

# FINANCIAL POSITION AND RESULTS FOR FIRST HALF 2006

## BALANCE SHEET

as at 30 June 2006

BD 000's

	30 June 2006 (reviewed)	31 December 2005 (audited)
<b>ASSETS</b>		
Balances with financial institutions	866	676
Murabaha receivables from financial institutions	32,734	52,403
Murabaha receivables from non financial institutions	4,740	875
Investment in Sukuks	9,217	5,745
Trading properties	3,352	3,265
Available-for-sale investments	11,848	5,175
Mudaraba financing	1,892	1,415
Musharaka	4,303	464
Equipment	341	-
Other assets	3,452	1,087
<b>Total assets</b>	<b>72,745</b>	<b>71,105</b>
<b>LIABILITIES</b>		
Investors' funds	16,446	21,511
Due to financial institutions	3,772	-
Customers' current accounts	1,273	1,919
Other liabilities	126	309
<b>Total liabilities</b>	<b>21,617</b>	<b>23,739</b>
<b>Unrestricted investment accounts</b>	<b>11,941</b>	<b>13,459</b>
<b>EQUITY</b>		
Share capital	30,154	30,154
Statutory reserve	375	375
Available-for-sale investment fair value reserve	146	-
Retained earnings	8,512	3,378
<b>Total equity</b>	<b>39,187</b>	<b>33,907</b>
<b>Total liabilities, unrestricted investment accounts and equity</b>	<b>72,745</b>	<b>71,105</b>
<b>Off-balance sheet items</b>		
Restricted investment accounts	11,905	11,024

The financial statements were approved by the Board of directors on 22 July 2006 and signed on its behalf by:

Fuad Abdulla Al-Omar  
Chairman

Esam Yousif A. Janahi  
Vice Chairman

Ebrahim Hussain Ebrahim  
General Manager

## INCOME STATEMENT

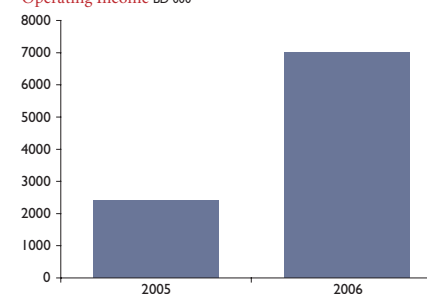
for the six months ended 30 June 2006

BD 000's

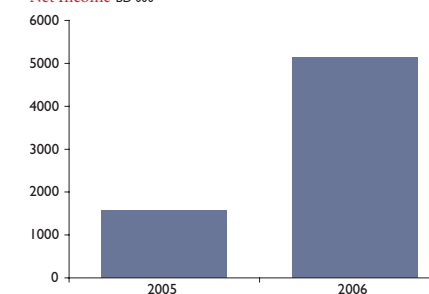
	Six months ended		Three months ended	
	30 June 2006 (reviewed)	30 June 2005 (reviewed)	30 June 2006 (reviewed)	30 June 2005 (reviewed)
Income from advisory services	5,393	1,617	3,173	1,617
Placement, management and arrangement fees	123	261	78	101
Income from murabaha receivables	863	526	327	328
Income from sukuks	259	-	141	-
Income from musharaka and mudaraba financing	149	-	145	-
Other income	228	-	210	-
<b>Total income</b>	<b>7,015</b>	<b>2,404</b>	<b>4,074</b>	<b>2,046</b>
Staff costs	299	150	181	76
Profit on investors' funds and unrestricted investment accounts	642	125	299	116
Investment related expenses	340	186	233	107
Other operating expenses	600	377	323	233
<b>Total expenses</b>	<b>1,881</b>	<b>838</b>	<b>1,036</b>	<b>532</b>
<b>PROFIT FOR THE PERIOD</b>	<b>5,134</b>	<b>1,566</b>	<b>3,038</b>	<b>1,514</b>
Basic earnings per share (fils)	<b>170</b>	<b>52</b>	<b>101</b>	<b>50</b>

These statements have been extracted from the condensed interim consolidated financial information for the six months ended June, 2006, which were reviewed by KPMG.

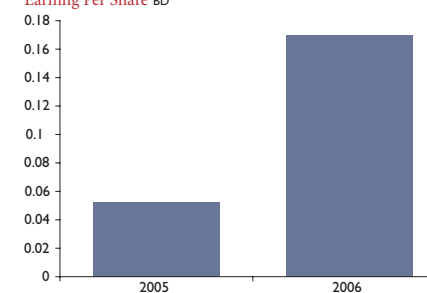
Operating Income BD 000



Net Income BD 000



Earning Per Share BD



Khaleeji  
Commercial Bank