

Unicorn Investment Bank B.S.C. (c)
Interim Condensed Consolidated
Financial Statements

30 September 2009
(Unaudited)



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Report on Review of the Interim Condensed Consolidated Financial Statements

to the Board of Directors of
Unicorn Investment Bank B.S.C. (c)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Unicorn Investment Bank B.S.C. (c) ("the Bank") and its subsidiaries ("the Group") as at 30 September 2009, comprising of the interim consolidated statements of financial position as at 30 September 2009 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine month period then ended and the explanatory notes. These interim condensed consolidated financial statements are the responsibility of the Bank's Board of Directors. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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 consolidated 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 condensed consolidated financial statements are not presented fairly, in all material respects, in accordance with note 2.

xx November 2009
Manama, Kingdom of Bahrain

Interim Consolidated Statement of Financial Position

At 30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

	Notes	30 September 2009	Audited 31 December 2008
ASSETS			
Cash and balances with banks		142,765	23,560
Due from financial institutions		120,455	396,614
Due from non-banks		139,878	14,120
Investment securities	3	307,885	328,560
Investments in associates		34,161	24,427
Investment properties		29,164	38,538
Inventories		8,781	10,695
Other assets	4	70,711	43,838
Premises and equipment		12,559	6,778
Assets held for sale		40,581	39,187
Goodwill and intangible assets		121,635	52,453
TOTAL ASSETS		1,028,575	978,770
LIABILITIES AND EQUITY			
LIABILITIES			
Due to financial institutions		489,758	399,573
Due to non-banks	5	18,158	22,874
Other liabilities	6	38,764	88,856
Liabilities relating to assets held for sale		13,556	13,556
TOTAL LIABILITIES		560,236	524,859
EQUITY			
Share capital	7	215,578	183,740
Share premium		141,708	71,216
Statutory reserve		15,580	15,580
Fair value reserve		33,559	61,765
Foreign currency translation reserve		(6,268)	(5,606)
(Accumulated losses)/retained earnings		(15,627)	2,945
Total equity attributable to the shareholders of the parent		384,530	329,640
Advances for proposed increase in share capital		-	110,059
Non-controlling interests		77,149	7,901
Non-controlling interests held for sale		6,660	6,311
TOTAL EQUITY		468,339	453,911
TOTAL LIABILITIES AND EQUITY		1,028,575	978,770

These interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 12 November 2009 and signed on their behalf by:



Yousef Abdullah Al-Shelash
Chairman



Majid Al Sayed Bader Al-Refai
Managing Director & Chief Executive Officer

The attached explanatory notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

Interim Consolidated Statement of Income

For the nine months and three months ended 30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

	Notes	Nine months ended		Three months ended	
		30 September 2009	30 September 2008	30 September 2009	30 September 2008
Continuing operations					
Investment banking fees	8	13,736	26,758	5,542	1,830
Other investment banking income	9	28,089	99,227	5,946	50,540
Investment banking income		41,825	125,985	11,488	52,370
Net expense from financial institutions	10	(8,993)	(2,542)	(3,638)	1,456
Non-banking activities income		22,859	-	11,116	-
Share of loss of associates		(1,976)	(1,685)	(459)	(945)
Sales from Victron Inc.	11	68,449	64,892	20,777	42,847
Total income		122,164	186,650	39,284	95,728
Operating expenses including non-banking activities expenses	12	66,929	73,214	20,555	30,463
Victron Inc. expenses		62,208	57,608	18,983	38,096
Total expenses		129,137	130,822	39,538	68,559
(Loss)/profit before fair value write-downs & write-backs		(6,973)	55,828	(254)	27,169
Fair value gains /write-downs on investment securities		-	-	625	-
Write-back of fair value write-downs made in prior periods		11,003	-	681	-
Profit for the period from continuing operations and before tax		4,030	55,828	1,052	27,169
Profit from assets held for sale		1,395	-	407	-
PROFIT BEFORE TAX		5,425	55,828	1,459	27,169
Income tax expense		(3,372)	(2,393)	(1,150)	(1,441)
NET PROFIT		2,053	53,435	309	25,728
Attributable to:					
Shareholders of the parent		(2,959)	52,779	(1,699)	25,155
Non-controlling interests		4,663	656	1,907	573
Non-controlling interests held for sale		349	-	101	-
		2,053	53,435	309	25,728

The attached explanatory notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

Interim Consolidated Statement of Comprehensive Income

For the nine months and three months
ended 30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

	Nine months ended		Three months ended	
	30 September 2009	30 September 2008	30 September 2009	30 September 2008
Net profit	2,053	53,435	309	25,728
Other comprehensive income:				
Exchange differences on translating foreign operations	(1,238)	(5,278)	(621)	(4,306)
Changes in investment securities fair value	1,473	(32,056)	183	(8,678)
Share of other comprehensive income/(loss) of associates	276	80	81	(7)
Other comprehensive income/(loss) for the period	511	(37,254)	(357)	(12,991)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,564	16,181	(48)	12,737
Attributable to:				
Shareholders of the parent	(2,053)	15,913	(1,665)	12,524
Non-controlling interests	4,268	268	1,516	213
Non-controlling interests held for sale	349	-	101	-

The attached explanatory notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

Interim Consolidated Statement of Changes in Equity

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

Attributable to shareholders of the parent									Advances for proposed increase in share capital	Non-controlling interests	Non-controlling interests held for sale	Total equity
	Share capital	Share premium	Statutory reserve	Fair value reserve	Foreign currency translation reserve	(Accumulated losses)/ Retained earnings	Proposed dividend	Total				
Balance at 1 January 2009	183,740	71,216	15,580	61,765	(5,606)	2,945	-	329,640	110,059	7,901	6,311	453,911
Total comprehensive income/(loss) for the period	-	-	-	1,568	(662)	(2,959)	-	(2,053)	-	4,268	349	2,564
Transfer to fair value reserve	-	-	-	16,234	-	(16,234)	-	-	-	-	-	-
Issuance of additional shares	31,838	95,514	-	-	-	-	-	127,352	(110,059)	-	-	17,293
Equity transaction costs incurred (note 13)	-	(25,022)	-	-	-	-	-	(25,022)	-	-	-	(25,022)
Employee share based incentives scheme	-	-	-	-	-	621	-	621	-	-	-	621
Controlling interests acquired	-	-	-	(46,008)	-	-	-	(46,008)	-	64,980	-	18,972
Balance at 30 September 2009	215,578	141,708	15,580	33,559	(6,268)	(15,627)	-	384,530	-	77,149	6,660	468,339
Balance at 1 January 2008	174,704	70,495	12,153	36,777	277	20,027	26,206	340,639	-	7,684	-	348,323
Total comprehensive (loss)/income for the period	-	-	-	(31,976)	(4,890)	52,779	-	15,913	-	268	-	16,181
Dividend paid	-	-	-	-	-	-	(26,206)	(26,206)	-	-	-	(26,206)
Transfer to fair value reserve	-	-	-	42,279	-	(42,279)	-	-	-	-	-	-
Issuance of additional shares	9,036	721	-	-	-	-	-	9,757	-	-	-	9,757
Advances for proposed increase in share capital	-	-	-	-	-	-	-	-	110,059	-	-	110,059
Balance at 30 September 2008	183,740	71,216	12,153	47,080	(4,613)	30,527	-	340,103	110,059	7,952	-	458,114

The attached explanatory notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

Interim Consolidated Statement of Cash Flows

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

	30 September 2009	30 September 2008
OPERATING ACTIVITIES		
Net profit	2,053	53,435
Adjustments for:		
Investment banking fees	-	(3,440)
Gain on sale of investment securities	(1,825)	(53,697)
Fair value gain on investment securities	(20,809)	(37,347)
Fair value write-downs on investment properties	9,374	-
Write-back of fair value write-downs made in prior periods	(11,003)	-
Share of loss of associates	1,976	1,685
Profit from discontinued operations	(1,395)	-
Bad debt expenses	5,000	-
Share-based payments	1,841	1,022
Depreciation and amortisation	1,990	820
	(12,798)	(37,522)
Changes in:		
Due from non-banks	(125,758)	21,249
Other assets	(21,733)	(10,903)
Inventories	1,914	(2,004)
Due to financial institutions	69,424	98,757
Due to non-banks	(4,716)	(825)
Other liabilities	(80,441)	69,233
Proceeds from sale of investment securities	34,454	217,799
Purchase of investment securities	(110,205)	(267,910)
Net cash (used in) from operating activities	(249,859)	87,874
INVESTING ACTIVITIES		
Purchase of premises and equipment	(6,009)	(1,329)
Investments in associates	(12,527)	(1,325)
Acquisition of subsidiaries, net of cash acquired	111,586	-
Net cash from (used in) investing activities	93,050	(2,654)
FINANCING ACTIVITIES		
Share subscriptions received pending allotment	-	110,481
Proceeds from issue of share capital	-	-
Dividend paid	-	(17,471)
Net cash from financing activities	-	93,010
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(156,809)	178,230
Foreign currency translation adjustments	(145)	(2,485)
Cash and cash equivalents at the beginning of the period	420,174	85,117
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	263,220	260,862
Cash and cash equivalents comprise:		
Cash and balances with banks	142,765	12,832
Due from financial institutions	120,455	248,030
	263,220	260,862

The attached explanatory notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

1. CORPORATE INFORMATION

Unicorn Investment Bank B.S.C. (c) ("the Bank") was incorporated in the Kingdom of Bahrain by Amiri Decree No 12/1978, and registered with the Ministry of Industry and Commerce under Commercial Registration No. 53462 on 29 April 2004 and on 5 May 2004 was granted an Islamic investment banking licence by the Central Bank of Bahrain. In accordance with the revised banking regulations of the Central Bank of Bahrain, the Bank was granted a Wholesale Bank (Islamic Principles) Licence on 24 April 2007. The Bank's registered office is at the 3-7 floors of Building No. 2304, Road No. 2830, Seef District 428, Kingdom of Bahrain.

The Bank and its subsidiaries (together referred to as "the Group") aim to provide a full range of investment banking products and services that are compliant with Shari'ah principles. The principal products and services offered by the Group are:

- financial advisory services;
- private equity, equity structuring, private placements and initial public offerings;
- facility structuring, restructuring and placement including project finance, securitisation and Sukuk;
- structuring and marketing of both open and closed end mutual funds as well as client portfolio management that meets specific investor driven return and asset criteria;
- advisory and investment services for takaful (Islamic insurance) and retakaful (Islamic reinsurance) providers;
- mergers and acquisitions, including deal sourcing, structuring, valuations and advisory;
- developing and managing liquidity products and other treasury products and services;
- electronic manufacturing and supply chain management services (through a private equity investment that is consolidated); and
- dealing in, and exchange of, foreign currencies, purchase and sale of drafts and other financial instruments, and trading in gold and silver bullion and coins (through a private equity investment that is consolidated).

The Group's Shari'ah Supervisory Board consists of seven Islamic scholars who review the Group's compliance with general Shari'ah principles and guidelines. Their review includes examination of evidence relating to the documentation and procedures adopted by the Group to ensure that its activities are conducted in accordance with these principles.

The number of Group employees as at 30 September 2009 was 1,122 (31 December 2008: 491). The consolidation with Condor Holdings Limited has resulted in an increase of 627 in the number of Group employees as of 30 September 2009.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the nine month period ended 30 September 2009 have been prepared in accordance with International Accounting Standard 34 – "Interim Financial Reporting". The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and the Financial Accounting Standards issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as at 31 December 2008.

The results for the nine month period ended 30 September 2009 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2009.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The following are the principal subsidiaries of the Bank that are consolidated:

Subsidiary	Ownership	Year of incorporation/ acquisition	Country of incorporation/ acquisition
UIB Capital Inc.	100%	2004	United States of America
The main activities of UIB Capital Inc. are to source investment opportunities in the USA and monitor the performance of the acquired companies on behalf of the Bank and investors.			
Unicorn International Islamic Bank Malaysia Berhad	100%	2004	Malaysia
Unicorn International Islamic Bank Malaysia Berhad was established in 2004 to source investment opportunities in the Far East and monitor the performance of the acquired companies on behalf of the Bank and investors and to establish distribution channels for the Group.			
Unicorn International Islamic Bank Malaysia Berhad was granted an investment banking licence in 2007 by the Ministry of Finance of Malaysia to carry out investment banking activity in currencies other than the Malaysian Ringgit.			
Unicorn Capital Limited	100%	2006	United Arab Emirates
Unicorn Capital Limited was granted a commercial licence by the Dubai Financial Services Authority ("DFSA") in September 2006. Its main activities are to source investment opportunities in the Middle East and monitor the performance of the acquired companies on behalf of the Bank and investors and to establish distribution channels for the Group.			
Unicorn Capital Limited was dissolved on 30 June 2009 due to a restructuring of the Bank's operations and strategic focus.			
Unicorn Capital Menkul Degerler A.S.	91.9%	2007	Turkey
The Bank acquired 81.77% of Unicorn Capital Menkul Degerler A.S. in 2007. During 2008, the Bank subscribed for an additional 12 million shares which increased the holding of the Bank to 91.9%. Its main activities are to provide investment consultancy, asset management, underwriting and brokerage services.			
Victron Inc.	80%	2007	United States of America
In 2007, the Bank's private equity business acquired 80% of Victron Inc., a company based in California, USA. Victron specialises in providing sophisticated manufacturing process technologies for complex printed circuit boards, other electronic assemblies and complete products for original equipment manufacturer.			

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Subsidiary	Ownership	Year of incorporation/ acquisition	Country of incorporation/ acquisition
Unicorn Capital Saudi Arabia	53.4%	2009	Kingdom of Saudi Arabia

Unicorn Capital Saudi Arabia was granted a certificate of incorporation by the Saudi Arabia Capital Markets Authority in March 2009. Its principle activities are Investment banking.

Condor Holdings Limited	45.3%	2009	Kingdom of Bahrain
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In 2009, the Bank took de-facto control over Condor Holdings Limited, a company based in the Kingdom of Bahrain. The company was incorporated to acquire Bahrain Financing Company B.S.C. (c) in Bahrain, Bahrain Exchange Company W.L.L. in Kuwait and Ezremit in the United Kingdom.

a. Significant Accounting Policies

These interim condensed consolidated financial statements have been prepared using accounting policies, except noted below, which are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2008. For matters for which no AAQIFI standards exist, including "Interim Financial Reporting", the Bank uses the relevant International Financial Reporting Standards issued by the International Accounting Standards Board.

Changes in Accounting Policies and Disclosures

The Group has adopted amendments in IAS 1 – Presentation of Financial Statements (Revised). Adoption of these amendments did not have any effect on the financial performance or position of the Group.

b. Operating Segments

IFRS8 requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this Standard did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments previously identified under IAS 14 Segment Reporting. Additional disclosures about each of these segments are shown in Note 17.

3. INVESTMENT SECURITIES

	30 September 2009	Audited 31 December 2008
Carried at fair value through statement of income	220,638	271,171
Available for sale investments at fair value:		
Quoted	62,760	33,455
Unquoted	6,363	4,702
Investment-related receivables	18,124	19,232
	307,885	328,560

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

4. OTHER ASSETS

	30 September 2009	Audited 31 December 2008
Capital raising costs	-	6,989
Deal-related advances (4.1)	34,680	9,680
Fees and recoverable expenses outstanding from clients	18,205	16,625
Prepayments and advances	3,248	4,692
Trade and other receivables	14,578	5,852
	70,711	43,838

4.1 Deal related advances include US\$25 million (31 December 2008: nil) invested in Bank Al Awqaf as a seed capital.

5. DUE TO NON-BANKS

Due to non-banks comprises two financing facilities amounting to US\$18.2 million (31 December 2008: US\$22.9 million) obtained by the Group in relation to the acquisition of Victron Inc. The financing facilities are repayable by 31 March 2014. The average effective profit rate on the financing facilities is 6.406% (2008: 9.018%).

6. OTHER LIABILITIES

	30 September 2009	Audited 31 December 2008
Accrued expenses	5,149	3,637
Deal-related payables	-	62,016
Staff-related payables	4,181	5,287
Trade and other payables	29,434	17,916
	38,764	88,856

7. SHARE CAPITAL

	30 September 2009	Audited 31 December 2008
Authorised: 750,000,000 ordinary shares of US\$1 each	750,000	750,000
Issued and fully paid:		
185,819,019 (2008: 158,304,361) ordinary shares of US\$1 each, issued against cash	185,819	158,305
27,819,966 (2008: 23,801,343) ordinary shares of US\$1 each, issued in kind	27,820	23,801
1,938,994 (2008: 1,633,994) ordinary shares of US\$1 each, granted to employees	1,939	1,634
	215,578	183,740

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

7. SHARE CAPITAL (continued)

Movement in share capital:

	No. of shares (thousands)	Nominal value
At 1 January 2008	174,704	174,704
Issued during the year	9,036	9,036
At 1 January 2009	183,740	183,740
Issued during the period	31,838	31,838
At 30 September 2009	215,578	215,578

8. INVESTMENT BANKING FEES

	30 September 2009	30 September 2008
Advisory and placement fees	5,640	14,226
Arrangement and underwriting fees	8,026	1,358
Performance fees	3	5,014
Structuring fees	67	6,160
	13,736	26,758

9. OTHER INVESTMENT BANKING INCOME

	30 September 2009	30 September 2008
Dividend income	9,075	1,737
Fair value (write-downs)/gains on investment properties	(9,374)	10,416
Fair value gain on investment securities	20,809	26,931
Gain on sale of investment securities	1,825	53,697
Management fees	2,581	2,101
Other income	3,173	4,345
	28,089	99,227

10. NET (EXPENSE) FROM FINANCIAL INSTITUTIONS

	30 September 2009	30 September 2008
Income due from financial institutions	3,035	3,457
Amounts due to financial institutions	(12,028)	(5,999)
Net (expense) from financial institutions	(8,993)	(2,542)

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

11. REVENUE AND EXPENSES FROM VICTRON INC.

	30 September 2009	30 September 2008
Sales of Victron Inc.	68,449	64,892
Less cost of sales from Victron Inc.	(56,897)	(52,538)
Gross profit of Victron Inc.	11,552	12,354
Other expenses of Victron Inc.	(5,311)	(5,070)
Net income of Victron Inc.	6,241	7,284

12. OPERATING EXPENSES INCLUDING NON-BANKING ACTIVITIES EXPENSES

	30 September 2009	30 September 2008
Advertising	614	730
Bad debt provision	5,000	-
Business development	2,800	2,518
Depreciation	1,267	671
General and administrative	4,707	5,403
Legal and professional	2,598	5,525
Non-banking activities expenses	12,757	-
Premises	2,893	1,393
Staff costs	32,834	54,663
Other	1,459	2,311
	66,929	73,214

13. EQUITY TRANSACTION COSTS

Equity transaction costs represent costs incurred by the Bank, including shares in kind given to certain founding investors and employees that are directly related to the capital raised during the period.

During the period, US\$ 25.022 million (2008: nil) of equity transaction costs have been transferred to share premium.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

14. BUSINESS COMBINATION

In April 2009, the Bank obtained de-facto control over Condor Holdings Limited ("Condor"). Condor was incorporated to acquire a portfolio of exchange and remittance companies. Prior to the date of obtaining de-facto control, Condor had been designated as investment securities carried at fair value through statement of income. The acquisition has been accounted for using the purchase method of accounting.

On the date of obtaining de-facto control, the fair value of the identifiable assets and liabilities of Condor Holdings Limited were:

	Carrying value	Fair value recognised on acquisition
Cash and balances with banks	71,754	71,754
Due from financial institutions	1,860	1,860
Other assets	10,139	10,139
Premises and equipment	1,039	1,039
Total Assets	84,792	84,792
Due to financial institutions	(20,761)	(20,761)
Other liabilities	(32,673)	(30,673)
Total Liabilities	(53,434)	(53,434)
Fair value of net assets		31,358
Net identifiable assets acquired (45.28%)		14,199
Goodwill arising on acquisition		69,569
Cost of acquisition		83,768

Cash outflow on acquisition:

Net cash and cash equivalents acquired with the subsidiary in 2009

(comprise of cash and balances with banks and due from financial institutions) 73,614

Cash paid in 2008 (83,768)

Net cash outflow (10,154)

There is no difference between the carrying value and the fair value of the assets recognised on acquisition. This is due to the nature of the assets and liabilities acquired.

15. COMMITMENTS AND GUARANTEES

	30 September 2009	Audited 31 December 2008
Investment-related	18,578	35,980
Lease commitments	5,585	6,515
	24,163	42,495
Guarantees	8,254	4,167
	32,417	46,662

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

16. RELATED PARTY TRANSACTIONS

Compensation of senior management personnel

Senior management personnel are those that possess significant decision making and direction setting responsibilities within the Group.

	30 September 2009	30 September 2008
Short term employee benefits	8,701	25,437
Post employment benefits	401	379
Share-based payments	1,841	725
	10,943	26,541

Transactions, arrangements and agreements involving related parties

Related parties comprise major shareholders, directors and senior management personnel of the Group, members of the Shari'ah Supervisory Board of the Group, close members of their families and entities owned or controlled by them. Pricing policies and terms of the transactions relating to these related parties are approved by management.

Related parties also comprise the Group's investment companies and funds that hold clients' investments. The Group manages its investment companies and funds on a fiduciary basis on behalf of its clients, who are third parties and are the beneficiaries of a majority of the economic interest of the underlying investments in the investment companies and funds.

	30 September 2009			31 December 2008 (Audited)		
	Shareholders/ Directors	Senior management	Other entities	Shareholders/ Directors	Senior management	Other entities
Assets						
Due from non-banks	-	-	16,003	-	-	-
Investment securities	-	-	170,590	-	-	252,132
Investments in associates	-	-	34,161	-	-	24,427
Other assets	-	32	43,600	-	95	16,155
Liabilities						
Due to financial institutions	-	-	45,951	-	-	109,858
Due to non-banks	-	-	5,443	-	-	5,329
Other liabilities	770	-	7,969	2,877	-	66,535
Equity						
Equity transaction costs	10,953	6,780	6,989	-	-	-

Transactions with related parties included in the consolidated statement of income are as follows:

	30 September 2009	30 September 2008
Investment banking fees	9,877	26,011
Net expense from financial institutions	(844)	(228)
Other investment banking income	11,439	51,439
Share of loss of associates	(1,976)	(1,685)
Bad debt provision	(5,000)	-
Victron Inc. expenses	(114)	95
Directors' remuneration	(488)	(488)
Shari'ah Supervisory Board remuneration	(280)	(280)

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended
30 September 2009 (Unaudited)

(Amounts in United States Dollars thousands)

17. SEGMENT INFORMATION

Operating segment information

	Nine Months ended 30 September 2009									
	Capital Markets	Private Equity	Corporate Finance	Asset Management	Strategic M&A	Treasury	Other	Victron	Condor	Total
Total income	18,931	6,640	6,687	(4,533)	11,574	1,425	2,531	68,448	22,859	134,562
Total expenses	(6,090)	(1,692)	(1,229)	(2,377)	(3,593)	(12,559)	(27,446)	(64,766)	(12,757)	(132,509)
Profit for the period	12,841	4,948	5,458	(6,910)	7,981	(11,134)	(24,915)	3,682	10,102	2,053
Total assets	183,014	204,117	23,655	23,088	77,404	139,068	104,233	79,050	194,946	1,028,575
Total liabilities	166,256	172,931	18,464	18,021	60,417	-	37,050	29,069	58,028	560,236

	Nine Months ended 30 September 2008									
	Capital Markets	Private Equity	Corporate Finance	Asset Management	Strategic M&A	Treasury	Other	Victron	Condor	Total
Total income	12,759	14,162	22,953	18,010	49,427	2,929	1,518	64,892	-	186,650
Total expenses	(401)	(1,234)	(900)	(1,553)	(4,525)	(5,390)	(59,645)	(59,567)	-	(133,215)
Profit for the period	12,358	12,928	22,053	16,457	44,902	(2,461)	(58,127)	5,325	-	53,435
As at 31 December 2008										
(Audited) Total assets	52,687	142,326	24,178	44,719	166,470	416,947	50,127	81,321	-	978,770
Total liabilities	141,119	57,100	7,397	13,682	50,931	127,564	92,565	34,501	-	524,859