



# FINANCIAL RESULTS FOR THE SECOND QUARTER 2012

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

BD 000's

	30 June 2012 (Reviewed)	31 December 2011 (Audited)
<b>ASSETS</b>		
Cash and bank balances	28,118	22,642
Placements with financial institutions	42,232	76,787
Financing assets	213,602	201,556
Investment securities	101,621	111,806
Assets acquired for leasing	16,197	11,712
Lease rentals receivable	2,879	1,946
Investment in associates	3,215	2,887
Investment property	6,583	6,583
Other assets	2,097	2,190
Property and equipment	9,269	9,406
<b>Total assets</b>	<b>425,813</b>	<b>447,515</b>
<b>LIABILITIES</b>		
Placements from financial institutions	40,028	45,435
Placements from non-financial institutions and individuals	52,514	46,647
Customers' current accounts	21,344	35,437
Other liabilities	5,458	5,706
<b>Total liabilities</b>	<b>119,344</b>	<b>133,225</b>
<b>Equity of investment account holders</b>	<b>188,004</b>	<b>195,367</b>
<b>OWNERS' EQUITY</b>		
Share capital	115,416	115,416
Share premium	1,485	1,485
Statutory reserve	6,350	6,350
Treasury shares	(6,060)	(6,043)
Unvested employee incentive scheme shares	(420)	(420)
Share grant reserve	75	120
Investments fair value reserve	-	54
Retained earnings	1,619	1,961
<b>Total owners' equity</b>	<b>118,465</b>	<b>118,923</b>
<b>Total liabilities, equity of investment account holders and owners' equity</b>	<b>425,813</b>	<b>447,515</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2012

BD 000's

	Six Months Ended		Three Months Ended	
	30 June 2012 (Reviewed)	30 June 2011 (Reviewed)	30 June 2012 (Reviewed)	30 June 2011 (Reviewed)
Management fees	83	535	42	270
Income from placements with financial institutions	104	131	49	47
Income from financing assets and assets acquired for leasing	8,240	7,864	4,557	4,038
Income from investment securities	633	3,781	368	3,182
Share of Income / (loss) of associate companies	215	(753)	(25)	(785)
Other income	196	273	81	117
<b>Total income before return to investment account holders</b>	<b>9,471</b>	<b>11,831</b>	<b>5,072</b>	<b>6,869</b>
Less: Return to investment account holders before Bank's share as Mudarib	(4,578)	(4,454)	(2,444)	(2,267)
Bank's share as a Mudarib	1,563	1,243	994	616
<b>Return to investment account holders</b>	<b>(3,015)</b>	<b>(3,211)</b>	<b>(1,450)</b>	<b>(1,651)</b>
Expense on placements from financial institutions	(76)	(231)	(31)	(145)
Expense on placements from non-financial institutions and individuals	(1,207)	(389)	(583)	(195)
<b>Total net income</b>	<b>5,173</b>	<b>8,000</b>	<b>3,008</b>	<b>4,878</b>
Staff cost	2,439	3,122	1,151	1,759
Depreciation	572	573	292	284
Other expenses	1,723	1,753	886	925
<b>Total expenses</b>	<b>4,734</b>	<b>5,448</b>	<b>2,329</b>	<b>2,968</b>
<b>Profit for the period before impairment allowances</b>	<b>439</b>	<b>2,552</b>	<b>679</b>	<b>1,910</b>
Impairment allowances	567	1,445	216	1,445
<b>(LOSS) / PROFIT FOR THE PERIOD</b>	<b>(128)</b>	<b>1,107</b>	<b>463</b>	<b>465</b>
<b>Earnings per share:</b>				
Basic earnings per share (fils)	(0.11)	1.00	0.41	0.42
Diluted earnings per share (fils)	(0.11)	1.00	0.41	0.42

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2012

BD 000's

	Six Months Ended	
	30 June 2012 (Reviewed)	30 June 2011 (Reviewed)
<b>OPERATING ACTIVITIES</b>		
Receipts / (disbursements) for financing assets, net	(4,389)	6,138
Payments for assets acquired for leasing, net	(5,418)	(1,140)
Management fees received	83	535
Income from short-term placements received	104	131
Returns paid to investment account holders	(3,094)	(3,226)
Withdrawal by investment account holders, net	(7,363)	(16,165)
Payments for expenses	(4,370)	(4,742)
Other receipts	196	273
Payments for charity	(288)	(551)
Net (withdrawals from) / receipts in customers' current accounts	(14,093)	6,190
Net (disbursements) / receipts from CBB reserve account	(385)	61
<b>Cash flows used in operating activities</b>	<b>(39,017)</b>	<b>(12,496)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities	(4,248)	(5,881)
Proceeds from sale of investment securities	869	4,665
Purchase of investment property	-	(2,640)
Dividend / Income from investment securities received	346	1,620
Receipts from redemption of investment securities	13,861	-
Purchase of equipment	(435)	(329)
<b>Cash flows generated from / (used in) investing activities</b>	<b>10,393</b>	<b>(2,565)</b>
<b>FINANCING ACTIVITIES</b>		
Placements from financial institutions, net	(5,407)	2,382
Placements from non-financial institutions and individuals, net	5,867	-
Purchase of treasury shares, net	(17)	(54)
Financing expenses paid	(1,283)	(620)
<b>Cash flows (used in) / generated from financing activities</b>	<b>(840)</b>	<b>1,708</b>
<b>Decrease in cash and cash equivalents</b>	<b>(29,464)</b>	<b>(13,353)</b>
Cash and cash equivalents at beginning of the period	90,264	78,894
<b>Cash and cash equivalents at the end of the period</b>	<b>60,800</b>	<b>65,541</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances (excluding CBB reserve)	18,568	6,045
Placements with financial institutions	42,232	59,496
	<b>60,800</b>	<b>65,541</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2012

BD 000's

30 June 2012 (reviewed)	Share capital	Share premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grant reserve	Investments fair value reserve	Retained earnings	Total
Balance at 1 January 2012	115,416	1,485	6,350	(6,043)	(420)	120	54	1,961	118,923
Fair value changes	-	-	-	-	-	-	41	-	41
Loss for the period	-	-	-	-	-	-	-	(128)	(128)
<b>Total recognised income and expense for the period</b>	-	-	-	-	-	-	41	(128)	(87)
Treasury shares acquired	-	-	-	(17)	-	-	-	-	(17)
Vesting charge for the period	-	-	-	-	-	(45)	-	-	(45)
Transfer on disposal of investment	-	-	-	-	-	-	(95)	-	(95)
Transfer to Zakat fund	-	-	-	-	-	-	-	(214)	(214)
<b>Balance at 30 June 2012</b>	<b>115,416</b>	<b>1,485</b>	<b>6,350</b>	<b>(6,060)</b>	<b>(420)</b>	<b>75</b>	<b>-</b>	<b>1,619</b>	<b>118,465</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2011

BD 000's

30 June 2011 (reviewed)	Share capital	Share premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grant reserve	Investments fair value reserve	Retained earnings	Total
Balance at 1 January 2011	115,416	1,213	6,298	(6,018)	(937)	324	117	1,745	118,158
Fair value changes	-	-	-	-	-	-	(7)	-	(7)
Profit for the period	-	-	-	-	-	-	-	1,107	1,107
<b>Total recognised income and expense for the period</b>	-	-	-	-	-	-	(7)	1,107	1,100
Treasury shares acquired	-	-	-	(113)	-	-	-	-	(113)
Treasury shares sold	-	-	-	59	-	-	-	-	59
Vesting charge for the period	-	-	-	-	-	54	-	-	54
Transfer to Zakat fund	-	-	-	-	-	-	-	(249)	(249)
<b>Balance at 30 June 2011</b>	<b>115,416</b>	<b>1,213</b>	<b>6,298</b>	<b>(6,072)</b>	<b>(937)</b>	<b>378</b>	<b>110</b>	<b>2,603</b>	<b>119,009</b>

The financial statements were approved by the Board of Directors on 2 August 2012.

**Dr. Fuad Abdulla Al-Omar** | **Abdulrahman Mohamed Jamsheer** | **Silvan Varghese**  
Chairman | Vice-Chairman | Acting Chief Executive Officer

These statements have been extracted from the condensed consolidated financial information for the six months ended 30 June 2012, which were reviewed by KPMG.