

HALF YEAR 2007 FINANCIAL RESULTS

CONDENSED BALANCE SHEET

as at 30 June 2007

BD 000's

	30 June 2007 (reviewed)	31 December 2006 (audited)
ASSETS		
Cash and bank balances	5,329	3,284
Placements with parent bank	71,944	32,838
Trading properties	1,116	1,116
Islamic financing assets	30,942	15,655
Assets acquired for leasing	6,755	-
Available-for-sale investments	18,009	14,262
Assets-held-for sale	1,133	-
Investment in associates	6,577	-
Held-to-maturity investments in sukuks	19,114	14,515
Other assets	9,574	13,720
Equipment	831	860
Total assets	171,324	96,250
LIABILITIES		
Investors' funds	7,588	5,179
Due to financial and non-financial institutions	8,909	22,251
Customers' current accounts	4,943	2,751
Other liabilities	570	1,283
Total liabilities	22,010	31,464
Unrestricted investment accounts	29,025	22,213
EQUITY		
Share capital	100,000	30,154
Statutory reserve	1,174	1,174
Retained earnings	18,424	10,565
Share grants	691	680
Total equity	120,289	42,573
Total liabilities, unrestricted investment accounts and equity	171,324	96,250
Off-balance sheet items		
Restricted investment accounts	31,482	12,177

The financial statements were approved by the Board of directors on 22 July 2007 and signed on its behalf by:

Dr. Fuad Abdulla Al-Omar
Chairman

Esam Yousef Janahi
Vice Chairman

Ebrahim H. Ebrahim
General Manager

CONDENSED INCOME STATEMENT

for the six months ended 30 June 2007

BD 000's

	Six months ended 30 June 2007 (reviewed)	30 June 2006 (reviewed)	Three months ended 30 June 2007 (reviewed)	30 June 2006 (reviewed)
Income from advisory services	4,396	5,393	181	3,173
Placement, management and arrangement fees	292	123	58	78
Income from placements	1,390	863	994	327
Income from Islamic financing assets	1,067	149	726	145
Income from available-for-sale investments	3,340	259	3,247	210
Income from investment in sukuks	582	228	305	141
Total income before return on unrestricted investment accounts	11,067	7,015	5,511	4,074
Less: Return on unrestricted investment accounts	(740)	(642)	(384)	(299)
Total income	10,327	6,373	5,127	3,775
Staff costs	745	299	441	181
Murabaha expense	626	-	264	-
Investment related expenses	215	340	28	233
Other expenses	667	600	366	323
Total expenses	2,253	1,239	1,069	737
PROFIT FOR THE PERIOD	8,074	5,134	4,058	3,038
Basic earnings per share (fils)	13	17	4	10

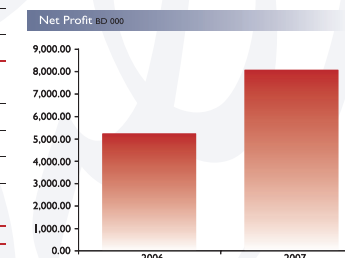
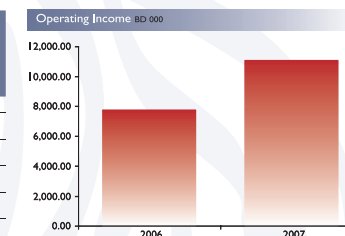
CONDENSED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2007

BD 000's

30 June 2007 (reviewed)	Share capital	Statutory reserve	Retained earnings	Share grants	Total
Balance at 1 January 2007	30,154	1,174	10,565	680	42,573
Profit for the period	-	-	8,074	-	8,074
Vesting expense for the period	-	-	-	11	11
Recognised income and expense for the period	-	-	8,074	11	8,085
Shares issued during the period	69,846	-	-	-	69,846
Transfer to charity fund (2006)	-	-	(150)	-	(150)
Directors fees (2006)	-	-	(65)	-	(65)
Balance as at 30 June 2007	100,000	1,174	18,424	691	120,289
30 June 2006 (reviewed)	Share capital	Statutory reserve	Available-for-sale investments fair value reserve	Retained earnings	Total
Balance at 1 January 2006	30,154	375	-	3,378	33,907
Profit for the period	-	-	-	5,134	5,134
Fair value changes for the period	-	-	146	-	146
Recognised income and expense for the period	-	-	146	5,134	5,280
Balance as at 30 June 2006	30,154	375	146	8,512	39,187

These statements have been extracted from the reviewed financial statements for the Interim Financial Information for the period ended 30 June 2007, on which KPMG issued unqualified audit report.



**Khaleeji
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