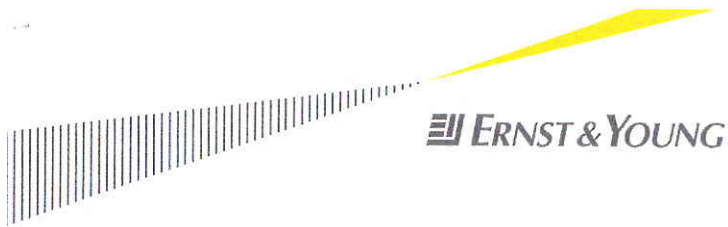


SAMBA FINANCIAL GROUP

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
AND AUDITORS' REVIEW REPORT**

**FOR THE SIX MONTH PERIOD ENDED
JUNE 30, 2010**



REVIEW REPORT

To the Shareholders of Samba Financial Group
(A Saudi Joint Stock Company)

We have reviewed the accompanying statement of consolidated financial position of Samba Financial Group and its subsidiaries ("the Bank") as at 30 June 2010, the related statements of consolidated income and comprehensive income for the three-month and six-month periods then ended, the related statements of consolidated changes in equity and cash flows for the six-month period then ended, and the notes from (1) to (12a). We have not reviewed note (12b), nor the information related to "Basel II disclosures" cross-referenced therein, which is not required to be within the scope of our review.

Management's 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 applicable Accounting Standards for Financial Institutions and 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.

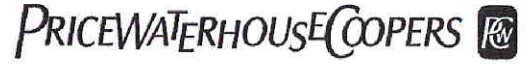
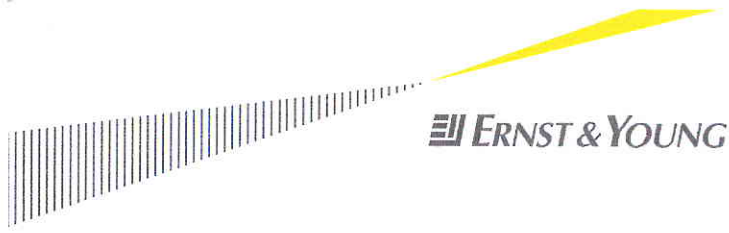
Scope of Review

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 Saudi Arabia, applicable to review engagements, and with International Standard on Review Engagements 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.

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 12(a) of the accompanying interim condensed consolidated financial statements. As part of our review, we compared the information in Note 12(a) to the relevant analysis prepared by the Bank for submission to SAMA and found no material inconsistencies.

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29 Rajab 1431H
11 July 2010



	Note	June 30, 2010 (Unaudited) (SR '000)	Dec 31, 2009 (Audited) (SR '000)	Jun 30, 2009 (Unaudited) (SR '000)
ASSETS				
Cash and balances with central banks		24,968,308	35,847,246	21,088,972
Due from banks and other financial institutions		4,579,272	3,499,406	2,320,481
Investments, net	5	67,505,413	54,966,544	57,477,176
Investment in associate		8,505	8,637	7,274
Loans and advances, net		82,716,168	84,146,523	87,948,981
Property and equipment, net		901,291	895,873	887,402
Other assets		7,677,924	6,154,040	7,320,354
Total assets		188,356,881	185,518,269	177,050,640
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks and other financial institutions		18,821,240	7,319,219	9,385,170
Customer deposits		136,067,177	147,128,762	138,172,818
Other liabilities		6,838,427	6,694,761	7,724,367
Debt securities issued		1,874,300	1,873,880	1,873,461
Total liabilities		163,601,144	163,016,622	157,155,816
EQUITY				
Equity attributable to equity holders of the Bank				
Share capital		9,000,000	9,000,000	9,000,000
Statutory reserve		8,249,054	8,249,054	7,110,718
General reserve		130,000	130,000	130,000
Other reserves		(285,270)	(1,304,315)	(2,085,352)
Retained earnings		8,641,980	6,213,843	5,963,293
Proposed dividend		-	731,889	-
Treasury shares		(1,156,890)	(710,393)	(430,876)
Total equity attributable to equity holders of the Bank		24,578,874	22,310,078	19,687,783
Non-controlling interest		176,863	191,569	207,041
Total equity		24,755,737	22,501,647	19,894,824
Total liabilities and equity		188,356,881	185,518,269	177,050,640

The accompanying notes 1 to 12 form an integral part of the interim condensed consolidated financial statements.

Abdul Haleem Sheikh
Chief Financial Officer

Zaki Al-Mousa
Director

Sajjad Razvi
Managing Director

SAMBA FINANCIAL GROUP
STATEMENTS OF CONSOLIDATED INCOME
Unaudited

Page 4

	<u>THREE MONTHS ENDED</u>		<u>SIX MONTHS ENDED</u>	
	<u>Jun 30, 2010</u> <u>(SR '000)</u>	<u>Jun 30, 2009</u> <u>(SR '000)</u>	<u>Jun 30, 2010</u> <u>(SR '000)</u>	<u>Jun 30, 2009</u> <u>(SR '000)</u>
Special commission income	1,359,549	1,621,555	2,708,769	3,436,863
Special commission expense	157,197	317,341	334,700	823,483
Special commission income, net	1,202,352	1,304,214	2,374,069	2,613,380
Fees and commission income, net	319,204	334,031	638,222	647,174
Exchange income, net	47,886	56,939	149,980	179,553
Income/(loss) from investment held at FVIS, net	4,488	32,739	25,500	(21,215)
Trading income, net	(38,698)	90,084	38,200	181,614
Gains on non-trading investments, net	218,282	693	330,133	190,799
Other operating income	18,266	993	56,594	16,110
Total operating income	1,771,780	1,819,693	3,612,698	3,807,415
Salaries and employee related expenses	317,176	311,550	612,806	647,556
Rent and premises related expenses	56,098	50,360	109,381	100,104
Depreciation	34,322	35,146	68,135	69,300
Other general and administrative expenses	87,055	86,126	175,571	180,800
Provision for credit losses, net of recoveries	57,440	97,290	217,540	300,262
Total operating expenses	552,091	580,472	1,183,433	1,298,022
NET INCOME FOR THE PERIODS	1,219,689	1,239,221	2,429,265	2,509,393
Loss attributable to non-controlling interest	652	3,944	1,711	5,391
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK	1,220,341	1,243,165	2,430,976	2,514,784
Basic and diluted earnings per share for the periods (SR) - note 10	1.36	1.38	2.70	2.79

The accompanying notes 1 to 12 form an integral part of the interim condensed consolidated financial statements.

Abdul Haleem Sheikh
Chief Financial Officer

Zaki Al-Mousa
Director

Sajjad Razvi
Managing Director

SAMBA FINANCIAL GROUP
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME

Unaudited

	<u>THREE MONTHS ENDED</u>		<u>SIX MONTHS ENDED</u>	
	<u>Jun 30, 2010</u> <u>(SR '000)</u>	<u>Jun 30, 2009</u> <u>(SR '000)</u>	<u>Jun 30, 2010</u> <u>(SR '000)</u>	<u>Jun 30, 2009</u> <u>(SR '000)</u>
Net income for the periods	1,219,689	1,239,221	2,429,265	2,509,393
Other comprehensive income:				
Exchange differences on translation of foreign operations	(6,722)	27,100	(19,884)	19,302
Available for sale financial assets:				
- Change in fair values	855,024	(13,491)	1,265,632	(935,885)
- Transfers to statement of consolidated income	(217,314)	(327)	(312,584)	(189,831)
Cash flow hedges:				
- Change in fair values	(55,707)	(9,190)	(77,586)	(37,561)
- Transfers to statement of consolidated income	79,933	48,207	150,472	80,107
Total Comprehensive income for the periods	<u>1,874,903</u>	<u>1,291,520</u>	<u>3,435,315</u>	<u>1,445,525</u>
Attributable to:				
Equity holders of the Bank	1,880,599	1,281,079	3,450,021	1,454,564
Non-controlling interest	(5,696)	10,441	(14,706)	(9,039)
Total	<u>1,874,903</u>	<u>1,291,520</u>	<u>3,435,315</u>	<u>1,445,525</u>

The accompanying notes 1 to 12 form an integral part of the interim condensed consolidated financial statements.

SAMBA FINANCIAL GROUP
STATEMENTS OF CONSOLIDATED CHANGES IN EQUITY

Unaudited

Attributable to equity holders of the Bank

	Share capital (SR'000)	Statutory reserve (SR'000)	General reserve (SR'000)	Other reserves		Cash flow hedges (SR'000)	Retained earnings (SR'000)	Proposed dividends (SR'000)	Treasury shares (SR'000)	Total (SR'000)	Non controlling interest (SR'000)	Total equity (SR'000)
				Exchange translation reserve (SR'000)	AFS financial assets (SR'000)							
For the six months period ended June 30, 2010												
Balance at the beginning of the period	9,000,000	8,249,054	130,000	(89,411)	(1,515,087)	300,183	6,213,843	731,889	(710,393)	22,310,078	191,569	22,501,647
Net changes in treasury shares	-	-	-	-	-	-	(2,839)	-	(446,497)	(449,336)	-	(449,336)
2009 final dividend paid	-	-	-	-	-	-	-	(731,889)	-	(731,889)	-	(731,889)
Total comprehensive income for the period	-	-	-	(5,069)	951,228	72,886	2,430,976	-	-	3,450,021	(14,706)	3,435,315
Balance at end of the period	9,000,000	8,249,054	130,000	(94,480)	(563,859)	373,069	8,641,980	-	(1,156,890)	24,578,874	176,863	24,755,737
For the six months period ended June 30, 2009												
Balance at the beginning of the period	9,000,000	7,110,718	130,000	(74,689)	(1,285,763)	335,320	4,331,737	731,889	(433,427)	19,845,785	216,080	20,061,865
Net changes in treasury shares	-	-	-	-	-	-	(8,578)	-	2,551	(6,027)	-	(6,027)
2008 final dividend paid	-	-	-	-	-	-	-	(731,889)	-	(731,889)	-	(731,889)
2009 interim dividend	-	-	-	-	-	-	(874,650)	-	-	(874,650)	-	(874,650)
Total comprehensive income for the period	-	-	-	(6,199)	(1,096,567)	42,546	2,514,784	-	-	1,454,564	(9,039)	1,445,525
Balance at end of the period	9,000,000	7,110,718	130,000	(80,888)	(2,382,330)	377,866	5,963,293	-	(430,876)	19,687,783	207,041	19,894,824

The accompanying notes 1 to 12 form an integral part of the interim condensed consolidated financial statements.

SAMBA FINANCIAL GROUP
STATEMENTS OF CONSOLIDATED CASH FLOWS
Unaudited

	Note	<u>Six Months Ended</u>	
		<u>Jun 30, 2010</u>	<u>Jun 30, 2009</u>
		(SR '000)	(SR '000)
<u>OPERATING ACTIVITIES</u>			
Net income attributable to equity holders of the Bank		2,430,976	2,514,784
Adjustments to reconcile net income to net cash from operating activities:			
Accretion of discount and amortization of premium on non-trading investments, net		74,418	66,775
Accretion of discount on debt securities issued		420	420
(Income)/loss from FVIS financial instruments		(25,500)	21,215
Gain on non-trading investments, net		(330,133)	(190,799)
Depreciation		68,135	69,300
Loss/(gain) on disposal of property and equipment, net		429	(529)
Provision for credit losses, net of recoveries		217,540	300,262
Net (increase)/decrease in operating assets:			
Statutory deposits with central banks		(19,752)	(159,500)
Due from banks and other financial institutions maturing after ninety days		681,377	(743,740)
Investments held for trading		(35,789)	26,629
Loans and advances		1,212,815	9,897,939
Other assets		(1,523,884)	3,699,346
Net increase/(decrease) in operating liabilities:			
Due to banks and other financial institutions		11,502,021	(2,704,787)
Customer deposits		(11,061,585)	3,944,353
Other liabilities		330,347	(3,801,315)
Net cash from operating activities		3,521,835	12,940,353
<u>INVESTING ACTIVITIES</u>			
Proceeds from sale of and matured non-trading investments		19,046,457	9,511,292
Purchase of non-trading investments		(30,315,645)	(13,797,280)
Purchase of property and equipment, net		(74,526)	(89,382)
Proceeds from sale of property and equipment		544	836
Net cash used in investing activities		(11,343,170)	(4,374,534)
<u>FINANCING ACTIVITIES</u>			
Treasury shares, net		(449,336)	(6,027)
Dividends paid		(866,777)	(731,502)
Net cash used in financing activities		(1,316,113)	(737,529)
(Decrease)/Increase in cash and cash equivalents		(9,137,448)	7,828,290
Cash and cash equivalents at the beginning of the period	8	29,510,691	8,031,713
Cash and cash equivalents at the end of the period	8	20,373,243	15,860,003
Special commission received during the period		2,927,033	3,584,426
Special commission paid during the period		483,861	1,365,227
<u>Supplemental non-cash information</u>			
Net changes in fair value and transfers to Statements of Consolidated Income		1,025,934	(1,083,170)

The accompanying notes 1 to 12 form an integral part of the interim condensed consolidated financial statements.

Abdul Haleem Sheikh
Chief Financial Officer

Zaki Al-Mousa
Director

Sajjad Razvi
Managing Director

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**(Unaudited)****1. GENERAL**

Samba Financial Group (the "Bank"), a Joint Stock Company incorporated in the Kingdom of Saudi Arabia, is formed pursuant to Royal Decree No. M/3 dated 26 Rabie Al-Awal 1400H (February 12, 1980). The Bank commenced business on 29 Shabaan 1400H (July 12, 1980) when it took over the operations of Citibank in the Kingdom of Saudi Arabia. The Bank operates under commercial registration no. 1010035319 dated 6 Safar 1401H (December 13, 1980). The Bank's head office is located at King Abdul Aziz Road, P.O. Box 833, Riyadh 11421, Kingdom of Saudi Arabia.

The objective of the Bank is to provide a full range of banking and related services. The Bank also provides to its customers non-interest based banking products that are approved and supervised by an independent Shariah Board established by the Bank.

The interim condensed consolidated financial statements include the financial statements of the Bank and its following subsidiaries.

Samba Capital and Investment Management Company

In accordance with the Securities Business Regulations issued by the Capital Market Authority (CMA), the Bank has established a wholly owned subsidiary, Samba Capital and Investment Management Company formed as a limited liability company under Commercial Registration number 1010237159 issued in Riyadh dated 6 Shabaan 1428H (August 19, 2007), to manage the Bank's investment services and asset management activities related to dealing, arranging, managing, advisory and custody businesses. The company has been licensed by the CMA and has commenced its business effective January 19, 2008.

Samba Fund Management (Guernsey) Limited

A wholly owned subsidiary incorporated in Guernsey, specializing in management of mutual funds.

Samba Bank Limited, Pakistan (SBL)

A majority owned subsidiary incorporated as a banking company in Pakistan and engaged in commercial banking and related services, and is listed on all stock exchanges in Pakistan. In May 2010, the ownership of the Bank was increased to 80.68% from 68.4% through participation in a right issue by the SBL.

Samba Real Estate Company

A wholly owned subsidiary incorporated in Saudi Arabia under commercial registration no. 1010234757, issued in Riyadh, dated 9 Jumada 11, 1428H (June 24, 2007). The company has been formed as a limited liability company with the approval of SAMA for the purpose of managing real estate projects on behalf of Samba Real Estate Fund.

Co-Invest Offshore Capital Limited (COCL)

A wholly owned company incorporated under the laws of Cayman Islands for the purpose of managing certain overseas investments, through an entity controlled by COCL.

2. BASIS OF PREPARATION

The Bank prepares these interim condensed consolidated financial statements in accordance with the Accounting Standards for Financial Institutions promulgated by the Saudi Arabian Monetary Agency (SAMA) and International Accounting Standard (IAS) 34 - Interim Financial Reporting. The Bank also prepares its interim condensed consolidated financial statements to comply with the Banking Control Law and the Regulations for Companies in the Kingdom of Saudi Arabia. These interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Bank for the year ended December 31, 2009.

The interim condensed consolidated financial statements are expressed in Saudi Arabian Riyals (SR) and amounts are rounded to the nearest thousand unless otherwise stated. The comparative information has been restated, where required, to conform to current period presentation.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)**3. BASIS OF CONSOLIDATION**

These interim condensed consolidated financial statements include the financial position and results of Samba Financial Group and its subsidiary companies. The financial statements of subsidiaries are prepared for the same reporting period as that of the Bank except for COCL whose financial statements are as of previous quarter end for consolidation purposes to meet the group reporting timetable. Wherever necessary, adjustments have been made to the financial statements of the subsidiaries to align with the Bank's financial statements. Significant inter-group balances and transactions are eliminated upon consolidation.

Subsidiaries are all entities over which the Bank has the power to govern the financial and operating policies, so as to obtain benefits from their 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. The results of subsidiaries acquired or disposed off during the year are included in the statements of consolidated income from the date of the acquisition or up to the date of disposal, as appropriate.

Non controlling interests represent the portion of net income or loss and net assets not owned, directly or indirectly, by the Bank in subsidiaries and are presented in the statements of consolidated income and within equity in the statements of consolidated financial position, separately from the equity holders of the Bank.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the Bank's annual consolidated financial statements for the year ended December 31, 2009, except for the amendments to existing standards and interpretation mentioned below:

- Revision to IAS 27 - Consolidated and separate financial statements;
- Amendments to IAS 39 - Financial instruments - Recognition and measurement; and
- IFRIC 18 - Transfers of assets from customers.

The Bank has adopted the above standards and amendments to existing standards. However, the adoption has no impact on the financial position or financial performance of the Bank.

5. INVESTMENTS, NET

Investment securities are classified as follows:

	Jun 30, 2010 (Unaudited) (SR'000)	Dec 31, 2009 (Audited) (SR'000)	Jun 30, 2009 (Unaudited) (SR'000)
Investments			
Held at fair value through income statement (FVIS)	2,034,764	1,661,650	1,799,434
Available for sale	41,708,812	29,627,325	24,189,069
Held to maturity	5,173,967	2,376,373	1,440,836
Other investments held at amortized cost	18,587,870	21,301,196	30,047,837
TOTAL	67,505,413	54,966,544	57,477,176

FVIS investments above include investments held for trading of SR 557.9 million (December 31, 2009: SR 522.2 million, June 30, 2009: SR 520.2 million).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

6. DERIVATIVES

The table below sets out the positive and negative fair values of derivative financial instruments, which have been accounted for in these interim condensed consolidated financial statements, together with their notional amounts. The notional amounts, which provide an indication of the volumes of the transactions outstanding at the end of the period, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are neither indicative of the Bank's exposure to credit risk, which is generally limited to the positive fair value of the derivatives, nor market risk. Positive and negative fair values are classified under other assets and other liabilities respectively.

	Jun 30, 2010 (Unaudited) (SR '000)			Dec 31, 2009 (Audited) (SR '000)			Jun 30, 2009 (Unaudited) (SR '000)		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
Held for trading									
Commission rate swaps	4,419,977	2,106,773	101,832,248	3,557,140	2,062,301	96,529,952	4,221,564	2,337,143	97,787,707
Commission rate futures, options and guarantees	306,086	306,124	11,502,891	311,878	314,644	12,146,492	338,759	338,423	21,065,223
Forward foreign exchange contracts	339,566	322,388	49,827,877	242,481	221,347	52,455,866	220,377	258,815	46,536,547
Currency options	184,766	179,893	11,204,937	65,019	58,778	5,817,234	93,079	92,508	6,976,630
Swaptions	29,982	23,395	3,210,322	26,329	13,652	2,562,848	24,151	23,669	2,174,583
Equity & commodity options	46,145	42,697	905,835	83,574	84,095	2,088,979	34,182	35,720	3,307,929
Other	30,651	6,033	950,010	29,130	6,391	656,250	120,427	106,319	1,087,500
Held as fair value hedges									
Commission rate swaps	-	5,922	46,875	-	5,449	46,875	-	5,409	46,875
Held as cash flow hedges									
Commission rate swaps	462,991	939	12,154,250	378,488	-	9,276,000	379,300	-	7,485,000
TOTAL	5,820,164	2,994,164	191,635,245	4,694,039	2,766,657	181,580,496	5,431,839	3,198,006	186,467,994

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)**7. CREDIT RELATED COMMITMENTS AND CONTINGENCIES**

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

	Jun 30, 2010 (Unaudited) (SR '000)	Dec 31, 2009 (Audited) (SR '000)	Jun 30, 2009 (Unaudited) (SR '000)
Letters of credit	7,528,766	8,242,894	8,906,863
Letters of guarantee	23,528,881	22,401,215	21,580,740
Acceptances	2,064,317	1,654,756	1,663,669
Irrevocable commitments to extend credit	3,425,990	3,476,480	3,986,657
Other	4,018,258	8,006,070	10,800,733
TOTAL	40,566,212	43,781,415	46,938,662

8. CASH AND CASH EQUIVALENTS

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

	Jun 30, 2010 (Unaudited) (SR '000)	Dec 31, 2009 (Audited) (SR '000)	Jun 30, 2009 (Unaudited) (SR '000)
Cash and balances with central banks excluding statutory deposits	18,411,304	29,309,995	14,856,694
Due from banks and other financial institutions maturing within ninety days	1,961,939	200,696	1,003,309
TOTAL	20,373,243	29,510,691	15,860,003

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)**9. BUSINESS SEGMENTS**

The Bank is organised into the following main business segments:

Consumer banking - comprises of individual customer time deposits, current, call and savings accounts, as well as credit cards, retail investment products and consumer loans.

Corporate banking - comprises of corporate time deposits, current and call accounts, overdrafts, loans and other credit facilities as well as the Bank's investment, trading and derivative portfolios and its corporate finance advisory business.

Treasury - principally manages money market, foreign exchange, commission rate trading and derivatives for corporate and institutional customers as well as for the Bank's own account. It is also responsible for funding the Bank's operations, maintaining liquidity and managing the Bank's investment portfolio and statement of financial position.

Investment banking - deals in investment management services and asset management activities related to dealing, managing, arranging, advising and custody businesses. The investment banking business is housed under a separate legal entity Samba Capital and Investment Management Company.

The Bank's primary business is conducted in the Kingdom of Saudi Arabia with three overseas branches and three overseas subsidiaries. However, the results of overseas operations are not material to the Bank's overall consolidated financial statements.

Transactions between the business segments are on normal commercial terms. Funds are ordinarily reallocated between segments, resulting in funding cost transfers. Special commission charged for these funds is based on interbank rates. There are no other material items of income or expense between the business segments. The Bank's total assets and liabilities as at June 30, 2010 and 2009, together with total operating income, total operating expenses, provisions for credit losses, net income, capital expenditure, and depreciation expenses for the periods then ended, by business segments, are as follows:

June 30, 2010 (Unaudited)

<u>SR'000</u>	Consumer	Corporate	Treasury	Investment banking	Total
Total assets	29,493,870	64,640,314	94,154,367	68,330	188,356,881
Total liabilities	56,982,036	86,329,452	20,270,015	19,641	163,601,144
Total operating income	1,392,526	1,337,086	670,435	212,651	3,612,698
Total operating expenses	528,104	248,776	97,891	91,122	965,893
Provisions for credit losses	52,675	164,865	-	-	217,540
Net income for the period	811,747	923,445	572,544	121,529	2,429,265
Capital expenditure	43,710	27,792	2,741	283	74,526
Depreciation	28,476	35,986	1,607	2,066	68,135

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

9. BUSINESS SEGMENTS (continued)

June 30, 2009 (Unaudited)

<u>SR'000</u>	Consumer	Corporate	Treasury	Investment banking	Total
Total assets	29,362,106	70,193,811	77,425,530	69,193	177,050,640
Total liabilities	57,416,053	87,895,590	11,828,660	15,513	157,155,816
Total operating income	1,427,282	1,365,410	774,494	240,229	3,807,415
Total operating expenses	553,703	291,358	60,405	92,294	997,760
Provisions for credit losses and investments	85,258	185,004	30,000	-	300,262
Net income for the period	788,321	889,048	684,089	147,935	2,509,393
Capital expenditure	29,727	48,908	10,632	115	89,382
Depreciation	30,586	34,285	2,184	2,245	69,300

10. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the periods ended June 30, 2010 and 2009 is calculated by dividing the net income for the periods attributable to the equity holders of the Bank, by 900 million shares.

11. INTERIM DIVIDEND

An interim dividend of SR 875 million from the net income for the six-month period ended June 30, 2010 (2009: SR 875 million) has been approved on July 11, 2010 for payment to shareholders. After deducting zakat, this interim dividend will result in a net payment of SR 0.90 per share (June 30, 2009: SR 0.90 per share) to the Saudi Shareholders.

12(a). CAPITAL ADEQUACY

The Bank maintains an actively managed capital base to cover risks inherent in the 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.

The Bank's total capital and Tier I capital ratios on a consolidated group basis and on a standalone basis for Samba Bank Limited, Pakistan calculated for the credit, market and operational risks, at June 30, 2010 and 2009 are as follows:

Entity	Jun 30, 2010		Jun 30, 2009	
	Total Capital Ratio (%)	Tier 1 Capital Ratio (%)	Total Capital Ratio (%)	Tier 1 Capital Ratio (%)
Samba Financial Group consolidated	18.0	15.3	15.2	12.3
Samba Bank Limited, Pakistan	64.8	65.0	38.4	38.3

12(b). OTHER PILLAR 3 DISCLOSURE

Certain quantitative disclosures as required by SAMA under pillar 3 of Basel II, have been placed on Bank's official website www.samba.com.