

Ajman Bank PJSC
Condensed consolidated interim financial statements
For the three month period ended 31 March 2015

Ajman Bank PJSC

Condensed consolidated interim financial statements

For the three month period ended 31 March 2015

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Independent Auditor's Report on Review of Condensed Consolidated Interim Financial Information

The Shareholders
Ajman Bank PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of Ajman Bank PJSC ("the Bank") and its subsidiaries (collectively referred to as "the Group"), consisting of:

- the condensed consolidated interim statement of financial position as at 31 March 2015;
- the condensed consolidated interim statement of profit or loss for the three month period ended 31 March 2015;
- the condensed consolidated interim statement of profit or loss and other comprehensive income for the three month period ended 31 March 2015;
- the condensed consolidated interim statement of changes in equity for the three month period ended 31 March 2015;
- the condensed consolidated interim statement of cash flows for the three month period ended 31 March 2015; and
- notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2015 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited
Name: Muhammad Tariq
Registration No: 793

7 MAY 2015

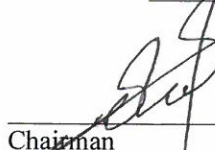
Ajman Bank PJSC

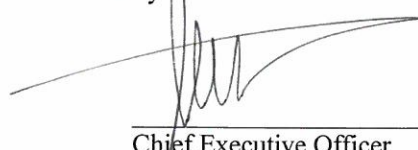
Condensed consolidated interim statement of financial position

as at 31 March 2015

		Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
	Note		
ASSETS			
Cash and balances with the Central Bank of UAE and other banks	7	491,123	423,252
Wakala deposits with banks and other financial institutions		1,342,105	1,421,355
Investments in Islamic financing and investment products	8	10,298,511	8,536,309
Investment securities	9	459,975	518,547
Investment property	10	52,000	52,000
Property and equipment		138,331	43,848
Other assets	11	318,332	235,977
Total assets		13,100,377	11,231,288
LIABILITIES AND SHAREHOLDER'S EQUITY			
Liabilities			
Customers' deposits	12	9,122,649	8,508,742
Due to banks and other financial institutions		2,471,517	1,329,947
Other liabilities	13	370,966	289,431
Total liabilities		11,965,132	10,128,120
Shareholder's equity			
Share capital	14	1,000,000	1,000,000
Statutory reserve		14,702	14,702
Fair value reserve		(20,191)	(26,407)
Retained earnings		140,734	114,873
Total shareholder's equity		1,135,245	1,103,168
Total liabilities and shareholder's equity		13,100,377	11,231,288

These condensed consolidated interim financial statements were approved and authorised by the Board of Directors on 7 MAY 2015 and are signed on their behalf by:


Chairman


Chief Executive Officer

The notes on pages 7 to 17 form an integral part of these condensed consolidated interim financial statements.

The review report of the Independent Auditor's is set out on page 1.

Ajman Bank PJSC

Condensed consolidated interim statement of profit or loss – Reviewed

For the three month period ended 31 March

	<i>Note</i>	2015 AED'000	2014 AED'000
Operating income			
Income from investments in Islamic financing and investment products	15	107,941	77,579
Income from investment securities		8,775	8,637
Fees, commissions and other income		23,409	13,998
Total operating income		140,125	100,214
Depositors' share of profit		(41,126)	(21,336)
Net operating income		98,999	78,878
Expenses			
Staff costs	16	(41,457)	(36,440)
General and administrative expenses	17	(14,365)	(11,741)
Impairment charge for investments in Islamic financing and investment products		(12,816)	(13,542)
Impairment charge on other receivables		(647)	-
Depreciation		(3,853)	(3,425)
Total expenses		(73,138)	(65,148)
Net profit for the period		25,861	13,730
Earnings per share (AED)	18	0.026	0.0137

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The review report of the Independent Auditor's is set out on page 1.

Ajman Bank PJSC

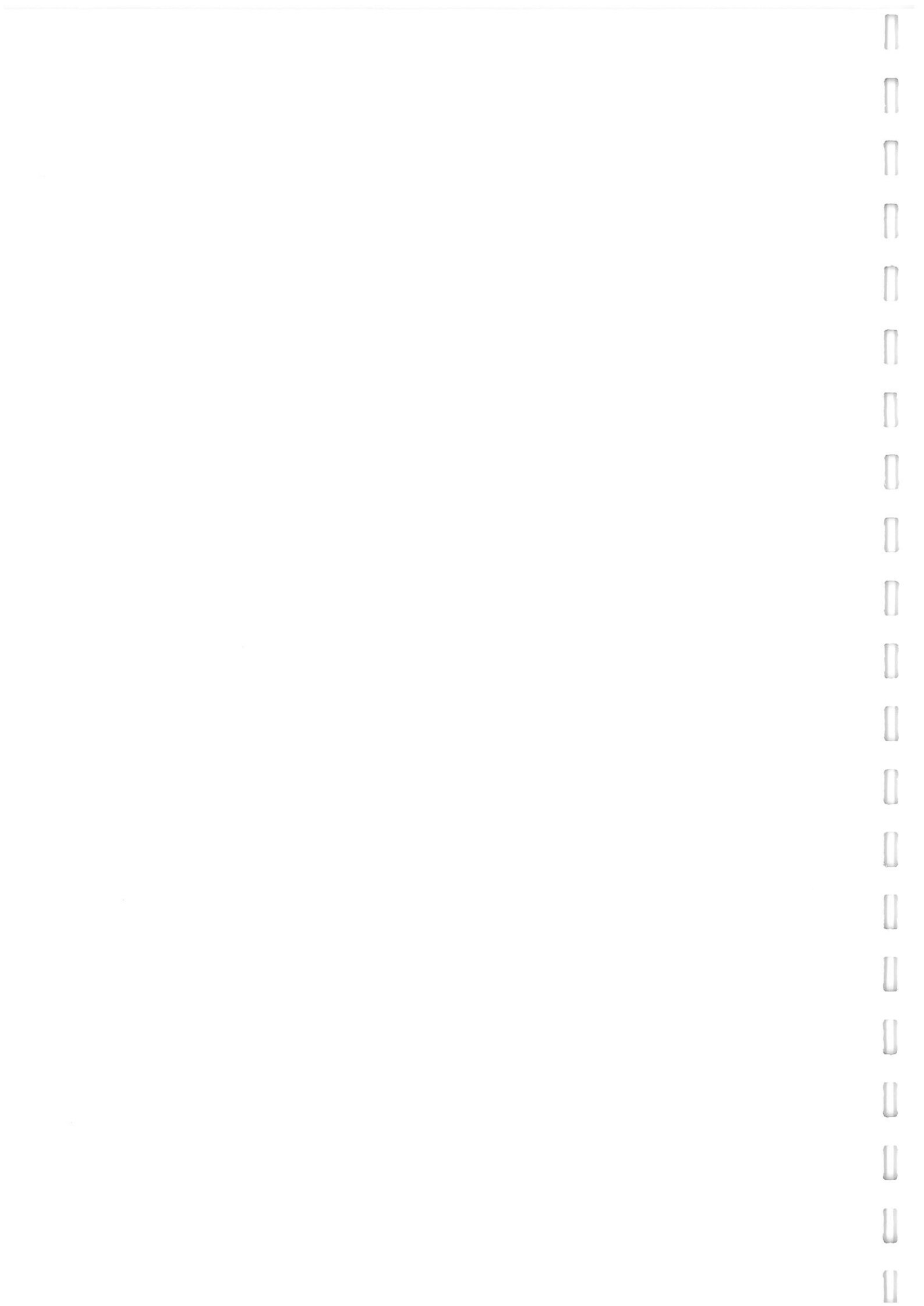
Condensed consolidated interim statement of profit or loss and other comprehensive income – Reviewed

For the three month period ended 31 March

	2015 AED'000	2014 AED'000
Net profit for the period	25,861	13,730
<i>Other comprehensive income</i>		
Items that are or may be reclassified subsequently to statement of profit or loss		
Fair value gain on available for sale investment securities	8,731	17,974
Gain transferred to profit or loss on sale of available for sale investment securities	(2,515)	(2,844)
Other comprehensive income	6,216	15,130
Total comprehensive income for the period	32,077	28,860

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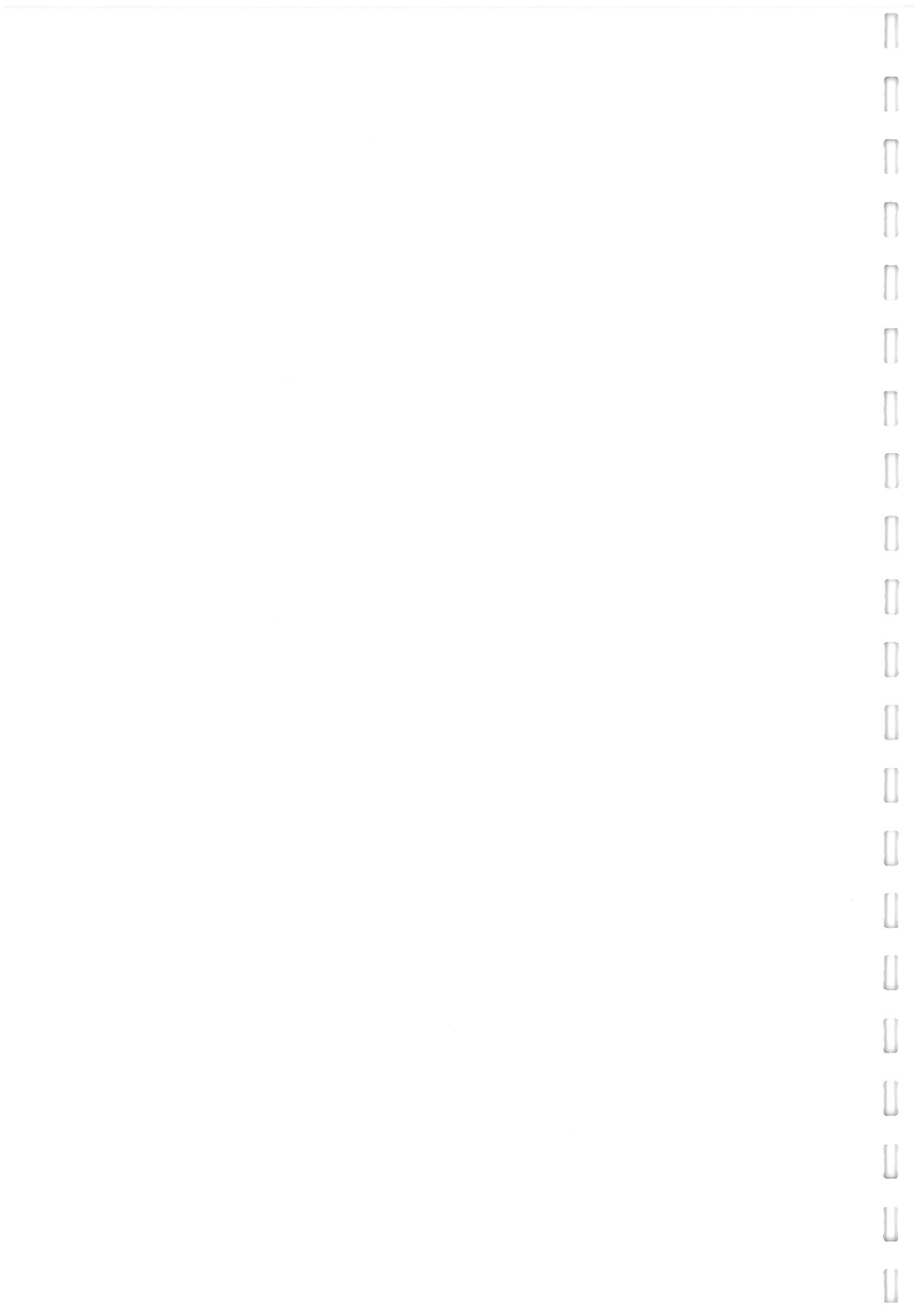
Condensed consolidated interim statement of changes in equity

For the three month period ended 31 March 2015

	Share capital AED'000	Statutory reserve AED'000	Fair value reserve AED'000	Retained earnings AED'000	Total AED'000
As at 31 December 2013 – Audited	1,000,000	7,562	(19,210)	50,617	1,038,969
Total comprehensive income for the period					
Net profit for the period	-	-	-	13,730	13,730
<i>Other comprehensive income</i>					
Fair value gain on available for sale investment securities	-	-	17,974	-	17,974
Gain transferred to statement of profit or loss on sale of available for sale investment securities	-	-	(2,844)	-	(2,844)
Total other comprehensive income	-	-	15,130	-	15,130
Total comprehensive income for the period	-	-	15,130	13,730	28,860
As at 31 March 2014 – Reviewed	1,000,000	7,562	(4,080)	64,347	1,067,829
As at 31 December 2014 – Audited	1,000,000	14,702	(26,407)	114,873	1,103,168
Total comprehensive income for the period					
Net profit for the period	-	-	-	25,861	25,861
<i>Other comprehensive income</i>					
Fair value gain on available for sale investment securities	-	-	8,731	-	8,731
Gain transferred to statement of profit or loss on sale of available for sale investment securities	-	-	(2,515)	-	(2,515)
Total other comprehensive income	-	-	6,216	-	6,216
Total comprehensive income for the period	-	-	6,216	25,861	32,077
As at 31 March 2015 - Reviewed	1,000,000	14,702	(20,191)	140,734	1,135,245

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The review report of the Independent Auditor's is set out on page 1.



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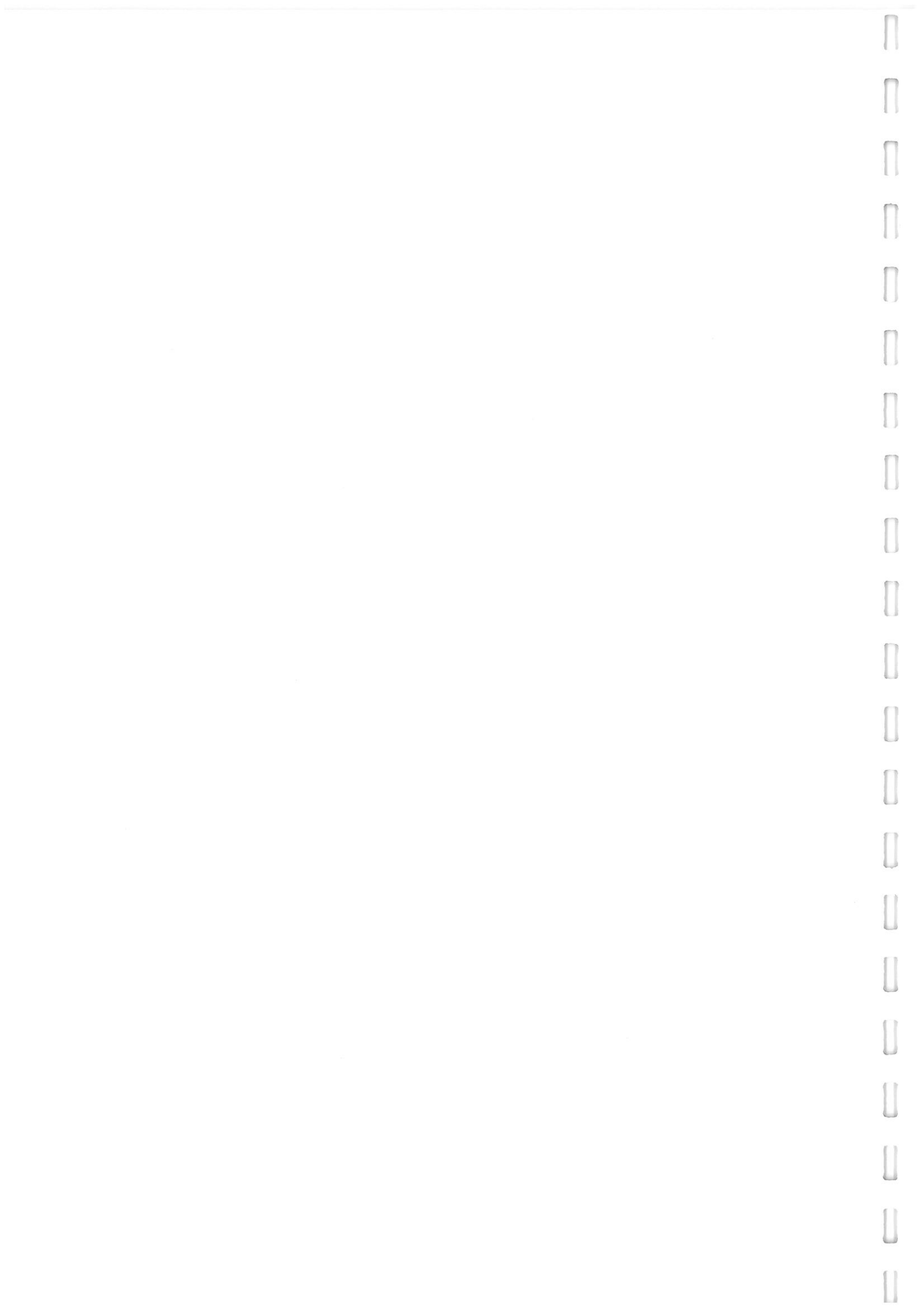
Condensed consolidated interim statement of cash flows – Reviewed

For the three month period ended 31 March

	Note	2015 AED'000	2014 AED'000
Cash flows from operating activities			
Net profit for the period		25,861	13,730
<i>Adjustments for:</i>			
Depreciation		3,853	3,425
Property equipment impairment during the period		1,496	1,667
Impairment charge		13,463	13,542
Income from investment securities		(8,775)	(8,637)
Operating cash flows before changes in operating assets and liabilities		35,898	23,727
<i>Changes in operating assets and liabilities</i>			
Change in investments in Islamic financing and investment products		(1,775,018)	(687,360)
Wakala deposits with banks and other financial institutions (original maturity greater than three months)		(186,379)	(69,529)
Change in statutory deposit with the Central Bank of UAE		(32,357)	19,872
Change in other assets		(83,002)	31,715
Change in customer deposits		613,907	520,151
Change in due to banks		1,141,570	84,381
Change in other liabilities		81,535	(11,139)
Net cash flow used in operating activities		(203,846)	(88,182)
Cash flows from investing activities			
Purchase of investment securities		(198,315)	(11,018)
Proceeds from sale in investment securities		265,528	105,318
Coupon income on investment securities		6,350	6,273
Purchase of property and equipment		(99,832)	(2,531)
Net cash flow (used in)/generated from investing activities		(26,269)	98,042
Net (decrease)/increase in cash and cash equivalents		(230,115)	9,860
Net cash and cash equivalents at the beginning of the period		1,558,904	101,385
Cash and cash equivalents at the end of the period	7	1,328,789	111,245

The notes on pages 7 to 17 form an integral part of these condensed consolidated interim financial statements.

The review report of the Independent Auditor's is set out on page 1.



Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed

For the three month period ended 31 March 2015

1. Legal status and activities

Ajman Bank PJSC (“the Bank”) is incorporated as a Public Joint Stock Company. The Bank and its subsidiaries are collectively referred to as “the Group”. The Bank has its registered office at Al Sanad Building, Mushrif Area, Sheikh Zayed Road, P.O. Box 7770, Ajman, United Arab Emirates (“UAE”) and was legally incorporated on 17 April 2008. The Bank was registered with the Securities and Commodities Authority (“SCA”) on 12 June 2008 and obtained a license from the Central Bank of UAE to operate as a Head Office on 14 June 2008. On 1 December 2008, the Bank obtained a branch banking license from UAE Central Bank and commenced operations on 22 December 2008.

In addition to its main office in Ajman, the Bank operates through 8 branches and 1 pay office in UAE. The condensed consolidated interim financial statements combine the activities of the Bank’s head office and its branches.

In addition to above, the Bank further carries out placement activities with different special purpose entities which have been consolidated in these condensed consolidated interim financial statements in compliance with IFRS 10 – consolidated financial statements. Details of the special purpose entities are mentioned in note 22.

The principal activities of the Bank are to undertake banking, financing and investing activities through various Islamic financing and investment products such as Murabaha, Mudarba, Musharika Wakala, Sukuk and Ijarah. The activities of the Bank are conducted in accordance with the Islamic Sharia’a principles and within the provisions of its Memorandum and Articles of Association.

2. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34: *Interim Financial Reporting*. These condensed consolidated interim financial statements do not include all the information required for full annual audited financial statements and should be read in conjunction with the audited financial statements of the Bank as at and for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standards Board (“IASB”).

These condensed consolidated interim financial statements have been prepared in United Arab Emirates Dirham (AED) rounded to nearest thousand, which is the Bank’s functional currency.

3. Significant accounting policies

3.1 The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the Group’s audited financial statements as at and for the year ended 31 December 2014. The management believes that changes to IFRSs which are effective from 1st January 2015 do not have any material impact on the Bank’s results.

3.2 Financial risk management

The Bank’s financial risk management objectives, policies and procedures are consistent with those disclosed in the audited financial statements as at and for the year ended 31 December 2014.

3.3 Financial assets and liabilities

The accounting policies, classifications and measurement principles for financial assets and liabilities applied by the Bank in these condensed consolidated interim financial statements are the same as those applied by the Bank in its audited financial statements as at and for the year ended 31 December 2014.

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

4. Key accounting estimates and judgements

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty, and actual results may therefore differ as a result of future changes in these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Bank's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the audited financial statements as at and for the year ended 31 December 2014.

5. Capital management

The Group's lead regulator, the Central Bank of the UAE, sets and monitors regulatory capital requirements. The Central Bank has set the capital adequacy ratio which is 12% analyzed in two tiers, of which Tier 1 capital adequacy ratio must not be less than 8%. The Group has complied with its capital adequacy calculation in accordance with Basel II Standardized Approach for credit, market and operational risks.

The Group's regulatory capital is analyzed into two tiers:

- Tier 1 capital, which includes ordinary share capital and retained earnings; and
- Tier 2 capital, which includes fair value reserves relating to unrealized gains / losses on investments classified as available-for-sale and collective impairment provision. The following limits have been applied for Tier 2 capital:
 - Total tier 2 capital shall not exceed 67% of tier 1 capital;
 - Subordinated liabilities shall not exceed 50% of total tier 1 capital; and
 - Collective impairment provision shall not exceed 1.25% of credit risk weighted assets – only for exposures under standardized approach.

The Group is required to report capital resources and risk-weighted assets under the Basel II Pillar 3 framework, as shown in the following table:

	31 March 2015 AED'000	31 December 2014 AED'000
Tier 1 capital		
Share capital	1,000,000	1,000,000
Reserves	155,436	129,575
	<u>1,155,436</u>	<u>1,129,575</u>
Tier 2 capital		
General provision and fair value reserve	92,643	81,645
	<u>92,643</u>	<u>81,645</u>
Total regulatory capital	<u>1,248,079</u>	<u>1,211,220</u>
Risk weighted assets		
Credit risk	9,086,849	8,281,904
Market risk	-	-
Operational risk	348,279	348,279
	<u>9,435,128</u>	<u>8,630,183</u>
Capital adequacy ratio on regulatory capital	<u>13.23%</u>	<u>14.03%</u>
Capital adequacy ratio on Tier 1 capital	<u>12.25%</u>	<u>13.09%</u>

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

6. Classes and categories of financial instruments

Fair value of financial assets and financial liabilities disclosed in these financial statements are not significantly different from their carrying values. The table below sets out the Group's classification of each class of financial assets and liabilities.

At 31 March 2015	Fair value through profit or loss AED '000	Available for sale AED '000	Others at amortised cost AED '000
Financial assets			
Cash and balances with the Central Bank of UAE and other banks	-	-	491,123
Wakala deposits with banks and other financial institutions	-	-	1,342,105
Investments in Islamic financing and investment products	-	-	10,298,511
Investment securities	-	118,609	341,366
Other assets	-	-	318,332
	-	118,609	12,791,437
Financial liabilities			
Customers' deposits	-	-	9,122,649
Wakala deposits by banks and other financial institutions	-	-	2,471,517
Other liabilities	-	-	370,966
	-	-	11,965,132
At 31 December 2014			
Financial assets			
Cash and balances with the Central Bank of UAE and other banks	-	-	423,252
Wakala deposits with banks and other financial institutions	-	-	1,421,355
Investments in Islamic financing and investment products	-	-	8,536,309
Investment securities	-	176,928	341,619
Other assets	-	-	235,977
	-	176,928	10,958,512
Financial liabilities			
Customers' deposits	-	-	8,508,742
Wakala deposits by banks and other financial institutions	-	-	1,329,947
Other liabilities	-	-	289,431
	-	-	10,128,120

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

7. Cash and balances with the Central Bank of UAE and other banks

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
Cash and balances with the Central Bank of UAE	403,380	413,234
Balances with other banks	87,743	10,018
	<u>491,123</u>	<u>423,252</u>
Wakala deposits with banks and other financial institutions (original maturity less than three months)	1,155,726	1,421,355
	<u>1,646,849</u>	<u>1,844,607</u>
Less: Statutory deposit with the Central Bank of UAE	(318,060)	(285,703)
Cash and cash equivalents	<u>1,328,789</u>	<u>1,558,904</u>

8. Investments in Islamic financing and investment products

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
Wakala	1,167,909	540,568
Murabaha financing transactions	2,961,060	2,867,683
Musharaka financing	140,582	140,030
Ijarah financing	5,147,064	3,938,664
Mudaraba financings	1,044,218	1,199,445
Credit cards	33,528	32,809
Istisna financing	526	670
	<u>10,494,887</u>	<u>8,719,869</u>
Less: Provision for impairment losses (note 8.1)	(196,376)	(183,560)
	<u>10,298,511</u>	<u>8,536,309</u>

8.1 Movement of provision for impairment

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
<i>Specific</i>		
At 1 January	75,508	57,388
Charge for the period / year	8,034	18,141
Write-offs	-	(21)
At reporting date	<u>83,542</u>	<u>75,508</u>

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

8. Investments in Islamic financing and investment products (continued)

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
<i>Collective</i>		
At 1 January	108,052	50,909
Charge for the period / year	4,782	57,143
	-----	-----
At reporting date	112,834	108,052
	-----	-----
Total specific and collective provision	196,376	183,560
	=====	=====

9. Investment securities

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
Held to maturity - sukuks (note 9.1)	341,366	341,619
Available for sale - listed sukuks	115,105	173,712
Available for sale investments	3,504	3,216
	-----	-----
	459,975	518,547
	=====	=====

Fair value hierarchy

The financial and non-financial assets measured at fair value are set out below:

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
<i>Financial assets</i>				
Investment securities at available for sale				
At 31 March 2015	84,005	-	34,604	118,609
	=====	=====	=====	=====
At 31 December 2014	147,497	-	29,431	176,928
	=====	=====	=====	=====
<i>Non-Financial assets</i>				
Investment property				
At 31 March 2015	-	-	52,000	52,000
	=====	=====	=====	=====
At 31 December 2014	-	-	52,000	52,000
	=====	=====	=====	=====

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

10. Investment property

The carrying amount of investment property is the fair value of the property as determined by a registered independent appraiser in the recent appraisal, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

11. Other assets

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
Accrued income on investments in Islamic financing and investment products	42,748	42,552
Accrued income on investment securities	5,069	4,766
Prepaid rent/expenses	14,223	6,282
Staff advances	8,902	7,788
Acceptances	203,475	129,146
Other	43,915	45,443
	<u>318,332</u>	<u>235,977</u>

12. Customers' deposits

	Reviewed 31 March 2015 AED'000	Audited 31 December 2013 AED'000
Current accounts	1,823,792	1,204,405
<i>Mudarba deposits:</i>		
Savings accounts	117,089	122,872
Term deposits	123,814	126,707
	<u>2,064,695</u>	<u>1,453,984</u>
Wakala deposits	6,912,006	6,927,654
Escrow accounts	63,327	70,014
Margin accounts	82,621	57,090
	<u>9,122,649</u>	<u>8,508,742</u>

13. Other liabilities

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
Accrued profit on customers' deposits and placements by banks	49,147	49,209
Provisions for staff salaries benefits	104	5,761
Managers' cheques	69,328	61,722
Acceptances	203,475	129,146
Other liabilities	48,912	43,593
	<u>370,966</u>	<u>289,431</u>

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

14. Share capital

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
<i>Authorised, issued and fully paid:</i>		
1,000,000,000 (31 December 2014: 1,000,000,000) shares of AED 1 each	1,000,000	1,000,000

15. Income from investments in Islamic financing and investment products

	Reviewed Three month period ended 31 March 2015 AED'000	Reviewed Three month period ended 31 March 2014 AED'000
Income from Wakala deposits with banks	2,603	1,890
Income from Murabaha financing	49,450	26,238
Income from Ijarah financing	42,978	34,097
Income from Mudaraba financing	11,237	14,255
Income from Musharaka financing	1,665	1,098
Income from Istisna financing	8	1
	107,941	77,579

16. Staff costs

	Reviewed Three month period ended 31 March 2015 AED'000	Reviewed Three month period ended 31 March 2014 AED'000
Salaries and allowances	26,443	22,625
Other staff related cost	15,014	13,815
	41,457	36,440

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

17. General and administrative expenses

	Reviewed Three month 31 March 2015 AED'000	Reviewed Three month 31 March 2014 AED'000
Rental expenses	3,087	3,872
Marketing, design and product development	1,616	555
Software license	1,206	890
Security services including cash in transit services	713	726
Consultancy expenses	273	215
Others	7,470	5,483
	<u>14,365</u>	<u>11,741</u>

18. Earnings per share - basic

The calculation of earnings per share for the three month period ended 31 March 2015 is based on profit of AED 25,861 thousand (31 March 2014: AED 13,730 thousand) divided by the weighted average number of shares of 1,000,000,000 (31 March 2014: 1,000,000,000 shares) outstanding during the period.

19. Related parties

Related parties comprise shareholders, directors and key management personnel, as well as businesses controlled by shareholders, directors and key management personnel and businesses over which they exercise significant influence. Following are other transactions and balances with related parties on mutually agreed terms:

Transactions

Transactions with related parties are shown below:

Three month period Ended	31 March 2015 – Reviewed			31 March 2014 – Reviewed		
	Major shareholders AED'000	Director and other related parties AED'000	Total AED'000	Major shareholders AED'000	Director and other related parties AED'000	Total AED'000
Depositors' share of profit	<u>10,766</u>	<u>318</u>	<u>11,084</u>	<u>9,663</u>	<u>254</u>	<u>9,197</u>
Income from Investment in Islamic financing and investment products	<u>5,846</u>	<u>841</u>	<u>6,687</u>	<u>5,385</u>	<u>762</u>	<u>6,147</u>
Rental expenses	<u>-</u>	<u>366</u>	<u>366</u>	<u>-</u>	<u>960</u>	<u>960</u>

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

19. Related parties (continued)

Balances

Balances with related parties at the reporting date are shown below:

	31 March 2015 - Reviewed			31 December 2014 – Audited		
	Major shareholders AED'000	Director and other related parties AED'000	Total AED'000	Major Shareholders AED'000	Director and other related parties AED'000	Total AED'000
Investments in Islamic financing and investment products	1,698,675	69,108	1,767,783	656,415	70,986	727,401
Customers' deposits	2,539,379	54,598	2,593,977	2,117,335	31,749	2,149,084

Compensation of directors and management personnel

Key management compensation is as shown below:

	Reviewed Three month period ended 31 March 2015 AED'000	Reviewed Three month period ended 31 March 2014 AED'000
Short term employment benefits	4,094	3,257
Terminal benefits	261	190
	<u>4,355</u>	<u>3,447</u>
Directors' remuneration	<u>165</u>	<u>155</u>

20. Contingencies and commitments

Capital commitments

At 31 March 2015, the Bank had outstanding capital commitments of AED 9.7 million (31 December 2014: AED 10.4 million), which will be funded within the next twelve months.

Credit related commitments and contingencies

Credit related commitments include commitments to extend credit which are designed to meet the requirements of the Bank's customers.

At 31 March 2015, the Bank had the following credit related commitments and contingent liabilities:

	Reviewed 31 March 2015 AED'000	Audited 31 December 2014 AED'000
Commitments to extend credit	568,049	666,100
Letters of credit	70,626	165,621
Letters of guarantee	380,207	323,849
	<u>1,018,882</u>	<u>1,155,570</u>

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

21. Segment analysis

Segment results of operations

The segment information provided to the Board for the reportable segments are as follows:

Three month period ended 31 March 2015	Retail Banking AED'000	Corporate banking AED'000	Treasury AED'000	Others AED'000	Total AED'000
Net income from investment in Islamic financing and investment products	20,632	43,272	2,911	-	66,815
Income from investment Securities	-	-	8,775	-	8,775
Impairment charges for Islamic financing and investment products	(8,141)	(6,261)	939	-	(13,463)
Net fee and other income	9,588	13,093	728	-	23,409
Staff cost	(15,483)	(4,329)	(840)	(20,805)	(41,457)
General and administrative expenses	(4,492)	(909)	-	(8,964)	(14,365)
Depreciation	-	-	-	(3,853)	(3,853)
Operating (loss) / profit - Reviewed	2,104	44,866	12,513	(33,622)	25,861
Three month period ended 31 March 2014	Retail banking AED'000	Corporate banking AED'000	Treasury AED'000	Others AED'000	Total AED'000
Net income from investment in Islamic financing and investment products	12,393	40,666	3,184	-	56,243
Income from investment securities	-	-	8,637	-	8,637
Impairment charges for Islamic financing and investment products	(653)	(11,375)	(1,514)	-	(13,542)
Net fee and commission income	4,269	7,780	1,854	95	13,998
Staff cost	(12,100)	(3,548)	(860)	(19,932)	(36,440)
General and administrative expenses	(5,418)	(609)	-	(5,714)	(11,741)
Depreciation	-	-	-	(3,425)	(3,425)
Operating (loss) / profit - Reviewed	(1,509)	32,914	11,301	(28,976)	13,730
As at 31 March 2015					
Total assets - Reviewed	2,091,331	7,862,355	2,339,332	807,359	13,100,377
Total liabilities – Reviewed	1,405,175	9,313,249	827,572	419,136	11,965,132
As at 31 December 2014					
Total assets– Audited	1,947,728	6,589,442	2,112,081	582,037	11,231,288
Total liabilities- Audited	1,821,076	7,947,706	69,826	289,512	10,128,120

Ajman Bank PJSC

Notes to the condensed consolidated interim financial statements – Reviewed (*Continued*)

22. Subsidiaries

Special purpose entities (“SPE”) consolidated by the Bank based on an assessment of control are as follows:

<u>Name of entity</u>	<u>Nature of entity</u>
Ajman Assets Management	SPE for trading purposes
Ajman Capital Investment	SPE for investment purposes
Ajman Development FZE	SPE for trading purposes

The SPEs were registered in the free zone authority of Ajman in the name of Ajman Government. During the period the bank has placed AED 150 million into the Ajman Development FZE and 146.9 million into Ajman Asset Management FZE, these placements are further invested by these SPEs in the Islamic institutions.

In addition to the above, the amount of AED 100 Million was placed during the quarter ended 31 March 2015, into Ajman Cars L.L.C a subsidiary which was incorporated on 17 November 2013, with the Bank owning 99% of the share capital

23. Events after the reporting date

Subsequent to the period ended 31 March 2015, bonus shares of 5% of paid up capital amounting to AED 50,000,000 was approved by the shareholders at the annual general meeting held on the 15th of April 2015. Further AED 1,425,640 as Directors’ remuneration was also approved.

24. Comparatives

Certain comparative figures have been reclassified to conform to the presentation adopted in these condensed consolidated interim financial statements.

