

THE SAUDI INVESTMENT BANK

STATEMENT OF INCOME

For the years ended December 31, 2007 and 2006

| | <u>Notes</u> | <u>2007 SAR'000</u> | <u>2006 SAR'000</u> |
|-----------------------------------------------------------------------------|--------------|-------------------------|-------------------------|
| Special commission income | 17 | 2,605,103 | 2,505,327 |
| Special commission expense | 17 | 1,549,113 | 1,474,844 |
| Net special commission income | | 1,055,990 | 1,030,483 |
| Fee income from banking services, net | 18 | 398,330 | 783,929 |
| Exchange income, net | | 44,439 | 34,822 |
| Dividend income | 19 | 35,387 | 34,393 |
| (Losses) gains on non-trading investments, net | 20 | (131,048) | 672,639 |
| Total operating income | | 1,403,098 | 2,556,266 |
| Salaries and employee-related expenses | | 286,937 | 259,275 |
| Rent and premises-related expenses | | 41,548 | 41,625 |
| Depreciation | 7 | 43,612 | 31,441 |
| Other general and administrative expenses | | 112,116 | 121,164 |
| Allowance for credit losses, net | 6(b) | 96,700 | 96,503 |
| Total operating expenses | | 580,913 | 550,008 |
| Net income for the year | | 822,185 | 2,006,258 |
| Basic and diluted earnings per share (expressed in SAR per share) | 21 | 2.10 | 5.13 |