



المؤسسة العربية المصرفية (ش.م.ب)
ARAB BANKING CORPORATION [B.S.C.]

THIRD QUARTER
FINANCIAL RESULTS
30 SEPTEMBER 2013

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2013 (Unaudited)

All figures in US\$ million

	Unaudited	Audited
	30 September 2013	31 December 2012 Restated *
ASSETS		
Liquid funds	1,061	1,532
Trading securities	108	64
Placements with banks and other financial institutions	4,598	4,334
Securities bought under repurchase agreements	961	578
Non-trading securities	5,020	4,005
Loans and advances	13,051	12,860
Interest receivable	329	364
Other assets	831	674
Premises and equipment	120	116
TOTAL ASSETS	26,079	24,527
LIABILITIES		
Deposits from customers	12,354	12,029
Deposits from banks and other financial institutions	5,304	5,142
Certificates of deposit	28	35
Securities sold under repurchase agreements	398	419
Interest payable	256	245
Taxation	114	119
Other liabilities	552	552
TERM NOTES, BONDS AND OTHER TERM FINANCING	2,765	1,782
Total liabilities	21,771	20,323
EQUITY		
Share capital	3,110	3,110
Reserves	774	668
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	3,884	3,778
Non-controlling interests	424	426
Total equity	4,308	4,204
TOTAL LIABILITIES AND EQUITY	26,079	24,527

* Restatement as described in note 2.3 of the Interim Condensed Consolidated Financial Statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Nine-month period ended 30 September 2013 (Unaudited)

All figures in US\$ million

	Nine months ended 30 September	
	2013	2012
OPERATING ACTIVITIES		
Net cash used in operating activities	(697)	(2,764)
INVESTING ACTIVITIES		
Net cash (used in) from investing activities	(687)	2,131
FINANCING ACTIVITIES		
Net cash from financing activities	976	203
Net change in liquid funds	(408)	(430)
Effect of exchange rate changes on liquid funds	(27)	6
Cash and cash equivalents at beginning of the period	1,243	964
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	808	540

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine-month period ended 30 September 2013 (Unaudited)

All figures in US\$ million

	Attributable to shareholders of the parent							Non-controlling interests	Total equity	
	Share capital	Statutory reserve	General reserve	Retained earnings*	Foreign exchange translation adjustments	Cumulative changes in fair value	Pension fund reserve			Total
Balance at 31 December 2012	3,110	376	150	340	(132)	(48)	-	3,796	426	4,222
Impact of adopting amendments to IAS 19R at 1 January 2013	-	-	-	-	-	-	(18)	(18)	-	(18)
	3,110	376	150	340	(132)	(48)	(18)	3,778	426	4,204
Profit for the period	-	-	-	178	-	-	-	178	42	220
Other comprehensive loss for the period	-	-	-	-	(70)	(1)	(1)	(72)	(35)	(107)
Total comprehensive income (loss) for the period	-	-	-	178	(70)	(1)	(1)	106	7	113
Other equity movements in subsidiaries	-	-	-	-	-	-	-	-	(9)	(9)
Balance at 30 September 2013	3,110	376	150	518	(202)	(49)	(19)	3,884	424	4,308
Balance at 31 December 2011	3,110	355	150	156	(77)	(96)	-	3,598	421	4,019
Impact of adopting amendments to IAS 19R at 1 January 2012	-	-	-	-	-	-	(14)	(14)	-	(14)
	3,110	355	150	156	(77)	(96)	(14)	3,584	421	4,005
Profit for the period	-	-	-	158	-	-	-	158	42	200
Other comprehensive (loss) income for the period	-	-	-	-	(48)	34	(2)	(16)	(31)	(47)
Total comprehensive income (loss) for the period	-	-	-	158	(48)	34	(2)	142	11	153
Other equity movements in subsidiaries	-	-	-	-	-	-	-	-	(16)	(16)
Balance at 30 September 2012	3,110	355	150	314	(125)	(62)	(16)	3,726	416	4,142

* Retained earnings include non-distributable reserves arising from consolidation of subsidiaries amounting to US\$ 406 million (31 December 2012: US\$ 406 million).

The above interim consolidated statement of financial position, interim consolidated statement of income, interim condensed consolidated statement of cash flows, interim consolidated statement of comprehensive income, and the interim consolidated statement of changes in equity have been extracted from the Interim Condensed Consolidated Financial Statements of Arab Banking Corporation (B.S.C) for the period ended 30th September 2013, which were approved by the Board of Directors and on which an unqualified review conclusion was issued by Ernst & Young, Kingdom of Bahrain, on 27th October 2013.