## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
**as at 31 March 2013**

US$ 000's

| | Note | 31 March 2013 (reviewed) | 31 December 2012 (audited) | 31 March 2012 (reviewed) |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and bank balances | | 22,532 | 3,216 | 6,423 |
| Placements with financial institutions | | - | 14,767 | - |
| Equity-accounted investees | | 235,927 | 235,383 | 230,420 |
| Investment securities | 10 | 173,670 | 174,017 | 193,308 |
| Investment property | | 259,404 | 259,404 | 259,404 |
| Assets held-for-sale | 11 | 82,166 | 88,139 | - |
| Other assets | 12 | 123,089 | 115,531 | 109,492 |
| **Total assets** | | **896,788** | 890,457 | 799,047 |
| **LIABILITIES** | | | | |
| Investors' funds | | 13,829 | 31,428 | 27,526 |
| Placements from financial and other institutions | 13 | 126,392 | 126,017 | 132,856 |
| Financing liabilities | 14 | 222,748 | 232,827 | 293,860 |
| Liabilities held-for-sale | 11 | 39,926 | 42,655 | - |
| Other liabilities | | 71,335 | 73,871 | 84,854 |
| **Total liabilities** | | **474,230** | 506,798 | 539,096 |
| **Equity of investment account holders** | | **2,358** | 2,353 | 2,345 |
| **OWNERS' EQUITY** | | | | |
| Share capital | 4 | 681,348 | 595,087 | 353,449 |
| Treasury shares | | (525) | (2,995) | (525) |
| Share premium | | - | 13,235 | 135,981 |
| Statutory reserve | | 68,098 | 66,356 | 67,990 |
| Accumulated losses | | (331,826) | (291,280) | (300,685) |
| Other reserves | | 918 | 903 | 1,396 |
| Foreign currency translation reserve | | (2,521) | - | - |
| **Total equity attributable to shareholders of the Bank** (page 4) | | **415,492** | 381,306 | 257,606 |
| Non controlling interests | | 4,708 | - | - |
| **Total owners' equity** | | **420,200** | 381,306 | 257,606 |
| **Total liabilities, equity of investment account holders and owners' equity** | | **896,788** | 890,457 | 799,047 |

The Board of Directors approved the condensed consolidated interim financial information consisting of pages 2 to 16 on 9 May 2013.

Dr. Esam Yousif A. Janahi
*Chairman*

Ahmed Al Mutawa
*Vice Chairman*

## CONDENSED CONSOLIDATED INCOME STATEMENT
**for the three months ended 31 March 2013** US$ 000's

| | Note | Three months ended | |
|---|---|---|---|
| | | **31 March 2013** (reviewed) | 31 March 2012 (reviewed) |
| Management and other fees | | 4,740 | 1,035 |
| Income from placements with financial institutions | | 237 | 41 |
| Share of profits of equity-accounted investees | | 542 | (25) |
| Loss from investment securities, net | | - | (31) |
| Foreign exchange gain / (loss), net | | 345 | (2,552) |
| Other income | 15 | 5,242 | 14,454 |
| **Total income** | | **11,106** | 12,922 |
| Staff cost | | 1,154 | 1,934 |
| Investment advisory expenses | | 782 | 1,278 |
| Finance expense | | 4,392 | 5,115 |
| Other expenses | | 1,988 | 3,593 |
| **Total expenses** | | **8,316** | 11,920 |
| **Profit from continuing operations before impairment allowances** | | **2,790** | 1,002 |
| Impairment allowances | | (1,000) | - |
| **Profit from continuing operations** | | **1,790** | 1,002 |
| Loss from discontinued operations | | (304) | - |
| **PROFIT FOR THE PERIOD** | | **1,486** | 1,002 |
| **Attributable to:** | | | |
| Shareholders of the Bank | | 1,486 | 1,002 |
| Non-controlling interests | | - | - |
| **PROFIT FOR THE PERIOD** | | **1,486** | 1,002 |
| **Earnings per share – continuing operations** | | | |
| Basic earnings per share (US cents) | | **0.083** | 0.087 |
| Diluted earnings per share (US cents) | | **0.083** | 0.086 |

The condensed consolidated interim financial information consists of pages 2 to 16.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
**for the three months ended 31 March 2013** US$ 000's

| | Attributable to shareholders of the Bank | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **31 March 2013** (reviewed) | **Share capital** | **Treasury shares** | **Share premium** | **Statutory reserve** | **Accumula-ted losses** | **Other reserves** | **Foreign currency translation reserve** | **Total** | **Non-controlling interests** | **Total equity** |
| Balance at 1 January 2013 | 595,087 | (2,995) | 13,235 | 66,356 | (291,280) | 903 | - | 381,306 | - | 381,306 |
| Profit for the period | - | - | - | - | 1,486 | - | - | 1,486 | - | 1,486 |
| **Total recognised income and expense** | **-** | **-** | **-** | **-** | **1,486** | **-** | **-** | **1,486** | **-** | **1,486** |
| Transfer to statutory reserve (note 8) | - | - | - | 1,003 | (1,003) | - | - | - | - | - |
| Conversion of murabaha to capital (note 9) | 86,261 | (8,528) | (13,235) | - | (40,999) | - | - | 23,499 | - | 23,499 |
| Sale of treasury shares | - | 10,998 | - | - | - | - | - | 10,998 | - | 10,998 |
| Gain on sale of treasury shares | - | - | - | 739 | - | - | - | 739 | - | 739 |
| Share grants vesting expense, net of forfeitures (note 16) | - | - | - | - | - | 15 | - | 15 | - | 15 |
| Foreign currency translation differences | - | - | - | - | - | - | (2,909) | (2,909) | - | (2,909) |
| Partial disposal of assets held-for-sale (note 11) | - | - | - | - | (30) | - | 388 | 358 | 4,708 | 5,066 |
| **Balance at 31 March 2013** | **681,348** | **(525)** | **-** | **68,098** | **(331,826)** | **918** | **(2,521)** | **415,492** | **4,708** | **420,200** |

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
**for the three months ended 31 March 2013**

US$ 000's

| | Attributable to shareholders of the Bank | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31 March 2012 (reviewed) | Share capital | Treasury shares | Share premium | Statutory reserve | Accumu-lated losses | Invest-ments fair value reserve | Other reserves | Total equity |
| Balance at 1 January 2012 | 321,031 | (12,852) | 145,708 | 79,408 | (301,687) | 403 | 1,377 | 233,388 |
| Profit for the period | - | - | - | - | 1,002 | - | - | 1,002 |
| Transfer to income statement on disposal | - | - | - | - | - | (403) | - | (403) |
| Total reocgnised income and expense | - | - | - | - | 1,002 | (403) | - | 599 |
| Conversion of murabaha to capital | 32,418 | - | (9,727) | - | - | - | - | 22,691 |
| Sale of treasury shares | - | 12,327 | - | - | - | - | - | 12,327 |
| Loss on sale of treasury shares | - | - | - | (11,418) | - | - | - | (11,418) |
| Share grants vesting expense, net of forfeitures (note 16) | - | - | - | - | - | - | 19 | 19 |
| Balance at 31 March 2012 | 353,449 | (525) | 135,981 | 67,990 | (300,685) | - | 1,396 | 257,606 |

The condensed consolidated interim financial information consists of pages 2 to 16.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
**for the three months ended 31 March 2013** US$ 000's

| | Three months ended | |
|---|---|---|
| | **31 March 2013** (reviewed) | 31 March 2012 (reviewed) |
| **OPERATING ACTIVITIES** | | |
| Placements with / from financial institutions, net | 14,767 | 12,721 |
| Investors' funds, net | (615) | (4,746) |
| Management fees received | - | 650 |
| Income received from placements with financial institution | 237 | 42 |
| Payment for expenses and project costs | (5,998) | (2,833) |
| **Net cash generated from operating activities** | **8,391** | 5,834 |
| **INVESTING ACTIVITIES** | | |
| Acquisition of investment securities | (153) | - |
| Payments for assets held-for-sale | (1,129) | - |
| Advance paid for acquisition of investments | (3,860) | - |
| Proceeds from sale of investment securities | - | 742 |
| **Net cash (used in) / generated from investing activities** | **(5,142)** | 742 |
| **FINANCING ACTIVITIES** | | |
| Financing liabilities, net | (4,705) | (3,505) |
| Finance expense paid | (4,461) | (4,374) |
| Proceeds from issue of convertible murabaha | 13,499 | - |
| Proceeds from sale of treasury shares | 11,737 | 909 |
| Dividends paid | (3) | (4) |
| **Net cash generated from / (used in) financing activities** | **16,067** | (6,974) |
| **INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS** | **19,316** | (398) |
| Effect of exchange differences on cash and cash equivalents | (119) | - |
| Cash and cash equivalents at 1 January | 5,105 | 6,821 |
| **CASH AND CASH EQUIVALENTS at 31 March** | **24,302** | 6,423 |
| **Cash and cash equivalents comprise:** | | |
| Cash and bank balances | 22,532 | 6,423 |
| Cash and bank balances included in assets held-for-sale | 1,770 | - |
| | **24,302** | 6,423 |

The condensed consolidated interim financial information consists of pages 2 to 16.