

Financial Results for Third Quarter 2009



Condensed Consolidated Statement of Financial Position

as at 30 September 2009

US\$ 000's

	30 September 2009 (reviewed)	31 December 2008 (audited)	30 September 2008 (reviewed)
ASSETS			
Cash and bank balances	6,445	13,863	25,526
Placements with financial and other institutions	397,459	1,275,675	1,336,375
Financing receivables	88,914	69,189	73,054
Assets held-for-sale	-	611,996	624,446
Development property	561,498	-	-
Investment in associates	537,108	451,024	525,713
Available-for-sale investments	291,110	406,892	323,213
Receivable from investment banking services	146,658	222,343	225,468
Other assets	428,700	434,065	350,512
Total assets	2,457,892	3,485,047	3,484,307
LIABILITIES			
Investors' funds	245,200	538,784	356,424
Placements from financial and other institutions	438,203	937,538	1,068,295
Financing liabilities	614,820	634,895	631,953
Liabilities directly associated with assets held-for-sale	-	317,186	324,605
Payable towards development property	290,480	-	-
Other liabilities	65,823	87,826	128,622
Total liabilities	1,654,526	2,516,229	2,509,899
Unrestricted investment accounts	3,917	1,945	3,828
EQUITY			
Share capital	315,375	262,813	262,813
Share premium	180,382	180,382	180,382
Treasury shares	(17,364)	(17,364)	(31,944)
Statutory reserve	106,700	106,700	83,529
Share grants reserve	36,230	23,508	22,799
Investments fair value reserve	975	1,132	3,048
Retained earnings	177,151	409,702	449,953
Total equity	799,449	966,873	970,580
Total liabilities, unrestricted investment accounts and equity	2,457,892	3,485,047	3,484,307
Restricted investment accounts	54,776	74,222	71,949

Condensed Consolidated Income Statement

for the nine months ended 30 September 2009

US\$ 000's

	Nine months ended		Three months ended	
	30 September 2009 (reviewed)	30 September 2008 (reviewed)	30 September 2009 (reviewed)	30 September 2008 (reviewed)
Income from investment banking services	48,270	399,050	380	90,050
Placement, arrangement and management fees	3,798	29,543	220	3,602
Income from placements with financial and other institutions	3,112	22,346	814	9,616
Income from financing	1,091	1,157	356	421
Income from investment in associates	793	101,507	1,305	64,233
Income from available-for-sale investments	3,242	1,687	80	923
Other income, net	13,358	(701)	2,544	(843)
Total income	73,664	554,589	5,699	168,002
Staff cost	39,269	119,039	13,623	43,215
Investment advisory expenses	15,248	38,072	3,353	9,856
Finance expense	31,367	46,910	9,751	17,842
Impairment allowances	80,927	22,500	-	9,000
Other expenses	28,279	25,657	8,260	5,975
Total expenses	195,090	252,178	34,987	85,888
(LOSS) / PROFIT FOR THE PERIOD	(121,426)	302,411	(29,288)	82,114
Earnings per share				
Basic earnings per share (US cents)	(12.84)	31.83	(3.10)	8.64
Diluted earnings per share (US cents)	(12.84)	29.34	(3.10)	7.74

The Board of Directors approved the interim financial information on 10 November 2009 and signed on its behalf by:

Dr. Esam Yousif A. Janahi
Chairman

Ahmed Fahour
Chief Executive Officer

These statements have been extracted from the consolidated financial information for the nine months ended 30 September, 2009, which were reviewed by KPMG.

Condensed Consolidated Statement of Comprehensive Income

for the nine months ended 30 September 2009

US\$ 000's

	Nine months ended		Three months ended	
	30 September 2009 (reviewed)	30 September 2008 (reviewed)	30 September 2009 (reviewed)	30 September 2008 (reviewed)
(Loss) / profit for the period	(121,426)	302,411	(29,288)	82,114
Other comprehensive income				
Changes in investments fair value reserve	-	249	-	249
Transfer from investments fair value reserve on impairment	(157)	-	(406)	-
Total comprehensive income for the period	(121,583)	302,660	(29,694)	82,363

Condensed Consolidated Statement of Changes in Equity

for the nine months ended 30 September 2009

US\$ 000's

30 September 2009 (reviewed)	Share capital	Share premium	Treasury shares	Statutory reserve	Share grants reserve	Investments fair value reserve	Retained earnings	Total equity
Balance at 1 January 2009	262,813	180,382	(17,364)	106,700	23,508	1,132	409,702	966,873
Total comprehensive income for the period	-	-	-	-	-	(157)	(121,426)	(121,583)
Issue of bonus shares	52,562	-	-	-	-	-	(52,562)	-
Share grants vesting expense	-	-	-	-	12,722	-	-	12,722
Dividend declared for 2008	-	-	-	-	-	-	(52,563)	(52,563)
Charity contribution declared for 2008	-	-	-	-	-	-	(3,000)	(3,000)
Board remuneration declared for 2008	-	-	-	-	-	-	(3,000)	(3,000)
Balance at 30 September 2009	315,375	180,382	(17,364)	106,700	36,230	975	177,151	799,449

30 September 2008 (reviewed)	Share capital	Share premium	Treasury shares	Statutory reserve	Share grants reserve	Investments fair value reserve	Retained earnings	Total equity
Balance at 1 January 2008	238,921	180,382	(8,926)	83,529	-	2,799	382,799	879,504
Total comprehensive income for the period	-	-	-	-	-	249	302,411	302,660
Issue of bonus shares	23,892	-	-	-	-	-	(23,892)	-
Share grants vesting expense	-	-	-	-	22,799	-	-	22,799
Dividend declared for 2007	-	-	-	-	-	-	(203,083)	(203,083)
Zakah contribution declared for 2007	-	-	-	-	-	-	(282)	(282)
Charity contribution declared for 2007	-	-	-	-	-	-	(3,000)	(3,000)
Board remuneration declared for 2007	-	-	-	-	-	-	(5,000)	(5,000)
Purchase of treasury shares	-	-	(23,018)	-	-	-	-	(23,018)
Balance at 30 September 2008	262,813	180,382	(31,944)	83,529	22,799	3,048	449,953	970,580

Condensed Consolidated Statement of Cash flows

for the nine months ended 30 September 2009

US\$ 000's

	30 September 2009 (reviewed)	30 September 2008 (reviewed)
OPERATING ACTIVITIES		
Proceeds of income from investment banking services	100,364	315,689
(Payments to) / receipts from financial and other institutions	(500,502)	715,094
Placement with financial institution (original maturity of more than 90 days)	(6,000)	-
Financing of projects, net	(12,721)	(111,026)
Financing receivables, net	(18,634)	7,361
Investors' funds, net	(293,792)	209,054
Placement, arrangement and management fees received	3,798	29,543
Income from placements and financing received	3,112	22,767
Finance expense paid	(29,808)	(36,583)
Payment for expenses and project costs	(31,761)	(131,160)
Cash flows from operating activities	(785,944)	1,020,739
INVESTING ACTIVITIES		
Purchase of available-for-sale investments	(41,128)	(57,937)
Proceeds from sale of available-for-sale investments	-	1,536
Cash out flows on acquisition of a subsidiary	-	(8,351)
Dividends received	3,242	1,470
Payments in relation to assets held-for-sale	-	(33,713)
Payments for development property	(16,208)	-
Proceeds from disposal of / (payments) for acquisition of equipment and capital work-in-progress	1,540	(12,131)
Dividends received from associates	14,708	28,032
Purchase of investment in associates	-	(132,107)
Proceeds from sale of investment in associates	-	9,584
Cash flows from investing activities	(37,846)	(203,617)
FINANCING ACTIVITIES		
Financing liabilities, net	(10,957)	39,045
Acquisition of treasury shares, net	-	(23,018)
Cash paid to charitable organisations	(359)	(1,395)
Board remuneration paid	(3,000)	(5,000)
Dividends paid	(55,316)	(195,216)
Net receipts from unrestricted investment accounts	1,788	3,002
Cash flows from financing activities	(67,844)	(182,582)
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(891,634)	634,540
Cash and cash equivalents at 1 January	1,289,538	727,361
CASH AND CASH EQUIVALENTS at 30 September	397,904	1,361,901
Cash and cash equivalents comprise:		
Cash and bank balances	6,445	25,526
Placements with financial and other institutions (original maturity of less than 90 days)	391,459	1,336,375
	397,904	1,361,901