

BMI Financial Statements

Consolidated Financial Statements Year ended 31 December 2009

CONSOLIDATED STATEMENT OF INCOME Year ended 31 December 2009

	2009 BD '000	2008 BD '000
Interest and similar income	27,515	34,090
Interest expense and similar charges	12,256	18,675
NET INTEREST INCOME	15,259	15,415
Net fees and commissions income	3,263	2,979
Other income	1,982	1,334
OPERATING INCOME	20,504	19,728
Staff expenses	8,719	8,738
Other operating expenses	5,328	4,610
Depreciation	941	633
Amortization of intangible assets	285	120
Loss on associates and joint ventures	804	817
OPERATING EXPENSES	16,077	14,918
NET INCOME BEFORE PROVISION FOR IMPAIRMENT	4,427	4,810
Net provision for impairment of financial assets	(21,370)	(7,791)
LOSS FOR THE YEAR	(16,943)	(2,981)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME Year ended 31 December 2009

	2009 BD '000	2008 BD '000
LOSS FOR THE YEAR	(16,943)	(2,981)
Other comprehensive income/(loss)		
Movements in cumulative changes in fair values	986	(1,371)
Exchange differences on translation of investment in an associate	49	(519)
Cash flow hedges	(37)	37
Directors' remuneration paid	-	(308)
Directors' sitting fees paid	(68)	-
Other comprehensive income/(loss) for the year	930	(2,161)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(16,013)	(5,142)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY Year ended 31 December 2009

	2009 BD '000	2008 BD '000
Balance at beginning of the year	128,582	38,544
Loss for the year	(16,943)	(2,981)
Other comprehensive income/(loss) for the year	930	(2,161)
Share capital issued	-	95,000
Share based payments	68	180
Balance at the end of the year	112,637	128,582

CONSOLIDATED BALANCE SHEET 31 December 2009

	2009 BD '000	2008 BD '000
ASSETS		
Cash and balances with the Central Bank of Bahrain	35,899	17,342
Due from banks and financial institutions	194,328	244,012
Loans and advances	388,049	486,895
Non-trading investments	31,697	37,068
Investments in associates	1,176	10,665
Investments in joint ventures	288	926
Equipment and capital work in progress	15,834	9,604
Intangible assets	1,797	2,082
Other assets	4,377	6,267
TOTAL ASSETS	673,445	814,861
LIABILITIES AND EQUITY		
LIABILITIES		
Due to banks and financial institutions	170,683	289,473
Customers' deposits	288,546	288,922
Medium term borrowings	80,568	80,566
Other liabilities	7,816	14,123
Subordinated liability	13,195	13,195
TOTAL LIABILITIES	560,808	686,279
EQUITY		
Share capital	58,530	58,530
Reserves	54,107	70,052
TOTAL EQUITY	112,637	128,582
TOTAL LIABILITIES AND EQUITY	673,445	814,861

CONSOLIDATED STATEMENT OF CASH FLOWS Year ended 31 December 2009

	2009 BD '000	2008 BD '000
Net cash (used in) / from operating activities	(39,858)	98,079
Net cash from / (used in) investing activities	9,339	(27,572)
Net cash from financing activity	-	44,826
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(30,519)	115,333
Cash and cash equivalents at the beginning of the year	254,378	139,045
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	223,859	254,378

The above consolidated balance sheet, statement of income, comprehensive income, statement of cash flows and statement of changes in equity have been extracted from the audited consolidated financial statements on which Ernst & Young have issued an unqualified audited report on 7 February, 2010.