



# FINANCIAL RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 SEPTEMBER 2011

	BD 000's	
	30 September 2011 (reviewed)	31 December 2010 (audited)
<b>ASSETS</b>		
Cash and bank balances	32,003	12,290
Placements with financial institutions	42,690	74,959
Financing assets	202,697	203,210
Investment securities	105,500	100,279
Assets acquired for leasing	8,267	5,979
Lease rentals receivable	2,562	2,001
Investment in associates	3,360	4,113
Investment property	6,583	3,943
Other assets	2,216	2,476
Property and equipment	9,572	9,966
<b>Total assets</b>	<b>415,450</b>	<b>419,216</b>
<b>LIABILITIES</b>		
Placements from financial institutions	49,205	65,917
Placements from other institutions and individuals	33,329	19,018
Customers' current accounts	26,641	10,928
Other liabilities	6,916	6,975
<b>Total liabilities</b>	<b>116,091</b>	<b>102,838</b>
<b>Equity of investment account holders</b>	<b>179,935</b>	<b>198,220</b>
<b>OWNERS' EQUITY</b>		
Share capital	115,416	115,416
Share premium	1,213	1,213
Statutory reserve	6,298	6,298
Treasury shares	(6,041)	(6,018)
Unvested employee incentive scheme shares	(937)	(937)
Share grant reserve	405	324
Investments fair value reserve	65	117
Retained earnings	3,005	1,745
<b>Total owners' equity</b>	<b>119,424</b>	<b>118,158</b>
<b>Total liabilities, equity of investment account holders and owners' equity</b>	<b>415,450</b>	<b>419,216</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT for the nine months ended 30 September 2011

	BD 000's			
	Nine months ended 30 September 2011 (reviewed)	Nine months ended 30 September 2010 (reviewed)	Three months ended 30 September 2011 (reviewed)	Three months ended 30 September 2010 (reviewed)
Income from investment advisory services	-	47	-	-
Placement, management and arrangement fees	577	995	42	301
Income from placements with financial institutions	187	704	56	218
Income from financing assets and assets acquired for leasing	12,665	12,103	4,801	4,004
Income from investment securities	3,946	1,917	165	232
Share of losses of associate companies	(753)	(249)	-	-
Other income	325	55	52	61
<b>Total income before return on investment account holders</b>	<b>16,947</b>	<b>15,572</b>	<b>5,116</b>	<b>4,816</b>
Less: Return to investment account holders before Bank's share as Mudarib	(6,752)	(5,744)	(2,298)	(1,440)
Bank's share as a Mudharib	1,876	1,673	633	497
<b>Return to investment account holders</b>	<b>12,071</b>	<b>11,501</b>	<b>3,451</b>	<b>3,873</b>
Expense on placements from financial institutions	(354)	(263)	(123)	(53)
Expense on placements from other institutions and individuals	(663)	(729)	(274)	(276)
<b>Total net income</b>	<b>11,054</b>	<b>10,509</b>	<b>3,054</b>	<b>3,544</b>
Staff cost	4,482	3,805	1,360	1,231
Depreciation	859	1,016	286	333
Other expenses	2,644	2,895	891	832
<b>Total expenses</b>	<b>7,985</b>	<b>7,716</b>	<b>2,537</b>	<b>2,396</b>
<b>Profit for the period before impairment allowances</b>	<b>3,069</b>	<b>2,793</b>	<b>517</b>	<b>1,148</b>
Impairment allowances	(1,559)	(2,443)	(114)	(1,818)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>1,510</b>	<b>350</b>	<b>403</b>	<b>(670)</b>
<b>Earnings per share</b>				
Basic earnings per share (fils)	1.35	0.31	0.36	(0.60)
Diluted earnings per share (fils)	1.35	0.31	0.36	(0.60)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the nine months ended 30 September 2011

	BD 000's								
30 September 2011 (reviewed)	Share Capital	Share Premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grant reserve	Available-for-sale 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	-	-	-	-	-	-	(52)	-	(52)
Profit for the period	-	-	-	-	-	-	-	1,510	1,510
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(52)</b>	<b>1,510</b>	<b>1,458</b>
Treasury shares acquired	-	-	-	(117)	-	-	-	-	(117)
Treasury shares sold	-	-	-	94	-	-	-	-	94
Vesting charge for the period	-	-	-	-	-	81	-	-	81
Transfer to zakah fund	-	-	-	-	-	-	(250)	(250)	(250)
<b>Balance at 30 Sep 2011</b>	<b>115,416</b>	<b>1,213</b>	<b>6,298</b>	<b>(6,041)</b>	<b>(937)</b>	<b>405</b>	<b>65</b>	<b>3,005</b>	<b>119,424</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the nine months ended 30 September 2010

	BD 000's								
30 September 2010 (reviewed)	Share Capital	Share Premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grant reserve	Available-for-sale investments 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 changes	-	-	-	-	-	-	39	-	39
Profit for the period	-	-	-	-	-	-	-	350	350
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>350</b>	<b>389</b>
Treasury shares acquired	-	-	-	(730)	-	-	-	-	(730)
Treasury shares sold	-	-	-	181	-	-	-	-	181
Vesting charge for the period	-	-	-	-	-	159	-	-	159
Transfer to charity fund (2009)	-	-	-	-	-	-	(150)	(150)	(150)
Transfer to Zakah fund	-	-	-	-	-	-	(1,941)	(1,941)	(1,941)
Bonus share (2009)	10,492	-	-	-	-	-	(10,492)	-	-
<b>Balance at 30 September 2010</b>	<b>115,416</b>	<b>958</b>	<b>6,298</b>	<b>(5,765)</b>	<b>(1,648)</b>	<b>526</b>	<b>69</b>	<b>8,628</b>	<b>124,482</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the nine months ended 30 September 2011

	BD 000's	
	Nine months ended 30 September 2011 (reviewed)	Nine months ended 30 September 2010 (reviewed)
<b>OPERATING ACTIVITIES</b>		
Proceeds from investment advisory services	-	3,227
Repayments for Islamic financing, net	8,680	8,260
(Payments) / proceeds from asset acquired for leasing, net	(2,849)	1,503
Placement, management and arrangement fees received	577	497
Income from short-term placements received	187	704
Returns paid to investment account holders	(4,838)	(4,447)
Withdrawal by investment account holders, net	(18,454)	(6,719)
Payments for expenses	(6,845)	(6,247)
Other receipts	325	95
Payments for charity	(810)	(473)
Net withdrawals from customers' current accounts	15,713	(19,829)
Net receipt from/(payment) to CBB reserve account	171	(330)
<b>Cash used in operating activities</b>	<b>(8,143)</b>	<b>(23,759)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities, net	(6,721)	(10,798)
Proceeds from sale of investment securities	7,507	13,898
Purchase of investment property	(2,640)	-
Dividend from investment securities received	358	47
Proceeds from asset-held-for-sale	-	223
Sukuk profits received	1,159	586
Purchase of equipment	(465)	(129)
<b>Cash (used in)/generated from investing activities</b>	<b>(802)</b>	<b>3,827</b>
<b>FINANCING ACTIVITIES</b>		
Placements from financial institutions, net	(16,712)	(35,021)
Placements from other institutions and individuals, net	14,311	11,099
Purchase of treasury shares, net	(23)	(549)
Expenses paid on placement from financial institutions	(1,017)	(992)
<b>Cash used in financing activities</b>	<b>(3,441)</b>	<b>(25,463)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(12,386)</b>	<b>(45,395)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>78,894</b>	<b>135,233</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>66,508</b>	<b>89,838</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances (excluding CBB reserve)	23,818	10,414
Placement with financial institutions	42,690	79,424
<b>Total</b>	<b>66,508</b>	<b>89,838</b>

The financial statements were approved by the Board of Directors on the 27th October 2011.

Dr. Fuad Abdulla Al Omar  
Chairman

Abdulrahman Mohamed Jamsheer  
Vice Chairman

Ebrahim Hussain Ebrahim  
Chief Executive Officer and Board Member

These statements have been extracted from the condensed consolidated financial information for the period ended 30 September 2011, which were reviewed by KPMG.