



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

ABC Islamic Bank (E.C.)

# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2009

## INTERIM CONSOLIDATED BALANCE SHEET

At 30 June 2009 (Unaudited)

	Unaudited 30 June 2009 US\$ '000	Audited 31 December 2008 US\$ '000
<b>ASSETS</b>		
Cash and bank balances	476	410
Available-for-sale investments	323,666	324,990
Murabaha receivables	572,399	692,171
Ijarah	462,446	427,949
Ijarah receivables	1,129	1,683
Musharaka financing	2,866	3,616
Mudaraba	911	803
Equipment	29	40
Other assets	8,591	9,683
<b>TOTAL ASSETS</b>	<b>1,372,513</b>	<b>1,461,345</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Other liabilities	9,327	10,940
Murabaha payables	1,212,171	1,297,361
	<b>1,221,498</b>	<b>1,308,301</b>
<b>Equity</b>		
Share capital	132,500	132,500
Retained earnings and reserves	18,515	20,544
	<b>151,015</b>	<b>153,044</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,372,513</b>	<b>1,461,345</b>
<b>MEMORANDUM ITEMS</b>	<b>92,849</b>	<b>124,849</b>

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2009 (Unaudited)

	30 June 2009 US\$ '000	30 June 2008 US\$ '000
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	6,602	15,660
Adjustments for:		
Provision for credit losses	2,000	-
Depreciation	19	28
Gain on sale of available-for-sale investments - net	-	(2,176)
	<b>8,621</b>	<b>13,512</b>
Changes in:		
Murabaha receivables	119,772	(135,801)
Ijarah	(34,497)	(69,800)
Ijarah receivables	554	-
Musharaka financing	750	(2,299)
Mudaraba	(108)	-
Other assets	1,092	29,464
Other liabilities	(1,613)	(1,501)
Murabaha payables	(85,190)	260,956
Net cash from operating activities	<b>9,381</b>	<b>94,531</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of available-for-sale investments	(20,557)	(90,869)
Proceeds from sale/redemption of available-for-sale investments	11,250	14,368
Purchase of equipment	(8)	(11)
Net cash used in investing activities	<b>(9,315)</b>	<b>(76,512)</b>
<b>FINANCING ACTIVITY</b>		
Dividends paid	-	(20,000)
Net cash used in financing activity	-	(20,000)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>66</b>	<b>(1,981)</b>
Cash and cash equivalents at 1 January	410	3,453
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>476</b>	<b>1,472</b>

## INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2009 (Unaudited)

	Three months ended		Six months ended	
	30 June 2009 US\$ '000	30 June 2008 US\$ '000	30 June 2009 US\$ '000	30 June 2008 US\$ '000
Income from available-for-sale investments	3,248	3,980	7,020	8,604
Income from Murabaha receivables	4,263	9,118	10,900	20,246
Income from Musharaka financing	53	88	113	142
Ijarah income - net	3,002	3,365	6,256	7,485
	<b>10,566</b>	<b>16,551</b>	<b>24,289</b>	<b>36,477</b>
Profit on Murabaha payables	(5,984)	(9,910)	(13,063)	(22,898)
	<b>4,582</b>	<b>6,641</b>	<b>11,226</b>	<b>13,579</b>
Gain on sale of available-for-sale investments - net	-	3,104	-	2,176
Fee and commission income	55	544	315	2,878
	<b>4,637</b>	<b>10,289</b>	<b>11,541</b>	<b>18,633</b>
Staff costs	1,136	861	1,935	1,893
Depreciation	9	12	19	28
Other expenses	467	593	985	1,052
	<b>1,612</b>	<b>1,466</b>	<b>2,939</b>	<b>2,973</b>
Provision for credit losses	(2,000)	-	(2,000)	-
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,025</b>	<b>8,823</b>	<b>6,602</b>	<b>15,660</b>

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2009 (Unaudited)

	Share capital US\$ '000	Statutory reserve US\$ '000	Available-for-sale reserve US\$ '000	Retained earnings US\$ '000	Total equity US\$ '000
Balance at 1 January 2009	132,500	11,999	(53,976)	62,521	153,044
Cumulative changes in fair values	-	-	(8,631)	-	(8,631)
Net profit for the period	-	-	-	6,602	6,602
Net income recognised during the period	-	-	(8,631)	6,602	(2,029)
<b>Balance at 30 June 2009</b>	<b>132,500</b>	<b>11,999</b>	<b>(62,607)</b>	<b>69,123</b>	<b>151,015</b>
Balance at 1 January 2008	132,500	9,441	17,652	59,499	219,092
Cumulative changes in fair values	-	-	(5,436)	-	(5,436)
Net profit for the period	-	-	-	15,660	15,660
Net income recognised during the period	-	-	(5,436)	15,660	10,224
Dividends paid	-	-	-	(20,000)	(20,000)
Balance at 30 June 2008	132,500	9,441	12,216	55,159	209,316

The above Interim Consolidated Balance Sheet, Interim Consolidated Statement of Income, Interim Consolidated Statement of Cash Flows and Interim Consolidated Statement of Changes in Equity have been extracted from the Interim Condensed Consolidated Financial Statements of ABC Islamic Bank (E.C.) for the six-month period ended 30 June 2009, reviewed by Ernst & Young, Kingdom of Bahrain. The results are available on our website: [www.arabanking.com](http://www.arabanking.com)