



CONSOLIDATED FINANCIAL STATEMENTS as at 31 December 2011

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2011

	2011	2010
ASSETS		
Cash and cash equivalents	27,478,440	34,882,810
Loans and advances	12,103,883	11,709,151
Investments designated at fair value through profit or loss	75,926,962	74,359,869
Investment in associates	4,329,141	3,348,605
Other assets	21,000,344	19,007,034
Total assets	140,838,770	143,307,469
LIABILITIES AND EQUITY		
Liabilities		
Investors' funds	6,383,430	306,304
Payables and accrued expenses	9,168,312	6,029,734
Total liabilities	15,551,742	6,336,038
Equity		
Share capital	113,888,889	111,111,111
Unvested shares of employees incentive scheme	(2,020,033)	(6,312,694)
Share premium	1,686,293	863,715
Statutory reserve	2,201,628	2,201,628
Retained earnings	9,530,251	19,814,638
Total equity attributable to shareholders of the Bank	125,287,028	127,678,398
Non-controlling interest	-	9,293,033
Total equity	125,287,028	136,971,431
Total liabilities and equity	140,838,770	143,307,469

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2011

	2011	2010
Income from investment banking services	1,911,570	4,970,083
Net interest income	1,256,647	1,452,424
Fair value gain on investments designated at fair value through profit or loss	3,644,595	9,412,295
Profit on sale of investments designated at fair value through profit or loss	221,901	9,218,905
Dividend income	181,320	929,623
Share of loss of associates	(220,064)	(380,437)
Other (loss) / income	(216,502)	608,445
Total income	6,779,467	26,211,338
Staff expenses	6,990,386	9,079,615
Premises expenses	691,173	793,658
Other expenses	3,826,737	6,218,013
Total expenses	11,508,296	16,091,286
Total comprehensive income for the year	(4,728,831)	10,120,052
<i>Total comprehensive income attributable to:</i>		
Shareholders of the Bank	(4,728,831)	10,203,339
Non-controlling interest	-	(83,287)
Total comprehensive income for the year	(4,728,831)	10,120,052

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2011

2011	Equity attributable to shareholders of the Bank						Non-controlling interest	Total equity
	Share capital	Unvested shares of Employee Incentive Scheme	Share premium	Statutory reserve	Retained earnings	Total		
At 1 January	111,111,111	(6,312,694)	863,715	2,201,628	19,814,638	127,678,398	9,293,033	136,971,431
Total comprehensive income for the year	-	-	-	-	(4,728,831)	(4,728,831)	-	(4,728,831)
Dividend declared for 2010	-	-	-	-	(2,777,778)	(2,777,778)	-	(2,777,778)
Issue of bonus shares	2,777,778	-	-	-	(2,777,778)	-	-	-
Shares vested under Employee Incentive Scheme	-	4,292,661	822,578	-	-	5,115,239	-	5,115,239
Acquisition of non-controlling interest	-	-	-	-	-	-	(9,293,033)	(9,293,033)
At 31 December	113,888,889	(2,020,033)	1,686,293	2,201,628	9,530,251	125,287,028	-	125,287,028
2010	Equity attributable to shareholders of the Bank						Non-controlling interest	Total equity
	Share capital	Unvested shares of Employee Incentive Scheme	Share premium	Statutory reserve	Retained earnings	Total		
At 1 January	111,111,111	(9,574,136)	276,655	1,181,294	10,631,633	113,626,557	-	113,626,557
Total comprehensive income for the year	-	-	-	-	10,203,339	10,203,339	(83,287)	10,120,052
Shares vested under Employee Incentive Scheme	-	3,261,442	587,060	-	-	3,848,502	-	3,848,502
Transfer to statutory reserve	-	-	-	1,020,334	(1,020,334)	-	-	-
Non-controlling interest on investment in subsidiary	-	-	-	-	-	-	9,376,320	9,376,320
At 31 December	111,111,111	(6,312,694)	863,715	2,201,628	19,814,638	127,678,398	9,293,033	136,971,431

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2011

	2011	2010
OPERATING ACTIVITIES		
Receipts from investment banking services	1,746,015	1,625,536
Net interest received	930,479	683,116
Receipt of dividend and other income	268,359	418,778
Project costs recovered	-	463,221
Payment for staff expenses	(6,306,420)	(7,084,531)
Payment for premises expenses	(691,173)	(1,081,658)
Payment for other expenses	(4,044,145)	(1,354,555)
Loans disbursed, net	(68,564)	(7,526,392)
Receipt from other assets	-	3,200,000
Investors' funds received / (paid), net	6,545,537	(7,999,463)
Cash used in operating activities	(1,619,912)	(18,655,948)
INVESTING ACTIVITIES		
Purchase of equipment	(406,501)	(440,190)
Purchase of investment in associates	(1,200,600)	(1,113,603)
Purchase of investments designated at fair value through profit or loss	980,420	(17,349,359)
Proceeds from sale of investments designated at fair value through profit or loss	3,290,734	13,679,118
Advance for purchase of investment	(3,999,762)	-
Acquisition of subsidiary, net of cash acquired	-	9,376,320
Cash (used in) / generated from investing activities	(3,296,549)	4,152,286
FINANCING ACTIVITIES		
Dividends paid	(2,487,909)	-
Cash used in financing activities	(2,487,909)	-
Net decrease in cash and cash equivalents during the year	(7,404,370)	(14,503,662)
Cash and cash equivalents at 1 January	34,882,810	49,386,472
Cash and cash equivalents at 31 December	27,478,440	34,882,810

Al H. Alireza
Chairman

Dr. Nahed Taher
Director and Chief Executive Officer

The published figures are an extract from the consolidated financial statements audited by KPMG who expressed an unqualified audit opinion on 27 February 2012.

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