



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

ABC Islamic Bank (E.C.)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2011

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2011 (Unaudited)

	(Restated)	
	Unaudited 30 June 2011 US\$ '000	Audited 31 December 2010 US\$ '000
ASSETS		
Cash and bank balances	5,415	4,054
Investments	386,470	390,097
Murabaha receivables	409,664	418,898
Ijarah receivables	791	962
Musharaka financing	-	802
Mudaraba	882	854
Ijarah	388,638	422,593
Equipment	214	238
Other assets	2,438	2,615
TOTAL ASSETS	1,194,512	1,241,113
LIABILITIES AND EQUITY		
Liabilities		
Other liabilities	5,767	6,867
Murabaha payables	963,968	1,014,481
	969,735	1,021,348
Owners' Equity		
Share capital	132,500	132,500
Reserves	92,277	87,265
	224,777	219,765
TOTAL LIABILITIES AND OWNERS' EQUITY	1,194,512	1,241,113

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six-month period ended 30 June 2011 (Unaudited)

	Three months ended		Six months ended	
	30 June 2011 US\$ '000	30 June 2010 US\$ '000	30 June 2011 US\$ '000	30 June 2010 US\$ '000
OPERATING INCOME				
Income from investments	2,056	2,083	4,113	4,345
Income from Murabaha receivables	2,301	2,286	5,016	4,201
Income from Musharaka financing	-	34	4	73
Ijarah income - net	1,819	2,092	3,708	4,121
	6,176	6,495	12,841	12,740
Profit on Murabaha payables	(2,469)	(2,604)	(4,906)	(5,230)
	3,707	3,891	7,935	7,510
Fee and commission income	488	183	1,100	428
Total operating income	4,195	4,074	9,035	7,938
OPERATING EXPENSES				
Staff costs	898	1,064	2,231	2,006
Depreciation	32	33	64	66
Other expenses	555	430	974	829
Total operating expenses	1,485	1,527	3,269	2,901
Provision for impaired assets	(500)	(2,864)	(500)	(3,489)
PROFIT (LOSS) FOR THE PERIOD				
BEFORE ZAKAH	2,210	(317)	5,266	1,548
Zakah	(73)	(71)	(146)	(141)
NET PROFIT (LOSS) FOR THE PERIOD	2,137	(388)	5,120	1,407

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2011 (Unaudited)

	30 June 2011 US\$ '000	30 June 2010 US\$ '000
OPERATING ACTIVITIES		
Net profit for the period	5,120	1,407
Adjustments for non-cash items:		
Provision for impaired assets	500	3,489
Depreciation	64	66
	5,684	4,962
Changes in:		
Murabaha receivables	9,234	(14,657)
Ijarah	33,955	19,938
Ijarah receivables	171	(56)
Musharaka financing	802	695
Mudaraba	(28)	65
Other assets	177	(114)
Murabaha payables	(50,513)	(19,916)
Other liabilities	(1,100)	(490)
Net cash flows used in operating activities	(1,618)	(9,573)
INVESTING ACTIVITIES		
Purchase of investments	-	(17,938)
Sale and redemption of investments	2,979	31,250
Net cash flows from investing activities	2,979	13,312
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,361	3,739
Cash and cash equivalents at 1 January	4,054	1,142
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5,415	4,881

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the six-month period ended 30 June 2011 (Unaudited)

	Reserves				Total owners' equity US\$ '000	
	Share capital US\$ '000	Statutory reserve US\$ '000	Investments fair value reserve US\$ '000	Retained earnings US\$ '000		Total reserves US\$ '000
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	-	-	(108)	-	(108)	(108)
Net profit for the period	-	-	-	5,120	5,120	5,120
Balance at 30 June 2011	132,500	13,217	449	78,611	92,277	224,777
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	-	-	1,293	-	1,293	1,293
Net profit for the period	-	-	-	1,407	1,407	1,407
Balance as at 30 June 2010 (restated)	132,500	13,010	-	73,031	86,041	218,541

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 30 June 2011, reviewed by Ernst & Young, Kingdom of Bahrain.