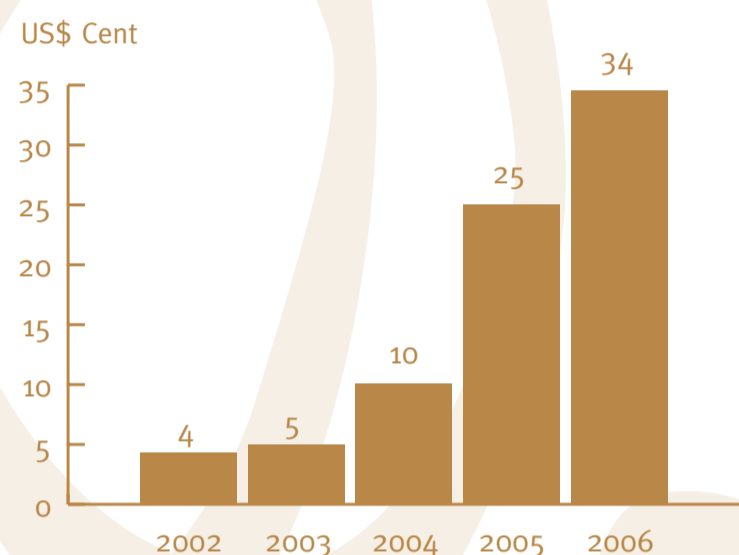


Financial Results for the year ended 31 December 2006

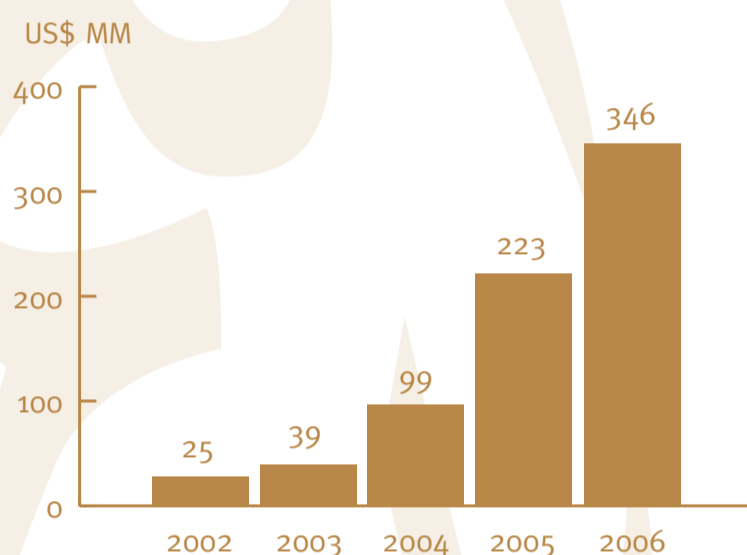
US\$ 212 MM

Net Profit for the year ended 31 December 2006

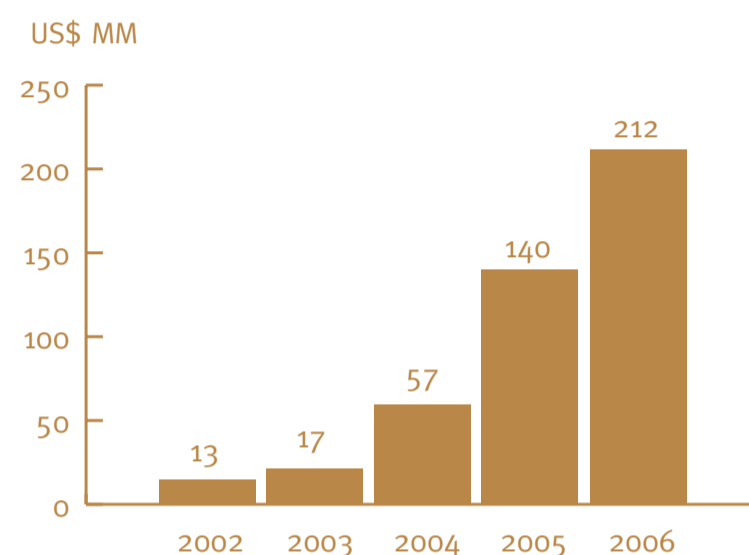
Earnings per Share



Total Income



Net Profit



CONSOLIDATED BALANCE SHEET as at 31 December 2006

	US\$ 000's	
	2006	2005
ASSETS		
Cash and bank balances	15,050	13,412
Due from financial and non-financial institutions	687,765	685,771
Trading properties	2,960	8,660
Islamic financing assets	98,927	17,110
Investment in sukuku	77,993	61,374
Assets held-for-sale	24,196	25,327
Investment securities	357,063	189,235
Other assets	232,496	97,184
Equipment	4,434	1,694
Total assets	1,500,884	1,099,767
LIABILITIES		
Investors' funds	348,553	477,775
Customers' current accounts	7,297	5,090
Due to financial and non-financial institutions	340,916	176,145
Other liabilities	77,454	52,693
Total liabilities	774,220	711,703
Unrestricted investment accounts	58,920	35,700
EQUITY		
Share capital	212,674	149,771
Advance towards share capital	2,708	-
Share premium	178,321	31,487
Treasury shares	(14,127)	-
Subsidiary company share grants	1,804	-
Statutory reserve	46,337	24,621
Investments fair value reserve	364	227
Retained earnings	239,663	146,258
Total equity	667,744	352,364
Total liabilities, unrestricted investment accounts and equity	1,500,884	1,099,767
Off-balance sheet items		
Restricted investment accounts	123,393	106,393

CONSOLIDATED INCOME STATEMENT for the year ended 31 December 2006

	US\$ 000's	
	2006	2005
INCOME		
Income from investment advisory services	266,647	167,752
Placement, arrangement and management fees	20,337	27,280
Income from investment securities	11,982	12,403
Income from short-term murabaha placements	35,357	13,559
Income from investment in sukuku	3,718	1,234
Income from Islamic financing assets	3,783	150
Other income	3,882	548
Total income	345,706	222,926
EXPENSES		
Staff costs	67,248	40,103
Investment advisory expenses	25,055	29,402
Impairment allowances on available-for-sale investments	6,728	-
Murabaha expense	24,322	8,022
Other expenses	10,767	5,015
Total expenses	134,120	82,542
PROFIT FOR THE YEAR	211,586	140,384
Attributable to:		
Shareholders of the parent company	211,586	140,331
Minority interest	-	53
	211,586	140,384
Earnings per share (US cents)		
Basic	33.88	25.34

The consolidated financial statements were approved by the Board of directors on 28 January 2007 and signed on its behalf by:

Dr. Fuad Abdulla Al-Omar
Chairman

Hamad A Aziz Al-Shaya
Vice-Chairman

Esam Yousif A. Janahi
Director and Chief Executive Officer

These statements have been extracted from the consolidated financial statements for the year ended 31 December 2006, on which KPMG issued unqualified audit report.

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