



BAHRAIN COMMERCIAL FACILITIES COMPANY BSC

Condensed Consolidated Interim Financial Information 30 June 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the six months ended 30 June 2018

Bahraini dinars in thousands	Six months ended		Three months ended	
	30 June 2018 (reviewed)	30 June 2017 (reviewed)	30 June 2018 (reviewed)	30 June 2017 (reviewed)
Interest income	17,892	16,471	9,120	8,457
Interest expense	(5,590)	(4,948)	(2,931)	(2,559)
Net interest income	12,302	11,523	6,189	5,898
Automotive revenue	27,898	28,288	14,749	14,989
Cost of sales	(24,332)	(24,976)	(12,757)	(13,388)
Gross profit on automotive revenue	3,566	3,312	1,992	1,601
Fee and commission income	5,668	5,018	2,922	2,609
Profit from sale of land inventory	442	251	104	69
Rental income and evaluation income	348	357	153	181
Total operating income	22,326	20,461	11,360	10,358
Operating expenses	(10,453)	(9,269)	(5,243)	(4,663)
Impairment allowance on loans and receivables, net of recoveries	(1,948)	(2,186)	(855)	(1,208)
Other income	488	473	165	304
Profit for the period	10,413	9,479	5,427	4,791
Basic and diluted earnings per 100 fils share	65 fils	59 fils	34 fils	30 fils

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the six months ended 30 June 2018

Bahraini dinars in thousands	Six months ended		Three months ended	
	30 June 2018 (reviewed)	30 June 2017 (reviewed)	30 June 2018 (reviewed)	30 June 2017 (reviewed)
Profit for the period	10,413	9,479	5,427	4,791
Other comprehensive income: Items that may be reclassified subsequently to profit or loss:				
Fair value gain / (loss) on cash flow hedge reserve	1,416	(44)	406	(153)
Total comprehensive income for the period	11,829	9,435	5,833	4,638

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 June 2018

Bahraini dinars in thousands	30 June 2018 (reviewed)	31 December 2017 (audited)
Assets		
Cash and balances with banks	5,432	5,637
Loans and advances to customers	298,126	294,718
Trade receivables	6,732	7,111
Inventories	31,706	29,716
Investment properties	7,723	6,939
Property and equipment	25,157	25,343
Other assets	5,414	3,608
Total assets	380,290	373,072
Liabilities and equity		
Liabilities		
Bank overdrafts	112	73
Trade and other payables	20,344	17,988
Bank term loans	184,977	177,703
Bonds issued	39,935	39,900
Total liabilities	245,368	235,664
Equity		
Share capital	16,335	16,335
Treasury shares	(599)	(599)
Statutory reserve	33,542	33,542
Other reserves	28,320	25,112
Retained earnings	57,324	63,018
Total equity	134,922	137,408
Total liabilities and equity	380,290	373,072

OPERATING SEGMENT INFORMATION for the six months ended 30 June 2018

Bahraini dinars in thousands	Revenue		Profit	
	Six months ended 30 June 2018 (reviewed)	Six months ended 30 June 2017 (reviewed)	Six months ended 30 June 2018 (reviewed)	Six months ended 30 June 2017 (reviewed)
Consumer finance	22,856	20,935	8,458	8,083
Automotive	27,905	28,295	1,348	1,220
Insurance	697	548	365	285
Real estate	3,486	1,134	242	(109)
	54,944	50,912	10,413	9,479

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the six months ended 30 June 2018

Bahraini dinars in thousands	30 June 2018 (reviewed)	30 June 2017 (reviewed)
Operating activities		
Loan repayments, interest received and other credit related receipts	155,551	134,376
Cash receipts from automotive sales	27,905	28,377
Insurance commission received	641	614
Sale of land inventory	3,032	1,128
Rental income received	340	356
Loans and advances to customers disbursed	(143,440)	(127,918)
Payments to suppliers	(24,765)	(17,579)
Payments for operating expenses	(11,411)	(9,901)
Payment for purchase of land inventory	-	(4,904)
Directors' fees paid	(464)	(393)
Interest paid	(5,475)	(5,711)
Net cash generated from / (used in) operating activities	1,914	(1,555)
Investing activities		
Capital expenditure on property and equipment	(855)	(2,173)
Addition to investment properties	(949)	(60)
Proceeds from sale of property and equipment	465	472
Net cash used in investing activities	(1,339)	(1,761)
Financing activities		
Bank term loans availed	21,998	49,194
Bank term loans paid	(14,906)	(36,194)
Dividends paid	(7,846)	(7,949)
Donations paid	(8)	(349)
Net cash (used in) / generated from financing activities	(762)	4,702
Net (decrease) / increase in cash and cash equivalents	(187)	1,386
Cash and cash equivalents at 1 January	5,280	917
Cash and cash equivalents at 30 June	5,093	2,303
Cash and cash equivalents comprise:		
Cash and balances with banks	5,432	3,577
Less: Restricted cash	(227)	(345)
Bank overdrafts	(112)	(929)
	5,093	2,303

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2018

Bahraini dinars in thousands	Share capital		Statutory reserve	Reserves and retained earnings			Retained earnings	Total equity
	Share capital	Treasury shares		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	-	-	-	-	-	-	(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	-	-	-	-	-	-	10,413	10,413
Other comprehensive income:								
- Fair value gain on cash flow hedge reserve	-	-	-	1,416	-	-	-	1,416
Total comprehensive income for the period	-	-	-	1,416	-	-	10,413	11,829
Utilisation of donation reserve	-	-	-	-	(8)	-	-	(8)
At 30 June 2018	16,335	(599)	33,542	2,598	972	24,750	57,324	134,922

The Board of Directors approved the condensed consolidated interim financial information on 31 July 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 31 July 2018.

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