

# Financial Results for the six months ended 30 June 2018

## Condensed Consolidated Statement of Financial Position

As at 30 June 2018

USD 000's

	30 June 2018 (reviewed)	31 December 2017 (audited)
<b>ASSETS</b>		
Cash and bank balances	8,343	12,100
Placements with financial institutions	106,231	84,953
Financing assets	129,330	131,482
Ijarah assets	76,900	78,700
Investment securities	396,118	407,569
Equity accounted investees	43,812	44,240
Other assets	41,526	36,406
Property and equipment	11,947	11,842
Assets held for sale	119,645	119,645
<b>Total assets</b>	<b>933,852</b>	<b>926,937</b>
<b>Liabilities and equity</b>		
<b>LIABILITIES</b>		
Placements from financial institutions	80,879	79,401
Bank financing	124,834	127,037
Liabilities directly associated with the assets held for sale	442	-
Other liabilities	19,924	20,498
<b>Total liabilities</b>	<b>226,079</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	3,692	5,664
Foreign exchange translation reserve	(2,171)	(2,171)
Accumulated losses	(345,468)	(355,202)
<b>Total equity attributable to shareholders of the parent</b>	<b>660,600</b>	<b>652,838</b>
Non-controlling interests	47,173	47,163
<b>TOTAL EQUITY</b>	<b>707,773</b>	<b>700,001</b>
<b>Total liabilities and equity</b>	<b>933,852</b>	<b>926,937</b>

## Condensed Consolidated Income Statement

For the six months ended 30 June 2018

USD 000's

	Six months ended		Three months ended	
	30 June 2018 (reviewed)	30 June 2017 (reviewed)	30 June 2018 (reviewed)	30 June 2017 (reviewed)
<b>INCOME</b>				
Income from investment securities	15,231	10,952	3,395	3,787
Income from financing and placements with financial institutions	6,162	6,577	3,191	2,973
Gain on disposal of equity accounted investee	-	4,157	-	4,157
Share of results of equity accounted investees	(189)	(640)	200	(646)
Net income from Ijarah assets	1,321	(3,976)	649	(1,255)
Other income	3,300	1,367	3,012	30
<b>Total income</b>	<b>25,825</b>	<b>18,437</b>	<b>10,447</b>	<b>9,046</b>
<b>EXPENSES</b>				
Staff cost	6,498	4,483	3,447	2,227
Finance cost	1,950	1,315	1,029	476
Depreciation and amortization	272	231	130	104
Expenses related to assets held for sale	1,741	-	805	-
Other operating expenses	4,408	4,796	2,410	2,721
<b>Total expenses</b>	<b>14,869</b>	<b>10,825</b>	<b>7,821</b>	<b>5,528</b>
<b>Profit before impairment allowance</b>	<b>10,956</b>	<b>7,612</b>	<b>2,626</b>	<b>3,518</b>
Net impairment losses	(954)	-	(954)	-
<b>PROFIT FOR THE PERIOD</b>	<b>10,002</b>	<b>7,612</b>	<b>1,672</b>	<b>3,518</b>
<b>Attributable to:</b>				
Shareholders of the parent	9,984	7,517	1,663	3,503
Non-controlling interests	18	95	9	15
	<b>10,002</b>	<b>7,612</b>	<b>1,672</b>	<b>3,518</b>

## Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2018

USD 000's

30 June 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	-	-	-	548	-	-	548	-	548	
Transfer to income statement on disposal of investments	-	-	-	(2,520)	-	-	(2,520)	-	(2,520)	
Profit for the period	-	-	-	-	-	9,984	9,984	18	10,002	
<b>Total recognised income and expense for the period</b>	-	-	-	(1,972)	-	9,984	8,012	18	8,030	
Transfer to zakah and charity fund	-	-	-	-	-	(250)	(250)	-	(250)	
Dividends of subsidiary	-	-	-	-	-	-	-	(8)	(8)	
<b>Balance at 30 June 2018</b>	<b>1,000,000</b>	<b>(7,261)</b>	<b>11,808</b>	<b>3,692</b>	<b>(2,171)</b>	<b>345,468</b>	<b>660,600</b>	<b>47,173</b>	<b>707,773</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	-	-	-	(4,263)	-	-	(4,263)	-	(4,263)	
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	-	-	-	-	-	7,517	7,517	95	7,612	
<b>Total recognised income and expense for the period</b>	-	-	-	(4,263)	3,469	1,959	1,165	5,653	6,818	
Issuance of share capital in a subsidiary	-	-	-	-	-	-	-	62	62	
Transfer to zakah and charity fund	-	-	-	-	-	(100)	(100)	-	(100)	
Dividends of subsidiary	-	-	-	-	-	-	-	(20)	(20)	
<b>Balance at 30 June 2017</b>	<b>1,000,000</b>	<b>(7,261)</b>	<b>9,802</b>	<b>452</b>	<b>(2,171)</b>	<b>(365,735)</b>	<b>635,087</b>	<b>47,179</b>	<b>682,266</b>	



مصرف الطاقة الأول

FirstEnergyBank

## Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2018

USD 000's

	Six months ended 30 June 2018 (reviewed)	Six months ended 30 June 2017 (reviewed)
<b>OPERATING ACTIVITIES</b>		
<b>Net profit for the period</b>	<b>10,002</b>	<b>7,612</b>
<b>Adjustments for:</b>		
Depreciation on Ijarah assets	1,800	4,317
Depreciation and amortisation	272	231
Amortization of discount	(699)	(19)
Net impairment losses	954	-
Share of results of equity accounted investees	189	640
Gain on disposal of investment securities and equity accounted investees	(6,396)	(7,818)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>6,122</b>	<b>4,963</b>
<b>Net changes in operating assets and liabilities:</b>		
Financing assets	1,565	49,632
Other assets	(5,251)	(3,305)
Placements from financial institutions	1,478	(94,653)
Other liabilities	(236)	(5,176)
Payment to charities	(146)	(100)
<b>Net cash generated from / (used in) operating activities</b>	<b>3,532</b>	<b>(48,639)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities	(111,857)	(229,083)
Proceeds from disposal / maturity of investment securities	128,561	274,252
Proceeds from disposal of joint venture	-	15,245
Purchase of property and equipment and intangible assets	(445)	(1,168)
<b>Net cash generated from investing activities</b>	<b>16,259</b>	<b>59,246</b>
<b>FINANCING ACTIVITIES</b>		
Issuance of share capital in a subsidiary	-	62
Dividend paid to non-controlling interest	(8)	(20)
Repayment of bank financing	(42,203)	(109,154)
Proceeds from bank financing	40,000	-
<b>Net cash used in financing activities</b>	<b>(2,211)</b>	<b>(109,112)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>17,580</b>	<b>(98,505)</b>
Cash and cash equivalents at beginning of the period	97,053	147,199
Effect of net impairment losses on placements with financial institutions	(59)	-
<b>Cash and cash equivalents at end of the period</b>	<b>114,574</b>	<b>48,694</b>
Cash and bank balances	8,343	7,788
Placements with financial institutions with original maturity of 90 days or less	106,231	40,906
	<b>114,574</b>	<b>48,694</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 12 August 2018 and signed on its behalf by:

Khaleefa Butti Bin Omair  
Chairman

Abdulla Al Yousef Al Suwaidi  
Board Member

Mohamed Ganem  
Chief Executive Officer