

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 months ended 31 December 2013



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2013 USD 000's

	December 2013 (Unaudited)	30 June 2013 (Audited)
ASSETS		
Balances with banks	2,466	5,903
Placements with financial institutions	2,798	4,720
Investments	130,601	131,567
Investments in associates and a joint venture accounted under the equity method	24,822	25,033
Investment property	9,130	9,130
Receivable from investment banking services	21,380	13,192
Funding to project companies	18,470	12,858
Other assets	27,939	9,246
Property and equipment	9,528	9,912
Total assets	247,134	221,561
LIABILITIES		
Islamic financing payables	28,688	13,011
Employee accruals	4,331	4,109
Other liabilities	8,581	3,963
Total liabilities	41,600	21,083
EQUITY		
Share capital	190,000	250,000
Share premium	-	28,429
Unvested shares of employee share ownership plan	(10,000)	(22,764)
Statutory reserve	2,023	10,414
Investments fair value reserve	1,006	245
Employee share ownership plan reserve	-	5,349
Retained earnings (Accumulated losses)	22,505	(71,195)
Total equity	205,534	200,478
Total liabilities and equity	247,134	221,561
Off statement of financial position items		
Equity of investment account holders	3,865	3,740

Extracted from the reviewed interim financial information approved for issue by the Board on 4 February 2014 and on which Ernst & Young has issued an unqualified review report.

Dr. Ghassan Al Sulaiman
Chairman

Abdullatif M. Janahi
Board Member and Chief Executive Officer

INTERIM CONSOLIDATED STATEMENT OF INCOME

6 months ended 31 December 2013 (Unaudited) USD 000's

	Three months ended 31 December		Six months ended 31 December	
	2013	2012	2013	2012
REVENUE				
Income from investment banking services - net	4,850	4,849	9,451	10,959
Finance income	64	111	133	229
Dividend income	-	173	3	1,854
Rental and other miscellaneous income	360	1,538	794	1,831
Total revenue	5,274	6,671	10,381	14,873
OTHER GAINS (LOSSES)				
Fair value gains (losses) on investments carried at fair value through profit or loss - net	(485)	3	(478)	(1,990)
Other gains on investments - net	436	-	709	-
	5,225	6,674	10,612	12,883
EXPENSES				
Staff costs	1,606	1,307	3,060	2,501
Travel and business development expenses	103	163	225	219
Legal and professional fees	243	272	485	420
Finance expense	235	23	323	69
Depreciation	181	326	382	648
Other expenses	638	638	1,141	963
Total expenses	3,006	2,729	5,616	4,820
Profit before impairment provision and share of loss of associates and a joint venture	2,219	3,945	4,996	8,063
Impairment allowances	(350)	-	(490)	(1,710)
Share of losses of associates and a joint venture - net	(101)	(444)	(211)	(851)
Net profit for the period	1,768	3,501	4,295	5,502

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

6 months ended 31 December 2013 (Unaudited) USD 000's

	31 December 2013	31 December 2012 (Not reviewed)
OPERATING ACTIVITIES		
Net profit for the period	4,295	5,502
Adjustments for non-cash items:		
Share of results of associates and a joint venture accounted under the equity method	211	851
Impairments charged	490	1,710
Fair value loss on investments carried at fair value through profit or loss	500	-
Depreciation	382	648
Gain on disposal of property and equipment	(3)	(108)
Gain on sale of available-for-sale investment	(436)	-
Dividend income	(3)	(1,854)
Operating profit before changes in operating assets and liabilities	5,436	6,749
Changes in operating assets and liabilities:		
Investments	688	(6,516)
Receivable from investment banking services	(8,188)	2,579
Funding to project companies	(6,102)	(2,292)
Other assets	(18,703)	508
Employee accruals	222	(196)
Other liabilities	4,618	570
Net cash (used in) from operating activities	(22,029)	1,402
INVESTING ACTIVITIES		
Dividends received	39	1,121
Proceeds from sale of available-for-sale investment	949	-
Property and equipment - net	5	(269)
Net cash from investing activities	993	852
FINANCING ACTIVITIES		
Islamic financing payables raised (repaid)	15,677	(6,000)
Net cash from (used in) financing activity	15,677	(6,000)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,359)	(3,746)
Cash and cash equivalents at beginning of the period	10,423	10,322
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5,264	6,576
Cash and cash equivalents per the statement of financial position		
Balances with banks	2,466	2,354
Placements with financial institutions	2,798	4,222
	5,264	6,576

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

6 months ended 31 December 2013 USD 000's

	Share capital	Share premium	Unvested ESOP shares	Statutory reserve	Investments fair value reserve	ESOP reserve	Retained earnings / Accumulated losses	Total
31 December 2013								
Balance at 1 July 2013	250,000	28,429	(22,764)	10,414	245	5,349	(71,195)	200,478
Capital restructuring	(60,000)	(28,429)	12,764	(10,414)	-	(5,349)	91,428	-
Transfer to statutory reserve	-	-	-	2,023	-	-	(2,023)	-
Net profit for the period	-	-	-	-	-	-	4,295	4,295
Net movement in cumulative changes in fair value of available-for-sale investment	-	-	-	-	761	-	-	761
Balance at 31 December 2013 (Unaudited)	190,000	-	(10,000)	2,023	1,006	-	22,505	205,534
Balance at 1 July 2012	250,000	28,429	(22,764)	10,414	(24)	5,349	(79,335)	192,069
Net profit for the period (not reviewed)	-	-	-	-	-	-	5,502	5,502
Net movement in cumulative changes in fair value of available-for-sale investment (not reviewed)	-	-	-	-	23	-	-	23
Balance at 31 December 2012 (Unaudited)	250,000	28,429	(22,764)	10,414	(1)	5,349	(73,833)	197,594