

Bank ABC Islamic announces 20.8% increase in nine-months net profit to US\$25.3 million

Manama, Bahrain: Bank ABC Islamic - today announces its results for the first nine months of 2018:

Business Performance (nine-month period):

- Net profit for the first nine months of 2018 was US\$25.3 million, 20.8% higher than the net profit of US\$21.0 million recorded in the first nine months of 2017.
- Net operating income rose to US\$30.3 million, 13.8% higher compared to the first nine months of last year of US\$26.6 million.
- Operating expenses decreased to US\$4.7 million compared to US\$5.4 million for the same period of last year.
- Impairment charges for the period were US\$0.7 million, computed on FAS 30 basis covering the entire portfolio.

Business Performance (three-month period):

- Net profit for the third quarter was US\$9.7 million, 66.1% higher than the profit of US\$5.9 million reported in the third quarter of last year.
- Net operating income rose to US\$10.9 million, 43.9% higher compared to the first three months of last year of US\$7.6 million.
- Operating expenses were US\$1.1 million compared to US\$1.7 million for the same period of last year.

Balance Sheet:

- ABC Islamic Bank's total assets stood at US\$1.774 billion as of September 30, 2018 compared to US\$1.559 billion at 2017 year-end.
- Shareholders' equity at September 30, 2018 stood at US\$345 million, compared to US\$333 million at 2017 year-end.
- The bank's capital base remains very strong with a capital adequacy ratio of 32%, predominantly Tier 1, which totalled 30.9%.

Commenting on the results, Mr. Hammad Hassan, Managing Director of Bank ABC Islamic, said, "The positive business momentum continued from previous quarters, resulting in healthy

growth across all metrics on a year-on-year basis including total assets, total operating income and net profitability. Whilst the markets have remained slow, the coverage and product teams stepped up their efforts on new customer acquisition as well as cross sell of products to our corporate and institutional client base. Cognizant of macroeconomic environment, the focus will remain on keeping a close eye on credit quality of the portfolio, and on tight control over expenses, with a view to achieving sustained performance to the year end.”