

BAHRAIN COMMERCIAL FACILITIES COMPANY B.S.C.

Interim Consolidated Financial Information 30 September 2007



CONDENSED CONSOLIDATED INCOME STATEMENT	9 months ended		3 months ended	
	30 Sep 2007	30 Sep 2006	30 Sep 2007	30 Sep 2006
<i>For the 9 months ended 30 September Expressed in BD'000</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>
Interest income	9,509	8,278	3,451	2,878
Interest expense	(3,983)	(3,454)	(1,391)	(1,277)
NET INTEREST INCOME	5,526	4,824	2,060	1,601
Automotive sales	49,080	34,697	17,571	13,634
Cost of sales	(42,747)	(29,970)	(15,372)	(12,039)
GROSS PROFIT ON AUTOMOTIVE SALES	6,333	4,727	2,199	1,595
Insurance commission income	521	401	196	137
Gross profit on land activities	1,048	38	365	15
TOTAL OPERATING INCOME	13,428	9,990	4,820	3,348
Operating and overhead expenses	(6,003)	(5,230)	(1,868)	(1,711)
Impairment allowance on loans and receivables, net of recoveries	(819)	(256)	(484)	(112)
Other income	249	255	71	65
NET PROFIT FOR THE PERIOD	6,855	4,759	2,539	1,590
Earnings per 100 fils share	63.1	43.8	23.4	14.6

CONDENSED CONSOLIDATED BALANCE SHEET AS AT	30 Sep 2007	31 Dec 2006
<i>Expressed in BD'000</i>		
ASSETS	<i>Reviewed</i>	<i>Audited</i>
Cash and cash equivalents	32	1,484
Loans, trade and other receivables	126,835	112,852
Inventories (Note 3)	10,979	18,338
Investment property	-	1,416
Property and equipment	10,902	10,789
Total Assets	148,748	144,879
LIABILITIES		
Bank overdrafts	2,364	3,619
Trade and other payables	11,435	15,596
Term loans	76,620	69,131
Bonds	19,880	19,857
Total Liabilities	110,299	108,203
EQUITY		
Share Capital	10,829	10,829
Reserves	27,620	25,847
Total Equity	38,449	36,676
Total Liabilities and Equity	148,748	144,879

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Share capital	Treasury shares	Statutory reserve	Cash flow hedge revaluation reserve	Donation reserve	General reserve	Retained earnings	Total 2007	Total 2006
<i>For the 9 months ended 30 Sep 2007</i>									
<i>Expressed in BD'000</i>									
As at 1 January	11,000	(171)	9,282	61	546	7,000	8,958	36,676	35,289
Retained earnings adjustment of subsidiary	-	-	-	-	-	-	(55)	(55)	-
Net change in fair value of cash flow hedge	-	-	-	(385)	-	-	-	(385)	(1)
Total recognised income and expense directly in equity	-	-	-	(385)	-	-	-	(385)	(1)
Net income for the period	-	-	-	-	-	-	6,855	6,855	4,759
Total recognised income and expense for the period ended 30 September	-	-	-	(385)	-	-	6,855	6,470	4,758
Directors' fees for 2006	-	-	-	-	-	-	(180)	(180)	(180)
Dividend for 2006	-	-	-	-	-	-	(4,349)	(4,349)	(3,954)
Donations paid	-	-	-	-	(114)	-	-	(114)	(276)
Transferred to donation reserve	-	-	-	-	280	-	(280)	-	-
Transferred to statutory reserve (2006)	-	-	500	-	-	-	(500)	-	-
Transferred to general reserve (2006)	-	-	-	-	-	500	(500)	-	-
At 30 Sep	11,000	(171)	9,782	(324)	712	7,500	9,949	38,448	35,637

CONSOLIDATED STATEMENT OF CASH FLOWS	2007	2006
<i>For the 9 months ended 30 September Expressed in BD'000</i>	<i>Reviewed</i>	<i>Reviewed</i>
Operating activities		
Loan repayments, interest, commission and automotive receipts	101,656	78,057
Cash expended on operations		
Loans disbursed	(56,491)	(44,316)
Payments to suppliers	(41,374)	(33,785)
Sale of investment of property	1,821	-
Sale of land inventory	1,420	-
Payments of operating expenses	(5,474)	(4,629)
Interest paid	(3,982)	(3,454)
CASH FLOWS FROM OPERATING ACTIVITIES	(2,424)	(8,127)
Investing activities		
Capital expenditure on property and equipment	(619)	(1,243)
CASH FLOWS FROM INVESTING ACTIVITIES	(619)	(1,243)
Financing activities		
Term loans received	7,489	11,486
Bonds issued	-	3,000
Dividends paid	(4,349)	(3,954)
Directors' fees paid	(180)	(180)
Donations paid	(114)	(276)
CASH FLOWS FROM FINANCING ACTIVITIES	2,846	10,076
TOTAL CASH FLOWS IN THE PERIOD	(197)	706
Cash and cash equivalents at 1 January	(2,135)	(4,383)
Cash and cash equivalents at 30 September	(2,332)	(3,677)
Cash and cash equivalents comprise:		
Cash and balances with banks	32	722
Bank overdrafts	(2,364)	(4,399)
	(2,332)	(3,677)

NOTES TO THE INTERIM FINANCIAL INFORMATION

*For the 9 months ended 30 September 2007
Expressed in BD'000*

1. The interim consolidated financial information has been prepared in accordance with International Accounting Standard 34 (interim financial reporting), which allows the interim financial statements to be in summarised forms. The interim financial information has been prepared using the same accounting policies, methods of computation, judgements and estimates adopted in the 2006 audited annual financial statements.

2. The performance of the business entities was as follows:

Expressed in BD'000	Turnover		Net Profit	
	2007	2006	2007	2006
Parent Company	9,509	8,278	3,042	3,062
National Motor Company WLL	49,080	34,697	2,492	1,532
Tasheelat Insurance Services Co. WLL	521	401	406	303
Tasheelat Real Estate Services Co. SPC	3,300	38	916	(138)
TOTAL	62,410	43,414	6,856	4,759

3. Inventories

	2007	2006
Automotive stock		
Vehicles, net of provisions	9,055	15,501
Spare parts, net of provisions	1,924	2,058
	10,979	17,559
Land held for resale	-	779
	10,979	18,338

4. The Company is an associate of BBK, owner of 20.25% of the share capital. The balances due to BBK at 30 Sep 2007 are BD 6,389 (31 Dec. 2006: BD 3,091) for term loans and BD 753 (31 Dec. 2006: BD 356) for overdrafts.

The balances due to National Bank of Bahrain, owner of 10.48% of the share capital at 30 September 2007 are BD 7,572 (31 Dec 2006: BD 5,048) for term loans and BD nil (31 Dec 2006: BD 24) for overdrafts. These transactions are conducted on an arms-length basis on normal commercial terms.

5. Appropriations for the current year will be made only at the end of the year. At the Annual General Meeting for 2006 held on 17 March 2007, the following appropriations were effected: final dividend of BD 4,349 (2006: BD3,954), director's fee BD180 (2006: BD180) and donation reserve BD 280 (2006:BD 280).

Abdulrahman Yusif Fakhro
Chairman

Abdulrahman A. Mohamed
Vice Chairman

Ian Levack
Chief Executive Officer