

An increase of 26.2% over the same period last year

Bahrain Islamic Bank (BisB) achieves 6.9 million dinars in 9 months

Bahrain Islamic Bank (BisB) announced a net profit of BHD 6.9 million during the nine months ending this year, after deducting net provisions of BHD 5.8 compared to net profit of BHD 5.4 million for the same period last year, an increase of 26.2%. Earnings per share have also increased to 6.54 fils for the period ending on 30th September 2018 compared to 5.18 fils for the same period last year, an increase of 26.2%.

Dr Esam Abdullah Fakhro, Chairman of the Bank, said "In the nine months ended this year, the bank recorded a net operating profit of BHD 12.6 million compared to BHD 13 million for the same period last year, a decrease of 2.7%. In addition, the bank recorded a total operating income of BHD 31.3 million compared to BHD 32.6 million for the same period last year, a decrease of 3.9%."

He also added that "Compared to the end of last year, Islamic finance grew by 2.3%, saving accounts increased by 3.3% and placements with financial institutions increased by 11.7%. Also, total assets decreased by 0.9% from BHD 1.23 billion to BHD 1.22 billion. Total expenses were declared at BHD 18.7 million for the nine months ending of 2018, a decrease of 4.6% over the same period last year which was equal to BHD 19.6 million. Total shareholders' equity stands at BHD 114 million as of 30th September 2018 compared to BHD 122 million as of 31st December 2017, a decrease of 6.4%.

Net operating profit for the three-month period was BHD 4.5 million compared to BHD 5.1 million for the same period last year, a decrease of 12.1%. Net provisions were 1.1 million for the three months compared to BHD 2.9 million for the same period last year and net profit of BHD 3.4 million for the three months compared to net profit of BHD 2.2 million for the same period last year, an increase of 55.3%.

Earnings per share increased to 3.2 fils for the three months period ending on 30th September 2018 compared to 2.06 fils for the same period last year, an increase of 55.4%.

Mr. Hassan Jarrar, Chief Executive Officer of the Bank, said: "The Bank has achieved satisfactory results during the last period, with Islamic finance growing by 2.3% for the first nine months and customers saving accounts increasing by 3.3%. The Bank also recorded net operating profit recorded BHD 4.5 million for the three-month period, compared to BHD 5.1 million for the same period last year and total operating income recorded BHD 10.9 million for the three-month period compared to BHD 12 million for the same period last year, a decrease of 9%.

Mr. Jarrar added: "The positive results achieved in this period are clear evidence of the successful implementation of the Bank's strategic plan" Ishraq - Back to Basics "in its third year and on the various aspects of the strategy application, and we have been able to achieve tangible progress in various business sectors. As a customer service provider, we have launched the "BisB Rewards" program for our prepaid and credit card customers, which allows them to collect points for their spending using their credit cards and prepaid cards through various points of sale and purchase and through the internet, inside or outside of the Kingdom of Bahrain. "

Mr. Jarrar said: "We also signed a joint memorandum of understanding with Bin Faqeeh Real Estate Investment Company to provide financing to customers who want to buy a villa in Al Sidra luxury residential project. And have signed a marketing agreement with RP Kingdom Projects, which aims to provide special financing for those wishing to own a property The Janayin Al Hamala project. "We also re-launched the Thuraya Private Banking Account with exclusive offers and benefits to serve customers under this account."

As part of the Bank's efforts to reorganize and consolidate its financial position, Jarrar mentioned that the bank is continuing to exit some unearning assets, reduce its expenses, diversify its sources of financing and expand its customer base.

In line with the bank's ongoing plans to strengthen its management team with qualified national talents, Mr. Jarrar said that the Bank has appointed Mr. Mazar Rashid Jalal as Head of Compliance and Governance to further develop and improve the Bank's governance and compliance.

The Bank's Chief Executive Officer also expressed his pleasure for recently winning the most innovative Islamic Bank award in the Kingdom of Bahrain in 2018, in the context of the annual reward awarded by International Finance Magazine. The reward was a result of the Bank's aggressive approach to digitization and innovation, and to its strive to keep pace with the latest technologies in the field of banking technology, ensuring the improvement and expansion of innovative secured banking services to customers.

In conclusion, the Chairman and Chief Executive Officer of the Bank expressed their thanks and appreciation to the Board of Directors for their continuous support, and the honorable members of the Shariah Supervisory Board for clarifying and interpreting legal banking matters, and the supervisory authorities for cooperation and follow-up, and the shareholders and customers for their choice of our bank to conduct their business transactions, and all employees of the Bank for their efforts and dedication to serve the bank.

BisB would like to inform the shareholders that the full set of the financial statements and the press release are available on Bahrain Bourse website.