



## INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2011

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

	As at	
	30 September 2011 (Reviewed)	31 December 2010 (Audited)
<b>ASSETS</b>		
Cash and balances with banks	5,850,165	8,150,460
Placements with banks	33,389,835	27,664,758
Finance lease receivables	68,940,860	86,941,431
Investment securities available-for-sale	20,546,950	20,796,950
Property and equipment	746,238	2,607,043
Other assets	1,089,931	1,303,150
	<b>130,563,979</b>	<b>147,463,792</b>
Assets of disposal group classified as held for sale	-	71,434
<b>Total assets</b>	<b>130,563,979</b>	<b>147,535,226</b>
<b>LIABILITIES</b>		
Due to banks	24,361,383	27,585,394
Due to related parties	7,832,137	18,080,410
Accounts payable and other liabilities	554,070	664,333
	<b>32,747,590</b>	<b>46,330,137</b>
Liabilities of disposal group classified as held for sale	-	538,178
<b>Total liabilities</b>	<b>32,747,590</b>	<b>46,868,315</b>
<b>EQUITY</b>		
Share capital	100,000,000	100,000,000
Statutory reserve	788,534	788,534
Accumulated losses	(2,972,145)	(121,623)
<b>Total equity</b>	<b>97,816,389</b>	<b>100,666,911</b>
<b>Total liabilities and equity</b>	<b>130,563,979</b>	<b>147,535,226</b>

The financial information was reviewed by PricewaterhouseCoopers ME Limited.

#### Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 2 to the interim condensed consolidated financial information which indicates that the Bank may cease to exist as a legal entity as a result of a proposed change in its ownership structure. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern.

The interim condensed consolidated financial information has been approved for issue by the Board of Directors on 3rd November 2011 and signed on its behalf by:

Khalid Mohamed Kanoo  
Chairman

Mohamed Abdulrahman Hussain  
Director

Yusuf Saleh Khalaf  
Chairman of Audit and Risk Committee

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

	Nine month period ended		Three month period ended	
	30 September 2011 (Reviewed)	30 September 2010 (Reviewed)	30 September 2011 (Reviewed)	30 September 2010 (Reviewed)
Income from financing activities and similar income	3,879,325	5,774,204	1,147,918	1,496,439
Profit on placements with banks	1,085,679	671,172	470,822	332,837
Finance cost and similar charges	(1,835,039)	(2,719,030)	(529,291)	(916,871)
	<b>3,129,965</b>	<b>3,726,346</b>	<b>1,089,449</b>	<b>912,405</b>
Fee and commission income	241,883	295,320	73,407	100,570
Income from investment activities	99,003	497,693	-	450,000
Other income	225,091	229,653	48,037	106,424
<b>Total operating income</b>	<b>3,695,942</b>	<b>4,749,012</b>	<b>1,210,893</b>	<b>1,569,399</b>
Staff costs	(1,454,636)	(2,428,188)	(463,342)	(972,201)
Other operating expenses	(1,182,369)	(1,450,373)	(395,223)	(565,082)
Provision for impairment	-	-	-	-
Finance lease receivables	(3,533,151)	(1,778,431)	(2,063,265)	(1,047,799)
Property and equipment	(376,308)	-	-	-
<b>Total operating expenses</b>	<b>(6,546,464)</b>	<b>(5,656,992)</b>	<b>(2,921,830)</b>	<b>(2,585,082)</b>
<b>Loss for the period</b>	<b>(2,850,522)</b>	<b>(907,980)</b>	<b>(1,710,937)</b>	<b>(1,015,683)</b>
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(2,850,522)</b>	<b>(907,980)</b>	<b>(1,710,937)</b>	<b>(1,015,683)</b>

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

	Share capital	Retained earnings / Accumulated Losses	Statutory reserve	Total
<b>At 1 January 2010</b>	100,000,000	3,386,037	788,534	104,174,571
Total comprehensive loss for the period	-	(907,980)	-	(907,980)
<b>At 30 September 2010 (Reviewed)</b>	100,000,000	2,478,057	788,534	103,266,591
<b>At 1 January 2011</b>	100,000,000	(121,623)	788,534	100,666,911
Total comprehensive loss for the period	-	(2,850,522)	-	(2,850,522)
<b>At 30 September 2011 (Reviewed)</b>	100,000,000	(2,972,145)	788,534	97,816,389

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

	Nine month period ended	
	30 September 2011 (Reviewed)	30 September 2010 (Reviewed)
<b>Operating activities</b>		
Loss for the period	(2,850,522)	(907,980)
<b>Adjustments for:</b>		
Depreciation	363,505	213,296
Provision for impairment	3,909,459	1,778,431
Gain from investments available-for-sale	(3,620)	-
(Loss)/gain on disposal of property and equipment	102,043	(198)
	<b>1,520,865</b>	<b>1,083,549</b>
<b>Changes in operating assets and liabilities:</b>		
Decrease in finance lease receivables	15,436,366	20,595,668
Decrease/(increase) in other assets	213,221	(1,166,753)
Decrease in accounts payable and other liabilities	(110,263)	(152,822)
Increase in other amounts due to banks	260,365	406,634
Increase in other amounts due to related parties	59,169	74,717
<b>Net cash provided by operating activities</b>	<b>17,379,723</b>	<b>20,840,993</b>
<b>Investing activities</b>		
Purchase of property and equipment	-	(154,877)
Proceeds from the sale of property and equipment	50,000	200
Purchase of available-for-sale investments	-	(675,000)
Proceeds from sale of investments available-for-sale	253,620	-
Disposal of held-for-sale investments	(473,151)	-
Acquisition of subsidiary	-	(230,300)
<b>Net cash used in investing activities</b>	<b>(169,531)</b>	<b>(1,059,977)</b>
<b>Financing activities</b>		
Proceeds from borrowed funds	5,000,000	40,000,000
Repayments of borrowed funds	(18,791,818)	(41,143,523)
Decrease in placements with bank maturing after three months	(467,391)	(7,363,968)
<b>Net cash used in financing activities</b>	<b>(14,259,209)</b>	<b>(8,507,491)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,950,983</b>	<b>11,273,525</b>
Cash and cash equivalents at the beginning of the period	<b>18,148,952</b>	<b>6,818,445</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>21,099,935</b>	<b>18,091,970</b>
Cash and cash equivalents comprise:		
Cash and balances with banks	5,850,165	6,091,970
Placements with banks	33,389,835	29,600,000
	<b>39,240,000</b>	<b>35,691,970</b>
Less: Placements with banks maturing after three months	(18,140,065)	(17,600,000)
	<b>21,099,935</b>	<b>18,091,970</b>