

# FINANCIAL RESULTS for the three months ended 31 March 2018

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2018

US\$ 000's

	31 March 2018 (reviewed)	31 December 2017 (audited)
<b>ASSETS</b>		
Cash and bank balances	9,233	12,100
Placements with financial institutions	77,727	84,953
Financing assets	130,773	131,482
ljarah assets	77,800	78,700
Investment securities	428,720	407,569
Equity accounted investees	43,733	44,240
Other assets	40,270	36,406
Property and equipment	11,902	11,842
Assets held for sale	119,645	119,645
<b>Total assets</b>	<b>939,803</b>	<b>926,937</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Placements from financial institutions	87,105	79,401
Bank financing	125,433	127,037
Liabilities directly associated with the assets held for sale	683	-
Other liabilities	19,153	20,498
<b>Total liabilities</b>	<b>232,374</b>	<b>226,936</b>
<b>EQUITY</b>		
Share capital	1,000,000	1,000,000
Treasury shares	(7,261)	(7,261)
Statutory reserve	11,808	11,808
Investments fair value reserve	4,762	5,664
Foreign exchange translation reserve	(2,171)	(2,171)
Accumulated losses	(346,881)	(355,202)
<b>Total equity attributable to shareholders of the parent</b>	<b>660,257</b>	<b>652,838</b>
Non-controlling interests	47,172	47,163
<b>TOTAL EQUITY</b>	<b>707,429</b>	<b>700,001</b>
<b>Total liabilities and equity</b>	<b>939,803</b>	<b>926,937</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months ended 31 March 2018

US\$ 000's

	Three months ended 31 March 2018 (reviewed)	Three months ended 31 March 2017 (reviewed)
<b>INCOME</b>		
Income from investment securities	11,836	7,165
Income from financing and placements with financial institutions	2,971	3,604
Share of results of equity accounted investees	(389)	6
Net income from ljarah assets	672	(2,721)
Other income	288	1,337
<b>Total income</b>	<b>15,378</b>	<b>9,391</b>
<b>EXPENSES</b>		
Staff cost	3,051	2,256
Finance cost	921	839
Depreciation and amortization	142	127
Expenses related to assets held for sale	936	-
Other operating expenses	1,998	2,075
<b>Total expenses</b>	<b>7,048</b>	<b>5,297</b>
<b>PROFIT FOR THE PERIOD</b>	<b>8,330</b>	<b>4,094</b>
<b>Attributable to:</b>		
Shareholders of the parent	8,321	4,014
Non-controlling interests	9	80
	<b>8,330</b>	<b>4,094</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2018

US\$ 000's

	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		
<b>31 March 2018 (reviewed)</b>									
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	-	-	-	1,618	-	-	1,618	-	1,618
Transfer to income statement on disposal of investments	-	-	-	(2,520)	-	-	(2,520)	-	(2,520)
Profit for the period	-	-	-	-	-	8,321	8,321	9	8,330
<b>Total recognised income and expense for the period</b>	-	-	-	(902)	-	8,321	7,419	9	7,428
<b>Balance at 31 March 2018</b>	<b>1,000,000</b>	<b>(7,261)</b>	<b>11,808</b>	<b>4,762</b>	<b>(2,171)</b>	<b>(346,881)</b>	<b>660,257</b>	<b>47,172</b>	<b>707,429</b>
<b>31 March 2017 (reviewed)</b>									
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	-	-	-	(1,410)	-	-	(1,410)	-	(1,410)
Effects of exchange rate difference on equity accounted investees	-	-	-	-	328	-	328	-	328
Change in ownership interest in subsidiary	-	-	-	-	-	(5,558)	(5,558)	5,558	-
Profit for the period	-	-	-	-	-	4,014	4,014	80	4,094
<b>Total recognised income and expense for the period</b>	-	-	-	(1,410)	328	(1,544)	(2,626)	5,638	3,012
Transfer to zakah and charity fund	-	-	-	-	-	(100)	(100)	-	(100)
Dividends of subsidiary	-	-	-	-	-	-	-	(10)	(10)
<b>Balance at 31 March 2017</b>	<b>1,000,000</b>	<b>(7,261)</b>	<b>9,802</b>	<b>3,305</b>	<b>(5,312)</b>	<b>(369,238)</b>	<b>631,296</b>	<b>47,112</b>	<b>678,408</b>



مصرف الطاقة الأول  
**FirstEnergyBank**

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2018

US\$ 000's

	Three months ended 31 March 2018 (reviewed)	Three months ended 31 March 2017 (reviewed)
<b>OPERATING ACTIVITIES</b>		
<b>Net profit for the period</b>	<b>8,330</b>	<b>4,094</b>
<b>Adjustments for:</b>		
Depreciation on ljarah assets	900	2,159
Depreciation and amortisation	142	127
Amortization of discount	(634)	(452)
Share of results of equity accounted investees	389	(6)
Gain on disposal of investment securities	(6,004)	(2,689)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>3,123</b>	<b>3,233</b>
<b>Net changes in operating assets and liabilities:</b>		
Financing assets	(90)	24,136
Other assets	(3,915)	(2,116)
Placements from financial institutions	7,704	(81,231)
Other liabilities	(653)	(4,316)
Payment to charities	(9)	(25)
<b>Net cash generated from / (used in) operating activities</b>	<b>6,160</b>	<b>(60,319)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities	(114,392)	(153,735)
Proceeds from disposal / maturity of investment securities	100,048	197,539
Purchase of property and equipment and intangible assets	(289)	(118)
<b>Net cash (used in) / generated from investing activities</b>	<b>(14,633)</b>	<b>43,686</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of bank financing	(41,604)	(108,294)
Proceeds from bank financing	40,000	-
Dividend paid to non-controlling interest	-	(10)
<b>Net cash used in financing activities</b>	<b>(1,604)</b>	<b>(108,304)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(10,077)</b>	<b>(124,937)</b>
Cash and cash equivalents at beginning of the period	97,053	147,116
Effect of net impairment losses on placements with financial institutions	(16)	-
<b>Cash and cash equivalents at end of the period</b>	<b>86,960</b>	<b>22,179</b>
Cash and bank balances	9,233	9,497
Placements with financial institutions with original maturity of 90 days or less	77,727	12,682
	<b>86,960</b>	<b>22,179</b>

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 14 May 2018 and signed on its behalf by:

**Khaleefa Butti Bin Omair** | **Abdulla Al Yousef Al Suwaidi** | **Mohamed Ghanem**  
Chairman | Board Member | Chief Executive Officer