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Our Vision

Leading banking services sector in Yemen, and maintaining effective presence on the regional and international levels, to offer integrated Islamic banking services and activities.

Our Mission

Tadhamon International Islamic Bank, a Yemeni closed joint stock company, provides integrated banking and investment services and activities on the local and international levels through its outstanding Islamic-Sharia-compliant improved products and modes managed by highly-skilled, committed professional staff aiming at realizing the best return for shareholders and depositors and offering outstanding services to our clients and to participate in the economic and social development in the country.

Our Values

- **Trust**
Credibility, meeting obligations, safety of funds, and banking privacy.
- **Commitment**
To comply with Sharia in all dealings, and the Islamic manners and morals in conduct, fulfilling obligations, developing and updating the relevant systems and procedures, and participating in developing the community.
- **Responsibility**
Fulfilling our promises, maintaining the rights of all parties whether staff, shareholders or customers, in accordance to the values and principles regulating the relationship between those parties.
- **Transparency**
Clarity in dealing with the relevant parties, disclosing data and information, and making such information available to the relevant parties.
- **Client First**
Giving our clients the priority in positively responding to their current or future needs and desires.
- **Team Work**
Working as one team with clear objectives, specific responsibilities, delegated roles, reciprocal understanding, and coordinated relations.
- **Quality**
Improving products, offering them in the best professional way.





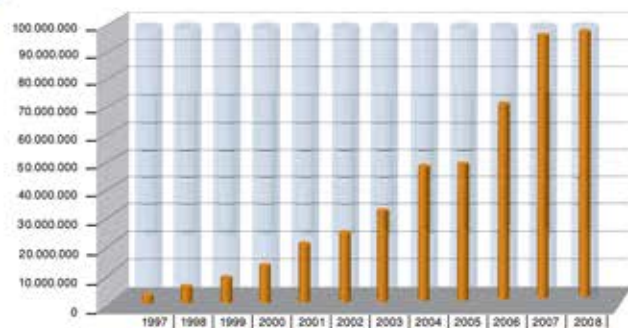
THE BOARD OF DIRECTORS MEMBERS

• Abdul-Gabbar Hayel Saeed	Chairman
• Abdul-Galeel Radman	Vice-Chairman
• Mohammed Abdu Saeed	Managing Director
• Omar Abdu Qaid	Member -Asst. Managing Director
• Mahfood Ali Mohammed Saeed	Member
• Abdullah Salem Al-Rammah	Member
• Tawfiq Abdul-Raheem Motahar	Member
• Mansoor Mohammed Al Musleh	(Qatar Islamic Bank Representative)
• Mohammed Abdullah Al-Sunaidar	Member
• Dirhim Abdu Saeed	Member

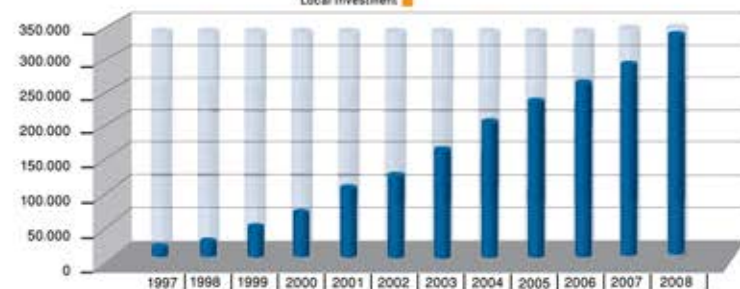


THE MANAGEMENT BOARD MEMBERS

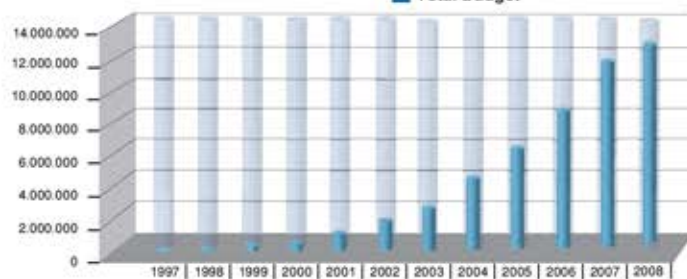
• Abdul-Gabbar Hayel Saeed	Chairman
• Abdul-Galeel Radman	Vice-Chairman
• Mohammed Abdu Saeed	Managing Director
• Omar Abdu Qaid	Member-Asst. Managing Director
• Abdullah Salem Al-Rammah	BOD Member
• Sami M.A. Saeed	Deputy General Manager
• Abdul-Rahman Al-Maktari	Asst. Gen. Manager for Investment & Banking Operations
• Zain Salem Al-Hebshi	Asst. General Manager Inter'l Relations & Banking Services
• Jaffer H. Monawer	Asst. Gen. Manager for Foreign Relations
• Dr. Abdullqawi R.M.Othman	Asse General Manager, Foreign Investment
• Fuad Q.S. Al -Aghbari	Manager of Local Investment & Credit Dept.



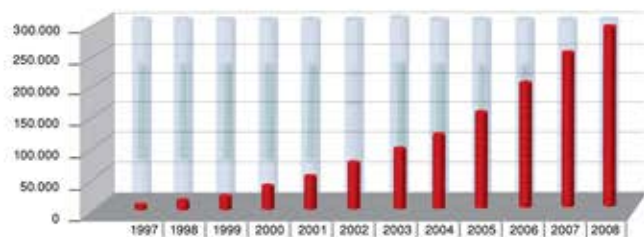
Local Investment



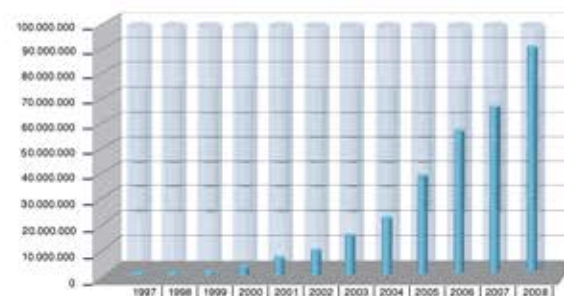
Total Budget



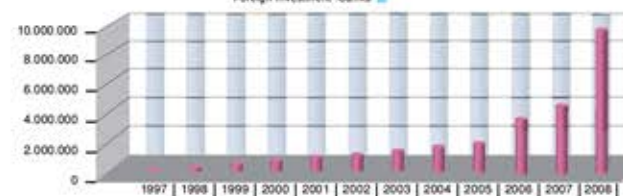
Depositors' earnings



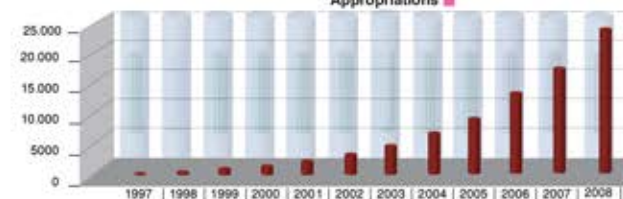
Total Holdings



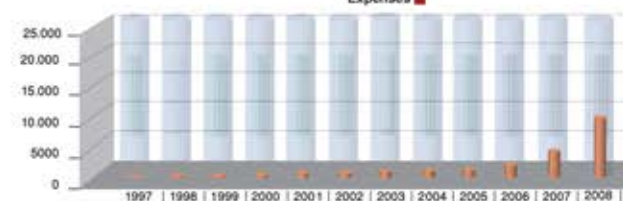
Foreign Investment - Banks



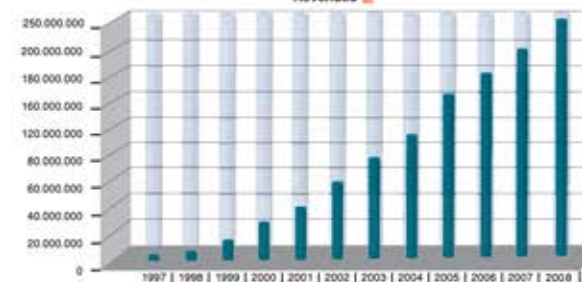
Appropriations



Expenses



Revenues



Customers' accounts



To: Chairman and Members of Board of Directors
Shareholders and Depositors

In accordance with the Articles of Association of the Bank concerning the formation of Sharia Supervisory Board and its duties and tasks in ensuring that the Bank's personnel are complying with the controls prescribed in Shariah. Sharia Supervisory Board is putting forward its report on the financial year ended 31/12/2008:

- 1- The Board held several meetings during the year to address the issues referred to the Board. The Board also issued fatwas and instructions regarding issues referred to the Board from executive departments.
- 2- The Board has monitored the compliance with Sharia principles and controls. The Board also continued its activities in the context of the bank's business in formulating and reviewing contracts and applications, answering questions of the executive departments related to transaction execution and solving some of the troubles associated with the execution of some transaction and giving prompt solutions to the new developments;
- 3- The Board has received the enquiries of the Bank's customers and conducted several lectures in some branches to educate the Bank's employees in Sharia issues;
- 4- The Board has reviewed the balance sheet and profits and loss account along with the calculation of profits for depositors and shareholders for the year 2008.

The Board concluded the following:

- 1- The Bank is in compliance with the principles and controls required in Islamic banks in general. In addition to, the transactions and contracts executed by the Bank are almost all conforming to the Islamic Sharia rules, except some discrepancies that happened in the execution of some transactions that the board instructed the executive management to correct and rectify the same.
- 2- Profits distribution and loss bearing on investment accounts are in accordance with the rules approved by Islamic Sharia.
- 3- The amounts that have been realized through resources that are not complied with Sharia rules and that have been put aside to be disbursed in charitable purposes.

Finally, the Board is appreciating the Bank's move to insure its properties with cooperative insurance window.

The Board is also thanking the sincere efforts of the Board of Directors, executive management, and the Bank personnel for their diligent cooperation with the Board. We beg Allah to bless their efforts and to grant them all success and straight-forwardness.





Independent Auditor's Report



KPMG Mejanni, Hazem Hassan & Co.
Public Accountants
150 Zubairy St.
PO Box 3501
Sana'a, Republic of Yemen

Telephone +967 (1) 401 67 /8 9
Fax +967 (1) 206 103
E-mail Kpmgyemen@kpmg.com.ye

TO THE SHAREHOLDERS OF TADHAMON INTERNATIONAL ISLAMIC BANKSANA'A, REPUBLIC OF YEMEN

Report on the Financial Statements

We have audited the accompanying financial statements of Tadhmon International Islamic Bank, which comprise the balance sheet as at December 31, 2008, the income statement, cash flow statement and changes in shareholders' equity statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Accounting Standards for Islamic Financial Institutions and prevailing local laws and regulations and also operating in accordance with Islamic Sharia'. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.



Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing, the Auditing Standards for Islamic Financial Institutions and applicable Yemeni laws and regulations. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tadhamon International Islamic Bank as at December 31, 2008, and of its financial performance and its cash flows for the year then ended in accordance with the accounting standards for Islamic Financial Institutions and prevailing local laws and regulations.

Report on Other Legal and Regulatory Requirements

We have obtained from management the information and clarifications that we deemed necessary for our audit. The Bank keeps proper books of account, and the accompanying financial statements are in agreement with these books.



BALANCE SHEET AS AT DECEMBER 31, 2008

	Note	2008 YR 000s	2007 YR 000s
Assets			
Cash on hand and reserve balances with Central Bank of Yemen (CBY)	9	37,877,673	37,573,753
Due from banks and financial institutions	10	54,587,694	26,309,080
Financing Murabaha transactions (net)	11	71,647,259	77,937,471
Financing Istisna'a transactions (net)	13	8,256,607	8,530,603
Investments in Mudaraba contracts (net)	15	23,412,838	24,161,820
Investments in Musharaka contracts (net)	17	7,156,755	5,646,913
Ijarah Muntahia Bittamleek	19	363,023	73,818
Investments in real estate	20	31,440,425	11,523,455
Usufruct	3.7	-	8,274,238
Available for sale investments	21	25,003,102	16,453,265
Investments in subsidiaries and associates	22	5,936,194	3,820,463
Restricted investments	3.11	365,995	-
Debit balances and other assets (net)	23	4,339,960	8,337,635
Property and equipment (net)	25	5,436,803	3,211,276
Total assets		275,824,328	231,853,790
Liabilities, investment accounts and shareholders' equity			
Liabilities			
Current accounts and other deposits	26	71,386,234	52,304,263
Due to banks and financial institutions	27	3,818,884	2,550,405
Credit balances of Murabaha		1,858,373	8,629,805
Credit balances and other liabilities	28	1,939,386	2,019,771
Other provisions	30	1,771,357	1,278,295
Dividends payable		1,165,506	1,165,506
Total liabilities		81,939,740	67,948,045
Unrestricted investments and saving accounts' holders	31	167,291,069	147,366,169
Restricted investments accounts		365,995	-
Capital	33	14,763,750	9,192,051
Statutory reserve	34	10,394,499	4,387,926
General reserve		1,069,000	2,958,435
Retained earnings		275	1,164
Total shareholders' equity		26,227,524	16,539,576
Total liabilities, investment accounts and shareholders' equity		275,824,328	231,853,790
Contingent liabilities and commitments (net)	35	41,865,028	65,044,930

(The accompanying notes from 1 to 52 form part of these financial statements)

Abdul-Jabbar Hayel Saeed
Chairman

Omar Abdo Kaid
Assistant Managing Director

Independent auditor's report attached
M. Zohdi Mejanni
(KPMG Mejanni, Hazem Hassan & Co.)



INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2008

	Note	2008 YR 000s	2007 YR 000s
Revenue of Murabaha and Istisna'a financing transactions	36	7,801,336	6,563,135
Revenue from other joint investments	37	13,374,028	7,509,840
		<u>21,175,364</u>	<u>14,072,975</u>
Less:			
Return on unrestricted investment and saving accounts		(12,199,933)	(10,891,616)
		8,975,431	3,181,359
Commissions, revenue and bank service charges	38	2,280,731	1,406,266
Less: Commissions expenses on bank service charges		(38,908)	(28,481)
Gains from foreign currency transactions	39	197,741	1,103,148
Losses of investments in subsidiaries and associates		(31,947)	(50,912)
Revaluation losses of available for sale investments		(1,026,413)	(182,138)
Impairment of investments in real estate		(90,148)	-
Other operating income	40	65,100	12,873
Operating profit		<u>10,331,587</u>	<u>5,442,115</u>
Less:			
Provisions	41	(5,182,321)	(471,378)
General and administrative expenses and depreciation	42	(2,604,182)	(1,865,688)
Depreciation of assets acquired for leasing		(89,084)	(177,168)
Net profit before tax		2,456,000	2,927,881
Income tax for the year		(605,182)	(768,846)
Net profit for the year		<u>1,850,818</u>	<u>2,159,035</u>
Earnings per share	43	YR 140	YR 234

(The accompanying notes from 1 to 52 form part of these financial statements)

Abdul-Jabbar Hayel Saeed
Chairman

Omar Abdo Kaid
Assistant Managing Director



CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2008

	Note	2008 YR 000s	2007 YR 000s
Cash flows from operating activities:			
Net profit before tax		2,456,000	2,927,881
Adjustments to reconcile net profit to cash flows from operating activities			
Depreciation of property and equipment	25	261,041	187,742
Depreciation of assets acquired for leasing		89,084	177,168
Provisions	41	5,182,321	471,378
Provision for end of service compensation		107,900	19,325
Income tax paid		(768,846)	(802,163)
Net losses (gains) on sale of property and equipment		602	(5,717)
Losses of investment in subsidiaries and associates		31,947	50,912
Revaluation losses of available for sale investment		1,026,413	182,138
Impairment of investments in real estate		90,148	-
Provisions used		(452,952)	(248,380)
Provisions reversed		(20,929)	-
Return of unrestricted investments and saving accounts		12,199,933	10,891,616
Operating profit before changes in assets and liabilities related to operating activities		20,202,662	13,851,900
Decrease (increase) in reserve balances with Central Bank of Yemen		1,395,411	(3,258,915)
Decrease (Increase) in debit balances and other assets		2,945,811	(6,321,033)
(Decrease) increase in credit balances and other liabilities		(6,688,153)	8,884,157
Net cash flows provided by operating activities (1)		17,855,731	13,156,109
Cash flows from investing activities:			
Decrease (increase) in financing Murabaha transactions		5,970,546	(16,905,543)
Decrease (increase) in financing Istisna'a transactions		273,305	(4,352,514)
(Increase) in investments in Mudaraba contracts		(3,259,618)	(1,376,602)
(Increase) in Ijarah Muntahia Bittamleek		(378,289)	-
(Increase) in investments in Musharaka contracts		(1,525,092)	(4,139,450)
(Increase) in investments in real estate		(20,007,118)	(6,726,259)
Decrease in usufruct		8,274,238	2,232,367
(Increase) in available for sale investments		(9,576,250)	(3,314,173)
(Increase) in investments in subsidiaries and associates		(2,147,678)	(43,669)
(Increase) decrease in deposits with financial institutions		(771,060)	5,833,789
Net payments to purchase property and equipment		(1,414,377)	(802,643)
Net cash flows (used in) investing activities (2)		(24,561,393)	(29,594,697)



CASH FLOW STATEMENT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2008

	2008 YR 000s	2007 YR 000s
Cash flows from financing activities:		
Cash increase in paid-up capital	3,273,686	90,796
Increase in share premium	5,728,950	120,217
Increase in unrestricted investment and saving accounts	18,616,583	24,766,321
Increase in current accounts and other deposits	19,081,971	6,087,128
Increase in due to banks and financial institutions	1,268,479	2,506,078
Dividends paid to depositors	(10,891,616)	(8,103,307)
Dividends paid to shareholders and Board of Directors	(1,165,506)	(804,753)
(Net cash flows provided by financing activities (3	35,912,547	24,662,480
(Net change in cash and cash equivalents (1+2+3	29,206,885	8,223,892
Cash and cash equivalents at the beginning of the year	30,353,194	22,129,302
Cash and cash equivalents at the end of the year	59,560,079	30,353,194
Cash and cash equivalents consist of:		
Cash on hand and balances at CBY, other than reserve	24,673,058	17,696,106
Due from banks and financial institutions	34,887,021	12,657,088
	59,560,079	30,353,194

(The accompanying notes from 1 to 52 form part of these financial statements)

Abdul-Jabbar Hayel Saeed
Chairman

Omar Abdo Kaid
Assistant Managing Director

Independent auditor's report attached:
M. Zohdi Mejanni
(KPMG Mejanni, Hazem Hassan & Co.)



STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2008

	Paid up Capital YR 000s	Statutory Reserve YR 000s	General Reserve YR 000s	Retained Earnings YR 000s	Total YR 000s
Balance at January 1, 2007	9,101,255	3,943,854	2,289,133	792	15,335,034
Increase in paid up capital	90,796	-	-	-	90,796
Share premium	-	120,217	-	-	120,217
Net profit for the year (after tax)	-	-	-	2,159,035	2,159,035
Transfer to statutory reserve	-	323,855	-	(323,855)	-
Transfer to general reserve	-	-	669,302	(669,302)	-
Dividends to shareholders	-	-	-	(1,149,006)	(1,149,006)
BOD remuneration	-	-	-	(16,500)	(16,500)
Balance at December 31, 2007	9,192,051	4,387,926	2,958,435	1,164	16,539,576
Transfer from general reserve	2,298,013	-	(2,298,013)	-	-
Increase in paid up capital	3,273,686	-	-	-	3,273,686
Share premium	-	5,728,950	-	-	5,728,950
Net profit for the year (after tax)	-	-	-	1,850,818	1,850,818
Transfer to statutory reserve	-	277,623	-	(277,623)	-
Transfer to general reserve (proposed)	-	-	408,578	(408,578)	-
Dividends to shareholders (proposed)	-	-	-	(1,149,006)	(1,149,006)
BOD remuneration (proposed)	-	-	-	(16,500)	(16,500)
Balance at December 31, 2008	<u>14,763,750</u>	<u>10,394,499</u>	<u>1,069,000</u>	<u>275</u>	<u>26,227,524</u>

(The accompanying notes from 1 to 52 form part of these financial statements)

Abdul-Jabbar Hayel-Saeed
Chairman

Omar Abdo Kaid
Assistant Managing Director

Independent auditor's report attached.
M. Zohdi Mejanni
(KPMG Mejanni, Hazem Hassan & Co.)



NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2008

1. BACKGROUND

Tadhamon International Islamic Bank - a Yemeni joint-stock company - was established under the name of Yemen Islamic Bank for Investment and Development in accordance with the Ministerial Decree No. (147) for the year 1995. The name of the Bank has been changed to Tadhamon Islamic Bank according to the Ministerial Decree No. (169) for the year 1996. The shareholders extra ordinary meeting decided on March 20, 2002 to change the name of the Bank to Tadhamon International Islamic Bank. The objectives of the Bank are to finance, invest, and offer banking services in accordance with Article No. (3) of the Bank's Articles of Association which states that the bank performs its activities in conformity with the precepts of Islamic Shari'a. The Bank started its activities on July 20th, 1996, through the main branch in Sana'a and expanded to (23) branches all over the Republic of Yemen.

2. PREPARATION BASIS OF THE FINANCIAL STATEMENTS

- a. The financial statements are prepared on the historical cost basis, except available-for-sale investment and financial instruments (financial assets and liabilities) held at fair value, and in accordance with Accounting Standards for Islamic Financial Institution, the requirement of the current local prevailing laws and regulations as well as rules and instructions issued by Central Bank of Yemen (CBY).

The financial statements are presented in Yemeni Rials and all values are rounded to the nearest one thousand Yemeni Rials except when otherwise is indicated.

- b. In deviation from the Accounting Standards for Islamic Financial Institutions, and to comply with the local laws and regulations issued by the CBY, the valuation differences of the available-for-sale investments are treated as stated in note 3.8.

Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience of the Bank and various other factors that are believed by the Bank to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in notes 7, 11, 13, 15, 17, 28 and 30.



3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Translation of foreign currencies

- a. The Bank maintains its accounting records in Yemeni Rial, which is the Bank's functional currency. Transactions in other currencies are recorded during the financial year at the prevailing exchange rates at the date of transaction. Balances of monetary assets and liabilities in other currencies at the end of the financial year are translated at the prevailing exchange rates on that date. Gains or losses resulting from translation are taken to the income statement.
- b. The Bank does not engage in forward contracts to meet its obligations in foreign currencies, nor does it engage in foreign exchange contracts to cover the risk of settlement of future liabilities in foreign currencies.

3.2 Revenue recognition

a. Financing Murabaha and Istisna'a transactions

1. Profits on Murabaha and Istisna'a contracts are recorded on the accrual basis as all profits at the completion of Murabaha contract are recorded as deferred revenues and taken to the income statement, depending on the finance percentage, using the straight line method over the term of contract.
2. In order to comply with the requirements of CBY, the Bank does not accrue the profits relating to non-performing debts.

b. Investments in Mudaraba and Musharaka contracts

1. Profits on investments in Mudaraba and Musharaka contracts, which initiate and terminate during the financial year, are recorded in the statement of income.
2. Profits on investments in Mudaraba and Musharaka contracts, which last for more than one financial year, are recorded, based on cash profits distributed on these transactions during the year.

c. Ijarah and Ijarah Muntahia Bittamleek

The Ijarah and Ijarah Muntahia Bittamleek revenues are recorded over the term of the lease contract.

d. Available for sale investments

Revenues of available for sale investments are recorded based on the cash dividends received on these investments during the year

e. Investments in subsidiaries and associates

Revenues of investments in subsidiaries and associates are recorded when the financial statements of these companies are approved (see Note No. 3.9).



3.3 Valuation of Murabaha and Istisna'a financing transactions

- a. Debts relating to financing Murabaha and Istisna'a transactions, whether short or long-term, are recorded at cost in addition to agreed upon profits stated in Murabaha and Istisna'a contracts.

In order to comply with the requirements of CBY, provision is provided for specific debts and contingent liabilities, in addition to a percentage for general risk calculated on the total of other debts and contingent liabilities after deducting balances secured by deposits and banks' guarantees issued by foreign worthy banks. Provision is determined based on periodical comprehensive reviews of the portfolio and contingent liabilities and made in accordance with the following minimum rates:

<u>Performing debts including watch list</u>	1%
<u>Non-performing debts:</u>	
Substandard debts	15%
Doubtful debts	45%
Bad debts	100%

- b. Debts relating to financing Murabaha and Istisna'a transactions are written off if procedures taken toward their collection prove useless, or if directed by CBY examiners upon review of the portfolio. Proceeds from debts previously written off in prior years are credited to the provision.
- c. Debts relating to financing Murabaha and Istisna'a transactions, whether short or long term, are presented on the balance sheet net of related provisions (non performing debts provision and general risk provision on performing debts), and deferred revenues.

3.4 Valuation of investments in Mudaraba and Musharaka contracts

- a. Investments in Mudaraba and Musharaka contracts are recorded on the basis of the amount paid to the capital of Mudaraba or Musharaka. Investments in in-kind Mudaraba and Musharaka contracts are recorded based on the agreed-upon value between the Bank and the customer or partner. Accordingly, any differences between this value and the book value are recorded as profits or losses in the income statement. In order to comply with the requirements of CBY, provision is provided for specific Mudaraba and Musharaka contracts which realized losses, in addition to a percentage for general risk calculated on the total of other Mudaraba and Musharaka contracts after deducting balances secured by deposits and banks' guarantees issued by worthy banks.

Provision is determined based on periodical comprehensive reviews of the portfolio and made in accordance with the following minimum rates:

<u>Performing debts including watch list</u>	1%
<u>Non-performing debts:</u>	
Substandard debts	15%
Doubtful debts	45%
Bad debts	100%



- b. At the end of each year, the Mudaraba and Musharaka capital is reduced by losses incurred which are charged to the income statement.
- c. Investments in Mudaraba and Musharaka contracts are presented on the balance sheet at carrying value which represents cost less recognized losses and related provisions (provision for non-performing debts and general risk provision on performing debts).

3.5 Ijarah and Ijarah Muntahia Bittamleek

- a. Assets acquired for Ijarah and Ijarah Muntahia Bittamleek are recorded at historical cost less accumulated depreciation and impairment losses. They are depreciated, except for land, over the Ijarah term.
- b. At the end of the Ijarah term, title of leased assets passes to the lessee, provided that all Ijarah installments are settled by the lessee.

3.6 Valuation of investments in real estate

Investments in real estate purchased by the Bank for trading purposes are recorded at historical cost at the financial statements date less impairment losses, if any, according to CBY instructions.

3.7 Usufruct

Usufruct is recorded at acquisition cost less accumulated depreciation and impairment losses, if any, and depreciated over the usufruct contract term.

3.8 Valuation of available for sale investments

Available for sale investments are recorded at acquisition cost. At the financial statements date, they are individually valued at fair value. Valuation differences are charged to the income statement in accordance with CBY instructions.

In case that reliable estimate of the fair value of these investments can not be obtained, due to lack of either quoted market prices or tangible stability in its prices, they are recorded at cost.

3.9 Valuation of investments in subsidiaries and associates

Investments in subsidiaries which the Bank has control over or associates which the Bank has significant influence over are recorded at acquisition cost. At the financial statements date, these investments are adjusted according to the Bank's share in the equity of subsidiaries and associates based on the approved financial statements of these companies. This adjustment is taken to the income statement. In case the financial statements of these companies can not be obtained, they are recorded at cost.

3.10 Valuation of assets for which titles have been transferred to the Bank as a repayment of debts

Assets for which titles have been transferred to the Bank are recorded in the balance sheet under "Debit balances and other assets" at the values carried by the Bank less any impairment in its value at the financial statements' date. This impairment is charged to the income statement.



3.11 Valuation of restricted investments

Murabaha transactions financed by restricted investment accounts are recorded on the same valuation basis mentioned above (Note nos. 3.3 and 3.4) with related profits (losses) and provisions taken to restricted investment accounts net of the Bank's share for managing these investments.

3.12 Contingent liabilities and commitments

Contingent liabilities and commitments, in which the Bank is a party, are presented off balance sheet, net of margin held from customers, under "contingent liabilities and commitments" as they do not represent actual assets or liabilities at the balance sheet date.

3.13 Cash and cash equivalents

For the purpose of preparing the cash flow statement, cash and cash equivalents consist of cash on hand, cash balances with CBY, other than reserve balances, and demand deposits with other banks.

3.14 Property, equipment and depreciation

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation of fixed assets is charged to the income statement on the straight-line method over the estimated useful lives of these assets which are as follows:

Estimated Useful Lives

Buildings	40 years
Machinery & equipment	10 years
Motor vehicles	5 years
Furniture and fixtures	5 - 40 years
Computer equipment	5 years

3.15 Impairment of assets

The Bank reviews the carrying amounts of the assets, according to its materiality, at the balance sheet date to determine whether there is any indication of impairment. If such indication exists, the assets' recoverable amount is estimated and compared with the carrying amount and any excess in the carrying amount is charged to the statement of income.

Any increase in the value of the assets is also recognized in the statement of income provided that the increase does not exceed the original recoverable value of the asset before impairment.

3.16 End of service bonus

End of service bonus for uninsured Bank employees is calculated at 9% of last comprehensive wage for each complete month of service. The accrued bonus is included in other provisions.



3.17 Taxation

- a. Corporate tax is calculated in accordance with the prevailing laws and regulations in the Republic of Yemen.
- b. Provision for tax liabilities is made after studying the tax assessments. Due to the characteristics of the tax accounting in Yemen, provision for tax liabilities relating to deferred taxes is formed. In case of deferred tax assets, these assets are not certain to be realized in the near future. Accordingly, such assets are not recorded.

3.18 Prohibited revenues

Revenues prohibited by Islamic Sharia', which are represented mainly in CBY interest, are recorded in a separate account under "Credit balances and other liabilities" in the balance sheet. They are utilized in the areas approved by the Bank's Sharia' Board.

4. SUPERVISION OF CENTRAL BANK OF YEMEN

The Bank's activities are subject to the supervision of CBY in accordance with the prevailing banking laws and regulations in the Republic of Yemen and those relating to Islamic banks.

5. SHARIA' BOARD

The Bank's activities are subject to the supervision of the Sharia' Board which consists of 3 members appointed by the Bank's General Assembly to monitor the Bank's activities according to the Islamic Sharia' rules.

6. ZAKAT

Zakat is computed according to the directions of the Sharia' Board of the Bank and collected from the shareholders on behalf of the relevant government authority. The amount collected is remitted to this authority, which decides on the allocation of the Zakat.

7. FINANCIAL INSTRUMENTS AND MANAGING THEIR RELATED RISKS

7.1 Financial instruments

- a. The Bank's financial instruments consist of financial assets and liabilities. Financial assets include cash balances, current accounts, deposits with banks and financing of Murabaha, Istisna'a, Mudaraba and Musharaka transactions and related debts, investment property, usufruct, Ijarah Muntahia Bittamleek, available for sale investments and investments in subsidiaries and associates. Financial liabilities include current and saving accounts, due to banks and investment accounts. Also, financial instruments include rights and obligations stated in contingent liabilities and commitments.

Note (3) to the financial statements includes significant accounting policies applied for recording and measuring significant financial instruments and their related revenues and expenses.



b. Fair value of financial instruments

The fair value of financial assets traded in organized financial markets is determined by reference to quoted market bid prices on a regulated exchange at the close of business on the balance sheet date. For financial assets where there is no quoted market price, a reasonable estimate of fair value is determined by reference to the current market value of another instrument which is substantially the same. Where it is not possible to arrive at a reliable estimate of the fair value, the financial assets are carried at cost.

7.2 Risk management of financial instruments

Risk is inherent in the Bank's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

Monitoring and controlling risks is primarily performed based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept, with additional emphasis on selected industries.

Information compiled from all businesses is examined and processed in order to analyze, control and identify early risks. This information is presented and explained to the Board of Directors (ultimately responsible for identifying and controlling risks), the risk committee, and the head of each business division.

The Bank is exposed to credit risk, liquidity risk, interest rate risk, currency risk, operating risk and other risks.

a. Credit risk

Financing of Murabaha, Istisna'a, Mudaraba, Musharaka transactions and Ijarah Muntahia Bittamleek and their related debts, current accounts, deposits with banks and financial investments and rights and obligations from others are considered financial assets exposed to credit risk. Credit risk represents the inability of these parties to meet their obligations when they fall due. In order to comply with CBY circular No. 10 of 1997 regarding the credit risk exposure, the Bank adheres to certain minimum standards in order to properly manage its credit risk such as:

- Preparing credit studies on customers and banks before dealing with them and determining their related credit risk rating.
- Obtaining sufficient collaterals to minimize the credit risk exposure which may result in cases of insolvency of customers and banks.
- Following up and periodical reviews of customers and banks in order to evaluate their financial positions, credit rating and the required provision for non-performing debts.
- Distributing credit portfolio and investments over diversified sectors to minimize concentration of credit risk.



The table below shows the maximum exposure to credit risk for the components of the balance sheet. The maximum exposure is shown gross, before the effect of mitigation by the use of collateral agreements:

	2008 YR 000s	2007 YR 000s
Cash on hand and reserve balances with Central Bank of Yemen (CBY)	26,599,850	27,995,261
Due from banks and financial institutions	54,587,694	26,309,080
Financing Murabaha transactions (net)	71,647,259	77,937,471
Financing Istisna'a transactions (net)	8,256,607	8,530,603
Investments in Mudaraba contracts (net)	23,412,838	24,161,820
Investments in Musharaka contracts (net)	7,156,755	5,646,913
Ijarah Muntahia Bittamleek	363,023	73,818
Investments in real estate	31,440,425	11,523,455
Usufruct	-	8,274,238
Available for sale investments	25,003,102	16,453,265
Investments in subsidiaries and associates	5,936,194	3,820,463
Restricted investments	365,995	-
Debit balances and other assets (net)	<u>4,339,960</u>	<u>8,337,635</u>
	259,109,702	219,064,022
Contingent liabilities and commitments	<u>46,477,588</u>	<u>70,608,644</u>
Total credit exposure	<u>305,587,290</u>	<u>289,672,666</u>

The Bank manages concentration of risk by distributing the portfolio and contingent liabilities and commitments over diversified economic sectors and geographical locations. Note no. 45 shows the distribution of financial instruments over different economic sectors and Note no. 46 shows the distribution of financial instruments based on geographical locations.

b. Liquidity risk

Liquidity risk is the risk that the Bank will be unable to meet its obligations when they fall due and other risks related to sufficient liquidity without incurring losses on timely basis. To limit this risk, the Bank's management in addition to its core deposit base, manages assets with liquidity in mind and monitors future cash flows and liquidity on a daily basis and has arranged diversified funding sources.



The table below shows the maturity analysis for financial liabilities that shows the remaining contractual maturities:

	2008				
	Less than 3 months YR 000s	From 3 to 6 months YR 000s	From 6 months to 1 year YR 000s	Over 1 year YR 000s	Total YR 000s
<u>Liabilities</u>					
Due to banks and financial institutions	3,140,884	678,000	-	-	3,818,884
Current accounts and other deposits	25,094,620	21,704,420	15,407,710	9,179,484	71,386,234
Unrestricted investment and saving account's holders	27,264,136	40,295,608	38,852,978	60,878,347	167,291,069
Restricted investments	-	-	365,995	-	365,995
Income tax for the year	-	605,182	-	-	605,182
Total liabilities	55,499,640	63,283,210	54,626,683	70,057,831	243,467,364

	2007				
	Less than 3 months YR 000s	From 3 to 6 months YR 000s	From 6 months to 1 year YR 000s	Over 1 year YR 000s	Total YR 000s
<u>Liabilities</u>					
Due to banks and financial institutions	2,345,807	204,598	-	-	2,550,405
Current accounts and other deposits	21,003,243	14,428,137	11,942,930	4,929,953	52,304,263
Unrestricted investment and saving account's holders	26,432,135	39,508,632	34,612,490	46,812,912	147,366,169
Income tax for the year	768,846	-	-	-	768,846
Total liabilities	50,550,031	54,141,367	46,555,420	51,742,865	202,989,683

In addition to the above, Note no. 44 shows the maturity analysis of assets and liabilities and the net gap between them.

c. Return rate risk

Return due on unrestricted investment and saving accounts is determined on the basis of Mudaraba contract, which determines profit (loss) sharing basis during the period. Accordingly, any change in the profitability level will determine the return ratio that the bank could pay to unrestricted investment and saving accounts holders. Therefore, the bank is not exposed, directly, to the risk of change in return rate.

Note no. 32 shows the average allocation of investment and saving accounts return rate during the year compared with the last year.



d. Exchange rate risk

Due to the nature of the Bank's activity, the Bank deals in different foreign currencies, hence it is exposed to exchange rate risk. In order to minimize the exposure to exchange rate risk, the Bank is trying to maintain a balanced foreign currencies position in compliance with CBY instructions and the requirements of CBY circular No. 6 of 1998 which specifies that individual foreign currency positions should not exceed 15% of the Bank's capital and reserves, and that the aggregate open position for all foreign currencies should not exceed 25% of the Bank's capital and reserves.

In order to comply with CBY circular no. 6 of 1998 the Bank regulatory monitors its foreign currency positions and sells the excess funds in foreign currencies at the prevailing exchange rates at the date of transaction.

The table below shows the Bank's significant net exposures to foreign currencies:

	2008						
	US Dollars YR 000s	EURO YR 000s	Saudi Rial YR 000s	Sterling Pound YR 000s	UAE Dirham YR 000s	Japanese Yen YR 000s	Total YR 000s
Assets	97,550,190	3,556,244	19,212,590	1,119,502	2,791,930	62,569	124,293,025
Liabilities	(100,062,074)	(2,092,260)	(15,331,047)	(121,066)	(93,544)	(33,021)	(117,733,012)
Net currency position	(2,511,884)	1,463,984	3,881,543	998,436	2,698,386	29,548	6,560,013

	2007						
	US Dollars YR 000s	EURO YR 000s	Saudi Rial YR 000s	Sterling Pound YR 000s	UAE Dirham YR 000s	Japanese Yen YR 000s	Total YR 000s
Assets	98,297,456	4,160,858	20,518,348	1,490,040	1,376,823	25,695	125,869,220
Liabilities	(100,192,066)	(3,261,501)	(19,059,342)	(318,247)	(2,719)	(77,982)	(122,911,857)
Net currency position	(1,894,610)	899,357	1,459,006	1,171,793	1,374,104	(52,287)	2,957,363

Note 47 to the financial statements indicates the significant foreign currencies' positions at the balance sheet date compared with the last year.



e. Operational risk

Operational risk is the risk of direct or indirect loss due to an event or action causing failure of technology, process or personnel. The Bank seeks to minimize actual or potential losses from operational risks failure through a framework of policies and procedures that identify, assess, control, manage and report those risks. Controls include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment processes.

f. Other risks

Other risks to which the Bank is exposed are regulatory risk, legal risk, and reputational risk. Regulatory risk is controlled through a framework of compliance policies and procedures. Legal risk is managed through the effective implementation of the advice of internal and external legal advisers. Reputational risk is controlled through the regular examination of issues that are considered to have reputational repercussions for the Bank, with guidelines and policies being issued as appropriate.

8. CAPITAL MANAGEMENT

The primary objectives of the Bank's capital management are to ensure that the Bank complies with capital requirements which issued by Central Bank of Yemen (CBY) and Basel Accords and that the Bank maintains strong credit ratings and excellently capital ratios. The capital adequacy are monitored on a quarterly basis by the management of the Bank employing techniques based on the guidelines as implemented by the Central Bank of Yemen for supervisory purposes. The required information is filed with the Central Bank of Yemen on a quarterly basis, in order to comply with the requirement of CBY circular no. (2) of 1997.

The Central Bank of Yemen requires each bank in Yemen to maintain a minimum ratio of total capital to the risk-weighted assets at or above the internationally agreed minimum of 8%. In addition, the Bank is required to maintain a minimum ratio of total capital to the customer deposits at or above 5%.

The capital adequacy ratio calculated in accordance with the guidelines of the Central Bank of Yemen compares between the Bank core and supplementary capital with risk weighted total assets and liabilities at the balance sheet date, is as follows:

	2008 YR Million	2007 YR Million
Core capital	26,127	16,440
Supplementary capital	<u>1,839</u>	<u>1,780</u>
Total capital	<u>27,966</u>	<u>18,220</u>
<u>Risk-weighted assets and liabilities:</u>		
Total assets	147,132	131,189
Contingent liabilities and commitments	<u>25,870</u>	<u>27,627</u>
Total risk-weighted assets and liabilities	<u>173,002</u>	<u>158,816</u>
Capital adequacy ratio	<u>16.2%</u>	<u>11.5%</u>

The core capital consists of paid-up capital, reserves and retained earnings (after deducting investment in any local bank or financial company) while supplementary capital consists of general provisions on performing and sub-standard debts.



9. CASH ON HAND AND RESERVE BALANCES WITH CENTRAL BANK

	2008 YR 000s	2007 YR 000s
Cash on hand and ATM machines – local currency	3,498,660	4,511,116
Cash on hand and ATM machines – foreign currency	<u>7,779,163</u>	<u>5,067,376</u>
	<u>11,277,823</u>	<u>9,578,492</u>
Reserve balances at CBY – local currency	7,910,977	9,210,197
Reserve balances at CBY – foreign currency	<u>18,688,873</u>	<u>18,785,064</u>
	<u>26,599,850</u>	<u>27,995,261</u>
	<u>37,877,673</u>	<u>37,573,753</u>

The reserve balances with Central Bank of Yemen represent the minimum reserve requirements against customers' accounts in Yemeni Rial of 7% (10% in 2007) and foreign currencies of 20% (20% in 2007). These funds are not available for the Bank's daily business.

10. DUE FROM BANKS AND FINANCIAL INSTITUTIONS

	2008 YR'000's	2007 YR'000's
<u>Central Bank of Yemen</u>		
Current accounts – local currency	7,373,714	7,730,039
Current accounts – foreign currency	<u>6,021,521</u>	<u>387,575</u>
	<u>13,395,235</u>	<u>8,117,614</u>
<u>Foreign banks</u>		
Current accounts	34,887,021	12,657,088
Deposits with Islamic financial institutions	<u>6,305,438</u>	<u>5,534,378</u>
	<u>41,192,459</u>	<u>18,191,466</u>
	<u>54,587,694</u>	<u>26,309,080</u>



11. FINANCING MURABAHA TRANSACTIONS (NET)

	Note	2008 YR 000s	2007 YR 000s
Financing Murabaha transactions – local		75,532,888	77,863,667
Financing Murabaha transactions – foreign		<u>727,882</u>	<u>4,731,351</u>
		76,260,770	82,595,018
Less: Murabaha transactions provision	12	(2,057,442)	(1,737,776)
Less: Deferred revenues		<u>(2,556,069)</u>	<u>(2,919,771)</u>
		<u>71,647,259</u>	<u>77,937,471</u>

Non-performing financing Murabaha transactions amounted to YR 2,132,214 thousand at 31/12/2008 (YR 1,064,318 thousand at 31/12/2007). The break up of the above amount is as follows:

	2008 YR 000s	2007 YR 000s
Substandard debts	191,819	71,898
Doubtful debts	1,140,820	92,955
Bad debts	<u>799,575</u>	<u>899,465</u>
	<u>2,132,214</u>	<u>1,064,318</u>

12. MURABAHA TRANSACTIONS PROVISION (PERFORMING & NON-PERFORMING)

	2008			2007		
	Specific YR 000s	General YR 000s	Total YR 000s	Specific YR 000s	General YR 000s	Total YR 000s
Balance at beginning of the year	952,079	785,697	1,737,776	1,038,316	602,947	1,641,263
Provided during the year (income statement)	319,666	-	319,666	-	7,074	7,074
Transfer from general to specific provision	69,972	(69,972)	-	-	-	-
Transfer from specific to general provision	-	-	-	(86,237)	86,237	-
Transfer from other provisions	-	-	-	-	89,439	89,439
Balance at end of the year	<u>1,341,717</u>	<u>715,725</u>	<u>2,057,442</u>	<u>952,079</u>	<u>785,697</u>	<u>1,737,776</u>



13. FINANCING ISTISNA'A TRANSACTIONS (NET)

	Note	2008 YR 000s	2007 YR 000s
Financing Istisna'a transactions		8,752,299	9,086,514
Less: Istisna'a transactions provision	14	(86,859)	(86,168)
Less: Deferred revenues		(408,833)	(469,743)
		<u>8,256,607</u>	<u>8,530,603</u>

Non-performing financing Istisna'a transactions which were classified as bad debts amount to YR 3,459 thousand at 31/12/2008 (Nil at 31/12/2007).

14. ISTISNA'A TRANSACTIONS PROVISION (PERFORMING)

	2008			2007		
	Specific YR 000s	General YR 000s	Total YR 000s	Specific YR 000s	General YR 000s	Total YR 000s
Balance at beginning of the year	-	86,168	86,168	-	42,643	42,643
Provided during the year (income statement)	691	-	691	-	-	-
Transfer from general to specific provision	2,768	(2,768)	-	-	-	-
Provided during the year from credit balances	-	-	-	-	43,525	43,525
Balance at end of the year	<u>3,459</u>	<u>83,400</u>	<u>86,859</u>	<u>-</u>	<u>86,168</u>	<u>86,168</u>

15. INVESTMENTS IN MUDARABA CONTRACTS (NET)

	Note	2008 YR 000s	2007 YR 000s
Investments in Mudaraba contracts - foreign		26,918,230	24,985,594
Investments in Mudaraba contracts - local		1,371,982	45,000
		<u>28,290,212</u>	<u>25,030,594</u>
Less: Mudaraba contracts provision	16	(4,877,374)	(868,774)
		<u>23,412,838</u>	<u>24,161,820</u>

Non-performing Mudaraba contracts, which are classified as bad debts, amount to YR 4,640,881 thousand at 31/12/2008 (YR 624,715 thousand at 31/12/2007).



16. MUDARABA CONTRACTS PROVISION (PERFORMING & NON-PERFORMING)

	2008			2007		
	Specific YR 000s	General YR 000s	Total YR 000s	Specific YR 000s	General YR 000s	Total YR 000s
Balance at beginning of the year	624,715	244,059	868,774	-	233,928	233,928
Provided during the year from income statement	4,008,600	-	4,008,600	22,266	10,131	32,397
Transfer from general to specific provision	7,566	(7,566)	-	-	-	-
Provided during the year from credit balances	-	-	-	602,449	-	602,449
Balance at end of the year	<u>4,640,881</u>	<u>236,493</u>	<u>4,877,374</u>	<u>624,715</u>	<u>244,059</u>	<u>868,774</u>

17. INVESTMENTS IN MUSHARAKA CONTRACTS (NET)

	Note	2008 YR 000s	2007 YR 000s
Investments in Musharka contracts - foreign		7,169,021	5,717,147
Investments in Musharka contracts - local		<u>60,024</u>	<u>-</u>
		7,229,045	5,717,147
Less: Musharaka investments provision	18	(72,290)	(57,040)
Less: Deferred revenues		<u>-</u>	<u>(13,194)</u>
		<u>7,156,755</u>	<u>5,646,913</u>

18. INVESTMENTS IN MUSHARAKA CONTRACTS PROVISION (PERFORMING AND NON PERFORMING)

	2008			2007		
	Specific YR 000s	General YR 000s	Total YR 000s	Specific YR 000s	General YR 000s	Total YR 000s
Balance at beginning of the year	-	57,040	57,040	2,400	15,621	18,021
Provided during the year from incomestatement	-	15,250	15,250	-	-	-
Transfer from specific to general	-	-	-	(2,400)	2,400	-
Provided during the year from credit balances	-	-	-	-	39,019	39,019
Balance at end of the year	<u>-</u>	<u>72,290</u>	<u>72,290</u>	<u>-</u>	<u>57,040</u>	<u>57,040</u>



19. IJARAH MUNTAHIA BITTAMLEEK

	2008 YR 000s	2007 YR 000s
Total cost	378,289	669,024
Less: accumulated depreciation	(15,266)	(595,206)
Net book value	<u>363,023</u>	<u>73,818</u>

The cost as at 31/12/2008 represents 124 cars leased to various entities according to Ijarah Muntahia Bittamleek contracts that end in 2011. The cost as at 31/12/2007 represents two FOCRZ50 planes and plane engines leased to Motive Force Co. in Sudan according to a Ijarah Muntahia Bittamleek contract which was settled during 2008.

20. INVESTMENTS IN REAL ESTATE

	2008 YR 000s	2007 YR 000s
Investments in real estate - local	8,271,284	6,580,338
Investments in real estate - foreign	<u>23,259,289</u>	<u>4,943,117</u>
	31,530,573	11,523,455
Less: impairment of investments in real estate	(90,148)	-
	<u>31,440,425</u>	<u>11,523,455</u>

The Bank is currently taking the necessary procedures to approve some of the local lands contracts with Government authorities.

21. AVAILABLE FOR SALE INVESTMENTS

	2008 YR 000s	2007 YR 000s
Available for sale investments	<u>25,003,102</u>	<u>16,453,265</u>

All available for sale investments are foreign investments.



22. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

	2008 YR 000s	Percentage of investment %	2007 YR 000s	Percentage of investment %
Tameer Yemen Company (under incorporation)	2,501,022	25.00%	2,493,897	25.00%
Al Tadhamon Capital - Bahrain	1,998,799	99.90%	-	-
National Company for Cement	951,576	6.25%	951,576	6.25%
Motive Force Co. Ltd. - Sudan	192,817	17.00%	226,198	17.00%
Al Tadhamon Real Estate Co.	142,500	95.00%	-	-
Yemeni Co. for Financial Services	62,165	25.00%	61,917	25.00%
Al-Widad Trading Co. (under incorporation)	49,068	95.00%	49,068	95.00%
Yemen Islamic Insurance Co.	20,000	10.00%	19,611	10.00%
Islamic Co. for Payments (under incorporation)	18,247	45.00%	18,196	45.00%
	<u>5,936,194</u>		<u>3,820,463</u>	

23. DEBIT BALANCES AND OTHER ASSETS (NET)

	Note	2008 YR 000s	2007 YR 000s
Debtors of usufruct		-	5,081,550
Overdraft accounts		265,849	111,543
Unpaid LCs		-	12,070
Advances to employees		89,289	218,642
Debtors of Qard Hasan		1,756	1,336
Prepaid expenses		26,796	34,346
Debtors of Ijarah Muntahia Bittamleek		415,112	131,197
Projects under processing		66,954	1,074,500
Accrued income		-	103,139
Stationary inventory		73,997	40,705
Property and equipment in stores		58,820	92,647
Assets which titles have been transferred to the Bank's ownership	3.10	2,389,467	1,184,500
Others		<u>1,228,782</u>	<u>549,251</u>
		4,616,822	8,635,426
Less: Provision for doubtful debts	24	(276,862)	(297,791)
		<u>4,339,960</u>	<u>8,337,635</u>



24. PROVISION FOR DOUBTFUL DEBTS

	Note	2008 YR 000s	2007 YR 000s
Balance at beginning of the year		297,791	217,493
Provided during the year from credit balances		-	119,895
Provisions reversed	40	(20,929)	-
Provision used during the year		-	(39,597)
Balance at the end of the year		<u>276,862</u>	<u>297,791</u>

25. PROPERTY AND EQUIPMENT (NET)

	Cost as at 1.1.2008	Additions	Disposals	Cost as at 31.12.2008	Accumulated depreciation as at 1.1.2008	Depreciation for the year	Accumulated depreciation of assets disposed	Accumulated depreciation as at 31.12.2008	Net book value as at 31.12.2008	Net book value as at 31.12.2007
	YR 000s	YR 000s	YR 000s	YR 000s	YR 000s	YR 000s	YR 000s	YR 000s	YR 000s	YR 000s
Land	2,055,097	525,539	(124,799)	2,455,837	-	-	-	-	2,455,837	2,055,097
Buildings	225,171	1,824,530	-	2,049,701	4,316	27,492	-	31,808	2,017,893	220,855
Equipment	449,438	72,556	(29,850)	492,144	183,224	50,630	(21,763)	212,091	280,053	266,214
Vehicles	263,741	86,448	(52,687)	297,502	84,339	55,448	(12,297)	127,490	170,012	179,402
Furniture and fixtures	353,422	53,400	(20,846)	385,976	152,292	29,733	(19,055)	162,970	223,006	201,130
Computers	<u>581,436</u>	<u>114,832</u>	<u>(26,198)</u>	<u>670,070</u>	<u>292,858</u>	<u>97,738</u>	<u>(10,528)</u>	<u>380,068</u>	<u>290,002</u>	<u>288,578</u>
Total	<u>3,928,305</u>	<u>2,677,305</u>	<u>(254,380)</u>	<u>6,351,230</u>	<u>717,029</u>	<u>261,041</u>	<u>(63,643)</u>	<u>914,427</u>	<u>5,436,803</u>	<u>3,211,276</u>

* Additions during the year include an amount of YR 1,072,793 thousand transferred from projects under processing.

26. CURRENT ACCOUNTS AND OTHER DEPOSITS

	2008 YR 000s	2007 YR 000s
Current accounts	65,822,424	46,322,235
Cash deposits	4,619,066	5,563,714
Other deposits	<u>944,744</u>	<u>418,314</u>
	<u>71,386,234</u>	<u>52,304,263</u>



27. DUE TO BANKS AND FINANCIAL INSTITUTIONS

	2008 YR 000s	2007 YR 000s
Foreign banks – current account	446,630	2,550,405
Foreign banks – LC's finance	3,372,254	-
	<u>3,818,884</u>	<u>2,550,405</u>

28. CREDIT BALANCES AND OTHER LIABILITIES

	Note	2008 YR 000s	2007 YR 000s
Income tax for the year		605,182	768,846
Accrued expenses		88,689	63,533
Creditors and sundry credit balances		747,053	1,111,195
Installments of Ijarah Muntahia Bittamleek		408,835	76,197
Prohibited revenues by Islamic Sharia'	29	<u>89,627</u>	<u>-</u>
		<u>1,939,386</u>	<u>2,019,771</u>

29. PROHIBITED REVENUES BY ISLAMIC SHARIA'

Revenues prohibited by Islamic Sharia', which are represented mainly in CBY interest, are recorded in a separate account under "Credit balances and other liabilities" on the balance sheet. They are utilized in the areas approved by the Bank's Sharia' Board.

The following are the movement of prohibited revenues during the year:

	2008 YR 000s	2007 YR 000s
Balance at the beginning of the year	-	-
Revenues during the year	352,060	1,023,402
	<u>352,060</u>	<u>1,023,402</u>
<u>Less: Expenses</u>		
Donations	(262,433)	(218,514)
Transfer to provisions	-	(804,888)
	<u>(262,433)</u>	<u>(1,023,402)</u>
Balance at the end of the year	<u>89,627</u>	<u>-</u>



30. OTHER PROVISIONS

	2008			
	Provision for contingent liabilities YR 000s	Provisions for end of service compensation YR 000s	Provisions for contingent claims YR 000s	Total YR 000s
Balance at beginning of the year	650,449	127,846	500,000	1,278,295
Provided during the year	80,269	107,900	757,845	946,014
Used during the year	-	(95,107)	(357,845)	452,952
Transfer to Murabaha provision	-	-	-	-
Balance at end of the year	<u>730,718</u>	<u>140,639</u>	<u>900,000</u>	<u>1,771,357</u>

	2007			
	Provision for contingent liabilities YR 000s	Provisions for end of service compensation YR 000s	Provisions for contingent claims YR 000s	Total YR 000s
Balance at beginning of the year	739,888	85,397	300,000	1,125,285
Provided during the year	-	100,686	350,546	451,232
Used during the year	-	(58,237)	(150,546)	(208,783)
Transfer to Murabaha provision	(89,439)	-	-	(89,439)
Balance at end of the year	<u>650,449</u>	<u>127,846</u>	<u>500,000</u>	<u>1,278,295</u>

31. UNRESTRICTED INVESTMENTS AND SAVING ACCOUNTS' HOLDERS

	2008 YR 000s	2007 YR 000s
Saving accounts – local currency	30,317,154	26,327,879
Saving accounts – foreign currency	<u>27,114,968</u>	<u>25,673,834</u>
	<u>57,432,122</u>	<u>52,001,713</u>
Deposits for more than one year – local currency	62,364,714	45,278,168
Deposits for more than one year – foreign currency	<u>35,294,300</u>	<u>39,194,672</u>
	<u>97,659,014</u>	<u>84,472,840</u>
Return for unrestricted investments and saving accounts	<u>12,199,933</u>	<u>10,891,616</u>
	<u>167,291,069</u>	<u>147,366,169</u>



32. ALLOCATION OF INVESTMENT AND SAVING ACCOUNTS RETURN

The investment return allocation between shareholders and customers is based on the percentage of their participation weighted by numbers. This calculation is proposed by the budget committee which calculates investments in local and foreign currencies and their related numbers and participation ratios and approved by the Board of Directors. The average return ratios were as follows:

	2008		2007	
	Local Currency	Foreign Currency	Local Currency	Foreign Currency
	%	%	%	%
Ongoing deposits	13.836	5.60	14.234	6.00
Saving accounts	8.139	3.15	10.885	4.50

33. CAPITAL

The authorized and issued capital is YR 20 billion represented in 20 million shares of nominal value of YR 1,000 each, as decided by the Extraordinary General Assembly in its meeting on June 17, 2008 which increased the capital from YR 10 billion to YR 20 billion, and 25% of the increase is a transfer from general reserve.

The following shows the movement of the capital during the year:

	YR 000s
Capital before the increase	10,000,000
Capital increase according to the Extraordinary General Assembly	10,000,000
	20,000,000
Unpaid amounts	(5,236,250)
Paid up capital at 31/12/2008	14,763,750

34. STATUTORY RESERVE

According to the Bank's Articles of Association and CBY instructions, 15% of the net profit for the year is transferred to statutory reserve till it equals two times paid-up capital.

The following is the balance as at the end of the year.



	2008 YR 000s	2007 YR 000s
Balance at the beginning of the year	4,387,926	3,943,854
Transfer from net profit	277,623	323,855
Share premium	5,728,950	120,217
Balance at the end of the year	<u>10,394,499</u>	<u>4,387,926</u>

35. CONTINGENT LIABILITIES AND COMMITMENTS (NET)

	2008		
	Gross commitments YR 000s	Margin held YR 000s	Net commitments YR 000s
L/Cs for Murabaha contracts	6,940,174	(82,556)	6,857,618
Letters of credit	8,689,305	(1,001,003)	7,688,302
Letters of guarantee	<u>30,848,109</u>	<u>(3,529,001)</u>	<u>27,319,108</u>
	<u>46,477,588</u>	<u>(4,612,560)</u>	<u>41,865,028</u>

	2007		
	Gross commitments YR 000s	Margin held YR 000s	Net commitments YR 000s
L/Cs for Murabaha contracts	19,502,977	(211,717)	19,291,260
Letters of credit	21,005,642	(1,914,552)	19,091,090
Letters of guarantee	<u>30,100,025</u>	<u>(3,437,445)</u>	<u>26,662,580</u>
	<u>70,608,644</u>	<u>(5,563,714)</u>	<u>65,044,930</u>

36. REVENUE OF MURABAHA AND ISTISNA'A FINANCING TRANSACTIONS

	2008 YR 000s	2007 YR 000s
Revenue of local Murabaha transactions	6,573,934	5,471,350
Revenue of foreign Murahaba transactions	200,862	395,993
Revenue of Istisna'a transactions	<u>1,026,540</u>	<u>695,792</u>
	<u>7,801,336</u>	<u>6,563,135</u>



37. REVENUE FROM OTHER JOINT INVESTMENTS

	2008 YR 000s	2007 YR 000s
Profits of investments in Mudaraba contracts	1,363,407	4,344,683
Profits of investments in Musharaka contracts	708,792	509,496
Profits from sale of usufruct	7,746,676	478,080
Profits from other investments	<u>3,555,153</u>	<u>2,177,581</u>
	<u>13,374,028</u>	<u>7,509,840</u>

38. COMMISSIONS, REVENUE AND BANK SERVICE CHARGES

	2008 YR 000s	2007 YR 000s
Commissions on documentary credits	625,279	702,589
Commissions on letters of guarantee	309,086	272,749
Commissions on transfer of funds	108,307	94,400
Commissions on foreign investments	975,226	180,541
Checks collection commissions	19,981	23,222
Other fees and commissions	<u>242,852</u>	<u>132,765</u>
	<u>2,280,731</u>	<u>1,406,266</u>

39. GAINS OF FOREIGN CURRENCY TRANSACTIONS

	Note	2008 YR 000s	2007 YR 000s
Gains from revaluation of balances in foreign currencies	3.1	162,878	1,134,340
Gains (losses) of dealing in foreign currencies		<u>34,863</u>	<u>(31,192)</u>
		<u>197,741</u>	<u>1,103,148</u>



40. OTHER OPERATING INCOME

	<u>Note</u>	<u>2008 YR 000s</u>	<u>2007 YR 000s</u>
Net revenue from Al Tadhmon Trading Center		23,204	-
Provisions reversed	24	20,929	-
Others		<u>20,967</u>	<u>12,873</u>
		<u>65,100</u>	<u>12,873</u>

41. PROVISIONS PROVIDED DURING THE YEAR

	<u>Note</u>	<u>2008 YR 000s</u>	<u>2007 YR 000s</u>
Murabaha transactions provision	12	7,074	7,074
Istisna'a transactions provision	14	691	-
Mudarba contracts provision	16	4,008,600	32,397
Musharka contracts investment provision	18	15,250	-
Provision for contingent liabilities	30	80,269	-
Provision for contingent claims	30	757,845	350,546
End of service compensation provision	30	<u>-</u>	<u>81,361</u>
		<u>5,182,321</u>	<u>471,378</u>



42. GENERAL AND ADMINISTRATIVE EXPENSES AND DEPRECIATION

	Note	2008 YR 000s	2007 YR 000s
Salaries and wages		1,259,179	958,017
Depreciation	25	261,041	187,742
Advertisement		192,735	102,318
Rent		141,977	116,780
Transportation		96,764	91,609
Repair and maintenance		62,679	39,475
Stationary		58,668	44,859
Professional fees		58,647	26,016
Studies expenses		56,323	48,516
Subscriptions		52,247	36,219
Communications		51,727	43,589
Water and electricity		45,948	36,282
Cleaning and security expenses		45,737	35,080
Insurance		31,876	20,385
Taxes and duties		16,182	14,463
Car expenses		12,804	10,554
Hospitality expenses		9,904	9,825
Others		149,744	43,959
		<u>2,604,182</u>	<u>1,865,688</u>

43. EARNINGS PER SHARE

	2008	2007
Net profit for the year (YR 000s)	1,850,818	2,159,035
Board of Directors' remuneration (proposed / approved) (YR 000s)	(16,500)	(16,500)
Shareholders' share in net profit (YR 000s)	1,834,318	2,142,535
Weighted average of number of shares (in thousands)	13,127	9,147
Earnings per share	<u>YR 140</u>	<u>YR 234</u>



44. MATURITIES OF ASSETS AND LIABILITIES

	2008				
	Due within 3 months YR Million	Due from 3 to 6 months YR Million	Due from 6 months to one year YR Million	Due over one year YR Million	Total YR Million
a. Assets					
Cash on hand & reserve balances with CBY	13,476	11,260	10,170	2,972	37,878
Due from banks and financial institutions	19,803	22,718	7,023	5,044	54,588
Financing Murabaha transactions (net)	23,140	23,336	14,984	10,187	71,647
Financing Istisna' transactions (net)	1,453	3,009	2,458	1,337	8,257
Investments in Mudaraba contracts (net)	-	-	11,415	11,998	23,413
Investments in Musharka contracts (net)	-	213	2,167	4,777	7,157
Ijarah Muntahia Bittamleek	-	64	120	179	363
Investments in real estate	-	-	6,098	25,342	31,440
Available for sale investments	-	-	-	25,003	25,003
Investments in subsidiaries and associates	-	-	-	5,936	5,936
Overdraft accounts	266	-	-	-	266
	<u>58,138</u>	<u>60,600</u>	<u>54,435</u>	<u>92,775</u>	<u>265,948</u>
b. Liabilities					
Current accounts and other deposits	25,095	21,704	15,408	9,179	71,386
Unrestricted investment & saving accounts	27,264	40,296	38,853	60,878	167,291
Due to banks and financial institutions	3,141	678	-	-	3,819
	<u>55,500</u>	<u>62,678</u>	<u>54,261</u>	<u>70,057</u>	<u>242,496</u>
Net gap	<u>2,638</u>	<u>(2,078)</u>	<u>174</u>	<u>22,718</u>	<u>23,452</u>



	2007				
	Due within 3 months YR Million	Due from 3 to 6 months YR Million	Due from 6 months to one year YR Million	Due over one year YR Million	Total YR Million
a. Assets					
Cash on hand & reserve balances with CBY	16,191	10,784	6,142	4,457	37,574
Due from banks and financial institutions	9,683	7,096	6,407	3,123	26,309
Financing Murabaha transactions (net)	25,859	26,193	15,849	10,036	77,937
Financing Istisna' transactions (net)	1,630	2,681	2,925	1,294	8,530
Investments in Mudaraba contracts (net)	-	-	9,188	14,974	24,162
Investments in Musharka contracts (net)	80	134	1,298	4,135	5,647
Ijarah Muntahia Bittamleek	48	26	-	-	74
Investments in real estate	-	-	4,993	6,530	11,523
Usufruct	-	-	-	8,274	8,274
Available for sale investments	-	-	-	16,453	16,453
Investments in subsidiaries and associates	-	-	-	3,820	3,820
Overdraft accounts	112	-	-	-	112
	<u>53,603</u>	<u>46,914</u>	<u>46,802</u>	<u>73,096</u>	<u>220,415</u>
b. Liabilities					
Current accounts and other deposits	21,003	14,428	11,943	4,930	52,304
Unrestricted investment & saving accounts	26,432	39,509	34,612	46,813	147,366
Due from banks and financial institutions	<u>2,345</u>	<u>205</u>	<u>-</u>	<u>-</u>	<u>2,550</u>
	<u>49,780</u>	<u>54,142</u>	<u>46,555</u>	<u>51,743</u>	<u>202,220</u>
Net gap	<u>3,823</u>	<u>(7,228)</u>	<u>247</u>	<u>21,353</u>	<u>18,195</u>



45. DISTRIBUTION OF ASSETS, LIABILITIES, AND CONTINGENT LIABILITIES AND COMMITMENTS BASED ON ECONOMIC SECTORS

	2008						
	Financial YR Million	Manu- facturing YR Million	Trade YR Million	Construc- tion YR Million	Services YR Million	Individual & Others YR Million	Total YR Million
a. Assets							
Cash on hand & reserves balances with CBY	37,878	-	-	-	-	-	37,878
Due from banks and financial institutions	54,588	-	-	-	-	-	54,588
Financing Murabaha (net)	730	19,180	39,836	8,989	1,758	1,154	71,647
Financing Istisna'a (net)	-	7,966	-	-	-	291	8,257
Investments in Mudaraba (net)	13,904	1,297	-	8,137	15	60	23,413
Investments in Musharka (net)	4,372	-	-	2,725	60	-	7,157
Ijarah Muntahia Bittamleek	-	-	-	-	363	-	363
Investments in real estate	21,535	-	-	9,905	-	-	31,440
Available for sale investments	25,003	-	-	-	-	-	25,003
Investments in subsidiaries and associates	2,292	952	49	2,643	-	-	5,936
b. Liabilities							
Current accounts and other deposits	-	27,633	19,873	1,236	2,956	19,688	71,386
Unrestricted investment accounts	800	1,486	9,774	-	17,359	137,872	167,291
Due to banks and financial institutions	3,819	-	-	-	-	-	3,819
c. Contingent liabilities (net)							
L/Gs	3,357	11,265	6,866	1,653	4,178	-	27,319
L/Cs	2,754	3,101	1,833	-	-	-	7,688
L/Cs for Murabaha contracts	2,824	2,288	1,746	-	-	-	6,858



		2007					
	Financial YR Million	Manu- facturing YR Million	Trade YR Million	Construc- tion YR Million	Services YR Million	Individual & Others YR Million	Total YR Million
a. Assets							
Cash on hand & reserves balances with CBY	37,574	-	-	-	-	-	37,574
Due from banks and financial institutions	26,309	-	-	-	-	-	26,309
Financing Murabaha (net)	4,822	17,965	40,372	9,499	3,157	2,122	77,937
Financing Istisna'a (net)	-	8,467	-	-	-	63	8,530
Investments in Mudaraba (net)	24,117	-	-	-	15	30	24,162
Investments in Musharka (net)	5,647	-	-	-	-	-	5,647
Ijarah Muntahia Bittamleek	74	-	-	-	-	-	74
Investments in real estate	5,194	-	-	6,329	-	-	11,523
Usufruct	8,274	-	-	-	-	-	8,274
Available for sale	16,453	-	-	-	-	-	16,453
investments	-	-	-	-	-	-	-
Investments in subsidiaries and associates	326	952	49	2,493	-	-	3,820
b. Liabilities							
Current accounts and other deposits	-	19,967	14,276	2,479	2,597	12,985	52,304
Unrestricted investment accounts	798	2,161	16,538	-	24,113	103,756	147,366
Due to banks and financial institutions	2,550	-	-	-	-	-	2,550
c. Contingent liabilities (net)							
L/Gs	6,019	7,587	5,991	2,164	4,902	-	26,663
L/Cs	6,004	6,800	6,287	-	-	-	19,091
L/Cs for Murabaha contracts	7,257	7,039	4,995	-	-	-	19,291



46. DISTRIBUTION OF ASSETS, LIABILITIES, AND CONTINGENT LIABILITIES AND COMMITMENTS BASED ON GEOGRAPHICAL LOCATIONS

	2008					
	Republic of Yemen YR Million	United States of America YR Million	Europe YR Million	Asia YR Million	Africa YR Million	Total YR Million
a. Assets						
Cash on hand & reserve balances with CBY	37,878	-	-	-	-	37,878
Due from banks and financial institutions	13,395	14,215	5,324	21,530	124	54,588
Financing Murabaha transactions (net)	70,926	-	-	721	-	71,647
Financing Istisna' transactions (net)	8,257	-	-	-	-	8,257
Investments in Mudaraba contracts (net)	1,372	-	989	11,496	9,556	23,413
Investments in Musharka contracts (net)	59	404	1,495	5,199	-	7,157
Ijarah Muntahia Bittamleek	363	-	-	-	-	363
Investments in real estate	8,271	-	-	22,983	186	31,440
Available for sale investments	-	740	714	19,407	4,142	25,003
Investments in subsidiaries and associates	3,710	-	-	1,999	227	5,936
b. Liabilities						
Current accounts and other deposits	71,386	-	-	-	-	71,386
Unrestricted investment & saving accounts	166,491	-	-	800	-	167,291
Due to banks and financial institutions	-	-	447	3,372	-	3,819
c. Contingent liabilities (net)						
L/Gs	19,069	-	-	8,250	-	27,319
L/Cs	-	1,305	2,236	3,156	991	7,688
L/Cs for Murabaha contracts	-	1,561	1,739	3,087	471	6,858



	2007					
	Republic of Yemen YR Million	United States of America YR Million	Europe YR Million	Asia YR Million	Africa YR Million	Total YR Million
a. Assets						
Cash on hand & reserve balances with CBY	37,574	-	-	-	-	37,574
Due from banks	8,118	1,467	3,563	9,904	3,257	26,309
Financing Murabaha transactions (net)	73,253	-	4,684	-	-	77,937
Financing Istisna' transactions (net)	8,530	-	-	-	-	8,530
Investments in Mudaraba contracts (net)	45	-	292	13,713	10,112	24,162
Investments in Musharka contracts (net)	-	-	1,578	4,069	-	5,647
Ijarah Muntahia Bittamleek	-	-	-	-	74	74
Investments in real estate	6,530	-	-	4,807	186	11,523
Usufruct	-	-	-	8,274	-	8,274
Available for sale investments	-	142	2,297	9,955	4,059	16,453
Investments in subsidiaries and associates	3,594	-	-	-	226	3,820
b. Liabilities						
Current accounts and other deposits	52,304	-	-	-	-	52,304
Unrestricted investment & saving accounts	147,366	-	-	-	-	147,366
Due to banks and financial institutions	-	56	2,494	-	-	2,550
c. Contingent liabilities (net)						
L/Gs	17,296	-	9,367	-	-	26,663
L/Cs	-	2,161	11,801	2,473	2,656	19,091
L/Cs for Murabaha contracts	-	3,224	7,600	6,904	1,563	19,291



47. SIGNIFICANT FOREIGN CURRENCIES' POSITIONS

To comply with CBY circular No. 6 of 1998, the Bank establishes limits for positions in individual foreign currencies as well as an aggregate limitation for all currencies. These limits are 15% and 25% of capital and reserves respectively. The following schedule reflects the Bank's significant foreign currencies positions at the balance sheet date.

	2008		2007	
	Surplus (deficit) YR 000s	% of capital & reserves	Surplus (deficit) YR 000s	% of capital & reserves
US Dollar	(2,511,884)	(9.6%)	(1,894,610)	(11.4%)
Saudi Rial	3,881,543	14.8%	1,459,006	8.8%
Euro	1,463,984	5.6%	899,357	5.4%
Sterling Pound	998,436	3.8%	1,171,793	7.1%
UAE Dirham	2,698,386	10.3%	1,374,104	8.3%
Japanese Yen	29,548	(0.1%)	(52,287)	(0.3%)
	<u>6,560,013</u>	<u>25.0%</u>	<u>2,957,363</u>	<u>17.9%</u>

48. TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if the party has the ability to control or exercise significant influence over the Bank in making financial or operating decisions.

Related parties are represented in the members of the Board of Directors, executive management, and the companies which are owned by the shareholders and members of the Board of Directors.

The Bank deals with related parties on the same basis applied to third parties in accordance with the Banks Law as implemented by CBY circular no. 4 of 1999 which limits credit transactions with related parties.

The following are the balances of these transactions on the balance sheet date:

	2008 YR Million	2007 YR Million
Direct and indirect financing	39,491	42,053
Current and saving accounts	24,758	33,871
Investments in subsidiaries and associates	5,936	3,820



49. TAXATION

- a. Income tax and salary tax are paid and cleared until the year 2005.
- b. For the year 2006, the corporate income tax has been settled in accordance with the Ministry of Finance Decree No. (7) of 2004 concerning self assessment on major taxpayers as the tax declaration submitted by the Bank has been accepted and the final assessment has been issued in accordance with the declaration submitted.
- c. The Bank has submitted the tax declaration for the year 2007 and the Bank has paid the tax based on the declaration. The Tax Authority has not performed a review or issued a final assessment yet.

50. ZAKAT

- a. The Bank submits its Zakat declaration annually and remits the amount due based on the declaration.
- b. The Bank has paid the Zakat up to the end of 2007 according to the Zakat declaration. No assessment notification was issued by the Zakat Department.

51. COMPARATIVE FIGURES

Some comparative figures were reclassified to conform with this year financial statement classification for more appropriate presentation. Such reclassifications do not impact the previously reported net profit or shareholders' equity.

52. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by Board of Directors on March 24, 2009 and a Board resolution proposing the approval of the financial statements by the General Assembly of the shareholders was issued.



Branches Bank

Sana'a Branch (Head Quarter)

Address Al-Zubairi St., Al-Saeed Trading Bldg.
Tel. +967 1 203270
Fax +967 1 203271

Sana'a Branch

Address Sana'a - Al-Zubairi St.
Tel. +967 1 203270
Fax +967 1 203250

Hadah Branch

Address Hadah St., Sana'a
Tel. +967 1 505858
Fax +967 1 510223

Taiz St. Branch

Address Sana'a, Taiz St.
Tel. +967 1 600723
Fax +967 1 600718

Al- Hasaba Branch

Address Sana'a, Al - Hasaba - Al Kaiba St.
Tel. +967 1 229035
Fax +967 1 229031

Hayel Branch

Address Sana'a, Al - Rebat St.
Tel. +967 1 535831
Fax +967 1 535834

Ibb Branch

Address Al-Odain St.
Tel. +967 4 407553
Fax +967 4 401243

Taiz Branch

Address Jamal St., Deluxe Hotel
Tel. +967 4 252817
Fax +967 4 252811

Hauodh Al-Ashraf Branch

Address Hauodh Al-Ashraf - Taiz
Tel. +967 4 230330
Fax +967 4 230376

Hodeidah Branch

Address Port St.
Tel. +967 3 208844
Fax +967 3 208877

Aden Branch

Address Al-Mualla
Tel. +967 2 240536
Fax +967 2 240520

Sheikh Othman Branch

Address Aden, Saila
Tel. +967 2 380781
Fax +967 2 380784

Bowaish Office

Address AL- Mukalla - Bowaish
Tel. +967 5 327050
Fax +967 5 327051

Shihar Branch

Address Hunain St., Omar Bin Maslem Bldg.
Tel. +967 5 332826
Fax +967 5 332021

Sayoon Branch

Address Sayoon-Arport St.
Tel. +967 5 405604
Fax +967 5 405241

Al-Qaten-Branch

Address AL-Qaten - General St.
Tel. +967 5 304741
Fax +967 5 304740

Tareem Branch

Address AL Tohy St.
Tel. +967 5 413777
Fax +967 5 413775

Ataq- Branch

Address General St.
Tel. +967 5 204588
Fax +967 5 204586

Amran Branch

Address General St.
Tel. +967 7 613090
Fax +967 7 613094

Dhamar Branch

Address General St.
Tel. +967 6 509623
Fax +967 6 509621

Crater Branch

Address Aden, Crater
Tel. +967 2 264131
Fax +967 2 264130

Al Mukalla Branch

Address Al Mukalla-Labour Area
Tel. +967 5 304741
Fax +967 5 304740

Bl Haf Office

Address Shabwa- Bl Haf
Tel. +967 5 211492
Fax +967 5 210941

Beit Baous Branch

Address Beit Baous
Tel. +967 1 682112
Fax +967 1 682113

Web Site : www.tiib.com
E-mail: info@tiib.com

Cairo Castle - Taiz

