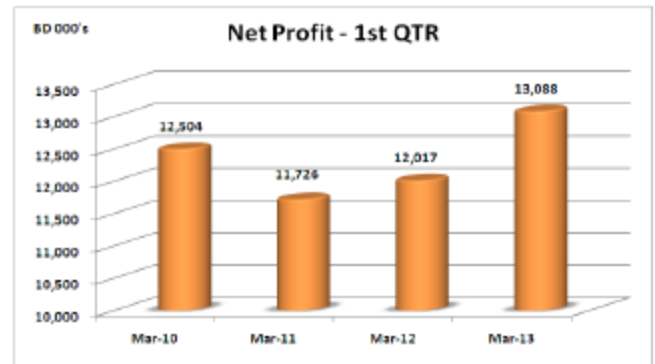


## BBK reports net profit of BD 13.1 million for the first quarter of 2013

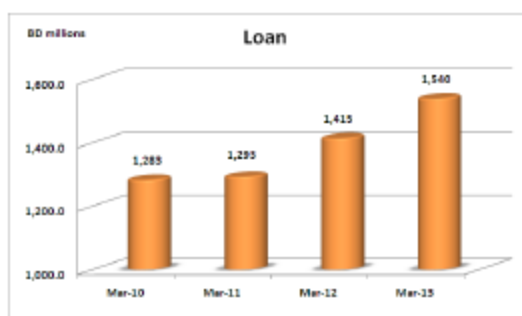
Mr. Murad Ali Murad, the Chairman of the Board of Directors announced yesterday that the Board approved on its meeting the Financial Results for the first quarter of 2013; where the Bank registered a net profit of BD 13.1 million, a growth of 9% compared to BD 12.0 million reported for the same period last year; with earnings of 14 fils per share for the first quarter of 2013 (2012: 13 fils per share).

Expressing his satisfaction of the achieved results, Mr. Murad Ali Murad said: “As we progress into 2013, we will continue our renewed commitment to deliver the best services to our customers through maintaining the positive momentum achieved across all our business units as reflected in both our net profit for the first quarter 2013, as well as in our core growth in market position as a key player amongst local retail and commercial banks in the country”.



The increase in net profit was mainly fuelled by the growth in net interest income and FX and investment income. The Bank reported net interest income of BD 17 million, a growth of 12.2% when compared to first quarter of 2012. Well-crafted investment strategies resulted in boosting FX & Investment income by 92.6% to reach BD 6 million in March 2013 (2012: BD 3.1 million). Fees & Commission income stood at BD 6 million compared to BD 6.7 million which was reported for the same period last year.

As BBK continues following a prudent provisioning policy, the total loan provision reserve which includes an integral part classified as voluntarily general provision has increased to BD 3.2 million to cater for the unexpected business events that may occur due to market turbulence, compared to BD 0.5 million reported as at end of March 2012.

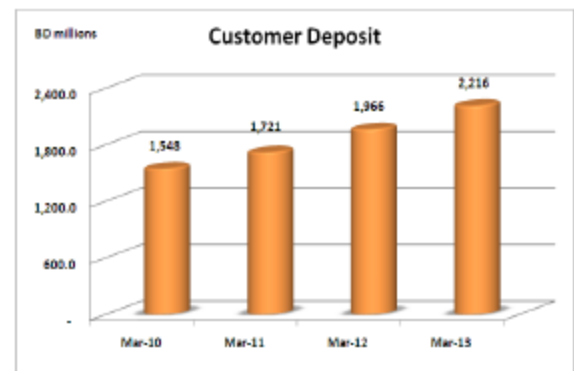


While the total comprehensive income continued to show positive fair value of the investment portfolio, slow movement in the market prices for bonds and equity investments, resulted in recording a comprehensive income for the quarter of BD 17.0 million compared to BD 24.3 million which was reported in similar period last year.

Commenting on the bank’s performance, Mr. A.Karim Bucheery, Chief Executive, said “Our 2013-2015” strategic plan is the main pillar on which we will build our future growth. BBK’s good results for the first quarter of 2013 are testament to the health of our strategic directions and our success and commitment in implementing the various initiatives and plans. The first quarter’s results attests to the solid foundations on which the bank is built, and will continue to build upon in the future”.

Despite the bank's continuous investment in human capital, infrastructure, and customers' service, the group's operating costs were well controlled and raised within a reasonable range of 2.7% to amount to BD 12.4 million (2012: BD 12.0 million). Nevertheless, the cost to income ratio has improved significantly from 48.2% as of March 2012 to 42.6% as of March 2013 mainly on account of the 16.4% growth registered in the total operating revenues. It is worth mentioning that BBK has one of the biggest branches and ATM networks in the Kingdom with seven financial malls, eight branches, and 53 ATMs, the latest of which was added during the first quarter of 2013 at King's Hamad University Hospital in Busaiteen.

BBK's balance sheet has registered a robust growth of 14.3% from BD 2,800 million as of 31<sup>st</sup> March 2012, to reach BD 3,200 million as of 31<sup>st</sup> March 2013. This was mainly driven by the improvements in net loans & advances portfolio by 8.8% to amount to BD 1,540 million, and a remarkable growth in non-trading investment securities portfolio by 10.3% to reach BD 718 million, that was supported by implementing sophisticated successful investments strategies. Taking advantage of the diversified basket of products offered by the bank, customer deposits grew by 12.7% to reach BD 2,216 million in March 2013.



Liquidity position continued to remain at very comfortable levels with liquid assets (Cash and balances with central banks, treasury bills, Financial assets at fair value through statement of income, and Deposits and due from banks and other financial institutions) to total assets standing at 25.5% (March 2012: 22.4%), and loan to total deposit ratio at 60.7% (March 2012: 62.5%).

- Ends -

#### Editors notes:

#### About BBK

BBK has been the pioneer in Commercial Banking for 40 years in the Kingdom of Bahrain. As a revolutionary market leader, BBK has built a name and reputation which is respected locally as well as internationally. To maintain this reputation, BBK has been at the forefront, incorporating the latest technologies to provide the finest services. One example of which is the e-banking solutions offered by BBK, which provide new generation services through its user friendly award winning website [www.bbkonline.com](http://www.bbkonline.com), along with the telebanking, cash depository machines and automated teller machines services. BBK is proud to be honored for its Corporate Governance by the "Hawkamah Institute for the 3rd consecutive year. This award has become a prestigious, competitive and highly coveted bank award that highlights the industry's strong commitment to good corporate governance.

**For Media Enquiries, you may contact:**

Abeer Swar

Officer

BBK- Corporate Communications Department

P.O. Box 597

Kingdom of Bahrain

Tel:17207240

Fax:17215587

email:swar@bbkonline.com

Website : [www.bbkonline.com](http://www.bbkonline.com)