



مصرف إيلاف الإسلامي

Elaf Islamic Bank

in 2014

Republic of Iraq

www.eib-iq.com

“Partner in Development”

Identity

Equity Capital:
IQD 250 B

SWIFT Code:
ELAFIQBA

ISX Ticker:
BELF

Establishment:
2001

Registered Address:

Building 4, Street 2,
Hai Al Wehda, Mahala 902
Post Box 3400
Alwieh, Baghdad
Republic of Iraq

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Fax: +964 171 83 766

Email: info@eibiq.com

Website: www.eib-iq.com

Financials in 2013

in IQD Billions

| | |
|--------------------------|---------|
| Total Assets | 268.111 |
| Total Cash | 15.170 |
| Net Profit | 9.323 |
| Total Loans taken | 0 |
| Liquidity Ratio | 172% |
| Return on Average Asset | 3% |
| Return on Average Equity | 6% |

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Vision and Mission

Vision

“We believe society needs a fair and equitable financial system: one which rewards effort and contribute to the development of the community”

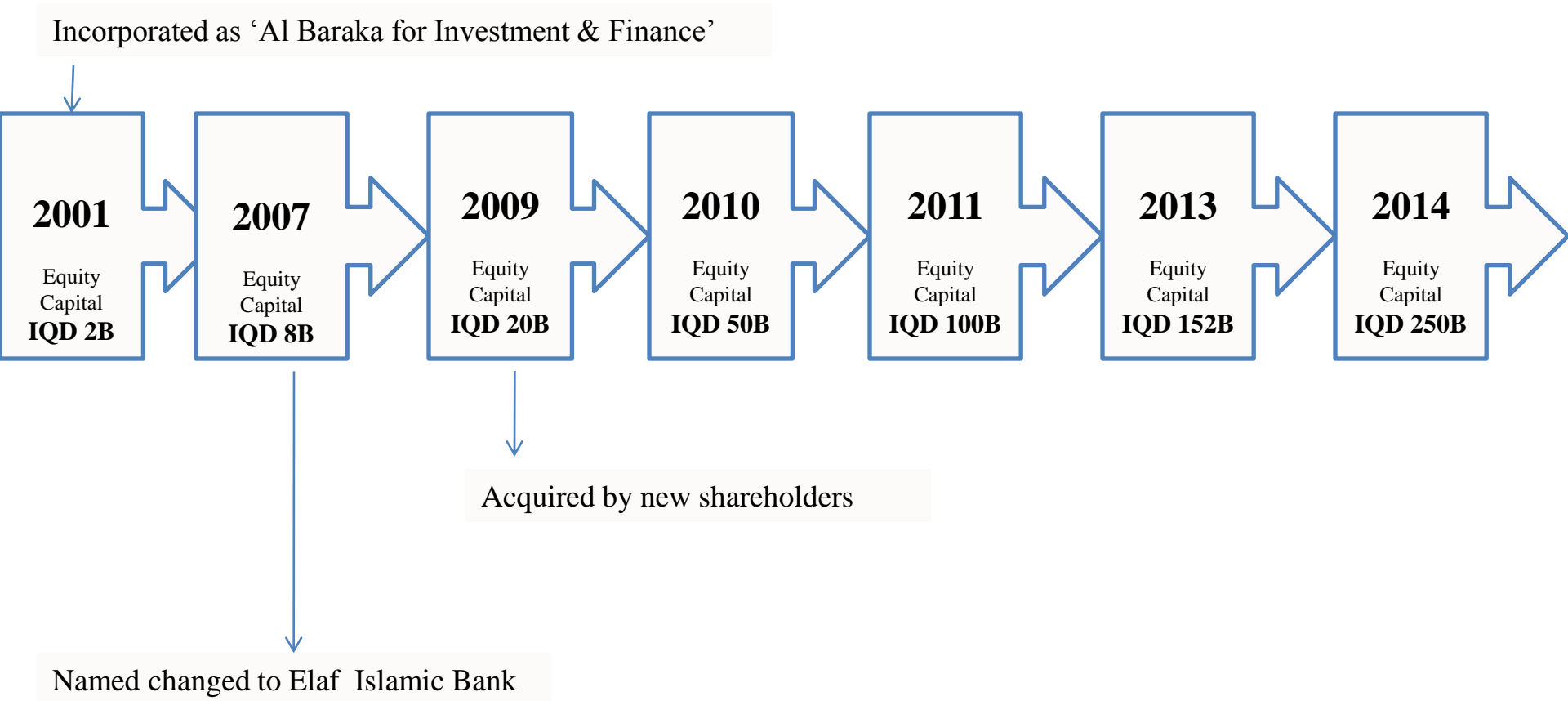
Success

Mission

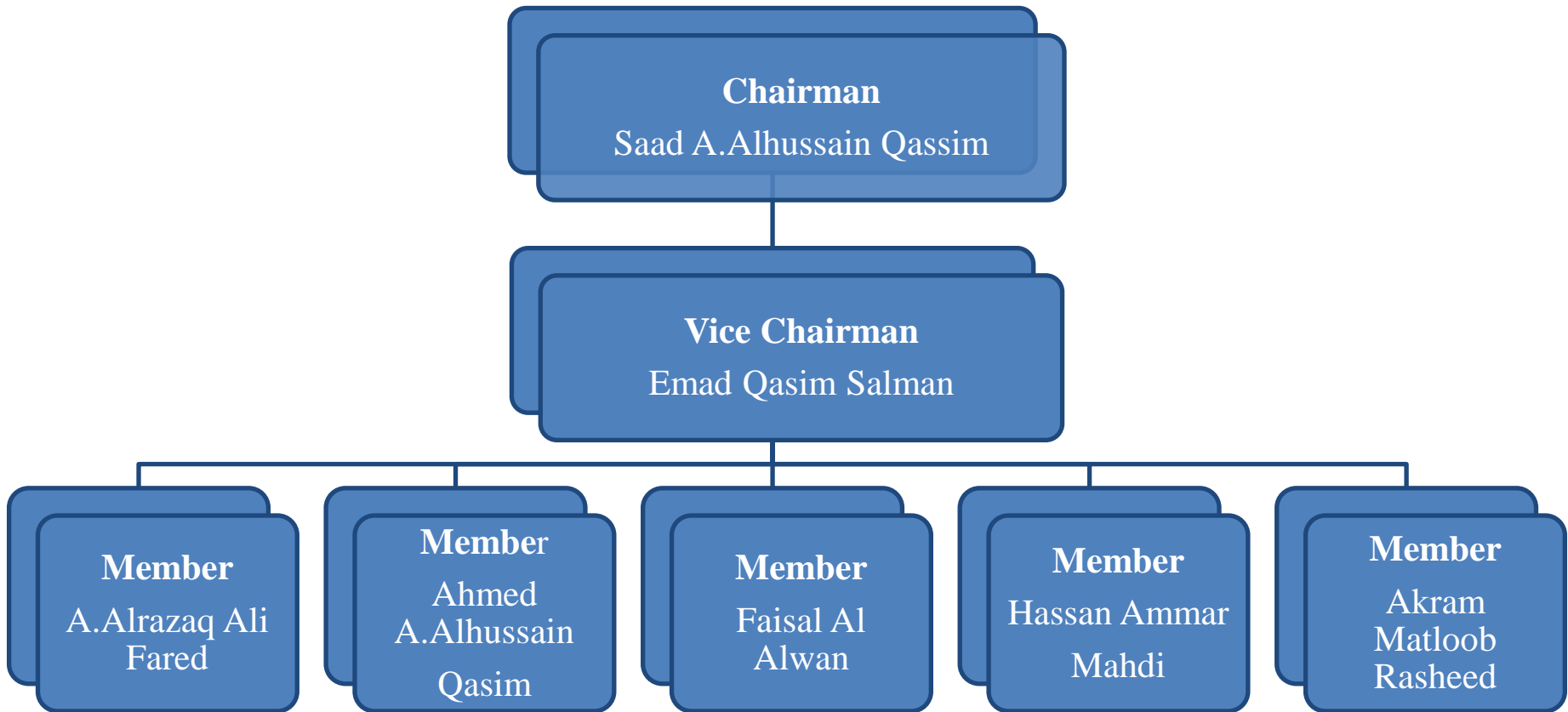
“ To meet the financial needs of the communities across the world conducting business ethically in accordance with our beliefs, practicing the highest professional standards and sharing the mutual benefits with customers, staff and shareholders who participate in our business success”

Growth

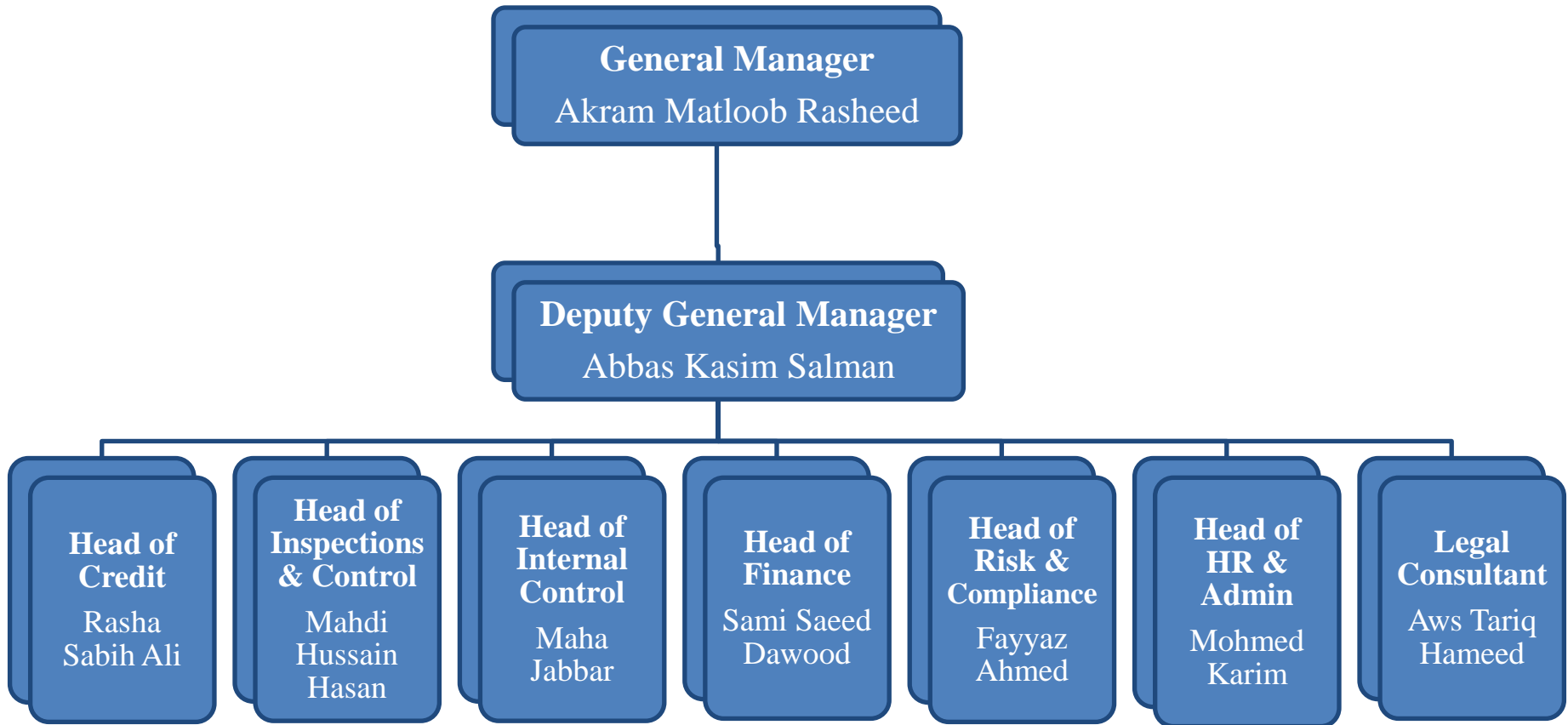
Timeline



Board of Directors



Management



Compliance

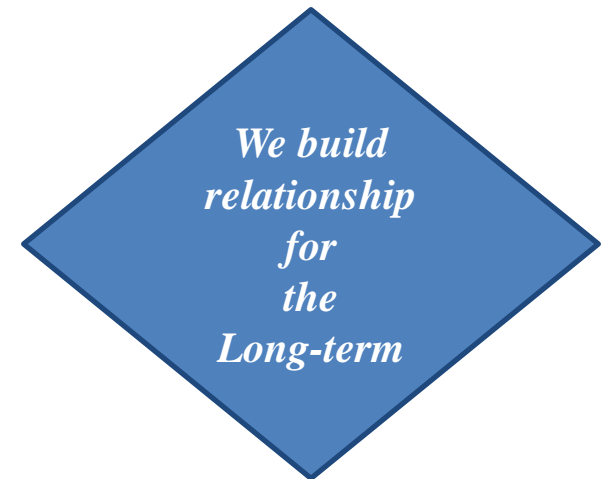
- ❑ Compliance program incorporating Central Bank of Iraq, US OFAC, UN & EU regulations and MENA FATF recommendations
- ❑ Rigorous dynamic compliance policies, procedures, processes and practices with stricter reporting line and elaborative due-diligence
- ❑ Risk classification based on country, industry, nature of business, individual and amount as well as frequency of transactions
- ❑ Compliance Department functioning independently under the oversight of the Risk Committee and the Board
- ❑ On-going in-house training and participation in seminars to gauge latest developments and imbibe international practices
- ❑ Interaction with various regulators both local and international to understand and implement new regulations as well as changes

Risk

- ❑ Risk mitigating policies and procedures formulated, implemented and practiced on a day-today basis
- ❑ Credit risk monitored on stringent standards to prevent unforeseen events
- ❑ Liquidity risk managed with contingency plans and provisions as buffer
- ❑ Operational risk accounted with no-outsourcing risk and cyber security monitored efficiently by technical experts in the field
- ❑ Risks from new competitors forecasted to stay ahead and achieve more market share
- ❑ Geo-political risks factored in with back ups
- ❑ Stress-testing under various scenarios to gauge the Bank's risk exposure and the ability to withstand the various events.

Business-Retail Banking

- ❑ **Priority Banking** to High-Net-Worth and Corporate Customers
- ❑ **Private Banking** services with dedicated Relationship Managers
- ❑ Integrated banking channels
- ❑ Marketing products and services after client segmentation
- ❑ Safe deposit locker facilities
- ❑ Gold, insurance, investments products on risk appetite
- ❑ Info/SMS-banking with call-centre and technical support



Aim: Widen the deposit base and increase lending activities

Business-Electronic Banking

- ❑ ATM's installed in key locations across the length and breadth of Iraq
- ❑ Collaboration **with MasterCard** for pre-paid, debit, credit cards and co-branded cards
- ❑ Payment facility for utility bills, taxes etc
- ❑ Point of Sale (POS) terminals at merchant outlets
- ❑ Real-time transaction processing by tie up with international processing companies
- ❑ Core Banking solution Temenos T24 integrates all the banking channels



*We facilitate
cash free
world
anytime
anywhere*

Aim: Increase the operational efficiency and reduce costs as well as operational risk

Business-Trade Finance

- ❑ Invoice Finance to exporters, wholesalers, suppliers etc
- ❑ Import Finance-advance payment and booking of forward contracts
- ❑ Issuance, advice & confirmation of Letters of Credit, Letters of Guarantee, Counter-Guarantee, Advance Payment Guarantee to individuals, corporates and institutions
- ❑ Transactions facilitated at competitive rates and better credit lines with wide network of correspondent banks across the globe
- ❑ Single point of contact for faster and efficient processing

Aim: Leverage the core strength of the bank in Trade Finance to expand in other business segments




Business-Correspondent Banks



Business-Foreign Exchange

- ❑ Foreign Currencies USD, Euro, GBP, CHF, JPY, AED spot and forward at competitive rates
- ❑ Remittance services through **Western Union** to various international locations
- ❑ FX trading platform ‘Commander’ of Commerzbank AG
- ❑ Precious Metals trading platform ‘Trade Plus’ of Kuvveyt Turk
- ❑ Value addition to clients requiring trade finance products
- ❑ Efficient Treasury Management System with Temenos T24 Treasury product



*We will aide
to benefit
from the 24
hrs fx market*

Aim: Opportune from market movements in the short-term

Business-Project Finance

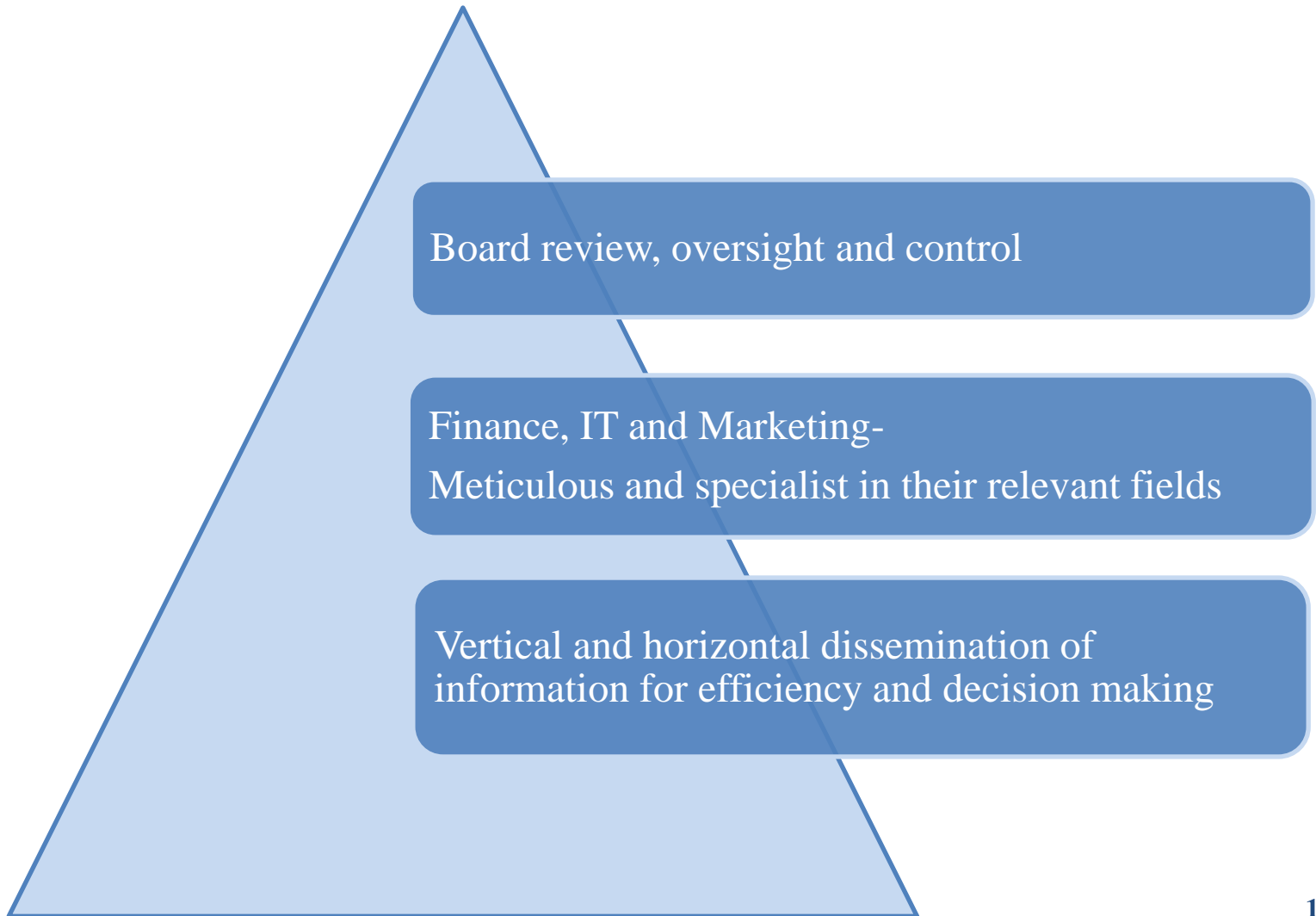
- ❑ Finance for power, roads, cities, airports, commercial buildings etc
- ❑ Loan Syndication with International and Local Banks
- ❑ Mezzanine Financing with rates of return expected from similar projects
- ❑ Participate with performance guarantees, advance payment guarantees etc
- ❑ Environmental and social risk of the project assessed on the Equator Principles
- ❑ Partner with international financial institutions that caters to developmental activities of Iraq



*We partake in
the
development
of the
infrastructure*

Aim: Increase the revenue for the medium to long term

Corporate Governance



Financial Highlights

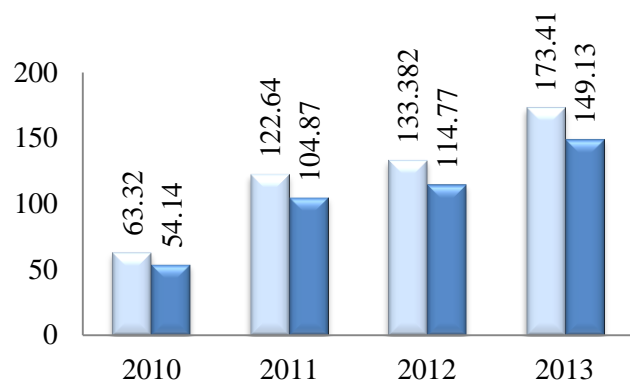
| REVENUES | | | | | IQD '000 |
|-----------------------------|--------------------|-------------|-------------|-------------|-----------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 |
| Banking Operations Revenues | 17,704,000 | 18,679,457 | 30,045,474 | 19,210,397 | 13,543,168 |
| Investment Revenue | 317,000 | 115,017 | 111,161 | 45,821 | 796,085 |
| Net Income | 9,323,000 | 12,663,298 | 24,668,044 | 14,515,801 | 11,490,462 |
| ASSETS | | | | | IQD '000 |
| | 2013 | 2012 | 2011 | 2010 | 2009 |
| Cash and Cash Equivalents | 152,170,000 | 239,408,144 | 220,291,132 | 137,982,576 | 23,432,801 |
| Current Assets | 81,338,000 | 107,816,789 | 103,790,708 | 39,620,838 | 35,032,785 |
| Fixed Assets | 34,603,000 | 33,428,212 | 27,657,291 | 19,209,531 | 6,144,420 |

Financial Highlights

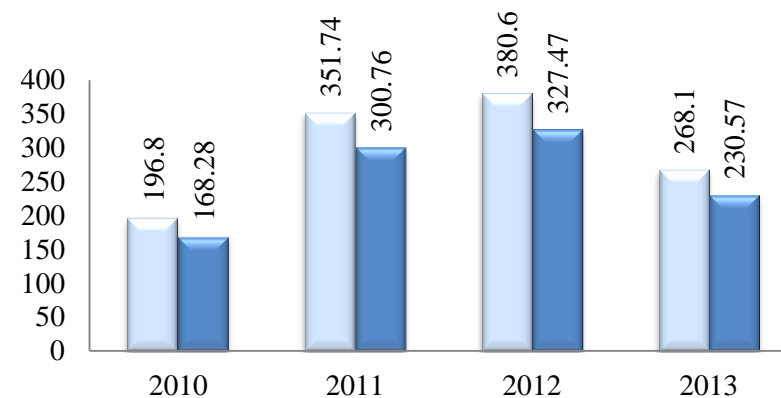
| LIABILITIES | IQD '000 | | | | |
|------------------------------|--------------------|-------------|-------------|-------------|-------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 |
| Current Account and Deposits | 67,248,000 | 122,962,717 | 147,229,748 | 55,889,855 | 30,076,465 |
| Account Payables | 23,722,000 | 121,972,504 | 75,744,293 | 75,394,974 | 7,769,782 |
| Provisions | 3,731,000 | 2,335,516 | 6,129,036 | 2,209,585 | 1,315,814 |
| OWNER'S EQUITY | IQD'000 | | | | |
| | 2013 | 2012 | 2011 | 2010 | 2009 |
| Paid-up Capital | 152,000,000 | 100,000,000 | 100,000,000 | 50,000,000 | 20,000,000 |
| Reserves | 21,410,675 | 33,382,408 | 22,636,052 | 13,318,531 | 3,447,945 |

Graphical Overview

EQUITY



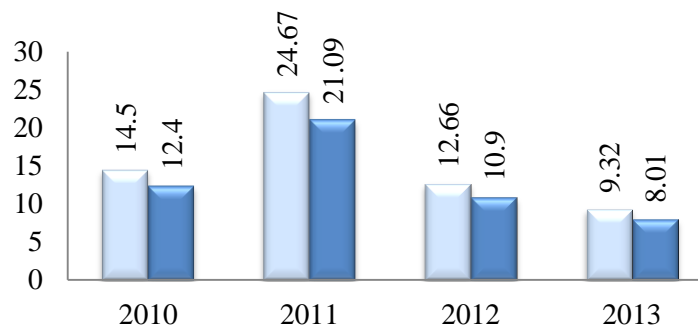
TOTAL ASSETS



■ Equity in Iraqi Dinar billions ■ Equity in USD millions

■ Total Assets in Iraqi Dinar billions ■ Total Assets in USD millions

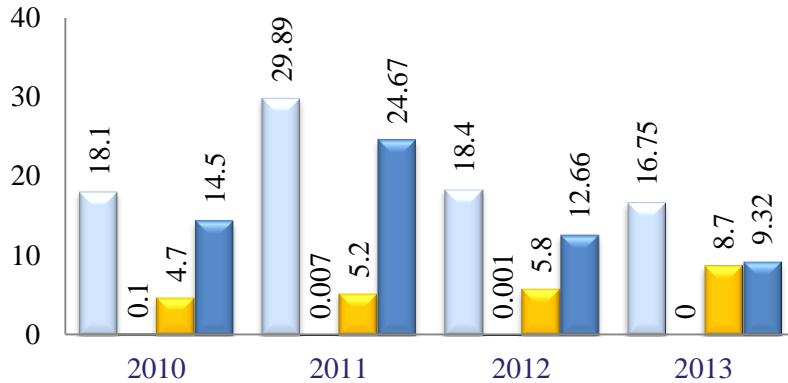
NET PROFIT



■ Net Profit in Iraqi Dinar billions ■ Net Profit in USD millions

Graphical Overview

INCOME BREAKDOWN



■ Net Banking Income

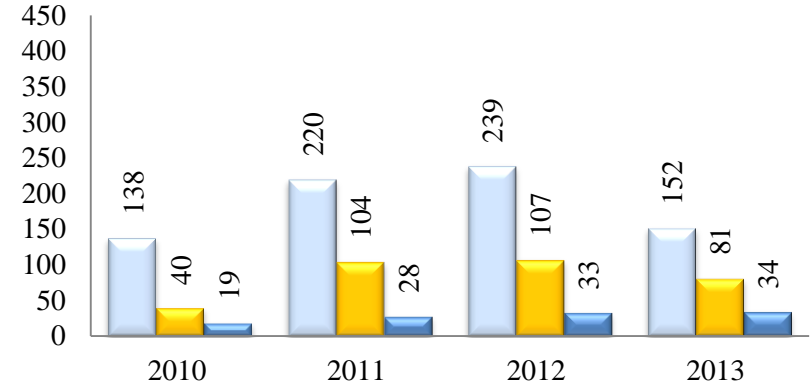
■ Other Income

■ Operating Expenses

■ Net Profit

in IQD Billions

ASSETS BREAKDOWN



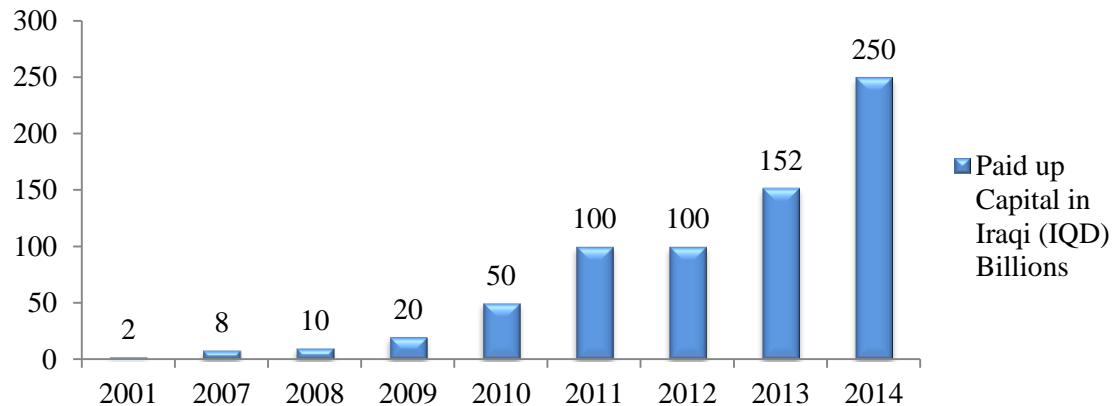
■ Cash and Cash Equivalents

■ Current Assets

■ Fixed Assets

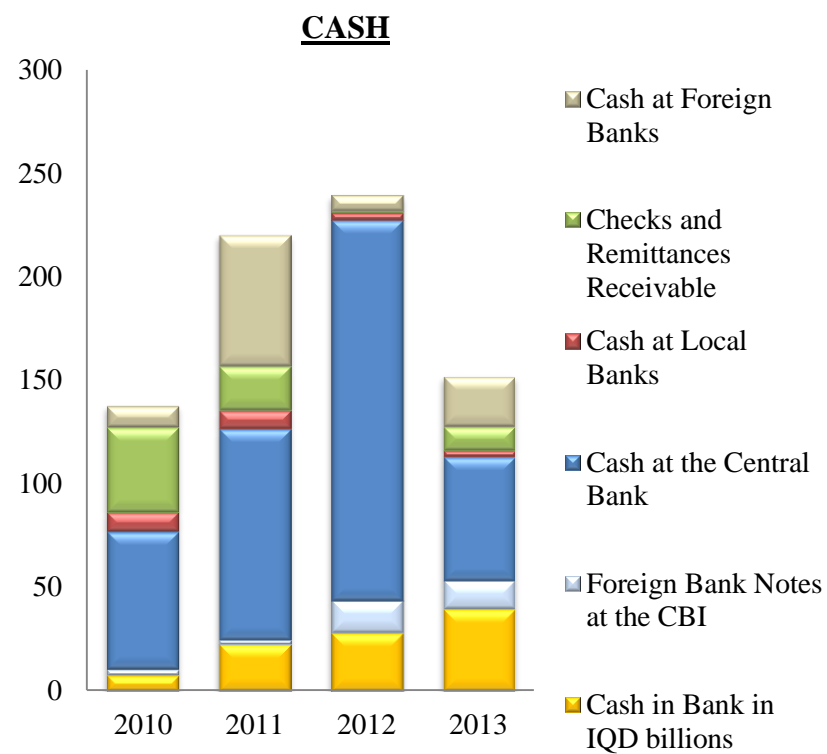
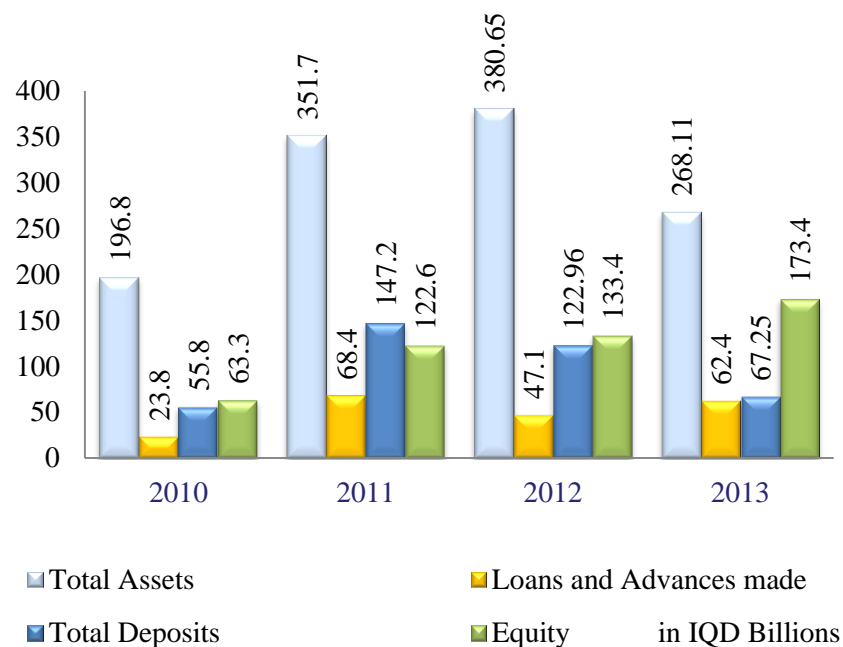
in IQD Billions

PAID UP CAPITAL



■ Paid up
Capital in
Iraqi (IQD)
Billions

Graphical Overview

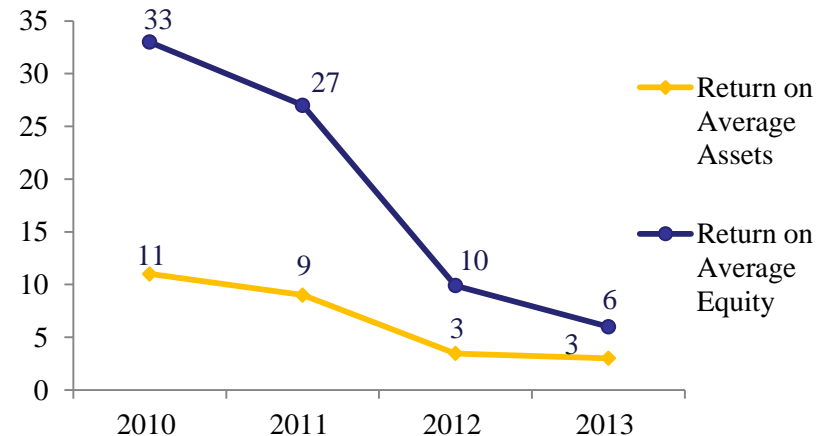
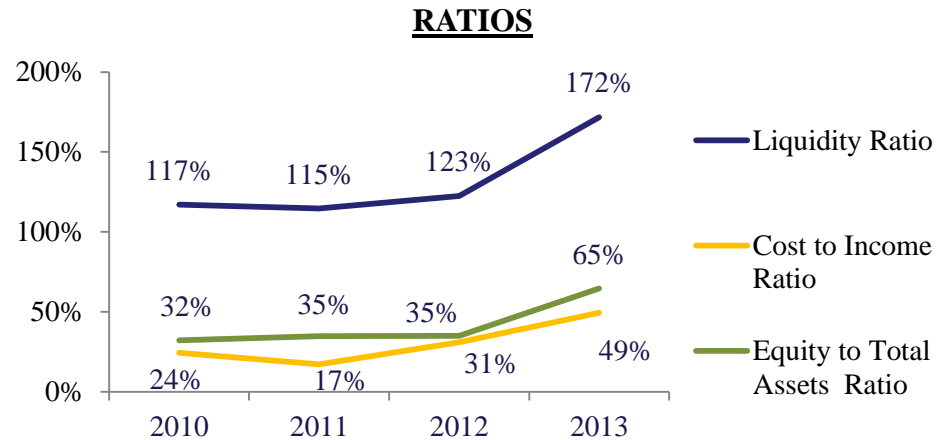


Graphical Overview

Return on Average Equity has gone down mainly due to increase in equity and partly to decline in profit

Liquidity Ratio has increased mainly due to allocation in cash to meet any emergencies during crises

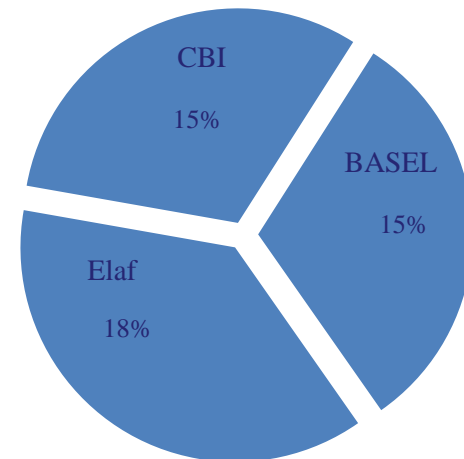
Decline in profits was due to re-structuring on conservative approach which has picked up by end of 2013 and will be reflected in Q1 of 2014



Capital Adequacy

- ❑ Return on Average Equity has gone down mainly due to increase in equity and partly to decline in profit
- ❑ Liquidity Ratio has increased mainly due to allocation in cash to meet any emergencies during crises
- ❑ Decline in profits was due to re-structuring on conservative approach which has picked up by end of 2013 and will be reflected in Q1 of 2014

CAPITAL ADEQUACY RATIO



HR and IT

- ❑ 360 employees that are the backbone are motivated and trained at seminars conducting by international peers
- ❑ Recruitment of specialist to enhance the standards and profitability
- ❑ Clear lines of responsibility and escalation for accountability
- ❑ Latest release of Temenos T24 for efficiency and operational risk mitigation
- ❑ Data Security and Retrieval of Data is considered prime importance
- ❑ Productivity augmentation at the core of operational aspect



Social Responsibility

- ❑ Business practices that is responsible in preserving the environment, culture and heritage
- ❑ Train the young citizens with employability and decision making skills
- ❑ Empower women to run SME and have business skills
- ❑ Create awareness on the health issues
- ❑ Adopt an approach for a green and sustainable economy at large



Future Plans

- ❑ Introduction of customer friendly and innovative banking products
- ❑ Adoption of new channels of banking: online and mobile
- ❑ Understand the global banking environment and adopt the best practices
- ❑ Opportune from the accelerated growth in Iraq
- ❑ Improve operational efficiency and profitability
- ❑ Embrace cultural transformation to support and enhance value creation

Branches and Addresses

MAIN BRANCH Code 901

Address: Building 4, Street 2, Block 902, Kharamana Square, Baghdad, Iraq
Tel : +964 7809 163 728; 7906 104 489
Email : info@eibiq.com

ALDOURA BRANCH Code 902

Address: Block 806, Al Masafi Street, Al Jazira District, Baghdad, Iraq
Tel : +964 7702 530 252
Email : doura@eibiq.com

ALALKASRA BRANCH Code 903

Address: Alley 11, Block 8306, Al Maghreb Road , Baghdad, Iraq
Tel : +964 7806 484 772
Email : kasra@eibiq.com

ALBASRA BRANCH Code 904

Address: Abu Shaer Junction, Al Jaesar District, Al Basra, Baghdad, Iraq
Tel : +964 7813 137 561
Email : bassim@eibiq.com

ALNAJAF BRANCH Code 910

Address: Near Al karar Police Station, Alseha District, Al Najaf, Baghdad, Iraq
Tel : +964 7809 082 126
Email : najaf@eibiq.com

Branches and Addresses

**GHAZI ROAD
BRANCH
Code 912**

Address: Near Shorja, Al Sakaer, Alkefa Road, Baghdad, Iraq
Tel : +964 7813 418 816
Email : ghazi@eibiq.com

**ALDIWANIYA
BRANCH
Code 911**

Address: Near Post Office, Alateba Road, Aldiwaniya Babel, Iraq
Tel : +964 7811 592 668
Email : hilla@eibiq.com

**ALHILLA
BRANCH
Code 913**

Address: Alley 9/104, Street 40, Babel, Iraq
Tel : +964 7815 765 449
Email : hilla@eibiq.com

**ALEMARA
BRANCH
Code 916**

Address: Alhadi Area, Alemara, Iraq
Tel : +964 7802 823 624
Email : emara@eibiq.com

**ALKOOFA
BRANCH
Code 907**

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Tel : +964 7808 515 215
Email : emara@eibiq.com

Branches and Addresses

**ALKARBALA
BRANCH
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Address: Albaladeya District, Karbala, Baghdad, Iraq
Tel : +964 7800 492 686
Email : imams@eibiq.com

**ALSULAYMIAH
BRANCH
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Address: Al Sulaimanya, Kaneskan, Iraq
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**SIMAWA BRANCH
Code 914**

Address: Rasheed Bank Road, Alsamawa, Iraq
Tel : +964 7810 052 622
Email : sawa@eibiq.com

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BRANCH
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Email : nasr@eibiq.com

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