

FINANCIAL RESULTS FOR 3RD QUARTER 2009



CONSOLIDATED BALANCE SHEET

as at 30 Sep 2009
BD 000's

	30 Sep 2009 (Reviewed)	31 Dec 2008 (Audited)
ASSETS		
Cash and bank balances	31,334	23,378
Placements with financial institutions	90,191	131,952
Islamic financing assets	192,788	140,143
Investment securities	98,628	102,398
Assets acquired for leasing	13,698	23,482
Investment in associates	6,522	6,385
Asset held-for-sale	4,852	5,655
Other assets	17,121	26,077
Equipment	4,627	5,523
Total assets	459,761	464,993
LIABILITIES		
Placements from financial and other institutions	95,014	30,229
Customers' current accounts	32,109	122,383
Other liabilities	6,814	11,583
Total liabilities	133,937	164,195
Unrestricted investment Accounts	194,558	162,816
EQUITY		
Share capital	104,924	100,000
Share premium	581	581
Statutory reserve	5,988	5,988
Treasury shares	(5,021)	(4,915)
Unvested employee incentive scheme shares	(2,385)	(2,380)
Share grant reserve	768	442
Investment fair valuation reserve	87	-
Retained earnings	26,324	38,266
Total equity	131,266	137,982
Total liabilities, unrestricted investment accounts and equity	459,761	464,993
Off-balance sheet items		
Restricted investment accounts	48,163	47,445

STATEMENT OF CHANGES IN EQUITY

for the nine months ended 30 Sep 2009
BD 000's

30 Sep 2009 (Reviewed)	Share capital	Share premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grants reserve	Investment fair value reserve	Retained earnings	Total
Balance at 1 January 2009	100,000	581	5,988	(4,915)	(2,380)	442	-	38,266	137,982
Fair value gain	-	-	-	-	-	-	87	-	87
Profit for the period	-	-	-	-	-	-	-	8,253	8,253
Total recognized income and expense for the period	-	-	-	-	-	-	87	8,253	8,340
Treasury shares acquired	-	-	-	(1,061)	-	-	-	-	(1,061)
Treasury shares sold	-	-	-	955	-	-	-	-	955
Vesting charge for the period	-	-	-	-	-	326	-	-	326
Adjustments on vesting of shares	-	-	-	-	(5)	-	-	-	(5)
Transfer to charity fund (2008)	-	-	-	-	-	-	-	(250)	(250)
Bonus shares (2008)	4,924	-	-	-	-	-	-	(4,924)	-
Directors fees (2008)	-	-	-	-	-	-	-	(250)	(250)
Dividend declared (2008)	-	-	-	-	-	-	-	(14,771)	(14,771)
Balance at 30 Sep 2009	104,924	581	5,988	(5,021)	(2,385)	768	87	26,324	131,266
30 Sep 2008 (Reviewed)	Share capital	Share premium	Statutory reserve	Treasury shares	Unvested employee incentive scheme shares	Share grants reserve	Investment fair value reserve	Retained earnings	Total
Balance at 1 January 2008	100,000	-	3,258	-	-	2,630	-	29,102	134,990
Profit for the Period	-	-	-	-	-	-	-	26,181	26,181
Total Recognised income and expense for the period	-	-	-	-	-	-	-	26,181	26,181
Treasury shares acquired	-	-	-	(6,691)	-	-	-	-	(6,691)
Treasury shares sold	-	-	-	2,629	-	-	-	-	2,629
Treasury shares acquired for employee incentive scheme	-	-	-	-	(3,648)	-	-	-	(3,648)
Reserve utilized towards acquisition of shares for employee incentive scheme	-	-	-	-	-	(2,106)	-	-	(2,106)
Vesting charge for the period	-	-	-	-	-	12	-	-	12
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 (2007)	-	-	-	-	-	-	-	(15,000)	(15,000)
Balance at 30 June 2008	100,000	206	3,258	(4,062)	(3,107)	330	-	39,873	136,498

CONSOLIDATED INCOME STATEMENT

for the nine months ended 30 Sep 2009
BD 000's

	Nine months ended		Three months ended	
	30 Sep 2009 (Reviewed)	30 Sep 2008 (Reviewed)	30 Sep 2009 (Reviewed)	30 Sep 2008 (Reviewed)
Income from investment banking services	13,798	36,457	2,153	8,532
Placement, management and arrangement fees	797	1,148	222	86
Income from placements with financial institutions	1,137	2,768	391	1,100
Income from Islamic financing assets and assets acquired for leasing	10,846	7,630	3,704	2,937
Income from investment securities	1,286	2,119	364	541
Share of profit from associate companies	136	763	-	-
Other income	444	633	98	381
Total income before return on unrestricted investment accounts	28,444	51,518	6,932	13,577
Less: Return on unrestricted investment accounts	(7,126)	(5,840)	(2,412)	(2,332)
Total income	21,318	45,678	4,520	11,245
Staff cost	3,578	7,599	1,117	2,578
Financing expense	931	974	408	731
Impairment allowances	4,669	1,615	697	143
Investments related expenses	800	545	79	224
Other expenses	3,087	2,477	1,087	1,282
Total expenses	13,065	13,210	3,388	4,958
PROFIT FOR THE PERIOD	8,253	32,468	1,132	6,287
Basic earnings per share (fils)	8.15	31.77	1.12	6.15
Diluted earnings per share (fils)	8.05	31.50	1.10	6.10

CONSOLIDATED STATEMENT OF CASH FLOW

for the nine months ended 30 Sep 2009
BD 000's

	30 Sep 2009 (Reviewed)	30 Sep 2008 (Reviewed)
OPERATING ACTIVITIES		
Income from investment banking services received	28,765	27,670
Islamic financing disbursed, net	(45,523)	(58,545)
Placement, management and arrangement fees received	797	1,148
Proceeds from disposal of asset-held-for-sale	1,071	-
Income from placements with financial institutions received	1,137	2,768
Payments to unrestricted investment accounts	(7,126)	(3,780)
Receipts from unrestricted investment account holders, net	31,742	99,629
Payment for expenses	(11,278)	(10,891)
Repayments / (disbursements) on Ijara assets, net	9,784	(8,733)
Directors fees paid	(250)	(160)
Contribution towards charity	(100)	-
Net (decrease) / increase in customers' current accounts	(90,274)	113,745
Other receipts of income	444	623
Cash flows from operating activities	(80,811)	163,474
INVESTING ACTIVITIES		
Purchase of available-for-sale investments	(22,350)	(33,318)
Proceeds from sale of investment in associates	-	1,060
Proceeds from sale of available-for-sale investments	27,561	3,151
Dividend from available-for-sale investments received	132	2,742
Proceeds from sale of investment in properties	-	621
Advances towards investments	(9,583)	-
Proceeds from redemption of held-to-maturity investments	963	2,401
Income from held-to-maturity investments received	1,357	1,572
Purchase of equipment	(241)	(820)
Cash flows from investing activities	(2,161)	(22,591)
FINANCING ACTIVITIES		
Net receipts / (payments) of placements from financial institutions and others	64,785	(15,239)
Net payment for treasury shares	(106)	(3,724)
Purchase of treasury shares for employee incentive incentive scheme	-	(2,106)
Financing expenses paid	(931)	(1,787)
Dividend paid	(14,581)	(15,000)
Cash flows from financing activities	49,167	(37,856)
Net Increase in cash and cash equivalents	(33,805)	103,027
Cash and cash equivalents at 1st January	155,330	85,234
Cash and cash equivalents at 30 June	121,525	188,261
Cash and cash equivalents comprise:		
Cash and bank balances	31,334	25,367
Placements with financial institutions	90,191	162,894
	121,525	188,261

The financial statements were approved by the Board of Directors on 11th November 2009.

Dr. Fuad Abdulla Al-Omar
Chairman

Dr. Esam Yousif Janahi
Vice Chairman

Ebrahim H. Ebrahim
Chief Executive Officer and Board member

These statements have been extracted from the condensed consolidated financial information for the period ended September 2009, which were reviewed by KPMG.