

FINANCIAL RESULTS FOR THE PERIOD ENDED 31 MARCH 2011

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	BD 000's	
	31 Mar 2011 (reviewed)	31 Dec 2010 (audited)
ASSETS		
Cash and bank balances	28,076	12,290
Placements with financial institutions	35,380	74,959
Financing assets	199,697	203,210
Investment securities	96,809	100,279
Assets acquired for leasing	6,766	5,979
Lease rentals receivable	2,199	2,001
Investment in associates	4,145	4,113
Investment property	6,583	3,943
Other assets	2,037	2,476
Property and equipment	9,713	9,966
Total assets	391,405	419,216
LIABILITIES		
Placements from financial institutions and others	67,922	84,935
Customers' current accounts	13,790	10,928
Other liabilities	6,646	6,975
Total liabilities	88,358	102,838
Equity of investment account holders	184,301	198,220
OWNERS' EQUITY		
Share capital	115,416	115,416
Share premium	1,213	1,213
Statutory reserve	6,298	6,298
Treasury shares	(6,084)	(6,018)
Unvested employee incentive scheme shares	(937)	(937)
Share grant reserve	351	324
Available-for-sale investments fair value reserve	102	117
Retained earnings	2,387	1,745
Total owners' equity	118,746	118,158
Total liabilities, equity of investment account holders and owners' equity	391,405	419,216

CONSOLIDATED INCOME STATEMENT for the three months ended 31 March 2011

	BD 000's	
	Three months ended 31 Mar 2011 (reviewed)	Three months ended 31 Mar 2010 (reviewed)
Placement, management and arrangement fees	265	429
Income from placements with financial institutions	84	244
Income from financing assets and assets acquired for leasing	3,826	3,819
Income from investment securities	600	1,443
Share of profit of associate companies	32	-
Other income	155	(98)
Total income before return to investment account holders	4,962	5,837
Less: Return to investment account holders before Bank's share as Mudarib	(2,187)	(2,814)
Bank's share as a Mudarib	627	546
Return to investment account holders	(1,560)	(2,268)
Expense on placements from financial institutions and others	(280)	(375)
Total net income	3,122	3,194
Staff cost	1,364	1,279
Depreciation	289	348
Other expenses	827	985
Total expenses	2,480	2,612
Profit for the period before impairment allowances	642	582
Impairment allowances	-	74
PROFIT FOR THE PERIOD	642	508
Earnings per share		
Basic earnings per share (fiis)	0.58	0.46
Diluted earnings per share (fiis)	0.58	0.46

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the three months ended 31 March 2011

(reviewed)	BD 000's								
	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	-	-	-	-	-	-	(15)	-	(15)
Profit for the period	-	-	-	-	-	-	-	642	642
Total recognised income and expense for the period	-	-	-	-	-	-	(15)	642	627
Treasury shares acquired	-	-	-	(77)	-	-	-	-	(77)
Treasury shares sold	-	-	-	11	-	-	-	-	11
Vesting charge for the period	-	-	-	-	-	27	-	-	27
Balance at 31 March 2011	115,416	1,213	6,298	(6,084)	(937)	351	102	2,387	118,746

CONSOLIDATED STATEMENT OF CASH FLOWS for the three months ended 31 March 2011

	BD 000's	
	Three months ended 31 March 2011 (reviewed)	Three months ended 31 March 2010 (reviewed)
OPERATING ACTIVITIES		
Proceeds from investment advisory services	-	3,016
Receipt/(disbursements) for financing assets, net (Payment for)/proceeds from asset acquired for leasing, net	7,339	(4,330)
Placement, management and arrangement fees received	(985)	673
Income from short-term placements received	117	428
Returns paid to investment account holders	84	244
Receipts from investment account holders, net	(1,850)	(2,520)
Payment for expenses	(13,750)	(1,177)
Other receipts	(2,247)	(2,853)
Payment for charity	155	24
Net withdrawals from customers' current accounts	(237)	(8)
Net (payment)/receipt to CBB reserve account	2,862	(15,949)
	(85)	(60)
Cash flows used in operating activities	(8,597)	(22,512)
INVESTING ACTIVITIES		
Purchase of investment securities	(950)	(9,434)
Proceeds from sale of investment securities	5,516	7,877
Advance towards purchase of investment	(2,640)	-
Dividend/income from investment securities	189	557
Purchase of property and equipment	(36)	(42)
Cash flows from/(used in) investing activities	2,079	(1,042)
FINANCING ACTIVITIES		
Placements from financial institutions and others, net	(17,013)	(12,228)
Purchase of treasury shares	(66)	(485)
Financing expenses paid	(280)	(375)
Cash flows used in financing activities	(17,359)	(13,088)
Decrease in cash and cash equivalents	(23,877)	(36,642)
Cash and cash equivalents at beginning of the period	78,893	135,233
Cash and cash equivalents at the end of the period	55,061	98,591
Cash and cash equivalent comprise:		
Cash and bank balances (excluding CBB reserve)	19,636	6,476
Placement with financial institutions	35,380	92,115
	55,061	98,591

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the three months ended 31 March 2010

(reviewed)	BD 000's								
	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	-	-	-	-	-	-	37	-	37
Profit for the period	-	-	-	-	-	-	-	508	508
Total recognised income and expense for the period	-	-	-	-	-	-	37	508	545
Treasury shares acquired	-	-	-	(560)	-	-	-	-	(560)
Treasury shares sold	-	-	-	75	-	-	-	-	75
Vesting charge for the period	-	-	-	-	-	53	-	-	53
Transfer to charity fund (2009)	-	-	-	-	-	-	-	(150)	(150)
Transfer to Zakah fund	-	-	-	-	-	-	-	(1,941)	(1,941)
Bonus share (2009)	10,492	-	-	-	-	-	-	(10,492)	-
Balance at 31 March 2010	115,416	958	6,298	(5,701)	(1,648)	420	67	8,786	124,596

The financial statements were approved by the Board of Directors on 28 April 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 31 March 2011, which were reviewed by KPMG.