

Financial Results

30 June 2008 (unaudited)

Consolidated Balance Sheet

	30 June 2008 BD 000s	Audited 31 December 2007 BD 000s
ASSETS		
Cash and balances with banks and Central Bank of Bahrain	35,462	23,640
Murabaha and Mudaraba contracts with banks	49,651	80,685
Murabaha, Musharaka, Istisna'a and Ijarah Muntahia Bittamleek contracts relating to customers	389,415	276,061
Investments	136,776	141,872
Investments in associates	63,303	41,356
Investment properties	148,736	105,097
Receivables and prepayments	58,136	40,658
Goodwill and intangibles	17,572	6,927
Premises and equipment	21,244	18,995
	920,295	735,291
Assets of investment held for sale	54,067	-
TOTAL ASSETS	974,362	735,291
LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY		
LIABILITIES		
Murabaha contracts with banks	172,324	77,329
Murabaha contracts with non-banks	225,010	287,269
Customers' current accounts	92,155	107,150
Other liabilities	27,422	46,191
	516,911	517,939
Liabilities of investment held for sale	28,481	-
	545,392	517,939
UNRESTRICTED INVESTMENT ACCOUNTS	236,081	53,091
EQUITY ATTRIBUTABLE TO SHARE HOLDERS OF THE PARENT		
Share capital	80,518	70,016
Share premium	15,040	15,040
Statutory reserve	8,238	8,238
General reserve	27,597	20,173
Investment revaluation reserve	30,901	22,390
Retained earnings	9,689	17,925
	171,983	153,782
MINORITY INTEREST	18,731	10,479
MINORITY INTEREST IN INVESTMENT HELD FOR SALE	2,175	-
	192,889	164,261
TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY	974,362	735,291
RESTRICTED INVESTMENT ACCOUNTS	68,026	66,066
CREDIT COMMITMENTS AND CONTINGENT ITEMS	70,464	59,372

Consolidated Statement of Income

	Six months ended 30 June 2008 BD 000s	2007 BD 000s
Income from investment activities	15,173	7,218
Income from retail and corporate banking activities	16,990	9,930
Share of income of associates	8,435	10,082
Other income	3,758	617
	44,356	27,847
Less: Profit on Murabaha contracts	6,817	5,627
	37,539	22,220
Staff costs	5,405	2,841
Depreciation	2,097	887
Provisions	1,324	395
Other operating expenses	5,712	4,438
	14,538	8,561
NET INCOME BEFORE PROFIT ON UNRESTRICTED INVESTMENT ACCOUNTS	23,001	13,659
Less: Profit on unrestricted investment accounts	2,833	827
	20,168	12,832
INCOME FOR THE PERIOD	20,168	12,832
Attributable to:		
Share holders of the Parent	18,201	13,207
Minority interest	1,967	(375)
	20,168	12,832

Consolidated Statement of Changes in Equity

	Attributable to share holders of the Parent						Total BD 000s	Minority interest BD 000s	Minority interest in investment held for sale BD 000s	Total equity BD 000s
	Share capital BD 000s	Share premium BD 000s	Statutory reserve BD 000s	General reserve BD 000s	Investment revaluation reserve BD 000s	Retained earnings BD 000s				
Balance at 1 January 2008	70,016	15,040	8,238	20,173	22,390	17,925	153,782	10,479	-	164,261
Income for the period	-	-	-	-	-	18,201	18,201	1,967	-	20,168
Transfer to investment revaluation reserve	-	-	-	-	8,693	(8,693)	-	-	-	-
Transfer to retained earnings on sale of investment property	-	-	-	-	(182)	182	-	-	-	-
Net movement in minority interest	-	-	-	-	-	-	-	6,285	2,175	8,460
Transfer to general reserve	-	-	-	17,926	-	(17,926)	-	-	-	-
Bonus shares issued	10,502	-	-	(10,502)	-	-	-	-	-	-
Balance at 30 June 2008	80,518	15,040	8,238	27,597	30,901	9,689	171,983	18,731	2,175	192,889
Balance at 1 January 2007	44,560	760	5,098	13,800	12,058	10,827	87,103	2,431	-	89,534
Income for the period	-	-	-	-	-	13,207	13,207	(375)	-	12,832
Transfer to revaluation reserve	-	-	-	-	3,118	(3,118)	-	-	-	-
Transfer to retained earnings on sale of investments	-	-	-	-	(1,385)	1,385	-	-	-	-
Transfer to general reserve	-	-	-	10,829	-	(10,829)	-	-	-	-
Bonus shares issued	4,456	-	-	(4,456)	-	-	-	-	-	-
Increase in share capital	21,000	14,280	-	-	-	-	35,280	-	-	35,280
Balance at 30 June 2007	70,016	15,040	5,098	20,173	13,791	11,472	135,590	2,056	-	137,646

These statements have been extracted from the interim condensed consolidated financial statements for the period ended 30 June 2008, reviewed by Ernst & Young.

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