



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

ABC Islamic Bank (E.C.)

YEAR ENDED 2010 FINANCIAL RESULTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2010

	2010 US\$ '000	2009 US\$ '000
ASSETS		
Cash and bank balances	4,054	1,142
Available-for-sale investments	357,630	368,911
Murabaha receivables	418,898	470,413
Ijarah receivables	962	879
Musharaka financing	802	2,144
Mudaraba	854	888
Ijarah	422,593	471,118
Equipment	238	367
Other assets	2,615	2,540
TOTAL ASSETS	1,208,646	1,318,402
LIABILITIES AND EQUITY		
Liabilities		
Other liabilities	6,867	8,388
Murabaha payables	1,014,481	1,133,479
	1,021,348	1,141,867
Equity		
Share capital	132,500	132,500
Reserves	54,798	44,035
	187,298	176,535
TOTAL LIABILITIES AND EQUITY	1,208,646	1,318,402

CONSOLIDATED STATEMENT OF INCOME

Year ended 31 December 2010

	2010 US\$ '000	2009 US\$ '000
OPERATING INCOME		
Income from available-for-sale investments	8,762	12,162
Income from Murabaha receivables	8,547	16,922
Income from Musharaka financing	129	208
Ijarah income – net	8,496	11,583
	25,934	40,875
Profit on Murabaha payables	(10,720)	(20,856)
	15,214	20,019
Fee and commission income	669	351
Total operating income	15,883	20,370
OPERATING EXPENSES		
Staff costs	3,063	3,009
Depreciation	132	36
Other expenses	1,702	1,941
Total operating expenses	4,897	4,986
Provision for impaired assets	(8,631)	(5,000)
PROFIT FOR THE YEAR BEFORE ZAKAH	2,355	10,384
Zakah	(281)	(270)
PROFIT FOR THE YEAR	2,074	10,114

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2010

	2010 US\$ '000	2009 US\$ '000
OPERATING ACTIVITIES		
Profit for the year	2,074	10,114
Adjustment for:		
Depreciation	132	36
Provision for impaired assets	8,631	5,000
	10,837	15,150
Changes in:		
Murabaha receivables	51,515	221,758
Ijarah receivables	(83)	804
Musharaka financing	1,342	1,472
Mudaraba	34	(85)
Ijarah	48,525	(43,169)
Other assets	(75)	7,143
Other liabilities	(1,521)	(2,552)
Murabaha payables	(118,998)	(163,882)
Net cash (used in) from operating activities	(8,424)	36,639
INVESTING ACTIVITIES		
Purchase of available-for-sale investments	(23,164)	(48,044)
Proceeds from sale/redemption of available-for-sale investments	34,500	12,500
Purchase of equipment	-	(363)
Net cash from (used in) investing activities	11,336	(35,907)
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,912	732
Cash and cash equivalents at 1 January	1,142	410
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	4,054	1,142

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2010

	Share capital US\$ '000	Statutory reserve US\$ '000	Reserves		Total equity US\$ '000
			Available-for-sale reserve US\$ '000	Retained earnings US\$ '000	
Balance at 1 January 2010	132,500	13,010	(40,599)	71,624	176,535
Cumulative changes in fair values	-	-	8,689	-	8,689
Profit for the year	-	-	-	2,074	2,074
Net income recognised during the year	-	-	8,689	2,074	10,763
Transfer to statutory reserve	-	207	-	(207)	-
Balance at 31 December 2010	132,500	13,217	(31,910)	73,491	187,298
Balance at 1 January 2009	132,500	11,999	(53,976)	62,521	153,044
Cumulative changes in fair values	-	-	13,377	-	13,377
Profit for the year	-	-	-	10,114	10,114
Net income recognised during the year	-	-	13,377	10,114	23,491
Transfer to statutory reserve	-	1,011	-	(1,011)	-
Balance at 31 December 2009	132,500	13,010	(40,599)	71,624	176,535

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 Consolidated Financial Statements of ABC Islamic Bank (E.C.) for the year end 31 December 2010, on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain, on 24th February 2011.