



INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS as of 31 MARCH 2011

Gulf One
Investment Bank

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2011

| | 31 March 2011 (reviewed) | 31 December 2010 (audited) |
|--|-----------------------------|-------------------------------|
| Assets | | |
| Cash and cash equivalents | 38,591,841 | 34,882,810 |
| Loans and receivables | 11,608,212 | 11,709,151 |
| Investments at fair value through profit or loss | 74,359,869 | 74,359,869 |
| Investment in associate | 3,719,851 | 3,348,605 |
| Other assets | 16,349,980 | 19,007,034 |
| Total assets | 144,629,753 | 143,307,469 |
| Liabilities | | |
| Investors' funds | 863,566 | 306,304 |
| Payables and accrued expenses | 8,047,076 | 6,029,734 |
| Total liabilities | 8,910,642 | 6,336,038 |
| Equity | | |
| Share capital | 111,111,111 | 111,111,111 |
| Unvested shares of employees incentive scheme | (6,312,694) | (6,312,694) |
| Share premium | 863,715 | 863,715 |
| Statutory reserve | 2,201,628 | 2,201,628 |
| Retained earnings | 18,557,141 | 19,814,638 |
| Total equity attributable to shareholders of the Bank | 126,420,901 | 127,678,398 |
| Non-controlling interest | 9,298,210 | 9,293,033 |
| Total equity | 135,719,111 | 136,971,431 |
| Total liabilities and equity | 144,629,753 | 143,307,469 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the three months ended 31 March 2011

| | Three months ended 31 March 2011 (reviewed) | Three months ended 31 March 2010 (reviewed) |
|--|---|---|
| Income from investment banking activities | 669,205 | 685,954 |
| Net interest income | 408,368 | 277,576 |
| Other income | 439,176 | - |
| Share of loss of associates | (108,754) | - |
| Total income | 1,407,995 | 963,530 |
| Staff expenses | 1,806,611 | 1,843,650 |
| Premises expenses | 174,021 | 220,318 |
| Other expenses | 679,683 | 774,714 |
| Total expenses | 2,660,315 | 2,838,682 |
| Loss for the period | (1,252,320) | (1,875,152) |
| Other comprehensive income | - | - |
| Total comprehensive income for the period | (1,252,320) | (1,875,152) |
| <i>Loss attributable to:</i> | | |
| Shareholders of the Bank | (1,257,497) | (1,875,152) |
| Non-controlling interest | 5,177 | - |
| Total comprehensive income attributable to: | (1,252,320) | (1,875,152) |
| <i>Shareholders of the Bank</i> | <i>(1,257,497)</i> | <i>(1,875,152)</i> |
| <i>Non-controlling interest</i> | <i>5,177</i> | <i>-</i> |
| Total comprehensive income attributable to: | (1,252,320) | (1,875,152) |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the three months ended 31 March 2011

| 31 March 2011 (reviewed) | 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 2011 | 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 period | - | - | - | - | (1,257,497) | (1,257,497) | 5,177 | (1,252,320) |
| At 31 March 2011 | 111,111,111 | (6,312,694) | 863,715 | 2,201,628 | 18,557,141 | 126,420,901 | 9,298,210 | 135,719,111 |
| 31 March 2010 (reviewed) | | | | | | | | |
| At 1 January 2010 | 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 period | - | - | - | - | (1,257,497) | (1,257,497) | 5,177 | (1,252,320) |
| At 31 March 2010 | 111,111,111 | (6,312,694) | 863,715 | 2,201,628 | 18,557,141 | 126,420,901 | 9,298,210 | 135,719,111 |
| At 1 January 2010 | 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 period | - | - | - | - | (1,257,497) | (1,257,497) | 5,177 | (1,252,320) |
| At 31 March 2010 | 111,111,111 | (6,312,694) | 863,715 | 2,201,628 | 18,557,141 | 126,420,901 | 9,298,210 | 135,719,111 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the three months ended 31 March 2011

| | Three months ended 31 March 2011 (reviewed) | Three months ended 31 March 2010 (reviewed) |
|--|--|--|
| OPERATING ACTIVITIES | | |
| Receipt from investment banking services | 669,205 | 772,700 |
| Net interest received | 176,751 | 25,972 |
| Receipt of other income | 100,943 | - |
| Payment for staff expenses | (1,605,640) | (1,910,247) |
| Payment for premises expenses | (174,021) | (220,318) |
| Payment for other expenses | (560,876) | (586,592) |
| Investors funds received, net | 2,167,284 | 178,777 |
| Loans repaid / (disbursed), net | 331,406 | (6,158,974) |
| Advance paid for projects, net | - | (1,866,667) |
| Project costs paid | - | (64,202) |
| Cash generated from / (used in) operating activities | 1,105,052 | (9,829,551) |
| INVESTING ACTIVITIES | | |
| Purchase of equipment | (196,929) | (43,914) |
| Purchase of investment in associate | (480,000) | (591,103) |
| Proceeds from sale of investment designated at fair value through profit or loss | 3,280,908 | - |
| Purchase of investments at fair value through profit or loss | - | (1,394,359) |
| Cash generated from / (used in) investing activities | 2,603,979 | (2,029,376) |
| Net increase / (decrease) in cash and cash equivalents | 3,709,031 | (11,858,927) |
| Cash and cash equivalents at beginning of the period | 34,882,810 | 49,386,472 |
| Cash and cash equivalents at end of the period | 38,591,841 | 37,527,545 |

Dr. Ali Bahar
Chairman of the Audit Committee

Dr. Nahed Taher
Director and Chief Executive Officer

Gulf One Investment Bank B.S.C. (c) Bahrain Financial Harbour, 15th Floor, West Tower, P.O. Box 11172, Manama, Kingdom of Bahrain.

The above condensed consolidated financial statements have been extracted from the interim financial information for the three months period ended 31 March 2011 and reviewed by PwM.