

Bank of Kuwait and the Arab World S.A.L.

Off-Balance Sheet as on December 31st

Figures in millions LBP

	2009 (UNAUDITED)	2008
Financing commitments		
Commitments given to banks and financial intermediaries	70,278	87,631
Commitments received from banks and financial intermediaries	0	0
Commitments given to customers	0	0
Bank guarantees		
Guarantees given to financial intermediaries	4,157	6,204
<i>out of which: credit derivatives</i>	0	0
Guarantees received from financial intermediaries	14,475	10,122
<i>out of which: credit derivatives</i>	0	0
Guarantees given to customers	22,587	16,158
Guarantees received from customers	768,216	517,327
Financial notes commitments		
Financial notes to receive	0	0
<i>out of which: financial instruments sold with a buy back option</i>	0	0
Financial notes to deliver	0	0
<i>out of which: financial instruments purchased with a buy back option</i>	0	0
Operations in foreign currencies		
Foreign currencies to receive	2,582	0
Foreign currencies to deliver	2,580	0
Commitments on term financial instruments	0	0
Other commitments	0	0
Claims from legal disputes	0	0
Fiduciary assets	452	452
Assets under management	0	0
Mutual funds	0	0
Financial assets linked to indices and financial derivatives	0	0
Engagements unlikely to be executed	0	0
Bad debts fully provided for	18,134	17,179

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Income Statement for the period ended December 31st

Figures in millions LBP

	2009 (UNAUDITED)	2008
Interest and similar income	83,154	71,825
Interest and similar charges	53,519	46,340
Net interest income	29,635	25,485
Fees and commissions income	8,536	8,547
Fees and commissions charges	676	696
Net fees and commissions income	7,860	7,851
Net gain / loss on trading operations	684	799
Net gain / loss on financial assets & liabilities designated at fair value through P&L	0	0
Net gain / loss on financial investments	40	24
Other operating income	47	579
Total operating income	38,266	34,738
Credit loss expense	2,018	504
Provisions for impairment losses of financial investments and instruments	-1,189	0
Net operating income	39,095	35,242
Personnel charges	9,873	8,275
Depreciation of tangible fixed assets	419	502
Amortization of intangible fixed assets	15	58
Provisions for impairment loss of goodwill	0	0
Other operating expenses	5,922	5,788
Total operating expenses	16,229	14,623
Net operating profit	22,866	20,619
Share of profit from associates	0	0
Net gain / loss from sale or disposal of other assets	-2	0
Net profit before taxes	22,864	20,619
Income tax	2,285	2,259
Operating profit after tax	20,579	18,360
Net result after tax from discontinued or under-liquidation operations	0	0
Net results	20,579	18,360
Attributable to minority interest	0	0
Net profit	20,579	18,360
Basic EPS (in LBP)	41	37
Diluted EPS (in LBP)	41	37

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Balance Sheet as on December 31st

Figures in millions LBP

Assets	2009 (UNAUDITED)	2008	Liabilities & Shareholders' equity	2009 (UNAUDITED)	2008
Cash & balances with Central Banks	231,844	191,651	Due to Central Banks	58,477	0
Due from banks & financial institutions	218,931	176,578	Due to banks & financial institutions	16,474	369
Due from head office, parent, sister & subsidiary banks / companies	0	0	Due to head office, parent, sister & subsidiary banks / companies	0	0
Financial assets given as collateral & reverse repurchase agreements	0	0	Financial assets taken as collateral & repurchase agreements	0	0
Derivative financial instruments	0	0	Derivative financial instruments	0	0
Financial assets held for trading	0	0	Financial liabilities held for trading	0	0
Financial assets designated at fair value through P&L	0	0	Financial liabilities designated at fair value through P&L	0	0
Net loans & advances to customers ⁽¹⁾	352,896	297,851	Customers deposits & credit accounts	1,305,407	1,060,019
Net loans & advances to related parties	17,261	1,947	Related parties deposits & accounts	7,105	6,522
Bank acceptances	33,750	49,580	Debt issued & other borrowed funds	0	0
Financial instruments available for sale	498	498	Engagements by Acceptances	33,750	49,580
Financial assets classified as loans & receivables	0	0	Current tax liabilities	3,429	3,102
Financial instruments held to maturity	665,611	483,684	Deferred tax liability	0	0
Investments in associates	0	0	Other liabilities	14,632	13,398
Investment properties	0	0	Liabilities related to non-current assets held for sale	0	0
Tangible Fixed Assets	37,551	29,260	Provisions for risks and charges	6,035	4,952
Intangible Fixed Assets	8	23	Staff end-of-service benefits	2,630	2,273
Non-current assets held for sale	0	0	Subordinated loans and similar debts	0	0
Deferred tax asset	0	0	Total liabilities	1,447,939	1,140,215
Other Assets	6,222	4,782	Capital - common shares	50,000	50,000
Goodwill	0	0	Capital - preferred shares	0	0
Total Assets	<u>1,564,572</u>	<u>1,235,854</u>	Issue premium - common shares	0	0
			Issue premium - preferred shares	0	0
			Cash contributions to capital	0	0
			Capital related reserves	21,956	12,345
			Treasury shares	0	0
			Retained earnings	0	0
			Revaluation reserve of real estate	447	447
			Revaluation reserve of financial instruments	0	0
			Reserve for cash flow hedges	0	0
			Foreign currency translation reserve	0	0
			Other reserves	23,651	14,487

⁽¹⁾ After provisions for impairment totaling LBP 19,566 MM of loans and advances as per IAS 39 (for December 31st balance).

Results of the financial period	20,579	18,360
Minority Interest	0	0
Profit and loss accounts	0	0
Total shareholders' equity	116,633	95,639
Total liabilities and shareholders' equity	<u>1,564,572</u>	<u>1,235,854</u>