

18 August 2008

Capital Management House "CMH" BSC (c) today announced its half yearly financial results achieving significant growth during the first half of 2008. Total income for the first six months ended June 30, 2008 reached US\$ 17.2 million, already surpassing by 69% the total income of US\$ 10.2 million reported for the whole year of 2007.

Fee income grew **245%** to US\$ 10.7 million. Net income for the six months period ended June 2008 reached **US\$ 11.1 million**. Khalid A. Al Bassam, Chairman of Capital Management House expressed his and the Board satisfaction with the results – "the results are an indication of the strength of the talent and capability within CMH. With a strong deal pipeline and increasing customer interest we look forward to a solid 6 months ahead and an exciting 2009".

With profitability showing further growth in 2008, annualized return on equity rose from 11.6% in 2007 to **40.5%** in 2008 and earnings per share (EPS) increased from 11 % in year 2007 to 23.2 % per share for only the 6 months to June 2008.

Commenting on the Company's plans and expected growth drivers in 2008 and 2009, Mr Al Bassam stated: "The solid performance in CMH operations is the result of senior management's focus on delivering the strategic objectives. We expect CMH to continue delivering of its growth strategy. We have a good pipeline of projects and we will engage in various business lines such as real estate, asset management, private equity and advisory services through an experienced team of industry professionals. These businesses will make a positive contribution to the remainder of 2008's profitability and building a diversified recurring income stream for 2009"

### **About CMH**

Established in Bahrain in May 2006. Regulated by the Central Bank of Bahrain, Capital Management House is the first financial institution granted a Category I license to operate as an Islamic Investment business. CMH has an authorized share capital of US\$200 million and is established by reputable institutions and prominent businessmen from Bahrain and the region. CMH has been granted approval from the Central Bank of Bahrain to upgrade to a wholesale banking license and the capital increase to US\$ 100 million that is due to take place this October.

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