

FINANCIAL RESULTS FOR THIRD QUARTER 2008



CONDENSED CONSOLIDATED BALANCE SHEET

as at 30 September 2008

BD 000's

	30 September 2008 (reviewed)	31 December 2007 (audited)
ASSETS		
Cash and bank balances	25,367	6,169
Placements with financial institutions	162,894	79,065
Investment in properties	-	621
Islamic financing assets	140,317	75,462
Available-for-sale investments	68,099	38,227
Assets acquired for leasing	21,718	12,986
Investment in associates	6,385	6,683
Held-to-maturity investments	30,411	32,812
Other assets	23,412	16,107
Equipment	1,865	1,379
Total assets	480,468	269,511
LIABILITIES		
Investors' funds	59,673	11,953
Placements from financial and other institutions	26,322	41,561
Customers' current accounts	77,421	10,724
Other liabilities	10,389	6,183
Total liabilities	173,805	70,421
Unrestricted investment accounts	163,729	64,100
EQUITY		
Share capital	100,000	100,000
Share premium	206	-
Statutory reserve	3,258	3,258
Treasury shares	(3,971)	-
Unvested employee incentive scheme shares	(3,107)	-
Share grant reserve	388	2,630
Retained earnings	46,160	29,102
Total equity	142,934	134,990
Total liabilities, unrestricted investment accounts and equity	480,468	269,511
Off-balance sheet items		
Restricted investment accounts	46,812	42,965

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the nine months ended 30 September 2008

BD 000's

30 September 2008 (reviewed)	Share Capital	Share Premium	Statutory Reserve	Treasury Shares	Unvested Employee Incentive Scheme Shares	Share Grants Reserve	Retained Earnings	Total
Balance at 1 January 2008	100,000	-	3,258	-	-	2,630	29,102	134,990
Profit for the period	-	-	-	-	-	-	32,468	32,468
Recognised income and expense for the period	-	-	-	-	-	-	32,468	32,468
Treasury shares acquired	-	-	-	(7,366)	-	-	-	(7,366)
Treasury shares sold	-	-	-	3,395	-	-	-	3,395
Treasury shares acquired for employee incentive scheme	-	-	-	-	(3,648)	-	-	(3,648)
Reserve utilised towards acquisition of shares for employee incentive scheme	-	-	-	-	-	(2,106)	-	(2,106)
Vesting charge for the period	-	-	-	-	-	70	-	70
Shares vested as per employee incentive scheme	-	206	-	-	541	(206)	-	541
Transfer to charity fund (2007)	-	-	-	-	-	-	(250)	(250)
Directors fees (2007)	-	-	-	-	-	-	(160)	(160)
Dividend declared for 2007	-	-	-	-	-	-	(15,000)	(15,000)
Balance at 30 Sep 2008	100,000	206	3,258	(3,971)	(3,107)	388	46,160	142,934

30 September 2007 (reviewed)	Share Capital	Share Premium	Statutory Reserve	Treasury Shares	Unvested Employee Incentive Scheme Shares	Share Grants Reserve	Retained Earnings	Total
Balance at 1 January 2007	30,154	-	1,174	-	-	680	10,565	42,573
Profit for the period	-	-	-	-	-	-	12,099	12,099
Recognised income and expense for the period	-	-	-	-	-	-	12,099	12,099
Shares issued during the period	69,846	-	-	-	-	-	-	69,846
Vesting charge for the period	-	-	-	-	-	11	-	11
Transfer to charity fund (2006)	-	-	-	-	-	-	(150)	(150)
Directors fees (2006)	-	-	-	-	-	-	(65)	(65)
Balance at 30 Sep 2007	100,000	-	1,174	-	-	691	22,449	124,314

The financial statements were approved by the Board of Directors on 27th October 2008.

Dr. Fuad Abdulla Al-Omar
Chairman

Dr. Esam Yousif A. Janahi
Vice Chairman

Ebrahim Hussain Ebrahim
Chief Executive Officer and Board Member

These statements have been extracted from the condensed interim financial information for the nine months ended 30 September 2008, which were reviewed by KPMG.

CONDENSED CONSOLIDATED INCOME STATEMENT

for the nine months ended 30 September 2008

BD 000's

	Nine months ended		Three months ended	
	30 Sep 2008 (reviewed)	30 Sep 2007 (reviewed)	30 Sep 2008 (reviewed)	30 Sep 2007 (reviewed)
Income from investment banking services	34,357	4,409	8,532	12
Placement, management and arrangement fees	1,148	1,163	86	871
Income from placements with financial institutions	2,768	2,643	1,101	1,253
Income from Islamic financing assets and assets acquired for leasing	7,630	2,041	2,936	974
Income from available-for-sale investments	2,742	4,092	52	753
Income from held-to-maturity investments	1,488	1,058	489	476
Share of profit from associate companies	763	105	-	105
Income from investment property	56	2,484	-	2,484
Other income	566	-	381	-
Total income before return on unrestricted investment accounts	51,518	17,995	13,577	6,928
Less: Return on unrestricted investment accounts	(5,027)	(1,511)	(2,332)	(771)
Total income	46,491	16,484	11,245	6,157
Staff cost	7,599	2,215	2,578	1,469
Financing expense	1,787	1,049	731	424
Impairment allowances	1,615	-	144	-
Investments related expenses	545	269	224	55
Other expenses	2,477	852	1,282	185
Total expenses	14,023	4,385	4,959	2,133
PROFIT FOR THE PERIOD	32,468	12,099	6,286	4,024
Basic earnings per share (fils)	33.02	15.98	14.12	4.02
Diluted earnings per share (fils)	32.40	15.88	13.75	4.00

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

for the nine months ended 30 September 2008

BD 000's

	30 Sep 2008 (reviewed)	30 Sep 2007 (reviewed)
Cash flows from operating activities	163,474	54,546
Cash flows from investing activities	(22,591)	(24,303)
Cash flows from financing activities	(37,856)	49,809
Increase in cash and cash equivalents	103,027	80,052
Cash and cash equivalents at beginning of the period	85,234	36,122
Cash and cash equivalents at the end of the period	188,261	116,174
Cash and cash equivalents comprise:		
Cash and balances with banks	25,367	2,387
Placements with financial institutions	162,894	113,787
	188,261	116,174

