



Ithmaar Bank

INTERIM CONSOLIDATED CONDENSED FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2008

INTERIM CONSOLIDATED CONDENSED BALANCE SHEET

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

	At 31 March 2008 (Reviewed)	At 31 December 2007 (Audited)
Assets		
Cash and cash equivalents	565,453	575,304
Due from banks	14,204	16,172
Investments in financings	1,965,582	1,882,028
Investment securities	985,464	638,579
Investment properties	236,562	213,067
Accounts receivable	111,283	101,856
Investments in associates	184,694	194,549
Property, plant and equipment	131,563	130,930
Intangible assets	323,182	326,304
Total assets	4,517,987	4,078,789
Liabilities		
Customer current accounts	500,095	569,239
Customer investment accounts	1,786,462	1,368,904
Due to banks	513,009	394,025
Other borrowings	71,889	123,239
Accounts payable	315,683	269,438
Current tax payable	13,104	9,175
Deferred tax liability	61,021	60,372
Total liabilities	3,261,263	2,794,392
Equity		
Capital and reserves attributable to the Bank's equity holders		
Share capital	532,641	537,474
Reserves	489,065	550,334
	1,021,706	1,087,808
Minority interests	235,018	196,589
Total equity	1,256,724	1,284,397
Total equity and liabilities	4,517,987	4,078,789
Funds under management	2,045,327	1,723,814

	31 March 2008 (Reviewed)	31 March 2007 (Reviewed)
Income		
Income from short term deposits	10,844	7,261
Income from investments in financings	47,743	43,616
Fee and commission income	9,455	9,570
Fund management and services	4,814	5,348
Income from investments	61,777	21,354
Net trading income	(249)	1,703
Other income	2,513	1,031
	136,897	89,883
Distribution to investment account holders	(38,846)	(31,755)
Operating income	98,051	58,128
Expenses		
Staff costs	(20,502)	(12,324)
General and administrative expenses	(14,069)	(8,427)
Depreciation and amortisation	(6,168)	(4,623)
Exchange gain/(loss)	5,647	(244)
Total expenses	(35,092)	(25,618)
Operating profit	62,959	32,510
Share of profit of associated companies	670	3,014
Profit before income taxes	63,629	35,524
Taxes	(4,329)	(4,480)
Profit after income taxes	59,300	31,044
Attributable to:		
Equity holders of the Bank	32,013	18,145
Minority interests	27,287	12,899
	59,300	31,044
Basic/diluted earnings per share	US cts 1.51	US cts 1.07

INTERIM CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2007

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

	Attributable to the Bank's equity holders						Minority interests	Total equity		
	Share capital	Share premium	Statutory reserve	General reserve	Fair value reserve	Currently translation	Retained earnings	Total reserves	Minority interests	Total equity
At 1 January 2007 (Audited)	353,525	167,347	25,598	46,044	16,151	(4,144)	187,572	438,568	331,562	1,123,655
Treasury shares acquired	(1,545)	(1,934)					18,145	18,145	12,899	31,044
Net profit for the period							(47,520)	(47,520)	(15,575)	(47,520)
Dividends paid				22,283	6,716		(22,283)			
Transfer to general reserve					(663)				(638)	(1,301)
Movement in fair value of available-for-sale investments					(108)				(108)	(108)
Movement in deferred tax available-for-sale investments					70			70		192
Movement in fair value of associated companies						(162)				45
Transfer to net profit due to disposal of available-for-sale investments										
Foreign currency translation adjustment										
At 31 March 2007 (Reviewed)	351,980	165,413	25,598	68,327	22,166	(4,306)	135,914	413,112	336,454	1,101,546

INTERIM CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2008

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

	Attributable to the Bank's equity holders						Minority interests	Total equity		
	Share capital	Share premium	Statutory reserve	General reserve	Fair value reserve	Currently translation	Retained earnings	Total reserves	Minority interests	Total equity
At 1 January 2008 (Audited)	537,474	216,026	35,873	68,327	27,170	(3,079)	206,017	550,334	196,589	1,284,397
Treasury shares acquired	(6,961)	(11,201)					4,078	4,078		(18,162)
Treasury shares sold	2,128	4,078					32,013	32,013		6,206
Net profit for the period							(53,579)	(53,579)		59,300
Dividends paid				39,352	(25,817)		(39,352)			(60,591)
Transfer to general reserve					(7,366)				(7,366)	(11,208)
Movement in deferred tax available-for-sale investments					(44)				(44)	16,500
Minority interest relating to new subsidiaries					(10)		134		134	134
Changes of ownership interest in subsidiary										134
Movement in fair value of associated companies										(44)
Transfer to net profit due to disposal of available-for-sale investments										
Appropriation to Ithmaar Education and Training Fund										(17)
Foreign currency translation adjustment										
At 31 March 2008 (Reviewed)	532,641	208,903	35,873	107,679	(6,813)	759	142,664	489,065	489,065	1,256,724

The above interim consolidated condensed financial information was approved for issue by the Board of Directors on 14 May 2008. These are extracts from the interim consolidated condensed financial information for the three month period ended 31 March 2008, reviewed by PricewaterhouseCoopers, who issued an unqualified review report on 14 May 2008.

91% Growth in Net Profit

Khalid Abdulla-janahi
Chairman

Michael P. Lee
CEO & Member of the Board

14/05/08
OK