

# Albaraka Islamic Bank B.S.C. (c)

## INTERIM BALANCE SHEET

At 31 March 2009 (Unaudited)

	Note	31 March 2009 US \$	Audited 31 December 2008 US \$
<b>ASSETS</b>			
Cash and balances with banks		213,069,258	216,028,978
Sales receivables		489,888,840	508,913,704
Mudaraba financing		19,702,896	12,989,281
Ijarah Muntahia Bittamleek		52,034,021	44,207,291
Musharaka financing		21,519,799	23,900,235
Investments		140,960,742	140,858,730
Investment properties		1,878,537	1,636,061
Ijarah income receivables		13,172,471	22,184,818
Premises and equipment		12,069,710	11,818,214
Other assets	3	14,870,134	18,924,098
<b>TOTAL ASSETS</b>		<b>979,166,408</b>	<b>1,001,461,410</b>
<b>LIABILITIES</b>			
Due to banks and other financial institutions		11,261,516	12,692,962
Current accounts		70,594,159	66,537,321
Other liabilities	4	31,257,766	29,731,525
<b>TOTAL LIABILITIES</b>		<b>113,113,441</b>	<b>108,961,808</b>
<b>UNRESTRICTED INVESTMENT ACCOUNTS</b>		<b>684,926,166</b>	<b>706,842,162</b>
<b>EQUITY</b>			
Share capital		122,457,800	122,457,800
Reserves		27,411,405	27,673,124
Retained earnings		31,257,596	35,526,516
<b>TOTAL EQUITY</b>		<b>181,126,801</b>	<b>185,657,440</b>
<b>TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY</b>		<b>979,166,408</b>	<b>1,001,461,410</b>
<b>RESTRICTED INVESTMENT ACCOUNTS</b>		<b>166,053,384</b>	<b>166,983,914</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	5	<b>77,966,619</b>	<b>132,658,770</b>

Khalid Rashid Al-Zayani  
Chairman

Adnan Ahmed Yousif  
Deputy Chairman

Mohammed Essa Al Mutaweh  
Chief Executive & Board Member

These financial statements have been extracted from financial statements audited by Ernst & Young, who expressed an unqualified opinion on 11-05-09

Albaraka Islamic Bank B.S.C. (c)

INTERIM STATEMENT OF INCOME

For the period ended 31 March 2009 (Unaudited)

	<i>Three months ended</i>	
	<i>31 March</i>	
	<b>2009</b>	<b>2008</b>
	<b>US \$</b>	<b>US \$</b>
<b>INCOME</b>		
Income from jointly financed sales	<b>10,441,438</b>	10,330,476
Income from jointly financed, other financings and investments	<b>2,709,857</b>	3,423,305
Joint investment income	<b>13,151,295</b>	13,753,781
Gross Return on unrestricted investment accounts	<b>(11,531,724)</b>	(11,202,139)
Bank's share as a Mudarib	<b>1,217,957</b>	1,029,325
Return on unrestricted investment accounts	<b>(10,313,767)</b>	(10,172,814)
Bank's share of income from Joint financing and Investment accounts	<b>2,837,528</b>	3,580,967
Bank's income from self financed sales	<b>117,555</b>	304,521
Bank's income from self financed, other financings and investments	<b>886,157</b>	716,633
Revenue from banking services	<b>828,180</b>	920,170
Other revenues	<b>610,535</b>	606,378
Bank's Mudarib/agency fee from restricted investment accounts	<b>50,864</b>	59,032
<b>TOTAL OPERATING INCOME</b>	<b>5,330,819</b>	6,187,701
<b>OPERATING EXPENSES</b>		
Staff expenses	<b>(3,384,986)</b>	(3,597,569)
Depreciation	<b>(481,633)</b>	(311,297)
Profit on due to banks and financial institutions	<b>(58,145)</b>	(460,468)
Other operating expenses	<b>(1,938,534)</b>	(1,793,279)
<b>TOTAL OPERATING EXPENSES</b>	<b>(5,863,298)</b>	(6,162,613)
<b>NET (LOSS) INCOME FOR THE PERIOD BEFORE PROVISION FOR IMPAIRMENT AND TAXATION</b>	<b>(532,479)</b>	25,088
Provision for impairment - net	<b>(4,566,235)</b>	(827,072)
<b>NET (LOSS) BEFORE TAXATION</b>	<b>(5,098,714)</b>	(801,984)
Taxation	<b>829,794</b>	(126,629)
<b>(LOSS) FOR THE PERIOD</b>	<b>(4,268,920)</b>	(928,613)

## INTERIM CASH FLOWS STATEMENT

For the period ended 31 March 2009 (Unaudited)

	<i>Three months ended 31 March</i>	
	<b>2009</b>	<b>2008</b>
	<b>US \$</b>	<b>US \$</b>
<b>OPERATING ACTIVITIES</b>		
Net (loss) for the period before taxation	<b>(5,098,714)</b>	(801,984)
Adjustments for :		
Depreciation	<b>481,633</b>	311,297
Provision for impairment- net	<b>4,566,235</b>	827,072
Amortisation of income and expenses related to leased assets-net	<b>(43,466)</b>	(43,948)
Unrealised remeasurement gain	<b>(278,679)</b>	(170,270)
Ijarah finance cost	<b>24,150</b>	77,413
(Gain) Loss on sale of premises and equipment	<b>(7,833)</b>	30,207
Gain on sale of investments	-	(57,730)
Gain on sale of investment properties	-	(151,842)
Operating (loss) profit before changes in operating assets and liabilities	<b>(356,674)</b>	20,215
Net changes in operating assets and liabilities:		
Sales receivables	<b>46,438,608</b>	40,303,333
Mudaraba financing	<b>(6,713,615)</b>	3,065,334
Ijara Muntahia Bittamleek	<b>(7,826,730)</b>	5,750,053
Musharaka financing	<b>2,418,539</b>	(321,485)
Ijara income receivables	<b>9,019,037</b>	(5,252,812)
Other assets	<b>3,226,999</b>	(4,369,766)
Other liabilities	<b>2,431,358</b>	6,388,204
Due to banks and other financial institutions	<b>(1,431,446)</b>	(1,846,157)
Current accounts	<b>4,056,838</b>	(5,353,067)
Taxation paid	<b>(53,544)</b>	(140,403)
Directors' remuneration	-	(60,000)
Net cash from operating activities	<b>51,209,369</b>	38,183,449
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	<b>(90,973)</b>	(14,292,359)
Sale of investments	<b>311,171</b>	10,005,685
Purchase of premises and equipment	<b>(765,938)</b>	(961,656)
Sale of premises and equipment	<b>40,642</b>	30,433
Purchase of investment properties	<b>(383,346)</b>	(467,938)
Sale of investment properties	-	2,329,320
Net cash (used in) investing activities	<b>(888,444)</b>	(3,356,515)
<b>FINANCING ACTIVITIES</b>		
(Decrease) in unrestricted investment accounts	<b>(21,915,996)</b>	(28,172,411)
Net cash (used in) financing activities	<b>(21,915,996)</b>	(28,172,411)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>28,404,929</b>	6,654,523
Cash and cash equivalents at 1 January	<b>260,968,980</b>	165,568,262
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>289,373,909</b>	172,222,785
For the purpose of the interim cash flow statement, cash and cash equivalents are comprised of the following:		
Cash in hand	<b>9,048,642</b>	8,364,109
Balances with central banks excluding capital deposited		
with State Bank of Pakistan	<b>27,690,269</b>	33,759,813
Balances with other banks and financial institutions	<b>155,226,370</b>	82,404,264
Sales receivables - international commodities	<b>97,408,628</b>	47,694,599
	<b>289,373,909</b>	172,222,785

Albaraka Islamic Bank B.S.C. (c)

INTERIM STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2009 (Unaudited)

	<i>Reserves</i>					<i>Retained earnings</i> US \$	<i>Total shareholders' equity</i> US \$
	<i>Share capital</i> US \$	<i>Statutory</i> US \$	<i>General</i> US \$	<i>Cumulative changes in fair value</i> US \$	<i>Foreign exchange</i> US \$		
Balance at 1 January 2009	122,457,800	21,111,106	8,687,143	4,099,816	(6,224,941)	35,526,516	185,657,440
Directors' remuneration paid	-	-	-	-	-	-	-
Net movement in cumulative change in fair value of available for sale investments	-	-	-	(68,365)	-	-	(68,365)
Foreign currency translation reserve	-	-	-	-	(193,354)	-	(193,354)
Net loss for the period	-	-	-	-	-	(4,268,920)	(4,268,920)
<b>Balance at 31 March 2009</b>	<b>122,457,800</b>	<b>21,111,106</b>	<b>8,687,143</b>	<b>4,031,451</b>	<b>(6,418,295)</b>	<b>31,257,596</b>	<b>181,126,801</b>
Balance at 1 January 2008	122,457,800	20,860,008	8,687,143	5,219,580	(1,492,964)	33,410,635	189,142,202
Directors' remuneration paid	-	-	-	-	-	(60,000)	(60,000)
Net movement in cumulative change in fair value of available for sale investments	-	-	-	(100,722)	-	-	(100,722)
Foreign currency translation reserve	-	-	-	-	(229,037)	-	(229,037)
Net loss for the period	-	-	-	-	-	(928,613)	(928,613)
Balance at 31 March 2008	122,457,800	20,860,008	8,687,143	5,118,858	(1,722,001)	32,422,022	187,823,830