

BBK's interim condensed consolidated financial statements 31 March 2007 (Unaudited)

Consolidated Balance Sheet

31 March 2007 (Unaudited)
BD '000s

	Unaudited 31 March 2007	Audited 31 December 2006	Unaudited 31 March 2006
Assets			
Cash and balances with central banks	133,932	55,455	185,760
Treasury bills	25,703	39,784	68,271
Deposits and due from banks and other financial institutions	184,191	164,117	548,326
Loans and advances to customers	956,107	938,042	849,432
Non-trading investment securities	508,528	445,623	418,557
Investment in associated company and joint venture	8,833	9,522	8,798
Interest receivable and other assets	23,104	22,335	21,227
Premises and equipment	18,747	18,888	16,766
Total Assets	1,859,145	1,693,766	2,117,137

Liabilities And Equity

Liabilities

Deposits and due to banks and other financial institutions	404,656	236,758	461,601
Borrowings under repurchase agreements	16,000	16,418	85,008
Medium term deposits from banks	235,625	235,625	282,750
Customers' current, savings and other deposits	1,004,036	963,884	1,100,026
Interest payable and other liabilities	31,545	26,123	26,813
Total Liabilities	1,691,862	1,505,808	1,956,198

Equity

Share capital	67,220	64,019	64,019
Treasury stock	(1,357)	(1,357)	(1,357)
Statutory reserve	29,788	29,788	26,507
General reserve	20,000	20,000	20,000
Cumulative changes in fair values	27,806	31,658	28,880
Foreign currency translation adjustments	255	146	(325)
Retained earnings	23,330	13,783	22,897
Proposed appropriations	-	29,645	-
Equity Attributable To The Shareholders Of The Parent	167,042	187,682	160,621
Minority Interest	241	276	318
Total Equity	167,283	187,958	160,939
Total Liabilities And Equity	1,859,145	1,693,766	2,117,137

Consolidated Statement of changes in equity

Three month period ended 31 March 2007 (Unaudited)
BD '000s

	2007	2006
Balance at 31 December	187,958	173,393
Foreign exchange translation adjustments	109	66
Approval of directors remuneration and donations	(1,055)	(990)
Net movement in cumulative changes in fair values	(3,852)	(777)
Total income and expenses for the period recognised directly in equity	(4,798)	(1,701)
Net profit for the period	9,512	8,994
Total income and expenses for the period	4,714	7,293
Approval of dividend	(25,389)	(19,747)
Balance at 31 March	167,283	160,939

Accounting policies and notes

The interim condensed consolidated financial statements of the Bank are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used 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 2006.

For the three months ended 31 March 2007 other income includes BD 1.0 million (31 March 2006: BD 1.2 million) of dividend income, which is of a seasonal nature. The income for 2006 included dividend income of BD 0.48 million received from a particular investment, while similar income for 2007 was not recorded in the first quarter pending shareholders approval.

The consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, segmental information, accounting policies and notes have been extracted from the interim condensed consolidated financial statements of BBK B.S.C. for the three month period ended 31 March 2007 which was reviewed by Ernst & Young

Murad Ali Murad
Chairman

Jassem Hassan Ali Zainal
Deputy Chairman

Dr. Farid Ahmed Al Mulla
General Manager Chief Executive Officer

Reviewed by Ernst & Young
Above information available on www.bbkonline.com

Consolidated Income Statement

Three month period ended 31 March 2007 (Unaudited)
BD '000s

	3 months ended 31 March 2007	3 months ended 31 March 2006
Net interest income	11,541	9,662
Other income	5,871	6,190
Net interest and other income	17,412	15,852
Net provisions	(933)	(656)
Net operating income after provisions	16,479	15,196
Total operating expenses	6,953	6,001
Profit before taxation	9,526	9,195
Taxation - Indian Branches	(14)	(201)
Net profit for the period	9,512	8,994
Attributable to:		
Shareholders of the parent	9,547	9,005
Loss attributable to minority interests	(35)	(11)
	9,512	8,994
Basic earnings per share (BD)	0.014	0.013

Segmental information

BD '000s

For management purposes, the Group is organized into four major business segments: retail banking, corporate banking, international banking and investment, treasury and other activities. These segments are the basis on which the Group reports its primary segment information. Transactions between segments are generally recorded at estimated market rates on an arms length basis. Interest is charged/credited to business segments based on a transfer pricing rate which approximates the marginal cost of funds on a matched funded basis.

31 March 2007	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Elimination	Total
External-revenue	6,060	7,249	12,357	7,977		33,643
Inter-segment revenue	4,620	6,507	1,492	20,132	(32,751)	-
Total revenue	10,680	13,756	13,849	28,109	(32,751)	33,643
Segment revenue	2,378	1,848	1,773	3,346		9,345
Income from associate and joint venture						202
Net profit for the period attributable to the shareholders of the parent						9,547

31 March 2006	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Elimination	Total
External-revenue	5,317	5,251	9,850	8,398		28,816
Inter-segment revenue	3,964	4,555	896	13,947	(23,362)	-
Total revenue	9,281	9,806	10,746	22,345	(23,362)	28,816
Segment revenue	2,633	1,434	2,201	2,401		8,669
Income from associate and joint venture						336
Net profit for the period attributable to the shareholders of the parent						9,005