

CONSOLIDATED BALANCE SHEET as at 31 December 2007

Bahraini Dinars '000

	Notes	2007	2006
Assets			
Cash and cash equivalents	4	63,174	30,940
Investments at fair value through profit or loss	5	20,392	12,011
Available-for-sale investments	6	13,776	11,369
Furniture and equipment	7	128	140
Fees receivable	8	5,096	204
Other assets	9	2,266	2,397
Total assets		104,832	57,061
Liabilities			
Short-term borrowings	10	566	1,693
Payables to customers	11	53,661	25,660
Other liabilities	12	8,499	1,039
Total liabilities		62,726	28,392
Equity			
Share capital	13	13,921	13,910
Statutory reserve	14	2,224	1,807
General reserve	15	2,071	1,666
Available-for-sale securities fair value reserve		3,384	648
Retained earnings		20,506	10,638
Total equity (page 7)		42,106	28,669
Total liabilities and equity		104,832	57,061

Shaikh Mohammed Bin Isa Al Khalifa
Chairman

Albert I. Kittaneh
Vice Chairman and Chairman
of the Executive Committee

Anthony C. Mallis
Chief Executive Officer

The Board of Directors approved the consolidated financial statements on 29 January 2007

CONSOLIDATED INCOME STATEMENT
 for the year ended 31 December 2007

Bahraini Dinars '000

	Notes	2007	2006
Income			
Interest income	16	1,563	1,238
Interest expense	16	(659)	(508)
Net interest income		904	730
Net fee and commission income	17	6,586	1,693
Net investment income	18	5,944	2,093
Brokerage and other income	19	2,547	2,063
Total income		15,981	6,579
Expenses			
Staff and related expenses	20	3,157	1,786
General, administration and other operating expenses	21	918	748
Total expenses		4,075	2,534
Net profit for the year		11,906	4,045
Earnings per share (fils)	25	86	29

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2007

Bahraini Dinars '000

	Share capital	Statutory reserve	General reserve	Available-for-sale securities fair value reserve	Employee share grants	Retained earnings	Total equity
As at 1 January 2007	13,910	1,807	1,666	648	-	10,638	28,669
Retained earnings adjustment of subsidiary	-	-	-	-	-	10	10
Available-for-sale securities							
Net changes in fair value	-	-	-	3,688	-	-	3,688
Net amount transferred to profit or loss on disposal	-	-	-	(952)	-	-	(952)
Total recognised income and expense directly in equity	-	-	-	2,736	-	-	2,736
Net income for the year	-	-	-	-	-	11,906	11,906
Total recognised income and expense for the year	-	-	-	2,736	-	11,906	14,642
Dividends for 2006	-	-	-	-	-	(1,113)	(1,113)
Transfer to general reserve for 2006	-	-	405	-	-	(405)	-
Remuneration paid to directors for 2006	-	-	-	-	-	(125)	(125)
Issue of shares to employees scheme	11	12	-	-	-	-	23
Transfer to statutory reserve for the year 2006	-	405	-	-	-	(405)	-
Balance at 31 December 2007	13,921	2,224	2,071	3,384	-	20,506	42,106