

Securities and Investment Company BSC (c)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2011

Bahraini Dinars '000

	30 June 2011 (reviewed)	31 December 2010 (audited)
Assets		
Cash and bank balances	44,320	35,397
Investments at fair value through profit or loss	15,432	16,643
Available-for-sale investments	23,821	24,375
Fees receivable	384	458
Other assets	4,381	4,355
Total assets	88,338	81,228
Liabilities		
Short-term bank borrowings	18,467	9,285
Payables to customers	12,790	12,570
Other liabilities	2,540	2,627
Total liabilities	33,797	24,482
Equity		
Share capital	42,652	42,528
Statutory reserve	4,601	4,561
General reserve	1,737	1,359
Available-for-sale investments fair value reserve	1,090	1,410
Retained earnings	4,461	6,888
Total equity (page 5)	54,541	56,746
Total liabilities and equity	88,338	81,228
Contingent and memorandum accounts		
Assets under custody	1,006,469	1,278,039
Assets under management	184,684	201,092
Commitments	1,159	3,150

Shaikh Mohammed Bin Isa Al Khalifa
Chairman

Hussain Al Hussaini
Vice Chairman of the Board
Chairman of the Executive Committee

Anthony C. Mallis
Chief Executive Officer

The Board of Directors approved the interim financial information consisting of pages 2 to 9 on [11] August 2011.

Securities and Investment Company BSC (c)

CONDENSED CONSOLIDATED INCOME STATEMENT
for the six month period ended 30 June 2011

Bahraini Dinars '000

	Six months (January - June)		Three months (April – June)	
	2011 (reviewed)	2010 (reviewed)	2011 (reviewed)	2010 (reviewed)
Interest income	537	852	281	401
Interest expense	(53)	(18)	(29)	(13)
Net interest income	484	834	252	388
Net fee and commission income	1,119	1,059	554	546
Net investment income	491	1,016	1,146	96
Brokerage and other income	619	604	303	244
Operating income	2,713	3,513	2,255	1,274
Staff and related expenses	(1,536)	(1,476)	(754)	(743)
Other operating expenses	(639)	(505)	(335)	(279)
Impairment on available-for-sale investments	(39)	-	(39)	-
Profit for the period	499	1,532	1,127	252
Basic and diluted earnings per share (fils)	1.17	3.61	2.64	0.61

Shaikh Mohammed Bin Isa Al Khalifa
Chairman

Hussain Al Hussaini
Vice Chairman of the Board
Chairman of the Executive Committee

Anthony C. Mallis
Chief Executive Officer

The interim financial information consists of pages 2 to 9.

Securities and Investment Company BSC (c)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six month period ended 30 June 2011

Bahraini Dinars '000

	Six months (January - June)		Three months (April – June)	
	2011 (reviewed)	2010 (reviewed)	2011 (reviewed)	2010 (reviewed)
Profit for the period	499	1,532	1,126	252
Other comprehensive income				
Fair value reserve (available-for-sale investments)				
- Net change in fair value	677	132	94	(930)
- Net (profit) / loss on disposal of securities transferred to income statement	(997)	(199)	(1,153)	15
Total other comprehensive income for the period	(320)	(67)	(1,059)	(915)
Total comprehensive income for the period	179	1,465	67	(663)

The interim financial information consists of pages 2 to 9.

Securities and Investment Company BSC (c)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six month period ended 30 June 2011

Bahraini Dinars '000

2011

	Share capital	Statutory reserve	General reserve	Available-for-sale investments fair value reserve	Retained earnings	Total equity
As at 1 January 2011	42,528	4,561	1,359	1,410	6,888	56,746
2010 appropriations:						
- Dividends at 6%	-	-	-	-	(2,552)	(2,552)
- Transfer to general reserve	-	-	379	-	(379)	-
- Issue of shares to employees' scheme	124	41	-	-	-	165
- Reduction in share capital of subsidiary	-	(1)	(1)	-	5	3
Balance after 2010 appropriations	42,652	4,601	1,737	1,410	3,962	54,362
Comprehensive income for the period:						
Profit for the period	-	-	-	-	499	499
Other Comprehensive income: Revaluation reserve (available-for-sale securities):						
Net Change in fair value	-	-	-	677	-	677
Net amount transferred to profit and loss	-	-	-	(997)	-	(997)
Total comprehensive income for the period	-	-	-	(320)	499	179
Balance at 30 June 2011	42,652	4,601	1,737	1,090	4,461	54,541

The interim financial information consists of pages 2 to 9.

Securities and Investment Company BSC (c)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six month period ended 30 June 2011 (continued)**

Bahraini Dinars '000

2010

	Share capital	Statutory reserve	General reserve	Available-for-sale investments fair value reserve	Retained earnings	Total equity
As at 1 January 2010	42,420	4,153	1,051	154	5,976	53,754
2010 appropriations:						
- Dividends at 5%	-	-	-	-	(2,121)	(2,121)
- Director's remuneration	-	-	-	-	(65)	(65)
- Transfer to general reserve	-	-	308	-	(308)	-
- Issue of shares to employees' scheme	108	29	-	-	-	137
Balance after 2009 appropriations	42,528	4,182	1,359	154	3,482	51,705
Comprehensive income for the period:						
Profit for the period	-	-	-	-	1,532	1,532
Other Comprehensive income: Revaluation reserve (available-for-sale securities):						
Net Change in fair value	-	-	-	132	-	132
Net amount transferred to profit and loss	-	-	-	(199)	-	(199)
Total comprehensive income for the period	-	-	-	(67)	1,532	1,465
Balance at 30 June 2010	42,528	4,182	1,359	87	5,014	53,170

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the six month period ended 30 June 2011

Bahraini Dinars '000

	30 June 2011 (reviewed)	30 June 2010 (reviewed)
Operating activities		
Net interest received	446	917
Sale of investments at fair value through profit or loss	40,245	36,404
Purchase of investments at fair value through profit or loss	(39,675)	(39,977)
Sale of available-for-sale investments	19,230	15,550
Purchase of available-for-sale investments	(18,039)	(12,812)
Redemption of held-to-maturity bond principal	-	31
Purchase of held-to-maturity investments	-	(1,494)
Net increase / (decrease) in payables to customers	220	(5,454)
Net decrease in deposits taken from customers	-	(5,314)
Dividends received	194	450
Brokerage and other fees received	2,041	848
Payments for staff and related expenses	(1,627)	(1,391)
Payments for general and administrative expenses	(647)	(457)
Cash utilized in operating activities	2,388	(12,699)
Investing activities		
Net capital expenditure on furniture and equipment	(11)	(11)
Advance for purchase of equipment	(84)	-
Cash utilized in investing activities	(95)	(11)
Financing activities		
Net proceeds from short-term bank borrowings	9,182	4,980
Dividend paid	(2,552)	(2,121)
Director's remuneration paid	-	(65)
Cash generated from financing activities	6,630	2,794
Net increase /(decrease) in cash and cash equivalents	8,923	(9,916)
Cash and cash equivalents at the beginning of the period	35,397	48,128
Cash and cash equivalents at the end of the period	44,320	38,212
Represented by:		
Cash and bank	8,942	7,364
Call deposits	4,538	3,508
Short-term placements with original maturities of 3 months or less	30,840	27,060
Treasury Bills	-	280
	44,320	38,212

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