CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 September 2016

CONDENSED CONSOLIDATED INCOME STATEMENT for the nine months ended 30 September 2016

INCOME

Income from investment banking services

Income from assets acquired for leasing, net

Income from investment securities

30 September 30 September 2016

(reviewed)

4,982

5,759

2015

(reviewed)

(restated)

1 886

6,212

3,587

| 3 | | 31 December | | | | | | |
|---|---------------------|-------------------------|--|--|--|--|--|--|
| | 2016 | 2015 | | | | | | |
| | (reviewed) | (restated) (audited) | | | | | | |
| ASSETS | | (uuuneu) | | | | | | |
| Cash and balances with banks | 24,354 | 13,219 | | | | | | |
| Placements with financial institutions | - | 2,002 | | | | | | |
| Financing receivables | 7,124 | 14,973 | | | | | | |
| Receivable from Ijarah investors | 15,302 | 15,662 | | | | | | |
| Investment securities | 167,846 | 207,105 | | | | | | |
| Assets acquired for leasing | 156,236 | 185,031 | | | | | | |
| Investment in real estate | 32,174 | 30,034 | | | | | | |
| Equity-accounted investees | 5,394 | 12,500 | | | | | | |
| Other assets | 17,922 | 9,029 | | | | | | |
| | | | | | | | | |
| Total assets | 426,352 | 489,555 | | | | | | |
| * | | | | | | | | |
| LIABILITIES | | 4.162 | | | | | | |
| Placements from financial institutions | 20.220 | 4,163 | | | | | | |
| Financing liabilities | 30,338 | 26,221 | | | | | | |
| Liabilities related to assets acquired for leasi Other liabilities | ng 119,094 8,005 | 143,828 11,763 | | | | | | |
| Other habilities | | | | | | | | |
| Total liabilities | 157,437 | 185,975 | | | | | | |
| Total habilities | | | | | | | | |
| OWNERS' EQUITY | | | | | | | | |
| Share capital | 300,000 | 300,000 | | | | | | |
| Statutory reserve | 676 | 676 | | | | | | |
| Accumulated losses | (53,292) | (17,249) | | | | | | |
| Investments fair value reserve | - | (107) | | | | | | |
| Property fair value reserve | 1,677 | 1,826 | | | | | | |
| General reserve | 4,618 | 4,618 | | | | | | |
| Equity attributable to shareholders of Ban | k 253,679 | 289,764 | | | | | | |
| NY . 11: | 15.006 | 12.016 | | | | | | |
| Non-controlling interests | 15,236 | 13,816 | | | | | | |
| Total owners' equity | 268,915 | 303,580 | | | | | | |
| Total offices equity | 200,713 | | | | | | | |
| Total liabilities and owner's equity | 426,352 | 489,555 | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| CONDENSED CONSOLIDATED ST | CATEMEN | NT OF CHA | | | | | | |
| | | | | | | | | |
| for the nine months ended 30 Septer | 110er 2016 | , | | | | | | |
| | | | | | | | | |
| | | Share Sl | | | | | | |
| | | capital prem | | | | | | |
| 200 . 1 2045/ 1 1) | | | | | | | | |
| 30 September 2016 (reviewed) | | | | | | | | |

300,000

300,000

300,000

Share

capital

300,000

300,000

300,000

Share

16,385

16,385

(16,385)

676

premium

Balance at 1 January 2016

Prior year adjustments (note 3)

Cumulative changes in fair value

Balance at 30 September 2016

Balance at 1 January 2015

(Loss) / profit for the period

Balance at 30 September 2015

Cumulative changes in fair value

Distribution to non-controlling interests

Prior year adjustments Restated balances as at 1 January 2015

Adjustment of losses

(Loss) / profit for the period

Restated balances as at 1 January 2016

Distribution to non-controlling interests

Total recognised income and expense for the period

30 September 2015 (reviewed) (restated)

Total recognised income and expense for the period

| | Income from assets acquired for leasing, net | | | | 5,759 | 3,587 | 1,776 | 1, | ,902 |
|--|--|---|---|--|--|--|--|---|--|
| Gain on sale of assets acquired for leasing | | | | | 284 | - | 284 | | - |
| Finance income | | | | | 167 | 151 | 65 | | 74 |
| Share | of profit of equity- | accounted inv | restees | | 196 | 293 | 5 | | (16) |
| Gain | on sale of developr | nent propertie | es | | - | 411 | - | | - |
| Gain | on sale of investme | nt in real esta | te | | - | 1,225 | - | | - |
| Exces | s provision written | back | | | 2,068 | - | - | | - |
| Other | r income | | | | 1,147 | 1,756 | 433 | | 522 |
| Total | income | | | | 14,603 | 15,521 | 4,764 | 3, | ,982 |
| EVDI | ENSES | | | _ | | | | | |
| Staff | | | | | 3,911 | 3,965 | 1,261 | 1 | ,439 |
| | ice expense on plac | ements and fi | nancina lia | hilities | 987 | 803 | 393 | | 263 |
| | gn exchange (gains | | nancing na | Diffics | (20) | 455 | (12) | | 11 |
| | eciation and amort | | | | 126 | 126 | 29 | | 45 |
| | r operating expense | | | | 2,865 | 4,464 | 939 | 1, | ,194 |
| Total | operating expense | es | | - | 7,869 | 9,813 | 2,610 | 2 | ,952 |
| | | | | _ | | | | _ | _ |
| | t for the period be | | e changes a | ınd | 6.724 | 5,708 | 2,154 | | 020 |
| шра | irment allowances | | | | 6,734 | 3,708 | 2,134 | 1 | ,030 |
| Fair v | alue changes on in | vestment secu | rities, net | | (963) | (4,396) | (15) | (1,9 | 988) |
| Impa | irment allowances: | | | | | | | | |
| | inancing receivable | es | | | (8,815) | 9 | 141 | | 264 |
| | nvestment securitie | | | (| 28,086) | (918) | - | | - |
| - I | nvestment in real e | state | | | (1,216) | - | - | | - |
| - F | Equity accounted in | vestees | | | (2,100) | (1,000) | - | | - |
| (LOS | S) / PROFIT FOR | THE PERIO | D | (: | 34,446) | (597) | 2,280 | (6 | 594) |
| A+++vil- | outable to: | | | - | | | | | |
| | holders of Bank | | | (| 36,043) | (1,973) | 1,812 | (1.1 | 184) |
| Snare | molders of bank | | | (| 30,043) | (1,9/3) | 1,012 | (1) | 104) |
| Mon | controlling interest | c | | | 1 507 | 1 376 | 468 | | 490 |
| Non- | controlling interest | S | | | 1,597 | 1,376 | 468 | | 490 |
| Non- | controlling interest | s | | (: | 1,597 34,446) | (597) | 2,280 | | 490 |
| | controlling interest | | | <u>(</u> : | | | | | |
| ES IN O | WNERS' EQUI' | ГҮ | wa af tha P | <u>-</u> | | | | (6 | 594) |
| ES IN O | WNERS' EQUI' | ΓY to shareholde | | ank | 34,446) | (597) | 2,280 | ((| 594) JS\$ 000's |
| ES IN O | WNERS' EQUI' quity attributable | I'Y to shareholde Investment | Property | ank General | | (597) Non-controlling | 2,280 Non-contro | U | JS\$ 000's Total |
| ES IN O | WNERS' EQUI' quity attributable | I'Y to shareholde Investment fair value | Property fair value | ank | 34,446) | (597) | 2,280 Non-contro | U | JS\$ 000's Total owners' |
| ES IN O | WNERS' EQUI' quity attributable | I'Y to shareholde Investment | Property | ank General | 34,446) | (597) Non-controlling | 2,280 Non-control interests rel to assets- | U | JS\$ 000's Total |
| ES IN O E Statutor reserv | WNERS' EQUI' quity attributable ry Accumulated re losses | ΓΥ to shareholde Investment fair value reserve | Property fair value reserve | ank General reserve | 34,446) Total | (597) Non-controlling interests | 2,280 Non-control interests rel to assets- | Uplling ating held-r-sale | US\$ 000's Total owners' equity |
| ES IN O | WNERS' EQUI' quity attributable ty Accumulated losses (6 (15,488) | I'Y to shareholde Investment fair value | Property fair value | ank General | Total 291,525 | Non-controlling interests | 2,280 Non-control interests rel to assets- | Uplling ating held-r-sale | US\$ 000's Total owners' equity |
| ES IN O E Statutor reserv | WNERS' EQUI' quity attributable y Accumulated losses 6 (15,488) - (1,761) | ΓΥ to shareholde Investment fair value reserve | Property fair value reserve | ank General reserve | 34,446) Total | (597) Non-controlling interests | 2,280 Non-control interests rel to assets- | Uplling ating held-r-sale | US\$ 000's Total owners' equity |
| ES IN O | WNERS' EQUI' quity attributable y Accumulated losses 6 (15,488) - (1,761) | TY to shareholde Investment fair value reserve (107) | Property fair value reserve | ank General reserve | 34,446) Total 291,525 (1,761) | Non-controlling interests | 2,280 Non-control interests rel to assets- | Uplling ating held-r-sale | US\$ 000's Total owners' equity 303,977 (397) |
| ES IN O | wners' EQUI' quity attributable y Accumulated losses (6 (15,488) - (1,761) 6 (17,249) | TY to shareholde Investment fair value reserve (107) | Property fair value reserve | General reserve | 291,525 (1,761) 289,764 | (597) Non-controlling interests 12,357 1,459 13,816 | 2,280 Non-control interests rel to assets- | Olling ating held- r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 (397) 303,580 |
| ES IN O | wners' EQUI' quity attributable y Accumulated losses (6 (15,488) - (1,761) 6 (17,249) | Investment fair value reserve | Property fair value reserve | General reserve | Total 291,525 (1,761) 289,764 (36,043) | (597) Non-controlling interests 12,357 1,459 13,816 | 2,280 Non-control interests rel to assets- | Olling ating held- r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 (397) 303,580 (34,446) |
| ES IN O | wners' EQUI' quity attributable y Accumulated losses (6 (15,488) - (1,761) (6 (17,249) - (36,043) | Ivestment fair value reserve | Property fair value reserve 1,826 - 1,826 - (149) | ank General reserve 4,618 - 4,618 | 291,525 (1,761) 289,764 (36,043) (42) | Non-controlling interests 12,357 1,459 13,816 1,597 | 2,280 Non-control interests rel to assets- | Utolling ating held-r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 (397) 303,580 (34,446) (42) |
| ES IN O | wners' EQUI' quity attributable y Accumulated losses (6 (15,488) - (1,761) 6 (17,249) - (36,043) - (36,043) | Investment fair value reserve (107) - (107) - 107 107 | Property fair value reserve 1,826 - 1,826 - (149) | ank General reserve 4,618 - 4,618 | 291,525 (1,761) 289,764 (36,043) (42) | (597) Non-controlling interests 12,357 1,459 13,816 1,597 1,597 | 2,280 Non-control interests rel to assets- | olling ating held- r-sale 95 (95) | 594) JS\$ 000's Total owners' equity 303,977 (397) 303,580 (34,448) (42) (34,488) |
| ES IN O Ed Statutor reserv 67 | wners' EQUI' quity attributable y Accumulated losses (6 (15,488) - (1,761) 6 (17,249) - (36,043) - (36,043) | Investment fair value reserve (107) - (107) - 107 - 107 | 1,826 - 1,826 - (149) (149) - 1,677 | 4,618 - 4,618 - 4,618 - 4,618 | 291,525 (1,761) 289,764 (36,043) (42) (36,085) | (597) Non-controlling interests 12,357 1,459 13,816 1,597 - 1,597 (177) | 2,280 Non-control interests rel to assets- | Obling sating held-r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 (397) 303,580 (34,446) (42) (34,488) (177) 268,915 |
| ES IN O Editor reserv 67 67 | wners' EQUI' quity attributable y Accumulated losses 6 (15,488) - (1,761) 6 (17,249) - (36,043) - (36,043) - (6 (53,292) Equity attributable | Investment fair value reserve (107) | 1,826 - 1,826 - (149) (149) - 1,677 ers of the B | 4,618 4,618 4,618 | 291,525 (1,761) 289,764 (36,085) - 253,679 | (597) Non-controlling interests 12,357 1,459 13,816 1,597 1,597 (177) 15,236 | 2,280 Non-contreinterests rel to assets-for | Utiling lating held-r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 (397) 303,580 (34,446) (42) (34,488) (177) 268,915 |
| ES IN O E Statutor reserv 67 67 67 | WNERS' EQUI' quity attributable y | Investment fair value reserve (107) | 1,826 1,826 (149) (149) 1,677 ers of the B | ank General reserve 4,618 - 4,618 - 4,618 ank General | 291,525 (1,761) 289,764 (36,043) (42) (36,085) | (597) Non-controlling interests 12,357 1,459 13,816 1,597 1,597 (177) 15,236 Non-controlling | Non-contre interests rel to assets- for | U U U U U U U U U U U U U U U U U U U | US\$ 000's Total owners' equity 303,977 (397) 303,580 (34,446) (42) (34,488) (177) 268,915 US\$ 000's Total |
| ES IN O Editor reserv 67 67 | WNERS' EQUI' quity attributable y | Investment fair value reserve (107) 107 107 107 107 107 107 107 107 107 107 | Property fair value reserve 1,826 - (149) (149) - 1,677 ers of the B Property fair value | 4,618 4,618 4,618 | 291,525 (1,761) 289,764 (36,085) - 253,679 | (597) Non-controlling interests 12,357 1,459 13,816 1,597 1,597 (177) 15,236 | Non-control interests rel to assets-foil | Utiling ating held-r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 303,580 (34,446) (42) (34,488) (177) 268,915 US\$ 000's Total owners' |
| ES IN O E Statutor reserv 67 67 67 | WNERS' EQUI' quity attributable y | Investment fair value reserve (107) | 1,826 1,826 (149) (149) 1,677 ers of the B | ank General reserve 4,618 - 4,618 - 4,618 ank General | 291,525 (1,761) 289,764 (36,085) - 253,679 | (597) Non-controlling interests 12,357 1,459 13,816 1,597 1,597 (177) 15,236 Non-controlling | Non-contrel interests rel to assets for | Utiling ating held-r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 (397) 303,580 (34,446) (42) (34,488) (177) 268,915 US\$ 000's Total |
| ES IN O E Statutor reserv 67 67 67 | wners' EQUI' quity attributable y | Investment fair value reserve (107) 107 107 107 107 107 107 107 107 107 107 | Property fair value reserve 1,826 - (149) (149) - 1,677 ers of the B Property fair value | ank General reserve 4,618 - 4,618 - 4,618 ank General | 291,525 (1,761) 289,764 (36,085) - 253,679 | (597) Non-controlling interests 12,357 1,459 13,816 1,597 1,597 (177) 15,236 Non-controlling | Non-contrel interests rel to assets for | Utiling ating held-r-sale 95 (95) | US\$ 000's Total owners' equity 303,977 303,580 (34,446) (42) (34,488) (177) 268,915 US\$ 000's Total owners' |
| ES IN O Editorial Statutor reserved for fine for five fo | wners' EQUI' quity attributable y | Investment fair value reserve (107) (107) 107 107 - et to shareholde Investment fair value reserve | Property fair value reserve 1,826 - (149) (149) 1,677 ers of the B Property fair value reserve | ank General reserve 4,618 - 4,618 4,618 ank General reserve | Total 291,525 (1,761) 289,764 (36,043) (42) (36,085) Total | (597) Non-controlling interests 12,357 1,459 13,816 1,597 (177) 1,597 (177) 15,236 Non-controlling interests | Non-contrel interests rel to assets for | Utiling ating held-r-sale 95 (95) | 594) JS\$ 000's Total owners' equity 303,977 (397) 303,580 (34,446) (177) 268,915 US\$ 000's Total owners' equity |
| ES IN O Editorial Statutor reserved for fine for five fo | wners' EQUI' quity attributable y Accumulated losses (1,761) (1,761) (1,7249) (1,761) (1,7249) (1,724 | Investment fair value reserve (107) (107) 107 107 - et to shareholde Investment fair value reserve | Property fair value reserve 1,826 - (149) (149) 1,677 ers of the B Property fair value reserve | ank General reserve 4,618 - 4,618 4,618 ank General reserve | 291,525 (1,761) 289,764 (36,043) (42) (36,085) - 253,679 | (597) Non-controlling interests 12,357 1,459 13,816 1,597 (177) 15,236 Non-controlling interests | Non-contrel interests rel to assets for | Utiling ating held-r-sale 95 (95) | JSS 000's Total owners' equity 303,977 (397) 303,580 (34,446) (42) (34,488) (177) 268,915 JSS 000's Total owners' equity |
| ES IN O E Statutor reserv 67 67 Statutor reserv 67 | wners' EQUI' quity attributable y Accumulated losses (1,761) (1,761) (1,761) (1,761) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) (1,764) | Investment fair value reserve (107) 107 107 107 107 107 107 107 107 107 107 | Property fair value reserve 1,826 1,826 (149) (149) 1,677 ers of the B Property fair value reserve 3,518 | ank General reserve 4,618 - 4,618 - 4,618 ank General reserve | 291,525 (1,761) 289,764 (36,043) (42) (36,085) Total | (597) | Non-contrel interests rel to assets for | Utiling ating held-r-sale 95 (95) | SS 000's Total owners' equity 303,977 (397) 303,580 (34,446) (177) 268,915 US\$ 000's Total owners' equity 318,326 (1,791) |

(2,008)

305,279

1,376

11,976

(35)

(35)

(529)

3,518

4,618

(1,973)

16,385

(3,004)



US\$ 000's

2015

(reviewed)

(restated)

149

1,351

1,902

Three months ended 30 September 30 September

2016

2,201

1,776

(reviewed)

THIRD QUARTER 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the nine months ended 30 September 2016 Nine months ended

US\$ 000's

2015

4,345

(293)

(1,943)

(1,225)

1,909 157

2,479

6,707 (38,926)

(3,174)

(214)

(32,718)

(57,089)

63,123

6,424

834

(143)

13,149

3,487

(784)

1,381

4,084

(15,485)

25,992

10,507

10,446

10,507

61

(restated)

30 September

30 September

2016

(reviewed)

(34,446) 126

963

(196)

(1,767)

(1,597)(207) 40,076

3,030

220

(9,383)(2,780)

(8,913)

(101, 214)

110,276

7,072

(297)

5,461

(19)

(3,010)18,269

(4,163)

4,117

(177)

(223)

9,133

15,221

24,354

24,354

24,354

| | 30 Se |
|---|-------|
| | |
| OPERATING ACTIVITIES Loss for the period Adjustments for: Depreciation and amortization Fair value loss on investment securities, net Share of profit of equity-accounted investees Gain on sale of investment securities Gain on sale of investment in real estate Excess legal provision written back Other income Impairment allowance Amortisation of discount, net Profit before changes in operating assets and liabilities | |
| Changes in operating assets and liabilities: Financing receivables Assets held-for-sale, net Receivables from ijarah investors Other assets Other liabilities | |
| Net cash used in operating activities | |
| INVESTING ACTIVITIES Purchase of investment securities Proceeds from sale of investment securities Proceeds from sale of assets acquired for leasing Proceeds from sale of investment in real estate Proceeds from equity-accounted investees Proceeds from sale of development properties Payments for purchase of equipment Assets acquired for leasing, net | |
| Net cash generated from investing activities | |
| FINANCING ACTIVITIES Placements from financial institutions Financing liabilities Non-controlling interests Non-controlling interests related to assets acquired for leasing, net | |
| Net cash (used in) / generated from financing activities | |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS Cash and cash equivalents at 1 January | |
| CASH AND CASH EQUIVALENTS AT 30 September | |
| CASH AND CASH EQUIVALENTS comprise: Cash and bank balances Placements with financial institutions (with original maturity of 90 days or | less) |
| | |

(35)

(632)

317,255

The above has been extracted from 30 September condensed consolidated interim financial statements reviewed by KPMG. The Financials have been approved by Board of Directors. The condensed consolidated interim financial statements are available on Ibdar website at www.Ibdarbank.com