

**Condensed Consolidated Interim Financial Information
Nine Month Period Ended 30 September 2008**



The legal name of BMB Investment Bank is Bahrain Middle East Bank (B.S.C.)

**REPORT ON REVIEW OF THE INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS
AND BOARD OF DIRECTORS OF BAHRAIN MIDDLE EAST BANK (B.S.C.)**

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of Bahrain Middle East Bank (B.S.C) (the "Bank") and its subsidiaries (the "Group") as of September 30, 2008 and the related condensed consolidated interim statements of income, changes in shareholders' equity and cash flows for the nine month period then ended. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, "Interim financial reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with 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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.

PricewaterhouseCoopers

25 October 2008
Manama, Kingdom of Bahrain

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information
For the nine month period ended 30 September 2008

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
(Expressed in thousands of United States Dollars)

| | Reviewed 30 September <u>2008</u> | Audited 31 December <u>2007</u> |
|--|---|---------------------------------------|
| <u>ASSETS</u> | | |
| Cash and deposits with banks | 5,278 | 36,602 |
| Trading equities and funds | 2,511 | 9,279 |
| Government and Government Agency bonds (Note 3) | 5,385 | 4,388 |
| Other equities and funds (Note 4) | 64,730 | 73,264 |
| Other bonds (Note 5) | 16,344 | 9,793 |
| Derivative financial instruments | 13 | 83 |
| Loans and advances | 1,827 | 967 |
| Instalment sale receivable | 17,299 | 18,839 |
| Fixed assets | 605 | 316 |
| Other assets | <u>12,717</u> | <u>27,348</u> |
| TOTAL ASSETS | <u>126,709</u> | <u>180,879</u> |
| <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> | | |
| <u>Liabilities</u> | | |
| Bank deposits | - | 10,015 |
| Customer deposits | 27,547 | 36,553 |
| Derivative financial instruments | 26 | - |
| Securities sold under repurchase agreements | 9,855 | 3,700 |
| Medium term loan (Note 6) | - | 28,500 |
| Revolving loan facility (Note 7) | 11,600 | 13,600 |
| Other liabilities | 5,609 | 7,075 |
| Subordinated loan (Note 8) | <u>10,000</u> | <u>10,000</u> |
| TOTAL LIABILITIES | <u>64,637</u> | <u>109,443</u> |
| <u>Shareholders' equity</u> | | |
| Share capital (Note 9) | 54,955 | 52,338 |
| Fair value reserve | 2,086 | 11,249 |
| Other reserves | <u>5,031</u> | <u>7,849</u> |
| TOTAL SHAREHOLDERS' EQUITY | <u>62,072</u> | <u>71,436</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | <u>126,709</u> | <u>180,879</u> |

This condensed consolidated interim financial information was approved by the Board of Directors on 25 October 2008 and signed on its behalf by:



Wilson S. Benjamin
Chairman



Albert I. Kittaneh
Chief Executive

Notes 1 to 14 form an integral part of this condensed consolidated interim financial information.

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information
For the nine month period ended 30 September 2008 (Reviewed)

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
(Expressed in thousands of United States Dollars unless otherwise stated)

| | <u>Three months ended</u> | | <u>Nine months ended</u> | |
|---|---------------------------|----------------|--------------------------|----------------|
| | 30 September | 30 September | 30 September | 30 September |
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| <u>INCOME FROM OPERATIONS</u> | | | | |
| Income/(loss) from investments | (1,288) | 4,236 | 6,873 | 23,593 |
| Foreign exchange translation (loss)/income | (1,843) | 1,104 | (887) | 1,764 |
| Fees and commissions income (Note 10) | 110 | 394 | 703 | 2,567 |
| Other loss | <u>(15)</u> | <u>(10)</u> | <u>(5)</u> | <u>(5)</u> |
| | (3,036) | 5,724 | 6,684 | 27,919 |
| Interest income | 495 | 624 | 1,550 | 1,943 |
| Interest expense | <u>(642)</u> | <u>(1,563)</u> | <u>(2,415)</u> | <u>(5,109)</u> |
| NET INTEREST EXPENSE | (147) | (939) | (865) | (3,166) |
| TOTAL INCOME/(LOSS) FROM OPERATIONS | <u>(3,183)</u> | <u>4,785</u> | <u>5,819</u> | <u>24,753</u> |
| Writeback/(impairment provisions) | 48 | - | 30 | (3,698) |
| General and administrative expenses | <u>(2,256)</u> | <u>(1,509)</u> | <u>(7,071)</u> | <u>(5,087)</u> |
| TOTAL OPERATING EXPENSES | <u>(2,208)</u> | <u>(1,509)</u> | <u>(7,041)</u> | <u>(8,785)</u> |
| NET (LOSS)/INCOME FROM OPERATIONS BEFORE TAXATION | (5,391) | 3,276 | (1,222) | 15,968 |
| TAXATION | <u>(98)</u> | - | <u>(98)</u> | - |
| NET (LOSS)/INCOME FROM OPERATIONS | (5,489) | 3,276 | (1,320) | 15,968 |
| NET INCOME FROM ASSETS SOLD | - | <u>66</u> | <u>10</u> | <u>212</u> |
| NET (LOSS)/INCOME FOR THE PERIOD | <u>(5,489)</u> | <u>3,342</u> | <u>(1,310)</u> | <u>16,180</u> |
| EARNINGS PER SHARE | | | | |
| Basic | US\$ (0.03) | US\$ 0.02 | US\$ (0.01) | US\$ 0.08 |
| Diluted | US\$ (0.03) | US\$ 0.02 | US\$ (0.01) | US\$ 0.08 |

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Wilson S. Benjamin
Chairman



Albert I. Kittaneh
Chief Executive

Notes 1 to 14 form an integral part of this condensed consolidated interim financial information.

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information
For the nine month period ended 30 September 2008 (Reviewed)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in thousands of United States Dollars)

| | Share capital | Fixed asset revaluation reserve | Fair value reserve | Retained earnings | Legal reserve | General reserve | Proposed stock dividends reserve | Other reserves | Total other reserves | Total |
|---|---------------|---------------------------------|--------------------|-------------------|---------------|-----------------|----------------------------------|----------------|----------------------|----------------|
| <u>30 September 2007</u> | | | | | | | | | | |
| At 1 January 2007 | 52,338 | 7,098 | 3,580 | (40,575) | 13,848 | 10,138 | - | (16,589) | | 46,427 |
| Exchange translation adjustment | - | - | 2,258 | (562) | - | - | - | (562) | | 1,696 |
| Net fair value gain on available-for-sale investments | - | - | 11,807 | - | - | - | - | - | | 11,807 |
| Fair value reserve transferred to income statement | - | - | (6,520) | - | - | - | - | - | | (6,520) |
| Net income for the period | <u>-</u> | <u>-</u> | <u>-</u> | <u>16,180</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>16,180</u> | | <u>16,180</u> |
| At 30 September 2007 | <u>52,338</u> | <u>7,098</u> | <u>11,125</u> | <u>(24,957)</u> | <u>13,848</u> | <u>10,138</u> | <u>-</u> | <u>(971)</u> | | <u>69,590</u> |
| <u>30 September 2008</u> | | | | | | | | | | |
| At 1 January 2008 | 52,338 | - | 11,249 | (18,599) | 16,310 | 7,521 | 2,617 | 7,849 | | 71,436 |
| Exchange translation adjustment | - | - | (1,673) | 1,109 | - | - | - | 1,109 | | (564) |
| Net fair value (loss) on available-for-sale investments | - | - | (4,038) | - | - | - | - | - | | (4,038) |
| Fair value reserve transferred to income statement | - | - | (3,452) | - | - | - | - | - | | (3,452) |
| Stock dividends approved | 2,617 | - | - | - | - | - | (2,617) | (2,617) | | - |
| Net loss for the period | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,310)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,310)</u> | | <u>(1,310)</u> |
| At 30 September 2008 | <u>54,955</u> | <u>-</u> | <u>2,086</u> | <u>(18,800)</u> | <u>16,310</u> | <u>7,521</u> | <u>-</u> | <u>5,031</u> | | <u>62,072</u> |

Notes 1 to 14 form an integral part of this condensed consolidated interim financial information.

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information
For the nine month period ended 30 September 2008 (Reviewed)

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT
(Expressed in thousands of United States Dollars)

| | 30 September <u>2008</u> | 30 September <u>2007</u> |
|--|-----------------------------|-----------------------------|
| NET (LOSS)/INCOME FROM OPERATIONS | (1,320) | 15,968 |
| Net cash (used in)/from operating activities | (15,226) | 21,713 |
| Net cash from investing activities | 19,187 | 1,623 |
| Net cash used in financing activities | (34,367) | (15,216) |
| Effect of exchange rates on cash and cash equivalents | <u>402</u> | <u>400</u> |
| Net (decrease)/increase in cash and cash equivalents | <u>(31,324)</u> | <u>24,488</u> |
| Cash and cash equivalents at the beginning of the period | <u>36,602</u> | <u>12,708</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | <u>5,278</u> | <u>37,196</u> |

Notes 1 to 14 form an integral part of this condensed consolidated interim financial information.

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information for the nine month period ended 30 September 2008

1 **GENERAL INFORMATION**

INCORPORATION AND PRINCIPAL ACTIVITY

Bahrain Middle East Bank (B.S.C.) (the "Bank", "BMB" or "BMB Investment Bank") is a Bahraini Shareholding Company with limited liabilities and is incorporated in the Kingdom of Bahrain. The registered office of the Bank is: BMB Centre, Building 135, Road 1702, Block 317, Diplomatic Area, Manama, Kingdom of Bahrain.

On 9 April 2007 the Central Bank of Bahrain issued a Wholesale Banking License to BMB.

The Group comprises the Bank and its subsidiaries.

The principal activities of the Group are the provision of investment banking, private banking and treasury services.

2 **PREPARATION OF FINANCIAL INFORMATION**

The condensed consolidated interim financial information of the Group has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as promulgated by the International Accounting Standards Board. The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2007.

3 **GOVERNMENT AND GOVERNMENT AGENCY BONDS**

Government and Government Agency bonds comprise:

| | <u>Reviewed</u> <u>30 September 2008</u> US\$000 | <u>Audited</u> <u>31 December 2007</u> US\$000 |
|---|--|--|
| <u>Held for trading</u> | | |
| Government Agency bonds | 997 | - |
| <u>Held-to-maturity</u> | | |
| Government bonds | <u>4,388</u> | <u>4,388</u> |
| Total Government and Government Agency bonds | <u>5,385</u> | <u>4,388</u> |

4 **OTHER EQUITIES AND FUNDS**

Other equities and funds comprise:

| | <u>Reviewed</u> <u>30 September 2008</u> US\$000 | <u>Audited</u> <u>31 December 2007</u> US\$000 |
|--|--|--|
| <u>Available-for-sale</u> | | |
| Unquoted equity fund investments – at fair value | 57,476 | 62,190 |
| Unquoted equity investments - at fair value | 5,731 | 9,933 |
| Unquoted equity investments - at cost | <u>1,523</u> | <u>1,141</u> |
| Total other equities and funds | <u>64,730</u> | <u>73,264</u> |

The fair values in respect of unquoted equity investments carried at an amount of US\$ 1,523,000 (31 December 2007: US\$ 1,141,000) could not be reliably determined. These unquoted equity investments are measured at cost less provisions for impairment.

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information for the nine month period ended 30 September 2008

4 **OTHER EQUITIES AND FUNDS (CONTINUED)**

At 30 September 2008, the Bank had undrawn investment commitments to private equity funds of US\$ 38,361,900 (31 December 2007: US\$ 31,895,000). Under the terms of the agreements with these equity fund managers, the Group is irrevocably committed to invest funds upon notice from investment managers, except for certain excused investments. Excused investments include those prohibited by Bahrain local law and, in certain cases, investments contrary to Shari'ah principles where the Bank is a co-investor with its clients who apply Shari'ah principles to their investment activity. Under contractual agreements with certain fund managers, failure to honour a non-excused investment drawdown request from a fund manager can result in the forfeiture of existing investments with that fund manager.

As disclosed in note 7, certain of the Bank's private equity investments were pledged against the revolving loan facility.

5 **OTHER BONDS**

Other bonds comprise:

| | Reviewed <u>30 September 2008</u> US\$000 | Audited <u>31 December 2007</u> US\$000 |
|------------------------------|---|---|
| <u>Held for trading</u> | | |
| Corporate bonds | 6,372 | - |
| <u>Held-to-maturity</u> | | |
| Structured products | 4,710 | 4,501 |
| <u>Loans and receivables</u> | | |
| Structured products | <u>5,262</u> | <u>5,292</u> |
| Total other bonds | <u>16,344</u> | <u>9,793</u> |

6 **MEDIUM TERM LOAN**

On 14 December 2004, the Bank and the lenders signed an agreement to refinance this facility. The refinancing agreement became effective as of 28 July 2005, after the fulfilment of certain conditions precedent, including a US\$ 5,000,000 principal down payment, a mortgage in favour of the lenders on the Bank's head office land and building and establishment of a pledged account in connection with a mechanism under which 50% of the Bank's excess operating cash flow over a minimum cash balance threshold would be dedicated to debt service.

The refinancing bore interest at a rate of Libor plus 150 basis points. After the conversion on 30 August 2005 of US \$16,800,000 of this facility under the Bank's capital restoration plan, the loan balance was reduced to US \$53,200,000 with principal repayments of US \$9,500,000 (June 2006), US \$15,200,000 (June 2007) and US \$28,500,000 (June 2008). The instalments of US\$ 9,500,000 (due June 2006) and US\$ 15,200,000 (due June 2007) have been paid on their respective due dates. A refinancing fee of 1% was paid and was being amortized over the life of the loan to maturity.

In late December 2007, the Bank sold its head office land and building with payment to be made in first quarter 2008. Accordingly, in order to protect the interests of the lenders under the medium term loan and as per agreement with the buyer, the mortgage in the lenders' favour on the Bank's head office land and building remained in place during that period. As agreed, the lenders released the mortgage upon the full prepayment of the loan (US\$ 28,500,000 in February 2008), which was funded by the sale proceeds received in February 2008 and an additional payment by the Bank for the remaining amount.

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information for the nine month period ended 30 September 2008

7 **REVOLVING LOAN FACILITY**

| | Reviewed 30 September 2008 US\$000 | Audited 31 December 2007 US\$000 |
|-------------------------|--|--|
| Revolving loan facility | <u>11,600</u> | <u>13,600</u> |

On 30 December 2003, the Bank signed a US\$ 20,000,000 three-year revolving facility secured by certain of the Bank's private equity funds/investments (note 4). This facility was designed to provide liquidity to the Bank with interest at floating US\$ Libor. By an amended agreement signed in December 2006, the facility was extended to 30 December 2007, with a revised interest rate of floating US\$ Libor plus 25 basis points.

In December 2007, an additional amendment agreement was signed, extending the facility to 30 June 2008, with a revised interest rate of floating US\$ Libor plus 80 basis points. This was extended to 17 July 2008 and then rolled over to 15 May 2009, with the following repayment schedule: US \$2,000,000 (September 2008), US\$ 3,600,000 (January 2009), US\$ 4,000,000 (March 2009) and US\$ 4,000,000 (May 2009). The instalment of US\$ 2,000,000 has been paid on the due date.

8 **SUBORDINATED LOAN**

On 29 June 2001, the Bank raised a subordinated debt facility of US\$ 10,000,000 repayable on 29 December 2006 which was extended to December 2008. The debt carried interest at 13% per annum, 8% payable annually and the difference payable when realisation of profits on certain private equity investments of the Bank takes place.

On 1 November 2001, the interest payable on the above subordinated facility was amended to 8% per annum, 5% payable annually and the difference payable when realisation of profits on certain private equity investments of the Bank takes place.

9 **SHARE CAPITAL**

| | Reviewed 30 September 2008 | | Audited 31 December 2007 | |
|---|-------------------------------|--------------------------|-----------------------------|--------------------------|
| | <u>Number</u> 000 | <u>Amount</u> US\$000 | <u>Number</u> 000 | <u>Amount</u> US\$000 |
| Authorized | | | | |
| Ordinary shares of US \$ 0.25 each | <u>2,000,000</u> | <u>500,000</u> | <u>2,000,000</u> | <u>500,000</u> |
| Issued and fully paid | | | | |
| Ordinary shares of US \$ 0.25 each | | | | |
| At 1 January | 209,352 | 52,338 | 209,352 | 52,338 |
| Stock dividend | <u>10,467</u> | <u>2,617</u> | <u>-</u> | <u>-</u> |
| At 30 September 2008/31 December 2007 | <u>219,819</u> | <u>54,955</u> | <u>209,352</u> | <u>52,338</u> |
| Treasury shares at 30 September 2008/31 December 2007 | <u>=====</u> | <u>=====</u> | <u>=====</u> | <u>=====</u> |

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information for the nine month period ended 30 September 2008

10 **FEES AND COMMISSIONS INCOME**

(for the nine month period ended 30 September 2008 – Reviewed)

| | <u>2008</u> | <u>Total</u> |
|--|-------------------|---------------------|
| | US\$000 | US\$000 |
| Fees and commissions income comprises: | | |
| Performance fees | 177 | 2,098 |
| Management fees | 263 | 392 |
| Placement fees | 263 | 60 |
| Others | <u>-</u> | <u>17</u> |
| Total fees and commissions income | <u>703</u> | <u>2,567</u> |

11 **RELATED-PARTY TRANSACTIONS**

| | <u>Reviewed</u> |
|--|--|
| | Directors and key management personnel 30 September 2008 |
| | US\$000 |

Loans

| | |
|--|--------------|
| At 31 December 2007 | 661 |
| Advanced during the period 1 January 2008 to 30 September 2008 | 411 |
| Repayments during the period 1 January 2008 to 30 September 2008 | <u>(203)</u> |
| Loans at 30 September 2008 | <u>869</u> |
| Administration charges for the period 1 January 2008 to 30 September 2008 (30 September 2007: US\$ 5,000) | <u>6</u> |

No loans were advanced to any director of the Bank during the period.

No provisions have been recognised in respect of loans given to related parties (31 December 2007: Nil).

The above loans are included as part of Other assets.

The loans made to key management personnel are repayable monthly up to a period of three years. All loans are fully secured and bear an administration charge of 1% per annum (2007: 1% p.a.).

| | <u>Reviewed</u> |
|--|--|
| | Directors and key management personnel 30 September 2008 |
| | US\$000 |

Deposits

| | |
|--|------------|
| At 31 December 2007 | 376 |
| Received during the period 1 January 2008 to 30 September 2008 | 315 |
| Repaid during the period 1 January 2008 to 30 September 2008 | (249) |
| Interest capitalised during the period 1 January 2008 to 30 September 2008 | <u>2</u> |
| Deposits at 30 September 2008 | <u>444</u> |
| Interest expense on deposits for the period 1 January 2008 to 30 September 2008 (30 September 2007: US\$ Nil) | <u>2</u> |

BAHRAIN MIDDLE EAST BANK (B.S.C.)
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information for the nine month period ended 30 September 2008

11 **RELATED-PARTY TRANSACTIONS (CONTINUED)**

Key management compensation

Compensation to key management personnel, including directors, was as follows:

| | <u>Three months ended</u> | | <u>Nine months ended</u> | |
|---|---------------------------|---------------------|--------------------------|---------------------|
| | <u>30 September</u> | <u>30 September</u> | <u>30 September</u> | <u>30 September</u> |
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| | US\$000 | US\$000 | US\$000 | US\$000 |
| Salaries and other short-term employee benefits | 459 | 417 | 1,541 | 1,269 |
| Termination benefits | <u>42</u> | <u>23</u> | <u>104</u> | <u>82</u> |
| | <u>501</u> | <u>440</u> | <u>1,645</u> | <u>1,351</u> |
| Directors' remuneration | <u>12</u> | <u>11</u> | <u>43</u> | <u>46</u> |

12 **LEGAL CLAIM**

Share issuance – 1982

The Bank and the Bank of Bahrain and Kuwait were co-defendants in a litigation in Kuwait arising in connection with the issuance of the original shares of BMB in 1982. In May 2002, the Court of First Instance in Kuwait ruled in favour of the Bank and its co-defendant. In April 2003, the Appellate Court upheld the judgement of the Court of First Instance, ruling in the Bank's favour. The Kuwaiti litigant had the right to appeal to the Court of Cassation but did not file a challenge within the stipulated time and, hence, the litigation in Kuwait has come to a final conclusion in the Bank's favour.

On 10 August 2003, the Kuwaiti litigant filed a suit in Bahrain. The case is pending in the courts of Bahrain, having been adjourned several times, the latest being 20 November 2008. Based on the nature of this action and a previous favourable decision in its favour in a similar case in Bahrain, the Bank believes that this case will be decided in its favour and, accordingly, no provision has been made in the financial information.

13 **SEGMENTAL RESULTS**

(for the nine month period ended 30 September 2008 - Reviewed)

| | <u>Trading activity</u> | | <u>Investing activity</u> | | <u>Other activity</u> | | <u>Banking Total banking</u> | | <u>Manufacturing</u> | | <u>Total</u> | |
|----------------------------------|-------------------------|--------------|---------------------------|---------------|-----------------------|--------------|------------------------------|---------------|----------------------|-------------|----------------|---------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 | US\$000 |
| <u>OPERATIONAL INCOME</u> | | | | | | | | | | | | |
| Segmental income/(loss) | <u>(2,372)</u> | <u>3,396</u> | <u>7,494</u> | <u>18,793</u> | <u>697</u> | <u>2,617</u> | <u>5,819</u> | <u>24,806</u> | <u>-</u> | <u>(53)</u> | <u>5,819</u> | <u>24,753</u> |
| <u>RESULT</u> | | | | | | | | | | | | |
| Segmental result | <u>(4,977)</u> | <u>3,396</u> | <u>5,248</u> | <u>11,259</u> | <u>(1,581)</u> | <u>1,578</u> | <u>(1,310)</u> | <u>16,233</u> | <u>-</u> | <u>(53)</u> | <u>(1,310)</u> | <u>16,180</u> |
| Net (loss)/income | | | | | | | | | | | <u>(1,310)</u> | <u>16,180</u> |

14 **COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to correspond with the presentation in the condensed consolidated interim financial information at 30 September 2008.