

Consolidated balance sheet as at 31 December 2005

(Expressed in thousands of United States Dollars)

	2005	2004 (Restated)
ASSETS		
Cash and balances with central banks	23,546	23,455
Placements with banks	166,064	94,232
Trading securities	30,061	14,713
Loans and advances	14,522	22,833
Investment securities	170,629	195,311
Property and equipment	14,811	13,234
Other assets	15,418	24,012
Total assets	435,051	387,790
EQUITY		
Shareholders' equity		
Share capital	101,916	101,916
Less: Treasury shares	(9,367)	(9,107)
Reserves	50,421	50,769
	142,970	143,578
Minority interest	6,483	16
Total equity	149,453	143,594
LIABILITIES		
Deposits from banks	111,264	46,181
Deposits from customers	144,958	150,471
Securities sold under agreements to repurchase	3,911	5,609
Other liabilities	25,465	37,592
Long term debt	-	4,343
Total liabilities	285,598	244,196
Total equity and liabilities	435,051	387,790

These consolidated financial statements have been approved for issue by the Board of Directors and signed on its behalf on 19 January 2006 by:



Abdulaziz R. Al Rashed
Chairman



Iqbal G. Mamdani
Vice Chairman and Chief Executive Officer

The above financial information are extracts from the consolidated financial statements for the year ended 31 December 2005 audited by PricewaterhouseCoopers, Bahrain.

Consolidated statement of income for the year ended 31 December 2005

(Expressed in thousands of United States Dollars unless otherwise stated)

	2005	2004 (Restated)
Interest and similar income	12,392	9,096
Interest expense	(4,723)	(8,289)
	7,669	807
Income / (loss) from FVTPL financial instruments	2,417	(2,062)
Fair value (loss) / gain on investment properties	(11,752)	20,115
Income /(loss) from sale of investment securities	29,829	(9,319)
Foreign exchange income	929	150
Fees and commission	13,272	15,804
Other operating income	1,267	1,258
Total operating income	43,631	26,753
Staff costs	(11,528)	(8,721)
Other operating costs	(7,395)	(7,143)
Provision - impairment of loans, investments and other assets - other	(5,971) -	(1,131) (1,000)
Income before taxation	18,737	8,758
Overseas taxation	(73)	(338)
Income for the year	18,664	8,420
Attributable to:		
Equity holders of the Bank	17,758	8,475
Minority interest	906	(55)
	18,664	8,420
Earnings per share for net income attributable to the equity holders of the Bank during the year - Basic	\$0.192	\$0.091

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