



FINANCIAL RESULTS - At 31 March 2007

Consolidated Balance Sheet

Consolidated Income Statement

	Unaudited 31 March 2007 BD'000	Audited 31 December 2006 BD'000
ASSETS		
Cash and balances with banks and Central Bank of Bahrain	23,179	21,383
Murabaha and Mudaraba contracts with banks	21,963	66,654
Murabaha, Istisna'a and Ijarah Muntahia Bittamleek contracts - relating to customers	175,982	161,956
Non-trading investments	82,558	83,063
Investments in associates	22,475	15,385
Investment properties	26,604	27,623
Receivables and prepayments	22,364	11,268
Goodwill and intangibles	2,558	2,508
Premises and equipment	15,576	13,204
TOTAL ASSETS	393,259	403,044
LIABILITIES AND EQUITY		
Liabilities		
Murabaha contracts with banks	95,648	110,366
Murabaha contracts with non banks	88,331	99,345
Customers' current accounts	51,550	46,549
Other liabilities	12,038	12,875
	247,567	269,135
Unrestricted investment accounts	48,757	44,375
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF PARENT		
Share capital	49,016	44,560
Share premium	760	760
Statutory reserve	5,098	5,098
General reserve	20,171	13,800
Investment revaluation reserve	11,839	12,058
Retained earnings	7,682	10,827
	94,566	87,103
MINORITY INTEREST	2,369	2,431
	96,935	89,534
TOTAL LIABILITIES AND EQUITY	393,259	403,044
CREDIT COMMITMENTS AND CONTINGENT ITEMS	40,833	31,003
RESTRICTED INVESTMENT ACCOUNTS	24,330	19,109

	Unaudited Three months ended 31 March 2007 BD'000	Unaudited 31 March 2006 BD'000
Income from investment activities	2,635	3,438
Income from retail and corporate banking activities	4,350	3,130
Share of income of associates	7,090	392
Other income	306	161
	14,381	7,121
Less: Profit on Murabaha contracts	2,689	1,573
	11,692	5,548
Staff costs	1,362	978
Depreciation	378	351
Provisions	150	(115)
Other operating expenses	2,081	1,035
	3,971	2,249
NET INCOME BEFORE PROFIT OF UNRESTRICTED INVESTMENT ACCOUNTS	7,721	3,299
Profit on unrestricted investment accounts	(321)	(208)
INCOME FOR THE PERIOD	7,400	3,091
Minority interest	63	40
INCOME ATTRIBUTABLE TO SHAREHOLDERS OF PARENT	7,463	3,131

Consolidated Statement of Changes in Equity

	Attributable to shareholders of the Parent								Total equity BD'000
	Share capital BD'000	Share premium BD'000	Statutory reserve BD'000	General reserve BD'000	Investment revaluation reserve BD'000	Retained earnings BD'000	Total BD'000	Minority interest BD'000	
Balance at 31 December 2006	44,560	760	5,098	13,800	12,058	10,827	87,103	2,431	89,534
Income for the period	-	-	-	-	-	7,463	7,463	(63)	7,400
Transfer to retained earnings on sale of investments	-	-	-	-	(219)	219	-	-	-
Net movement in minority interest	-	-	-	-	-	-	-	1	1
Transfer to general reserve	-	-	-	10,827	-	(10,827)	-	-	-
Bonus shares issued	4,456	-	-	(4,456)	-	-	-	-	-
BALANCE AT 31 MARCH 2007	49,016	760	5,098	20,171	11,839	7,682	94,566	2,369	96,935
Balance at 31 December 2005	38,500	-	2,985	-	3,992	18,325	63,802	2,777	66,579
Income for the period	-	-	-	-	-	3,131	3,131	(40)	3,091
Transfer to investment revaluation reserve	-	-	-	-	3,017	(3,017)	-	-	-
Net movement in minority interest	-	-	-	-	-	-	-	11	11
Balance at 31 March 2006	38,500	-	2,985	-	7,009	18,439	66,933	2,748	69,681