



INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2011

## Interim condensed consolidated statement of financial position (All amounts expressed in United States Dollars)

	As at	
	30 June 2011 (Reviewed)	31 December 2010 (Audited)
<b>ASSETS</b>		
Cash and balances with banks	6,645,545	8,150,460
Placements with banks	25,085,689	27,664,758
Finance lease receivables	74,764,230	86,941,431
Investment securities available-for-sale	20,546,950	20,796,950
Property and equipment	1,933,741	2,607,043
Other assets	999,235	1,303,150
	<u>129,975,390</u>	<u>147,463,792</u>
Assets of disposal group classified as held for sale	-	71,434
<b>Total assets</b>	<u>129,975,390</u>	<u>147,535,226</u>
<b>LIABILITIES</b>		
Due to banks	22,066,237	27,585,394
Due to related parties	7,674,967	18,080,410
Accounts payable and other liabilities	706,860	664,333
	<u>30,448,064</u>	<u>46,330,137</u>
Liabilities of disposal group classified as held for sale	-	538,178
<b>Total liabilities</b>	<u>30,448,064</u>	<u>46,868,315</u>
<b>EQUITY</b>		
Share capital	100,000,000	100,000,000
Statutory reserve	788,534	788,534
Cumulative losses	(1,261,208)	(121,623)
<b>Total equity</b>	<u>99,527,326</u>	<u>100,666,911</u>
<b>Total liabilities and equity</b>	<u>129,975,390</u>	<u>147,535,226</u>

The interim condensed consolidated financial information has been approved for issue by the Board of Directors on 11 August 2011 and signed on its behalf by:

Khalid Mohamed Kanoo  
Chairman

Mohamed Abdulrahman Hussain  
Director

## Interim condensed consolidated statement of comprehensive income (All amounts expressed in United States Dollars)

	Six month period ended		Three month period ended	
	30 June 2011 (Reviewed)	30 June 2010 (Reviewed)	30 June 2011 (Reviewed)	30 June 2010 (Reviewed)
Income from financing activities and similar income	2,731,407	4,277,765	1,235,839	2,200,580
Profit on placements with banks	614,857	338,335	271,934	138,839
Finance cost and similar charges	(1,305,747)	(1,802,159)	(608,984)	(980,479)
	<u>2,040,517</u>	<u>2,813,941</u>	<u>898,789</u>	<u>1,358,940</u>
Fee and commission income	168,476	194,750	76,542	114,740
Income from investment activities	99,003	47,693	-	-
Other income	177,053	123,229	1,488	29,932
<b>Total operating income</b>	<u>2,485,049</u>	<u>3,179,613</u>	<u>976,819</u>	<u>1,503,612</u>
Staff costs	(991,294)	(1,455,987)	(473,677)	(736,928)
Other operating expenses	(787,146)	(885,291)	(384,311)	(493,680)
Provision for impairment	-	-	-	-
Finance Lease receivables	(1,469,886)	(730,632)	(1,110,315)	(706,412)
Property and equipment	(376,308)	-	-	-
<b>Total operating expenses</b>	<u>(3,624,634)</u>	<u>(3,071,910)</u>	<u>(1,968,303)</u>	<u>(1,937,020)</u>
<b>(Loss)/profit for the period</b>	<u>(1,139,585)</u>	<u>107,703</u>	<u>(991,484)</u>	<u>(433,408)</u>
<b>Other comprehensive income for the period</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive (loss)/income for the period</b>	<u>(1,139,585)</u>	<u>107,703</u>	<u>(991,484)</u>	<u>(433,408)</u>

## Interim condensed consolidated statement of changes in equity (All amounts expressed in United States Dollars)

	Share capital	Retained earnings	Statutory reserve	Total
<b>At 1 January 2010</b>	100,000,000	3,386,037	788,534	104,174,571
Total comprehensive income for the period	-	107,703	-	107,703
<b>At 30 June 2010 (Reviewed)</b>	100,000,000	3,493,740	788,534	104,282,274
<b>At 1 January 2011</b>	100,000,000	(121,623)	788,534	100,666,911
Total comprehensive loss for the period	-	(1,139,585)	-	(1,139,585)
<b>At 30 June 2011 (Reviewed)</b>	100,000,000	(1,261,208)	788,534	99,527,326

## Interim condensed consolidated statement of cash flows (All amounts expressed in United States Dollars)

	Six month period ended	
	30 June 2011 (Reviewed)	30 June 2010 (Reviewed)
<b>Operating activities</b>		
Profit for the period	(1,139,585)	107,703
<b>Adjustments for:</b>		
Depreciation	296,995	127,032
Provision for impairment	1,846,194	730,632
Income from investments available-for-sale	(99,003)	(47,693)
Gain on disposal of property and equipment	-	(198)
	<u>904,601</u>	<u>917,476</u>
<b>Changes in operating assets and liabilities</b>		
Decrease in finance lease receivables	10,707,315	14,115,010
Decrease/(increase) in other assets	303,912	(2,145,209)
Increase in accounts payable and other liabilities	42,528	32,964
Increase in other amounts due to banks	106,289	294,959
Increase in other amounts due to related parties	33,657	49,204
Net cash provided by operating activities	<u>12,098,302</u>	<u>13,264,404</u>
<b>Investing activities</b>		
Purchase of property and equipment	-	(148,772)
Proceeds from the sale of property and equipment	-	200
Disposal of held-for-sale investments	(473,151)	-
Purchase of available-for-sale investments	-	(675,000)
Acquisition of subsidiary	-	(230,300)
Proceeds from investment available-for-sale	349,003	47,693
Net cash used in investing activities	<u>(124,148)</u>	<u>(1,006,179)</u>
<b>Financing activities</b>		
Proceeds from borrowed funds	-	40,000,000
Repayments of borrowed funds	(16,064,545)	(33,186,023)
Increase/(decrease) in placements with bank maturing after three months	4,500,943	(524,054)
Net cash (used in)/provided by financing activities	<u>(11,563,602)</u>	<u>6,289,923</u>
<b>Net increase in cash and cash equivalents</b>	<u>410,552</u>	<u>18,548,148</u>
Cash and cash equivalents at the beginning of the period	18,148,952	6,818,445
<b>Cash and cash equivalents at the end of the period</b>	<u>18,559,504</u>	<u>25,366,593</u>
Cash and cash equivalents comprise:		
Cash and balances with banks	6,645,546	8,590,810
Placements with banks	25,085,689	27,535,869
	<u>31,731,235</u>	<u>36,126,679</u>
Less: Placements with banks maturing after three months	(13,171,731)	(10,760,086)
	<u>18,559,504</u>	<u>25,366,593</u>