In the Name of Allah
The most Gracious and Merciful



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Condensed consolidated interim financial statements (un-audited) as of 30 September 2009

Emirates Islamic Bank (PJSC)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (un-audited)
For the nine-months period ended 30 September 2009

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Independent auditors' report on review of condensed consolidated interim financial information

The Shareholders
EMIRATES ISLAMIC BANK PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Emirates Islamic Bank PJSC ("the Bank") and its subsidiaries (collectively referred as "the Group") as at 30 September 2009 and the related condensed consolidated interim statements of comprehensive income (comprising of a condensed consolidated interim statement of comprehensive income and a separate condensed consolidated interim statement of income), condensed consolidated interim statement of cash flows and condensed consolidated interim statement of changes in shareholders' equity for the nine-month period then ended ("the condensed consolidated interim financial information). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Financial Reporting Standards IAS 34, "*Interim financial reporting*". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 September 2009 is not prepared, in all material respects, in accordance with IAS 34, "*Interim Financial Reporting*".

KPMG

By: Munther Dajani
Registration No: 268
Date:

20 OCT 2009

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Emirates Islamic Bank (PJSC)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME (un-audited)
For the nine-months period ended 30 September 2009

	For 3 months period ended 30 September 2009	For 3 months period ended 30 September 2008	For 9 months period ended 30 September 2009	For 9 months period ended 30 September 2008
	AED'000	AED'000	AED'000	AED'000
INCOME				
Income from financing activities, net	264,513	228,428	794,781	614,201
Income/(Loss) from investment securities designated at fair value	20,433	12,862	(72,196)	45,490
Income from other investments	19,319	28,880	77,214	108,319
Income from Group Holding Company, net	30,982	13,763	52,304	50,788
Property related income, net	5,016	4,560	13,090	16,063
Commissions and fees income, net	45,432	45,908	124,295	214,173
Other operating income	10,025	56,340	108,240	121,476
TOTAL INCOME	**395,720**	**390,741**	**1,097,728**	**1,170,510**
EXPENSES				
General and administrative expenses	97,675	102,923	296,851	281,231
Depreciation of investment properties	3,020	2,058	7,146	6,184
Allowances for impairment net of recoveries	102,111	8,863	191,045	21,321
TOTAL EXPENSES	**202,806**	**113,844**	**495,042**	**308,736**
NET OPERATING INCOME	**192,914**	**276,897**	**602,686**	**861,774**
Investment, saving and Wakala accounts' share of profit	(153,406)	(152,910)	(462,323)	(418,499)
Minority Interest	117	-	485	105
SHAREHOLDERS' PROFIT (NET INCOME)	**39,625**	**123,987**	**140,848**	**443,380**
Earnings per share (Dirham) (Note 3)	**0.03**	**0.10**	**0.09**	**0.37**

The attached notes 1 to 20 form an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1

Emirates Islamic Bank (PJSC)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (un-audited)
For the nine-months period ended 30 September 2009

	For 3 months period ended 30 September 2009	For 3 months period ended 30 September 2008	For 9 months period ended 30 September 2009	For 9 months period ended 30 September 2008
	AED'000	AED'000	AED'000	AED'000
SHAREHOLDERS' PROFIT (NET INCOME)	**39,625**	**123,987**	**140,848**	**443,380**
Other comprehensive income:				
Cumulative changes in fair value reserve	(2,135)	(1,465)	(17,124)	39,460
Write off revaluation reserve on donated land	-	-	-	(144,000)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**37,490**	**122,522**	**123,724**	**338,840**

The attached notes 1 to 20 form an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1

Emirates Islamic Bank (PJSC)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (un-audited)
As of 30 September 2009

	Note	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
ASSETS			
Cash, and balances with U.A.E Central Bank		1,047,878	1,643,918
Due from banks	4	24,110	27,389
Due from Group Holding Company, net		3,141,846	849,958
Financing receivables	5	16,751,534	17,855,630
Investments	6	3,943,094	4,120,379
Investment properties	7	454,159	395,647
Investment properties under development	8	1,010,494	859,546
Prepayments and other assets		420,989	591,364
Fixed assets		65,002	56,619
TOTAL ASSETS		**26,859,106**	**26,400,450**
LIABILITIES			
Customers' accounts	9	20,363,557	19,582,652
Due to banks		1,656,533	2,099,912
Other liabilities		859,819	1,004,743
Zakat payable		-	17,185
Investment Wakala	10	1,081,872	2,021,872
TOTAL LIABILITIES		**23,961,781**	**24,726,364**
SHAREHOLDERS' EQUITY			
Share capital	11	2,314,688	934,375
Statutory reserve		187,659	187,659
General reserve		93,438	93,438
Cumulative changes in fair value	12	(5,431)	11,693
Retained earnings		214,567	354,032
TOTAL SHAREHOLDERS' EQUITY		**2,804,921**	**1,581,197**
MINORITY INTEREST	13	92,404	92,889
TOTAL EQUITY		**2,897,325**	**1,674,086**
TOTAL LIABILITES AND EQUITY		**26,859,106**	**26,400,450**
COMMITMENTS AND CONTINGENT LIABILIITES		**4,167,322**	**4,301,897**
ASSETS UNDER MANAGEMENT	14	**1,485,550**	**1,485,550**
RESTRICTED INVESTMENT ACCOUNTS	15	**280,554**	**150,000**

These condensed consolidated interim financial statements approved and authorized for issue by the Board of Directors on 20 October 2009 and signed on its behalf by:

Chairman **Chief Executive Officer**

The attached notes 1 to 20 form an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1

Emirates Islamic Bank (PJSC)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (un-audited)

For the nine-months period ended 30 September 2009

	For 9 months period ended 30 September 2009	For 9 months period ended 30 September 2008
OPERATING ACTIVITIES	**AED'000**	**AED'000**
Profit for the period	140,848	443,380
Adjustments:		
Allowances for impairment on financing receivables, net	187,939	21,321
Loss/(Gain) on revaluation of investment securities	96,041	-
Impairment allowances on investment securities	3,106	-
Dividend income	(23,491)	(31,933)
Gain on sale of investment properties	-	(669)
Provision write back	(14,592)	-
Depreciation on investment properties	7,146	6,184
Depreciation on fixed assets	17,280	12,791
Operating profit before changes in assets and liabilities	**414,277**	**451,074**
Change in reserves with U.A.E Central Bank	173,285	(580,064)
Change in due from Group Holding Company	18,237	(2,790,284)
Change in due to banks	(427,466)	-
Change in financing receivables	916,157	(5,897,508)
Change in prepayments and other assets	170,374	(266,087)
Change in customers' accounts	780,904	7,902,757
Change in other liabilities	(147,453)	89,412
Directors' Remuneration	-	-
Zakat paid	(17,185)	(13,426)
Net cash provided/ (used in) by operating activities	**1,881,130**	**(1,104,126)**
INVESTING ACTIVITIES		
Purchase of investment securities	-	(1,085,182)
Proceeds from sale/repayment of investment securities	78,138	15,157
Dividend received	23,491	31,933
Purchase of investment properties	(65,659)	(76,409)
Proceeds from sale of investments properties	-	5,500
Changes in investment properties under development	(150,948)	(252,545)
Changes in fixed assets	(25,663)	(19,461)
Net cash used in investing activities	**(140,641)**	**(1,381,007)**
FINANCING ACTIVITIES		
Due to Group Holding Company (Investment Wakala)	(940,000)	-
Minority interest	(485)	92,895
Issue of right shares	1,100,000	-
Net cash provided by financing activities	**159,515**	**92,895**
Net Change in cash and cash equivalents	**1,900,004**	**(2,392,238)**
Cash and Cash equivalent at the beginning of the period	5,293,475	2,855,313
Cash and cash equivalents at the end of the period	**7,193,479**	**463,075**

The attached notes 1 to 20 form an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1

Emirates Islamic Bank (PJSC)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (un-audited)

For the nine-months period ended 30 September 2009

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE GROUP									
	Share capital	**Statutory reserve**	**General reserve**	**Cumulative changes in fair value**	**Revaluation reserve**	**Mudaraba pool reserve**	**Retained earnings**	**Total**	**Minority Interest**	**Group Total**
	AED'000	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**
As of 1 January 2008	747,500	147,599	74,750	-	144,000	6,175	212,882	1,332,906	-	1,332,906
Total comprehensive income for the period	-	-	-	39,460	(144,000)	-	443,380	338,840	-	338,840
Issue of bonus shares	186,875	-	-	-	-	-	(186,875)	-	-	-
Investment in Subsidiaries	-	-	-	-	-	-	-	-	92,889	**92,889**
As of 30 September 2008	**934,375**	**147,599**	**74,750**	**39,460**	**-**	**6,175**	**469,387**	**1,671,746**	**92,889**	**1,764,635**
As of 1 January 2009	934,375	187,659	93,438	11,693	-	-	354,032	1,581,197	92,889	**1,674,086**
Issue of right shares	1,100,000	-	-	-	-	-	-	1,100,000	-	1,100,000
Total comprehensive income for the period	-	-	-	(17,124)	-	-	140,848	123,724	(485)	**123,239**
Issue of bonus shares	280,313	-	-	-	-	-	(280,313)	-	-	-
As of 30 September 2009	**2,314,688**	**187,659**	**93,438**	**(5,431)**	**-**	**-**	**214,567**	**2,804,921**	**92,404**	**2,897,325**

The attached notes 1 to 20 form an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1

Emirates Islamic Bank (PJSC)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine-months period ended 30 September 2009

1. ACTIVITIES

Emirates Islamic Bank formerly Middle East Bank (the "Bank") was incorporated by a decree of His Highness the Ruler of Dubai as a conventional Bank with limited liability in the Emirate of Dubai on 3rd of October 1975. The Bank was reregistered as a Public Joint Stock Company in July 1995 and is regulated by Central Bank of United Arab Emirates.

At an extraordinary general meeting held on 10th of March 2004, a resolution was passed to transform the Bank's activities to be in full compliance with the Islamic Sharia. The entire process was completed on 9th of October 2004 (the "Transformation Date") when the Bank obtained UAE Central Bank and other UAE authorities' approvals.

The Bank is a subsidiary of Emirates Bank International PJSC, Dubai (the "Group Holding Company") and Emirates Bank International is a subsidiary of Emirates NBD Company. The Bank is listed at Dubai Financial Market.

In addition to its head office in Dubai, the Bank operates through 30 branches in the UAE. The accompanying Condensed Consolidated Interim Financial Statements combine the activities of the Bank's head office and its branches and the following two subsidiaries (together referred as "the Group").

	Date of Incorporation & Country	Principal Activity	Ownership %
Emirates Islamic Financial Brokerage Co. LLC	26 April 2006, UAE	Financial brokerage services	99.99%
Ithmar Real Estate Development Co. PSC	9 June 2008, UAE	Real estate holding and trust companies	40%

The Bank exercises the controls on the management of Ithmar Real Estate Development Co. PSC through holding the majority of votes of its Board of Directors.

The Bank provides full commercial and banking services and offers a variety of products through Islamic financing and investing instruments in accordance with Islamic Sharia.

As of 30th of September 2009 the Bank employed 1,182 employees (31 December 2008: 1,281 employees).

The Bank's registered office address is P.O. Box 6564, Dubai, United Arab Emirates.

2. BASIS OF PREPARATION

a) Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standard ("IFRS") IAS 34, 'Interim Financial Reporting'. They do not include all the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2008.

The Condensed consolidated interim financial statements have been presented in UAE Dirham (the official currency of the group) rounded to the nearest thousand.

2. BASIS OF PREPARATION *(Continued)*

b) Basis of Measurement

The condensed consolidated interim financial statements have been prepared under the historical cost convention except for the following:
- Financial assets at fair value through income statement are measured at fair value.
- Available- for-sale financial assets are measured at fair value.

c) Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its most recent audited annual consolidated financial statements for the year ended 31 December 2008.

New and revised accounting standards and interpretations effective 1 January 2009.

IFRS 8 – "Operating segments"

This new standard, which has been adopted for the preparation of these condensed consolidated interim financial statements, introduces the "management approach" for to segment reporting. Currently the Group presents segment information in respect of its business and geographical segments. This standard does not affect Group's reported profit or loss or equity.

Revised IAS 1 – "Presentation of financial statements"

This revised standard, which has been adopted for first time in preparation of these condensed consolidated interim financial statements, affects the presentation of owners' changes in equity and of comprehensive income. It does not change the recognition, measurement or disclosure of specific transactions and other events required by other IFRSs.

d) Judgments and Estimates

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reporting amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2008.

e) FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives, policies and procedure are consistent with those disclosed in the audited consolidated financial statements for the year ended 31 December 2008.

3. EARNINGS PER SHARE *(DIRHAM)*

The calculation of earnings per share is based on earnings of AED 140,848,000 and AED 39,625,000 for the period of nine months and three months respectively ended 30 September 2009(30 September 2008:443,380,000 and AED123,987,000) , divided by the weighted average of the number of the shares outstanding during the period 1,489,688,000 (30 September 2008: 1,214,688,000). There is no dilution effect on basic earnings per share.

4. DUE FROM BANKS

	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
Due from local banks	21	21
Due from foreign banks	24,089	27,368
	24,110	**27,389**

5. FINANCING RECEIVABLES

	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
Financing receivables comprise:		
Commodities Murabaha	2,322,518	3,066,303
Vehicles Murabaha	2,800,443	3,117,394
Syndication Murabaha	111,117	146,817
Real Estates Murabaha	176,838	246,225
Total Murabaha	5,410,916	6,576,739
Istisnaa	1,950,827	1,486,386
Ijarah	5,798,209	4,835,241
Credit card receivables	527,957	471,789
Others	874,933	1,899,494
	14,562,842	15,269,649
Less: Deferred income	(707,844)	(850,515)
Less: Allowance for Impairment	(404,460)	(201,320)
	13,450,538	**14,217,814**
Financing Wakala	3,300,996	3,637,816
Total financing receivables	**16,751,534**	**17,855,630**

5. FINANCING RECEIVABLES (Continued)

	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
Analysis by Economic Activity		
Agriculture and related activities	1,820	1,698
Mining and Quarrying	4,411	382
Manufacturing	413,199	573,404
Construction	1,580,645	1,911,958
Trade	772,980	1,130,533
Transportation and communication	594,187	590,261
Services	1,888,065	1,479,622
Personal	3,476,411	3,906,404
Real Estates	5,622,584	4,894,461
Financial Institutions	2,999,424	3,500,331
Others	510,112	918,411
	17,863,838	18,907,465
Less: Deferred income	(707,844)	(850,515)
Less: Allowance for impairment	(404,460)	(201,320)
	16,751,534	**17,855,630**
Movement in allowances for impairment:		
Balances at the beginning of the period/year	201,320	157,748
Allowances for impairment made during the period/year	210,077	68,547
Recoveries	(6,937)	(24,317)
Amounts written off	-	(658)
Balance at the end of the period/year	**404,460**	**201,320**

6. INVESTMENTS

	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000 Restated
Equity Shares	151,972	181,493
Funds	535,735	601,198
Held-to-maturity	1,543,124	1,588,730
Available-for-sale	1,727,759	1,776,549
	3,958,590	4,147,970
Less: Impairment on investments	(15,496)	(27,591)
	3,943,094	**4,120,379**
Investment securities comprise:		
Quoted	687,707	949,032
Unquoted	3,255,387	3,171,347
	3,943,094	**4,120,379**
Investment securities located at:		
Investments within UAE	1,733,671	1,851,016
Investments outside UAE	2,209,423	2,269,363
	3,943,094	**4,120,379**

Reclassification of investments

Pursuant to the change in management intent of holding the Sukuk portfolio till maturities of respective obligations and review of appropriateness of classification of certain investment classified as fair value through profit and loss and held-to-maturity, the group effective from 30th June 2009 has reclassified certain investments as permitted by the relevant International Accounting Standards. The reclassification has following impact on these condensed consolidated interim financial statements.

Balance sheet as at 30 June 2009

	AED'000
Decrease in available-for-sale financial assets	(1,003,735)
Increase in held-to-maturity investments	1,003,735

The change in reclassification will have similar effect as above on the comparative figures in the balance sheet and nil effect on current period or prior period net profits, retained earnings, net assets and equity.

Majority of the securities classified as investment-available-for sale are measured at cost as their fair value cannot be reliably measured. Management assess that fair value of these securities are not materially different from their carrying value.

7. INVESTMENT PROPERTIES	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
Balance at the beginning of the period/year	411,204	269,778
Properties purchased	65,658	254,740
Properties reclassified under investment properties under development	-	(108,483)
Properties sold	-	(4,831)
	476,862	411,204
Less: Accumulated depreciation	(22,703)	(15,557)
	454,159	**395,647**
Investment properties comprise:		
Lands	166,373	166,373
Buildings, net	287,786	229,274
Balance at the end of the period/year	**454,159**	**395,647**

The management assessed that the fair value of the investment properties are not materially changed as compared with the fair value as of 31 December 2008.

All investment properties are located within the United Arab Emirates.

8. INVESTMENT PROPERTIES UNDER DEVELOPMENT	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
Land under development	582,938	474,455
Properties reclassified as investment properties under development	-	108,483
	582,938	582,938
Civil work in progress	427,556	276,608
	1,010,494	**859,546**

All investment properties under development are located within the United Arab Emirates.

9. CUSTOMERS' ACCOUNTS

	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
Resident customer accounts	20,038,641	19,000,079
Non-Resident customer accounts	324,916	582,573
	20,363,557	**19,582,652**

10. INVESTMENT WAKALA

	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
Ministry of Finance of UAE	1,081,872	1,081,872
Group Holding Company	-	940,000
	1,081,872	**2,021,872**

(a) Investment wakala from Ministry of finance of UAE

The Bank has received funds, on Wakala basis, aggregating to AED 1,081,872,000 in December 2008 from the Ministry of Finance, Government of UAE, payable after five years (extendable up to seven years), subject to certain conditions as per the Wakala agreement.

(b) Investment wakala from Group Holding Company

Investment wakala of AED 940,000,000 has been utilized in the Group holding company's subscription of right shares issued by the Bank on 29 June 2009.

11. SHARE CAPITAL

The Bank has increased its authorized share capital to AED 3,000,000,000 and it's paid up capital by AED 1,380,313,000 to reach AED 2,314,688,000 through a resolution of the extra ordinary general meeting dated 28 June 2009.

The Bank has issued 1,100,000,000 new right shares at a nominal value of AED 1 each and the amount of the subscribed and fully paid shares at the end of period was AED 1,100,000,000.

12. CUMULATIVE CHANGES IN FAIR VALUE

Cumulative changes in fair value represent the revaluation deficit on available-for-sale investment for the period. The shareholders' portion of the revaluation deficit during the period is AED 17,124,000.

13. MINORITY INTEREST

Minority interest of AED 92,404,000 represents the 60% of shares of Ithmar Real Estate Development Co. not owned by the Bank (note 1).

14. ASSETS UNDER MANAGEMENT

Assets under management comprise:

(a) Sukuk assets

During June 2007, the Bank has facilitated issuance of "Investment Sukuk" aggregating to AED 1,285,550,000 (US$ 350,000,000) through the sale of "Ijarah Assets" at carrying value to Emirates Islamic Bank Sukuk Company Limited ("the Issuer"). These Sukuk are issued by the Issuer who is also acting as the trustee for the Sukuk holders.

The issuer, by the virtue of the Management Agreement, has assigned the management of the sukuk assets of the issuer to the Bank. The Bank is managing these assets for management fees in accordance with the provisions of this agreement.

On maturity of the Sukuk, the Sukuk holder has the option to redeem the Sukuk at face value.
This option is guaranteed by the Group Holding Company of the Bank. Therefore the separate financial statements of the Bank and its subsidiaries have shown these assets as Off Balance Sheet as required by the Bank's Fatwa and Sharia Supervisory Board.

(b) Wakala assets

The balance of Wakala assets under management as at 30th September 2009 is AED 200,000,000 (31st December 2008: AED 200,000,000) and belongs to the Group Holding Company which bears the risks of these assets.

15. RESTRICTED INVESTMENT ACCOUNTS

The Bank received funds from certain customers, by virtue of special agreements, to invest, on their behalf, in certain projects or activities in return for management fees. The risk of such investments is borne by the customers, unless the Bank defaults, neglects or violates any of the terms and conditions of the agreement. These are shown as off balance sheet items.

16. RELATED PARTY TRANSACTIONS

The Bank has transactions carried out in the normal course of business with the Emirates NBD Group and with certain staff, shareholders, directors and entities in which the Bank, its shareholders and directors have significant interests.

Related party transactions are as follows:

	Un-Audited For 9 months ended 30 September 2009	Un-Audited For 9 months ended 30 September 2008
	AED'000	AED'000
Income Statement		
(Loss)/Income from fund managed by Group Holding Company	(58,277)	23,142
Income from group holding company, net	52,304	50,788
Key management personnel compensations	10,815	7,725
Key management personnel compensations - Retirements benefits	281	401

	Un-Audited 30 Sep 2009	Audited 31 Dec 2008
	AED'000	AED'000
Balance sheet		
Due from Group Holding Company, net	3,141,846	849,958
Investment Wakala from Group Holding Company	-	940,000
Investment Wakala from National Bank of Dubai (a subsidiary of ENBD Group)	-	650,000
Investment in funds managed by Group	535,735	597,534
Financing receivables - Directors	94,498	136,927
Financing receivables - Key management personnel	18,210	45,187
Current and Investment accounts - Directors	53,830	80,330
Assets under management		
EIB Sukuk Company	1,285,550	1,285,550
Wakala- Group Holding Company	200,000	200,000

17. SEGMENT REPORTING

The Bank's activities comprise the following main business segments:

Corporate and Investment
Within this business segment, the Bank provides to corporate customers a range of products and services and accepts their deposits. This segment invests in investment securities, Sukuk, Funds and Real Estate.

Retail
Retail segment provides a wide range of products and services to individuals and accepts their deposits.

Treasury
This segment mainly includes Murabaha deals with Emirates Bank International.

Subsidiaries
The condensed consolidated interim financial statements include the following figures related to subsidiaries:

	Assets AED'000	Liabilities AED'000	Net profit/(loss) AED'000
Emirates Islamic Financial Brokerage Co. LLC	34,633	1,542	129
Ithmar Real Estate Development Co. PSC	178,454	23,639	(809)

17. SEGMENT REPORTING *(Continued)*

	Corporate & Investment		Retail		Treasury		Total	
	For 9 months ended 30 September 2009	For 9 months ended 30 September 2008	For 9 months ended 30 September 2009	For 9 months ended 30 September 2008	For 9 months ended 30 September 2009	For 9 months ended 30 September 2008	For 9 months ended 30 September 2009	For 9 months ended 30 September 2008
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Income Statement								
Segment income	582,325	590,876	229,582	193,197	52,304	50,788	864,211	834,861
Inter segment wakala income	(303,709)	(258,326)	269,433	248,379	34,276	9,947	-	-
Commission, Fees & Other Income	124,320	212,923	94,606	122,726	14,591	-	233,517	335,649
Total income	**402,936**	**545,473**	**593,621**	**564,302**	**101,171**	**60,735**	**1,097,728**	**1,170,510**
General and administrative expenses	(97,970)	(99,421)	(198,881)	(181,810)	-	-	(296,851)	(281,231)
Depreciation of investment properties	(7,146)	(6,184)	-	-	-	-	(7,146)	(6,184)
Total expenses	**(105,116)**	**(105,605)**	**(198,881)**	**(181,810)**	**-**	**-**	**(303,997)**	**(287,415)**
Net operating income	**297,820**	**439,868**	**394,740**	**382,492**	**101,171**	**60,735**	**793,731**	**883,095**
Allowance for Impairment net of recoveries	(111,281)	(6,711)	(79,764)	(14,610)	-	-	(191,045)	(21,321)
	186,539	**433,157**	**314,976**	**367,882**	**101,171**	**60,735**	**602,686**	**861,774**
Investment, saving and wakala accounts' share of profit	(186,881)	(163,773)	(275,442)	(254,726)	-	-	(462,323)	(418,499)
Minority Interest	-	-	-	-	-	-	485	105
Shareholders' profit (net income)	**(342)**	**269,384**	**39,534**	**113,156**	**101,171**	**60,735**	**140,848**	**443,380**

17. SEGMENT REPORTING *(continued)*

	Corporate & Investment		Retail		Treasury		Total	
	30-Sep-09	31-Dec-08	30-Sep-09	31-Dec-08	30-Sep-09	31-Dec-08	30-Sep-09	31-Dec-08
Balance Sheet	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Assets								
Segment assets	16,144,671	17,812,286	5,004,118	4,707,172	3,226,460	1,431,366	24,375,249	23,950,824
Central Bank Reserve Requirements	366,646	435,960	549,969	653,940	-	-	916,615	1,089,900
Unallocated assets	-	-	-	-	-	-	1,567,242	1,359,726
Total Assets	**16,511,317**	**18,248,246**	**5,554,087**	**5,361,112**	**3,226,460**	**1,431,366**	**26,859,106**	**26,400,450**
Liabilities and Equity								
Segment liabilities	7,879,927	9,065,037	15,644,487	13,027,025	2,465,117	3,409,884	25,989,531	25,501,946
Unallocated liabilities	-	-	-	-	-	-	777,171	805,615
Minority Interest	-	-	-	-	-	-	92,404	92,889
Total Liabilities and Equity	**7,879,927**	**9,065,037**	**15,644,487**	**13,027,025**	**2,465,117**	**3,409,884**	**26,859,106**	**26,400,450**

18. CAPITAL ADEQUACY RATIO

	Un-Audited 30 Sep 2009 AED'000	Audited 31 Dec 2008 AED'000
TIER I CAPITAL		
Share capital	2,314,688	934,375
Legal reserves	187,659	187,659
General reserve	93,438	93,438
Retained earnings	214,567	354,032
Total tier I capital	**2,810,352**	**1,569,504**
TIER II CAPITAL		
Investment Wakala (Subordinated Term Loan)	1,081,872	940,000
Cumulative changes in fair value	(5,431)	5,262
Total tier II capital	**1,076,441**	**945,262**
CAPITAL BASE	**3,886,793**	**2,514,766**
RISK WEIGHTED ASSETS		
Credit risk, on-balance sheet items	21,395,328	21,398,230
Credit risk, off-balance sheet items	1,835,085	1,871,079
	23,230,413	**23,269,309**
CAPITAL ADEQUACY RATIO BASEL I	**16.73%**	**10.81%**

19. INTERIM MEASUREMENT

The nature of the Group's business is such that income earned or expenses incurred are in a manner which is not impacted by any forms of seasonality. These condensed consolidated interim financial statements are prepared based upon an accrual concept, which requires income and expenses for the period to be recorded as earned or incurred in the same period not as received or paid throughout the period.

20. COMPARATIVE FIGURES

Certain prior year/period balances have been reclassified to conform to the current period presentation.