



FINANCIAL RESULTS

At 31 December 2006

بيت التمويل الكويتي
Kuwait Finance House
البحرين ش.م.ب (م) B.S.C.(c)



CONSOLIDATED BALANCE SHEET

	2006 BD 000s	2005 BD 000s
ASSETS		
Cash and balances with banks and Central Bank of Bahrain	21,383	8,615
Murabaha and Mudaraba contracts with banks	66,654	45,119
Murabaha, Istisna'a and Ijarah Muntahia Bittamleek contracts relating to customers	161,956	110,153
Non-trading investments	83,063	41,995
Investment held for sale	-	2,667
Investments in associates	15,385	14,873
Investment properties	27,623	14,737
Receivables and prepayments	11,268	8,574
Goodwill and intangibles	2,508	2,843
Premises and equipment	13,204	11,040
TOTAL ASSETS	403,044	260,616
LIABILITIES AND EQUITY		
LIABILITIES		
Murabaha contracts with banks	110,366	56,344
Murabaha contracts with non-banks	99,345	68,179
Customers' current accounts	46,549	31,182
Other liabilities	12,875	7,525
	269,135	163,230
Unrestricted investment accounts	44,375	30,807
EQUITY ATTRIBUTABLE TO SHARE HOLDERS OF PARENT		
Issued capital	44,560	38,500
Share premium	760	-
Statutory reserve	5,098	2,985
General reserve	13,800	-
Investment revaluation reserve	12,058	3,992
Retained earnings	10,827	18,325
	87,103	63,802
MINORITY INTEREST	2,431	2,777
	89,534	66,579
TOTAL LIABILITIES AND EQUITY	403,044	260,616
CREDIT COMMITMENTS AND CONTINGENT ITEMS	31,003	35,731
RESTRICTED INVESTMENT ACCOUNTS	19,109	11,007

CONSOLIDATED INCOME STATEMENT

	2006 BD 000s	2005 BD 000s
Income from investment activities	28,180	22,815
Income from retail and corporate banking activities	17,819	9,505
Share of income of associates	512	778
Other income	864	1,547
	47,375	34,645
Less: Profit on Murabaha contracts	9,039	3,876
	38,336	30,769
Staff costs	6,438	5,651
Other operating expenses	6,158	3,883
Depreciation	1,493	1,820
Provisions	2,284	3,216
	16,373	14,570
NET INCOME BEFORE PROFIT ON UNRESTRICTED INVESTMENT ACCOUNTS	21,963	16,199
Profit on unrestricted investment accounts	1,200	1,081
INCOME FOR THE YEAR	20,763	15,118
Minority interest	367	48
INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	21,130	15,166

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital	Share premium	Statutory reserve	General reserve	Investment revaluation reserve	Retained earnings	Total	Minority interest	Total Equity
	BD 000s	BD 000s	BD 000s	BD 000s	BD 000s	BD 000s	BD 000s	BD 000s	BD 000s
Balance at 31 December 2005	38,500	-	2,985	-	3,992	18,325	63,802	2,777	66,579
Income for the year	-	-	-	-	-	21,130	21,130	(367)	20,763
Transfer to investment revaluation reserve	-	-	-	-	11,738	(11,738)	-	-	-
Transfer to retained earnings on sale of investments	-	-	-	-	(3,672)	3,672	-	-	-
Directors' remuneration	-	-	-	-	-	(149)	(149)	-	(149)
Net movement in minority interests	-	-	-	-	-	-	-	21	21
Transfer to general reserve	-	-	-	18,300	-	(18,300)	-	-	-
Bonus shares issued	4,500	-	-	(4,500)	-	-	-	-	-
Issue of new shares	1,560	760	-	-	-	-	2,320	-	2,320
Transfer to statutory reserve	-	-	2,113	-	-	(2,113)	-	-	-
Balance at 31 December 2006	44,560	760	5,098	13,800	12,058	10,827	87,103	2,431	89,534

