

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31.3.18 US\$ millions	31.12.17 US\$ millions
ASSETS		
Cash and other liquid assets	5,264.5	3,768.5
Securities purchased under agreements to resell	805.0	855.0
Placements	4,455.8	6,033.2
Trading securities	208.9	191.8
Investment securities	3,913.3	3,993.8
Loans and advances	10,428.2	10,043.1
Other assets	564.9	585.9
Total assets	25,640.6	25,471.3
LIABILITIES		
Deposits from banks	1,400.9	2,129.1
Deposits from customers	17,656.9	15,989.8
Securities sold under agreements to repurchase	429.8	1,130.5
Other liabilities	451.6	547.4
Senior term financing	3,243.8	3,263.6
Total liabilities	23,183.0	23,060.4
EQUITY		
Share capital	2,500.0	2,500.0
Reserves	360.7	352.5
Retained earnings	(403.1)	(441.6)
Total equity	2,457.6	2,410.9
Total liabilities & equity	25,640.6	25,471.3

CONSOLIDATED STATEMENT OF INCOME

	Three months ended	
	31.3.18 US\$ millions	31.3.17 US\$ millions
Interest income	165.2	133.2
Interest expense	98.7	78.6
Net interest income	66.5	54.6
Fee and commission income	15.7	16.2
Foreign exchange income	4.1	3.6
Trading income	5.3	4.5
Other income	26.5	3.4
Total income	118.1	82.3
Staff expenses	37.9	34.0
Premises expenses	5.2	4.7
Other operating expenses	16.9	17.8
Total operating expenses	60.0	56.5
Net income before provisions and tax	58.1	25.8
Provision charge for other assets	(1.9)	-
Provision charge for loans and advances	(29.0)	(3.0)
Net income before tax	27.2	22.8
Taxation charge	(1.4)	(1.2)
Net income	25.8	21.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended	
	31.3.18 US\$ millions	31.3.17 US\$ millions
Net income	25.8	21.6
Other comprehensive income:-		
Items that may subsequently be reclassified to consolidated statement of income:-		
Cash flow hedges:-		
- net changes in fair value	(1.3)	(0.1)
	(1.3)	(0.1)
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)	11.7	(19.5)
Remeasurement of defined benefit pension fund	10.5	-
	22.2	(19.5)
Total other comprehensive income / (loss)	20.9	(19.6)
Total comprehensive income	46.7	2.0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital US\$ millions	Reserves US\$ millions	Retained earnings US\$ millions	Total US\$ millions
At 1st January 2018	2,500.0	352.5	(441.6)	2,410.9
Net income for the period	-	-	25.8	25.8
Other comprehensive income for the period	-	10.4	10.5	20.9
Total comprehensive income for the period	-	10.4	36.3	46.7
Transfer to retained earnings	-	(2.2)	2.2	-
At 31st March 2018	2,500.0	360.7	(403.1)	2,457.6
At 1st January 2017	2,500.0	364.7	(507.3)	2,357.4
Net income for the period	-	-	21.6	21.6
Other comprehensive loss for the period	-	(19.6)	-	(19.6)
Total comprehensive (loss) / income for the period	-	(19.6)	21.6	2.0
Transfer to retained earnings	-	(0.5)	0.5	-
At 31st March 2017	2,500.0	344.6	(485.2)	2,359.4

CONSOLIDATED STATEMENT OF CASH FLOWS

	Three months ended	
	31.3.18 US\$ millions	31.3.17 US\$ millions
OPERATING ACTIVITIES		
Net income before tax	27.2	22.8
Adjustments to reconcile net income to net cash flow from operating activities:-		
Provision charge for loans and advances	29.0	3.0
Provision charge for other assets	1.9	-
Tax paid	(2.1)	(0.7)
Amortisation of investment securities	2.4	3.2
Amortisation of senior term financing	0.1	-
Net increase in statutory deposits with central banks	(24.8)	(40.1)
Net decrease in securities purchased under agreements to resell	50.0	55.0
Net decrease / (increase) in placements	1,577.4	(333.2)
Net increase in trading securities	(17.1)	(30.3)
Net increase in loans and advances	(414.1)	(727.8)
Decrease / (increase) in accrued interest receivable	32.0	(19.2)
(Decrease) / increase in accrued interest payable	(28.7)	38.2
Net (increase) / decrease in other net assets	(20.1)	12.7
Net decrease in deposits from banks	(728.2)	(215.2)
Net increase in deposits from customers	1,667.1	1,157.6
Net decrease in securities sold under agreement to repurchase	(700.7)	(528.0)
Net cash inflow / (outflow) from operating activities	1,451.3	(602.0)
INVESTING ACTIVITIES		
Purchase of investment securities	(266.1)	(339.7)
Maturity of investment securities	305.9	377.5
Net cash inflow from investing activities	39.8	37.8
FINANCING ACTIVITIES		
Net (decrease) / increase in senior term financing	(19.9)	593.5
Net cash (outflow) / inflow from financing activities	(19.9)	593.5
Increase in cash and cash equivalents	1,471.2	29.3
Cash and cash equivalents at 1st January	3,552.6	2,923.6
Cash and cash equivalents at 31st March	5,023.8	2,952.9

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 three months ended 31st March 2018 have been prepared in compliance with International Accounting Standard (IAS) No. 34: Interim Financial Reporting. 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 2017, except for the adoption of applicable new accounting standards with effect from 1st January 2018 as referred to in the condensed interim consolidated financial statements.

All 31st March figures in these condensed interim consolidated financial statements have been reviewed by the external auditors, while those at 31st December are audited.

The condensed interim consolidated financial statements were approved by the Board of Directors on 13th April 2018 and signed on its behalf by:-

Abdullah bin Hassan Alabdulgader
Chairman

Yahya bin Abdullah Alyahya
Chairman of the Board Audit Committee

Abdulaziz A. Al-Helaissi
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