

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.6.19 US\$ millions	31.12.18 US\$ millions
ASSETS		
Cash and other liquid assets	8,438.3	5,114.2
Securities purchased under agreements to resell	1,627.5	1,015.9
Placements	6,934.1	6,770.8
Trading securities	190.2	177.7
Investment securities	3,885.2	3,897.2
Loans and advances	9,837.4	9,817.8
Other assets	681.8	752.5
Total assets	31,594.5	27,546.1
LIABILITIES		
Deposits from banks	1,815.0	2,372.2
Deposits from customers	22,563.6	18,322.4
Securities sold under agreements to repurchase	262.9	735.4
Other liabilities	712.0	581.9
Senior term financing	2,965.0	3,338.0
Total liabilities	28,318.5	25,349.9
EQUITY		
Share capital	2,500.0	2,500.0
Reserves	351.2	361.4
Retained earnings	(574.8)	(665.2)
Equity attributable to the shareholders of the Bank	2,276.4	2,196.2
Non-controlling interest	999.6	-
Total equity	3,276.0	2,196.2
Total liabilities & equity	31,594.5	27,546.1

CONSOLIDATED STATEMENT OF INCOME

	Three months ended		Six months ended	
	30.6.19 US\$ millions	30.6.18 US\$ millions	30.6.19 US\$ millions	30.6.18 US\$ millions
Interest income	216.9	184.0	427.9	349.2
Interest expense	145.9	113.1	288.2	211.8
Net interest income	71.0	70.9	139.7	137.4
Fee and commission income	16.6	15.3	32.3	31.0
Foreign exchange income	2.7	4.0	5.7	8.1
Trading income	5.2	3.6	14.8	8.9
Other income	3.7	3.4	3.7	29.9
Total income	99.2	97.2	196.2	215.3
Staff expenses	36.8	37.8	73.5	75.7
Premises expenses	5.2	5.3	10.5	10.5
Other operating expenses	23.7	22.4	46.8	39.3
Total operating expenses	65.7	65.5	130.8	125.5
Net income before provisions and tax	33.5	31.7	65.4	89.8
Provision charge for other assets	-	-	-	(1.9)
Provision charge for loans and advances	(3.1)	(200.0)	(4.4)	(229.0)
Net income / (loss) before tax	30.4	(168.3)	61.0	(141.1)
Taxation charge	(1.8)	(1.7)	(3.7)	(3.1)
Net income / (loss)	28.6	(170.0)	57.3	(144.2)
Attributable to:				
Shareholders of the Bank	26.9	(170.0)	55.6	(144.2)
Non-controlling interest	1.7	-	1.7	-
	28.6	(170.0)	57.3	(144.2)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended		Six months ended	
	30.6.19 US\$ millions	30.6.18 US\$ millions	30.6.19 US\$ millions	30.6.18 US\$ millions
Net income / (loss)	28.6	(170.0)	57.3	(144.2)
Other comprehensive income:-				
Items that may subsequently be reclassified to consolidated statement of income:-				
Cash flow hedges:-				
- net changes in fair value	1.0	(0.8)	1.8	(2.1)
	1.0	(0.8)	1.8	(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)	(5.2)	17.0	23.9	28.7
Remeasurement of defined benefit pension fund	(3.0)	(0.6)	(3.0)	9.9
	(8.2)	16.4	20.9	38.6
Total other comprehensive income	(7.2)	15.6	22.7	36.5
Total comprehensive income / (loss)	21.4	(154.4)	80.0	(107.7)
Attributable to:				
Shareholders of the Bank	21.6	(154.4)	80.2	(107.7)
Non-controlling interest	(0.2)	-	(0.2)	-
	21.4	(154.4)	80.0	(107.7)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to the shareholders of the Bank:					Total equity US\$ millions
	Share capital US\$ millions	Reserves US\$ millions	Retained earnings US\$ millions	Total US\$ millions	Non-controlling interest US\$ millions	
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	-	-	55.6	55.6	1.7	57.3
Other comprehensive income for the period	-	27.6	(3.0)	24.6	(1.9)	22.7
Total comprehensive income / (loss) for the period	-	27.6	52.6	80.2	(0.2)	80.0
Transfer to retained earnings	-	(37.8)	37.8	-	-	-
At 30th June 2019	2,500.0	351.2	(574.8)	2,276.4	999.6	3,276.0
At 1st January 2018	2,500.0	352.5	(441.6)	2,410.9	-	2,410.9
Net loss for the period	-	-	(144.2)	(144.2)	-	(144.2)
Other comprehensive income for the period	-	26.6	9.9	36.5	-	36.5
Total comprehensive income / (loss) for the period	-	26.6	(134.3)	(107.7)	-	(107.7)
Transfer to retained earnings	-	(2.1)	2.1	-	-	-
At 30th June 2018	2,500.0	377.0	(573.8)	2,303.2	-	2,303.2

CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended	
	30.6.19 US\$ millions	30.6.18 US\$ millions
OPERATING ACTIVITIES		
Net income / (loss) before tax	61.0	(141.1)
Adjustments to reconcile net income to net cash flow from operating activities:-		
Provision charge for loans and advances	4.4	229.0
Provision charge for other assets	-	1.9
Tax paid	(2.1)	(4.3)
Realised losses on debt investment securities	0.2	-
Amortisation of investment securities	4.5	4.5
Amortisation of senior term financing	0.2	0.2
Net increase in statutory deposits with central banks	(32.9)	(31.3)
Net (increase) / decrease in securities purchased under agreements to resell	(611.6)	40.0
Net increase in placements	(163.3)	(47.3)
Net increase in trading securities	(12.5)	(1.9)
Net increase in loans and advances	(15.2)	(363.0)
Decrease / (increase) in accrued interest receivable	22.2	(16.7)
(Decrease) / increase in accrued interest payable	(32.5)	13.7
Net decrease / (increase) in other net assets	271.3	(155.8)
Net (decrease) / increase in deposits from banks	(557.2)	271.4
Net increase in deposits from customers	4,241.2	2,508.7
Net decrease in securities sold under agreement to repurchase	(472.5)	(230.3)
Net cash inflow from operating activities	2,705.2	2,077.7
INVESTING ACTIVITIES		
Purchase of investment securities	(183.6)	(514.6)
Maturity and sale of investment securities	305.2	467.5
Net cash inflow / (outflow) from investing activities	121.6	(47.1)
FINANCING ACTIVITIES		
Issuance of senior term financing	286.3	91.7
Maturity of senior term financing	(659.5)	(195.3)
Non-controlling interest capital injection	999.8	-
Net cash inflow / (outflow) from financing activities	626.6	(103.6)
Increase in cash and cash equivalents	3,453.4	1,927.0
Net foreign exchange difference	(162.2)	37.4
Cash and cash equivalents at 1st January	4,883.2	3,552.6
Cash and cash equivalents at 30th June	8,174.4	5,517.0

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 six months ended 30th June 2019 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 2018, except for the adoption of applicable new accounting standards with effect from 1st January 2019.

All 30th June 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 24th July 2019 and signed on its behalf by:-

Abdullah bin Hassan Alabdulgader
Chairman

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