

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.9.20 US\$ millions	31.12.19 US\$ millions
ASSETS		
Cash and other liquid assets	7,114.8	8,085.1
Securities purchased under agreements to resell	1,070.0	1,410.0
Placements	6,207.2	6,171.4
Trading securities	116.6	142.2
Investment securities	4,158.5	3,828.4
Loans and advances	10,104.4	9,876.1
Other assets	876.6	728.5
Total assets	29,648.1	30,241.7
LIABILITIES		
Deposits from banks	749.6	929.3
Deposits from customers	19,483.8	21,223.3
Securities sold under agreements to repurchase	175.2	523.1
Other liabilities	1,173.8	767.3
Senior term financing	4,964.4	3,502.4
Total liabilities	26,546.8	26,945.4
EQUITY		
Share capital	2,500.0	2,500.0
Reserves	342.0	343.5
Retained earnings	(710.1)	(547.6)
Equity attributable to the shareholders of the Bank	2,131.9	2,295.9
Non-controlling interest	969.4	1,000.4
Total equity	3,101.3	3,296.3
Total liabilities & equity	29,648.1	30,241.7

CONSOLIDATED STATEMENT OF INCOME

	Three months		Nine months	
	ended	ended	ended	ended
	30.9.20	30.9.19	30.9.20	30.9.19
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Interest income	106.1	212.7	403.4	640.6
Interest expense	48.4	142.5	228.7	430.7
Net interest income	57.7	70.2	174.7	209.9
Fee and commission income	14.3	13.8	41.0	46.1
Trading income / (loss)	7.4	0.3	(9.1)	15.1
Foreign exchange income	3.6	3.7	15.1	9.4
Other income	6.0	0.5	12.1	4.2
Total income	89.0	88.5	233.8	284.7
Staff expenses	37.9	38.8	117.5	114.1
Premises expenses	5.8	6.0	16.8	16.5
Other operating expenses	22.8	27.4	65.7	72.4
Total operating expenses	66.5	72.2	200.0	203.0
Net income before provisions and tax	22.5	16.3	33.8	81.7
Provision charge for loans and advances	(97.2)	(3.6)	(212.6)	(8.0)
Provision charge for contingent liabilities	-	(2.4)	-	(2.4)
Provision release for investment securities	2.5	-	2.6	-
Net (loss) / income before tax	(72.2)	10.3	(176.2)	71.3
Taxation (charge) / release	(0.3)	(1.5)	1.6	(5.2)
Net (loss) / income	(72.5)	8.8	(174.6)	66.1
Attributable to:				
Shareholders of the Bank	(59.9)	6.1	(145.3)	60.5
Non-controlling interest	(12.6)	2.7	(29.3)	5.6
	(72.5)	8.8	(174.6)	66.1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months		Nine months	
	ended	ended	ended	ended
	30.9.20	30.9.19	30.9.20	30.9.19
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Net (loss) / income	(72.5)	8.8	(174.6)	66.1
Other comprehensive (loss) / income:-				
Items that may subsequently be reclassified to consolidated statement of income:-				
Cash flow hedges:-				
- net changes in fair value	-	0.3	(0.1)	2.1
Deferred tax :-	-	-	0.4	-
- net changes in deferred tax	-	0.3	0.3	2.1
Items that will not be reclassified to consolidated statement of income:-				
Net changes in fair value of equity investments classified as fair value through other comprehensive income (FVTOCI)	7.6	(6.7)	(3.5)	17.2
Remeasurement of defined benefit pension fund	(2.4)	(4.2)	(17.2)	(7.2)
	5.2	(10.9)	(20.7)	10.0
Total other comprehensive income / (loss)	5.2	(10.6)	(20.4)	12.1
Total comprehensive (loss) / income	(67.3)	(1.8)	(195.0)	78.2
Attributable to:				
Shareholders of the Bank	(70.8)	(2.6)	(164.0)	77.6
Non-controlling interest	3.5	0.8	(31.0)	0.6
	(67.3)	(1.8)	(195.0)	78.2

The consolidated financial statements were approved by the Board of Directors on 28th October 2020 and signed on its behalf by:-

Abdullah bin Hassan Alabdulgader
 Chairman of the Board

Sultan bin Abdul Malek Al-Sheikh
 Chairman of the Board Audit Committee

Abdulaziz A. Al-Helaissi
 Group Chief Executive Officer

 The above has been extracted from the condensed interim consolidated financial statements, which have been reviewed by Ernst & Young (EY).
 The condensed interim consolidated financial statements are available on GIB's website at www.gib.com

 Gulf International Bank B.S.C., PO.Box 1017, Al-Dowali Building, 3 Palace Avenue, Manama, Kingdom of Bahrain. Tel: +973 17534000
 GIB is licensed by the Central Bank of Bahrain as a conventional wholesale bank and a conventional retail bank

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to the shareholders of the Bank				Non-controlling interest	
	Share capital US\$ millions	Reserves US\$ millions	Retained earnings US\$ millions	Total US\$ millions	US\$ millions	Total US\$ millions
At 1st January 2020	2,500.0	343.5	(547.6)	2,295.9	1,000.4	3,296.3
Net loss for the period	-	-	(145.3)	(145.3)	(29.3)	(174.6)
Other comprehensive loss for the period	-	(1.5)	(17.2)	(18.7)	(1.7)	(20.4)
Total comprehensive loss for the period	-	(1.5)	(162.5)	(164.0)	(31.0)	(195.0)
At 30th September 2020	2,500.0	342.0	(710.1)	2,131.9	969.4	3,101.3
At 1st January 2019	2,500.0	361.4	(665.2)	2,196.2	-	2,196.2
Purchase of shares in subsidiary entity by non-controlling interest	-	-	-	-	999.8	999.8
Net income for the period	-	-	60.5	60.5	5.6	66.1
Other comprehensive income / (loss) for the period	-	24.3	(7.2)	17.1	(5.0)	12.1
Total comprehensive income for the period	-	24.3	53.3	77.6	0.6	78.2
Transfer to retained earnings	-	(56.1)	56.1	-	-	-
At 30th September 2019	2,500.0	329.6	(555.8)	2,273.8	1,000.4	3,274.2

CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine months ended 30.9.20 US\$ millions	Nine months ended 30.9.19 US\$ millions
OPERATING ACTIVITIES		
Net (loss) / income before tax	(176.2)	71.3
Adjustments to reconcile net income to net cash flow from operating activities:-		
Provision charge for loans and advances	212.6	8.0
Provision charge for other contingent liabilities	-	2.4
Provision release for investment securities	(2.6)	-
Tax paid	(1.4)	(3.1)
Realised (gains) / losses on debt investment securities	(2.2)	0.9
Amortisation of investment securities	5.3	5.9
Amortisation of senior term financing	0.5	0.4
Net increase in statutory deposits with central banks	(13.3)	(32.4)
Net decrease / (increase) in securities purchased under agreements to resell	340.0	(468.6)
Net (increase) / decrease in placements	(35.8)	738.0
Net decrease / (increase) in trading securities	25.6	(8.5)
Net (increase) / decrease in loans and advances	(440.9)	392.1
Decrease in accrued interest receivable	86.2	34.6
Decrease in accrued interest payable	(101.8)	(31.5)
Net (increase) / decrease in other net assets	(165.3)	313.3
Net decrease in deposits from banks	(179.7)	(1,011.0)
Net (decrease) / increase in deposits from customers	(1,739.5)	2,026.4
Net decrease in securities sold under agreement to repurchase	(347.9)	(495.7)
Net cash (outflow) / inflow from operating activities	(2,536.4)	1,542.5
INVESTING ACTIVITIES		
Purchase of investment securities	(471.5)	(323.1)
Maturity of investment securities	336.6	490.9
Net cash (outflow) / inflow from investing activities	(134.9)	167.8
FINANCING ACTIVITIES		
Issuance of senior term financing	1,760.5	785.5
Maturity of senior term financing	(299.0)	(660.2)
Non-controlling interest capital injection	-	999.8
Net cash inflow from financing activities	1,461.5	1,125.1
(Decrease) / increase in cash and cash equivalents	(1,209.8)	2,835.4
Net foreign exchange difference	226.2	(226.0)
Cash and cash equivalents at 1st January	7,796.6	4,883.2
Cash and cash equivalents at 30th September	6,813.0	7,492.6
Cash and cash equivalents at 30 th September 2020 excludes statutory deposits amounting to US\$301.9 million (30 th September 2019: US\$263.4 million).		

ACCOUNTING POLICIES

The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The condensed interim consolidated financial statements for the nine months ended 30th September 2020 have been prepared in compliance with International Accounting Standard (IAS) No. 34: 'Interim Financial Reporting' as modified by the Central Bank of Bahrain. The accounting policies have been consistently applied by the Group and are consistent with those of the previous year, as set out in the consolidated financial statements for the year ended 31st December 2019.