

The General Manager message

Dear Colleagues

I am pleased to inform you, that we received the approval of the Central Bank of Bahrain and the Board of Directors on the financial results for last year 2009. The current economic conditions in the GCC and other parts of the world are facing difficulties in 2009, however, our clear commitment to our role and our determination to achieve progress has enabled us to record a good level of performance.



Eskan Bank has had positive financial results and achieved significant progress in promoting the goals set under the five-year strategic plan, and worked to develop opportunities in the areas of its work and new activities. The bank achieved positive results during the year ended December 2009, rose and continued to strengthen its internal structure, including the expansion of its knowledge base in addition of new skills and organizational measures, with the development of corporate culture, which confirms the existence of effective internal control.

During the past year Eskan Bank has strengthened a number of departments such as the Risk management Department, in an effort to meet the requirements of the monetary authorities. As part of the economic foundation of the Kingdom, we are committed to urban development, and our main role is to provide funding for the citizens to enable them to acquire adequate housing.

To achieve that, the bank strives to involve the private sector to alleviate the burden on the government budget. And in the same time the bank is committed with the alliance to the government efforts to diversify the economy within the framework of the Economic Vision 2030, while five-year plan aims to expand and strengthen our work to achieve our goals through our efforts. On behalf of the Bank's management, I extend thanks and appreciation to all our employees, we owe its success to the professionalism and dedication, and the government distinguished its vision of providing adequate housing for citizens and the constant quest for ways to create sustainable communities, which generally leads to the development of the Kingdom's economy.

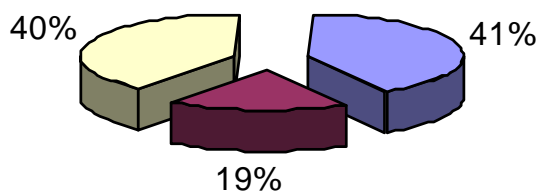
I also extend my heartfelt thanks go to members of the Board to their professionalism that have contributed to another year full of successes during times of challenge.

Sabah Al Moayyed

Bank issued loans worth 10.2 million dinars in the first quarter

During the first quarter of this year Eskan Bank provided new housing loans by about 10.2 million dinars, raising the total housing loans made since the founding of the bank to 551.4 million dinars, which benefited 35,824 residents. Also enable the Bank to continue in strengthening the asset base, which rose from about 440.9 million dinars at the end of the year to about 442.3 million dinars at the end of the first quarter of 2010, and in the same period increased profits of the bank net 720 thousand dinars to 1,000,311 BD during the quarter The first of the year 2010, compared to 590 thousand dinars have been achieved during the same period last year, total operating revenues during the first quarter to 4.23 million dinars, compared to 2.77 million dinars in 2009.

Q1 2009 loans



Assets up to BD440.9 million BOD acknowledges the financial results for 2009



At a meeting chaired by HE Sheikh Ebrahim Bin Khalifa Al Khalifa, Minister of Housing, Eskan Bank Board of Directors, approved the financial results for the year 2009, the Bank achieved a net profit of BD 3.5 million for the year ended December 31, 2009, compared to BD 4.3 million achieved in 2008, and it should be noted that this decrease is attributable to the Bank's allocation of 413 thousand dinars for the provision of allocations in the value of investment and allocation of public and within the framework of conservative policy pursued by the bank. The operating income of the bank increased during the past year to 13.4 million dinars, compared to 13.2 million dinars in 2008. The figures show the bank's balance sheet growth in assets amounted to 35% over the past year, rising value of about 325.5 million dinars at the end of 2008 to about 440.9 million dinars at the end of 2009.

EB participates in the World Conference of Islamic Banks



Eskan bank participated in the 16th World Conference of Islamic Banks 2009, which was held in Bahrain with a slogan "New strategies for a new economic impact". More than 1200 delegates from various countries who are experts and professionals in Islamic banking participated in the two day conference. The delegates discussed the post-crisis situation and the role of Islamic banks and the growing need for risk management while searching for new markets and meet the expectations of the market.

Eskan Properties received an award for Best Mixed Uses Project

Eskan Properties won the Best Mixed-use Development Project for its Isa Town mixed use project, which is located near the main entrance in the heart of Isa Town. The award was granted in the Conference on "Fundamentals of the Gulf real estate development," Mr. Fadi Jamali, CEO of Eskan property, received the award, on behalf of General Manager, Mrs. Sabah Khalil Al Moayyed, at a ceremony held on this occasion.

Mr Jamali said about the winning project: "It provides unique advantages for prospective residents in the units of this project, which contains 400 apartments of various sizes, retail and internal landscaping, provide a healthy and beautiful environment". This project will provide an opportunity for residents to obtain the necessities of life from the area surrounding.



International Smart Building Center



Launched by HE the Minister of Housing, Chairman of Eskan Bank, Shaikh Ebrahim bin Khalifa Al Khalifa, the International Smart Building Center. The exhibition ceremony was held in cooperation with the Office of Investment Promotion and Technology Branch of the United Nations Industrial Development in Bahrain, and the Islamic Development Bank. The Centre which was completed last December, will include building materials, stores smart building material, in addition to the establishment of a training center for contractors and workers in the construction industry and construction techniques of smart building. The center has adopted modern techniques to alter models in construction in the developing countries, additionally of economic systems and sustainable environmental standards, it will also provide information, technical support and training for developers and contractors to use which are environmentally friendly techniques the application of innovative building techniques.

EB invites their customers to replace their checks



Eskan Bank invited their customers to withdraw personal checks deposited in the bank that pay the premiums for their housing services, and replace them with the new version of checks, in line with the Central Bank of Bahrain regulations, the new application was launched in January 1, 2010.

Mohamed Hammad lectures in UOB



Mr. Mohamed Issa Hamad, IT Security Manager, participated in 3rd IT Forum organized by the Faculty of Information Technology at the University of Bahrain with a slogan " Safe information, secure life." Mr. Hammad focused on the elements of a successful business continuity plans and disaster recovery, and the importance of the human factor as an essential element for success. He dealt with some successful recovery and attributed the success of recovery to the fact of presence of clear strategies. He also touched on the experiences of some companies that failed to retrieve information, pointing out that Internet access in corporate systems requires a change in plans and strategies for protecting information

Bank leads the integration of employment in the green industry through "Agricultural Incubators"



This project aims to develop the green areas and to open up new avenues for entrepreneurs who want to work in the agricultural sector using modern techniques and to benefit from the support and training programs and credit facilities that is specially designed for this type of business.

Eskan Bank announced, for the first time in Bahrain, the agricultural incubators project. The project is in collaboration with "Ministry of Municipalities and Agriculture" and "UNIDO" and "Ebdaa Bank" and "Tamkeen".

The project is an ideal model of partnership between public and private sectors and international organizations for the development and contribution of the agricultural sector in GDP, and the provision of agricultural products for the domestic market at low cost . The Bank will finance the first phase of the project which includes the establishment of incubators and basic facilities such as green houses and places of exhibition and sale of products, while the Ministry of Municipalities and Agriculture will cover the operational costs of the project in the first year. The project, which will be established in Horat A'ali will include a gallery, a store that contains an internal incubator, and containing green houses in addition to administration buildings.

Memorandum of Understanding Eskan Bank and the Ministry of Municipalities and Agriculture

Eskan Bank and the Ministry of Municipalities and Agriculture Affairs signed a memorandum of understanding on the establishment of incubators in the area of Hawrah Aali, as part of enhancing partnership and contribute to the support of agricultural projects in the Kingdom of Bahrain, and to provide service projects for the citizens.



The project will be implemented on several stages, the first phase is the construction of four green houses with a total area of 1,404 square meters, in addition to the building of a single administrative area and 240 square meters, warehouse cooling and storage of agricultural crops and an area of 2,000 square meters .

EB participates in the International Exhibition of Gardens

The Bank participated in Bahrain International Garden Show held from 25 to 28 February 2010 under the patronage of His Majesty King Hamad bin Isa Al Khalifa, at the Bahrain International Exhibition Centre.

The exhibition was inaugurated by Her Royal Highness Princess Sabeeka Bint Ibrahim Al Khalifa, the honorary president of the Higher Committee of the Organization of the Bahrain International Garden. The theme of the exhibition was , " seeds for our future" and focused on spreading awareness about food security and the challenge it imposes in all parts of the world.



EB holds workshop on Governance



Eskan Bank has set up a workshop on the subject of Governance, in collaboration with the Institute of Corporate Governance in the context of the quest to keep abreast of developments required by Finance, banking and the development of standards of transparency and disclosure. The workshop was organized by the bank, with presence of members of the senior management of the Bank and a number of members of the Governing Council. It also discussed the corporate governance and explained their significance to the bank, and reviewed the corporate governance standards locally, regionally and internationally levels, as well as identifying a number of challenges faced by the financial institutions and ways to face them, taking into account the positive and negative aspects in the application of governance.

EB organized a workshop on SUKUK

The Bank held a workshop on Sukuk, attended by members of executive management and staff .

The guest speaker explained sukuk as Islamic instruments, definition, parties, types of sukuk such as Musharaka, Wakala, Istisna'a. He also addressed the types of instruments issued by the Central Bank of Bahrain, Salam long and short-term instruments.

He also talked about the differences between conventional bonds and sukuk as debt instruments and its issuance requirements.



EB held a self-development workshop under the sponsorship of "Takaful international"



Under the sponsorship of Takaful International and in cooperation with the Bahrain Institute of Banking, Eskan Bank held a workshop on self-development in the banking industry.

The workshop was held in Mercure hotel recently addressing about 40 employees from various levels and departments. Topics of the workshop emphasized on sales and services, and teamwork in addition to strengthening the focus in setting goals.

Dr. Vijaya Movala, business management expert of Bahrain Institute of Banking and Finance has reviewed in the lecture the work ethics that promotes the positive performance and lifestyle in general, and the participants work to promote practical applications of concepts that have been reviewed and managed by a human.



EB contribute to "Enjaz"



Mr. Eqbal Sangoor, Manager of Islamic Banking Division, Ms. Latifa AlShamlan from the Department of Banking Operations participated in the INJAZ program for youth development. This participation comes inline with the Bank's contribution by expertise and skills of its staff in community-based programs for development. Mr. Eqbal trained participants in the program on decision-making process in their professional life based on a number of factors focusing on the importance of formulating a goal in the beginning. Al Shamlan presented the 16 most needed skills like clarity of purpose, using appropriate vocabulary to convey the subject matter, training of listening to others, and use of mathematics and information technology at work. She stressed the importance of negotiation skills and the importance of research to help understand situations make the right decisions.

"STC" contributes in supporting the activities of children's camp



Southern Tourism Company, a wholly owned subsidiary of Eskan Bank provided free transportation to the Hawar Island for 160 disabled children and their friends in cooperation with the Ministry of Social Development. The activity was held between 18 to 21 February. As part of annual camp of Ministry of Social Development with a slogan "laughing as spring"

EB share the joy of Eid al-Adha with the Social Organization

The Marketing and corporate Communication group, arranged to celebrate Eid al-Adha with the guests at the Muharraq Social Welfare Center, and the Child Care home.



Celebrating the National Day, and 10 years of His Majesty's achievements



The bank celebrated the Bahraini National Day and the 10 years achievements of His Majesty King Hamad bin Isa Al Khalifa. Staff members of Eskan bank, its subsidiaries and Al-Ebdaa Bank participated in this event. Senior Executives and staff of the Bank delivered speeches highlighting the Bank's achievements over the past years and its strategy to along with the economic vision 2030 of the Kingdom.

Bahraini Women's Day



The Bahraini Women's Day is being celebrated every year early December under patronage of Her Royal Highness Princess Sabeeka bint Ibrahim Al Khalifa. This year it was held under the slogan "Women and Health Security...a midwife, nurse, technician, doctor, or a Minister...of a continuous giving process".

Eskan Bank celebrated the Bahraini Women's Day in the Bank. During the event, the General Manager Mrs. Sabah Al Moayyed praised the contribution of women as an active member in the community who is looked up as a equal partner in the development and growth of the society & Community. She further pointed out that this motivation keeps the women pushing her limits and to keep giving and contributing to the society. The bank hosted a lecture by a member of Shura Council and a member of the Supreme Council for Women, Dr. Nada Haffadh. Dr. Haffadh spoke about her experiences as a successful lady while holding various positions of responsibility, which served the society and nation. Dr. Haffadh was the first lady to serve as a minister in the Kingdom of Bahrain as Minister of Health, informed that the opportunity is open to every Bahraini women to advance to higher positions by which they can contribute effectively to the betterment of the society.



Bank's management team in a social gathering in the Chinese restaurant, Hong Kong