

INTERIM STATEMENT OF FINANCIAL POSITION At 31 March 2010 (Unaudited)

	31 March	Audited
	2010 BD	31 December 2009 BD
ASSETS		
Cash and balances with banks and financial institutions	68,885,465	87,187,714
Sales receivables	147,622,313	163,707,264
Mudaraba financing	6,512,483	6,512,334
Ijara Muntahia Bittamleek	19,977,472	17,635,219
Musharaka financing	7,516,044	7,702,535
Investments	53,129,089	52,237,171
Investment properties	558,038	515,821
Ijara income receivables	4,112,396	3,704,793
Premises and equipment	5,108,179	5,047,256
Other assets	6,316,793	6,319,856
TOTAL ASSETS	319,738,272	350,569,963
LIABILITIES		
Due to banks and financial institutions	16,677,442	18,028,460
Current accounts	21,668,779	26,846,782
Other liabilities	7,273,571	6,717,054
TOTAL LIABILITIES	45,619,792	51,592,296
UNRESTRICTED INVESTMENT ACCOUNTS	215,121,879	239,943,213
EQUITY		
Share capital	46,166,591	46,166,591
Reserves	9,677,793	9,488,630
Retained earnings	3,152,217	3,379,233
TOTAL EQUITY	58,996,601	59,034,454
TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY	319,738,272	350,569,963
RESTRICTED INVESTMENT ACCOUNTS	65,261,081	76,280,503
CONTINGENCIES AND COMMITMENTS	57,506,159	41,633,128

INTERIM STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2010 (Unaudited)

	Reserves						Total equity BD
	Share capital BD	Statutory BD	General BD	Cumulative changes in fair value BD	Foreign exchange BD	Retained earnings BD	
Balance at 1 January 2010	46,166,591	7,958,887	3,275,053	969,465	(2,714,775)	3,379,233	59,034,454
Net movement in cumulative change in fair value of available for sale investments	-	-	-	176,199	-	-	176,199
Foreign currency translation reserve	-	-	-	-	12,964	-	12,964
Net loss for the period	-	-	-	-	-	(227,016)	(227,016)
Balance at 31 March 2010	46,166,591	7,958,887	3,275,053	1,145,664	(2,701,811)	3,152,217	58,996,601
Balance at 1 January 2009	46,166,591	7,958,887	3,275,053	1,545,631	(2,346,803)	13,393,497	69,992,856
Net movement in cumulative change in fair value of available for sale investments	-	-	-	(25,774)	-	-	(25,774)
Foreign currency translation reserve	-	-	-	-	(72,894)	-	(72,894)
Net loss for the period	-	-	-	-	-	(1,609,383)	(1,609,383)
Balance at 31 March 2009	46,166,591	7,958,887	3,275,053	1,519,857	(2,419,697)	11,784,114	68,284,805

INTERIM STATEMENT OF INCOME

For the period ended 31 March 2010 (Unaudited)

	Three months ended 31 March	
	2010 BD	2009 BD
INCOME		
Income from jointly financed sales	3,395,879	3,936,422
Income from jointly financed, other financings and investments	927,988	1,021,616
Joint investment income	4,323,867	4,958,038
Gross Return on unrestricted investment accounts	(4,109,073)	(4,347,460)
Bank's share as a Mudarib	1,215,176	459,170
Return on unrestricted investment accounts	(2,893,897)	(3,888,290)
Bank's share of income from Joint financing and Investment accounts	1,429,970	1,069,748
Bank's income from self financed sales	9,421	44,318
Bank's income from self financed, other financings and investments	397,364	334,081
Revenue from banking services	426,915	312,224
Other income	440,150	230,172
Bank's Mudarib/agency fee from restricted investment accounts	25,034	19,176
TOTAL OPERATING INCOME	2,728,854	2,009,719
OPERATING EXPENSES		
Staff expenses	(1,246,262)	(1,276,140)
Depreciation	(215,465)	(181,576)
Profit on due to banks and financial institutions	(38,485)	(21,920)
Other operating expenses	(893,027)	(730,827)
TOTAL OPERATING EXPENSES	(2,393,239)	(2,210,463)
NET GAIN (LOSS) FOR THE PERIOD BEFORE PROVISION FOR IMPAIRMENT AND TAXATION	335,615	(200,744)
Provision for impairment - net	(446,095)	(1,721,471)
NET LOSS BEFORE TAXATION	(110,480)	(1,922,215)
Taxation	(116,536)	312,832
LOSS FOR THE PERIOD	(227,016)	(1,609,383)

INTERIM CASH FLOWS STATEMENT

For the period ended 31 March 2010 (Unaudited)

	Three months ended 31 March	
	2010 BD	2009 BD
OPERATING ACTIVITIES		
Net loss for the period before taxation	(110,480)	(1,922,215)
Adjustments for :		
Depreciation	215,465	181,576
Provision for impairment - net	446,095	1,721,471
Amortisation of income and expenses related to leased assets - net	(16,387)	(16,387)
Unrealised remeasurement gain	(1,245)	(105,062)
Ijara finance cost	1,705	9,105
Gain on sale of premises and equipment	(939)	(2,954)
Gain on sale of investments	(6,011)	-
Operating profit (loss) before changes in operating assets and liabilities	528,203	(134,466)
Net changes in operating assets and liabilities:		
Sales receivables	8,512,048	17,507,356
Mudaraba financing	(149)	(2,531,033)
Ijara Muntahia Bittamleek	(2,342,253)	(2,950,677)
Musharaka financing	183,370	911,789
Ijara income receivables	(391,831)	3,400,177
Other assets	(273,502)	1,216,579
Other liabilities	761,855	916,622
Due to banks and financial institutions	(1,351,018)	(539,655)
Current accounts	(5,178,003)	1,529,428
Taxation paid	(206,162)	(20,187)
Net cash from operating activities	242,558	19,305,933
INVESTING ACTIVITIES		
Purchase of investments	(1,568,084)	(34,297)
Sale of investments	859,621	117,311
Net purchase of premises and equipment	(275,449)	(273,436)
Purchase of investment properties	(42,217)	(144,521)
Net cash used in investing activities	(1,026,129)	(334,943)
FINANCING ACTIVITY		
Decrease in unrestricted investment accounts	(24,821,334)	(8,262,331)
Net cash used in financing activity	(24,821,334)	(8,262,331)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(25,604,905)	10,708,659
Cash and cash equivalents at 1 January	117,658,726	98,385,305
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	92,053,821	109,093,964

For the purpose of the interim cash flows statement, cash and cash equivalents comprised of the following:

Cash in hand	3,919,102	3,411,338
Balances with central banks excluding capital deposited with State Bank of Pakistan	-	10,439,231
Balances with other banks and financial institutions	46,635,610	58,520,342
Sales receivables - international commodities	33,424,256	36,723,053
	92,053,821	109,093,964

These statements have been extracted from financial statements reviewed by Ernst & Young, who expressed an unqualified opinion on 5 May 2010

Khalid Rashid Al Zayani
Chairman

Adnan Ahmed Yousif
Deputy Chairman

Mohammed Essa Al Mutaweh
Chief Executive & Board Member