

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2012



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	USD 000's	
	31 March 2012 (Unaudited)	31 December 2011 (Audited)
ASSETS		
Balances with banks	2,298	3,286
Placements with financial institutions	2,283	10,652
Investments	126,117	112,954
Investment in associates and joint venture accounted under the equity method	29,122	29,474
Investment property	9,130	9,130
Receivable from investment banking services	16,912	6,550
Funding to project companies	6,999	5,839
Other assets	8,743	9,673
Property and equipment	10,627	10,977
Total assets	212,231	198,535
LIABILITIES		
Islamic financing payables	16,000	8,631
Employee accruals	4,656	6,323
Other liabilities	3,757	3,865
Total liabilities	24,393	18,819
EQUITY		
Share capital	250,000	250,000
Share premium	28,429	28,429
Unvested shares of employee share ownership plan	(22,764)	(22,764)
Statutory reserve	10,414	10,414
Investment fair value reserve	749	628
Employee share ownership plan reserve	5,349	5,349
Accumulated losses	(84,339)	(92,340)
Total equity	187,838	179,716
TOTAL LIABILITIES AND EQUITY	212,231	198,535
OFF STATEMENT OF FINANCIAL POSITION ITEMS		
Equity of investment accounts holders	17,085	16,846

Extracted from the reviewed interim financial information approved for issue by the Board on 8 May 2012 and on which Ernst & Young have issued an unqualified review report.

Dr. Ghassan Al Sulaiman
Chairman

Abdullatif M. Janahi
Board Member and Chief Executive Officer

INTERIM CONSOLIDATED STATEMENT OF INCOME

	USD 000's	
	Three months ended	
	31 March 2012	31 March 2011
REVENUE		
Income from investment banking services	10,362	854
Finance income	126	129
Other income	549	466
Total revenue	11,037	1,449
Other gains (losses)		
Gain (Loss) on investments - net	582	194
	11,619	1,643
EXPENSES		
Staff costs	1,608	2,004
Travel and business development expenses	235	259
Legal and professional fees	222	458
Finance expense	27	26
Depreciation	350	397
Other expenses	824	685
Total expenses	3,266	3,829
Income (Loss) before impairment allowances and share of loss of associates and joint venture	8,353	(2,186)
Impairment allowances	-	(544)
Share of losses of associates and joint venture, net	(552)	(211)
Net profit (loss) for the period	8,001	(2,941)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	USD 000's	
	Three months ended	
	31 March 2012	31 March 2011
Net profit (loss) for the period	8,001	(2,941)
Other comprehensive income		
Recycling of the gain on sale of available-for-sale investments to the consolidated statement of income	(266)	-
Changes in fair value of available-for-sale investments	387	(1,156)
Other comprehensive income (loss) for the period	121	(1,156)
Total comprehensive income (loss) for the period	8,122	(4,097)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	USD 000's	
	Three months ended	
	31 March 2012	31 March 2011
OPERATING ACTIVITIES		
Net profit (loss) for the period	8,001	(2,941)
Adjustments for non-cash items:		
Gain on investments	(582)	(194)
Share of results of associates and joint venture accounted under the equity method	352	211
Employee share ownership plan vesting charge	-	95
Impairment allowances	-	544
Depreciation	350	397
Operating profit (loss) before changes in operating assets and liabilities	8,121	(1,888)
Changes in operating assets and liabilities:		
Investments	(12,460)	(2,082)
Receivable from investment banking services	(10,362)	2,990
Funding to project companies	(1,160)	(5,936)
Other assets	930	6,842
Employee accruals	(1,687)	(61)
Other liabilities	(108)	177
Net cash (used in) from operating activities	(16,726)	42
INVESTING ACTIVITIES		
Proceeds from sale of investments	-	585
Dividends from investments	-	35
Purchase of property and equipment	-	(41)
Net cash used in investing activities	-	579
FINANCING ACTIVITIES		
Islamic financing payables	7,369	(23)
Net cash from (used in) financing activities	-	579
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(9,357)	598
Cash and cash equivalents at the beginning of the period	13,938	13,939
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4,581	14,537
Cash and cash equivalents per the statement of financial position		
Cash and balances with banks	2,298	2,341
Placements with financial institutions	2,283	12,196
	4,581	14,537

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	USD 000's							
	Attributable to the shareholders of the parent							
	Share capital	Share premium	Unvested ESOP shares	Statutory reserve	Investments fair value reserve	ESOP reserve	Accumulated losses	Total
31 March 2012								
Balance at 1 January 2012	250,000	28,429	(22,764)	10,414	628	5,349	(92,340)	179,716
Net profit for the period	-	-	-	-	-	-	8,001	8,001
Other comprehensive income for the period	-	-	-	-	121	-	-	121
Total comprehensive income for the period	-	-	-	-	121	-	8,001	8,122
Employee share ownership plan vesting charge	-	-	-	-	-	-	-	-
Balance at 31 March 2012	250,000	28,429	(22,764)	10,414	749	5,349	(84,339)	187,838
31 March 2011								
Balance at 1 January 2011	250,000	28,429	(22,764)	10,414	2,229	5,064	(33,670)	239,702
Loss for the period	-	-	-	-	-	-	(2,941)	(2,941)
Other comprehensive income item for the period	-	-	-	-	(1,156)	-	-	(1,156)
Total comprehensive income for the period	-	-	-	-	(1,156)	-	(2,941)	(4,097)
Employee share ownership plan vesting charge	-	-	-	-	-	95	-	95
Balance at 31 March 2011	250,000	28,429	(22,764)	10,414	1,073	5,159	(36,611)	235,700