

FIRST QUARTER 2008 FINANCIAL RESULTS

BALANCE SHEET

as at 31 March 2008

BD 000's

	31 March 2008 (reviewed)	31 December 2007 (audited)
ASSETS		
Cash and bank balances	9,077	6,169
Placements with financial institutions	79,260	79,065
Investment in properties	-	621
Islamic financing assets	92,850	75,462
Available-for-sale investments	47,550	38,227
Assets acquired for leasing	14,102	12,986
Investment in associates	6,683	6,683
Held-to-maturity investments	32,271	32,812
Other assets	25,188	16,107
Equipment	1,528	1,379
Total assets	308,509	269,511
LIABILITIES		
Investors' funds	29,610	11,953
Placements from financial and other institutions	59,847	41,561
Customers' current accounts	15,374	10,724
Other liabilities	2,822	6,183
Total liabilities	107,653	70,421
Unrestricted investment accounts	68,726	64,100
EQUITY		
Share capital	100,000	100,000
Statutory reserve	3,258	3,258
Employee share grant reserve	2,591	2,630
Retained earnings	26,281	29,102
Total equity (page 5)	132,130	134,990
Total liabilities, unrestricted investment accounts and equity	308,509	269,511
Off-balance sheet items		
Restricted Investment accounts	40,703	42,965

The financial statements were approved by the Board of directors on 28 April 2008 and signed on its behalf by:

Dr. Fuad Abdulla Al-Omar
Chairman

Esam Yousif Janahi
Vice Chairman

Ebrahim H. Ebrahim
Chief Executive Officer
and Board Member

INCOME STATEMENT

for the three months ended 31 March 2008

BD 000's

	31 March 2008 (reviewed)	31 March 2007 (reviewed)
Income from investment banking services	13,572	4,215
Placement, management and arrangement fees	262	234
Income from placements with financial institutions	861	396
Income from Islamic financing assets and assets acquired for leasing	1,979	341
Income from available-for-sale investments	133	93
Income from held-to-maturity investments	524	277
Other income	56	-
Total income before return on unrestricted investment accounts	17,387	5,556
Less: Return to unrestricted investment accounts	(1,046)	(356)
Total income	16,341	5,200
Staff cost	1,174	304
Financing expense	500	362
Impairment allowances	1,472	-
Investments related expenses	170	187
Other expenses	436	331
Total expenses	3,752	1,184
PROFIT FOR THE PERIOD	12,589	4,016
Basic earnings per share (fils)	12.59	13.32
Diluted earnings per share (fils)	12.37	13.10

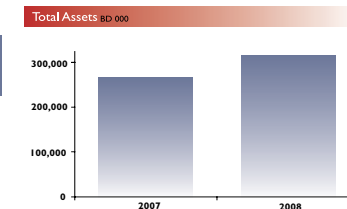
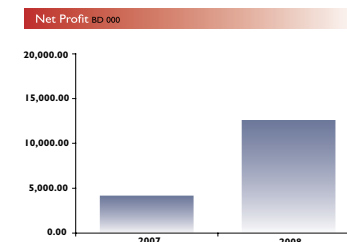
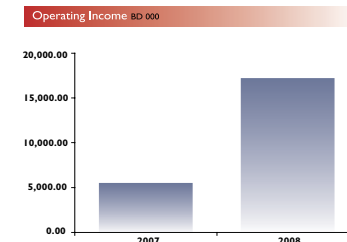
STATEMENT OF CHANGES IN EQUITY

for the three months ended 31 March 2008

BD 000's

31 March 2008 (reviewed)	Share capital	Statutory reserve	Share grants	Retained earnings	Total
Balance at 1 January 2008	100,000	3,258	2,630	29,102	134,990
Profit for the period	-	-	-	12,589	12,589
Total recognised income and expense for the period	-	-	-	12,589	12,589
Vesting charge for the period	-	-	(39)	-	(39)
Transfer to charity fund declared in 2007	-	-	-	(250)	(250)
Directors fees declared for 2007	-	-	-	(160)	(160)
Dividend declared for 2007	-	-	-	(15,000)	(15,000)
Balance as at 31 March 2008	100,000	3,258	2,591	26,281	132,130

31 March 2007 (reviewed)	Share capital	Statutory reserve	Share grants	Retained earnings	Total
Balance at 1 January 2007	30,154	1,174	680	10,565	42,573
Profit for the period	-	-	-	4,016	4,016
Total recognised income and expense for the period	-	-	-	4,016	4,016
Vesting charge for the period	-	-	11	-	11
Transfer to charity fund declared for 2006	-	-	-	(150)	(150)
Directors fees declared for 2006	-	-	-	(65)	(65)
Balance as at 31 March 2007	30,154	1,174	691	14,366	46,385



**Khaleeji
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