

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
At 31 December 2017 (Audited)

	2017 US\$ '000	2016 US\$ '000
<b>ASSETS</b>		
Cash and balances with banks	5,430,085	5,073,418
Receivables	12,001,050	11,423,448
Mudaraba and Musharaka financing	2,377,654	1,582,396
Investments	2,888,334	2,629,131
Ijarah Muntahia Bittamleek	1,856,018	1,830,339
Property and equipment	430,192	417,295
Other assets	469,878	469,238
<b>TOTAL ASSETS</b>	<b>25,453,211</b>	<b>23,425,265</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>		
<b>LIABILITIES</b>		
Customer current and other accounts	5,465,433	4,983,772
Due to banks	1,322,470	918,395
Long term financing	1,236,555	1,381,256
Other liabilities	1,035,983	856,467
<b>Total liabilities</b>	<b>9,060,441</b>	<b>8,139,890</b>
<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>		
	<b>13,882,109</b>	<b>13,276,794</b>
<b>OWNERS' EQUITY</b>		
Share capital	1,206,679	1,149,218
Treasury shares	(9,550)	(9,588)
Share premium	18,644	18,574
Perpetual tier 1 capital	400,000	-
Reserves	199,282	181,971
Cumulative changes in fair values	40,443	41,271
Foreign currency translations	(706,242)	(666,719)
Retained earnings	530,615	497,374
Proposed appropriations	60,334	68,857
Equity attributable to parent's shareholders and Sukuk holder	1,740,205	1,280,958
Non-controlling interest	770,456	727,623
<b>Total owners' equity</b>	<b>2,510,661</b>	<b>2,008,581</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>	<b>25,453,211</b>	<b>23,425,265</b>

CONSOLIDATED STATEMENT OF INCOME  
For the year ended 31 December 2017 (Audited)

	2017 US\$ '000	2016 US\$ '000
<b>INCOME</b>		
Net income from jointly financed contracts and investments	1,258,663	1,336,569
Return on equity of investment accountholders before Group's share as a Mudarib	(1,084,420)	(1,114,019)
Group's share as a Mudarib	377,735	396,762
Return on equity of investment accountholders	(706,685)	(717,257)
Group's share of income from equity of investment accountholders (as a Mudarib and Rabalmaal)	551,978	619,312
Mudarib share for managing off-balance sheet equity of investment accountholders	8,157	5,022
Net income from self-financed contracts and investments	330,278	285,499
Fees and commission income	157,894	176,837
Other operating income	35,383	78,859
	1,083,690	1,165,529
Profit paid on long term financing	(85,000)	(91,370)
<b>TOTAL OPERATING INCOME</b>	<b>998,690</b>	<b>1,074,159</b>
<b>OPERATING EXPENSES</b>		
Staff expenses	315,047	325,501
Depreciation and amortisation	47,398	44,579
Other operating expenses	205,872	197,136
<b>TOTAL OPERATING EXPENSES</b>	<b>568,317</b>	<b>567,216</b>
<b>NET INCOME FOR THE YEAR BEFORE NET PROVISIONS AND IMPAIRMENT AND TAXATION</b>	<b>430,373</b>	<b>506,943</b>
Net provisions and impairment	(131,807)	(122,154)
<b>NET INCOME FOR THE YEAR BEFORE TAXATION</b>	<b>298,566</b>	<b>384,789</b>
Taxation	(91,647)	(117,153)
<b>NET INCOME FOR THE YEAR</b>	<b>206,919</b>	<b>267,636</b>
Attributable to:		
Equity holders of the parent	129,029	151,545
Non-controlling interest	77,890	116,091
	206,919	267,636
Basic and diluted earnings per share - US cents		
	9.47	12.66

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNER'S EQUITY  
For the year ended 31 December 2017 (Audited)

	Attributable to equity holders of the parent and Sukuk holders US\$ '000	Non-controlling interest US\$ '000	Total Owner's equity US\$ '000
At 1 January 2017	1,280,958	727,623	2,008,581
Dividends paid	(11,396)	-	(11,396)
Net movement in treasury shares	108	-	108
Net movement in cumulative changes in fair values	(828)	(851)	(1,679)
Net movement in other reserves	4,408	2,533	6,941
Foreign currency translations	(39,523)	(16,728)	(56,251)
Net income for the year	129,029	77,890	206,919
Dividends of subsidiaries	-	(31,941)	(31,941)
Zakah paid on behalf of shareholders	(4,021)	-	(4,021)
Perpetual tier 1 capital	400,000	-	400,000
Expenses related to perpetual tier 1 capital	(2,780)	-	(2,780)
Profit distributed on perpetual tier 1 capital	(15,750)	-	(15,750)
Net movement in non-controlling interest	-	11,930	11,930
At 31 December 2017	1,740,205	770,456	2,510,661
At 1 January 2016	1,356,402	738,181	2,094,583
Dividends paid	(22,143)	-	(22,143)
Net movement in treasury shares	(212)	-	(212)
Net movement in cumulative changes in fair values	2,742	579	3,321
Net movement in other reserves	1,357	156	1,513
Foreign currency translations	(204,771)	(118,366)	(323,137)
Net income for the year	151,545	116,091	267,636
Dividends of subsidiaries	-	(31,424)	(31,424)
Zakah paid on behalf of shareholders	(3,962)	-	(3,962)
Net movement in non-controlling interest	-	22,406	22,406
At 31 December 2016	1,280,958	727,623	2,008,581

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
For the year ended 31 December 2017 (Audited)

	2017 US\$ '000	2016 US\$ '000
Net cash from operating activities	165,000	543,107
Net cash (used in) from investing activities	(304,992)	486,624
Net cash from (used in) financing activities	205,468	(147,325)
Foreign currency translation adjustments	(56,252)	(323,137)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>9,224</b>	<b>559,269</b>
Cash and cash equivalents at 1 January	2,851,958	2,292,689
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>2,861,182</b>	<b>2,851,958</b>

Saleh Abdulla Kamel  
Chairman

Adnan Ahmed Yousif  
Member of the Board and President and Chief Executive

The above balances for the year ended 31 December 2017, have been extracted from the Consolidated Financial Statements audited by Ernst & Young, who expressed an unqualified opinion on 20 February 2018. These statements are available in full detail on the website indicated below.



RECOMMENDATION FOR DIVIDEND DISTRIBUTIONS

The Board of Directors of Al Baraka Banking Group B.S.C. resolved at its meeting dated 20 February 2018 to propose the following shareholders' distributions for approval by the Assembly General Meeting

1. Distribution of cash dividend from the profit of the year 2017 to the shareholders registered as of the date of AGM (as 2.0 cent for each share) amounting to maximum of US\$24,133,587 for total number of issued and paid share.
2. The distribution of 3 bonus shares for every 100 fully issued and paid shares to the shareholders registered as of the date of the AGM (amounting to US\$36,200,381) from Retained Earnings.

Saleh Abdulla Kamel  
Chairman

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