



BAHRAIN COMMERCIAL FACILITIES COMPANY BSC

Condensed Consolidated Interim Financial Information 30 September 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the nine months ended 30 September 2018

Bahraini dinars in thousands	Nine months ended		Three months ended	
	30 September 2018 (reviewed)	30 September 2017 (reviewed)	30 September 2018 (reviewed)	30 September 2017 (reviewed)
Interest income	27,384	25,320	9,492	8,849
Interest expense	(8,644)	(7,643)	(3,054)	(2,695)
Net interest income	18,740	17,677	6,438	6,154
Automotive revenue	42,862	39,606	14,964	11,318
Cost of sales	(37,453)	(34,733)	(13,121)	(9,757)
Gross profit on automotive revenue	5,409	4,873	1,843	1,561
Fee and commission income	8,786	7,842	3,118	2,824
Profit from sale of land inventory	512	473	70	222
Rental and evaluation income	517	498	169	141
Total operating income	33,964	31,363	11,638	10,902
Operating expenses	(15,797)	(14,270)	(5,344)	(5,001)
Impairment allowance on loans and receivables, net of recoveries	(2,739)	(3,496)	(791)	(1,310)
Other income	659	820	171	347
Profit for the period	16,087	14,417	5,674	4,938
Basic and diluted earnings per 100 fils share	100 fils	89 fils	35 fils	31 fils

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the nine months ended 30 September 2018

Bahraini dinars in thousands	Nine months ended		Three months ended	
	30 September 2018 (reviewed)	30 September 2017 (reviewed)	30 September 2018 (reviewed)	30 September 2017 (reviewed)
Profit for the period	16,087	14,417	5,674	4,938
Other comprehensive income: Items that may be reclassified subsequently to profit or loss:				
Fair value gain on cash flow hedge reserve	1,714	227	298	271
Total comprehensive income for the period	17,801	14,644	5,972	5,209

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 September 2018

Bahraini dinars in thousands	30 September 2018 (reviewed)	31 December 2017 (audited)
Assets		
Cash and balances with banks	4,725	5,637
Loans and advances to customers	304,913	294,718
Trade receivables	8,361	7,111
Inventories	28,981	29,716
Investment properties	7,837	6,939
Property and equipment	25,148	25,343
Other assets	5,349	3,608
Total assets	385,314	373,072
Liabilities and equity		
Liabilities		
Bank overdrafts	959	73
Trade and other payables	19,452	17,988
Bank term loans	184,118	177,703
Bonds issued	39,953	39,900
Total liabilities	244,482	235,664
Equity		
Share capital	16,335	16,335
Treasury shares	(599)	(599)
Statutory reserve	33,542	33,542
Other reserves	28,556	25,112
Retained earnings	62,998	63,018
Total equity	140,832	137,408
Total liabilities and equity	385,314	373,072

OPERATING SEGMENT INFORMATION for the nine months ended 30 September 2018

Bahraini dinars in thousands	Revenue		Profit	
	Nine months ended 30 September 2018 (reviewed)	Nine months ended 30 September 2017 (reviewed)	Nine months ended 30 September 2018 (reviewed)	Nine months ended 30 September 2017 (reviewed)
Consumer finance	35,068	32,303	13,372	12,340
Automotive	42,872	39,615	1,941	1,674
Insurance	1,091	850	573	490
Real estate	4,267	2,169	201	(87)
	83,298	74,937	16,087	14,417

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the nine months ended 30 September 2018

Bahraini dinars in thousands	30 September 2018 (reviewed)	30 September 2017 (reviewed)
Operating activities		
Loan repayments, interest received and other credit related receipt	233,328	206,830
Cash receipts from automotive sales	41,413	41,223
Insurance commission received	1,161	951
Sale of land inventory	3,695	2,019
Rental income received	503	540
Loans and advances to customers disbursed	(216,579)	(198,476)
Payments to suppliers	(37,545)	(30,443)
Payments for operating expenses	(15,347)	(12,590)
Payment for purchase of land inventory	-	(4,904)
Directors' fees paid	(464)	(393)
Interest paid	(8,207)	(8,148)
Net cash generated from / (used in) operating activities	1,958	(3,391)
Investing activities		
Capital expenditure on property and equipment	(1,346)	(3,448)
Addition to investment properties	(1,145)	(66)
Proceeds from sale of property and equipment	610	717
Net cash used in investing activities	(1,881)	(2,797)
Financing activities		
Bank term loans availed	27,745	76,551
Bank term loans paid	(21,584)	(61,877)
Dividends paid	(7,991)	(7,974)
Donations paid	(70)	(412)
Net cash (used in) / generated from financing activities	(1,900)	6,288
Net (decrease)/increase in cash and cash equivalents	(1,823)	100
Cash and cash equivalents at 1 January	5,356	917
Cash and cash equivalents at 30 September	3,533	1,017
Cash and cash equivalents comprise:		
Cash and balances with banks	4,725	2,868
Less:		
Restricted cash	(233)	(253)
Bank overdrafts	(959)	(1,598)
	3,533	1,017

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the nine months ended 30 September 2018

Bahraini dinars in thousands	Share capital		Reserves and retained earnings				Total equity	
	Share capital	Treasury shares	Statutory reserve	Other reserves				
				Cash flow hedge reserve	Donation reserve	General reserve		
As at 31 December 2017	16,335	(599)	33,542	1,182	680	23,250	63,018	137,408
Impact of adopting IFRS 9 as at 1 January 2018	-	-	-	-	-	-	(6,250)	(6,250)
Restated balance as at 1 January 2018	16,335	(599)	33,542	1,182	680	23,250	56,768	131,158
2017 appropriations (approved by shareholders):								
- Donations approved	-	-	-	-	300	-	(300)	-
- Dividend to equity holders declared	-	-	-	-	-	-	(8,057)	(8,057)
- Transfer to general reserve	-	-	-	-	-	1,500	(1,500)	-
Balance after 2017 appropriations	16,335	(599)	33,542	1,182	980	24,750	46,911	123,101
Comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	16,087	16,087
Other comprehensive income:								
- Fair value gain on cash flow hedge reserve	-	-	-	1,714	-	-	-	1,714
Total comprehensive income for the period	-	-	-	1,714	-	-	16,087	17,801
Utilisation of donation reserve	-	-	-	-	(70)	-	-	(70)
At 30 September 2018	16,335	(599)	33,542	2,896	910	24,750	62,998	140,832

The Board of Directors approved the condensed consolidated interim financial information on 30 October 2018 and signed on its behalf by:

Abdulrahman Yusuf Fakhro
Chairman

Reyadh Yusuf Hasan Sater
Vice Chairman

Dr. Adel Hubail
Chief Executive Officer

The above condensed consolidated financial information has been reviewed by KPMG, who expressed an unqualified opinion on 30 October 2018

The Company is licensed and regulated by the Central Bank of Bahrain as a financing company.