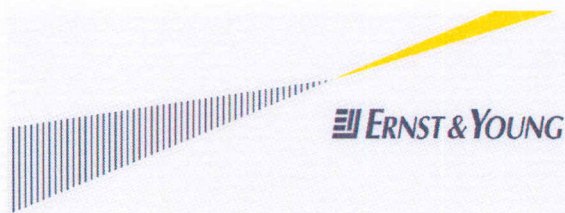


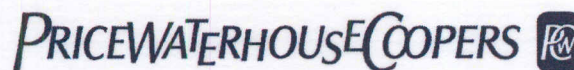
ALINMA BANK
(A Saudi Joint Stock Company)

(UNAUDITED)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED
MARCH 31, 2010



P.O. Box 2732
Riyadh 11461
Kingdom of Saudi Arabia



P.O. Box 8282
Riyadh 11482
Kingdom of Saudi Arabia

REVIEW REPORT

**TO: THE SHAREHOLDERS OF ALINMA BANK
(Saudi Joint Stock Company)**

We have reviewed the accompanying interim consolidated statement of financial position of Alinma Bank (the "Bank") as of March 31, 2010, and the related interim consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the period then ended.

Management Responsibility for the Interim Condensed Consolidated Financial Statements

These interim condensed consolidated financial statements are the responsibility of the Bank's management and have been prepared by them in accordance with Accounting Standards for Financial Institutions, certain capital adequacy disclosure requirements issued by the Saudi Arabian Monetary Agency ("SAMA") and with International Accounting Standard No. 34 "Interim Financial Reporting" and submitted to us together with all the information and explanations which we required.

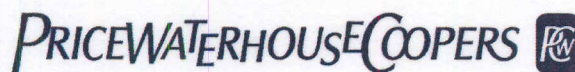
Scope of Review

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

We conducted our review in accordance with generally accepted standards in the Kingdom of Saudi Arabia applicable to review engagements and with International Standard on Review Engagements No. 2410. A review consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.



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Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim condensed consolidated financial statements for them to be in conformity with applicable Accounting Standards for Financial Institutions issued by SAMA and with International Accounting Standard No. 34.

Other Regulatory Matters

As required by SAMA, certain capital adequacy information has been disclosed in note (9) to the accompanying interim condensed consolidated financial statements. As part of our review, we compared the information in the aforementioned note to the relevant analysis prepared by the Bank for submission to SAMA and found no material inconsistencies.

Ernst & Young

Fahad M. Al-Toaimi
Registration No. 354

PricewaterhouseCoopers Al Juraid

Rashid S. Al Rashoud
Registration No. 366

29 Rabi Al Thani 1431 H
(April 14, 2010)



ALINMA BANK
(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	March 31, 2010 (Unaudited) SAR'000	December 31, 2009 (Audited) SAR'000	March 31, 2009 (Unaudited) SAR'000
ASSETS				
Cash and balances with Saudi Arabian Monetary Agency ("SAMA")		268,225	361,133	12,162
Due from banks and other financial institutions		12,383,888	13,846,340	12,889,705
Investments	4	1,566,874	1,000,141	2,348,417
Financing		3,596,242	1,126,391	300,931
Property and equipment, net		951,090	922,199	600,676
Other assets		66,385	50,189	35,306
Total assets		18,832,704	17,306,393	16,187,197
LIABILITIES AND SHAREHOLDERS' EQUITY				
Liabilities				
Customers' deposits		2,975,029	1,501,140	582,022
Other liabilities		327,428	199,912	105,816
Total liabilities		3,302,457	1,701,052	687,838
Shareholders' equity				
Share capital		15,000,000	15,000,000	15,000,000
Statutory reserve		151,335	151,335	-
Retained earnings		378,912	454,006	499,359
Total shareholders' equity		15,530,247	15,605,341	15,499,359
Total liabilities and shareholders' equity		18,832,704	17,306,393	16,187,197

The accompanying notes from 1 to 11 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)
For the three months period ended March 31

	<u>Note</u>	<u>2010</u> <u>SAR'000</u>	<u>2009</u> <u>SAR'000</u>
Income from investments and financing		68,764	178,255
Return on time investments		(1,509)	(292)
Net income from investments and financing activities		67,255	177,963
Fees from banking services		11,097	3
Exchange income		1,252	3
Other operating income		2,756	245
Total operating income		82,360	178,214
Salaries and employee-related expenses		91,943	39,407
Rent and premises- related expenses		9,529	8,079
Depreciation and amortization		24,607	9,954
Other general and administrative expenses		31,375	11,396
Total operating expenses		157,454	68,836
Net income (loss) for the period		(75,094)	109,378
Other comprehensive income		-	-
Total comprehensive income (loss) for the period		(75,094)	109,378
Basic and diluted earnings (loss) per share (SAR)	6	(0.05)	0.07

The accompanying notes from 1 to 11 form an integral part of these interim condensed consolidated financial statements.

ALINMA BANK
(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
For the three months period ended March 31

2010	SAR'000			Total
	Share capital	Statutory reserve	Retained earnings	
Balance at January 1	15,000,000	151,335	454,006	15,605,341
Total comprehensive loss for the period	-	-	(75,094)	(75,094)
Balance at March 31	15,000,000	151,335	378,912	15,530,247

2009	SAR'000			Total
	Share capital	Statutory reserve	Retained earnings	
Balance at January 1	15,000,000	-	389,981	15,389,981
Total comprehensive income for the period	-	-	109,378	109,378
Balance at March 31	15,000,000	-	499,359	15,499,359

The accompanying notes from 1 to 11 form an integral part of these interim condensed consolidated financial statements.

ALINMA BANK
(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
For the three months period ended March 31

	<u>Note</u>	<u>2010</u>	<u>2009</u>
		SAR'000	SAR'000
OPERATING ACTIVITIES			
Net income (loss) for the period		(75,094)	109,378
Adjustments to reconcile net income (loss) to net cash used in operating activities			
Depreciation and amortization		24,607	9,954
		(50,487)	119,332
Net increase in operating assets:			
Statutory deposit with SAMA		(41,331)	(10,647)
Due from banks and other financial institutions maturing after ninety days from the date of acquisition		(6,992,039)	(442,774)
Investments		1,000,141	(29,645)
Financing		(2,469,851)	(300,931)
Other assets		(16,196)	61,990
Net increase in operating liabilities:			
Customers' deposits		1,473,889	582,022
Other liabilities		127,516	(60,591)
Net cash used in operating activities		(6,968,358)	(81,244)
INVESTING ACTIVITIES			
Purchase of property and equipment		(53,498)	(128,635)
Net cash used in investing activities		(53,498)	(128,635)
Decrease in cash and cash equivalents		(7,021,856)	(209,879)
Cash and cash equivalents at beginning of the period		12,130,385	1,661,987
Cash and cash equivalents at end of the period	7	5,108,529	1,452,108
Income received from investments and financing activities		22,154	99,744
Return paid to customers		4,751	-

The accompanying notes from 1 to 11 form an integral part of these interim condensed consolidated financial statements.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2010 and 2009

1. General

a) Incorporation and Operations

Alinma Bank, (the “Bank”), a Saudi Joint Stock Company, was formed and licensed pursuant to Royal Decree No. M/15 dated 28 Safar 1427H (corresponding to March 28, 2006), in accordance with the Council of Ministers’ Resolution No. 42 dated 27 Safar 1427H (corresponding to March 27, 2006). The Bank operates under Ministerial Resolution No.173 and Commercial Registration No.1010250808 both dated 21/05/1429H (corresponding to May 26, 2008). The address of the Bank’s head office is as follows:

Alinma Bank
Head Office
P.O. Box 66674
Riyadh 11586
Kingdom of Saudi Arabia

The interim condensed consolidated financial statements comprise the financial statements of the Bank and its subsidiaries as follows:

Subsidiary	Bank Ownership	Establishment date
Alinma Investment Company	99.96 %	07 Jumada II 1430 H corresponding to May 31,2009
Al-Tanweer Real Estate Company	98.00 %	24 Sha’aban 1430 H corresponding to August 15,2009

The Bank’s objective is to provide full range of banking, financing, and investment services through products and instruments that are in accordance with Sharia and the compliance framework described in note 2-a. The Bank provides these services through 14 branches (March 2009: 0) in the Kingdom of Saudi Arabia.

b) Sharia Board

The Bank has established a Sharia Board in line with its commitment to comply with Sharia. Sharia Board is responsible for carrying out regular reviews of the operating results as well as any new products and services before its launch.

2. Basis of preparation

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the annual financial statements of the Bank for the financial period ended December 31, 2009.

a) Statement of compliance

These interim condensed consolidated financial statements have been prepared:

- i) in accordance with the Accounting Standards for Financial Institutions promulgated by the Saudi Arabian Monetary Agency (“SAMA”) and International Accounting Standard No. 34 – Interim Financial Reporting; and
- ii) in compliance with the provisions of Banking Control Law, the Regulations for Companies in the Kingdom of Saudi Arabia and the Articles of Association of the Bank.

b) Basis of measurement

These interim condensed consolidated financial statements have been based on the historical cost convention.

c) Functional and presentation currency

These interim condensed consolidated financial statements are expressed in Saudi Arabian Riyals (“SAR”) which is the functional currency of the Bank. Except as indicated, the amounts are rounded off to the nearest thousands.

d) Basis of consolidation

These interim condensed consolidated financial statements comprise the financial statements of the Bank and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Bank, using consistent accounting policies. Adjustments, if any, are made to the financial statements of the subsidiaries to align with the Bank’s financial statements.

Subsidiaries are the entities wherein the Bank has the power to govern the financial and operating policies, so as to obtain benefits from its activities, generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are consolidated from the date on which control is transferred to the Bank and ceased to be consolidated from the date on which the control is transferred from the Bank. The results of subsidiaries acquired or disposed of during the period, if any, are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal, as appropriate.

Non controlling interests represent the portion of net income (loss) and net assets attributable to interests which are not owned, directly or indirectly, by the Bank in its subsidiaries. As at March 31, 2010, non controlling interests in the subsidiaries are immaterial and are owned by representative shareholders of the Bank, to meet regulatory requirements, and hence not presented separately in the interim condensed consolidated statement of comprehensive income and within shareholders’ equity in the interim condensed consolidated statement of financial position.

Inter-company balances and any income and expenses arising from inter-company transactions, are eliminated in preparing these interim condensed consolidated financial statements.

3. Summary of significant accounting policies

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those of the annual consolidated financial statements for the period ended December 31, 2009. As regards the amendments to IFRS effective during 2010, the Bank is not expecting events attracting the provisions of these amendments and as such no material impact on these interim condensed consolidated financial statements. Similarly, the Bank has not exercised the option to early adopt the IFRS and related amendments issued to date with future effective dates.

4. Investments

	March 31, 2010 (Unaudited)	December 31, 2009 (Audited)	March 31, 2009 (Unaudited)
	SAR'000	SAR'000	SAR'000
<u>At amortized cost</u>			
Murabahas with SAMA	1,566,874	1,000,141	2,348,417
Total	1,566,874	1,000,141	2,348,417

5. Credit related commitments and contingencies

The Bank's credit related commitments and contingencies are as follows

	March 31, 2010 (Unaudited)	December 31, 2009 (Audited)	March 31, 2009 (Unaudited)
	SAR'000	SAR'000	SAR'000
Letters of credit	545,855	290,284	-
Letters of guarantee	1,695,477	801,033	685,438
Acceptances	152,282	14,125	-
Total	2,393,614	1,105,442	685,438

6. Earnings (loss) per share

Basic and diluted earnings (loss) per share are calculated by dividing the net income (loss) by the weighted average number of outstanding shares which are 1,500 million shares at the period end.

7. Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

	March 31, 2010 (Unaudited)	December 31, 2009 (Audited)	March 31, 2009 (Unaudited)
	SAR'000	SAR'000	SAR'000
Cash in hand	87,009	55,203	268
Balances with SAMA excluding statutory deposit	68,333	234,378	1,235
Due from banks and other financial institutions maturing within ninety days from the date of acquisition	4,953,187	11,840,804	1,450,605
Total	5,108,529	12,130,385	1,452,108

8. Segmental information

Operating segments are identified on the basis of internal reports about components of the Bank that are regularly reviewed by the chief operating decision makers, CEO as well as the Assets and Liabilities Committee, in order to allocate resources to the segments and to assess its performance.

Predominantly, the Bank's business is conducted in Saudi Arabia. Transactions between the operating segments are on terms as approved by the management. There are no material items of income or expense between the operating segments. Majority of the segment assets and liabilities comprise operating assets and liabilities. For management purposes, the Bank is divided into the following segments:

a) Retail banking

Deposits, financing and other products & services for individuals and business firms.

b) Corporate banking

Financing, deposits and other products & services for corporate and institutional customers.

c) Treasury

Murabahas with banks, and treasury services. Profit is charged or credited to business segments using internally developed Fund Transfer Pricing (FTP) rates which approximate the marginal cost of funds.

d) Investment and brokerage

Investment management, brokerage services and asset management activities related to dealing, managing, arranging, advising and custody of securities.

e) Others

Includes head office (as custodian of capital and assets in common use) which does not constitute a separately reportable segment. Following is an analysis of the Bank's assets, income and results by operating segments:

March 31, 2010 (Unaudited)
SAR '000

	Retail	Corporate	Treasury	Investment and brokerage	Others	Total
Total Assets	389,540	3,274,237	14,131,844	250,603	786,480	18,832,704
Total Liabilities	1,544,480	1,199,382	387,879	30,706	140,010	3,302,457
Net income from investments and financing	2,999	21,536	11,711	171	30,838	67,255
Fees from banking services and other income	2,348	8,900	1,101	-	2,756	15,105
Total operating income	5,347	30,436	12,812	171	33,594	82,360
Depreciation and amortization	5,633	1,097	800	-	17,077	24,607
Other operating expenses	38,077	7,555	4,163	6,351	76,701	132,847
Total operating expenses	43,710	8,652	4,963	6,351	93,778	157,454
Net income /(loss) for the period	(38,363)	21,784	7,849	(6,180)	(60,184)	(75,094)

March 31, 2009 (Unaudited)
SAR '000

	Retail	Corporate	Treasury	Investment and brokerage	Others	Total
Total Assets	-	450,012	15,099,952	-	637,233	16,187,197
Total Liabilities	23	48,700	-	-	639,115	687,838
Net income from investments and financing	-	1,615	78,674	-	97,674	177,963
Fees from banking services and other income	-	-	6	-	245	251
Total operating income	-	1,615	78,680	-	97,919	178,214
Depreciation and amortization	1,224	508	319	-	7,903	9,954
Other operating expenses	11,098	1,601	1,064	-	45,119	58,882
Total operating expenses	12,322	2,109	1,383	-	53,022	68,836
Net income /(loss) for the period	(12,322)	(494)	77,297	-	44,897	109,378

All of the segment income reported above is from external customers

9. Capital Adequacy

The Bank maintains an actively managed capital base to cover risks inherent in its business. The adequacy of the Bank's capital is monitored using, among other measures, the guidelines established by the Basel Committee on Banking Supervision and as adopted by SAMA in supervising the Bank.

	March 2010		March 2009	
	Total Capital Ratio	Tier 1 Capital Ratio	Total Capital Ratio	Tier 1 Capital Ratio
	(Unaudited)		(Unaudited)	
	(%)	(%)	(%)	(%)
Top consolidated level	151	151	400,73	387,82

10. Comparative Figures

Comparative figures have been reclassified wherever necessary to facilitate comparison.

11. Approval of the Financial Statements

These interim condensed consolidated financial statements were approved on April 6, 2010.