



بنك المؤسسة العربية المصرفية الإسلامي (ش.م.ب.م.)

ABC Islamic Bank (E.C.)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2011

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2011 (Unaudited)

	<i>Unaudited</i> 31 March 2011 US\$ '000	<i>(Restated)</i> <i>Audited</i> 31 December 2010 US\$ '000
ASSETS		
Cash and bank balances	5,111	4,054
Investments	389,543	390,097
Murabaha receivables	441,440	418,898
Ijarah receivables	1,089	962
Musharaka financing	-	802
Mudaraba	882	854
Ijarah	407,822	422,593
Equipment	211	238
Other assets	2,728	2,615
TOTAL ASSETS	1,248,826	1,241,113
LIABILITIES AND EQUITY		
Liabilities		
Other liabilities	5,467	6,867
Murabaha payables	1,020,662	1,014,481
	1,026,129	1,021,348
Equity		
Share capital	132,500	132,500
Reserves	90,197	87,265
	222,697	219,765
TOTAL LIABILITIES AND EQUITY	1,248,826	1,241,113

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the three months ended 31 March 2011 (Unaudited)

	<i>Three months ended</i>	
	<i>31 March</i> 2011 US\$ '000	<i>31 March</i> 2010 US\$ '000
OPERATING INCOME		
Income from investments	2,057	2,262
Income from Murabaha receivables	2,715	1,915
Income from Musharaka financing	4	39
Ijarah income - net	1,889	2,029
	6,665	6,245
Profit on Murabaha payables	(2,437)	(2,626)
	4,228	3,619
Fee and commission income	612	245
Total operating income	4,840	3,864
OPERATING EXPENSES		
Staff costs	1,333	942
Depreciation	32	33
Other expenses	419	399
Total operating expenses	1,784	1,374
Provision for impaired assets	-	(625)
PROFIT FOR THE PERIOD BEFORE ZAKAH	3,056	1,865
Zakah	(73)	(70)
NET PROFIT FOR THE PERIOD	2,983	1,795

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2011 (Unaudited)

	<i>31 March</i> 2011 US\$ '000	<i>31 March</i> 2010 US\$ '000
OPERATING ACTIVITIES		
Net profit for the period	2,983	1,795
Adjustments for non-cash items:		
Provision for impaired assets	-	625
Depreciation	32	33
	3,015	2,453
Changes in:		
Murabaha receivables	(22,542)	33,627
Ijarah	14,771	6,254
Ijarah receivables	(127)	(214)
Musharaka financing	802	354
Mudaraba	(28)	54
Other assets	(113)	22
Murabaha payables	6,181	(53,228)
Other liabilities	(1,400)	(781)
Net cash flows from (used in) operating activities	559	(11,459)
INVESTING ACTIVITIES		
Purchase of investments	-	(17,817)
Sale and redemption of investments	498	28,625
Net cash flows from investing activities	498	10,808
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,057	(651)
Cash and cash equivalents at 1 January	4,054	1,142
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5,111	491

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2011 (Unaudited)

	<i>Reserves</i>					<i>Total equity</i> US\$ '000
	<i>Share capital</i> US\$ '000	<i>Statutory reserve</i> US\$ '000	<i>Investments fair value reserve</i> US\$ '000	<i>Retained earnings</i> US\$ '000	<i>Total reserves</i>	
Balance at 1 January 2011	132,500	13,217	(31,910)	73,491	54,798	187,298
Changes due to adoption of FAS 25	-	-	32,467	-	32,467	32,467
Balance at 1 January 2011 (restated)	132,500	13,217	557	73,491	87,265	219,765
Cumulative changes in fair value	-	-	(51)	-	(51)	(51)
Net profit for the period	-	-	-	2,983	2,983	2,983
Balance at 31 March 2011	132,500	13,217	506	76,474	90,197	222,697
Balance at 1 January 2010	132,500	13,010	(40,599)	71,624	44,035	176,535
Changes due to adoption of FAS 25	-	-	39,306	-	39,306	39,306
Balance at 1 January 2010 (restated)	132,500	13,010	(1,293)	71,624	83,341	215,841
Cumulative changes in fair value	-	-	(25)	-	(25)	(25)
Net profit for the period	-	-	-	1,795	1,795	1,795
Balance as at 31 March 2010 (restated)	132,500	13,010	(1,318)	73,419	85,111	217,611

The above Consolidated Statement of Financial Position, Consolidated Statement of Income, Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity have been extracted from the Interim condensed Consolidated Financial Statements of ABC Islamic Bank (E.C.) for the period ended 31 March 2011, reviewed by Ernst & Young, Kingdom of Bahrain.