

## INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2010

### CONDENSED STATEMENT OF FINANCIAL POSITION as at 30 June 2010

	Bahraini Dinars	
	30 June 2010 (reviewed)	31 December 2009 (audited)
<b>ASSETS</b>		
Cash and cash equivalents	5,260,753	3,703,237
Development property	4,681,078	4,649,228
Assets acquired for leasing	20,858,415	20,983,286
Islamic financing assets	4,432,062	7,448,905
Other assets	323,890	374,269
Fixed assets	125,868	164,415
<b>Total assets</b>	<b>35,682,066</b>	<b>37,323,340</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
Islamic financing	13,746,424	15,684,703
Payables and accrued expenses	474,205	401,181
<b>Total liabilities</b>	<b>14,220,629</b>	<b>16,085,884</b>
<b>Equity</b>		
Share capital	20,000,000	20,000,000
Statutory reserve	123,746	123,746
Retained earnings	1,337,691	1,113,710
<b>Total equity</b>	<b>21,461,437</b>	<b>21,237,456</b>
<b>Total liabilities and shareholders' equity</b>	<b>35,682,066</b>	<b>37,323,340</b>

### CONDENSED STATEMENT OF CASH FLOWS for the six months ended 30 June 2010

	Bahraini Dinars	
	30 June 2010 (reviewed)	30 June 2009 (not reviewed)
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	287,245	486,357
Adjustments for :		
Depreciation on fixed assets	41,654	42,782
Profit on sale of fixed assets	(982)	-
Depreciation on assets acquired for leasing	703,339	1,068,827
Income from placements with financial institutions	(99,026)	(13,911)
Financing cost	578,448	568,148
Provision for impairment	-	12,370
<b>Operating profit before working capital changes</b>	<b>1,510,678</b>	<b>2,164,573</b>
Changes in operating assets and liabilities :		
(Increase) in development property	(31,850)	-
(Increase) in assets acquired for leasing	(578,468)	(22,759)
Decrease / (increase) in Islamic financing assets	3,016,843	(1,101,925)
Decrease in other assets	50,379	16,412
Increase / (Decrease) in payables and accrued expenses	9,760	(141,214)
<b>Cash flows from operating activities</b>	<b>3,977,342</b>	<b>915,087</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of fixed asset	3,551	-
Purchase of fixed assets	(5,676)	(3,853)
Income from placements with financial institutions received	99,026	13,911
<b>Cash flows from investing activities</b>	<b>96,901</b>	<b>10,058</b>
<b>FINANCING ACTIVITIES</b>		
Finance costs paid	(627,386)	(394,487)
Proceeds of Islamic financing raised	7,540,000	7,470,000
Repayment of Islamic financing	(9,429,341)	(8,700,000)
<b>Cash flows from financing activities</b>	<b>(2,516,727)</b>	<b>(1,624,487)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,557,516</b>	<b>(699,342)</b>
Cash and cash equivalents at the beginning of the period	3,703,237	2,595,891
<b>Cash and cash equivalents at end of the period</b>	<b>5,260,753</b>	<b>1,896,549</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and balances with banks	377,230	1,896,549
Placement with financial institutions	4,883,523	-
<b>Total</b>	<b>5,260,753</b>	<b>1,896,549</b>

### CONDENSED INCOME STATEMENT for the six months ended 30 June 2010

	Bahraini Dinars			
	Six months (January-June) 2010		Three months (April-June) 2010	
	(reviewed)	(not reviewed)	(reviewed)	(not reviewed)
Gross leasing income	1,616,746	1,974,453	793,436	1,000,386
Depreciation on assets acquired for leasing	(703,339)	(1,068,827)	(339,788)	(540,224)
<b>Net lease income</b>	<b>913,407</b>	<b>905,626</b>	<b>453,648</b>	<b>460,162</b>
Income from Islamic financing assets	340,657	653,840	145,354	346,924
Fee income	44,432	25,824	28,937	17,780
Income from placements with financial institutions	99,026	13,911	54,670	4,048
Other income	8,623	(10,078)	5,490	(12,206)
<b>Total income</b>	<b>1,406,145</b>	<b>1,589,123</b>	<b>688,099</b>	<b>816,708</b>
Staff cost	303,355	290,418	155,810	152,642
Financing cost	578,448	568,148	266,258	300,306
Marketing and public relation expenses	36,191	34,965	13,621	11,668
Other operating expenses	159,252	154,083	75,955	85,297
Depreciation on fixed assets	41,654	42,782	20,821	21,421
Provision for impairment	-	12,370	-	3,709
<b>Total expenses</b>	<b>1,118,900</b>	<b>1,102,766</b>	<b>532,465</b>	<b>575,043</b>
<b>PROFIT FOR THE PERIOD</b>	<b>287,245</b>	<b>486,357</b>	<b>155,634</b>	<b>241,665</b>

### CONDENSED STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2010

	Bahraini Dinars			
	Share	Statutory	Retained	Total
<b>2010 (reviewed)</b>				
At 1 January 2010	20,000,000	123,746	1,113,710	21,237,456
Profit for the period	-	-	287,245	287,245
Transfer to zakah fund	-	-	(63,264)	(63,264)
<b>At 30 June 2010</b>	<b>20,000,000</b>	<b>123,746</b>	<b>1,337,691</b>	<b>21,461,437</b>
	Share Capital	Statutory reserve	Retained earnings	Total
2009 (not reviewed)				
At 1 January 2009	20,000,000	52,520	472,676	20,525,196
Profit for the period	-	-	486,357	486,357
At 30 June 2009	20,000,000	52,520	959,033	21,011,553

The Interim Condensed Financial Statements have been reviewed by KPMG Fakhro on 3rd August 2010.

**Reyadh Youisf Sater**  
Chairman

**Abdul Hakim Khalil Al-Mutawa**  
Vice Chairman

**R. Lakshmanan**  
Chief Executive Officer



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