



BAHRAIN COMMERCIAL FACILITIES COMPANY BSC

Condensed Consolidated Interim Financial Information 31 March 2017

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the three months ended 31 March 2017

| Bahraini dinars in thousands | 31 March 2017 (reviewed) | 31 March 2016 (reviewed) |
|--|--------------------------|--------------------------|
| Interest income | 8,014 | 6,780 |
| Interest expense | (2,389) | (1,789) |
| Net interest income | 5,625 | 4,991 |
| Automotive sales | 13,299 | 14,175 |
| Cost of sales | (11,588) | (12,607) |
| Gross profit on automotive sales | 1,711 | 1,568 |
| Fee and commission income | 2,409 | 2,019 |
| Profit from sale of land inventory | 182 | 571 |
| Rental income | 176 | 152 |
| Total operating income | 10,103 | 9,301 |
| Operating expenses | (4,606) | (4,166) |
| Impairment allowance on loans and receivables, net of recoveries | (978) | (865) |
| Other income | 169 | 197 |
| Profit for the period | 4,688 | 4,467 |
| Basic and diluted earnings per 100 fils share | 29 fils | 28 fils |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the three months ended 31 March 2017

| Bahraini dinars in thousands | 31 March 2017 (reviewed) | 31 March 2016 (reviewed) |
|---|--------------------------|--------------------------|
| Profit for the period | 4,688 | 4,467 |
| Other comprehensive income: | | |
| Items that may be reclassified subsequently to profit or loss: | | |
| Fair value gain/(loss) on cash flow hedge reserve | 109 | (978) |
| Total comprehensive income for the period | 4,797 | 3,489 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2017

| Bahraini dinars in thousands | 31 March 2017 (reviewed) | 31 December 2016 (audited) |
|-------------------------------------|--------------------------|----------------------------|
| Assets | | |
| Cash and balances with banks | 3,589 | 2,313 |
| Loans and advances to customers | 272,623 | 270,126 |
| Trade receivables | 7,849 | 8,642 |
| Inventories | 35,336 | 35,596 |
| Investment properties | 7,011 | 7,054 |
| Property and equipment | 25,876 | 24,424 |
| Other assets | 2,269 | 2,607 |
| Total assets | 354,553 | 350,762 |
| Liabilities and equity | | |
| Liabilities | | |
| Bank overdrafts | 751 | 1,073 |
| Trade and other payables | 27,200 | 15,363 |
| Bank term loans | 165,822 | 170,204 |
| Bonds issued | 39,846 | 39,829 |
| Total liabilities | 233,619 | 226,469 |
| Equity | | |
| Share capital | 16,335 | 16,335 |
| Treasury shares | (599) | (599) |
| Statutory reserve | 33,542 | 33,542 |
| Other reserves | 24,664 | 22,854 |
| Retained earnings | 46,992 | 52,161 |
| Total equity | 120,934 | 124,293 |
| Total liabilities and equity | 354,553 | 350,762 |

OPERATING SEGMENT INFORMATION for the three months ended 31 March 2017

| Bahraini dinars in thousands | Revenue | | Profit | |
|------------------------------|---|---|---|---|
| | Three months ended 31 March 2017 (reviewed) | Three months ended 31 March 2016 (reviewed) | Three months ended 31 March 2017 (reviewed) | Three months ended 31 March 2016 (reviewed) |
| Consumer finance | 10,174 | 8,455 | 3,916 | 3,402 |
| Automotive | 13,299 | 14,175 | 593 | 284 |
| Insurance | 248 | 344 | 119 | 293 |
| Real estate | 721 | 2,185 | 60 | 488 |
| | 24,442 | 25,159 | 4,688 | 4,467 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the three months ended 31 March 2017

| Bahraini dinars in thousands | 31 March 2017 (reviewed) | 31 March 2016 (reviewed) |
|--|--------------------------|--------------------------|
| Cash flow from operating activities | | |
| Loan repayments, interest received and other credit related receipts | 68,178 | 52,604 |
| Cash receipts from automotive sales | 14,138 | 14,843 |
| Insurance commission received | 294 | 376 |
| Sale of land inventory | 608 | 1,196 |
| Rental income received | 198 | 163 |
| Loans & advances to customers disbursed | (61,462) | (55,594) |
| Payments to suppliers | (7,652) | (17,389) |
| Payments for operating expenses | (4,705) | (4,372) |
| Payment for purchase of land inventory | (156) | (1,117) |
| Directors' fees paid | - | (350) |
| Interest paid | (2,260) | (1,576) |
| Net cash generated from / (used in) operating activities | 7,181 | (11,216) |
| Investing activities | | |
| Capital expenditure on property and equipment | (1,357) | (1,264) |
| Addition to investment properties | (48) | - |
| Proceeds from sale of property and equipment | 146 | 172 |
| Net cash used in investing activities | (1,259) | (1,092) |
| Financing activities | | |
| Bank term loans (paid)/ availed - Net | (4,390) | 10,237 |
| Dividends paid | (3) | (19) |
| Donations paid | (99) | (4) |
| Net cash generated from / (used in) financing activities | (4,492) | 10,214 |
| Net increase/(decrease) in cash and cash equivalents | 1,430 | (2,094) |
| Cash and cash equivalents at 1 January | 917 | (158) |
| Cash and cash equivalents at 31 March | 2,347 | (2,252) |
| Cash and cash equivalents comprise: | | |
| Cash and balances with banks | 3,589 | 1,939 |
| Less: | | |
| Restricted cash | (491) | (374) |
| Bank overdrafts | (751) | (3,817) |
| | 2,347 | (2,252) |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the three months ended 31 March 2017

| Bahraini dinars in thousands | Share capital | | Reserves and retained earnings | | | | | Total equity |
|--|---------------|-----------------|--------------------------------|-------------------------|------------------|-----------------|-------------------|----------------|
| | Share capital | Treasury shares | Statutory reserve | Cash flow hedge reserve | Donation reserve | General reserve | Retained earnings | |
| 2017 (reviewed) | | | | | | | | |
| At 1 January 2017 | 16,335 | (599) | 33,542 | 313 | 791 | 21,750 | 52,161 | 124,293 |
| 2016 appropriations (approved by shareholders): | | | | | | | | |
| - Donations approved | - | - | - | - | 300 | - | (300) | - |
| - Dividend to equity holders | - | - | - | - | - | - | (8,057) | (8,057) |
| - Transfer to general reserve | - | - | - | - | - | 1,500 | (1,500) | - |
| Balance after 2016 appropriations | 16,335 | (599) | 33,542 | 313 | 1,091 | 23,250 | 42,304 | 116,236 |
| Comprehensive income for the period | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 4,688 | 4,688 |
| Other comprehensive income: | | | | | | | | |
| - Fair value gain on cash flow hedge reserve | - | - | - | 109 | - | - | - | 109 |
| Total comprehensive income for the period | - | - | - | 422 | - | - | 4,688 | 4,797 |
| Utilisation of donation reserve | - | - | - | - | (99) | - | - | (99) |
| At 31 March 2017 | 16,335 | (599) | 33,542 | 422 | 992 | 23,250 | 46,992 | 120,934 |

The Board of Directors approved the consolidated financial statements on 25 April 2017 and signed on its behalf by:

Khalid Mohammed Ali Mattar
Chairman of the Executive Committee

Reyadh Yusuf Hasan Sater
Vice Chairman

Dr. Adel Hubail
Chief Executive Officer

The above consolidated financial statements has been reviewed by KPMG, who expressed an unqualified opinion on 25 April 2017.

The Company is licensed and regulated by the Central Bank of Bahrain as a financing company.