

CONDENSED STATEMENT OF FINANCIAL POSITION
as at 30 June 2011

Bahraini Dinars Millions

	30 June 2011 (reviewed)	31 December 2010 (audited)	30 June 2010 (reviewed)
Assets			
Cash and balances at central banks	95.19	95.29	82.04
Treasury bills	216.74	183.61	76.56
Placement with banks and other financial institutions	367.91	360.14	606.29
Trading securities	0.13	0.19	0.16
Loans and advances	849.99	950.80	1,107.17
Investment securities	573.28	656.22	476.76
Interest receivable and other assets	10.11	11.68	10.33
Property and equipment	15.90	16.12	16.35
Total assets	2,129.25	2,274.05	2,375.66
Liabilities			
Due to banks and other financial institutions	129.30	125.24	137.21
Borrowings under repurchase agreements	30.28	106.59	159.10
Customer deposits	1,697.42	1,768.47	1,826.65
Interest payable and other liabilities	12.82	10.78	11.97
Total liabilities	1,869.80	2,011.08	2,134.93
Equity			
Share capital	85.54	77.76	77.76
Statutory reserve	42.77	38.88	38.88
General reserve	32.40	32.40	32.40
Other reserves and retained earnings	98.74	113.93	91.69
Total equity (page 5)	259.45	262.97	240.73
Total liabilities and equity	2,129.25	2,274.05	2,375.66

Farouk Yousuf Khalil Almoayyed
Chairman

Abdul Razak Abdulla H. Al Qasbi
Chief Executive Officer and Director

The Board of Directors approved the interim financial information consisting of pages 2 to 9 on 11 July 2011.

CONDENSED INCOME STATEMENT
for the six months ended 30 June 2011

Bahraini Dinars Millions

	Six months ended		Three months ended	
	30 June 2011 (reviewed)	30 June 2010 (reviewed)	30 June 2011 (reviewed)	30 June 2010 (reviewed)
Interest income	33.88	32.60	17.04	16.22
Interest expense	(7.04)	(9.12)	(3.56)	(4.45)
Net Interest Income	26.84	23.48	13.48	11.77
Other income	12.25	13.69	4.25	5.67
Operating Income	39.09	37.17	17.73	17.44
Staff expenses	9.73	9.68	4.60	4.77
Other expenses	3.49	3.17	1.81	1.62
Operating expenses	13.22	12.85	6.41	6.39
Profit before provisions	25.87	24.32	11.32	11.05
Impairment provisions on Loans and advances	(0.13)	(0.06)	(0.07)	(0.01)
Impairment provisions on Investments	(1.85)	(1.00)	(0.80)	(1.00)
Profit for the period	24.09	23.26	10.45	10.04
Basic and diluted earnings per share	28.2 fils	27.2 fils	12.2 fils	11.7 fils

Farouk Yousuf Khalil Almoayyed
Chairman

Abdul Razak Abdulla H. Al Qassim
Chief Executive Officer and Director

The Board of Directors approved the interim financial information consisting of pages 2 to 9 on 11 July 2011.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 June 2011

Bahraini Dinars Millions

	Six months ended		Three months ended	
	30 June 2011 (reviewed)	30 June 2010 (reviewed)	30 June 2011 (reviewed)	30 June 2010 (reviewed)
Profit for the period	24.09	23.26	10.45	10.04
Other comprehensive income :				
Revaluation reserve (available-for-sale securities):				
- Net change in fair value	(2.93)	4.14	4.97	(0.99)
- Net amount transferred to income statement	0.58	(0.26)	0.60	0.06
Other comprehensive income for the period	(2.35)	3.88	5.57	(0.93)
Total comprehensive income for the period	21.74	27.14	16.02	9.11

The interim financial information consists of pages 2 to 9.

CONDENSED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2011

Bahraini Dinars Millions

2011 (reviewed)

As at 1 January 2011

2010 appropriations:

- Dividend at 30%

- Donations and charity

- Transfer to general reserve

- Bonus shares issued

- Transfer to statutory reserve

Balance after 2010 appropriations**Comprehensive income for the period:**

Profit for the period

Other comprehensive income:

Revaluation Reserve (available-for-sale securities):

Net change in fair value

Net amount transferred to income statement

Total other comprehensive income

Total comprehensive income for the period

Utilisation of donation and charity reserve

Balance at 30 June 2011

Share capital	Statutory reserve	General reserve	Revaluation reserve	Donation and charity reserve	Retained earnings	Total equity
77.76	38.88	32.40	26.47	8.52	78.94	262.97
-	-	-	-	-	(23.33)	(23.33)
-	-	-	-	2.15	(2.15)	-
-	-	11.67	-	-	(11.67)	-
7.78	-	(7.78)	-	-	-	-
-	3.89	(3.89)	-	-	-	-
85.54	42.77	32.40	26.47	10.67	41.79	239.64
	-	-	-	-	24.09	24.09
-	-	-	(2.93)	-	-	(2.93)
-	-	-	0.58	-	-	0.58
-	-	-	(2.35)	-	-	(2.35)
-	-	-	(2.35)	-	24.09	21.74
-	-	-	-	(1.93)	-	(1.93)
85.54	42.77	32.40	24.12	8.74	65.88	259.45

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CONDENSED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2010 (continued)

Bahraini Dinars Millions

2010 (reviewed)

	Share capital	Statutory reserve	General reserve	Revaluation reserve	Donation and charity reserve	Retained earnings	Total equity
As at 1 January 2010	77.76	38.88	32.40	19.42	7.26	65.65	241.37
2009 appropriations:							
- Dividend at 35%	-	-	-	-	-	(27.22)	(27.22)
- Donations and charity	-	-	-	-	2.14	(2.14)	-
- Directors' remuneration	-	-	-	-	-	(0.35)	(0.35)
Balance after 2009 appropriations	77.76	38.88	32.40	19.42	9.40	35.94	213.80
Comprehensive income for the period:							
Profit for the period	-	-	-	-	-	23.26	23.26
Other comprehensive income:							
Revaluation Reserve (available-for-sale securities):							
Net change in fair value	-	-	-	4.14	-	-	4.14
Net amount transferred to profit or loss	-	-	-	(0.26)	-	-	(0.26)
Total other comprehensive income	-	-	-	3.88	-	-	3.88
Total comprehensive income for the period	-	-	-	3.88	-	23.26	27.14
Foreign currency translation movement						(0.01)	(0.01)
Utilisation of donation and charity reserve	-	-	-	-	(0.20)	-	(0.20)
Balance at 30 June 2010	77.76	38.88	32.40	23.30	9.20	59.19	240.73

The interim financial information consists of pages 2 to 9.

CONDENSED STATEMENT OF CASH FLOWS
for the six months ended 30 June 2011

Bahraini Dinars Millions

	Six months ended	
	30 June 2011 (reviewed)	30 June 2010 (reviewed)
Operating activities		
Profit for the period	24.09	23.26
Adjustments for depreciation and impairment provisions for Loans and advances and investments	2.77	1.99
Profit for the period after adjustments	26.86	25.25
Change in operating assets and liabilities:		
Balances with central banks (mandatory cash reserve)	0.90	(12.43)
Treasury bills	7.55	1.55
Placements with banks and other financial institutions	43.90	19.27
Trading Securities	0.08	1.48
Loans and advances	100.69	44.19
Investments at fair value through profit or loss	1.38	0.22
Available-for-sale securities	77.56	9.10
Other Assets	1.57	2.15
Due to banks and other financial institutions	4.05	(122.62)
Borrowings under repurchase agreements	(76.33)	33.52
Customer Deposits	(71.05)	346.26
Other Liabilities	2.04	1.29
Net cash generated from operating activities	119.18	349.23
Investing activities		
Purchase of property & equipment, net	(0.77)	(0.42)
Net cash used in investing activities	(0.77)	(0.42)
Financing activities		
Dividend paid	(23.33)	(27.22)
Directors' remuneration paid	-	(0.35)
Donations and charities paid	(1.93)	(0.20)
Net cash used in financing activities	(25.26)	(27.77)
Net increase in cash and cash equivalents	93.15	321.04
Cash and cash equivalents at 1 January	503.97	322.52
Cash and cash equivalents at 30 June	597.12	643.56

The interim financial information consists of pages 2 to 9.