

Financial Results for the six months ended 30 June 2011



Condensed Consolidated Statement of Financial Position

as at 30 June 2011

US\$ 000's

	30 June 2011 (reviewed)	31 December 2010 (audited)	30 June 2010 (reviewed)
ASSETS			
Cash and bank balances	7,047	3,770	13,248
Placements with financial and other institutions	26,016	56,868	121,411
Financing receivables	13,950	14,400	15,000
Investment in associates	227,720	224,847	199,952
Investment securities	219,156	248,794	340,207
Investment property	259,404	266,412	-
Assets-held -for-sale	-	-	260,000
Receivable from investment banking services	-	-	40,481
Other assets	108,774	203,150	392,821
Total assets	862,817	1,018,241	1,383,120
LIABILITIES			
Investors' funds	87,602	138,798	188,902
Placements with financial and other institutions	131,557	126,241	142,865
Financing liabilities	333,982	439,504	411,923
Other liabilities	80,457	195,535	220,918
Total liabilities	633,598	900,078	964,608
Equity of investment account holders	1,884	1,880	1,874
OWNERS' EQUITY			
Share capital	312,379	145,780	625,790
Treasury shares	(12,789)	(24,674)	(23,298)
Share premium	147,998	206,203	206,203
Statutory reserve	79,413	88,298	85,268
Accumulated losses	(301,364)	(302,068)	(480,354)
Other reserves	1,295	1,769	2,054
Investments fair value reserve	403	975	975
Total owners' equity	227,335	116,283	416,638
Total liabilities, equity of investment account holders and owners' equity	862,617	1,018,241	1,383,120

The consolidated financial statements were approved by the Board of Directors on 28 August 2011 and signed on its behalf by:

Esam Yousif A. Janahi
Chairman

Mosabah Saif Al Mautairy
Director

These statements have been extracted from the consolidated financial information for six months ended 30 June 2011 which were reviewed by KPMG.

Condensed Consolidated Statement Of Changes In Owners' Equity

for the six months ended 30 June 2011

US\$ 000's

30 June 2011 (reviewed)	Share capital	Share premium	Treasury shares	Statutory reserve	Other reserves	Investments fair value reserve	Accumulated losses	Total equity
Balance at 1 January 2011	145,780	206,203	(24,674)	88,298	1,769	975	(302,068)	116,283
Profit for the period	-	-	-	-	-	-	704	704
Changes in fair value of investment securities	-	-	-	-	-	(572)	-	(572)
Conversion of murabaha to share capital	166,599	(58,205)	-	-	(253)	-	-	108,141
Share grants vesting expense, net of forfeitures	-	-	-	-	(221)	-	-	(221)
Sale of treasury shares	-	-	11,885	-	-	-	-	11,885
Loss on sale of treasury shares	-	-	-	(8,885)	-	-	-	(8,885)
Balance at 30 June 2011	312,379	147,998	(12,789)	79,413	1,295	403	(301,364)	227,335
30 June 2010 (reviewed)	Share capital	Share premium	Treasury shares	Statutory reserve	Other reserves	Investments fair value reserve	Accumulated losses	Total equity
Balance at 1 January 2010	604,079	202,316	(52,371)	106,700	4,300	975	(432,677)	433,322
Loss for the period	-	-	-	-	-	-	(47,677)	(47,677)
Conversion of murabaha to share capital	21,711	3,922	-	-	(633)	-	-	25,000
Share issue expenses	-	(35)	-	-	-	-	-	(35)
Share grants vesting expense, net of forfeitures	-	-	-	-	(1,613)	-	-	(1,613)
Sale of treasury shares	-	-	29,073	-	-	-	-	29,073
Loss on sale of treasury shares	-	-	-	(21,432)	-	-	-	(21,432)
Balance at 30 June 2010	625,790	206,203	(23,298)	85,268	2,054	975	(480,354)	416,638

Condensed Consolidated Income Statement

for the six months ended 30 June 2011

US\$ 000's

	Six months ended		Three months ended	
	30 June 2011 (reviewed)	30 June 2010 (reviewed)	30 June 2011 (reviewed)	30 June 2010 (reviewed)
Income from investment banking services	89	5,161	54	-
Placement, arrangement and management fees	878	5,092	357	1,061
Income from placements with financial and other institutions	602	664	296	260
Income from financing	-	302	-	-
Share of (losses) / profits from investment in Associates	(190)	(1,473)	(564)	491
(Loss) / income from investment securities	12,274	(376)	4,964	(2,286)
Net foreign exchange (loss)/gain	(8,501)	7,984	(1,878)	5,762
Other income, net	27,673	8,561	3,174	2,159
Total income	32,825	25,915	6,403	7,447
Staff cost	4,914	8,802	2,115	5,208
Investment advisory expenses	876	4,728	319	2,438
Finance expense	18,415	23,922	11,232	11,548
Impairment allowances on receivables	-	20,000	-	20,000
Other expenses	7,916	16,140	3,972	8,434
Total expenses	32,121	73,592	17,638	47,628
PROFIT / (LOSS) FOR THE PERIOD	704	(47,677)	(11,235)	(40,181)
Earnings per share				
Basic and diluted earnings per share (US cents)	0.09	(10.72)	(1.34)	(8.96)

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2011

US\$ 000's

	Six months ended 30 June 2011 (reviewed)	Six months ended 30 June 2010 (reviewed)
OPERATING ACTIVITIES		
Proceeds of income from investment banking services	89	5,161
Placements with financial institutions (more than 90 days), net	(2,309)	(44,629)
Cash received from waterpark operations	-	2,596
Disbursement for projects, net	(2,975)	(3,647)
Receipts from financing receivables	450	-
Investors' funds paid, net	(2,155)	(22,918)
Management fees received	164	193
Income from placements and financing received	602	664
Payment for expenses and project costs	(13,898)	(31,561)
Cash flows from operating activities	(20,032)	(94,141)
Investing Activities		
Purchase of investment securities	-	(6,882)
Proceeds from sale of available-for-sale investments	3,381	31,274
Dividends received	3,306	2,230
Payment for acquisition of equipment	-	(190)
Cash flows from investing activities	6,687	26,432
Financing Activities		
Financing liabilities, net	1,042	(220,724)
Finance expense paid	(13,039)	(23,716)
Proceeds from conversion to share capital	9,564	-
Payment for share issue expenses	(11,291)	-
Cash paid to charitable organisations	-	(631)
Proceeds from sale of treasury shares	-	7,641
Dividends paid	(506)	(163)
Payments to investment account holders, net	-	(1,001)
Cash flows from financing activities	(14,230)	(238,594)
DECREASE IN CASH AND CASH EQUIVALENTS	(27,575)	(306,303)
Cash and cash equivalents at 1 January	60,638	325,552
CASH AND CASH EQUIVALENTS at 30 June	33,063	19,249
Cash and cash equivalents comprise:		
Cash and bank balances	7,047	13,248
Placements with financial and other institutions (less than 90 days)	26,016	6,001
	33,063	19,249