



# **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 2007**

**ICB Financial Group Holdings AG**  
**(Incorporated in Switzerland)**

**Interim Financial Statements**  
**For The 6 Month Period Ended 30 June 2007**

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## **ICB Financial Group Holdings AG**

Interim Results For The 6 Month  
Period Ended 30 June 2007

### **Interim Results Summary**

ICB Financial Group Holdings AG (“ICB”) which provides commercial banking services to businesses and individuals through its banks in Africa, Indonesia and Albania is pleased to announce its unaudited consolidated results for the six months ended 30 June 2007.

### **Financial Highlights**

1. Profit attributable to shareholders grew by 54.1% to USD9.717 mil (June 2006: USD6.306 mil.).
2. Net interest income grew by 62%.
3. Gain on disposal of associate, ICB Bank ZRt- Hungary, USD2.491 mil.
4. Loans and advances grew by 11.6% as compared to 31 December 2006.
5. Customer deposits grew by 16.4% as compared to 31 December 2006.
6. Impairment charges increased to USD4.331 mil. (June 2006: USD0.251 mil.) attributed mainly to the downgrading of certain loan accounts at PT Bank Bumiputera Indonesia Tbk.
7. Operating expenses increased by 38% compared to 30 June 2006, in line with increased business activity and growth in number of branches.
8. Basic and fully diluted earnings per share is USD0.08 and remains consistent with corresponding period 30 June 2006.

# ICB FINANCIAL GROUP HOLDINGS AG

## Chairman's Statement 30 June 2007

On behalf of the Board of Directors I am pleased to present the financial statements (unaudited) for the ICB Financial Group Holdings AG for the period ended 30 June 2007.

Profit attributable to Shareholders for the period amounted to US\$ 9.717m (US\$ 6.306m June 2006). This increase in comparison with the corresponding period in 2006 was driven by a strong growth in net interest income, US\$ 24.139m compared to US\$ 14.906m as at June 2006. Particularly strong performances were turned in by banks in Guinea, Albania and Indonesia (Bank Bumiputera). Interest expense has been contained primarily as a result of recent reductions in interest rates within Indonesia. However, the results do take into consideration the gain on the disposal of the Group's 20% interest in ICB Bank Zrt., Hungary. This amounted to US\$ 2.491m.

Group total assets now exceed US\$1bn with customer loans and advances increasing by 32% to US\$ 547m (US\$ 415m June 2006). The Group continues to maintain a prudent approach in both the assessment of loan requests and in the establishment of impairment charges. Total provision for loan losses booked as of 30 June 2007 was US\$8.9m representing 1.6% of customer loan portfolio compared with a provision of US\$5.6m as of June 2006 which represented 1.3% of the customer loan portfolio as of that date. Much of the increased impairment provision is attributable to Bank Bumiputera Indonesia.

Liabilities in the form of customer deposits also reflect a further strengthening of 37%, having risen to US\$753.4m (US\$548.0m June 2006).

Operating expenses for the Group in the six month period amounted to US\$ 22.436m, an increase of 38% on the June 2006 figure of US\$ 16.199m. This increase has been in line with budget and primarily reflects investments in expanding operating activities in Indonesia and within the African continent. I am pleased to say that the Group's overall cost/income ratio has improved further to 62% (80% as at 30 June 2006).

In May we achieved a successful listing of the Group's shares on the London Stock Exchange Alternative Investment Market (AIM). The listing gives the Group the opportunity to access new capital and which will support future planned development. Such plans are associated with the continued expansion of retail banking activities in the emerging markets with a principal focus on countries within the African continent and South-East Asia. The Board is currently examining a number of opportunities and I expect to be able to inform Shareholders of more details in this respect within the 2007 annual report.

Michael Hanlon  
Chairman

**ICB Financial Group Holdings AG**  
**(Incorporated in Switzerland)**

**Consolidated Income Statement**  
**For The 6 Month Period Ended 30 June 2007**

	<b>Note</b>	<b>6 months ended 30-Jun-07 USD '000</b>	<b>6 months ended 30-Jun-06 USD '000</b>
Interest income		48,893	39,113
Interest expense		(24,754)	(24,207)
<b>Net interest income</b>		<u>24,139</u>	<u>14,906</u>
<b>Net fee and commission income</b>		5,127	4,180
Foreign currency gains		2,641	294
Gains less losses from trading securities		-	1
Gains less losses from financial investments		228	107
Gain on disposal of associate	<b>8 (a)</b>	2,491	-
Other operating income		1,369	769
Impairment charges for loans and advances to customers		(4,332)	(251)
Fair value change in foreclosed properties		(157)	(64)
Operating expenses		(22,436)	(16,195)
<b>Operating profit</b>		<u>9,070</u>	<u>3,747</u>
Share of results of associates		3,278	3,857
<b>Profit before taxation</b>		<u>12,348</u>	<u>7,604</u>
Tax expense		(1,739)	(920)
<b>Profit for the period</b>		<u>10,609</u>	<u>6,684</u>
<b>Attributable to:</b>			
- Shareholders of the Company		9,717	6,306
- Minority interests		892	378
		<u>10,609</u>	<u>6,684</u>
<b>Earnings per share attributable to shareholders of the Company</b>			
- Basic and diluted (Expressed in USD per share)	<b>3</b>	0.08	0.08

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 2007**

	Note	30-Jun-07 USD '000	31-Dec-06 USD '000
<b>ASSETS</b>			
Cash and bank balances		231,063	155,449
Trading securities		-	19
Loans and advances to customers	4	547,499	490,716
Financial investments		92,926	109,505
Foreclosed properties		18,117	13,678
Investment in associates		78,525	78,279
Goodwill and other intangible assets		5,543	5,379
Prepaid lease payments		166	199
Property and equipment		8,051	6,836
Other assets		25,092	22,467
Deferred tax assets		2,258	2,209
<b>Total assets</b>		<u>1,009,240</u>	<u>884,736</u>
<b>LIABILITIES</b>			
Deposits from other banks		16,483	13,758
Customers' accounts	5	753,401	647,375
Other liabilities		36,710	27,386
Tax liabilities		516	1,152
Deferred tax liabilities		540	550
<b>Total liabilities</b>		<u>807,650</u>	<u>690,221</u>
<b>EQUITY</b>			
Paid up share capital	6	145,960	59,549
Share premium		782	-
Shareholders advances		-	91,618
Retained earnings		30,553	24,212
Other reserves		4,014	(372)
<b>Equity attributable to shareholders of the Company</b>		<u>181,309</u>	<u>175,007</u>
Minority interests		20,281	19,508
<b>Total equity</b>		<u>201,590</u>	<u>194,515</u>
<b>Total equity and liability</b>		<u>1,009,240</u>	<u>884,736</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 2007**

	<b>6 months ended</b> <b>30-Jun-07</b> <b>USD '000</b>	<b>6 months ended</b> <b>30-Jun-06</b> <b>USD '000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	12,348	7,604
Adjustment for :		
Impairment charges for loans and advances to customers	4,332	251
Amortisation of prepaid lease rental	20	5
Amortisation of intangible assets	194	186
Depreciation of property and equipment	992	865
Fair value change in foreclosed properties	157	64
Gain on disposal of associate	(2,491)	-
Share of results of associates	(3,278)	(3,857)
Gain on foreign exchange translation	(2,641)	(294)
<b>Operating profit before working capital changes</b>	<u>9,633</u>	<u>4,824</u>
Increase in operating assets	(84,119)	(84,365)
Increase in operating liabilities	99,239	44,308
<b>Cash generated from operations</b>	<u>24,753</u>	<u>(35,233)</u>
<b>Tax paid</b>	<u>(1,073)</u>	<u>(299)</u>
<b>Net cash from/(used in) operating activities</b>	<u>23,680</u>	<u>(35,532)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of associate	6,059	-
Purchase of property and equipment	(2,354)	(413)
Purchase of intangible assets	(222)	(239)
Proceeds from sale of property and equipment	356	121
Dividend received	-	2,352
Net decrease/(increase) in financial investments	18,029	(21,930)
<b>Net cash from/(used in) investing activities</b>	<u>21,868</u>	<u>(20,109)</u>

**Consolidated Cash Flow Statement (Cont'd.)**  
**For The 6 Month Period Ended 30 June 2007**

	<b>6 months ended</b>	<b>6 months ended</b>
	<b>30-Jun-07</b>	<b>30-Jun-06</b>
	<b>USD '000</b>	<b>USD '000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of shareholder's advances	(13,866)	-
Net increase in shareholder's advances	-	22,622
Dividend paid to minority interest	(84)	-
Net proceeds received from issuance of shares by Company	9,016	-
Redemption of debt securities in issue	-	(6,179)
Proceeds from issuance of shares to minority interest	-	8,042
<b>Net cash (used in)/from financing activities</b>	<u>(4,934)</u>	<u>24,485</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	40,614	(31,156)
Cash and cash equivalents at the beginning of the period	108,951	97,668
Effect of exchange rate changes on cash and cash equivalents	16,988	4,807
<b>Cash and cash equivalents at the end of the period</b>	<u>166,553</u>	<u>71,319</u>

**Cash and Cash Equivalents**

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

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

**ICB Financial Group Holdings AG**  
**(Incorporated in Switzerland)**  
**Consolidated Statement Of Changes in Equity**  
**For The 6 Month Period Ended 30 June 2007**

<-----Attributable to shareholders of the Company----->

	Share Capital USD'000	Share Premium USD'000	Shareholder's Advances USD'000	Other Reserves USD'000	Retained Earnings USD'000	Minority Interests USD'000	Total USD'000
<b>At 1 January 2006</b>	59,549	-	50,869	(9,050)	18,638	9,282	129,288
Increase in advances	-	-	22,444	-	-	-	22,444
Currency translation differences arising from translation to presentation currency	-	-	3,095	(3,335)	-	1,072	832
Gains in fair value on available-for-sale securities	-	-	-	345	-	169	514
Share of post-acquisition reserves of associates	-	-	-	1,159	-	-	1,159
Net income and expenses recognised directly in equity	-	-	3,095	(1,831)	-	1,241	2,505
Capitalisation of retained earnings of subsidiaries	-	-	-	1,728	(1,728)	-	-
Profit for the period	-	-	-	-	6,306	378	6,684
Total recognised income and expense for the period	-	-	3,095	(103)	4,578	1,619	9,189
Issue of shares by a subsidiary	-	-	-	-	-	8,042	8,042
<b>At 30 June 2006</b>	<b>59,549</b>	<b>-</b>	<b>76,408</b>	<b>(9,153)</b>	<b>23,216</b>	<b>18,943</b>	<b>168,963</b>
<b>At 1 January 2007</b>	59,549	-	91,618	(372)	24,212	19,508	194,515
Currency translation differences arising from translation to presentation currency	-	-	424	1,638	-	(28)	2,034
Gains in fair value on available-for-sale securities	-	-	-	11	-	5	16
Transfer of realised translation reserve to retained earnings arising from capitalisation and repayment of shareholder's advances	-	-	-	3,187	(3,187)	-	-
Share of post-acquisition reserves of associates	-	-	-	(560)	(79)	-	(639)
Transfer of reserve to retained earnings arising from disposal of associate	-	-	-	110	(110)	-	-
Net income and expenses recognised directly in equity	-	-	424	4,386	(3,376)	(23)	1,411
Profit for the period	-	-	-	-	9,717	892	10,609
Total recognised income and expense for the period	-	-	424	4,386	6,341	869	12,020
Issue of shares	8,235	782	-	-	-	-	9,017
Conversion of shareholder's advances to share capital	78,176	-	(78,176)	-	-	-	-
Repayment of shareholder's advances	-	-	(13,866)	-	-	-	(13,866)
Acquisition of minority interest in a subsidiary	-	-	-	-	-	(12)	(12)
Dividend paid to minority interest	-	-	-	-	-	(84)	(84)
<b>At 30 June 2007</b>	<b>145,960</b>	<b>782</b>	<b>-</b>	<b>4,014</b>	<b>30,553</b>	<b>20,281</b>	<b>201,590</b>

**At 1 January 2006**  
Increase in advances  
Currency translation differences arising from translation to presentation currency  
Gains in fair value on available-for-sale securities  
Share of post-acquisition reserves of associates  
Net income and expenses recognised directly in equity  
Capitalisation of retained earnings of subsidiaries  
Profit for the period  
Total recognised income and expense for the period  
Issue of shares by a subsidiary  
**At 30 June 2006**

**At 1 January 2007**  
Currency translation differences arising from translation to presentation currency  
Gains in fair value on available-for-sale securities  
Transfer of realised translation reserve to retained earnings arising from capitalisation and repayment of shareholder's advances  
Share of post-acquisition reserves of associates  
Transfer of reserve to retained earnings arising from disposal of associate  
Net income and expenses recognised directly in equity  
Profit for the period  
Total recognised income and expense for the period  
Issue of shares  
Conversion of shareholder's advances to share capital  
Repayment of shareholder's advances  
Acquisition of minority interest in a subsidiary  
Dividend paid to minority interest  
**At 30 June 2007**

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

**ICB Financial Group Holdings AG**  
**(Incorporated in Switzerland)**

**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 2006.

The interim financial statements were approved by the board on 17 September 2007.

**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 2006.

**3. Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of shares in issue, (adjusted for the change in nominal value of shares as stated in Note 6), in the 6 month period ended 30 June 2007 of 117,005,495 (2006: 75,000,000).

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-07 USD'000	As at 31-Dec-06 USD'000
Gross loans and advances	556,496	499,462
Less: Allowance for losses on loans and advances	(8,997)	(8,746)
	<u>547,499</u>	<u>490,716</u>

#### 5. Deposits

	As at 30-Jun-07 USD'000	As at 31-Dec-06 USD'000
Current accounts	124,804	111,908
Savings accounts	101,628	71,920
Time deposits	520,160	458,975
Others	6,809	4,572
	<u>753,401</u>	<u>647,375</u>

#### 6. Paid-up Share Capital

	Note	No of Shares		As at 30-Jun-07 USD'000	As at 31-Dec-06 USD'000
		As at 30-Jun-07 000	As at 31-Dec-06 000		
As at 1 January		75	75	59,549	59,549
Shares of CHF1,000 each					
Change in nominal value from CHF1,000 each to CHF1 each	8(d)(i)	75,000	-	59,549	-
Conversion of shareholder's advances	8(d)(ii)	95,000	-	78,176	-
Issue of shares	8(e)	10,000	-	8,235	-
As at 30 June/ 31 Dec		<u>180,000</u>	<u>75</u>	<u>145,960</u>	<u>59,549</u>

## 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-07	As at 31-Dec-06	
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	100	Commercial bank
ICB-Banco Internacional De Comércio, S.A.R.L	Mozambique	99.99	99.99	Commercial bank
International Commercial Bank Limited	Ghana	100	100	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	89.00	Providing technical & management services

## 7. Subsidiaries & Associates (Cont'd.)

Name of associates	Country of Incorporation	% effective interest held		Principal Activities
		As at 30-Jun-07	As at 31-Dec-06	
International Commercial Bank (Tanzania) Limited	Tanzania	20	20	Commercial bank
IC Bank ZRt.	Hungary	-	20.96	Commercial bank
Sorak Financial Holdings Pte. Ltd.	Singapore	20	20	Investment Holding
International Commercial Bank Senegal S.A.	Senegal	20	20	Commercial bank

## 8. Significant Events

- a. On 18 October 2006, the Company entered into a sale and purchase agreement ("SPA") to dispose of its entire equity interest in ICB Bank ZRt, Hungary, for a total cash consideration of EUR5,360,850. The sale was completed on 9 May 2007 and the Company received the sales proceeds less a retention amount to cover warranties provided for a 12 month period. The Company is only liable up to 30% of the sales proceeds for such warranties. The gain on disposal of USD2,491,000 was arrived at after taking into account potential claims that may arise during the warranty period.
- b. On 7 February 2007, the Company disposed of its entire equity interest of 4.99% in Bank Thai Plc for a total cash consideration of USD14,050,593. The disposal did not give rise to any material financial effect to the Group.
- c. On 28 February 2007, the Company increased its equity interest in ICB Global Management Sdn. Bhd. to 100% by acquiring the remaining 70,000 ordinary shares, representing an equity interest of 11% for MYR43,400.

## 8. Significant Events (Cont'd.)

- d. On 16 April 2007,
  - i. the nominal value of the share capital of the Company was changed from CHF1,000.00 each to CHF1.00 each bringing the total number of shares to 75,000,000 prior to conversion of the shareholder's advances as mentioned in item (ii) below;
  - ii. shareholder's advances of CHF95,000,000 were converted into 95,000,000 new shares of CHF1.00 each, resulting in an increase in share capital to CHF170,000,000 shares of CHF1.00 each.
- e. On 11 May 2007, the Company undertook a preadmission placement and issued 10,000,000 new shares of CHF1.00 each to several investors at an issue price of USD1.00 each.
- f. On 24 July 2007, the Company provided a Corporate Guarantee to INTL Global Currencies Ltd for the purpose of providing fund transfer facilities to certain of its subsidiaries and associated companies. The aggregate amount of the claims shall not exceed USD2,000,000.