

## BBK B.S.C- Consolidated Financial Results 31 December 2008

### CONSOLIDATED BALANCE SHEET

31 December 2008

BD '000s

	2008	2007
<b>ASSETS</b>		
Cash and balances with central banks	201,493	256,922
Treasury bills	4,050	25,248
Financial assets at fair value through statement of income	861	4,497
Deposits and due from banks and other financial institutions	257,099	169,221
Loans and advances to customers	1,354,275	1,127,639
Non-trading investment securities	284,349	455,233
Investment in associated company and joint venture	27,007	13,633
Interest receivable and other assets	15,554	20,262
Premises and equipment	21,097	19,855
<b>TOTAL ASSETS</b>	<b>2,165,785</b>	<b>2,092,510</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits and due to banks and other financial institutions	250,584	354,246
Borrowings under repurchase agreements	-	12,567
Term borrowings	329,498	339,300
Customers' current, savings accounts and other deposits	1,336,561	1,117,595
Interest payable and other liabilities	39,871	31,493
<b>TOTAL LIABILITIES</b>	<b>1,956,514</b>	<b>1,855,201</b>
<b>EQUITY</b>		
Share capital	81,081	77,220
Treasury stock	(1,357)	(1,357)
Share premium	39,919	39,919
Statutory reserve	35,500	32,792
General reserve	20,000	20,000
Cumulative changes in fair values	(8,902)	24,235
Foreign currency translation adjustments	3,692	3,490
Retained earnings	17,626	14,822
Proposed appropriations	21,605	26,010
<b>EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT</b>	<b>209,164</b>	<b>237,131</b>
Minority Interest	107	178
<b>TOTAL EQUITY</b>	<b>209,271</b>	<b>237,309</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,165,785</b>	<b>2,092,510</b>

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2008

BD '000s

	2008	2007
<b>Balance at 31 December</b>	<b>237,309</b>	<b>187,958</b>
Foreign exchange translation adjustments	202	3,344
Approval of directors remuneration and donations	(1,455)	(1,055)
Net movement in cumulative changes in fair values	(33,137)	(7,423)
Total income and expenses for the year recognised directly in equity	(34,390)	(5,134)
Net profit for the year	27,010	29,938
<b>Total income and expenses for the year</b>	<b>(7,380)</b>	<b>24,804</b>
Approval of dividend	(20,694)	(25,389)
Share - based payments	36	17
Rights share issue	-	49,919
<b>Balance at 31 December</b>	<b>209,271</b>	<b>237,309</b>

Reviewed by Ernst & Young

Above information available on www.bbkonline.com

### CONSOLIDATED STATEMENT OF INCOME

Year ended 31 December 2008

BD '000s

	2008	2007
Interest income	107,312	126,369
Interest expense	50,330	75,798
<b>Net interest income</b>	<b>56,982</b>	<b>50,571</b>
Share of profit in associated company and joint venture	3,152	1,346
Other income	54,542	35,640
	114,676	87,557
Staff Costs	21,352	17,740
Other operating expenses	11,477	10,854
Depreciation	2,286	2,026
Net provision for impairment on loans and advances to customers	5,551	3,429
Net provision for impairment on non-trading investment securities	46,682	23,943
<b>TOTAL OPERATING EXPENSES</b>	<b>87,348</b>	<b>57,992</b>
<b>PROFIT BEFORE TAXATION</b>	<b>27,328</b>	<b>29,565</b>
Net (provision) write back of taxation -Indian branches	(173)	546
Kuwait National Labour support tax	(145)	(173)
<b>NET PROFIT FOR THE YEAR</b>	<b>27,010</b>	<b>29,938</b>
<b>Attributable to:</b>		
<b>SHAREHOLDERS OF THE PARENT</b>	<b>27,081</b>	<b>30,036</b>
Loss attributable to minority interests	(71)	(98)
	<b>27,010</b>	<b>29,938</b>
<b>Basic and diluted earnings per share (BD)</b>	<b>0.034</b>	<b>0.043</b>

### CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2008

BD '000s

	2008	2007
Net cash (used in) from operating activities	(74,212)	79,261
Net cash from (used in) investing activities	100,937	(33,232)
Net cash (used in) from financing activities	(31,951)	127,150
Foreign currency translation adjustment	(200)	(3,344)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(5,426)</b>	<b>169,835</b>
Cash and cash equivalents at beginning of the year	405,254	235,419
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>399,828</b>	<b>405,254</b>

### Notes to Accounts

- Interest income for the year ended 31 December 2008 includes gain on partial redemption of subordinated debt of BD 3.4 million (31 December 2007: nil).
- Other operating income for the year ended 31 December 2008 includes one off exceptional income of BD 2.8 million relating to the partial, mandatory redemption of the Groups membership interest in VISA, consequent to VISA's global restructuring & IPO, and gain on sale of equity investments of BD 20.6 million (31 December 2007: Gain on sale of equity investments of BD 3.5 million, and gain on sale of fixed assets of BD 6.2 million).

The consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, consolidated statement of cash flows, notes to accounts have been extracted from the audited consolidated financial statements of BBK B.S.C. for the year ended 31 December 2008 which was Audited by Ernst & Young.

Murad Ali Murad  
Chairman

Abdulkarim Ahmed Bucheery  
Chief Executive