

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	30.9.19 US\$ millions	31.12.18 US\$ millions
<b>ASSETS</b>		
Cash and other liquid assets	7,756.0	5,114.2
Securities purchased under agreements to resell	1,484.5	1,015.9
Placements	6,032.8	6,770.8
Trading securities	186.2	177.7
Investment securities	3,855.9	3,897.2
Loans and advances	9,433.7	9,817.8
Other assets	838.4	752.5
<b>Total assets</b>	<b>29,587.5</b>	<b>27,546.1</b>
<b>LIABILITIES</b>		
Deposits from banks	1,361.2	2,372.2
Deposits from customers	20,348.8	18,322.4
Securities sold under agreements to repurchase	239.7	735.4
Other liabilities	900.3	581.9
Senior term financing	3,463.7	3,338.0
<b>Total liabilities</b>	<b>26,313.7</b>	<b>25,349.9</b>
<b>EQUITY</b>		
Share capital	2,500.0	2,500.0
Reserves	329.2	361.4
Retained earnings	(553.3)	(665.2)
<b>Equity attributable to the shareholders of the Bank</b>	<b>2,275.9</b>	<b>2,196.2</b>
Non-controlling interest	997.9	-
<b>Total equity</b>	<b>3,273.8</b>	<b>2,196.2</b>
<b>Total liabilities &amp; equity</b>	<b>29,587.5</b>	<b>27,546.1</b>

**CONSOLIDATED STATEMENT OF INCOME**

	Three months ended		Nine months ended	
	30.9.19 US\$ millions	30.9.18 US\$ millions	30.9.19 US\$ millions	30.9.18 US\$ millions
Interest income	212.7	197.5	640.6	546.7
Interest expense	142.5	129.7	430.7	341.5
Net interest income	70.2	67.8	209.9	205.2
Fee and commission income	13.8	14.2	46.1	45.2
Foreign exchange income	3.7	6.4	9.4	14.5
Trading income	0.3	0.9	15.1	9.8
Other income	0.5	5.5	4.2	35.4
<b>Total income</b>	<b>88.5</b>	<b>94.8</b>	<b>284.7</b>	<b>310.1</b>
Staff expenses	37.8	37.9	111.3	113.6
Premises expenses	6.0	5.4	16.5	15.9
Other operating expenses	28.4	22.2	75.2	61.5
<b>Total operating expenses</b>	<b>72.2</b>	<b>65.5</b>	<b>203.0</b>	<b>191.0</b>
<b>Net income before provisions and tax</b>	<b>16.3</b>	<b>29.3</b>	<b>81.7</b>	<b>119.1</b>
Provision charge for loans and advances	(3.6)	(15.0)	(8.0)	(244.0)
Provision charge for contingent liabilities	(2.4)	-	(2.4)	-
Provision release for other assets	-	1.9	-	-
<b>Net income / (loss) before tax</b>	<b>10.3</b>	<b>16.2</b>	<b>71.3</b>	<b>(124.9)</b>
Taxation charge	(1.5)	(1.9)	(5.2)	(5.0)
<b>Net income / (loss)</b>	<b>8.8</b>	<b>14.3</b>	<b>66.1</b>	<b>(129.9)</b>
<b>Attributable to:</b>				
Shareholders of the Bank	7.4	14.3	63.0	(129.9)
Non-controlling interest	1.4	-	3.1	-
	<b>8.8</b>	<b>14.3</b>	<b>66.1</b>	<b>(129.9)</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Three months ended		Nine months ended	
	30.9.19 US\$ millions	30.9.18 US\$ millions	30.9.19 US\$ millions	30.9.18 US\$ millions
<b>Net income / (loss)</b>	<b>8.8</b>	<b>14.3</b>	<b>66.1</b>	<b>(129.9)</b>
<b>Other comprehensive income:-</b>				
<b>Items that may subsequently be reclassified to the consolidated statement of income:-</b>				
Cash flow hedges:-				
- net changes in fair value	0.3	(0.4)	2.1	(2.5)
	<b>0.3</b>	<b>(0.4)</b>	<b>2.1</b>	<b>(2.5)</b>
<b>Items that will not be reclassified to consolidated statement of income:-</b>				
Net changes in fair value of equity investments classified as fair value through other comprehensive income (FVTOCI)	(6.7)	(1.8)	17.2	26.9
Remeasurement of defined benefit pension fund	(4.2)	3.7	(7.2)	13.6
	<b>(10.9)</b>	<b>1.9</b>	<b>10.0</b>	<b>40.5</b>
<b>Total other comprehensive income</b>	<b>(10.6)</b>	<b>1.5</b>	<b>12.1</b>	<b>38.0</b>
<b>Total comprehensive income / (loss)</b>	<b>(1.8)</b>	<b>15.8</b>	<b>78.2</b>	<b>(91.9)</b>
<b>Attributable to:</b>				
Shareholders of the Bank	(0.1)	15.8	80.1	(91.9)
Non-controlling interest	(1.7)	-	(1.9)	-
	<b>(1.8)</b>	<b>15.8</b>	<b>78.2</b>	<b>(91.9)</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Equity attributable to the shareholders of the Bank:					Non-controlling interest US\$ millions	Total equity US\$ millions
	Share capital US\$ millions	Reserves US\$ millions	Retained earnings US\$ millions	Total US\$ millions			
<b>At 1<sup>st</sup> January 2019</b>	<b>2,500.0</b>	<b>361.4</b>	<b>(665.2)</b>	<b>2,196.2</b>	<b>-</b>	<b>2,196.2</b>	
<b>Purchase of shares in subsidiary entity by non-controlling interest</b>	-	-	-	-	999.8	999.8	
Net income for the period	-	-	63.0	63.0	3.1	66.1	
Other comprehensive income for the period	-	23.9	(7.2)	16.7	(4.6)	12.1	
Foreign exchange translation adjustment	-	-	-	-	(0.4)	(0.4)	
Total comprehensive income / (loss) for the period	-	23.9	55.8	79.7	(1.9)	77.8	
Transfer to retained earnings	-	(56.1)	56.1	-	-	-	
<b>At 30<sup>th</sup> September 2019</b>	<b>2,500.0</b>	<b>329.2</b>	<b>(553.3)</b>	<b>2,275.9</b>	<b>997.9</b>	<b>3,273.8</b>	
<b>At 1<sup>st</sup> January 2018</b>	<b>2,500.0</b>	<b>352.5</b>	<b>(441.6)</b>	<b>2,410.9</b>	<b>-</b>	<b>2,410.9</b>	
Net loss for the period	-	-	(129.9)	(129.9)	-	(129.9)	
Other comprehensive income for the period	-	24.4	13.6	38.0	-	38.0	
Total comprehensive income / (loss) for the period	-	24.4	(116.3)	(91.9)	-	(91.9)	
Transfer to retained earnings	-	(2.1)	2.1	-	-	-	
<b>At 30<sup>th</sup> September 2018</b>	<b>2,500.0</b>	<b>374.8</b>	<b>(555.8)</b>	<b>2,319.0</b>	<b>-</b>	<b>2,319.0</b>	

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Nine months ended 30.9.19 US\$ millions	Nine months ended 30.9.18 US\$ millions
<b>OPERATING ACTIVITIES</b>		
Net income / (loss) before tax	71.3	(124.9)
Adjustments to reconcile net income to net cash flow from operating activities:-		
Provision charge for loans and advances	8.0	244.0
Provision charge for contingent liabilities	2.4	-
Tax paid	(3.1)	(5.4)
Realised losses on debt investment securities	0.9	-
Amortisation of investment securities	5.9	6.3
Amortisation of senior term financing	0.4	0.4
Net increase in statutory deposits with central banks	(32.4)	(40.8)
Net increase in securities purchased under agreements to resell	(468.6)	(637.7)
Net decrease / (increase) in placements	738.0	(460.1)
Net (increase) / decrease in trading securities	(8.5)	14.1
Net decrease / (increase) in loans and advances	392.1	(480.5)
Decrease / (increase) in accrued interest receivable	34.6	(29.9)
(Decrease) / increase in accrued interest payable	(31.5)	34.9
Net decrease in other net assets	313.3	1.8
Net (decrease) / increase in deposits from banks	(1,011.0)	278.4
Net increase in deposits from customers	2,026.4	5,734.9
Net decrease in securities sold under agreement to repurchase	(495.7)	(243.5)
<b>Net cash inflow from operating activities</b>	<b>1,542.5</b>	<b>4,292.0</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities	(323.1)	(544.6)
Maturity and sale of investment securities	490.9	506.0
<b>Net cash inflow / (outflow) from investing activities</b>	<b>167.8</b>	<b>(38.6)</b>
<b>FINANCING ACTIVITIES</b>		
Issuance of senior term financing	785.5	191.7
Maturity of senior term financing	(660.2)	(641.7)
Non-controlling interest capital injection	999.8	-
<b>Net cash inflow / (outflow) from financing activities</b>	<b>1,125.1</b>	<b>(450.0)</b>
<b>Increase in cash and cash equivalents</b>	<b>2,835.4</b>	<b>3,803.4</b>
<b>Net foreign exchange difference</b>	<b>(226.0)</b>	<b>(74.7)</b>
<b>Cash and cash equivalents at 1<sup>st</sup> January</b>	<b>4,883.2</b>	<b>3,552.6</b>
<b>Cash and cash equivalents at 30<sup>th</sup> September</b>	<b>7,492.6</b>	<b>7,281.3</b>

**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 30<sup>th</sup> September 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 31<sup>st</sup> December 2018, except for the adoption of applicable new accounting standards with effect from 1<sup>st</sup> January 2019.

All 30<sup>th</sup> September figures in the condensed interim consolidated financial statements have been reviewed by the external auditors, while those at 31<sup>st</sup> December are audited.

The condensed interim consolidated financial statements were approved by the Board of Directors on 28<sup>th</sup> October 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](http://www.gib.com)