



## CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the three months ended 31 March 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2013 / US\$ 000's	31 March 2013 (reviewed)	31 December 2012 (audited)	31 March 2012 (reviewed)
<b>ASSETS</b>			
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	173,670	174,017	193,308
Investment property	259,404	259,404	259,404
Assets held-for-sale	82,166	88,139	-
Other assets	123,089	115,531	109,492
<b>Total assets</b>	<b>896,788</b>	<b>890,457</b>	<b>799,047</b>
<b>LIABILITIES</b>			
Investors' funds	13,829	31,428	27,526
Placements from financial and other institutions	126,392	126,017	132,856
Financing liabilities	222,748	232,827	293,860
Liabilities held-for-sale	39,926	42,655	-
Other liabilities	71,335	73,871	84,854
<b>Total liabilities</b>	<b>474,230</b>	<b>506,798</b>	<b>539,096</b>
<b>Equity of investment account holders</b>	<b>2,358</b>	<b>2,353</b>	<b>2,345</b>
<b>OWNERS' EQUITY</b>			
Share capital	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)	-	-
<b>Total equity attributable to shareholders of the Bank</b>	<b>415,492</b>	<b>381,306</b>	<b>257,606</b>
Non-controlling interests	4,708	-	-
<b>Total owners' equity</b>	<b>420,200</b>	<b>381,306</b>	<b>257,606</b>
<b>Total liabilities, equity of investment account holders and owners' equity</b>	<b>896,788</b>	<b>890,457</b>	<b>799,047</b>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the three months ended 31 March 2013 / (US\$ 000's) (reviewed)	Attributable to shareholders of the Bank									Non-controlling interests	Total equity
	Share capital	Treasury shares	Share premium	Statutory reserve	Accumulated losses	Other reserves	Foreign currency translation reserve	Total			
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	
<b>Total recognised income and expense</b>	-	-	-	-	<b>1,486</b>	-	-	<b>1,486</b>	-	<b>1,486</b>	
Transfer to statutory reserve	-	-	-	1,003	(1,003)	-	-	-	-	-	
Conversion of murabaha to capital	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	-	-	-	-	-	15	-	15	-	15	
Foreign currency translation differences	-	-	-	-	-	-	(2,909)	(2,909)	-	(2,909)	
Partial disposal of assets held-for-sale	-	-	-	-	(30)	-	388	358	4,708	5,066	
<b>Balance at 31 March 2013</b>	<b>681,348</b>	<b>(525)</b>	<b>-</b>	<b>68,098</b>	<b>(331,826)</b>	<b>918</b>	<b>(2,521)</b>	<b>415,492</b>	<b>4,708</b>	<b>420,200</b>	

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the three months ended 31 March 2012 / (US\$ 000's) (reviewed)	Attributable to shareholders of the Bank									Non-controlling interests	Total equity
	Share capital	Treasury shares	Share premium	Statutory reserve	Accumulated losses	Investments fair value reserve	Other reserves	Total			
Balance at 1 January 2012	321,031	(12,852)	145,708	79,408	(301,687)	403	1,377	233,388	-	233,388	
Profit for the period	-	-	-	-	1,002	-	-	1,002	-	1,002	
Transfer to income statement on disposal	-	-	-	-	-	(403)	-	(403)	-	(403)	
<b>Total recognised income and expense</b>	-	-	-	-	<b>1,002</b>	<b>(403)</b>	-	<b>599</b>	-	<b>599</b>	
Conversion of murabaha to capital	32,418	-	(9,727)	-	-	-	-	22,691	-	22,691	
Sale of treasury shares	-	12,327	-	-	-	-	-	12,327	-	12,327	
Loss on sale of treasury shares	-	-	-	(11,418)	-	-	-	(11,418)	-	(11,418)	
Share grants vesting expense, net of forfeitures	-	-	-	-	-	-	-	19	-	19	
<b>Balance at 31 March 2012</b>	<b>353,449</b>	<b>(525)</b>	<b>135,981</b>	<b>67,990</b>	<b>(300,685)</b>	<b>-</b>	<b>1,396</b>	<b>257,606</b>	<b>-</b>	<b>257,606</b>	

CONDENSED CONSOLIDATED INCOME STATEMENT for the three months ended 31 March 2013 / US\$ 000's	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 / (loss) of equity-accounted investees	542	(25)
Loss from investment securities, net	-	(31)
Foreign exchange gain / (loss), net	345	(2,552)
Other income	5,242	14,454
<b>Total income</b>	<b>11,106</b>	<b>12,922</b>
Staff cost	1,154	1,934
Investment advisory expenses	782	1,278
Finance expense	4,392	5,115
Other expenses	1,988	3,593
<b>Total expenses</b>	<b>8,316</b>	<b>11,920</b>
<b>Profit from continuing operations before impairment allowances</b>	<b>2,790</b>	<b>1,002</b>
Impairment allowances	(1,000)	-
<b>Profit from continuing operations</b>	<b>1,790</b>	<b>1,002</b>
Loss from discontinued operations	(304)	-
<b>PROFIT FOR THE PERIOD</b>	<b>1,486</b>	<b>1,002</b>
Attributable to:		
Shareholders of the Bank	1,486	1,002
Non-controlling interests	-	-
<b>PROFIT FOR THE PERIOD</b>	<b>1,486</b>	<b>1,002</b>
<b>Earnings per share – continuing operations</b>		
Basic earnings per share (US cents)	<b>0.083</b>	<b>0.087</b>
Diluted earnings per share (US cents)	<b>0.083</b>	<b>0.086</b>

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)
<b>OPERATING ACTIVITIES</b>		
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)
<b>Net cash generated from operating activities</b>	<b>8,391</b>	<b>5,834</b>
<b>INVESTING ACTIVITIES</b>		
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
<b>Net cash (used in) / generated from investing activities</b>	<b>(5,142)</b>	<b>742</b>
<b>FINANCING ACTIVITIES</b>		
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)
<b>Net cash generated from / (used in) financing activities</b>	<b>16,067</b>	<b>(6,974)</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>19,316</b>	<b>(398)</b>
Effect of exchange differences on cash and cash equivalents	(119)	-
Cash and cash equivalents at 1 January	5,105	6,821
<b>CASH AND CASH EQUIVALENTS at 31 March</b>	<b>24,302</b>	<b>6,423</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	22,532	6,423
Cash and bank balances included in assets held-for-sale	1,770	-
	<b>24,302</b>	<b>6,423</b>

The Board of Directors approved the condensed consolidated interim financial information on 9 May 2013 and signed on its behalf by:

Esam Yousif Janahi  
Chairman

Ahmed Al Mutawa  
Vice Chairman

These statements have been extracted from the condensed consolidated interim financial information for the three months ended 31 March 2013 which were reviewed by KPMG.