

INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2008

CONDENSED BALANCE SHEET
as at 30 June 2008

	30 June 2008 (reviewed)	31 December 2007 (audited)
ASSETS		
Cash and cash equivalents	9,134,838	9,631,572
Trading investments	29,785,998	29,727,074
Available-for-sale investments	26,357,083	20,735,571
Murabaha receivables	3,243,848	3,243,848
Mudaraba investment	-	4,500,000
Receivable from Mudarib	6,127,801	11,896,174
Receivables from sale of investments	19,722,641	29,860,901
Deferred payment sale receivables	3,680,203	3,680,203
Investment properties	26,203,906	13,838,620
Other assets	13,928,296	8,310,384
Equipmen	1,796,762	1,631,225
Total assets	139,981,376	137,055,572
LIABILITIES AND EQUITY		
Liabilities		
Due to a financial institution	3,670,202	3,670,202
Due to related parties	3,229,064	3,229,064
Other liabilities	337,762	291,232
Total liabilities	7,237,028	7,190,498
Equity		
Share capital	80,000,000	80,000,000
Statutory reserve	7,409,515	7,409,515
Available-for-sale investments fair value reserve	10,252,441	10,263,817
Retained earnings	35,082,392	32,191,742
Total equity	132,744,348	129,865,074
Total liabilities and equity	139,981,376	137,055,572
OFF-BALANCE SHEET ITEMS		
Restricted investment accounts	17,107,827	16,708,037

CONDENSED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2008

	Share Capital	Statutory reserve	AFS investment fair value reserve	Retained earnings	Total
2008 (reviewed)					
Balance at 1 January	80,000,000	7,409,515	10,263,817	32,191,742	129,865,074
Fair value loss during the period	-	-	(11,376)	-	(11,376)
Income and expense recognised directly in equity	-	-	(11,376)	-	(11,376)
Profit for the period	-	-	-	2,890,650	2,890,650
Total recognised income and expenses for the period	-	-	(11,376)	2,890,650	2,879,274
Balance as at 30 June	80,000,000	7,409,515	10,252,441	35,082,392	132,744,348

Extracted from the interim financial information reviewed by KPMG, and approved by the board of directors on 10 August 2008.

Ahmed Shabeeb Al Dhaheri
Vice Chairman

Isa Abdulla Al-Mannai
Director

Adel Al-Mannai
Chief Executive Officer

CONDENSED INCOME STATEMENT
for the six months ended 30 June 2008

	Six months ended		Three months ended	
	30 June 2008 (reviewed)	30 June 2007 (reviewed)	30 June 2008 (reviewed)	30 June 2007 (reviewed)
Income from available-for-sale investments	231,933	412,579	231,933	954
Income from trading investments	1,020,766	771,937	1,020,766	771,937
Fair value (loss) / gain on trading investments	(140,149)	(5,892,965)	(598,274)	4,537,305
Fair value (loss) / gain on available-for-sale investments	(539,353)	(50,452)	(343,547)	6,900
Income from Murabaha contracts	89,880	244,481	37,540	244,481
Income from Mudaraba investment	192,452	-	192,452	-
Income from investment property, net	1,411,517	-	432,783	-
Other income	2,050,297	104,210	977,765	104,210
Total income	4,317,343	(4,410,210)	1,951,418	5,665,787
Staff cost	711,479	741,837	376,796	520,537
Administrative and general expenses	479,361	596,817	179,982	245,722
Depreciation	235,853	25,121	118,124	12,526
Total expenses	1,426,693	1,363,775	674,902	778,785
Profit / (loss) for the period	2,890,650	(5,773,985)	1,276,516	4,887,002
Earnings per share (US\$)				
Basic	0.01	(0.02)	0.01	0.02

CONDENSED STATEMENT OF CASH FLOWS
for the six months ended 30 June 2008

	30 June 2008 (Reviewed)	30 June 2007 (Reviewed)
OPERATING ACTIVITIES		
Dividend received	216,342	-
Placement fees received	-	2,000,000
Underwriting fees received	-	3,631,836
Income from Murabaha contracts	89,880	21,623
Purchase of trading investments	(334,281)	-
Purchase of available-for-sale investments	(6,216,794)	-
Proceeds from sale of trading investments	148,150	-
Proceeds from sale of available-for-sale investments	178,364	-
Payments for operating expenses	(1,077,993)	(1,326,324)
Employee Qard Hasan and advances, net	16,701	16,284
Refund of payments to Managing Director	1,000,000	-
Others	-	(21,944)
Cash flows from operating activities	(5,979,631)	4,321,475
INVESTING ACTIVITIES		
Purchase of equipment	(337,996)	(627,341)
Advances for purchase of equipment	-	(118,919)
Proceeds from disposal of equipment	52,520	-
Cash flows from investing activities	(285,476)	(746,260)
FINANCING ACTIVITIES		
Mudaraba investments	-	(4,500,000)
Receipt from Mudaraba investments	5,768,373	1,034,860
Cash paid to charitable organisations	-	(796)
Cash flows from financing activities	5,786,373	(3,465,936)
Net (decrease) / increase in cash and cash equivalents	(496,734)	109,279
Cash and cash equivalents at 1 January	9,631,572	383,182
Cash and cash equivalents at 30 June	9,134,838	492,461