

CONSOLIDATED BALANCE SHEET 31st December 2009

	2009 US\$'000	2008 US\$'000
ASSETS		
Cash and balances with banks	3,676	1,149
Due from banks	23,200	15,000
Mudaraba receivable	8,000	-
Ijarah receivables	10,000	-
Murabaha receivables	-	13,807
Financing receivable	15,000	-
Investments	231,396	242,598
Other assets	5,780	3,868
Equipment	1,351	369
TOTAL ASSETS	298,403	276,791
LIABILITIES AND EQUITY		
LIABILITIES		
Due to Short Term Sukuk - investors	123,584	161,748
Due to banks	109,205	42,997
Due to non bank	-	13,604
Other liabilities	3,638	2,132
TOTAL LIABILITIES	236,427	220,481
EQUITY		
Share capital	51,000	51,000
Reserves	8,612	5,555
Retained earnings / (Accumulated deficit)	2,224	(245)
Proposed appropriations	140	-
TOTAL EQUITY	61,976	56,310
TOTAL LIABILITIES AND EQUITY	298,403	276,791

CONSOLIDATED STATEMENT OF INCOME For year ended 31st December 2009

	2009 US\$'000	2008 US\$'000
Income from investments	10,121	13,432
Income from Murabaha and due from banks	817	896
Income from financing receivable	626	-
Income from Mudaraba	22	116
Income from Ijarah receivables	154	-
Less: Return to Short Term Sukuk - investors	(3,203)	(7,714)
Less: Return to banks	(1,823)	(712)
Less: Return to non banks	(223)	(469)
Less: Ijarah expense - net	(916)	(49)
	5,575	5,500
Investment banking fees	5,444	1,017
Fair value changes	-	6,213
Loss on held for trading investments	(95)	(322)
Foreign exchange (loss) / gain	(141)	534
OPERATING INCOME	10,783	12,942
Staff costs	3,795	4,303
Depreciation	134	89
General and administrative expenses	1,536	1,181
OPERATING EXPENSES	5,465	5,573
NET PROFIT FOR THE YEAR BEFORE IMPAIRMENT PROVISION	5,318	7,369
Specific impairment provision	1,807	5,627
Collective impairment provision	310	700
NET PROFIT FOR THE YEAR	3,201	1,042

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For year ended 31st December 2009

	Reserves								
	Share capital US\$'000	Statutory reserve US\$'000	General reserve US\$'000	Investments fair value reserve US\$'000	Foreign exchange translations US\$'000	Total reserves US\$'000	Retained earnings (Accumulated deficit) US\$'000	Proposed appropriations US\$'000	Total equity US\$'000
Balance at 1 January 2009	51,000	1,930	1,930	2,199	(504)	5,555	(245)	-	56,310
Cumulative changes in fair value*	-	-	-	1,961	-	1,961	-	-	1,961
Foreign currency translation	-	-	-	-	134	134	-	-	134
Transfer to statement of income	-	-	-	-	370	370	-	-	370
Directors' remuneration	-	-	-	-	-	-	(140)	140	-
Total income and expenses recognised directly in equity	-	-	-	1,961	504	2,465	(140)	140	2,465
Net profit for the year	-	-	-	-	-	-	-	-	3,201
Total income and expenses recognised during the year	-	-	-	1,961	504	2,465	3,061	140	5,066
Transfer to statutory reserve	-	296	-	-	-	296	(296)	-	-
Transfer to general reserve	-	-	296	-	-	296	(296)	-	-
Balance at 31 December 2009	51,000	2,226	2,226	4,160	-	8,612	2,224	140	61,976
Balance at 1 January 2008	51,000	1,930	1,930	448	-	4,308	10,026	-	65,334
Cumulative changes in fair value	-	-	-	(4,429)	-	(4,429)	-	-	(4,429)
Foreign currency translation	-	-	-	-	(504)	(504)	-	-	(504)
Realised gain transferred to consolidated statement of income	-	-	-	(33)	-	(33)	-	-	(33)
Total income and expenses recognised directly in equity	-	-	-	(4,462)	(504)	(4,966)	-	-	(4,966)
Transfer of fair value gain to reserve	-	-	-	6,213	-	6,213	(6,213)	-	-
Net profit for the year	-	-	-	-	-	-	-	1,042	1,042
Total income and expenses recognised during the year	-	-	-	1,751	(504)	1,247	(5,171)	-	(3,924)
Dividend paid	-	-	-	-	-	-	(5,100)	-	(5,100)
Balance at 31 December 2008	51,000	1,930	1,930	2,199	(504)	5,555	(245)	-	56,310

CONSOLIDATED STATEMENT OF CASH FLOWS For year ended 31st December 2009

	2009 US\$'000	2008 US\$'000
Net cash (used in) / from operating activities	(1,964)	21,643
Net cash used in investing activity	(1,116)	(197)
Net cash used in financing activities	-	(5,100)
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(3,080)	16,346
Cash and cash equivalents at 1 January	29,956	13,610
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	26,876	29,956

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

These consolidated financial statements were extracted from the audited consolidated financial statements on which Ernst & Young issued an unqualified opinion dated 17/2/2010. These consolidated financial statements have been authorized for for issuance in accordance with a resolution of the Board of Direction dated 17/2/2010 :

Mohammed Tariq
Chairman

Emad Al Monayea
Deputy Chairman

Ahmed Abbas
Chief Executive Officer