



# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 31 March 2010 (Unaudited)

### INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

At 31 March 2010 (Unaudited)

	31 March 2010 (Unaudited) US\$ '000	31 December 2009 (Audited) US\$ '000
<b>ASSETS</b>		
Cash and balances with banks	4,973	3,676
Deposit with a bank	4,066	-
Due from banks	15,100	23,200
Mudaraba receivables	13,026	8,000
Ijarah receivables	9,701	10,000
Financing receivable	12,000	15,000
Investments	219,716	231,396
Other assets	6,022	5,780
Equipment	1,432	1,351
<b>TOTAL ASSETS</b>	<b>286,036</b>	<b>298,403</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Due to Short Term Sukuk - investors	108,546	123,584
Due to banks	109,651	109,205
Other liabilities	4,698	3,638
	<b>222,895</b>	<b>236,427</b>
<b>EQUITY</b>		
Share capital	51,000	51,000
Reserves	8,639	8,612
Retained earnings	3,502	2,224
Proposed appropriations	-	140
	<b>63,141</b>	<b>61,976</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>286,036</b>	<b>298,403</b>

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the three months ended 31 March 2010 (Unaudited)

	31 March 2010 US\$ '000	31 March 2009 US\$ '000
Income from investments	2,476	2,793
Income from Murabaha and due from banks	28	298
Income from financing receivable	246	-
Income from Mudaraba receivables	70	-
Income from Ijarah receivables	183	-
Net gain on held for trading investments	341	10
Less: Return to Short Term Sukuk - investors	(626)	(916)
Less: Return to banks	(545)	(327)
Less: Return to non banks	-	(204)
	<b>2,173</b>	<b>1,654</b>
Investment banking fees	1,129	43
Ijarah income / (expense) - net	6	(469)
Foreign exchange gain	83	27
<b>OPERATING INCOME</b>	<b>3,391</b>	<b>1,255</b>
Staff costs	925	868
Depreciation	55	24
General and administrative expenses	496	252
<b>OPERATING EXPENSES</b>	<b>1,476</b>	<b>1,144</b>
<b>NET PROFIT FOR THE PERIOD BEFORE IMPAIRMENT PROVISION</b>	<b>1,915</b>	<b>111</b>
Specific impairment provision	77	-
Collective impairment provision	700	-
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,138</b>	<b>111</b>

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2010 (Unaudited)

	Share capital	Reserves							Total equity
		Statutory reserve	General reserve	Investments fair value reserve	Foreign exchange translations	Total reserves	Retained earnings/ (Accumulated deficit)	Proposed appropriations	
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Balance at 1 January 2010	51,000	2,226	2,226	4,160	-	8,612	2,224	140	61,976
Cumulative changes in fair value - net	-	-	-	27	-	27	-	-	27
Directors' remuneration	-	-	-	-	-	-	140	(140)	-
<b>Income recognised directly in equity</b>	-	-	-	27	-	27	140	(140)	27
Net profit for the period	-	-	-	-	-	-	1,138	-	1,138
<b>Total income and expenses recognised during the period</b>	-	-	-	27	-	27	1,278	(140)	1,165
<b>Balance at 31 March 2010</b>	<b>51,000</b>	<b>2,226</b>	<b>2,226</b>	<b>4,187</b>	<b>-</b>	<b>8,639</b>	<b>3,502</b>	<b>-</b>	<b>63,141</b>
Balance at 1 January 2009	51,000	1,930	1,930	2,199	(504)	5,555	(245)	-	56,310
Cumulative changes in fair value - net	-	-	-	1,158	-	1,158	-	-	1,158
Foreign currency translation	-	-	-	-	(27)	(27)	-	-	(27)
<b>Income recognised directly in equity</b>	-	-	-	1,158	(27)	1,131	-	-	1,131
Net profit for the period	-	-	-	-	-	-	111	-	111
<b>Total income and expenses recognised during the period</b>	-	-	-	1,158	(27)	1,131	111	-	1,242
Balance at 31 March 2009	51,000	1,930	1,930	3,357	(531)	6,686	(134)	-	57,552

Reviewed by external auditors ERNST & YOUNG, unqualified opinion.

**Emad Al Monayea**  
Deputy Chairman

**Khalid Al-Dossari**  
Director

**Ahmed Abbas**  
Chief Executive Officer

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2010 (Unaudited)

	31 March 2010 US\$ '000	31 March 2009 US\$ '000
Net cash used in operating activities	(6,667)	(12,036)
Net cash used in investing activity	(136)	(56)
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(6,803)</b>	<b>(12,092)</b>
Cash and cash equivalents at 1 January	26,876	29,956
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>20,073</b>	<b>17,864</b>

**Note:** The full consolidated statement of cash flows is available on LMC's website.