



ICB FINANCIAL GROUP HOLDINGS AG

Incorporated in Switzerland
Registration Number CH-130.3.009.158-0

INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2009

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Interim Financial Statements
For The 6 Month Period Ended 30 June 2009

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ICB Financial Group Holdings AG

Interim Results For The 6 Month
Period Ended 30 June 2009

Interim Results Summary

For the 6 months ended June, 2009, ICBFGH recorded a consolidated loss of USD 3.8 million, compared to a profit of USD 82.1 million in the corresponding period last year. The previous year's result was exceptionally high as it included a one-off gain on sale of its investment in Sorak Financial Holdings Pte. Ltd. of USD 80.4 million.

The results for the current half –year were impacted by higher loan impairment charges at the Group's subsidiary at Bangladesh. This is largely due to prudent loan impairment policy adapted by the group in view of the uncertain recovery prospects of non-performing loans. However, other operating subsidiaries namely the bigger operations of the Group like ICB Ghana, Albania and ICB Indonesia were profitable despite a challenging economic and business environment during the first half of the year.

Financial Highlights

- **The Group's total loans and advances grew by USD 4.4 million to USD 592.5 million for the first 6 months of this year.** Growth was slow as the Group was cautious in its lending approach as the economic and business conditions were generally very difficult during the first half of 2009 due to the continuing impact of the global financial crisis.
- **Deposits grew by USD 24.9 million to USD 802.5 million for the first six months of this year.** The large increase was mainly from ICB Bangladesh where a deposit mobilization campaign during the first half was very successful. In addition in USD terms, ICB Indonesia (Bank Bumiputera) also contributed to increase in deposits but this was mainly due to stronger Rupiah against the USD.
- **The net interest income of the Group of USD 22.9 million was down USD 3.1 million compared to the corresponding period last year.** The net interest income was affected by higher cost of funds paid to depositors during the first half of the year due to tight liquidity conditions in most of the countries where the group operates.
- **Operating expenses** were within control and **increased very marginally by USD 0.9 million to USD 27.2 million** due to stringent cost management initiatives.
- **Impairment charges for the half year were USD 7.1 million, an increase of USD 6.3 million** mainly from ICB Bangladesh as the Group took a prudent approach to increase impairment charges in view of the uncertain recovery prospects.

ICB FINANCIAL GROUP HOLDINGS AG

Chairman's Statement 30 June 2009

In my report to shareholders at the end of 2008, I made reference to the testing economic climate being experienced throughout most of the world. The affect of this has been reflected in trading for the Group in the first half of the year. We have seen a contraction in customer demand, particularly for loan products, and with most of the countries in which the Group operates experiencing some contraction of economies there has been the inevitable increase in impairment charges.

The Group's results for the 6 month period ended June 2009 reflect a loss for the period amounting to USD3.8 million. This contrasts with a recorded profit of USD82.1 million for the corresponding period in 2008, although the June 2008 figure was exceptional as it included a one-off gain on the disposal of the Group's investment in Sorak Holdings Pte. Ltd. of USD 80.4 million.

Within the results for the first half of the current year, additional loan loss provisions have been raised within ICB Islamic Bank of Bangladesh, an investment in which the Group holds a 50.1% stake. This results from an in depth review by ICB Country and Global Management of the current portfolio and which has identified that recovery prospects in a number of advances had become doubtful. The impairment charges resulting amounted to USD5.8 million and represent 82% of the total Group charge of USD 7.1 million for the half year.

Net interest income for the half year at USD 22.9 million was 11% lower than the June 2008 result of USD 26.0 million. This reflects the reduction in customer demand mentioned above, coupled with strong pressure on margins, particularly in Indonesia (Bank Bumiputera). Commission earnings are also illustrative of the reduction in demand, the contribution here of USD 4.6 million representing 90% of the result achieved in June 2008 (USD 5.1 million). Customer loans now total USD 592.5 million, only marginally ahead of the December 2008 result of USD 588.0 million. The picture with customer deposits is very similar. Growth here has been a very modest 3.2% to USD 802.5 million (December 2008: USD 777.6 million).

In contrast to the June 2008 result, operating expenses have been well contained, increasing by only 3.5% to USD 27.1 million (June 2008: USD 26.2 million). However, with the reduction in income, coupled with the fact that two investments are still in the 'start-up' phase, the Group's Cost/Income ratio has weakened to 85.3%.

Viewing the results on the geographic basis, a sound net profit contribution of USD 3.1 million emerged from Africa. Europe contributed a further USD 0.6 million. However, these results were more than offset by the disappointing performance from Asia which sustained a loss amounting to USD 4.8 million, with the whole of this being attributable to the investment in Bangladesh.

The Group continues to expand its operations and range of services in line with strategy. A banking licence has been secured for the Zambian market with operations there scheduled to commence in December of this year. The recent investments in Laos and Malawi are progressing satisfactorily, both having reached that important milestone of profitable trading. Plans to expand the scope of the current retail banking capability across the Group have moved to the implementation phase. This will ensure that the network of banks is in a position to respond to the wider and changing financial needs of customers, and is forecast to deliver a significant increase to net income flows.

The Group's progress and development continues to achieve industry recognition, with ICB Albania and ICB Guinea receiving Global Finance Awards for 2009.

It is with much sadness that I inform shareholders of the death in May of Mr. Paul Bridges, a non Executive Director of the Group. Mr. Bridges joined the Board in early 2007 and was Chairman of the Group's Audit and Risk Management Committee. He made a significant contribution to the progress and development of the Group in the past two years and is going to be greatly missed. Mr. Lim Teong Liat, a non Executive Director, has been appointed to succeed Mr. Bridges as Chairman of the Audit and Risk Management Committee

I should also advise shareholders that Mr. Prem Kumar, Group CEO, left the company in July. However, I am pleased to say that good progress has been made towards the identification of a successor and the Board anticipates being in a position to make a further announcement in this connection shortly.

Trading conditions in the immediate period ahead will remain challenging. However, the Board anticipates benefits from the change programmes will add strength to Group performance, although it will be 2010 before these start to deliver sound flows of incremental income.

Michael R Hanlon
Chairman

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Consolidated Income Statement
For The 6 Month Period Ended 30 June 2009

	Note	6 months ended 30-Jun-09 USD'000	6 months ended 30-Jun-08 USD'000
Interest income		50,182	50,634
Interest expense		(27,257)	(24,603)
Net interest income		<u>22,925</u>	<u>26,031</u>
Net fee and commission income		4,638	5,123
Foreign currency gain/(loss)		1,418	(1,843)
Gains less losses from financial investments		1,583	678
Gain on disposal of associate		-	80,379
Other operating income		1,299	2,290
Impairment charges for loans and advances to customers		(7,107)	(857)
Fair value change in foreclosed properties		(711)	(1,303)
Operating expenses		(27,177)	(26,264)
Operating (loss)/profit		<u>(3,132)</u>	<u>84,234</u>
Share of results of associates		62	37
(Loss)/profit before taxation		<u>(3,070)</u>	<u>84,271</u>
Tax expense		(807)	(2,122)
(Loss)/profit for the period		<u>(3,877)</u>	<u>82,149</u>
Attributable to:			
- Shareholders of the Company		(1,482)	80,189
- Minority interests		(2,395)	1,960
		<u>(3,877)</u>	<u>82,149</u>
Earnings per share attributable to shareholders of the Company			
- Basic and diluted (Expressed in USD per share)	3	(0.01)	0.45

The accompanying notes form an integral part of the financial statements.

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Consolidated Balance Sheet
As At 30 June 2009

	Note	30-Jun-09 USD'000	31-Dec-08 USD'000
ASSETS			
Cash and bank balances		243,366	276,738
Loans and advances to customers	4	592,544	588,058
Financial investments		167,928	122,539
Foreclosed properties		18,109	17,728
Investment in associates		1,766	1,846
Goodwill and other intangible assets		61,732	55,036
Prepaid lease payments		92	107
Property and equipment		19,087	17,083
Other assets		35,035	36,443
Deferred tax assets		4,806	4,537
Total Assets		<u>1,144,465</u>	<u>1,120,115</u>
LIABILITIES			
Deposits from other banks		128,482	133,470
Deposits from customers	5	802,593	777,652
Other liabilities		57,478	56,442
Tax liabilities		1,842	3,046
Deferred tax liabilities		544	303
Total Liabilities		<u>990,939</u>	<u>970,913</u>
EQUITY			
Paid up share capital	6	145,960	145,960
Share premium		782	782
Retained earnings		40,445	45,012
Other reserves		7,040	(2,655)
Equity attributable to shareholders of the Company		<u>194,227</u>	<u>189,099</u>
Minority interests		(40,701)	(39,897)
Total Equity		<u>153,526</u>	<u>149,202</u>
Total Equity and Liability		<u>1,144,465</u>	<u>1,120,115</u>

The accompanying notes form an integral part of the financial statements.

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Consolidated Cash Flow Statement
For The 6 Month Period Ended 30 June 2009

	6 months ended 30-Jun-09 USD'000	6 months ended 30-Jun-08 USD'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(3,070)	84,271
Adjustment for :		
Impairment charges for loans and advances to customers	7,107	857
Amortisation of prepaid lease rental	16	20
Amortisation of intangible assets	666	220
Depreciation of property and equipment	1,833	1,219
Fair value change in foreclosed properties	711	1,303
Gain on disposal of associate	-	(80,379)
Share of results of associates	(62)	(37)
Gain on foreign exchange translation	(1,418)	(761)
Operating profit before working capital changes	<u>5,783</u>	<u>6,713</u>
(Decrease)/increase in operating assets	17,142	(48,891)
(Decrease)/increase in operating liabilities	(3,281)	33,764
Cash generated from/(used in) operations	<u>19,644</u>	<u>(8,414)</u>
Tax paid	<u>(1,574)</u>	<u>(1,857)</u>
Net cash from/(used in) operating activities	<u>18,070</u>	<u>(10,271)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of associate	-	156,928
Acquisition of subsidiary, net of cash acquired	-	(38,525)
Purchase of property and equipment	(4,179)	(1,653)
Purchase of intangible assets	(7,282)	(202)
Net (increase)/decrease in financial investments	(54,220)	(28,866)
Net cash (used in)/from investing activities	<u>(65,681)</u>	<u>87,682</u>

ICB Financial Group Holdings AG
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Consolidated Cash Flow Statement (Cont'd.)
For The 6 Month Period Ended 30 June 2009

	6 months ended 30-Jun-09 USD'000	6 months ended 30-Jun-08 USD'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to minority interest	-	(183)
Net cash used in financing activities	<u>-</u>	<u>(183)</u>
Net (decrease)/increase in cash and cash equivalents	(47,611)	77,228
Cash and cash equivalents at the beginning of the period	228,644	194,224
Effect of exchange rate changes on cash and cash equivalents	14,976	2,391
Cash and cash equivalents at the end of the period	<u><u>196,009</u></u>	<u><u>273,843</u></u>

Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise of cash and bank balances, items in the course of collection less mandatory reserve deposits with central banks.

The accompanying notes form an integral part of the financial statement.

ICB Financial Group Holdings AG
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Consolidated Statement Of Changes in Equity
For The 6 Month Period Ended 30 June 2009

	< ----- Attributable to Shareholders of the Company ----- >					
	Share Capital USD'000	Share Premium USD'000	Other Reserves USD'000	Retained Earnings USD'000	Minority Interests USD'000	Total USD'000
At 1 January 2008	145,960	782	(2,341)	34,903	19,478	198,782
Currency translation differences arising from translation to presentation currency	-	-	6,485	-	434	6,919
Gains in fair value on available-for-sale securities	-	-	(826)	-	(406)	(1,232)
Transfer of reserve to retained earnings arising from disposal of associate	-	-	11,173	(11,173)	-	-
Net income and expenses recognised directly in Equity	-	-	16,832	(11,173)	28	5,687
Profit for the period	-	-	-	80,189	1,960	82,149
Total recognised income and expense for the Period	-	-	16,832	69,016	1,988	87,836
Minority interest from business combination	-	-	-	-	(54,586)	(54,586)
Dividend paid to minority interest	-	-	-	-	(183)	(183)
At 30 June 2008	145,960	782	14,491	103,919	(33,303)	231,849

ICB Financial Group Holdings AG
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Consolidated Statement Of Changes in Equity (Cont'd.)
For The 6 Month Period Ended 30 June 2009

	< ----- Attributable to Shareholders of the Company ----- >					
	Share Capital USD'000	Share Premium USD'000	Other Reserves USD'000	Retained Earnings USD'000	Minority Interests USD'000	Total USD'000
At 1 January 2009	145,960	782	(2,655)	45,012	(39,897)	149,202
Currency translation differences arising from translation to presentation currency	-	-	5,361		978	6,339
Gains in fair value on available-for-sale securities	-	-	1,249		613	1,862
Net income and expenses recognised directly in Equity	-	-	6,599	-	1,591	8,190
Capitalization of retained earnings of subsidiary	-	-	3,085	(3,085)	-	-
Loss for the period	-	-	-	(1,482)	(2,395)	(3,877)
Total recognised income and expense for the Period	-	-	9,684	(4,567)	(804)	4,313
At 30 June 2009	145,960	782	7,040	40,445	(40,701)	153,526

The accompanying notes form an integral part of the financial statements.

ICB Financial Group Holdings AG
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Notes To The Interim Financial Statements

1. Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses. Due to the inherent uncertainty in making those estimates, actual results reported in future periods could differ from such estimates.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

The interim financial statements were approved by the board on 11 September 2009.

2. Basis of Accounting

The interim financial statements of the Group have been prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities held at fair value through profit or loss. The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the Group's audited financial statements for the year ended 31 December 2008.

3. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of shares in issue, in the 6 month period ended 30 June 2009 of 180,000,000 (2008: 180,000,000).

There are no options or other instruments in issue that would dilute the earnings per share.

4. Loans and Advances to Customers

	As at 30-Jun-09 USD'000	As at 31-Dec-08 USD'000
Gross loans and advances	721,752	713,674
Less: Allowance for losses on loans and advances	(129,208)	(125,616)
	<u>592,544</u>	<u>588,058</u>

5. Deposits

	As at 30-Jun-09 USD'000	As at 31-Dec-08 USD'000
Current accounts	111,654	103,771
Saving accounts	128,232	106,367
Time deposits	547,915	522,583
Others	14,792	44,931
	<u>802,593</u>	<u>777,652</u>

6. Paid-up Share Capital

	No of Shares		As at 30-Jun-09 USD'000	As at 31-Dec-08 USD'000
	As at 30-Jun-09 000	As at 31-Dec-08 000		
As at 1 January/30 June				
Share of CHF1 each	180,000	180,000	145,960	145,960

7. Subsidiaries & Associates

Details of subsidiaries & Associates are as follows:

Name of subsidiaries	Country of Incorporation	% effective interest held		Principal Activities
		As at 30-Jun-09	As at 31-Dec-08	
International Commercial Bank (The Gambia) Ltd.	Gambia	99.10	99.10	Commercial Bank
International Commercial Bank S. A.	Guinea	97.00	97.00	Commercial Bank
International Commercial Bank (Sierra Leone) Ltd.	Sierra Leone	99.98	99.98	Commercial Bank
International Commercial Bank SH. A	Albania	100.00	100.00	Commercial Bank
ICB-Banco Internacional De Comércio, S.A.R.L	Mozambique	99.99	99.99	Commercial Bank
International Commercial Bank Limited	Ghana	100.00	100.00	Commercial Bank
PT Bank Bumiputra Indonesia Tbk	Indonesia	67.07	67.07	Commercial Bank
International Commercial Bank (Djibouti) S.A.	Djibouti	99.90	99.90	Commercial Bank
ICB Global Management Sdn. Bhd.	Malaysia	100.00	100.00	Providing Technical & Management Services
ICB Islamic Bank Ltd	Bangladesh	50.10	50.10	Commercial Bank
International Commercial Bank Lao Ltd	Laos	100.00	100.00	Commercial Bank
International Commercial Bank Ltd - Malawi	Malawi	100.00	100.00	Commercial Bank

7. Subsidiaries & Associates (Cont'd.)

Name of associates	Country of Incorporation	% effective interest held		Principal Activities
		As at 30-Jun-09	As at 31-Dec-08	
International Commercial Bank (Tanzania) Limited	Tanzania	20.00	20.00	Commercial Bank
International Commercial Bank Senegal S.A.	Senegal	20.00	20.00	Commercial Bank
International Commercial Bank Zambia Limited	Zambia	100%	-	Commercial Bank