

# FINANCIAL RESULTS FOR FIRST QUARTER 2010

## CONSOLIDATED BALANCE SHEET

as at 31 March 2010  
BD 000's

	31 Mar 2010 (Reviewed)	31 Dec 2009 (Audited)
<b>ASSETS</b>		
Cash and bank balances	13,471	19,975
Placements with financial institutions	92,115	122,193
Islamic financing assets	200,177	192,085
Investment securities	106,503	92,354
Assets acquired for leasing	7,298	8,544
Lease rentals receivables	5,462	4,889
Asset held-for-sale	4,852	4,852
Investment in associates	6,521	6,521
Other assets	3,455	17,843
Equipment	4,042	4,348
<b>Total assets</b>	<b>443,896</b>	<b>473,604</b>
<b>LIABILITIES</b>		
Placements from financial and other institutions	89,502	101,730
Customers' current accounts	19,148	35,097
Other liabilities	8,239	6,615
<b>Total liabilities</b>	<b>116,889</b>	<b>143,442</b>
<b>UNRESTRICTED INVESTMENT ACCOUNTS</b>	<b>202,411</b>	<b>203,588</b>
<b>EQUITY</b>		
Share capital	115,416	104,924
Share premium	958	958
Statutory reserve	6,298	6,298
Treasury shares	(5,701)	(5,216)
Unvested employee incentive scheme shares	(1,648)	(1,648)
Share grant reserve	420	367
Available-for-sale investment fair value reserve	67	30
Retained earnings	8,786	20,861
<b>Total equity</b>	<b>124,596</b>	<b>126,574</b>
<b>Total liabilities, unrestricted investment accounts, and equity</b>	<b>443,896</b>	<b>473,604</b>
<b>Off-balance sheet items:</b>		
Restricted Investment Accounts	46,239	46,742

## STATEMENT OF CHANGES IN EQUITY

for the three months ended 31 Mar 2010

31 Mar 2010 (Reviewed)	Share capital	Share premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grants reserve	Available-for-sale investment fair value reserve	Retained earnings	Total
Balance at 1 January 2010	104,924	958	6,298	(5,216)	(1,648)	367	30	20,861	126,574
Fair value gain	-	-	-	-	-	-	37	-	37
Profit for the period	-	-	-	-	-	-	-	508	508
<b>Total recognized income and expense for the period</b>	-	-	-	-	-	-	37	508	545
Treasury shares acquired	-	-	-	(560)	-	-	-	-	(560)
Treasury shares sold	-	-	-	75	-	-	-	-	75
Vesting charge for the year	-	-	-	-	-	53	-	-	53
Transfer to charity fund (2009)	-	-	-	-	-	-	-	(150)	(150)
Transfer to Zakah fund	-	-	-	-	-	-	-	(1,941)	(1,941)
Bonus Shares 2009	10,492	-	-	-	-	-	-	(10,492)	-
<b>Balance at 31 Mar 2010</b>	<b>115,416</b>	<b>958</b>	<b>6,298</b>	<b>(5,701)</b>	<b>(1,648)</b>	<b>420</b>	<b>67</b>	<b>8,786</b>	<b>124,596</b>
31 Mar 2009 (Reviewed)	Share capital	Share premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grants reserve	Retained earnings	Total	
Balance at 1 January 2009	100,000	581	5,988	(4,915)	(2,380)	442	38,266	137,982	
Profit for the period	-	-	-	-	-	-	4,071	4,071	
Total recognised income and expense for the year	-	-	-	-	-	-	4,071	4,071	
Treasury shares acquired	-	-	-	(262)	-	-	-	(262)	
Treasury shares sold	-	-	-	36	-	-	-	36	
Vesting charge for the period	-	-	-	-	-	108	-	108	
Adjustment for vesting and issue of shares	-	210	-	-	(5)	-	-	205	
Transfer to charity fund (2008)	-	-	-	-	-	-	(250)	(250)	
Bonus Shares (2008)	4,924	-	-	-	-	-	(4,924)	-	
Directors fees (2008)	-	-	-	-	-	-	(250)	(250)	
Dividend declared (2008)	-	-	-	-	-	-	(14,771)	(14,771)	
<b>Balance at 31 Mar 2009</b>	<b>104,924</b>	<b>791</b>	<b>5,988</b>	<b>(5,141)</b>	<b>(2,385)</b>	<b>550</b>	<b>22,142</b>	<b>126,869</b>	

## CONSOLIDATED INCOME STATEMENT

for the three months ended 31 Mar 2010  
BD 000's

	3 Months Ended 31 Mar 2010 (Reviewed)	3 Months Ended 31 Mar 2009 (Reviewed)
Income from investment banking services	-	6,360
Placement, management and arrangement fees	429	92
Income from placements with financial institutions	244	356
Income from Islamic financing assets and assets acquired for leasing	3,819	3,502
Income from investment securities	1,443	516
Share of profit from associate companies	-	136
Other income	24	148
<b>Total income before return on Unrestricted Investment Accounts</b>	<b>5,959</b>	<b>11,110</b>
Less: Return on Unrestricted Investment Accounts	(2,269)	(2,284)
<b>Total income</b>	<b>3,690</b>	<b>8,826</b>
Staff cost	1,279	1,210
Financing expenses	375	117
Investments related expenses	63	110
Other expenses	1,391	991
<b>Total expenses</b>	<b>3,108</b>	<b>2,428</b>
<b>Profit for the period before impairment allowance</b>	<b>582</b>	<b>6,398</b>
Impairment allowances	74	2,327
<b>PROFIT FOR THE PERIOD</b>	<b>508</b>	<b>4,071</b>
<b>Earnings per share</b>		
Basic earnings per share (fils)	0.45	4.22
Diluted earnings per share (fils)	0.45	3.95

## CONSOLIDATED STATEMENT OF CASH FLOW

for the three months ended 31 Mar 2010

BD 000's

	3 Months Ended 31 Mar 2010 (Reviewed)	3 Months Ended 31 Mar 2009 (Reviewed)
<b>OPERATING ACTIVITIES</b>		
Proceeds from investment banking services	3,016	-
Islamic financing, net	(4,330)	(27,912)
Asset acquired for leasing, net	673	-
Placement, management and arrangement fees received	428	92
Income from placements with financial institutions received	244	356
Returns paid to Unrestricted Investment Accounts	(2,520)	(2,271)
Receipts from Unrestricted Investment Account holders, net	(1,177)	33,618
Payment for expenses	(2,861)	(4,304)
Other receipts	24	148
Directors fees paid	-	(250)
Net (decrease) / increase in customers' current accounts	(15,949)	(26,898)
Net receipt/(payment) in CBB reserve account	(60)	2,874
<b>Cash flows from operating activities</b>	<b>(22,512)</b>	<b>(24,547)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of available-for-sale investments	(9,434)	(8,930)
Proceeds from sale of available-for-sale investments	-	10,061
Advance towards purchase of investment	-	(5,813)
Dividend/income from available-for-sale investments received	-	21
Proceeds from redemption of held-to-maturity investments	7,877	338
Sukuk profits received	557	495
Purchase of equipment	(42)	(38)
<b>Cash flows from investing activities</b>	<b>(1,042)</b>	<b>(3,866)</b>
<b>FINANCING ACTIVITIES</b>		
Placement from financial institutions and others, net	(12,228)	23,491
Purchase of treasury shares	(485)	(226)
Financing expenses paid	(375)	(129)
Dividends paid	-	(14,130)
<b>Cash flows from financing activities</b>	<b>(13,088)</b>	<b>9,006</b>
<b>Decrease in cash and cash equivalents</b>	<b>(36,642)</b>	<b>(19,407)</b>
Cash and cash equivalents at beginning of the period	135,233	142,716
<b>Cash and cash equivalents at the end of the period</b>	<b>98,591</b>	<b>123,309</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances (excluding CBB reserve account)	6,476	9,947
Placements with financial institutions	92,115	113,362
	<b>98,591</b>	<b>123,309</b>

The financial statements were approved by the Board of Directors on 11th May 2010.

Dr. Fuad Abdulla Al-Omar  
Chairman

Ebrahim H. Ebrahim  
Chief Executive Officer and Board Member

These statements have been extracted from the condensed consolidated financial information for the period ended 31 March 2010, which were reviewed by KPMG.