Capital Management House

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

FINANCIAL RESULTS — 31 December 2009

CONSOLIDATED BALANCE SHEET
At 31 December 2009

	2009 USD'000	2008 USD'000
ASSETS		
Cash and bank balances	2,364	482
Due from financial institutions	10,501	50,754
Investments	131,875	81,524
Fixed assets	1,867	1,859
Other assets	991	6,280
TOTAL ASSETS	147,598	140,899
EQUITY AND LIABILITIES		
Liabilities		
Due to financial institutions	23,059	9,697
Due to non-financial institutions	465	40
Other liabilities	596	2,321
Total liabilities	24,120	12,058
Equity		
Share capital	100,000	91,381
Share premium	17,579	17,579
Reserves	5,899	19,881
Total equity	123,478	128,841
TOTAL LIABILITIES AND EQUITY	147,598	140,899

CONSOLIDATED STATEMENT OF INCOME
For the year ended 31 December 2009

	Audited Three months ended 31 December 2009 USD'000	Three months ended 31 December 2008 USD'000	Audited Year ended 31 December 2009 USD'000	Year ended 31 December 2008 USD'000
INCOME				
Income from Islamic finances	140	218	1,453	559
Income from investments	1,087	1,144	6,001	3,748
Placement, arranging and underwriting fees	121	2,443	3,876	14,347
Fair value gain on investment property	(643)	-	381	-
Fair value gain on investments designated at fair value through statement of income	96	-	96	4,536
Total income	801	3,805	11,807	23,190
EXPENSES				
Profit on Islamic payables	107	137	476	970
Staff costs	995	(514)	3,206	4,167
General and administrative costs	802	504	3,164	2,055
Total expenses	1,904	127	6,845	7,192
INCOME FOR THE YEAR BEFORE PROVISIONS	(1,103)	3,678	4,962	15,998
Impairment provision	(477)	(1,597)	(3,281)	(1,597)
Collective provision	(600)	-	(600)	-
INCOME FOR THE YEAR / PERIOD	(2,180)	2,081	1,081	14,401

CONSOLIDATED STETEMENT OF CHANGES IN EQUTY
For the year ended 31 December 2009

	Share capital USD'000	Treasury shares USD'000	Share premium USD'000	Statutory reserve USD'000	General reserves USD'000	Cumulative changes in fair values reserve USD'000	Retained earnings USD'000	Share Grant reserve USD'000	Proposed dividend USD'000	Total reserve USD'000	Total USD'000
Balance at 1 January 2008	47,700	-	-	631	563	3,003	327	-	2,385	6,909	54,609
Share issue during the year	43,681	-	17,199	-	-	-	-	-	-	-	60,879
Equity transaction cost	-	-	(206)	-	-	-	-	-	-	-	(206)
Purchase of Treasury shares	-	(3,750)	-	-	-	-	-	-	-	-	(3,750)
Sale of Treasury shares	-	3,750	586	-	-	-	-	-	-	-	4,336
Fair value gain on available-for-sale investments	-	-	-	-	-	966	-	-	-	966	966
Net income for the year	-	-	-	-	-	-	14,401	-	-	14,401	14,401
Fair value gain on investment designated at fair value through statement of income	-	-	-	-	-	4,536	(4,536)	-	-	-	-
Transfer to statutory reserve	-	-	-	1,440	-	-	(1,440)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(2,385)	(2,385)	(2,385)
Proposed dividends	-	-	-	-	-	-	(8,619)	-	8,619	-	-
Balance at 31 December 2009	**91,381**	**-**	**17,579**	**2,071**	**563**	**8,495**	**133**	**-**	**8,619**	**19,881**	**128,841**

	Share capital USD'000	Treasury shares USD'000	Share premium USD'000	Statutory reserve USD'000	General reserves USD'000	Cumulative changes in fair values reserve USD'000	Retained earnings USD'000	Share Grant reserve USD'000	Proposed dividend USD'000	USD'000	USD'000
Balance at 1 January 2009	91,381	-	17,579	2,071	563	8,495	133	-	8,619	19,881	128,841
Stock dividends issued during year	8,619	-	-	-	-	-	-	-	(8,619)	(8,619)	-
Net income for the year	-	-	-	-	-		1,081	-	-	1,081	1,081
Transfer to statutory reserve	-	-	-	108	-	-	(108)	-	-	-	-
Fair value gain/(loss) on available-for-sale investments	-	-	-	-	-	(7,505)	-	-	-	(7,505)	(7,505)
Fair value gain on investment designated at fair value through statement of income	-	-	-	-	-	96	(96)	-	-	-	-
Fair value gain on investment property	-	-	-	-	-	381	(381)	-	-	-	-
Share Grant reserve	-	-	-	-	-	-	-	1,081	-	1,081	1,081
Balance at 31 December 2009	**100,000**	**-**	**17,579**	**2,180**	**563**	**1,467**	**629**	**1,081**	**-**	**5,899**	**123,478**

CONSOLIDATED STATEMENT OF CASHFLOW STATEMENT
For the year ended 31 December 2009

	2009 USD'000	2008 USD'000
OPERATING ACTIVITIES		
Income for the year	1,081	14,401
Adjustments for:		
Depreciation	566	287
Fair value gain on investments carried at fair value through statement of income	(96)	(4,536)
Fair value gain on investment property	(381)	-
Impairment losses on available-for-sale investments	1,781	1,597
Impairment losses on murabaha receivables	1,500	-
Collective impairment provision	600	-
Share Grant reserve	1,081	-
Gain on sale of investments	(4,179)	(1,442)
Operating profit before changes in operating assets and liabilities	1,936	10,307
Working capital adjustments:		
Due from financial institutions with orignal maturities of more than 90 days	(2,666)	5,606
Other assets	5,289	(1,620)
Due to financial institutions	13,362	(3,162)
Due to non-financial institutions	425	(26,860)
Other liabilities	(1,726)	1,715
Net cash from (used in) operating activities	17,267	(15,223)
INVESTING ACTIVITIES		
Purchase of investments	(97,760)	(37,790)
Proceeds from sale of investments	42,201	20,982
Purchase of fixed assets	(674)	(1,144)
Net cash used in investing activities	(56,158)	(18,072)
FINANCING ACTIVITIES		
Dividend paid	-	(2,385)
Purchase of Treasury shares	-	(3,750)
Proceeds from sale of Treasury shares	-	4,336
Net proceeds from shares issued during the year	-	60,874
Net cash from financing activities	-	58,075
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(38,871)	27,580
Cash and cash equivalents at beginning of the year	51,236	23,656
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	12,365	51,236
Cash and cash equivalents comprise of:		
Cash and bank balances	2,364	482
Due from financial institutions with original maturities of less than 90 days	10,001	50,754
	12,365	51,236

Khalid Abdulla Al Bassam
Chairman

Khalid Mohammed Najibi
Vice Chairman & Managing Director

Audited by Ernst & Young