Financial Results for Third Quarter 2006

Consolidated Balance Sheet

as at 30 September 2006

US$ 000's

	30 September 2006 (reviewed)	31 December 2005 (audited)	30 September 2005 (reviewed)
ASSETS			
Cash and balances with banks	11,974	13,412	10,333
Due from financial and non-financial institutions	767,536	702,882	507,531
Investments in equity securities	303,615	189,235	140,500
Other investments	59,933	61,373	36,217
Assets held for sale	18,546	25,327	59,517
Trading properties	22,437	8,660	10,626
Other assets	109,394	97,184	73,035
Equipment	3,633	1,694	1,800
Total assets	**1,297,068**	**1,099,767**	**839,559**
LIABILITIES			
Investors' funds	322,181	477,775	194,503
Customers current accounts	7,606	5,090	-
Due to financial and non-financial institutions	241,726	176,145	273,913
Other liabilities	61,282	52,693	29,800
Total liabilities	**632,795**	**711,703**	**498,216**
Unrestricted investment accounts	**30,169**	**35,700**	**18,674**
EQUITY			
Share capital	212,674	149,771	149,771
Advance towards share capital	2,363	-	-
Treasury shares	(10,009)	-	-
Share premium	178,321	31,487	31,487
Statutory reserve	24,591	24,621	10,576
Available-for-sale investments fair value reserve	988	227	17,243
Retained earnings	225,176	146,258	112,293
Total equity attributable to shareholders of the parent company	**634,104**	**352,364**	**321,370**
Minority interest	-	-	1,299
Total equity	**634,104**	**352,364**	**322,669**
Total liabilities, unrestricted investment accounts and equity	**1,297,068**	**1,099,767**	**839,559**
OFF-BALANCE SHEET ITEMS			
Restricted investment accounts	**99,738**	**57,326**	**47,356**

The Directors approved the condensed interim consolidated financial information on 28 October 2006.

Fuad Abdulla Al-Omar
Chairman

Esam Yousif A. Janahi
Chief Executive Officer & Board Member

Consolidated Income Statement

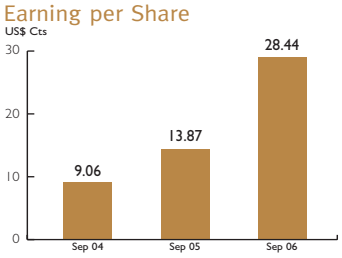
for the nine months ended 30 September 2006

US$ 000's

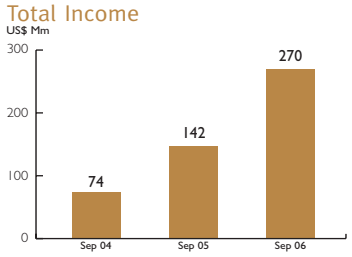
	Nine months ended		Three months ended	
	30 September 2006 (reviewed)	30 September 2005 (reviewed)	30 September 2006 (reviewed)	30 September 2005 (reviewed)
INCOME				
Income from investment advisory services	217,340	109,587	77,200	29,363
Placement, management and arrangement fees	16,727	15,758	7,021	9,269
Income from investment securities	3,485	6,447	31	4,458
Income from Murabaha and other financing	31,965	9,269	11,783	4,020
Other income	149	992	(779)	992
Total income	**269,666**	**142,053**	**95,256**	**48,102**
EXPENSES				
Staff costs	49,878	23,179	18,893	7,525
Investment advisory expenses	17,523	17,535	7,834	7,096
Murabaha expenses	17,673	5,115	7,148	2,538
Provision for impairment on investments	2,813	-	-	-
Other operating expenses	4,963	3,262	1,681	783
Depreciation	925	588	424	195
Total expenses	**93,775**	**49,679**	**35,980**	**18,137**
PROFIT FOR THE PERIOD	**175,891**	**92,374**	**59,276**	**29,965**
Attributable to:				
Shareholders of the parent company	175,891	92,321	59,276	29,944
Minority interest	-	53	-	21
	175,891	**92,374**	**59,276**	**29,965**
Earnings per share attributable to shareholders of the parent				
Basic earnings per share (US cents)	28.44	13.87	9.26	5.30

These statements have been extracted from the condensed interim consolidated financial information for the nine months ended September, 2006, which were reviewed by KPMG.

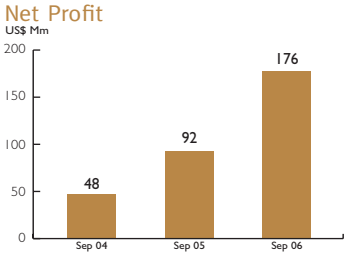
Earning per Share



Total Income



Net Profit



Gulf Finance House

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