

Capital Management House B.S.C.(c)

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 SEPTEMBER 2011 (UNAUDITED)

REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF CAPITAL MANAGEMENT HOUSE B.S.C. (c)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Capital Management House B.S.C.(c) ("the Bank") and its subsidiaries (together "the Group") as at 30 September 2011, comprising of the interim consolidated statement of financial position as at 30 September 2011 and the related interim consolidated statements of income, changes in equity and cash flows for the nine-month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the accounting policies disclosed in note 3. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with the accounting policies as set out in note 3.



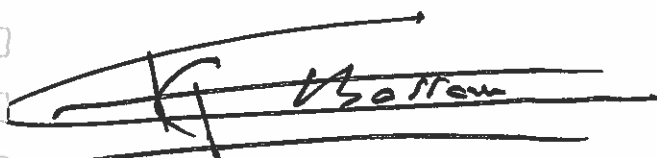
26 October 2011
Manama, Kingdom of Bahrain

Capital Management House B.S.C.(c)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2011 (Unaudited)

	Notes	Unaudited 30 September 2011 USD'000	Audited 31 December 2010 USD'000
ASSETS			
Cash and bank balances		2,013	894
Due from financial institutions	4	14,900	37,006
Investments	5	104,811	115,034
Non-current assets held for sale		1,326	1,614
Fixed assets		950	1,337
Other assets		2,650	961
TOTAL ASSETS		126,650	156,846
LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNT AND EQUITY			
Liabilities			
Due to financial institutions	6	14,350	39,258
Customers' current account		-	34
Other liabilities		402	944
Total liabilities		14,752	40,236
UNRESTRICTED INVESTMENT ACCOUNT	13	552	-
Equity			
Share capital		100,568	100,568
Share premium		17,912	17,912
Reserves		(7,134)	(1,870)
Total equity		111,346	116,610
TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNT AND EQUITY		126,650	156,846
RESTRICTED INVESTMENT ACCOUNTS	14	116,967	103,486
COMMITMENTS AND CONTINGENT LIABILITIES	8	13,088	13,324



Khalid Abdulla Al Bassam
Chairman



Khalid Mohamed Najibi
Managing Director

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements

Capital Management House B.S.C.(c)

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the nine months period ended 30 September 2011 (Unaudited)

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i> <i>2011</i> <i>USD'000</i>	<i>30 September</i> <i>2010</i> <i>USD'000</i>	<i>30 September</i> <i>2011</i> <i>USD'000</i>	<i>30 September</i> <i>2010</i> <i>USD'000</i>
INCOME				
Income from Islamic financing contracts	102	233	340	530
Income from investments	400	509	1,492	1,682
Gain / (loss) on sale of investments	-	(41)	46	(1,229)
Investment banking fees	467	1	1,828	5
Foreign currency translation gain	38	-	105	-
Total income	1,007	702	3,811	988
EXPENSES				
Profit payable on Islamic financing contracts	45	127	216	300
Staff costs	632	739	1,947	2,130
General and administrative and project expenses	529	558	1,827	1,779
Total expenses	1,206	1,424	3,990	4,209
NET LOSS FOR THE PERIOD BEFORE FAIR VALUE ADJUSTMENTS AND PROVISIONS	(199)	(722)	(179)	(3,221)
Fair value loss on investment designated at fair value through statement of income	-	-	(3,743)	-
Impairment and collective provisions	-	(1,340)	(2,099)	(1,398)
NET LOSS FOR THE PERIOD AFTER FAIR VALUE ADJUSTMENTS AND PROVISIONS	(199)	(2,062)	(6,021)	(4,619)

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements

Capital Management House B.S.C.(c)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months period ended 30 September 2011 (Unaudited)

	<i>Unaudited</i>	
	<i>Nine months ended</i>	
	<u>30 September</u>	<u>30 September</u>
	<u>2011</u>	<u>2010</u>
	<u>USD'000</u>	<u>USD'000</u>
OPERATING ACTIVITIES		
Net loss for the period after fair value adjustments and provisions	(6,021)	(4,619)
Adjustments for:		
Depreciation and amortisation	411	415
Amortisation of held to maturity investments	(143)	-
Fair value loss on investment designated at fair value through statement of income	3,743	-
Impairment and collective provisions	2,099	1,398
(Gain) / loss on sale of investments	(46)	1,229
Share grant reserve	113	172
Operating profit / (loss) before changes in operating assets and liabilities	156	(1,405)
Working capital adjustments:		
Due from financial institutions with original maturities of more than 90 days	-	(2,745)
Other assets	(1,689)	199
Due to financial institutions	(24,908)	21,864
Customers' current account	-	(425)
Other liabilities	(613)	(141)
Unrestricted investment account	518	-
Net cash flows (used in) / from operating activities	(26,536)	17,347
INVESTING ACTIVITIES		
Proceeds from investments	24,131	20,499
Purchase of investments	(18,560)	(15,698)
Net movement in fixed assets	(22)	(20)
Net cash flows from investing activities	5,549	4,781
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(20,987)	22,128
Cash and cash equivalents 1 January	37,400	12,365
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	16,413	34,493
Cash and cash equivalents comprise of:		
Cash and bank balances	2,013	1,219
Due from financial institutions with original maturities of less than 90 days	14,400	33,274
	16,413	34,493

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements

Capital Management House B.S.C.(c)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months period ended 30 September 2011 (Unaudited)

	Reserves									
	Share capital USD'000	Treasury and unallocated shares under MIP USD'000	Share premium USD'000	Statutory reserve USD'000	General reserves USD'000	Cumulative changes in fair value reserve USD'000	Retained earnings USD'000	Share grant reserve USD'000	Total reserve USD'000	Total Equity USD'000
Balance at 1 January 2011	105,000	(4,432)	17,912	2,180	563	3,978	(8,962)	371	(1,870)	116,610
Changes due to adoption of FAS 25	-	-	-	-	-	65	(5)	-	60	60
Balance at 1 January 2011 after FAS 25	105,000	(4,432)	17,912	2,180	563	4,043	(8,967)	371	(1,810)	116,670
Net loss for the period	-	-	-	-	-	-	(6,021)	-	(6,021)	(6,021)
Share grant vesting charge (FY 2011) (note 9)	-	-	-	-	-	-	-	113	113	113
Transfer to Zakat fund	-	-	-	-	-	-	(71)	-	(71)	(71)
Fair value gain on investment designated as fair value through equity	-	-	-	-	-	655	-	-	655	655
Balance at 30 September 2011	105,000	(4,432)	17,912	2,180	563	4,698	(15,059)	484	(7,134)	111,346
Balance at 1 January 2010	100,000	-	17,579	2,179	563	1,467	629	1,061	5,899	123,478
Shares issued to MIP subsidiary	5,000	(5,000)	-	-	-	-	-	-	-	-
Vested shares issued to eligible employees	-	472	259	-	-	-	-	(731)	(731)	-
Repurchase of Employees shares (Treasury shares at cost)	-	(62)	-	-	-	-	-	62	62	-
Fair value gain on investment designated as fair value through equity	-	-	-	-	-	1,416	-	-	1,416	1,416
Net loss for the period	-	-	-	-	-	-	(4,619)	-	(4,619)	(4,619)
Net movement in share grant reserve	-	-	-	-	-	-	-	175	175	175
Balance at 30 September 2010	105,000	(4,590)	17,838	2,179	563	2,883	(3,990)	567	2,202	120,450

At 30 September 2011 (Unaudited)

1 INCORPORATION AND ACTIVITIES

Capital Management House B.S.C.(c) ("the Bank") was incorporated in the Kingdom of Bahrain in accordance with and subject to the provisions of the Bahrain Commercial Companies Law, Decree no (21) of 2001 and its Implementation Regulations issued as per Ministerial Order No (6) of 2002 and registered with the Ministry of Industry and Commerce under Commercial Registration (CR) number 61045 on 15 May 2006. Until 7 October 2009 the Bank operated under an Investment Firm (Category I) License issued by the Central Bank of Bahrain ("CBB") and from 7 October 2009 CBB has upgraded its license to a "Wholesale Islamic Bank". The Bank's registered office is at Office 81, Building B1, Road 365, Block 316, Bahrain World Trade Center, Manama Center, Kingdom of Bahrain. The principle activities of the Bank includes:

- Short term investments;
- Capital market: Sukuk securities, equity linked offering, initial public offering and rights issues;
- Advisory services: Mergers and acquisitions, private placement, divestitures and real estate developments;
- Asset management; and
- Islamic deposit products and unrestricted accounts to customers.

The activities of the Bank and its wholly owned subsidiaries (together the "Group") are to carry out operations in accordance with the teachings of Islam (Shari'ah). The Group's Shari'ah Supervisory Board is entrusted to ensure the Group's adherence to Shari'ah Rules and Principles in its transactions and activities.

Approval of financial statements

The interim condensed consolidated financial statements for the nine months period ended 30 September 2011 were authorised for issue in accordance with a resolution of the Board of Directors on 26 October 2011.

Recent developments in the Middle East and North Africa ("MENA") region

The Group operates and undertakes business in several countries of the MENA region in which social and political unrest has occurred during the period. The Group's exposure is mainly in the Gulf Cooperation Council ("GCC") where the circumstances have greatly stabilised. In the MENA region the Group has "NIL" exposure in Egypt, Yemen and Syria where the unrest is continuing.

During the period under review the level of unrest and consequent political uncertainty in Libya has abated, the Group is closely monitoring developments in these countries and has taken steps to mitigate any adverse impact on its operations. The Group has invested in entities which have undertaken significant business activity in Libya, which has been subjected to civil unrest and military activity during the period. The operations of these investee companies within Libya have been suspended and an asset protection program has been implemented. The Board of Directors considers that these events will continue to disrupt the flow of business to the Group for a short period, however in the longer term, as events stabilise, the Board of Directors is optimistic that the Group's long established relationships and contacts in these markets will mean that business levels will return to normal levels. In the meanwhile appropriate fair value adjustments against these investments have been recorded in the interim condensed consolidated financial statements.

At the time of approval of these interim condensed consolidated financial statements, the Board of Directors are satisfied with the liquidity position of the Group and the Group has liquid resources to enable to meet its obligations for the foreseeable future, including the prospective flow of new businesses.

2 INVESTMENTS IN SUBSIDIARY

As at 30 September 2011, the Group had the following subsidiaries:

<i>Name</i>	<i>Activities/Status</i>	<i>Year of incorporation</i>	<i>Country of incorporation</i>	<i>Ownership %</i>
Tamkeen Investment Company B.S.C. (c)	Subsidiary to administer Management Incentive Program ("MIP")	2008	Kingdom of Bahrain	100

At 30 September 2011 (Unaudited)

2 INVESTMENTS IN SUBSIDIARY (continued)

<i>Name</i>	<i>Activities/Status</i>	<i>Year of incorporation</i>	<i>Country of incorporation</i>	<i>Ownership %</i>
Suffun Bahrain W.L.L. ("Suffun")	Special purpose vehicle ("SPV") for investment in Skaugen Gulf Petchem Carriers B.S.C.	2010	Kingdom of Bahrain	100
Suffun Investment company ("Suffun 1")	SPV for down sell of interest in Suffun	2010	Kingdom of Bahrain	100
GCC Balanced Growth Fund Company B.S.C.(c) ("GCC fund")	SPV for GCC Balanced Growth Fund	2010	Kingdom of Bahrain	100

As at 30 September 2011, the above subsidiaries are operational and have been consolidated or accounted for as "Non current assets held for sale".

3 BASIS OF PREPARATION AND ACCOUNTING POLICIES**Basis of preparation**

The interim condensed consolidated financial statements for the nine months period ended 30 September 2011 have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting". The interim condensed consolidated financial statements do not contain all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual consolidated financial statements as at 31 December 2010. In addition, results for the nine months period ended 30 September 2011 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2011.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2010, which were prepared in accordance with Financial Accounting Standards ("FAS") issued by Accounting and Auditing Organization for Islamic Financial Institutions (the "AAOIFI"), the Shari'ah Rules and Principles, the Bahrain Commercial Companies Law, CBB and Financial Institutions Law. For matters which are not covered by AAOIFI standards, including "Interim Financial Reporting", the Group uses relevant International Financial Reporting Standards ("IFRS").

Unrestricted investment accounts

All unrestricted investment accounts are carried at fair value of consideration received plus accrued profits less amount settled.

New and Amended Financial Accounting Standard and Framework

During 2010, AAOIFI amended its conceptual framework and issued a new FAS-25 "Investments in Sukuk, Shares and Similar Instruments", which are effective from 1 January 2011.

Statement of Financial Accounting No.1: Conceptual Framework for the Financial Reporting By Islamic Financial Institutions

The amended conceptual frame work provides the basis for the financial accounting standards issued by AAOIFI. The amended framework introduces the concept of substance and form compared to the concept of form over substance. The framework state that it is necessary that information, transaction and other events are accounted for and presented in accordance with its substance and economic reality as well as the legal form.

At 30 September 2011 (Unaudited)

3 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)**Adoption of FAS 25 - "Investment in Sukuk, Shares and Similar Instruments"**

The Group has adopted FAS 25 issued by AAOIFI which covers the recognition, measurement, presentation and disclosure of investment in Sukuk, Shares and Similar investments that exhibit characteristics of debt and equity instruments made by the Islamic financial institutions.

The adoption of FAS 25 has an effect on the classification and measurement of the Groups financial assets. As a result of the application of this new standard, the classification of the investment portfolio were revisited and changes if any, were made in accordance with FAS 25. The impact on the opening retained earnings for the 2011 was a loss of USD 5 thousands (31 December 2010 : USD nil).

4 DUE FROM FINANCIAL INSTITUTIONS

	<i>Unaudited</i> 30 September 2011 USD'000	<i>Audited</i> 31 December 2010 USD'000
Commodity Murabaha receivables	3,000	17,752
Less: Provision for impairment	(1,500)	(1,500)
	<u>1,500</u>	<u>16,252</u>
Mudaraba receivables	13,400	12,755
Wakala receivables	-	7,999
	<u>14,900</u>	<u>37,006</u>

An amount of USD 650 thousands (31 December 2010 : USD nil) included in the Mudaraba receivables is jointly financed.

5 INVESTMENTS

	<i>Fair value</i> <i>through</i> <i>statement of</i> <i>income</i> USD'000	<i>Amortised</i> <i>cost</i> USD'000	<i>Fair value</i> <i>through</i> <i>equity</i> USD'000	<i>Total</i> USD'000
As at 30 September 2011 (Unaudited)				
Debt type				
<i>Unquoted investments</i>				
Sukuk	-	4,885	-	4,885
Equity type				
<i>Quoted investments</i>				
Equity shares	-	-	9,129	9,129
<i>Unquoted investments</i>				
Equity shares	29,405	-	64,652	94,057
Musharaka	-	-	2,664	2,664
Investment property	5,406	-	-	5,406
	<u>34,811</u>	<u>4,885</u>	<u>76,445</u>	<u>116,141</u>
Impairment provision	-	-	(9,680)	(9,680)
	<u>34,811</u>	<u>4,885</u>	<u>66,765</u>	<u>106,461</u>
Collective provision				(1,650)
				<u>104,811</u>

Capital Management House B.S.C.(c)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2011 (Unaudited)

5 INVESTMENTS (continued)

	<i>Fair value through statement of income USD'000</i>	<i>Amortised cost USD'000</i>	<i>Fair value through equity USD'000</i>	<i>Total USD'000</i>
As at 31 December 2010 (audited)				
Debt type				
<i>Unquoted investments</i>				
Sukuk	5,000	8,584	-	13,584
Equity type				
<i>Quoted investments</i>				
Equity shares	-	-	9,332	9,332
<i>Unquoted investments</i>				
Equity shares	29,147	-	63,167	92,314
Musharaka	-	-	3,629	3,629
Investment property				
	5,406	-	-	5,406
	<u>39,553</u>	<u>8,584</u>	<u>76,128</u>	<u>124,265</u>
Impairment Provisions	-	-	(7,831)	(7,831)
	<u>39,553</u>	<u>8,584</u>	<u>68,297</u>	<u>116,434</u>
Collective provisions				(1,400)
				<u><u>115,034</u></u>

RECLASSIFICATION OF INVESTMENTS

The adoption of FAS 25 with effect from 1 January 2011 resulted in the following adjustment to the carrying value of the investments:

	<i>Before adopting FAS 25</i>		<i>After adopting FAS 25</i>		
	<i>Available for sale USD'000</i>	<i>FAS 25 reclassification adjustment USD'000</i>	<i>Fair value through statement of income USD'000</i>	<i>Amortised cost USD'000</i>	<i>Fair value through equity USD'000</i>
Debt type					
Unquoted sukuk	5,000	-	5,000	-	-
Quoted sukuks	2,971	5	-	3,027	-
	<u>7,971</u>	<u>5</u>	<u>5,000</u>	<u>3,027</u>	<u>-</u>

Fair value loss that would have been recognised in the statement of changes in equity for the period ended 30 September 2011 had the investments not been reclassified amount to USD 286 thousands (31 December 2010 : USD 65 thousands).

6 DUE TO FINANCIAL INSTITUTIONS

	<i>Unaudited 30 September 2011 USD'000</i>	<i>Audited 31 December 2010 USD'000</i>
Murabaha payables	11,850	27,758
Wakala payables	2,500	11,500
	<u>14,350</u>	<u>39,258</u>

Capital Management House B.S.C.(c)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2011 (Unaudited)

7 EQUITY

	<i>Unaudited</i> 30 September 2011 USD'000	<i>Audited</i> 31 December 2010 USD'000
<i>Share capital</i>		
Authorised 200,000,000 Ordinary shares of USD 1 each	200,000	200,000
<i>Issued and fully paid up</i>		
At beginning of the period / year (105,000,000 Ordinary shares of USD 1 each)	105,000	100,000
Issued during the period / year	-	5,000
At end of the period / year (105,000,000 Ordinary shares of USD 1 each)	105,000	105,000
Less: unallocated shares under MIP	(4,432)	(4,432)
	100,568	100,568

The unallocated shares under MIP of 4,431,892 shares has been reduced from "Treasury and unallocated shares under MIP" in the Interim consolidated statement of changes in equity.

8 COMMITMENTS AND CONTINGENT LIABILITIES

Credit related commitments

These include commitments to enter into financing contracts which are designed to meet the requirements of the Group's customers.

Commitments represent contractual commitments under Murabaha receivables. Commitments generally have fixed expiration dates, or other termination clauses. Since commitments may expire without being drawn upon, the total contract amounts do not necessarily represent future cash flow requirements.

The Group has the following credit related commitments:

	<i>Unaudited</i> 30 September 2011 USD'000	<i>Audited</i> 31 December 2010 USD'000
Uncalled capital commitment to a related party	11,785	11,785
Promise to purchase foreign exchange commitment	468	461
Commitment related to project developments	133	133
	12,386	12,379

The Group has commitments relating to the leasehold improvements, rentals and projects as follows:

	<i>Unaudited</i> 30 September 2011 USD'000	<i>Audited</i> 31 December 2010 USD'000
Within one year	324	324
After one year but not more than five years	378	621
	702	945
Total commitments and contingent liabilities	13,088	13,324

9 MANAGEMENT INCENTIVE PROGRAM

On 27 March 2008, the Group has set up a "Management Incentive Program" (MIP) and has incorporated Tamkeen Investment Company B.S.C.(c) (a wholly owned subsidiary) to administer the program. The shareholders have authorised the issue of 15 million shares (maximum) under this program. The employees under this program are entitled to incentives comprising of cash and equity awards for each financial year based on achievement of performance parameters. The equity awards vest to the benefit of employees subject to the satisfaction of additional service conditions.

During 2009 the Bank issued 5,000,000 shares and transferred 568,108 shares as vested shares to employees applicable to year 2008-2010 out of the total 1,066,241 shares which was awarded during 2008 (vesting period 2008-2012). The balance of 4,431,892 shares are included as "Treasury and unallocated shares under MIP) in the interim consolidated statement of changes in equity.

10 RELATED PARTY TRANSACTIONS

The Group enters into transactions with major shareholders, directors, management and companies of which they are principal owners in the ordinary course of business at commercial rates. All the financing contracts with related parties are performing and are free of any impairment provision.

Balances with related parties included in the interim consolidated statement of financial position are as follows:

	<i>Unaudited</i> 30 September 2011 <i>USD'000</i>	<i>Audited</i> 31 December 2010 <i>USD'000</i>
Assets:		
Bank balances	133	317
Due from financial institutions	1,000	9,001
Investments	15,655	19,163
Investments with nominee directors	17,894	32,664
Other assets	1,110	-
Liabilities:		
Due to financial institutions	9,500	21,500
Commitments and contingent liabilities	11,785	11,785

Transactions with related parties included in the interim consolidated statement of income are as follows:

	<i>Unaudited</i> <i>Nine months ended</i> 30 September 2011 <i>USD'000</i>	<i>30 September</i> 2010 <i>USD'000</i>
Income from investment	698	-
Income from Islamic financing contracts	4	20
Investment banking fees	439	-
Gain on sale of investments	1,385	58
Profit payable on Islamic financing contracts	(44)	(153)
General and administrative expenses	(83)	(70)

At 30 September 2011 (Unaudited)

10 RELATED PARTY TRANSACTIONS (continued)

Compensation of the key management personnel is as follows:

	<i>Unaudited</i>	
	<i>Nine months ended</i>	
	30 September	30 September
	2011	2010
	USD'000	USD'000
Long term employee benefits	113	172
Short term employee benefits	473	514
	586	686

11 CONCENTRATIONS OF ASSETS, LIABILITIES, AND COMMITMENTS AND CONTINGENT LIABILITIES

The distribution by geographic region and industry sector was as follows:

	<i>Assets</i>		<i>Liabilities and Unrestricted investment account</i>		<i>Commitments and contingent liabilities</i>	
	<i>USD '000</i>		<i>USD '000</i>		<i>USD '000</i>	
	<i>Unaudited</i>	<i>Audited</i>	<i>Unaudited</i>	<i>Audited</i>	<i>Unaudited</i>	<i>Audited</i>
	30 September	31 December	30 September	31 December	30 September	31 December
	2011	2010	2011	2010	2011	2010
Geographical region						
North America	1,685	704	-	-	-	-
Europe	9,876	8,218	-	7,758	469	461
GCC and Middle East	99,756	128,794	12,952	32,474	12,240	12,484
Africa	15,332	19,129	2	4	379	379
Asia	1	1	2,350	-	-	-
	126,650	156,846	15,304	40,236	13,088	13,324
Industry sector						
Trading and manufacturing	14,981	22,145	2	4	379	379
Banks and financial institutions	45,591	67,983	14,372	39,977	469	461
Real Estate	33,838	42,124	-	-	-	-
Others	32,240	24,594	930	255	12,240	12,484
	126,650	156,846	15,304	40,236	13,088	13,324

Exposures to banks and non banks which exceeds 15% of the Bank's Regulatory Capital is USD 18,482 thousand (31 December 2010 : USD 37,930 thousand).

At 30 September 2011 (Unaudited)

12 SEGMENT INFORMATION**Primary Segment Information**

The activities of the Group are performed on an integrated basis and for management purposes, the group is organized into four business segments:

- Venture and private equity:** Principally the Bank's proprietary portfolio and serving clients with a range of Venture and Private Equity Investments. These investments are primarily held for medium to long term and producing capital gains on exits.
- Asset Backed investment:** Principally the Bank's proprietary portfolio and serving clients with a range of Investments which are Asset Backed. These investments are primarily held for medium to long term and producing both recurring income during the period of investments and capital gains on exits.
- Real Estate:** Principally the Bank's proprietary portfolio and serving clients with a range of Investments which have Real Estate as underlying assets. These investments are primarily held for medium to long term and producing both recurring income during the period of investments and Capital gains on exits. However quoted Sukuks which are real estate backed are excluded from this segment.
- Banking:** Principally managing Shari'a compliant profit sharing investment accounts, Shari'a compliant financing contracts, quoted securities and sukuks which are liquid. These investment are managed as part of treasury management with primary focus on liquidity. These investments are primarily held for short term and producing both recurring income during the period of investments and marginal capital gains on exits of Sukuks.

<i>Segment</i>	<i>Venture capital and private equity USD'000</i>	<i>Asset backed investments USD'000</i>	<i>Real estate USD'000</i>	<i>Banking USD'000</i>	<i>Others USD'000</i>	<i>Total USD'000</i>
At 30 September 2011						
Segment Income	-	2,702	49	1,057	3	3,811
Segment Expenses:						
Profit payable	-	(24)	-	(192)	-	(216)
Allocated operating expenses	(1,007)	(775)	(917)	(664)	-	(3,363)
Unallocated expenses	-	-	-	-	(411)	(411)
Impairment and collective provisions	(4,909)	(933)	-	-	-	(5,842)
Total Segment Expenses	(5,916)	(1,732)	(917)	(856)	(411)	(9,832)
Segment results	(5,916)	970	(868)	201	(408)	(6,021)
Segment assets	37,175	28,384	33,839	24,512	2,740	126,650
Segment Liabilities and share capital	-	531	-	14,372	111,747	126,650

Capital Management House B.S.C.(c)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2011 (Unaudited)

12 SEGMENT INFORMATION (continued)

<i>Segment</i>	<i>Venture capital and private equity USD'000</i>	<i>Asset backed investments USD'000</i>	<i>Real estate USD'000</i>	<i>Banking USD'000</i>	<i>Others USD'000</i>	<i>Total USD'000</i>
At 30 September 2010						
Segment Income	58	282	248	343	57	988
Segment Expenses:						
Profit payable	-	(68)	-	(232)	-	(300)
Allocated operating expenses	(903)	(480)	(762)	(1,278)	-	(3,423)
Unallocated expenses	-	-	-	-	(486)	(486)
Impairment and collective provisions	-	(1,398)	-	-	-	(1,398)
Total Segment Expenses	(903)	(1,946)	(762)	(1,510)	(486)	(5,607)
Segment results	(845)	(1,664)	(514)	(1,167)	(429)	(4,619)
Segment assets	43,164	22,951	36,409	61,080	2,264	165,868
Segment Liabilities and share capital	-	7,993	-	37,425	120,450	165,868

At 30 September 2011 (Unaudited)

13 UNRESTRICTED INVESTMENT ACCOUNT

During the nine months period ended 30 September 2011 the profit and distribution of profit to URIA holders is not material.

14 RESTRICTED INVESTMENT ACCOUNT*Units of Restricted Investment Portfolio*

	<i>Cash</i>	<i>Marketable equity securities portfolio</i>	<i>Unlisted securities portfolio</i>	<i>Real estate portfolio</i>	<i>Sukuks portfolio</i>	<i>Total</i>
	<i>USD '000</i>	<i>USD '000</i>	<i>USD '000</i>	<i>USD '000</i>	<i>USD '000</i>	<i>USD '000</i>
Investment at 1 January 2011	1,934	3,273	53,556	42,725	1,998	103,486
Deposits and issues	8,400	-	16,390	-	-	24,790
Repurchased investment units and withdrawal	(9,782)	(13)	(1,030)	-	(25)	(10,850)
Investment profit	-	2	1,029	-	25	1,056
Administrative expenditures	-	2	-	-	-	2
Bank's fees as an agent	-	9	-	-	-	9
Fair valuation and FX Revaluation	-	(1,597)	71	-	-	(1,526)
Investment at 30 September 2011	552	1,676	70,016	42,725	1,998	116,967
Investment at 1 January 2010	464	3,884	51,680	42,725	1,998	100,751
Deposits and issues	1,470	2,293	2,250	-	-	6,013
Repurchased investment units and withdrawal	-	(1,246)	-	-	(51)	(1,297)
Investment profit	-	121	-	-	51	172
Administrative expenditures	-	7	-	-	-	7
Bank's fees as an agent	-	-	-	-	-	-
Fair valuation and FX Revaluation	-	(1,786)	(374)	-	-	(2,160)
Investment at 31 December 2010	1,934	3,273	53,556	42,725	1,998	103,486

The unquoted investments are stated at cost and quoted investments are stated at realisable value.

15 COMPARATIVE FIGURES

Certain of the prior period figures have been restated and reclassified to conform to the presentation adopted in the current period. Such reclassification has not affected the net income, loss, total assets, total liabilities and equity of the Group as previously reported.