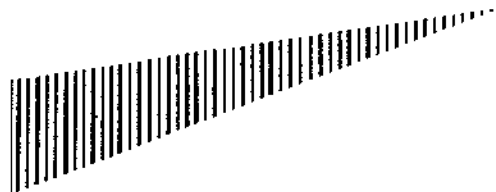




DUBAI ISLAMIC BANK PAKISTAN LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2010

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AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Dubai Islamic Bank Pakistan Limited (the Bank) as at 30 June 2010 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity and notes to the accounts for the six-months period then ended (here-in-after referred to as "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

CHARTERED ACCOUNTANTS

Ernst & Young Ford Rhodes Sidat Hyder

KARACHI: 23 August 2010

DUBAI ISLAMIC BANK PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Note	30 June 2010 (Un-Audited)	31 December 2009 (Audited)
----- Rupees in '000 -----			
ASSETS			
Cash and balances with treasury banks		3,347,514	2,932,264
Balances with other banks	5	4,679,300	2,430,437
Due from financial institutions	6	5,342,510	2,591,903
Investments	7	3,059,047	2,822,723
Financing	8	20,900,912	20,589,613
Operating fixed assets		1,678,657	1,727,298
Deferred tax assets		413,708	413,066
Other assets		1,524,270	1,861,588
		<u>40,945,918</u>	<u>35,368,894</u>
LIABILITIES			
Bills payable		962,016	279,493
Due to financial institutions		25,000	25,000
Deposits and other accounts	9	32,899,090	27,980,908
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		991,053	943,230
		<u>34,877,159</u>	<u>29,328,629</u>
NET ASSETS		<u>6,068,759</u>	<u>6,040,265</u>
REPRESENTED BY			
Share capital		6,776,030	6,776,030
Reserves		51,046	45,347
Accumulated loss		(758,335)	(781,130)
		<u>6,068,741</u>	<u>6,040,247</u>
Advance against future issue of share capital		18	18
Surplus / (Deficit) on revaluation of assets		-	-
		<u>6,068,759</u>	<u>6,040,265</u>

CONTINGENCIES AND COMMITMENTS

10

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.






President / Chief Executive Director Director Director

DUBAI ISLAMIC BANK PAKISTAN LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2010

Note	Quarter ended 30 June 2010	Half year ended 30 June 2010	Quarter ended 30 June 2009	Half year ended 30 June 2009
Rupees in '000				
Profit / return earned on investments, investments and placements	11	1,023,410	1,997,065	897,741
Return on deposits and other dues/expenses		544,151	1,036,210	433,113
Net spread earned		479,259	960,855	464,628
Provision against non-performing financing		(36,222)	(71,785)	(55,622)
Provision for diminution in the value of investments				(7,464)
Bad debts written off directly				
Net spread after provisions		442,997	889,070	401,542
OTHER INCOME				
Fee, commission and brokerage income		51,959	144,029	111,742
Dividend income				141,979
Income from dealing in foreign currencies		35,962	61,619	20,461
Gains on sale of securities		2,161	2,661	37,068
Other income			290	3,492
Total other income		100,082	208,599	193,742
		543,079	1,097,679	595,284
OTHER EXPENSES				
Administrative expenses		577,667	1,046,679	440,085
Other provisions / write offs			(2,261)	
Other charges		1,143	1,243	3,561
Total other expenses		578,810	1,047,671	443,646
		(35,731)	49,908	51,638
Extra ordinary / unusual items				
(LOSS) / PROFIT BEFORE TAXATION		(35,731)	49,908	174,432
Taxation: - Current		(16,646)	(22,056)	(9,516)
- Prior years		26,741	647	(51,850)
- Deferred		10,095	(21,414)	(35,696)
(LOSS) / PROFIT AFTER TAXATION		(25,636)	28,494	112,636
Accumulated loss brought forward		(601,652)	(735,783)	(910,774)
Accumulated loss carried forward		(707,289)	(707,289)	(849,851)
Basic and diluted (loss) / earning per share - Rupee		(0.04)	0.04	0.15

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

[Signature]
President / Chief Executive

[Signature]
Director

[Signature]
Director

[Signature]
Director

DUBAI ISLAMIC BANK PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2010

	Quarter ended 30 June 2010	Half year ended 30 June 2010	Quarter ended 30 June 2009	Half year ended 30 June 2009
	Rupees in 000			
(Loss) / Profit for the period	(25,636)	28,494	50,923	112,669
Other comprehensive income				
Total comprehensive income for the period	(25,636)	28,494	50,923	112,669

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

Signature

Signature
President / Chief Executive

Signature
Director

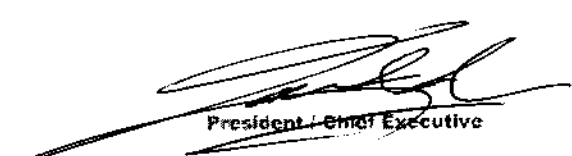
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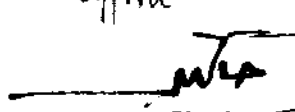
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Director

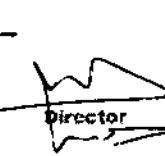
DUBAI ISLAMIC BANK PAKISTAN LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2010

	30 June 2010	30 June 2009
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	49,900	174,473
Adjustments		
Depreciation	104,094	139,529
Amortization	55,519	52,760
Provision against non-performing financing	71,785	72,464
Reversal of provision against other assets	(2,251)	-
Gain on sale of securities	(2,661)	-
Gain on sale of fixed assets	(195)	-
	226,291	264,773
	276,199	439,246
(Increase) / decrease in operating assets		
Due from financial institutions	(2,750,605)	(199,225)
Financing	(383,084)	(1,247,877)
Other assets	308,409	(120,677)
	(2,825,280)	(1,567,779)
Increase / (decrease) in operating liabilities		
Bills payable	682,623	45,708
Due to financial institutions	(100,000)	1,000,000
Deposits and other accounts	4,918,184	(38,703)
Other liabilities	47,822	24,747
	5,548,529	1,031,752
	2,999,448	(96,781)
	(12,055)	(2,614)
Income tax paid	2,987,393	(99,395)
Net cash generated from / (used in) operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(233,664)	69,511
Investments in operating fixed assets	(90,386)	(67,753)
Sale proceeds from disposal of operating fixed assets	770	2,764
Net cash (used in) / generated from investing activities	(323,280)	4,512
Increase / (Decrease) in cash and cash equivalents	2,664,113	(54,883)
Cash and cash equivalents at beginning of the period	5,362,701	5,965,450
Cash and cash equivalents at end of the period	8,026,814	5,970,567

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


President / Chief Executive


Director


Director

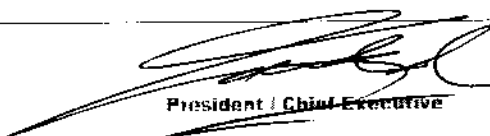
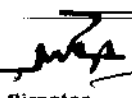
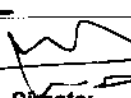
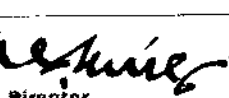

Director

DUBAI ISLAMIC BANK PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2010

	Share capital	Statutory reserve	Accumulated Loss	Total
	Rupees in '000			
Balance as at 01 January 2009	6,017,780	-	(952,520)	5,055,260
Profit after taxation for the period ended 30 June 2009	-	-	112,669	112,669
Other comprehensive income	-	-	-	-
Total comprehensive income for the period ended 30 June 2009	-	-	112,669	112,669
Transfer to Statutory reserve	-	22,533	(22,533)	-
Balance as at 30 June 2009	6,017,780	22,533	(872,384)	5,167,929
Profit after taxation for the period ended 31 December 2009	-	-	114,068	114,068
Other comprehensive income	-	-	-	-
Total comprehensive income for the period ended 31 December 2009	-	-	114,068	114,068
Issue of right shares during the period	758,250	-	-	758,250
Transfer to Statutory reserves	-	22,614	(22,614)	-
Balance as at 31 December 2009	6,776,030	45,347	(781,130)	6,040,247
Profit after taxation for the period ended 30 June 2010	-	-	28,494	28,494
Other comprehensive income	-	-	-	-
Total comprehensive income for the period ended 30 June 2010	-	-	28,494	28,494
Transfer to Statutory reserve	-	5,699	(5,699)	-
Balance as at 30 June 2010	6,776,030	51,046	(758,335)	6,068,741

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

Signature

President / Chief Executive Director Director Director

DUBAI ISLAMIC BANK PAKISTAN LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2010

1. STATUS AND NATURE OF BUSINESS

- 1.1 Dubai Islamic Bank Pakistan Limited (the Bank) was incorporated in Pakistan as an unlisted public limited company on 27 May 2005 under the Companies Ordinance, 1984 to carry out the business of an Islamic Commercial Bank in accordance with the principles of Islamic Shariat.
- 1.2 The State Bank of Pakistan (the SBP) granted a "Scheduled Islamic Commercial Bank" license to the Bank on 20 November 2005 and subsequently the Bank received the Certificate of Commencement of Business from the Securities and Exchange Commission of Pakistan (the SECP) on 26 January 2006 and commenced operations as a scheduled Islamic Commercial Bank with effect from 28 March 2006 on receiving certificate for commencement of business from the SBP.
- 1.3 The Bank was operating through 36 branches as at 30 June 2010 (31 December 2009: 35 branches and 1 sub-branch). The registered office of the Bank is situated at Hasan Chambers, DC-7, Block-7 Kehlshah, Clifton, Karachi.
- 1.4 During the period, the Bank has increased its authorized share capital from Rs. 8 billion (800,000,000 ordinary shares of Rs. 10/- each) to Rs. 12 billion (1,200,000,000 ordinary shares of Rs. 10/- each) as approved by the shareholders in the annual general meeting held on March 28, 2010.

2. BASIS OF PRESENTATION

- 2.1 These condensed interim financial statements are unaudited but subject to limited scope review by the auditors and have been prepared in accordance with the requirements of the SBP.
- 2.2 The Bank provides financing through Shariat compliant financial products. The transactions of purchases, sales and leases executed arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of rental / profit thereon. However, Murabaha transactions are accounted for under the Islamic Financial Accounting Standard – 1. Income, if any, received which does not comply with the principles of Shariat is segregated and recognized as charity payable if so directed by the Shariat Advisory / Shariat Supervisory Board.

3. STATEMENT OF COMPLIANCE

- 3.1 These condensed interim financial statements of the Bank for the six months period ended June 30, 2010 have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and directives issued by the SECP and the SBP. In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.
- 3.2 The SBP vide BSD Circular No. 10, dated 26 August 2002 has deferred the applicability of International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement" and IAS 40, "Investment Property" for banking companies till further instructions. Further, according to the notification of SECP dated 28 April 2009, IFRS - 7 "Financial Instruments: Disclosure" has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirement of various circulars issued by the SBP.
- 3.3 The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP vide BSD Circular Letter No. 2, dated 12 May 2004 and IAS 34 "Interim Financial Reporting" and do not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements of the Bank for the year ended 31 December 2009.

Signature

4. ACCOUNTING POLICIES

- 4.1 The accounting policies adopted in preparation of these condensed interim financial statements and the significant judgements made are consistent with those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2009.
- 4.2 In addition to the above, following new / revised standards, amendments and interpretations to accounting standards became effective:

- IFRS 2 - Share Based Payments - Amendments relating to Group Cash-settled Share-based Payment Transaction
- IFRS 3 - Business Combinations (Revised)
- IAS 27 - Consolidated and Separate Financial Statements (Amendments)
- IFRIC 17 - Distributions to Non-cash Assets to owners

Adoption of the above standards, amendments and interpretations did not affect the accounting policies of the Bank as disclosed in the annual financial statements for the year ended 31 December 2009.

		30 June 2010 (Un-Audited)	31 December 2009 (Audited)
	Note	----- Rupees in '000 -----	
5. BALANCES WITH OTHER BANKS			
In Pakistan:			
- on current accounts		10,392	9,684
- on deposit accounts		10	50,010
		10,402	59,694
Outside Pakistan:			
- on current accounts	5.1	1,676,079	1,952,535
- on deposit accounts	5.2	2,992,819	421,200
		4,668,898	2,373,740
		4,679,300	2,430,437

- 5.1 Includes Rs 1,649,675 million (31 December 2009: 430,075 million) deposited with the holding company.
- 5.2 Represents deposits with the holding company under Wakala arrangements. Expected return on this arrangement is 1.42% per annum (31 December 2009: 1.5%).

		30 June 2010 (Un-Audited)	31 December 2009 (Audited)
	Note	----- Rupees in '000 -----	
5. DUE FROM FINANCIAL INSTITUTIONS			
Mudaraba placement		-	190,000
Commodity Murabaha	5.1	<u>5,342,510</u>	<u>2,401,905</u>
		<u>5,342,510</u>	<u>2,591,905</u>

- 6.1 The Bank has entered into Commodity Murabaha agreements under which the Bank purchases an underlying commodity from open market through an agent and sells it to a financial institution on credit with profit. The profit rate on the Commodity Murabaha ranges from 11.25% to 11.90% per annum (31 December 2009: 11.45% to 11.75%) and have a maturity ranging from 02 July 2010 to 26 July 2010.

7. INVESTMENTS

Note	30 June 2010 (Un-Audited)			31 December 2009 (Audited)		
	Held by the Bank	Given as collateral	Total	Held by the Bank	Given as collateral	Total
(Rupees in '000)						
Available-for-sale securities						
Sukuk Certificates at cost	7.1	3,059,047	-	3,059,047	2,822,723	-
Surplus on revaluation of available-for-sale securities						
Total investments		3,059,047	3,059,047	2,822,723	-	2,822,723

7.1 Available-for-sale securities

Name of the investee company	30 June 2010 (Un- Audited)	31 December 2009 (Audited)	30 June 2010 (Un-Audited)		31 December 2009 (Audited)	
	Number of Certificates	Face value	Cost (Rupees in '000)	Entity rating long term / short term	Cost (Rupees in '000)	Entity rating long term / short term
Sukuk Certificates						
MAPIPA First Sukuk Certificates	67,000	67,000	5,809	Unrated	235,498	Unrated
MAPIPA Second Sukuk Certificates	91,075	96,075	5,800	Unrated	490,375	Unrated
Sihze Chemical Industries Limited	11,152	14,870	5,000	Unrated	74,350	Unrated
Engro Corporation Limited (Formerly Engro Chemicals Pakistan Limited) - 1 st Issue	60,000	60,000	5,000	Unrated	300,000	Unrated
Engro Corporation Limited (Formerly Engro Chemicals Pakistan Limited) - 2 nd Issue	75,000	-	5,000	Unrated	-	Unrated
Sas Southern Gas Company Limited	96,280	123,762	3,333	Unrated	412,500	Unrated
Kasabi Shreyani and Engineering Works	185,000	185,000	5,000	Unrated	925,000	Unrated
K.S. Sulemanji & Sons (Private) Limited	19,000	19,000	5,000	Unrated	95,000	Unrated
Qurban Tech & M Is Limited	39,333	40,000	5,000	BBB+	200,000	BBB-
			<u>3,059,047</u>		<u>2,822,723</u>	

Note (Un-Audited) (Audited)
Rupees in '000

8. FINANCING

Financing in Pakistan		
- Murabaha	2,759,948	2,430,861
- Musharaka cum Ijara - Housing	5,539,136	5,514,369
- Musharaka cum Ijara - Autos	5,469,055	5,095,718
- Ijara Muntahiya Bil Tamleek - Autos	198,083	216,259
- Musharaka cum Ijara - Others	1,067,374	1,315,603
- Export Refinance under Islamic Scheme	25,000	-
- Wakala Istithmar - Pre manufacturing	54,964	104,358
- Wakala Istithmar - Post manufacturing	25,309	3,410
- Shirkatulmilk	1,370,686	1,241,136
- Service Ijara	700,000	700,000
- Musharaka	408,167	1,431,250
- Istisna cum Wakala	3,728,954	2,908,627
Financing - gross	21,344,675	20,961,592
Less: Provision for non-performing financing	8.2 (443,764)	(371,979)
Financing - net of provisions	20,900,912	20,589,613

signature

- 8.1 Financing include Rs. 835,005 million (31 December 2009: Rs. 719,088 million) which have been placed under non-performing status as detailed below:

Category of classification	Domestic	Overseas	Total	Provision Required	Provision Held
(Rupees in '000)					
Substandard	224,597	-	224,597	41,175	41,175
Doubtful	160,429	-	160,429	30,057	30,057
Loss	449,983	-	449,983	309,185	309,185
	835,005	-	835,005	380,417	380,417

- 8.2 Particulars of provision against non-performing financing:

	30 June 2010 (Un-Audited)			31 December 2009 (Audited)		
	Specific	General	Total	Specific	General	Total
(Rupees in '000)						
Opening balance	307,445	64,534	371,979	125,209	130,534	255,843
Change for the period: year	121,300	657	121,957	309,371	14,982	323,353
Reversals for the period / year:	(48,328)	(1,844)	(50,172)	(127,135)	(81,052)	(208,217)
	72,972	(1,187)	71,785	181,216	(56,100)	115,136
Closing balance	380,417	63,347	443,764	307,445	64,534	371,979

- 8.2.1 The Bank has maintained a general reserve (provision) in accordance with the applicable requirements of the prudential regulations for consumer financing issued by the SBP. During the previous year, the SBP through its letter No. BPRD/BLRD-03/2009/6577 dated October 15, 2009 has granted exemption from general reserve requirement for the auto finance portfolio.

- 8.2.2 Particulars of provision against non-performing financing:

	30 June 2010 (Un-Audited)			31 December 2009 (Audited)		
	Specific	General	Total	Specific	General	Total
(Rupees in '000)						
In local currency	380,417	63,347	443,764	307,445	64,534	371,979
In foreign currency	-	-	-	-	-	-
	380,417	63,347	443,764	307,445	64,534	371,979

30 June 2010 (Un-Audited) 31 December 2009 (Audited)
Rupees in '000

9. DEPOSITS AND OTHER ACCOUNTS

Customers		
Fixed deposits	16,968,829	15,566,897
Savings deposits	9,728,514	7,338,714
Current accounts – non-remunerative	5,655,312	4,694,637
Margin accounts – non-remunerative	5,180	256
	32,358,915	27,600,504
Financial Institutions		
Remunerative deposits	530,736	367,169
Non-remunerative deposits	9,439	13,213
	540,175	380,402
	32,899,090	27,980,906

9.1 Particulars of deposits

In local currency	28,273,847	24,412,035
In foreign currencies	4,625,243	3,568,871
	32,899,090	27,980,906

Dubai Islamic Bank Pakistan Limited

30 June 31 December
2010 2009
(Un-Audited) (Audited)
----- Rupees in '000 -----

10. CONTINGENCIES AND COMMITMENTS

10.1 Transaction-related contingent liabilities

Contingent liabilities in respect of performance bonds, bid bonds, warranties given favoring

- Government	322,219	105,661
- Banking companies and other financial institutions	35,617	40,682
- Others	1,560,491	1,705,974
	<u>1,918,327</u>	<u>1,855,317</u>

10.2 Trade-related contingent liabilities

Import Letters of Credit

661,350	4,650,390
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10.3 Commitments in respect of forward exchange promises to

Purchase

2,665,580	664,534
-----------	---------

Sale

2,681,904	663,522
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10.4 Commitments for the acquisition of operating fixed assets

2,022	6,154
-------	-------

10.5 Commitments for financing facilities

7,530,120	9,980,961
-----------	-----------

11. PROFIT / RETURN EARNED ON FINANCING, INVESTMENTS AND PLACEMENTS

Half year ended
(Un-Audited)
30 June 30 June
2010 2009
----- (Rupees '000) -----

On financing to:

- Customers

1,624,893	1,505,637
-----------	-----------

On investments in available-for-sale securities

190,960	220,150
---------	---------

On deposits / placements with financial institutions

181,212	68,870
<u>1,997,065</u>	<u>1,794,657</u>

12. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activity is as follows:

	Half-year ended 30 June 2010 (Un-Audited)					
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Others	Total
	----- Rupees in '000 -----					
Interest income	-	(244,721)	829,614	(581,900)	(3,192)	-
Total income	45,742	318,821	964,864	874,094	12,053	2,285,574
Total expenses	(12,474)	(60,866)	(1,850,247)	(123,587)	(5,402)	(2,185,666)
Net income (loss)	43,268	13,244	(66,669)	55,507	3,450	49,908
Segment assets (gross)	-	13,736,788	10,914,649	12,366,905	4,671,340	41,389,682
Segment non-performing financing	-	-	542,450	178,715	13,800	835,005
Segment provision required (including general provision)	-	-	359,555	78,807	5,402	443,764
Segment liabilities	-	25,000	32,882,350	978,747	991,053	34,877,150
Segment return on net assets (RONA) (%)	-	10.83%	18.83%	13.83%	2.21%	-
Segment cost of funds (%)	-	11.62%	8.79%	5.85%	-	-

	Half-year ended 30 June 2009 (Un-Audited)					Total
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Others	
	Rupees in '000					
Internal income	-	(52,503)	614,458	(484,710)	(67,245)	
Total income	83,307	185,222	898,993	793,026	22,645	1,983,193
Total expenses	(2,243)	(50,432)	(1,570,140)	(182,344)	(3,561)	(1,808,720)
Net income (loss)	81,064	72,287	(56,889)	125,972	(48,161)	174,473
Segment assets (gross)	-	3,597,950	9,834,568	10,507,017	9,484,323	33,523,858
Segment non performing Financing	-	-	333,623	79,620	-	413,243
Segment provision required (including general provision)	-	-	284,616	44,691	-	329,307
Segment liabilities	-	1,000,000	25,746,339	-	1,269,359	28,015,698
Segment return on net assets (ROA) (%)	-	11.7%	19.39%	14.92%	3.55%	-
Segment cost of funds (%)	-	11.82%	7.47%	-	-	-

13. RELATED PARTY TRANSACTIONS

The related parties of the Bank comprise group companies, directors and their close family members, employee benefits plan, executives and the holding company of the Bank i.e. Dubai Islamic Bank PJSC, UAE.

Usual transactions with related parties include deposits, financing, returns and provision of other banking services. Transactions with executives are undertaken at terms in accordance with employment agreements and service rules.

The details of transactions with related parties during the period are as follows:

	30 June 2010 (Un-Audited) ----- (Rupees '000) -----	31 December 2009 (Audited) -----
<u>Key management personnel</u>		
Financing		
At beginning of the period / year	10,309	10,487
Disbursements	-	-
Payments	(98)	(178)
At the end of the period / year	10,211	10,309
Deposits		
At beginning of the period / year	24,076	19,286
Deposits	86,574	133,668
Withdrawals	(87,065)	(128,878)
At the end of the period / year	23,585	24,076
<u>Directors</u>		
Financing		
At beginning of the period / year	13,682	13,829
Payments	(144)	(147)
At the end of the period / year	13,538	13,682
Deposits		
At beginning of the period / year	313	624
Deposits	2,529	13,900
Withdrawals	(2,515)	(14,211)
At the end of the period / year	327	313

30 June 2010 (Un-Audited)	31 December 2009 (Audited)
----- (Rupees '000) -----	

Holding company**Placements**

At beginning of the period / year	421,208	-
Placements	4,843,273	18,336,041
Payments	(2,271,662)	(17,914,833)
At the end of the period / year	2,992,819	421,208

These include placements made by the holding company under Wakala arrangement on behalf of the Bank.

30 June 2010 (Un-Audited)	31 December 2009 (Audited)
----- (Rupees '000) -----	

Deposits

At beginning of the period / year	13,213	26,735
Deposits	186,391	341,693
Withdrawals	(190,165)	(355,215)
At the end of the period / year	9,439	13,213

Balance held abroad

At beginning of the period / year	430,075	495,609
Deposits	26,172,604	39,694,889
Withdrawals	(25,553,004)	(39,760,423)
At the end of the period / year	1,049,675	430,075

Other receivable	1,364	1,206
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Issue of right shares	-	758,250
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Group Companies

Other payables	119	-
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Other receivables	-	21,499
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30 June 2010 (Un-Audited)	30 June 2009 (Un-Audited)
----- (Rupees '000) -----	

Profit earned on financing to key management personnel	814	859
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Return on deposits to key management personnel	301	180
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Profit earned on financing to directors	917	931
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Return on deposits to directors	-	1
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Profit earned on placements with holding company	15,104	655
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Remuneration to key management personnel	79,674	78,589
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Employee benefit plans

Contribution to employees gratuity fund	10,530	9,642
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Contribution to employees provident fund	16,235	15,449
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14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the Board of Directors of the Bank in their meeting held on 23 August 2010

15. GENERAL

15.1 Figures of condensed interim profit and loss account for the quarters ended 30 June 2010 and 30 June 2009 have not been subjected to a limited scope review by the auditors

15.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

ayfm


President / Chief Executive


Director


Director


Director