

International Investment Bank B.S.C. (C) 2007 Third Quarter Financial Results

Net Income Growth is 120% for 9-Month Period

INTERIM STATEMENT OF INCOME				
30 September 2007 (Unaudited)				
	Three months ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2007	2006	2007	2006
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Income				
Investment banking fees	3,268	1,853	19,138	8,710
Brokerage fees	-	-	-	542
Income on due from financial institutions	1,456	582	2,159	1,570
Gain on financial assets fair valued through statement of income	3	124	535	189
Gain on investment property	-	-	1,368	-
Gain on foreign exchange	1,439	10	1,590	10
Dividend income	85	9	152	39
TOTAL INCOME	6,251	2,578	24,942	11,060
Expenses				
Underwriting fees	-	-	2,223	-
Expense on due to financial institutions	-	63	90	63
Unrealized loss on available for sale securities	44	-	44	-
Deal acquisition expenses	347	480	1,828	1,458
Selling expenses	325	216	1,759	782
Asset management expenses	269	185	730	508
Corporate expenses	439	448	2,501	926
General and administration expenses	384	101	1,167	601
Depreciation	76	81	269	202
TOTAL EXPENSES	1,884	1,574	10,611	4,540
NET INCOME FOR THE PERIOD BEFORE DIRECTORS' REMUNERATION	4,367	1,004	14,331	6,520
Directors' remuneration	-	-	330	150
NET INCOME FOR THE PERIOD AFTER DIRECTORS' REMUNERATION	4,367	1,004	14,001	6,370

INTERIM BALANCE SHEET		
30 September 2007 (Unaudited)		
	(Audited)	
	30 September	31 December
	2007	2006
	US\$ '000	US\$ '000
ASSETS		
Cash and balances with banks	2,677	9,250
Due from financial institutions	111,548	53,473
Investments	45,814	16,441
Investment in associate	2,667	-
Other assets	57,633	14,596
Equipment	1,006	772
TOTAL ASSETS	221,345	94,532
LIABILITIES AND EQUITY		
Due to financial institutions	-	20,000
Other liabilities	38,261	13,117
Total liabilities	38,261	33,117
Equity		
Share capital	43,000	43,000
Reserves	27,423	14,125
Proposed appropriations	-	4,290
Equity before share subscriptions	70,423	61,415
Share subscriptions received pending allotment	112,661	-
Equity including share subscriptions	183,084	61,415
TOTAL LIABILITIES AND EQUITY	221,345	94,532

The interim condensed financial statements were authorised for issue by the Board of Directors on 4 November 2007 and signed on their behalf by:

Saeed Abdul Jalil Al Fahim
Chairman

Aabed Al-Zeera
Chief Executive Officer

INTERIM STATEMENT OF CHANGES IN EQUITY										
For the nine month period ended 30 September 2007 (unaudited)										
	Share capital	Treasury shares	Statutory reserve	Reserves			Total Reserves	Proposed appropriations	Share subscriptions received	Total
				Cumulative changes in fair value reserve	Investment fair value reserve	Retained earnings				
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
At 1 January 2007	43,000	(113)	2,125	703	304	11,106	14,125	4,290	-	61,415
Cumulative changes in fair value	-	-	-	(703)	-	-	(703)	-	-	(703)
Transfer to retained earnings on realisation	-	-	-	-	(304)	304	-	-	-	-
Transfer of fair value gain to reserve	-	-	-	-	80	(80)	-	-	-	-
Total income and expenses for the period recognised directly in equity	-	-	-	(703)	(224)	224	(703)	-	-	(703)
Net income for the period	-	-	-	-	-	14,001	14,001	-	-	14,001
Total income and expenses for the period	-	-	-	(703)	(224)	14,225	13,298	-	-	13,298
Transferred to liability	-	-	-	-	-	-	-	(4,290)	-	(4,290)
Share subscription received	-	-	-	-	-	-	-	-	112,661	112,661
At 30 September 2007	43,000	(113)	2,125	-	80	25,331	27,423	-	112,661	183,084
At 1 January 2006	43,000	-	779	-	343	3,080	4,202	3,590	-	50,792
Cumulative changes in fair value	-	-	-	588	-	-	588	-	-	588
Transfer of fair value loss to reserve	-	-	-	-	45	(45)	-	-	-	-
Income recognised directly in equity	-	-	-	588	45	(45)	588	-	-	588
Net income for the period	-	-	-	-	-	6,370	6,370	-	-	6,370
Total income and expenses recognised during the year	-	-	-	588	45	6,325	6,958	-	-	6,958
Transfer to liability	-	-	-	-	-	-	-	(3,582)	-	(3,582)
Dividend on treasury shares transferred to retained earnings	-	-	-	-	-	8	8	(8)	-	-
Purchase of treasury shares	-	(113)	-	-	-	-	(113)	-	-	(113)
Balance at 30 September 2006	43,000	(113)	779	588	388	9,413	11,055	-	-	54,055

The above Statement of Income, Balance Sheet and Statement of Changes in Equity have been extracted from the Interim Condensed Financial Statements for the period ended 30 September 2007, reviewed by Ernst & Young, Bahrain.

