



**REVIEW REPORT**

To the Shareholders of Arab National Bank  
(A Saudi Joint Stock Company)

We have reviewed the accompanying interim consolidated statement of financial position of Arab National Bank and its subsidiary (the “Bank”) as of September 30, 2009, the related interim consolidated statements of income and comprehensive income for the three-month and nine-month periods ended September 30, 2009, the related interim consolidated statements of changes in equity and cash flows for the nine-month period then ended, and the notes from (1) to (10).

**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 “Interim Financial Reporting”.

**Other Regulatory Matters**

As required by SAMA, certain capital adequacy information has been disclosed in Note (10) of the accompanying interim condensed consolidated financial statements. As part of our review, we compared the information in Note (10) to the relevant analysis prepared by the Bank for submission to SAMA and found no material inconsistencies.

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**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at	September 30, 2009 (Unaudited) SAR'000	December 31, 2008 (Audited) SAR'000	September 30, 2008 (Unaudited) SAR'000
	Note		
<b>ASSETS</b>			
Cash and balances with SAMA		11,722,318	12,050,836
Due from banks and other financial institutions		3,923,334	2,747,396
Investments, net	4	23,676,052	28,227,796
Loans and advances, net		68,793,458	74,661,610
Investment in associate		312,363	193,048
Other real estate		103,808	103,440
Property and equipment, net		1,090,446	934,851
Other assets		2,241,582	2,388,165
<b>Total assets</b>		<b>111,863,361</b>	<b>121,307,142</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
Due to banks and other financial institutions		13,237,784	10,509,073
Customers' deposits		80,501,769	92,743,453
Other liabilities		2,489,474	3,508,318
Debt securities in issue		1,687,500	1,875,000
<b>Total liabilities</b>		<b>97,916,527</b>	<b>108,635,844</b>
<b>Shareholders' equity</b>			
Share capital	9	6,500,000	6,500,000
Statutory reserve		4,390,000	4,390,000
Other reserves		(234,441)	(85,782)
Retained earnings		3,291,275	1,217,080
Proposed Dividend		-	650,000
<b>Total shareholders' equity</b>		<b>13,946,834</b>	<b>12,671,298</b>
<b>Total liabilities and shareholders' equity</b>		<b>111,863,361</b>	<b>121,307,142</b>

The accompanying notes 1 to 10 form an integral part of these interim condensed consolidated financial statements.

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**CONSOLIDATED STATEMENT OF INCOME**  
**(Unaudited)**

	<u>For the three months ended</u>		<u>For the nine months ended</u>	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
<i>Note</i>	<u>SAR'000</u>	<u>SAR'000</u>	<u>SAR'000</u>	<u>SAR'000</u>
Special commission income	<b>965,529</b>	1,399,693	<b>3,324,958</b>	4,113,520
Special commission expense	<b>127,221</b>	574,268	<b>680,463</b>	1,557,887
<b>Net special commission income</b>	<b>838,308</b>	825,425	<b>2,644,495</b>	2,555,633
Fees from banking services, net	<b>123,494</b>	266,684	<b>443,771</b>	667,152
Exchange income, net	<b>63,260</b>	68,465	<b>182,782</b>	188,318
Income (loss) from FVIS financial instruments, net	<b>6,894</b>	(777)	<b>(8,737)</b>	(13,528)
Trading income, net	<b>(194)</b>	11,020	<b>8,087</b>	12,615
Gains (losses) and impairment of non - trading investments, net	<b>16,248</b>	(183,934)	<b>37,840</b>	(286,856)
Dividend income	<b>4,473</b>	2,084	<b>12,685</b>	4,092
Other operating income	<b>14,843</b>	53,856	<b>115,188</b>	140,142
<b>Total operating income</b>	<b>1,067,326</b>	1,042,823	<b>3,436,111</b>	3,267,568
Salaries and employee related expenses	<b>224,489</b>	232,402	<b>695,931</b>	677,913
Rent and premises related expenses	<b>30,206</b>	31,745	<b>89,557</b>	91,175
Depreciation and amortization	<b>48,700</b>	40,664	<b>140,075</b>	113,923
Other general and administrative expenses	<b>79,816</b>	101,123	<b>255,861</b>	285,199
Provision for credit losses, net	<b>51,188</b>	9,168	<b>179,805</b>	47,290
<b>Total operating expenses</b>	<b>434,399</b>	415,102	<b>1,361,229</b>	1,215,500
<b>Net operating income</b>	<b>632,927</b>	627,721	<b>2,074,882</b>	2,052,068
Share in profit (loss) of an associate	567	-	(687)	-
<b>Net income for the period</b>	<b>633,494</b>	627,721	<b>2,074,195</b>	2,052,068
<b>Basic and fully diluted earnings (in SAR per share)</b>	9 <b>0.97</b>	0.97	<b>3.19</b>	3.16

The accompanying notes 1 to 10 form an integral part of these interim condensed consolidated financial statements.

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**(Unaudited)**

	<u>For the three months ended</u>		<u>For the nine months ended</u>	
	<u>Sept 30, 2009</u>	Sept 30, 2008	<u>Sept 30, 2009</u>	Sept 30, 2008
	<u>SAR, 000</u>	<u>SAR, 000</u>	<u>SAR, 000</u>	<u>SAR, 000</u>
<b>Net income for the period</b>	<b><u>633,494</u></b>	<u>627,721</u>	<b><u>2,074,195</u></b>	<u>2,052,068</u>
<b>Other comprehensive income:</b>				
Net changes on available for sale financial assets	<b>140,775</b>	(159,477)	<b>35,273</b>	(247,826)
Net changes on cash flow hedges	<b>(2,805)</b>	3,664	<b>(119,165)</b>	(5,742)
<b>Total comprehensive income for the period</b>	<b><u>771,464</u></b>	<u>471,908</u>	<b><u>1,990,303</u></b>	<u>1,798,500</u>

The accompanying notes 1 to 10 form an integral part of these interim condensed consolidated financial statements.

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**For the nine months ended September 30, 2009 and 2008**  
**(Unaudited)**

	Note	Share capital SAR' 000	Statutory reserve SAR' 000	General reserve SAR' 000	Other reserves SAR' 000	Retained earnings SAR' 000	Proposed dividend SAR'000	Total SAR' 000
<b>2009</b>								
Balance at beginning of the period		6,500,000	4,390,000	-	(85,782)	1,217,080	650,000	12,671,298
Net changes in fair values of cash flow hedges					(119,165)	-	-	(119,165)
Net changes in fair values of available for sale investments					35,273	-	-	35,273
Transfers to consolidated statement of income					(64,767)	-	-	(64,767)
Net expenses recognized directly in equity					(148,659)	-	-	(148,659)
Net income for the period					-	2,074,195	-	2,074,195
Total recognized income (expenses) for the period					(148,659)	2,074,195	-	1,925,536
2008 final dividend		-	-	-	-	-	(650,000)	(650,000)
<b>Balance at end of the period</b>		<b>6,500,000</b>	<b>4,390,000</b>	<b>-</b>	<b>(234,441)</b>	<b>3,291,275</b>	<b>-</b>	<b>13,946,834</b>
<b>2008</b>								
Balance at beginning of the period		4,550,000	3,766,000	1,950,000	171,618	86,979	-	10,524,597
Net changes in fair values of cash flow hedges					(5,742)	-	-	(5,742)
Net changes in fair values of available for sale investments					(247,826)	-	-	(247,826)
Transfers to statement of income					(174,673)	-	-	(174,673)
Net expenses recognized directly in equity					(428,241)	-	-	(428,241)
Net income for the period					-	2,052,068	-	2,052,068
Total recognized income (expenses) for the period					(428,241)	2,052,068	-	1,623,827
Bonus share issue	9	1,950,000	-	(1,950,000)	-	-	-	-
Balance at end of the period		6,500,000	3,766,000	-	(256,623)	2,139,047	-	12,148,424

The accompanying notes 1 to 10 form an integral part of these interim condensed consolidated financial statements.

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the nine months ended  
(Unaudited)

	Sept 30, 2009 SAR'000	Sept 30, 2008 SAR'000
<b><u>OPERATING ACTIVITIES</u></b>	<u>Note</u>	
<b>Net income for the period</b>	2,074,195	2,052,068
<b>Adjustments to reconcile net income to net cash (used in) from operating activities:</b>		
Accretion of discounts on non-trading investments, net	(128,009)	(161,654)
(Gains) losses on non-trading investments, net	(38,527)	174,673
Depreciation and amortization	140,075	113,923
Gains on disposal of property and equipment, net	(2,843)	(58,226)
Gain from early retirement of debt securities	(55,988)	-
Share in losses of an associate	687	-
Provision for credit losses, net	179,805	47,290
	<u>2,169,395</u>	<u>2,168,074</u>
<b>Net (increase) decrease in operating assets:</b>		
Statutory deposit with SAMA	(169,922)	(2,415,149)
Due from banks and other financial institutions maturing after ninety days of the acquisition date	(51,563)	308,101
Loans and advances	5,614,259	(13,507,190)
Other real estate	(368)	52,415
Other assets	(719,428)	31,571
<b>Net increase (decrease) in operating liabilities:</b>		
Due to banks and other financial institutions	2,728,711	6,331,519
Customers' deposits	(12,241,684)	14,863,995
Other liabilities	(218,514)	(523,945)
<b>Net cash (used in) from operating activities</b>	<u>(2,889,114)</u>	<u>7,309,391</u>
<b><u>INVESTING ACTIVITIES</u></b>		
Proceeds from sales of and matured non-trading investments	26,347,775	20,631,075
Purchase of non-trading investments	(21,645,913)	(21,961,396)
Investment in associate	(120,002)	-
Purchase of property and equipment	(300,980)	(273,570)
Proceeds from sale of property and equipment	8,153	66,685
<b>Net cash from (used in) investing activities</b>	<u>4,289,033</u>	<u>(1,537,206)</u>
<b><u>FINANCING ACTIVITIES</u></b>		
Term loan	-	(1,312,500)
Early retirement of debt securities	(131,512)	-
Dividends paid	(642,471)	(71,122)
<b>Net cash used in financing activities</b>	<u>(773,983)</u>	<u>(1,383,622)</u>
<b>Increase in cash and cash equivalents</b>	625,936	4,388,563
Cash and cash equivalents at the beginning of the period	<u>10,711,944</u>	<u>5,460,659</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>7</u> <u>11,337,880</u>	<u>9,849,222</u>
<b>Special commission received during the period</b>	3,666,332	4,010,999
<b>Special commission paid during the period</b>	<u>(1,132,638)</u>	<u>(2,802,156)</u>
<b><u>Supplemental non cash information</u></b>		
Net changes in fair value	<u>(83,892)</u>	<u>(253,568)</u>

The accompanying notes 1 to 10 form an integral part of these interim condensed consolidated financial statements.

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**Notes To The Interim Condensed Consolidated Financial Statements**  
**For the nine months ended September 30, 2009 and 2008**  
**(SAR'000)**

**1. General**

Arab National Bank (a Saudi Joint Stock Company, the Bank) was formed pursuant to Royal Decree No. M/38 dated Rajab 18,1399H (September 13, 1979). The Bank commenced business on February 2, 1980 by taking over the operations of Arab Bank Limited in the Kingdom of Saudi Arabia. The Bank operates under Commercial Registration No. 1010027912 dated Rabi Awal 1, 1400H (January 19, 1980) through 140 branches (2008: 125 branches) in the Kingdom of Saudi Arabia and one branch in the United Kingdom. The address of the Bank's head office is as follows:

Arab National Bank  
P.O. Box 56921  
Riyadh 11564  
Kingdom of Saudi Arabia

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

In accordance with the Capital Market Authority directives, the Bank has established a wholly owned subsidiary (Directly and indirectly) "ANB Invest", a Saudi limited liability company to takeover and manage the Bank's investment services and asset management activities related to dealing, managing, arranging, advising and custody of securities regulated by the Capital Market Authority. The subsidiary commenced its operations effective on Muharram 3, 1429H (corresponding to January 12, 2008).

**2. Basis of preparation**

These interim condensed consolidated financial statements are prepared in accordance with the accounting standards for financial institutions promulgated by the Saudi Arabian Monetary Agency (SAMA) and 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.

The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2008.

These interim condensed consolidated financial statements are expressed in Saudi Arabian Riyals (SAR) and are rounded off to the nearest thousands.

**Basis of consolidation**

The interim condensed consolidated financial statements comprise the interim financial statements of "Arab National Bank" and its subsidiary, ANB Invest collectively referred to as (the Group). The financial statements of the subsidiary are prepared for the same reporting year as that of the Bank, using consistent accounting policies. Adjustments have been made to the financial statements of the subsidiary to align them with the Bank's financial statements.

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 an ownership interest of more than one half of the voting rights.

Subsidiaries are consolidated from the date on which control is transferred to the Bank and cease 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 year, if any, are included in the consolidated statement of income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**Notes To The Interim Condensed Consolidated Financial Statements (Continued)**  
**For the nine months ended September 30, 2009 and 2008**  
**(SAR'000)**

**2. Basis of preparation (continued)**

Balances and any unrealised gains and losses arising from transactions between the Bank and its subsidiary are eliminated in preparing the interim consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**3. Accounting policies**

The accounting policies adopted are consistent with those followed in the preparation of the Bank's annual financial statements for the year ended December 31, 2008.

**4. Investments, net**

Investment securities are classified as follows:

	<b>September 30, 2009 (Unaudited)</b>	December 31, 2008 (Audited)	September 30, 2008 (Unaudited)
Held at fair value through income statement (FVIS)	<b>230,430</b>	349,952	778,980
Available for sale	<b>16,177,561</b>	9,714,254	4,300,438
Held to maturity	<b>423,101</b>	3,417,895	6,391,232
Other investments held at amortized cost, net	<b>6,844,960</b>	14,745,695	10,385,823
<b>Total</b>	<b>23,676,052</b>	28,227,796	21,856,473

**5. Derivatives**

The table below sets out the positive and negative fair values of derivative financial instruments, 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 to market risk.

	<b>September 30, 2009 (Unaudited)</b>			<b>December 31, 2008 (Audited)</b>			<b>September 30, 2008 (Unaudited)</b>		
	<b>Positive fair value</b>	<b>Negative fair value</b>	<b>Notional amount</b>	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional Amount
<b>Derivatives held for trading:</b>									
Commission rate swaps	<b>213,720</b>	<b>195,970</b>	<b>12,385,905</b>	227,232	212,671	10,774,222	146,516	127,405	11,688,458
Forward foreign exchange contracts	<b>143,244</b>	<b>118,019</b>	<b>9,732,252</b>	753,513	694,110	29,844,601	392,722	342,173	23,460,972
Currency options	<b>12,563</b>	<b>11,107</b>	<b>392,506</b>	15,612	14,096	505,838	1,823	2,079	223,583
<b>Derivatives held as fair value hedges:</b>									
Commission rate swaps	-	<b>171,359</b>	<b>2,966,421</b>	853	251,539	8,499,718	63,931	69,132	7,290,788
<b>Derivatives held as cash flow hedges:</b>									
Commission rate swaps	<b>7,375</b>	-	<b>690,000</b>	126,540	-	1,748,000	11,784	6,780	1,577,000
<b>Total</b>	<b>376,902</b>	<b>496,455</b>	<b>26,167,084</b>	1,123,750	1,172,416	51,372,379	616,776	547,569	44,240,801



**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**Notes To The Interim Condensed Consolidated Financial Statements (continued)**  
**For the nine months ended September 30, 2009 and 2008**  
**(SAR'000)**

**6. Credit related commitments and contingencies**

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

	<b>September 30, 2009 (Unaudited)</b>	December 31, 2008 (Audited)	September 30, 2008 (Unaudited)
Letters of credit	<b>4,375,126</b>	4,302,906	6,696,305
Letters of guarantee	<b>14,829,804</b>	14,869,102	15,609,168
Acceptances	<b>1,425,832</b>	2,236,259	2,616,712
Irrevocable commitments to extend credit	<b>2,371,766</b>	2,796,315	1,619,590
Other	<b>291,270</b>	320,636	347,405
<b>Total</b>	<b>23,293,798</b>	24,525,218	26,889,180

**7. Cash and cash equivalents**

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

	<b>September 30, 2009 (Unaudited)</b>	December 31, 2008 (Audited)	September 30, 2008 (Unaudited)
Cash and balances with SAMA excluding statutory deposit	<b>7,653,608</b>	8,152,048	5,138,585
Due from banks and other financial institutions maturing within ninety days of the acquisition date	<b>3,684,272</b>	2,559,896	4,710,637
<b>Total</b>	<b>11,337,880</b>	10,711,944	9,849,222

**8. Business segments**

The Group's primary business is conducted in the Kingdom of Saudi Arabia with one international branch located in London, UK (the "branch"). However, the total assets, liabilities, commitments and results of operations of the branch are not material to the Group's overall interim consolidated financial statements.

Transactions between the business segments are reported as recorded in the Bank's transfer pricing system. Segment assets and liabilities comprise operating assets and liabilities, being the majority of the balances.

For management purposes the Group is organized into the following major business segments:

**Retail banking**

Deposit, credit and investment products for individuals.

**Corporate banking**

Loans, deposits and other credit products for corporate and institutional customers, small to medium sized businesses, and the Bank's London Branch.

**Treasury banking**

Manages the Bank's trading and investment portfolios and the Bank's funding, liquidity, currency and commission risks.

**Investment and brokerage services**

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

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**Notes To The Interim Condensed Consolidated Financial Statements (continued)**  
**For the nine months ended September 30, 2009 and 2008**  
**(SAR'000)**

**8. Business segments (continued)**

**Other**

Includes income on capital and unallocated costs, assets and liabilities pertaining to the Head office and other supporting departments.

The Group's total consolidated assets and liabilities as at September 30, 2009 and 2008, its total consolidated operating income, expenses and net income and other related information for the nine months periods then ended, by business segments, as reported to senior management, are as follows:

<b>September 30, 2009 (Unaudited)</b>						
	<b>Retail banking</b>	<b>Corporate banking</b>	<b>Treasury banking</b>	<b>Investment and brokerage services</b>	<b>Other</b>	<b>Total</b>
Total assets	<b>25,348,635</b>	<b>47,735,382</b>	<b>37,270,924</b>	<b>272,944</b>	<b>1,235,476</b>	<b>111,863,361</b>
Total liabilities	<b>38,179,212</b>	<b>43,611,539</b>	<b>15,452,086</b>	<b>23,274</b>	<b>650,416</b>	<b>97,916,527</b>
Total operating income	<b>1,651,140</b>	<b>928,699</b>	<b>491,592</b>	<b>98,771</b>	<b>265,909</b>	<b>3,436,111</b>
Total operating expenses	<b>877,888</b>	<b>360,865</b>	<b>59,184</b>	<b>59,436</b>	<b>3,856</b>	<b>1,361,229</b>
Share in losses of an associate	-	-	-	-	<b>687</b>	<b>687</b>
Net income for the period	<b>773,252</b>	<b>567,834</b>	<b>432,408</b>	<b>39,335</b>	<b>261,366</b>	<b>2,074,195</b>
Provision for credit losses, net	<b>(25,774)</b>	<b>200,805</b>	-	-	<b>4,774</b>	<b>179,805</b>
Impairment of other financial assets	-	-	<b>18,750</b>	-	-	<b>18,750</b>
Depreciation	<b>76,038</b>	<b>1,501</b>	<b>839</b>	<b>6,571</b>	<b>55,126</b>	<b>140,075</b>
<b>September 30, 2008 (Unaudited)</b>						
	<b>Retail banking</b>	<b>Corporate banking</b>	<b>Treasury banking</b>	<b>Investment and brokerage services</b>	<b>Other</b>	<b>Total</b>
Total assets	26,924,758	51,712,361	35,636,403	43,528	1,366,036	115,683,086
Total liabilities	35,772,136	55,758,103	11,603,562	22,438	378,423	103,534,662
Total operating income	1,919,899	774,178	49,380	146,044	378,067	3,267,568
Total operating expenses	1,002,463	64,248	65,523	77,654	5,612	1,215,500
Net income for the period	917,436	709,930	(16,143)	68,390	372,455	2,052,068
Provision for credit losses, net	142,817	(95,527)	-	-	-	47,290
Impairment of other financial assets	-	-	461,529	-	-	461,529
Depreciation	56,917	1,035	598	5,322	50,051	113,923

**ARAB NATIONAL BANK – Saudi Joint Stock Company**  
**Notes To The Interim Condensed Consolidated Financial Statements (continued)**  
**For the nine months ended September 30, 2009 and 2008**  
**(SAR'000)**

**9. Share capital and earnings per share**

At September 30, 2009, the Bank has 650 million shares issued and outstanding. Furthermore, during the period ended September 30, 2008, 195 million shares of SAR 10 each were issued after approval by the shareholders at their extraordinary general assembly meeting held on March 16, 2008.

Basic and diluted earnings per share for the periods ended September 30, 2009 and 2008 are calculated by dividing the net income for the period by 650 million shares to give a retroactive effect of the change in the number of shares as a result of the 2008 bonus share issue.

**10. Capital Adequacy**

The Group maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision and adopted by the Saudi Arabian Monetary Agency in supervising the Bank.

Capital Adequacy Ratios %				
	2009		2008	
Particulars	Total capital ratio	Tier 1 capital ratio	Total capital ratio	Tier 1 capital ratio
Top consolidated level	<b>16.67</b>	<b>12.25</b>	13.42	9.39