Interim Condensed Financial Statements - Period ended 30 June 2009

STATEMET OF FINANCIAL POSITION

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
	BD	BD
ASSETS		
Cash and balances with Central Bank of Bahrain	**66,340,620**	83,533,981
Central Bank of Bahrain Sukuk	**34,539,413**	31,095,000
Murabaha with banks	**107,613,003**	87,167,449
Murabaha financing	**123,794,945**	72,483,745
Ijarah Muntahia Bittamleek	**42,933,112**	41,530,784
Non-trading investments	**161,572,213**	116,929,500
Investment in an associate	**7,949,342**	8,011,913
Investment properties	**1,177,528**	1,177,528
Receivables and prepayments	**52,728,379**	21,032,829
Premises and equipment	**2,258,899**	2,583,796
Assets held-for-sale	**39,742,962**	88,934,033
TOTAL ASSETS	**640,650,416**	554,480,558
LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY		
LIABILITIES		
Murabaha from banks	**93,229,235**	32,880,685
Wakala from non-banks	**327,718,508**	289,004,770
Customers' current accounts	**4,582,806**	3,231,303
Other liabilities	**12,913,518**	10,755,559
Total liabilities, excluding unrestricted investment accounts	**438,444,067**	335,872,317
UNRESTRICTED INVESTMENT ACCOUNTS	**31,962,221**	46,124,760
Total liabilities, including unrestricted investment accounts	**470,406,288**	381,997,077
EQUITY		
Share capital	**120,000,000**	120,000,000
Reserves and retained earnings	**50,244,128**	39,660,956
Proposed appropriations	**-**	12,822,525
	170,244,128	172,483,481
TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY	**640,650,416**	554,480,558

STATEMENT OF INCOME

	Three months ended 30 June 2009 (Unaudited)	Three months ended 30 June 2008 (Unaudited)	Six months ended 30 June 2009 (Unaudited)	Six months ended 30 June 2008 (Unaudited)
	BD	BD	BD	BD
Income from financing contracts	**3,052,167**	2,890,238	**5,461,338**	5,613,759
Gain on disposal of assets held-for-sale	**3,992,748**	8,858,121	**13,344,081**	17,379,609
Gains on investments designated as fair value through profit or loss	**1,950,449**	904,476	**3,961,270**	1,125,588
Other operating income	**327,091**	939,897	**746,892**	1,641,110
Total operating income	**9,322,455**	13,592,732	**23,513,581**	25,760,066
Less: Profit on Murabaha from banks	**(157,787)**	(636,075)	**(275,944)**	(1,146,099)
Less: Profit on Wakala from non-banks	**(3,370,878)**	(2,059,732)	**(6,571,228)**	(3,685,675)
Less: Profit on unrestricted investment accounts	**(28,729)**	(49,102)	**(59,670)**	(119,399)
Net operating income	**5,765,061**	10,847,823	**16,606,739**	20,808,893
Staff costs	**1,812,669**	1,867,590	**3,666,753**	3,618,900
Premises and equipment cost	**213,981**	159,899	**386,036**	253,920
Depreciation	**258,654**	220,629	**511,771**	437,237
Other operating expenses	**741,043**	739,002	**1,396,436**	1,216,099
	3,026,347	2,987,120	**5,960,996**	5,526,156
NET PROFIT FOR THE PERIOD	**2,738,714**	7,860,703	**10,645,743**	15,282,737
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	**1,200,000,000**	1,200,000,000	**1,200,000,000**	1,200,000,000
BASIC EARNINGS PER SHARE (FILS)	**2.3**	6.6	**8.9**	12.7

STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30 June 2009 (Unaudited)	Three months ended 30 June 2008 (Unaudited)	Six months ended 30 June 2009 (Unaudited)	Six months ended 30 June 2008 (Unaudited)
	BD	BD	BD	BD
NET PROFIT FOR THE PERIOD	**2,738,714**	7,860,703	**10,645,743**	15,282,737
Other comprehensive income:				
Exchange differences on investment in an associate	**213,997**	-	**(62,571)**	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**2,952,711**	7,860,703	**10,583,172**	15,282,737

STATEMENT OF CASH FLOWS

	Six months ended 30 June 2009 (Unaudited)	Six months ended 30 June 2008 (Unaudited)
	BD	BD
Net cash from operating activities	**28,931,182**	52,417,331
Net cash used in investing activities	**(186,874)**	(184,485)
Net cash (used in) from financing activities	**(23,738,177)**	22,198,189
NET CHANGE IN CASH AND CASH EQUIVALENTS	**5,006,131**	74,431,035
Cash and cash equivalents at 1 January	**156,204,000**	233,608,190
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**161,210,131**	308,039,225

STATEMENT OF CHANGES IN EQUITY

	Six months ended 30 June 2009 (Unaudited)	Six months ended 30 June 2008 (Unaudited)
	BD	BD
Balance at the beginning of the period	**172,483,481**	159,470,877
Dividends	**(12,000,000)**	(12,000,000)
Zakah	**(822,525)**	(529,087)
Total comprehensive income for the period	**10,583,172**	15,282,737
Balance at the end of the period	**170,244,128**	162,224,527

Mohamed Alabbar
Chairman

Yousif Taqi
Director & CEO

These financial statements were extracted from the financial statements on which Ernst & Young issued an unqualified review report dated 7 July, 2009.
These financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 7 July, 2009.

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