



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2011 (Unaudited)

	<i>Unaudited</i>	<i>(Restated)</i>
	<i>30 September</i>	<i>Audited</i>
	<i>2011</i>	<i>31 December 2010</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
ASSETS		
Cash and bank balances	5,404	4,054
Investments	333,333	390,097
Murabaha receivables	467,482	418,898
Ijarah receivables	963	962
Musharaka financing	-	802
Mudaraba	857	854
Ijarah	334,199	422,593
Equipment	180	238
Other assets	2,416	2,615
TOTAL ASSETS	1,144,834	1,241,113
LIABILITIES AND EQUITY		
Liabilities		
Other liabilities	6,168	6,867
Murabaha payables	912,297	1,014,481
	918,465	1,021,348
Owners' Equity		
Share capital	132,500	132,500
Reserves	93,869	87,265
	226,369	219,765
TOTAL LIABILITIES AND OWNERS' EQUITY	1,144,834	1,241,113

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine-month period ended 30 September 2011 (Unaudited)

	<i>30 September</i>	<i>30 September</i>
	<i>2011</i>	<i>2010</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
OPERATING ACTIVITIES		
Net profit for the period	6,742	1,604
Adjustments for non-cash items:		
Provision for impaired assets	500	5,896
Depreciation	100	99
	7,342	7,599
Changes in:		
Murabaha receivables	(48,584)	28,905
Ijarah	88,394	33,409
Ijarah receivables	(1)	(361)
Musharaka financing	802	1,024
Mudaraba	(3)	18
Other assets	199	(242)
Murabaha payables	(102,184)	(85,422)
Other liabilities	(699)	651
Net cash flows used in operating activities	(54,734)	(14,419)
INVESTING ACTIVITIES		
Purchase of investments	(10,295)	(18,049)
Sale and redemption of investments	66,379	31,875
Purchase of equipment	-	(1)
Net cash flows from investing activities	56,084	13,825
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,350	(594)
Cash and cash equivalents at 1 January	4,054	1,142
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5,404	548

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the nine-month period ended 30 September 2011 (Unaudited)

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
OPERATING INCOME				
Income from investments	1,762	2,228	5,875	6,573
Income from Murabaha receivables	1,856	2,253	6,872	6,454
Income from Musharaka financing	-	31	4	104
Ijarah income - net	1,563	2,259	5,271	6,380
	5,181	6,771	18,022	19,511
Profit on Murabaha payables	(2,080)	(2,873)	(6,986)	(8,103)
	3,101	3,898	11,036	11,408
Fee and commission income	60	241	1,160	669
Total operating income	3,161	4,139	12,196	12,077
OPERATING EXPENSES				
Staff costs	881	1,053	3,112	3,059
Depreciation	36	33	100	99
Other expenses	549	379	1,523	1,208
Total operating expenses	1,466	1,465	4,735	4,366
Provision for impaired assets	-	(2,407)	(500)	(5,896)
PROFIT FOR THE PERIOD BEFORE ZAKAH	1,695	267	6,961	1,815
Zakah	(73)	(70)	(219)	(211)
NET PROFIT FOR THE PERIOD	1,622	197	6,742	1,604

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the nine-month period ended 30 September 2011 (Unaudited)

	<i>Reserves</i>					<i>Total owners' equity</i>
	<i>Share capital</i>	<i>Statutory reserve</i>	<i>Investments</i>		<i>Total reserves</i>	
			<i>fair value reserve</i>	<i>Retained earnings</i>		
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</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	-	-	(138)	-	(138)	(138)
Net profit for the period	-	-	-	6,742	6,742	6,742
Balance at 30 September 2011	132,500	13,217	419	80,233	93,869	226,369
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	-	-	1,924	-	1,924	1,924
Net profit for the period	-	-	-	1,604	1,604	1,604
Balance at 30 September 2010 (restated)	132,500	13,010	631	73,228	86,869	219,369

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 September 2011, reviewed by Ernst & Young, Kingdom of Bahrain.