



BDO Visura
Financial Services

CH-8031 Zurich, Fabrikstrasse 50
Phone 044 444 3 721, Fax 044 444 3 784
www.bdo.ch

To the Board of Directors of

ICB Financial Group Holdings AG

Schulhausstrasse 1
8834 Schindellegi

Review report on the consolidated interim financial statements

(for the 6 month period ended 30 June 2008)

5 September 2008
ME

Member of Swiss Institute  of Certified
Accountants and Tax Consultants



Review report

to the Board of Directors of

ICB Financial Group Holdings AG, Schindellegi

In accordance with your instructions, we have reviewed the consolidated interim financial statements (Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and the related notes 1 to 9) of ICB Financial Group Holdings AG for the six month period ended 30 June 2008.

These consolidated interim financial statements are the responsibility of the Board of Directors. Our responsibility is to issue a report on these consolidated interim financial statements based on our review.

Our review was conducted in accordance with Swiss Auditing Standard 910 applicable to review engagements, which requires that a review be planned and performed to obtain moderate assurance about whether the consolidated interim financial statements are free from material misstatement. A review is limited primarily to inquiries of personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view in accordance with the International Financial Reporting Standards (IFRS).

Zurich, 5 September 2008

BDO Visura

Markus Eugster

Swiss Certified Accountant

Francesco Lava

Swiss Certified Accountant

Enclosures

consolidated interim financial statements



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 2008

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Interim Financial Statements
For The 6 Month Period Ended 30 June 2008

Contents	Page(s)
Interim Results Summary	1
Financial Highlights	1
Chairman's Statement	2-3
Consolidated Income Statement	4
Consolidated Balance Sheet	5
Consolidated Cash Flow Statement	6 - 7
Consolidated Statement of Changes in Equity	8 - 9
Notes to the Interim Financial Statements	10 - 13

ICB Financial Group Holdings AG

Interim Results For The 6 Month
Period Ended 30 June 2008

Interim Results Summary

ICB Financial Group Holdings AG (“ICB”) which provides commercial banking services to businesses and individuals through its banks in Africa, Indonesia, Albania and newly acquired bank in Bangladesh is pleased to announce its unaudited consolidated results for the six months ended 30 June 2008.

Financial Highlights

1. Profit attributable to shareholders for the year is USD80.189 mil (June 2007: USD9.717 mil.).
2. Net interest income grew by 2.8%.
3. Gain on disposal of associate, Sorak Financial Holdings Pte Ltd, USD80.379 mil.
4. Loans and advances grew by 33.5% as compared to 31 December 2007.
5. Total assets have grown by 36.5% as compared to 31 December 2007 mainly contributed from the acquisition of 50.1% interest in The Oriental Bank Ltd, Bangladesh (ICB Islamic Bank Ltd).
6. Customer deposits grew by 26.2% as compared to 31 December 2007.
7. Impairment charges decrease to USD0.857 mil. (June 2007: USD4.331 mil.) reflecting an improvement in the quality of the loan books.
8. Operating expenses increased by 17% compared to 30 June 2007, in line with increased business activity and growth in number of branches.
9. Basic and fully diluted earnings per share is USD0.45 (June 2007: USD0.08).

ICB FINANCIAL GROUP HOLDINGS AG

Chairman's Statement 30 June 2008

I am pleased to present the consolidated financial statements (unaudited) for ICB Financial Group Holdings AG (“the Group”) for the period ended 30 June 2008.

The Group recorded a substantial increase in net profit of USD82.1 million in the first half of the financial year, compared to USD10.6 million in the same period last year. Profit attributable to Shareholders amounted to USD80.1 million (June 2007: USD9.7 million). The significant increase in net profit was attributed to an extraordinary gain of USD80.3 million on the disposal of the Group’s stake in an associate company, Sorak Financial Holdings Pte. Ltd in January this year.

Total assets of the Group grew by 36% (USD374.7 million) reaching USD1.4 billion as at 30 June 2008. A significant portion of this growth is attributable to the purchase of the 51% interest in The Oriental Bank Limited, Bangladesh (since renamed ICB Islamic Bank Limited) in March this year. Loans and Advances increased by USD181.3 million or 34% to USD721.9 million. Deposits from customers rose by USD240.7 million (32%) to USD 987.4 million (June 2007: USD746.7 million).

Impairment charges for loans and advances have reduced significantly in the half year to USD857,000 (USD4.3 million, June 2007). This reflects improvements in the overall quality of the loan books coupled with an increase in recoveries of assets previously categorized as doubtful. Impairment charges for the Bangladesh unit were recognized and taken up in the books as pre-acquisition reserves at the point of acquisition in March and are reflected in the Goodwill.

Performance by most banks in the Group during the half year has been flat with business activity falling below projected levels. This is reflective of much greater caution now applying across world financial markets. Across the Group income lines have been under significant pressure. The net interest margin averaged 2.8% as at June 2008 compared to 3.7% in the corresponding period last year. The effect of this, together with an increase in operating expenses of USD3.8m primarily required to support expansion plans, has resulted in deterioration in the Group Cost/Income ratio to 81%.

The acquisition of the Oriental Bank, Bangladesh enables the Group to establish a presence in an important Asian market which, albeit from a relatively low base, is developing rapidly. There is a strong and growing demand for retail banking services with the ICB banking model being well suited to the Bangladesh consumer environment. Integrating the Bank as part of the Group is already well advanced. This will be followed with the implementation of measures to build a stronger market profile and where the ability to deliver products and services in a Sharia'h compliant manner will feature prominently in what is a predominantly Muslim nation.

A trend of modest growth is predicted for the remainder of the year. Asset growth in particular is likely to remain depressed due not only to local market conditions but also to the fact that the current world economic climate identifies the adoption of cautious credit risk management to be prudent. However, the strategy of building a stronger presence in the emerging markets remains. Banking licences have been obtained in both Malawi and Laos with operations there scheduled to commence in the final quarter of this year.

Michael Hanlon
Chairman

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Consolidated Income Statement
For The 6 Month Period Ended 30 June 2008

	Note	6 months ended 30-Jun-08 USD'000	6 months ended 30-Jun-07 USD'000
Interest income		49,418	48,893
Interest expense		(24,603)	(24,754)
Net interest income		<u>24,815</u>	<u>24,139</u>
Net fee and commission income		5,123	5,127
Foreign currency (loss)/gain		(1,843)	2,641
Gains less losses from financial investments		1,189	228
Gain on disposal of associate	8 (a)	80,379	2,491
Other operating income		2,995	1,369
Impairment charges for loans and advances to customers		(857)	(4,332)
Fair value change in foreclosed properties		(1,303)	(157)
Operating expenses		(26,264)	(22,436)
Operating profit		<u>84,234</u>	<u>9,070</u>
Share of results of associates		37	3,278
Profit before taxation		<u>84,271</u>	<u>12,348</u>
Tax expense		(2,122)	(1,739)
Profit for the period		<u>82,149</u>	<u>10,609</u>
Attributable to:			
- Shareholders of the Company		80,189	9,717
- Minority interests		1,960	892
		<u>82,149</u>	<u>10,609</u>
Earnings per share attributable to shareholders of the Company			
- Basic and diluted (Expressed in USD per share)	3	0.45	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 2008

	Note	30-Jun-08 USD'000	30-Dec-07 USD'000
ASSETS			
Cash and bank balances		297,374	239,769
Loans and advances to customers	4	721,967	540,683
Financial investments		169,287	93,221
Foreclosed properties		20,292	21,056
Investment in associates		2,116	74,364
Goodwill and other intangible assets	9	112,671	5,341
Prepaid lease payments		146	165
Property and equipment		16,827	9,251
Other assets		58,255	40,489
Deferred tax assets		2,046	1,945
Total assets		1,400,981	1,026,284
LIABILITIES			
Deposits from other banks		69,076	39,157
Customers' accounts	5	942,049	746,734
Borrowings		79,864	-
Other liabilities		76,222	39,326
Tax liabilities		1,692	2,093
Deferred tax liabilities		229	192
Total liabilities		1,169,132	827,502
EQUITY			
Paid up share capital	6	145,960	145,960
Share premium		782	782
Retained earnings		103,919	34,903
Other reserves		14,491	(2,341)
Equity attributable to shareholders of the Company		265,152	179,304
Minority interests		(33,303)	19,478
Total equity		231,849	198,782
Total equity and liability		1,400,981	1,026,284

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 2008

	6 months ended 30-Jun-08 USD'000	6 months ended 30-Jun-07 USD'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	84,271	12,348
Adjustment for :		
Impairment charges for loans and advances to customers	857	4,332
Amortisation of prepaid lease rental	20	20
Amortisation of intangible assets	220	194
Depreciation of property and equipment	1,219	992
Fair value change in foreclosed properties	1,303	157
Gain on disposal of associate	(80,379)	(2,491)
Share of results of associates	(37)	(3,278)
Gain on foreign exchange translation	(761)	(2,641)
Operating profit before working capital changes	<u>6,713</u>	<u>9,633</u>
Increase in operating assets	(48,891)	(84,119)
Increase in operating liabilities	33,764	99,239
Cash (used in)/generated from operations	<u>(8,414)</u>	<u>24,753</u>
Tax paid	<u>(1,857)</u>	<u>(1,073)</u>
Net cash (used in)/from operating activities	<u>(10,271)</u>	<u>23,680</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of associate	156,928	6,059
Acquisition of subsidiary, net of cash acquired	(38,525)	-
Purchase of property and equipment	(1,653)	(2,354)
Purchase of intangible assets	(202)	(222)
Proceeds from sale of property and equipment	-	356
Net (increase)/decrease in financial investments	(28,866)	18,029
Net cash from investing activities	<u>87,682</u>	<u>21,868</u>

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Consolidated Cash Flow Statement (Cont'd.)
For The 6 Month Period Ended 30 June 2008

	6 months ended 30-Jun-08 USD'000	6 months ended 30-Jun-07 USD'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of shareholder's advances	-	(13,866)
Dividend paid to minority interest	(183)	(84)
Net proceeds received from issuance of shares by Company	-	9,016
Net cash used in financing activities	<u>(183)</u>	<u>(4,934)</u>
Net increase in cash and cash equivalents	77,228	40,614
Cash and cash equivalents at the beginning of the period	194,224	108,951
Effect of exchange rate changes on cash and cash equivalents	2,391	16,988
Cash and cash equivalents at the end of the period	<u>273,843</u>	<u>166,553</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
(Incorporated in Switzerland)

Consolidated Statement Of Changes in Equity
For The 6 Month Period Ended 30 June 2008

	< ----- 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
At 1 January 2007	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)
At 30 June 2007	145,960	782	-	4,014	30,553	20,281	201,590

ICB Financial Group Holdings AG
(Incorporated in Switzerland)

Consolidated Statement Of Changes in Equity (Cont'd.)
For The 6 Month Period Ended 30 June 2008

	< ----- 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

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 2007.

The interim financial statements were approved by the board on 12 September 2008.

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 2007.

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, in the 6 month period ended 30 June 2008 of 180,000,000 (2007: 117,005,495).

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-08 USD'000	As at 31-Dec-07 USD'000
Gross loans and advances	837,827	554,203
Less: Allowance for losses on loans and advances	(115,860)	(13,520)
	<u>721,967</u>	<u>540,683</u>

5. Deposits

	As at 30-Jun-08 USD'000	As at 31-Dec-07 USD'000
Current accounts	168,319	155,299
Saving accounts	127,848	96,430
Time deposits	636,372	489,984
Others	9,510	5,021
	<u>942,049</u>	<u>746,734</u>

6. Paid-up Share Capital

	No of Shares		As at 30-Jun-08 USD'000	As at 31-Dec-07 USD'000
	As at 30-Jun-08 000	As at 31-Dec-07 000		
As at 1 January				
Share of CHF1 each	180,000	-	145,960	-
Shares of CHF1,000 each	-	75	-	59,549
Change in nominal value from CHF1,000 each to CHF1 each	-	75,000	-	59,549
Conversion of shareholder's advances	-	95,000	-	78,176
Issue of shares	-	10,000	-	8,235
As at 30 June/ 31 Dec	<u>180,000</u>	<u>180,000</u>	<u>145,960</u>	<u>145,960</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-08	As at 31-Dec-07	
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	-	Commercial Bank

7. Subsidiaries & Associates (Cont'd.)

Name of associates	Country of Incorporation	% effective interest held		Principal Activities
		As at 30-Jun-08	As at 31-Dec-07	
International Commercial Bank (Tanzania) Limited	Tanzania	20.00	20.00	Commercial Bank
Sorak Financial Holdings Pte. Ltd.	Singapore	-	20.00	Investment Holdings
International Commercial Bank Senegal S.A.	Senegal	20.00	20.00	Commercial Bank

8. Significant Events

- (a) On 5 December 2007, the Company entered into a sale and purchase agreement ("SPA") to dispose of its entire equity interest in Sorak Financial Holdings Pte. Ltd. (Sorak), for a total cash consideration of SGD211,625,592. The disposal has resulted in a gain of USD80,379,000. The disposal was completed on 8 January 2008.
- (b) On 28 February 2008, the Company entered into a share sale and purchase agreement ("SSPA") to acquire a 50.1% equity interest in ICB Islamic Bank Ltd (formerly The Oriental Bank Limited), a bank incorporated in Bangladesh by way of subscription of new ordinary shares amounting to 3,506,743 for a total cash consideration of BDT3,506,743,888. The acquisition was completed on 27 March 2008.

9. Goodwill and Other Intangible Assets

Included in goodwill and other intangible assets is the provisional goodwill amount of USD107,459,275 arising from the recent acquisition of ICB Islamic Bank Ltd. The carrying value of the goodwill amount will be adjusted subject to completion of the purchase price allocation exercise.