

**SECURITIES AND INVESTMENT  
COMPANY BSC (c)**

**CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION  
30 September 2017**

Comprehensive investment services for the Bahrain and GCC securities market

Commercial registration : 33469

Board of Directors : Abdulla bin Khalifa Al Khalifa,  
*Chairman of the Board and the Investment Committee*

Hussain Al Hussaini,  
*Vice Chairman of the Board & the Investment Committee*

Prakash Mohan  
*Member of the Investment Committee*

Fahad Murad  
*Chairman of Nominations, Remuneration &  
Corporate Governance Committee*

Mohammed Abdulla  
*Vice Chairman of Nominations, Remuneration &  
Corporate Governance Committee*

Khurram Ali Mirza  
*Member of Nominations, Remuneration &  
Corporate Governance Committee*

Waleed Al Braikan  
*Chairman of the Audit Committee*

Anwar Abdulla Ghuloom  
*Vice Chairman of the Audit Committee*

Emad Al Saudi  
*Member of the Audit Committee*

Chief Executive Officer : Najla M. Al Shirawi

Office : BMB Centre  
PO Box 1331, Kingdom of Bahrain  
Telephone 17515000, Fax 17514000

Bankers : Bank of Bahrain and Kuwait BSC

Auditors : KPMG

**CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
for the period ended 30 September 2017**

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KPMG Fakhro  
Audit  
12<sup>th</sup> Floor, Fakhro Tower  
PO Box 710, Manama  
Kingdom of Bahrain

Telephone +973 17 224807  
Fax +973 17 227443  
Website: www.kpmg.com/bh  
CR No. 6220

**Independent auditors' report on review of condensed consolidated interim financial information**

13 November 2017

The Board of Directors  
Securities and Investment Company BSC (c)  
PO Box 1331  
Manama  
Kingdom of Bahrain

**Introduction**

We have reviewed the accompanying 30 September 2017 condensed consolidated interim financial information of Securities and Investment Company BSC (c) (the "Bank"), which comprises:

- the condensed consolidated statement of financial position as at 30 September 2017;
- the condensed consolidated statement of profit or loss for the three month and nine month periods ended 30 September 2017;
- the condensed consolidated statement of comprehensive income for the three month and nine month periods ended 30 September 2017;
- the condensed consolidated statement of changes in equity for the nine month period ended 30 September 2017;
- the condensed consolidated statement of cash flows for the nine month period ended 30 September 2017; and
- notes to the condensed consolidated interim financial information.

The Board of Directors of the Bank 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 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 30 September 2017 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

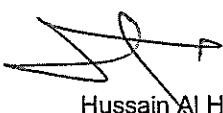
As at 30 September 2017


Bahraini Dinars '000

	Note	30 September 2017 (reviewed)	31 December 2016 (audited)
<b>ASSETS</b>			
Cash and cash equivalents		80,946	80,900
Treasury bills		2,757	16,256
Placements with banks		19,175	-
Investments at fair value through profit or loss	11	29,308	28,040
Investments at fair value through other comprehensive income (FVTOCI)	12	6,317	4,793
Investments at amortized cost		8,871	8,923
Fees receivable		788	1,164
Other assets		6,115	5,481
Furniture, equipment and intangibles		1,480	1,507
<b>Total assets</b>		<b>155,757</b>	<b>147,064</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Short-term bank borrowings	13	49,497	39,255
Customer accounts		39,248	42,994
Payable to other unit holders in consolidated funds		2,653	2,830
Other liabilities		5,113	3,903
<b>Total liabilities</b>		<b>96,511</b>	<b>88,982</b>
<b>Equity</b>			
Share capital		42,849	42,849
Shares under employee share incentive scheme		(1,599)	(1,599)
Statutory reserve		6,661	6,661
General reserve		3,217	3,217
Investments fair value reserve		116	(251)
Retained earnings		8,002	7,205
<b>Total equity (page 5)</b>		<b>59,246</b>	<b>58,082</b>
<b>Total liabilities and equity</b>		<b>155,757</b>	<b>147,064</b>

The Board of Directors approved the condensed consolidated interim financial information on 13 November 2017 and signed on its behalf by:

  
Abdulla Bin Khalifa Al Khalifa  
Chairman

  
Hussain Al Hussaini  
Vice Chairman of the Board

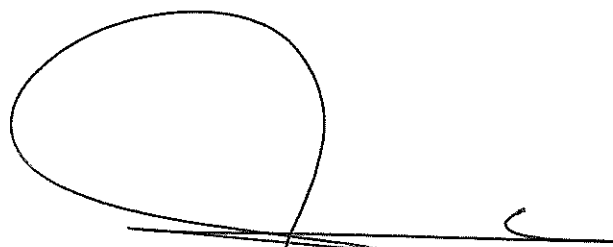
  
Najla M. Al Shirawi  
Chief Executive Officer

The accompanying notes 1 to 16 form an integral part of this condensed consolidated financial information.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**For the nine months ended 30 September 2017**

Bahraini Dinars '000

	Note	Nine months ended 30 September		Three months ended 30 September	
		2017 (reviewed)	2016 (reviewed) (restated)	2017 (reviewed)	2016 (reviewed) (restated)
Net investment income	14	2,794	914	595	596
Net fee and commission income		2,185	1,899	830	637
Brokerage and other income		1,569	1,368	578	545
Other interest income		1,380	803	583	322
<b>Total income</b>		<b>7,928</b>	<b>4,984</b>	<b>2,586</b>	<b>2,100</b>
Staff and related expenses		2,949	2,786	994	837
Interest expense		591	196	301	94
Other operating expenses		1,364	1,259	482	415
Share of profit / (loss) of non-controlling unit holders in consolidated funds		127	(143)	(2)	(140)
<b>Total expenses</b>		<b>5,031</b>	<b>4,098</b>	<b>1,775</b>	<b>1,206</b>
<b>Profit for the period</b>		<b>2,897</b>	<b>886</b>	<b>811</b>	<b>894</b>
<b>Basic and diluted earnings per share (fils)</b>		<b>7.02</b>	<b>2.15</b>	<b>1.97</b>	<b>2.17</b>



Abdulla Bin Khalifa Al Khalifa  
Chairman



Hussain Al Hussaini  
Vice Chairman of the Board



Najla M. Al Shirawi  
Chief Executive Officer

The accompanying notes 1 to 16 form an integral part of this condensed consolidated financial information.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For the nine months ended 30 September 2017**

Bahraini Dinars '000

	Nine months ended 30 September		Three months ended 30 September	
	2017 (reviewed)	2016 (reviewed) (restated)	2017 (reviewed)	2016 (reviewed) (restated)
<b>Profit for the period</b>	<b>2,897</b>	<b>886</b>	<b>811</b>	<b>894</b>
<b>Other comprehensive income</b>				
<b>Items that are or may be reclassified to profit or loss in subsequent periods:</b>				
Investments fair value reserve:				
- Net change in fair value of FVTOCI debt instruments	(17)	53	(8)	-
- Net amount transferred to profit or loss on sale of debt instruments	-	(167)		(44)
<b>Items that will not be reclassified to profit or loss in subsequent periods:</b>				
Investments fair value reserve:				
- Net change in fair value of FVTOCI equity instruments	451	(193)	55	(315)
<b>Total other comprehensive income for the period</b>	<b>434</b>	<b>(307)</b>	<b>47</b>	<b>(359)</b>
<b>Total comprehensive income for the period</b>	<b>3,331</b>	<b>579</b>	<b>858</b>	<b>535</b>

The accompanying notes 1 to 16 form an integral part of this condensed consolidated financial information.

Securities and Investment Company BSC (c)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the nine months ended 30 September 2017

Bahraini Dinars '000

	Share capital	Shares under employee share incentive scheme	Statutory reserve	General reserve	Investments fair value reserve	Retained earnings	Total equity
Balance at 1 January 2017	42,849	(1,599)	6,661	3,217	(251)	7,205	58,082
<b>Profit for the period</b>	-	-	-	-	-	2,897	2,897
<b>Other comprehensive income:</b>							
Investments fair value reserve (Investments at fair value through other comprehensive income):	-	-	-	-	434	-	434
- Net change in fair value of FVTOCI investments	-	-	-	-	(67)	67	-
- Net amount transferred to retained earnings on sale of FVTOCI equity securities	-	-	-	-	-	-	-
<b>Total other comprehensive income</b>	-	-	-	-	367	67	434
<b>Total comprehensive income for the period</b>	-	-	-	-	367	2,964	3,331
- Transfer to charitable donations	-	-	-	-	-	(25)	(25)
<b>Transaction with owners recognized directly in equity:</b>							
- Dividends declared for 2016	-	-	-	-	-	(2,142)	(2,142)
<b>Balance at 30 September 2017</b>	<b>42,849</b>	<b>(1,599)</b>	<b>6,661</b>	<b>3,217</b>	<b>116</b>	<b>8,002</b>	<b>59,246</b>

The accompanying notes 1 to 16 form an integral part of this condensed consolidated financial information.

Securities and Investment Company BSC (c)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the nine months ended 30 September 2017 (continued)**

Bahraini Dinars '000

	Share capital	Shares under employee share incentive scheme	Statutory reserve	General reserve	Investments fair value reserve	Retained earnings	Total equity
Balance at 1 January 2016	42,849	(1,599)	6,427	3,217	(567)	8,112	58,439
- Impact on early adoption of IFRS 9 at 1 January 2016	-	-	-	-	(4)	4	-
<b>Balance as restated at 1 January 2016</b>	<b>42,849</b>	<b>(1,599)</b>	<b>6,427</b>	<b>3,217</b>	<b>(571)</b>	<b>8,116</b>	<b>58,439</b>
<b>Profit for the period</b>	-	-	-	-	-	886	886
<b>Other comprehensive income:</b>							
Investments fair value reserve (Investments at fair value through other comprehensive income):	-	-	-	-	-	-	-
- Net amount transferred to profit or loss on sale	-	-	-	-	(167)	-	(167)
- Net change in fair value	-	-	-	-	(140)	-	(140)
- Net amount transferred to retained earnings on sale of FVTOCI equity securities	-	-	-	-	322	(322)	-
<b>Total other comprehensive income</b>	-	-	-	-	15	(322)	(307)
<b>Total comprehensive income for the period</b>	-	-	-	-	15	564	579
<b>Transaction with owners recognized directly in equity:</b>							
- Dividends declared for 2015	-	-	-	-	-	(2,142)	(2,142)
<b>Balance at 30 September 2016</b>	<b>42,849</b>	<b>(1,599)</b>	<b>6,427</b>	<b>3,217</b>	<b>(556)</b>	<b>6,538</b>	<b>56,876</b>

2016 Reviewed (restated)

Balance at 1 January 2016

- Impact on early adoption of IFRS 9 at 1 January 2016

**Balance as restated at 1 January 2016**

**Profit for the period**

**Other comprehensive income:**

Investments fair value reserve (Investments at fair value through other comprehensive income):

- Net amount transferred to profit or loss on sale

- Net change in fair value

- Net amount transferred to retained earnings on sale of FVTOCI equity securities

**Total other comprehensive income**

**Total comprehensive income for the period**

**Transaction with owners recognized directly in equity:**

- Dividends declared for 2015

**Balance at 30 September 2016**

The accompanying notes 1 to 16 form an integral part of this condensed consolidated financial information.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the nine months ended 30 September 2017**

Bahraini Dinars '000

	<b>30 September 2017 (reviewed)</b>	<b>30 September 2016 (reviewed) (restated)</b>
<b>Operating activities</b>		
Net interest received	1,694	1,384
Net (increase) in placements with banks	(19,175)	-
Net sale / (purchase) of investments at fair value through profit or loss	(97)	(1,646)
Net sale / (purchase) of investments at fair value through other comprehensive income	(1,524)	4,703
Net sale / (purchase) of investments at amortized cost	35	(3,860)
Net (decrease) in customer accounts	(3,746)	(789)
Dividends received	519	507
Movement in brokerage accounts and other receivables	3,890	2,708
Movement in other liabilities	1,070	-
Payments for staff and related expenses	(2,809)	(2,737)
Payments for other operating expenses	(988)	(788)
<b>Net cash used in operating activities</b>	<b>(21,131)</b>	<b>(518)</b>
<b>Investing activities</b>		
Net capital expenditure on furniture and equipment	(138)	(214)
<b>Net cash used in investing activities</b>	<b>(138)</b>	<b>(214)</b>
<b>Financing activities</b>		
Net proceeds of short-term bank borrowings	10,242	21,055
Dividends paid	(2,142)	(2,142)
Distribution to other unit holders in consolidated fund	(284)	(52)
<b>Net cash from financing activities</b>	<b>7,816</b>	<b>18,861</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(13,453)</b>	<b>18,129</b>
Cash and cash equivalents at the beginning of the period	97,156	61,724
<b>Cash and cash equivalents at the end of the period</b>	<b>83,703</b>	<b>79,853</b>
Represented by:		
Cash and bank	25,312	14,027
Call deposits	1,196	2,181
Short-term placements with original maturities of 3 months or less	54,438	57,820
Treasury bills	2,757	5,825
	<b>83,703</b>	<b>79,853</b>

The accompanying notes 1 to 16 form an integral part of this condensed consolidated financial information.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

For the nine months ended 30 September 2017

Bahraini Dinars '000

**1. Reporting entity**

This condensed financial information is the reviewed condensed consolidated interim financial information (the "condensed consolidated interim financial information") of Securities and Investment Company BSC (c) (the "Bank") and its subsidiaries (the "Group"). The Bank operates under a wholesale banking license issued by the Central Bank of Bahrain.

**2. Basis of preparation**

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting), which permits the interim financial information to be in summarized form. The condensed consolidated interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2016.

**3. Accounting policies**

The condensed consolidated interim financial information has been prepared using the same accounting policies and methods of computation applied in the preparation of the Groups' audited annual financial statements for the year ended 31 December 2016 except for the adoption of new standards and interpretations effective 1 January 2017. The adoption of these standards did not have a significant impact on the condensed consolidated interim financial information.

*Restatement*

The Group adopted IFRS 9 Financial Instruments: Recognition and Measurement (IFRS 9) on 1 January 2016 in advance of its compulsory effective date. As of that date, the Group has assessed the classification and measurement of its existing financial assets and financial liabilities. The Group has voluntarily early adopted this standard, as it is considered to result in the recognition and measurement of financial instruments on a basis that more appropriately reflects the operations and performance of the Group.

Since the decision to early adopt IFRS 9 effective from 1 January 2016 was taken in Q4 2016, the comparative figures for 30 September 2016 have been restated. The impact of the early adoption of IFRS as at 1 January 2016 has been recognized in retained earnings and investments fair value reserve at that date.

The effect of the restatement in the comparative period on adoption of IFRS 9 and other regroupings are given below:

*Profit or loss statement*

	30 September 2016		
	As previously reported	Restatement /regroupings adjustment	After restatement / regroupings
Net investment income	868	46	914
Impairment	1,102	(1,102)	-
Interest income	865	(63)	803
Interest expense	59	137	196

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

For the nine months ended 30 September 2017

Bahraini Dinars '000

**3. Accounting policies (continued)***Statement of comprehensive income*

	30 September 2016		
	As previously reported	Restatement adjustment	After restatement
Profit for the period	(63)	949	886
Net change in fair value	(517)	377	(140)
Net amount transferred to income statement on sale	1,159	(1,326)	(167)

4. The condensed consolidated interim financial information is reviewed, not audited.

**5. Estimates**

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2016.

**6. Financial risk management**

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The condensed consolidated interim financial information do not include all financial risk management information and disclosures required in the annual financial statements and they should be read in conjunction with the Group's audited annual financial statements for the year ended 31 December 2016. There have been no changes in the risk management department or in any risk management policies since 31 December 2016.

**7. Operating segments**

The Group's lines of business are brokerage, asset management, investments & treasury, corporate finance, market making and custody business. At present the Group's revenue is reviewed by lines of business and the expenses and results are reviewed at Group level. Accordingly there are no reportable segments.

**8. Cyclicity**

Due to nature of the Bank's business, the nine months' results reported in this condensed consolidated interim financial information may not represent a proportionate share of the overall annual results.

**9. Appropriations**

At the shareholders Annual General Meeting for the year 2016 on 30 March 2017, the shareholders resolved to make the appropriations of the profit for the year ended 31 December 2016 which were effected during the first quarter of 2017. These include cash dividend of BD 2,142 representing 5% of paid up capital and charitable donations of BD 25.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the nine months ended 30 September 2017

Bahraini Dinars '000

## 10. Contingent and memorandum accounts

	As at 30 September 2017	As at 31 December 2016
Assets under custody	2,187,259	1,947,789
Assets under management	479,412	395,904
Contingencies	5,133	5,100
Commitments	3,523	1,623

## 11. Investments at fair value through profit or loss

	As at 30 September 2017	As at 31 December 2016
<b>Quoted equity securities – (listed)</b>		
- Consolidated funds	3,178	2,638
- Parent	4,191	3,215
<b>Funds</b>		
- Quoted	6,148	3,710
- Unquoted	2,994	6,827
<b>Quoted debt securities</b>		
- Parent	9,079	8,136
- Consolidated funds	3,718	3,514
	<b>29,308</b>	<b>28,040</b>

## 12. Investments at fair value through other comprehensive income

	As at 30 September 2017	As at 31 December 2016
<b>Equity securities</b>		
- Quoted (listed)	3,723	2,185
- Unquoted	381	377
	<b>4,104</b>	<b>2,562</b>
<b>Debt securities</b>		
- Quoted	112	112
- Unquoted	2,101	2,119
	<b>2,213</b>	<b>2,231</b>
	<b>6,317</b>	<b>4,793</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the nine months ended 30 September 2017

Bahraini Dinars '000

**13. Short-term bank borrowings**

Short-term bank borrowings include borrowings under repurchase agreements of BD 44,596 (31 Dec 2016: BD 34,354) and short-term inter-bank advances of BD 4,901 (31 Dec 2016: BD 4,901). The fair value of the investments that are pledged as collateral for the repurchase agreements amount to BD 64,827 (31 Dec 2016: BD 42,686). This includes securities pledged on behalf of clients amounting to BD 33,899 (31 Dec 2016: BD 19,408).

**14. Net investment income**

	Nine months ended 30 September	
	2017	2016 (restated)
Net gain / (loss) from investments at fair value through profit or loss	1,153	(721)
Realized gain on sale of FVTOCI debt securities	-	167
Interest income from debt instruments	1,122	961
Dividend income	519	507
	<b>2,794</b>	<b>914</b>

Gain from investments at fair value through profit or loss comprises the following:

	Nine months ended 30 September	
	2017	2016 (restated)
Realized gain / (loss)	875	(371)
Unrealized gain / (loss)	278	(350)
	<b>1,153</b>	<b>(721)</b>

The realized gain from investments at fair value through profit or loss represents the difference between the carrying amount of investments at the beginning of the reporting period, or the transaction price if it was purchased in the current reporting period, and its sale or settlement price.

The unrealized gain represents the difference between the carrying amount of investments at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the period.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

For the nine months ended 30 September 2017

Bahraini Dinars '000

**15. Related parties**

The following are the related party transactions during the period. All these transactions are in the ordinary course of business and on normal commercial terms.

Transactions with funds owned by the Subsidiary Companies namely SICO Funds Company BSC (c), SICO Funds Company III BSC (c), SICO Funds Company IV BSC (c), SICO Funds Company VI BSC (c), SICO Funds Company VII BSC (c), SICO Funds Company VIII BSC (c) and SICO Ventures Company SPC are as follows:

	Nine months ended	
	30 September 2017	30 September 2016
Fee income	284	241

	As at 30 September 2017	As at 31 December 2016
	Fee receivable	94
Funds under management	60,303	61,888
Investments in own funds	2,259	2,245

**Transactions with shareholders**

	Nine months ended	
	30 September 2017	30 September 2016
Fee income	360	297

	As at 30 September 2017	As at 31 December 2016
	Fee receivable	110
Funds under management	58,631	55,429

The Group has banking relationships, makes deposits and placements and has unutilized credit facilities with certain of its shareholders that are local banks.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the nine months ended 30 September 2017

Bahraini Dinars '000

## 16. Fair value

- (i) Set out below is a comparison of the carrying amounts and fair values of financial instruments as at 30 September 2017:

	30 September 2017		31 December 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets</b>				
Investments at amortized cost	8,871	9,063	8,923	9,065
Investments at fair value through profit or loss	29,308	29,308	28,040	28,040
Investments at fair value through other comprehensive	6,317	6,317	4,793	4,793
<b>Total assets</b>	<b>44,496</b>	<b>44,688</b>	<b>41,756</b>	<b>41,898</b>
<b>Liabilities</b>				
Short-term bank borrowings	49,497	49,497	39,255	39,255
Payable to unit holders	2,653	2,653	2,830	2,830
<b>Total liabilities</b>	<b>52,150</b>	<b>52,150</b>	<b>42,085</b>	<b>42,085</b>

All investments at fair value through other comprehensive income, investments at fair value through profit or loss are carried at fair value. Investments at amortized cost are carried at amortized cost.

- (ii) Fair value hierarchy

The Group measures fair values of financial instruments using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements from the date of reclassification

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes instruments where the valuation technique includes inputs not based on market observable data.

The table below analyses financial assets and liabilities carried at fair value, by the level in the fair value hierarchy into which the fair value measurement is categorized.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the nine months ended 30 September 2017

Bahraini Dinars '000

## 16. Fair value (continued)

As at 30 September 2017

**Assets**

Fair value through other comprehensive income investments:

	Level 1	Level 2	Level 3	Total
- Equities	3,723	-	381	4,104
- Debt securities	112	2,101	-	2,213

Fair value through profit or loss:

- Equity	7,369	-	-	7,369
- Debt securities	12,563	234	-	12,797
- Funds	6,523	1,635	984	9,142

**Liabilities**

- Payable to unit holders in consolidated funds	(2,653)	-	-	(2,653)
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<b>27,637</b>	<b>3,970</b>	<b>1,365</b>	<b>32,972</b>
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The investments at amortized cost comprises debt securities with carrying value of BD 8,871 (2016: BD 8,923) having fair value of BD 9,063 (2016: BD 9,065). This is a level 1 valuation.

The following table analyses the movement in Level 3 financial assets during the period:

At 1 January 2017

Total loss :

- in income statement
- in other comprehensive income

Purchases

Settlements

Transfers into / (out) of level 3

At 30 September 2017

Level 3 30 September 2017
1,264
-
101
-
-
-
<b>1,365</b>



**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

For the nine months ended 30 September 2017

Bahraini Dinars '000

16. Fair value (continued)

As at 31 December 2016	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Fair value through other comprehensive income investments:				
- Equities	2,185	-	377	2,562
- Debt securities	112	2,119	-	2,231
Fair value through profit or loss:				
- Equity	5,853	-	-	5,853
- Debt securities	11,180	470	-	11,650
- Funds	6,870	2,780	887	10,537
<b>Liabilities</b>				
- Payable to unit holders in consolidated funds	(2,830)	-	-	(2,830)
	23,370	5,369	1,264	30,003

The following table analyses the movement in Level 3 financial assets during the period:

	Level 3 30 September 2016
At 1 January 2016	575
Total loss :	
- in income statement	57
- in other comprehensive income	129
Purchases	765
Settlements	(376)
Transfers into / (out) of level 3	
At 30 September 2016	1,150