



TAIB Bank B.S.C.(c)

TAIB Tower, Diplomatic Area, P.O.Box 20485 Manama, Kingdom of Bahrain
Ph: (973) 17 - 549 - 494 Fax: (973) 17 - 533 -174 www.taib.com

Consolidated statement of financial position

(All amounts expressed in thousands of United States Dollars unless otherwise stated)

	As at 31 December	
	2009	2008
ASSETS		
Cash and balances with central banks	68,225	32,448
Placements with banks	92,629	132,833
Financial assets at fair value through profit or loss	5,435	6,592
Loans and advances	25,245	28,413
Available-for-sale financial assets	77,771	92,350
Investments in associates	20,205	16,024
Investment property	26,277	29,026
Property and equipment	21,360	22,507
Intangible assets	1,514	1,551
Goodwill	3,730	3,645
Other assets	5,715	5,098
Total assets	348,106	370,487
LIABILITIES		
Deposits from banks	24,525	51,930
Deposits from customers	193,907	155,743
Other liabilities	17,313	18,779
Long term debt	7,516	7,616
	243,261	234,068
Non-controlling interests - Funds	791	3,372
Total liabilities	244,052	237,440
EQUITY		
Capital and reserves attributable to equity holders of the Bank		
Share capital	112,362	112,362
Less: Treasury shares	(4,530)	(4,530)
Reserves	(4,816)	24,241
	103,016	132,073
Non-controlling interests in equity	1,038	974
Total equity	104,054	133,047
Total equity and liabilities	348,106	370,487

Consolidated statement of changes in equity for the year ended 31 December 2009
(All amounts expressed in thousands of United States Dollars unless otherwise stated)

	Attributable to equity holders of the Bank										Non-controlling interests	Total equity
	Reserves											
	Share capital	Treasury shares	Share Premium	Capital and statutory reserve	General reserve	Revaluation reserve	Translation of foreign operations	Fair value reserve	Retained earnings	Total		
At 1 January 2009	112,362	(4,530)	3,197	22,985	6,886	9,967	(11,536)	(654)	(6,604)	24,241	974	133,047
Total comprehensive loss for the year	-	-	-	(81)	91	(869)	(2,567)	1,156	(26,787)	(29,057)	64	(28,993)
At 31 December 2009	112,362	(4,530)	3,197	22,904	6,977	9,098	(14,103)	502	(33,391)	(4,816)	1,038	104,054

Consolidated income statement

(All amounts expressed in thousands of United States Dollars unless otherwise stated)

	Year ended 31 December	
	2009	2008
Interest and similar income	5,633	10,374
Interest expense	(6,419)	(5,847)
	(786)	4,527
Fee and commission income	6,032	18,534
Net trading income/(loss)	734	(20,255)
Gain/(loss) on disposal of available-for-sale financial assets	1,167	(160)
Changes in fair value of investment property	(3,059)	(5,458)
Foreign exchange income	102	501
Finance income	-	4,182
Other operating income	4,539	5,061
Total operating income	8,729	6,932
Staff costs	(12,963)	(23,904)
Other operating costs	(11,666)	(13,992)
Finance cost	(77)	-
Provisions for impairment of loans, investments and other assets	(8,958)	(35,530)
Share of (loss)/profit from an associate	(939)	2,024
Loss before taxation	(25,874)	(64,470)
Overseas income tax expense	(149)	(836)
Loss for the year	(26,023)	(65,306)
Attributable to:		
Equity holders of the Bank	(26,076)	(64,463)
Non-controlling interests in equity	53	(843)
	(26,023)	(65,306)
Earnings per share for loss attributable to the equity holders of the Bank during the year (expressed in United States Dollars per share – Basic and diluted)	(\$ 0.242)	(\$ 0.606)

Consolidated cash flow statement

(All amounts expressed in thousands of United States Dollars unless otherwise stated)

	Year ended 31 December	
	2009	2008
Cash flows from operating activities:		
Loss for the year before taxation and non-controlling interests in equity	(25,874)	(64,470)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Unrealized gain on financial assets at fair value through profit or loss	131	1,319
Changes in fair value of derivative financial instruments	13	(9)
Changes in fair value of investment properties	3,059	5,458
Provision for impairment	8,958	35,530
Share of profit/(loss) from associate	939	(2,024)
Depreciation and amortisation	1,852	1,566
Cash flows from operating profits before changes in operating assets and liabilities	(10,922)	(22,630)
Movements in operating assets and liabilities:		
Financial assets at fair value through profit or loss	1,026	31,595
Loans and advances	2,831	(6,240)
Other assets	(1,533)	1,996
Deposits from banks	(27,405)	(36,722)
Deposits from customers	38,164	19,864
Other liabilities	(4,158)	(15,204)
Currency translation and other adjustment	(3,300)	(1,720)
Net cash used in operating activities	(5,297)	(29,061)
Cash flows from investing activities:		
Net movement in available-for-sale financial assets	2,897	(25,251)
Acquisition of subsidiary	-	(2,490)
Net investment in associate	-	(5,000)
Net movement in Investment property	(311)	21,103
Net acquisition of property and equipment	(1,616)	(2,211)
Net cash provided by/(used in) investing activities	970	(13,849)
Cash flows from financing activities:		
Net movement in treasury shares	-	(6,622)
Net movement in long term debt	(100)	722
Net cash used in financing activities	(100)	(5,900)
Net decrease in cash and cash equivalents	(4,427)	(48,810)
Cash and cash equivalents at beginning of the year	165,281	214,091
Cash and cash equivalents at end of the year	160,854	165,281

Consolidated statement of comprehensive income

(All amounts expressed in thousands of United States Dollars unless otherwise stated)

	Year ended 31 December	
	2009	2008
Loss for the year	(26,023)	(65,306)
Other comprehensive income/(loss):		
Exchange difference on translation of foreign operations	(2,567)	(3,397)
Exchange difference on retained earnings and other reserves	(733)	1,680
Disposal of available-for-sale financial assets	(119)	1,328
Movement in fair value of available-for-sale financial assets	383	(9,557)
Fair value reserve recycled to the income statement	1,072	5,789
Share of other comprehensive loss from associate	(180)	-
Revaluation of property and equipment	(864)	417
Other comprehensive income / (loss)	38	(73)
Other comprehensive loss for the year	(2,970)	(3,813)
Total comprehensive loss for the year	(28,993)	(69,119)
Attributable to:		
Equity holders of the Bank	(29,057)	(68,156)
Non-controlling interests in equity	64	(963)
	(28,993)	(69,119)

These consolidated financial statements have been approved for issue by the Board of Directors and signed on its behalf on 24 February 2010 by:

Soud Ahmed Abdulrahman Ba'alawy
Chairman

Abdulrazaq Mohammed Abdulla Ali Al Jassim
Director

The above position and results are extracted from the consolidated financial statements for the year ended 31 December 2009, which were audited by PricewaterhouseCoopers Bahrain Limited.