controlling interest	(8)	(20)
Repayment of bank financing	(42,778)	(110,007)
Proceeds from bank financing	40,000	-
Net cash used in financing activities	(2,786)	(109,965)
Net increase / (decrease) in cash and cash equivalents	20,590	(88,215)
Cash and cash equivalents at beginning of the period	97,053	147,199
Effect of net impairment losses on placements with financial institutions	(54)	-
Cash and cash equivalents at end of the period	117,589	58,984
Cash and bank balances	10,336	8,010
Placements with financial institutions with original maturity of 90 days or less	107,253	50,974
	117,589	58,984

These statements have been extracted from the interim condensed consolidated financial information reviewed by KPMG.

The interim condensed consolidated financial information was approved by the Board of Directors on 13 November 2018 and signed on its behalf by:

Khaleefa Butti Bin Omair Chairman
Abdulla Al Yousef Al Suwaidi Board Member
Mohamed Chanem Chief Executive Officer



مصرف الطاقة الأول
FirstEnergyBank