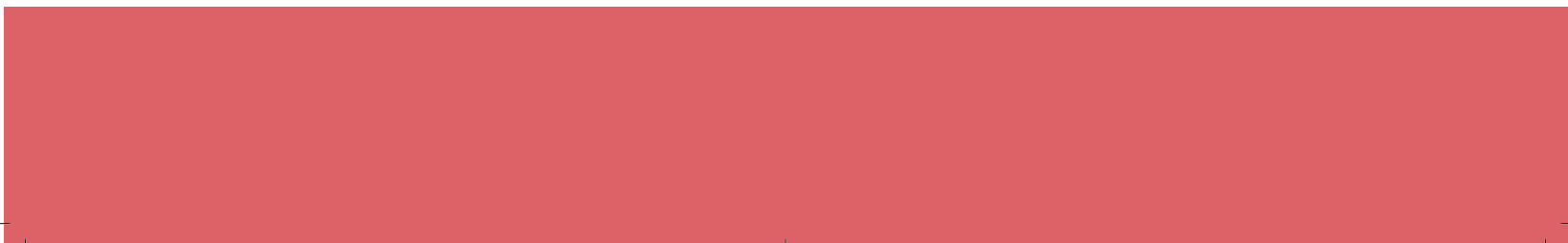




H. H. Sheikh Jaber Al-Ahmed Al-Jaber Al-Sabah
Amir of the State of Kuwait



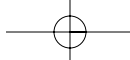
H. H. Sheikh Saad Al-Abdullah Al Salem Al-Sabah
Crown Prince and Prime Minister



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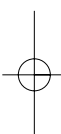
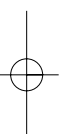
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Board of Directors



Bassam Yusuf Alghanim

Chairman & Managing Director

Salah Khaled Al-Fulaij

Deputy Chairman

Adel Mohammed Redha Behbehani

Board Member

Abdul Aziz Abdul Rahman Al-Shaya

Board Member

Abdulkareem Abdulla Al-Saeed

Board Member

Hussain Ahmed Qabazard

Board Member

Khaled Saoud Al-Hasan

Board Member

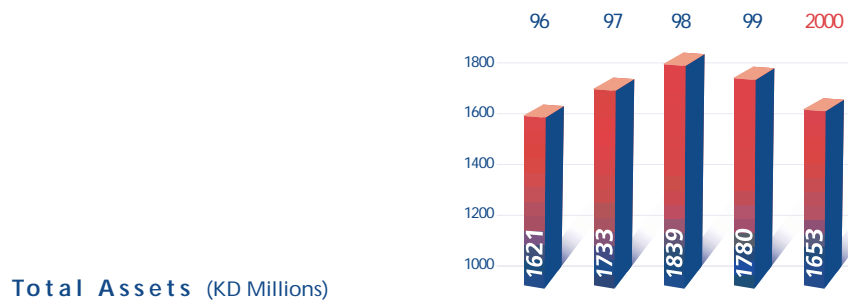
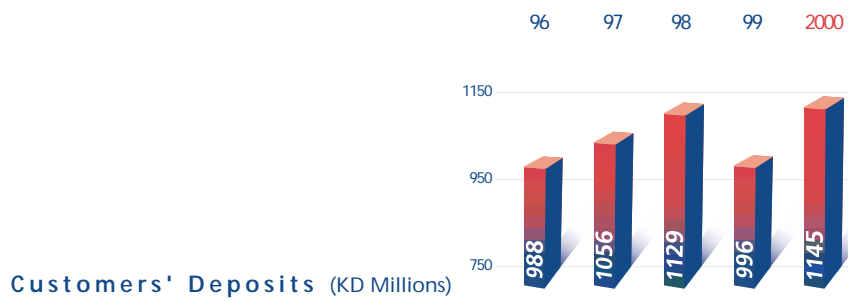
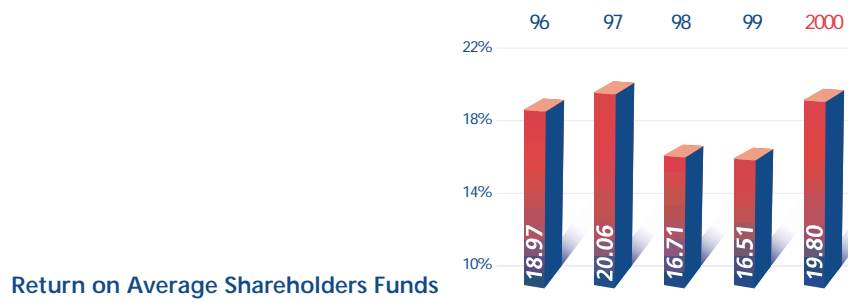
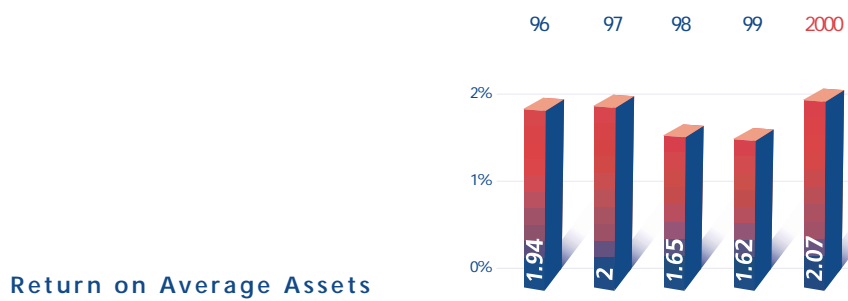
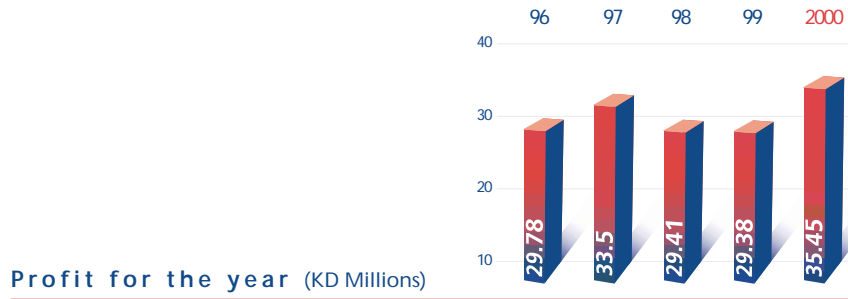
Naser Yousef Bourisli

Board Member

Saleh Saleh Al-Selmi

Board Member

Financial Highlights



Chairman's Message

Gulf Bank has been through a year of significant and fundamental change. I am pleased that the Board and Management, addressed the urgent transformation required within the Bank, to focus the organisation on delivering a much improved service to our customers and better value to our shareholders.

Although we have not completed all the changes required to truly align the organisation with our strategic goals, the Bank has delivered record results. At the close of 2000 Gulf Bank now has:

- ☐ More branches
- ☐ Better customer care and sales skills
- ☐ Better opening hours for customers
- ☐ More performing products
- ☐ Better and clearer organisation structure
- ☐ More profitable customers
- ☐ More corporate clients
- ☐ More credit cards and acquiring merchants
- ☐ More core customer deposits
- ☐ More profits
- ☐ Less costs

The Bank has delivered record results.

Shift from a transactional to a sales focused Bank.

In order to achieve this goal, a number of significant changes were necessary throughout the Bank. Fundamental to the change process was our shift from a transactional to a sales focused Bank along with an emphasis on profitability throughout the organisation. A large scale Human Resource program commenced during the latter part of the year, concentrating on retaining every one of our front-line team and enhancing the Bank's team with talented staff capable of implementing the Bank's ambitious plans for the coming years. Cost reductions were achieved through work simplification, the elimination of several redundant processes, and the out-sourcing of non-core banking functions.

Implementing these changes has already led to the Bank's record financial performance. In 2001, we will continue to build on the solid improvements made in 2000 and deliver superior customer service and higher returns to our shareholders.

This transformation of the Bank will be an on-going process.

This transformation of the Bank will be an on-going process and through our emphasis on continuously providing better banking for our customers, we will achieve sustained growth.

Throughout 2001 we will be introducing more and better innovative products. Our new highly advanced Tele-Banking facility will be launched in February 2001, electronic banking services will be introduced and exciting enhancements to our retail branch network will be implemented. We will be growing the number and strength of our corporate banking relationships and expand the services which we offer them. To sustain this

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regeneration we will be enhancing our skills base through extensive training of our existing staff in addition to attracting and retaining high caliber professionals to the Bank.

In 2001 we will be a customer and sales focused Bank delivering consistent bottom line growth by providing a very good banking service to all our customers.

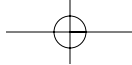
The true measurement of our success will be judged by our customer's loyalty and our results.

Bassam Yusuf Alghanim



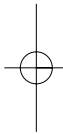
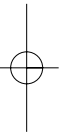
Chairman & Managing Director

*We will be a
customer and
sales focused
Bank delivering
consistent
bottom line
growth.*



G U L F B A N K

B u s i n e s s R e v i e w



Retail Banking

Retail Banking posted very strong results in 2000. The Bank's sustained increase in market share was made possible through the implementation of several initiatives throughout the year to create a clear customer focus across the Group and enhance customer satisfaction.

Over 10 new products were introduced during the year aimed at attracting specific targeted customer groups to the Bank. In addition, the creation of Gulf Bank's Al Danah Millionaire campaigns proved highly successful.

Considerable improvements were made in customer service, noticeable to and appreciated by our customers. We introduced additional evening opening hours across the majority of our branches and now provide full banking services over a six day period. Improved speed of service through process simplification, and the elimination of unnecessary paperwork, has provided staff with the opportunity to focus on servicing the customer's broader needs and improve our product penetration per customer.

Investment in the branch network continued throughout the year with the opening of a new mini-branch in Jahra, the renovation of our Ministries Complex branch, improvements to Shuwaikh branch and the introduction of the Bank's new image across the whole branch network.

Our staff are at the centre of our transformation strategy. We commenced a thorough re-training program aimed at providing our staff with the skills and competencies required to achieve our goals. The recruitment of dynamic and talented professionals to drive the changes needed for our success was a notable achievement during the year. A number of high caliber, experienced Kuwaiti managers joined retail banking during 2000, adding further depth to our resources.

The growth in our customer numbers throughout 2000 was a great motivating factor for our staff. We now serve more customers with more products, more professionally and will sustain this growth in 2001 through our focus on quality customer service. Our branch network will be expanding and we will introduce the most advanced Tele-Banking service in the Middle East. Major enhancements to our ATM network are scheduled for implementation and the provision of electronic banking services is being planned. In addition, substantial enhancements to our product portfolio are underway.

Fundamental to our success is our drive to understand and predict our customers' needs and position the Bank as the best and lowest cost provider of the required services. Our retail strategy in 2001 directly addresses our customers' service and product requirements in a proactive manner and equips our team with the tools to excel in their respective markets.



Salary Plus



Al Danah Account



Evening opening hours



Mini-branch in Jahra

**"Net Profits of
KD 35.45 M
up 21% on 99"**



Mobile Plus

Corporate Banking

Corporate Banking has achieved solid credit growth of over 25% during 2000. In addition, there has been substantial growth in our Letters of Credit and Letters of Guarantee business. There has also been strong growth in the volume of fee based transactions. The Government Debt Bond reduced substantially under the DDSP (Difficult Debts Settlement Program). This has been achieved primarily by diligent management of our customers' repayment schedules.

A number of fundamental changes were made to work processes throughout the year. Process simplification and enhanced customer information systems improved our speed of service to customers. The acquisition of new business through our focused marketing and our attention to strong customer fundamentals enhanced the number and quality of customer relationships throughout the year.

There has been a clear focus on improving profitability. This has been achieved primarily through a more prudent evaluation of new projects using a more robust and objective assessment of new business and selectively approving projects which have appropriate collateral.

Throughout 2001, Corporate Banking will continue to improve all aspects of its business operations to provide its customers with greatly improved products and services.

International Banking

International Banking has remained focused on its key areas of competitive advantage in the year 2000 by supporting commercial trade and seeking high quality international credits. This has led to another year of solid performance. In addition, it has been able to diversify Gulf Bank's earnings by generating revenue from its activities outside Kuwait.

International Banking has been proactively expanding its business in new emerging markets, namely the Far East and Latin America, while building on its presence in its existing ones. It continues to adopt a conservative policy on international lending, favoring credit to other banks and the finance of international trade, in particular oil and oil related enterprises.

The Multinational Unit continues to be a dynamic player by supporting and satisfying the financial requirements of projects for international companies both in Kuwait and overseas. Furthermore, International Banking continues to provide essential support to the Bank's domestic client base in their activities outside of Kuwait.

During 2001, International Banking plans to more proactively market its services to domestic clients requiring access to international markets and the expertise of its experienced and knowledgeable team.

Treasury

Treasury has been proactive in managing the asset liability structure of the Bank with the key objective of improving the fundamental operating ratios. Low return Money Market trading has been substantially reduced in 2000, which has led to an improvement in the return on assets.

The Bank continues to maintain its traditionally dominant position in local currency and foreign exchange trading. Foreign exchange income increased by 18% over last year's figure. Treasury has also been expanding the Bank's capacity to market and trade in a range of derivative instruments.

In a year of volatile conditions in the International Foreign Exchange and Money Markets, Gulf Bank's team of experienced traders has again demonstrated capacity to effectively manage a broad spectrum of market risks. Our objective remains to continue the same high standard of professional service to our customers in Treasury products, whilst enhancing profitability from Interbank trading activities.

During the course of the year 2001, Treasury intends to take further steps to upgrade its technology platform in order to provide the necessary support for future expansion of the Bank's business.

Information Technology Division

The Information Technology Division has continued to provide new and improved products and services to meet the requirements of our customers, through the execution of excellent service by a dedicated team of employees.

During the past year, it has supported the Bank's Groups by implementing various projects. The ATM network was upgraded to provide our customers with 24-hour service. The first phase of Gulf Bank mobile banking was well received by our customers. The second phase is due for launch in Mid-2001. It has also assisted Marketing in the launch of a number of successful products throughout the year.

The Information Technology Division will be working on a number of new exciting projects in 2001. A Data Warehousing system will be installed internally, which will enable Gulf Bank to identify the key characteristics of our customer base on the basis of their profitability, product mix and other variables. This will provide the Bank with a solid information base from which better quality products and services can be delivered to our customers.

The ATM network will be upgraded further to include other languages. In addition, it will play a key role in the successful implementation of our Tele-Banking operation and Internet site.

Human Resources

During 2000 Human Resources has concentrated on developing the personnel within the Bank. It has been active in hiring, promoting, developing and retaining key people with the necessary skills to enable the Bank to grow progressively in future years.

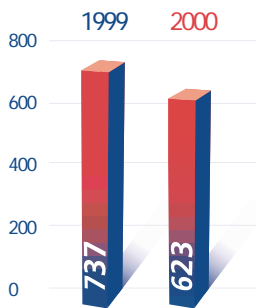
There has been a renewed focus on staff training throughout the Bank. Gulf Bank believes that training is key to giving its staff the necessary skills to operate in this competitive environment. In addition, a number of high-caliber Kuwaiti Graduates have been recruited for Management Development.

To ensure that the best candidates are recruited, competency and credible assessment tests were introduced as criterion for selection and development. In addition and as part of our ongoing commitment to the reward and recognition of our staff, a new Sales Incentive Program was introduced for all branch employees which successfully boosted and increased sales and branch contribution. As we rely more on incentive based reward and recognition, we will continue to introduce new incentive programs and indeed review and improve our existing ones.

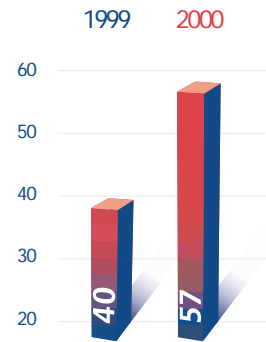
A significant amount of our efforts has gone into the successful recruitment of more Kuwaitis into the Bank. We have recruited a number of high quality Kuwaitis through recruitment campaigns in Universities, both local and overseas and through local advertising. Through this approach, we have not only maintained the percentage of Kuwaitis employed in the Bank but have also enhanced the skills and expertise level of our Kuwaiti staff.

The proportion of Kuwaiti to non-Kuwaiti staff has also increased during 2000 as has the proportion of front-line to support staff. In total, over 140 new staff were recruited to the Bank during the year. In the future, Human Resources will continue to recruit, develop and retain employees ensuring that the Bank will meet its future growth objectives with an emphasis on creating more value-creating positions and out-sourcing non-core functions and processes.

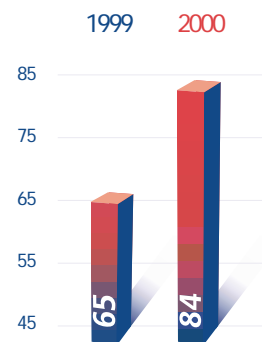
Employee Headcount



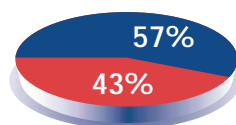
Profitability per Employee (KD 000's)



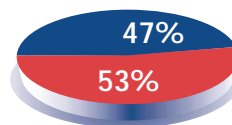
Income per Employee (KD 000's)



Business Generating : Business Supporting



1999



2000

G U L F B A N K

F i n a n c i a l R e v i e w

G U L F B A N K

Ernst & Young

*Al Aiban, Al Osaimi & Partners
P. O. Box 74
13001 Safat, Kuwait*

PricewaterhouseCoopers

*Bader & Co.
P. O. Box 20174
13062 Safat, Kuwait*

Auditors' Report to the Shareholders

We have audited the accompanying balance sheet of Gulf Bank K.S.C. as of 31 December 2000, and the related statements of income, cash flows and changes in equity for the year then ended. These financial statements are the responsibility of the Bank's management. 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. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as of 31 December 2000, the results of its operations and its cash flows for the year then ended in accordance with International Accounting Standards.

Furthermore, in our opinion proper books of account have been kept by the Bank and the financial statements, together with the contents of the report of the Board of Directors relating to these financial statements, are in accordance therewith. We further report that we obtained all the information and explanations that we required for the purpose of our audit and the financial statements incorporate all information that is required by the Commercial Companies Law of 1960, as amended, and by the Bank's articles of association, that an inventory was duly carried out and that, to the best of our knowledge and belief, no violations of the Commercial Companies Law of 1960, as amended, nor of the articles of association have occurred during the year ended 31 December 2000 that might have had a material effect on the business of the Bank or on its financial position.

We further report that, during the course of our examination, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations during the year ended 31 December 2000.

Waleed A. Al Osaimi

*Licence No. 68 A
Of Ernst & Young*

Bader A. Al-Wazzan

*Licence No. 62 A
Of PricewaterhouseCoopers*

*1 January 2001
Kuwait*

G U L F B A N K

Balance Sheet *As at 31 December 2000*

	Note	2000 KD 000's	1999 KD 000's
ASSETS			
Cash and short term funds	4	63,568	160,077
Treasury bills		67,436	140,405
Dealing securities	5	-	7,059
Deposits with banks and other financial institutions	6	116,036	199,981
Loans and advances to customers	7	936,821	690,419
Government treasury bonds		305,620	240,500
Government debt bond	8	74,311	247,821
Investment securities	9	56,478	70,980
Premises and equipment		9,907	11,169
Other assets	10	23,197	11,417
TOTAL ASSETS		1,653,374	1,779,828
LIABILITIES & EQUITY			
LIABILITIES			
Due to banks and other financial institutions	11	267,907	546,216
Customers' deposits	12	1,145,253	995,965
Other liabilities	13	31,808	34,469
		1,444,968	1,576,650
SHAREHOLDERS' FUNDS			
Share capital	14	82,086	82,086
Reserves	15	112,836	105,035
Treasury shares		(13,838)	(9,705)
		181,084	177,416
Proposed dividend	16	27,322	25,762
		208,406	203,178
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		1,653,374	1,779,828



Bassam Yusuf Alghanim
(Chairman & Managing Director)



Ziad Sarawan
(Acting Chief Operating Officer)

G U L F B A N K

Income Statement *Year ended 31 December 2000*

	Note	2000 KD 000's	1999 KD 000's
Interest income	18	124,415	120,594
Interest expense	19	84,444	82,720
NET INTEREST INCOME		39,971	37,874
Net fees and commissions		8,861	7,686
Net gains from dealing in foreign currencies		1,608	1,389
Other income	20	1,885	1,322
OPERATING INCOME		52,325	48,271
Staff Expenses		8,880	10,263
Occupancy Cost		1,060	1,433
Depreciation		1,334	1,463
Other expenses		2,645	2,940
OPERATING EXPENSES		13,919	16,099
Provision for loans and advances	7	2,197	2,144
		16,116	18,243
OPERATING PROFIT		36,209	30,028
Contribution to Kuwait Foundation for the Advancement of Sciences		652	541
Directors' emoluments		108	108
NET PROFIT FOR THE YEAR		35,449	29,379
EARNINGS PER SHARE (Fils)	17	45	37

Cash Flow Statement *Year ended 31 December 2000*

	2000 KD 000's	1999 KD 000's
OPERATING ACTIVITIES		
Profit for the year	35,449	29,379
<i>Adjustments:</i>		
Depreciation	1,334	1,463
Provision for loans and advances	2,197	2,144
Dividends, gain on sale of investments and provisions	1,072	(1,442)
OPERATING PROFIT BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES	40,052	31,544
<i>(Increase) decrease in operating assets:</i>		
Treasury bills	72,969	2,227
Deposits with banks and other financial institutions	83,945	105,846
Loans and advances to customers	(248,599)	(17,655)
Government treasury bonds	(65,120)	(44,752)
Government debt bond	173,510	26,283
Other assets	(11,780)	(2,033)
<i>Increase (decrease) in operating liabilities:</i>		
Due to banks and other financial institutions	(278,309)	68,265
Customers' deposits	149,288	(132,570)
Other liabilities	(2,494)	4,512
NET CASH FROM (USED IN) OPERATING ACTIVITIES	(86,538)	41,667
INVESTING ACTIVITIES		
Purchase of premises and equipment	(72)	(1,173)
Sale of investment securities	35,560	4,085
Purchase of investment securities	(16,828)	(5,840)
Dividends received	1,768	1,624
NET CASH (USED IN) INVESTING ACTIVITIES	20,428	(1,304)
FINANCING ACTIVITIES		
Dividends paid	(26,266)	(23,994)
Purchase of treasury shares	(4,133)	(4,556)
NET CASH USED IN FINANCING ACTIVITIES	(30,399)	(28,550)
NET (DECREASE) INCREASE IN CASH AND SHORT-TERM FUNDS	(96,509)	11,813
CASH AND SHORT-TERM FUNDS AT 1 JANUARY	160,077	148,264
CASH AND SHORT-TERM FUNDS AT 31 DECEMBER	63,568	160,077

G U L F B A N K

Statement of Changes in Equity

Year ended 31 December 2000

	R E S E R V E S										
	SHARE CAPITAL KD 000's	PROPOSED DIVIDEND KD 000's	PROPERTY						SUBTOTAL KD 000's	TREASURY SHARES KD 000's	TOTAL KD 000's
			STATUTORY RESERVE KD 000's	GENERAL RESERVE KD 000's	SHARE PREMIUM KD 000's	REVALUATION RESERVES KD 000's	RETAINED EARNINGS KD 000's				
At 1 January 1999	82,086	24,066	27,653	2,356	46,044	6,972	18,571	101,596	(5,149)	202,599	
Net profit for year	-	-	-	-	-	-	29,379	29,379	-	29,379	
Proposed dividend	-	25,762	-	-	-	-	(25,762)	(25,762)	-	-	
Dividends paid	-	(24,066)	-	-	-	-	-	-	-	(24,066)	
Transfers from profit	-	-	3,003	-	-	-	(3,003)	-	-	-	
Surplus on revaluation of properties	-	-	-	-	-	(178)	-	(178)	-	(178)	
Purchase of treasury shares	-	-	-	-	-	-	-	-	(4,556)	(4,556)	
At 31 December 1999	82,086	25,762	30,656	2,356	46,044	6,794	19,185	105,035	(9,705)	203,178	
Net profit for year	-	-	-	-	-	-	35,449	35,449	-	35,449	
Proposed dividend	-	27,322	-	-	-	-	(27,322)	(27,322)	-	-	
Dividends paid	-	(25,762)	-	-	-	-	-	-	-	(25,762)	
Transfers from profit	-	-	3,621	-	-	-	(3,621)	-	-	-	
Surplus on revaluation of properties	-	-	-	-	-	(326)	-	(326)	-	(326)	
Purchase of treasury shares	-	-	-	-	-	-	-	-	(4,133)	(4,133)	
At 31 December 2000	82,086	27,322	34,277	2,356	46,044	6,468	23,691	112,836	(13,838)	208,406	

The attached notes 1 to 28 form part of these financial statements

Notes to Financial Statements 31 December 2000

1 Incorporation and Registration

The financial statements of Gulf Bank K.S.C. for the year ended 31 December 2000 were authorised by board of directors for issue on 1 January 2001. Gulf Bank K.S.C. is a public shareholding company incorporated in Kuwait and is registered as a bank with the Central Bank of Kuwait and its registered office is at Mubarak Al Kabir Street, P. O. Box 3200, 13032 Safat, Kuwait. The Bank operates in Kuwait in the banking industry. The number of employees as of 31 December 2000 was 623 (1999 : 737).

2 Significant Accounting Policies

These financial statements have been prepared in conformity with International Accounting Standards issued by the International Accounting Standards Committee (IASC) and interpretations issued by the Standing Interpretations Committee of the IASC and applicable requirements of Ministerial Order number 18 of 1990.

The significant accounting policies adopted are as follows:

a) Accounting convention

The financial statements are prepared under the historical cost convention, adjusted for the revaluation of land and buildings and dealing securities.

The financial statements have been presented in Kuwaiti Dinars.

b) Treasury bills and Government treasury bonds

Treasury bills are stated at cost, adjusted for any discount amortised from the date of purchase to the date of maturity to produce a constant yield. They mature within a period not exceeding six months.

Government treasury bonds are stated at cost.

These bills and bonds are issued by the Central Bank of Kuwait on behalf of the Ministry of Finance and are considered as liquid assets in accordance with the instructions of the Central Bank of Kuwait.

c) Dealing securities

Dealing securities quoted on recognised stock exchanges are carried at market value. Adjustments to market value are taken to the income statement.

d) Government debt bond

Government debt bond is stated at cost.

e) Investment securities

Investment securities are stated at cost with provision being made for any decline other than temporary in value on an individual basis. Additional provisions are also made according to management discretion.

f) Treasury shares

When the Bank's own shares are purchased, the amount of consideration paid, including directly attributable costs, is recognised as a change in equity.

g) Provision for loan losses

Specific and general provisions for loan losses are made on the basis of a continuing appraisal of the lending portfolio, as per instructions of the Central Bank of Kuwait regarding the rules and regulations of classification of the credit facilities - as a minimum, having regard to the Bank's previous experience and current economic conditions. The specific element relates to identified risk advances, whereas the general provision covers bad and doubtful debts which are likely to be present in any portfolio of bank advances but which have not yet been specifically identified. Loans and advances are written off when there is no realistic prospect of recovery.

Pursuant to the instructions of the Central Bank of Kuwait dated 18 December 1996, as regards the rules and regulations concerning classification of credit facilities, the Bank has formed an internal committee comprising competent professional staff, to study and evaluate the existing credit facilities of each customer, in order to identify any abnormal situation and difficulties associated with the customer's position and which may entail classifying the debt as irregular and determining a suitable provision level. This committee, which meets regularly during the year, also studies the positions of those customers whose irregular balances exceed 25% of their total debt, in order to decide whether further provisions are required.

h) Revenue recognition

Interest receivable and payable are recognised on a time proportion basis taking account of the principal outstanding and the rate applicable. Loan interest that is 90 days or more overdue is excluded from income until received in cash. Other fees receivable or payable including loan commitment fees are recognised when due. Dividend income is recognised when earned.

i) Foreign currencies

(i) Foreign currency transactions are recorded at rates of exchange ruling at the dates of the transactions. Assets and liabilities in foreign currencies are translated into Kuwaiti dinars at rates of exchange ruling at the balance sheet date. Any resultant gains or losses are taken to the income statement.

(ii) Foreign currency gains or losses resulting from forward exchange contracts which are entered into in connection with loans and deposits, and which are translated into Kuwaiti dinars at rates of exchange ruling on the dates on which the contracts are entered into, are taken to income pro-rata over the term of the contracts.

Other forward foreign exchange contracts outstanding at the year-end are translated at the forward rates current at the balance sheet date with any resultant gains or losses being taken to the income statement.

j) Premises, equipment and depreciation

Freehold land is not depreciated. The cost of other premises and equipment is depreciated by equal annual installments over the estimated useful lives of the assets. The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amount, and where carrying values exceed this recoverable amount, assets are written down to their recoverable amount. Restoration costs are expensed when incurred.

The estimated useful lives of the assets for the calculation of depreciation are as follows:

Freehold buildings	10 years
Leasehold premises	3 years
Furniture and equipment	3 years
EDP equipment	5 years

Freehold land and buildings are revalued every year by an independent valuer, based on open market values and continued use by the Bank in its banking business. This assumes that the Bank is an organisation with continued business and activity in the foreseeable future and that the use of these freehold land and buildings will continue for the Bank's own or another similar Bank's purpose. Any revaluation surplus is accounted for in the property revaluation surplus under reserves.

k) Fiduciary assets

Assets held in trust or in a fiduciary capacity are not treated as assets of the Bank and accordingly are not included in these financial statements.

3 Fair Value of Financial Instruments

Unless stated in the appropriate note the estimated fair value of assets and liabilities is not significantly different from book value. The fair value of securities is determined using market prices for quoted securities and estimates based on the discounted projected cash flows or net assets value (for funds) for unquoted securities. It is not practicable to determine the fair value of the Government debt bond with sufficient reliability as the future cash flows are not determinable. Information about the principal characteristics of this bond is presented in note 8 to the financial statements.

4 Cash and Short Term Funds

	2000 KD 000's	1999 KD 000's
Balances with the Central Bank of Kuwait	22,473	2,051
Cash on hand and in current accounts with other banks	14,919	15,133
Money at call and short notice	2,680	14,398
Deposits with banks and other financial institutions maturing within one month	23,496	128,495
	63,568	160,077

5 Dealing Securities

	2000 KD 000's	1999 KD 000's
Quoted equity securities	-	7,059
	-	7,059

The fair value of quoted equity securities held at 31 December 2000 KD Nil (1999: KD 7,059).

During the year, dealing securities have been reclassified as investment securities due to management's intention to hold them long-term. The securities were transferred at their carrying amount as of 1 July 2000.

6 Deposits with Banks and Other Financial Institutions

	2000 KD 000's	1999 KD 000's
Time deposits	116,036	152,619
Banker's negotiable certificates of deposit	-	47,362
	116,036	199,981

Loans and Advances to Customers "CONTINUED"

ii) Provisions

	CASH FACILITIES		NON-CASH FACILITIES SPECIFIC & GENERAL KD 000's	TOTAL KD 000's
	SPECIFIC & GENERAL KD 000's	INTEREST IN SUSPENSE KD 000's		
At 31 December 1998	45,688	18,669	6,409	70,766
Exchange adjustments	(125)	-	-	(125)
Reclassification	1,539	-	(1,539)	-
Recoveries	338	-	-	338
Amounts written off	(2,998)	(1,195)	-	(4,193)
Income statement	2,144	-	-	2,144
Charged to interest income	18	(18)	-	-
At 31 December 1999	46,604	17,456	4,870	68,930
Exchange adjustments	(201)	-	-	(201)
Reclassification	1,181	(160)	(1,021)	-
Recoveries	333	-	-	333
Amounts written off	(11,242)	(1,789)	-	(13,031)
Income statement	2,197	-	-	2,197
Charged to interest income	-	1,049	-	1,049
Transfer to Pre-invasion L/C provision	(244)	-	-	(244)
At 31 December 2000	38,628	16,556	3,849	59,033

As at 31 December 2000, non-performing loans and advances amounted to KD 59,107,000 (1999: KD 92,329,000) split between facilities granted pre-invasion and post-Liberation as follows:

	2000			1999		
	LOANS & ADVANCES KD 000's	PROVISION KD 000's	SUSPENDED INTEREST KD 000's	LOANS & ADVANCES KD 000's	PROVISION KD 000's	SUSPENDED INTEREST KD 000's
Pre-invasion	34,084	16,592	15,617	34,158	16,938	15,617
Post-Liberation	25,023	7,728	939	58,171	19,520	1,839
Total	59,107	24,320	16,556	92,329	36,458	17,456

In accordance with Decree No. 32/1992, when these provisions are no longer required they must be repaid to the Central Bank of Kuwait. These are included in amounts written-off.

The specific provisions for non-cash facilities are included in other liabilities on the balance sheet.

In accordance with the instructions of the Central Bank of Kuwait, issued on 18 December 1996, the Bank, in addition to the specific provisions, is required to maintain a general provision of 2% on all regular cash and non-cash facilities for which no specific provisions have been made.

Loans and Advances to Customers "CONTINUED"

iii) Residual Maturity

The residual maturity of loans and advances to customers is as follows:

	UP TO 1 MONTH KD 000's	1-3 MONTHS KD 000's	3-12 MONTHS KD 000's	12-60 MONTHS KD 000's	OVER 60 MONTHS KD 000's	TOTAL KD 000's
At 31 December 2000	158,768	124,599	190,733	274,876	187,845	936,821
At 31 December 1999	115,946	125,564	137,309	227,499	84,101	690,419

8 Government Debt Bond

The Central Bank of Kuwait purchased resident Kuwaiti and GCC customers' debts existing at 1 August 1990, in addition to related interest up to 31 December 1991, on behalf of the Government of Kuwait in accordance with Decree Law No. 32/1992 and Law No. 41/1993, as amended by Law No. 80/1995, in respect of the financial and banking sector. Pursuant to the provisions of Law No. 41/1993, some amendments may be made to customers debt balances which are being reviewed by the Central Bank of Kuwait.

The purchase value of these debts was determined in accordance with the Decrees and was settled by the issue of a bond, with a value date of 31 December 1991. The bond matures over a maximum period of twenty years from the value date. The Central Bank of Kuwait has redeemed during 2000, amounts of KD 173,510,000 (1999 KD 26,283,000). Interest on these bonds will be at a rate fixed semi-annually by the Central Bank of Kuwait and is payable semi-annually in arrears; the average rate for 2000 was 5.495% (1999 : 5.23%).

The Bank is required to manage the purchased debts without remuneration in conformity with the regulations as promulgated by Decree Law No. 32/1992 in this respect.

9 Investment Securities

	2000 KD 000's	1999 KD 000's
Quoted	18,955	11,138
Unquoted	46,371	66,324
	65,326	77,462
Less: Provision for diminution in value	(8,848)	(6,482)
	56,478	70,980

The market value of quoted securities held at 31 December 2000 is KD 15,486,000 (1999 : KD 10,603,000). The fair value of unquoted securities held at 31 December 2000 is KD 49,430,000 (1999 : KD 65,779,000).

As mentioned in note 5, during the year dealing securities have been reclassified (quoted) as investment securities due to management's intention to hold them long-term. The securities were transferred at their carrying amount as of 1 July 2000.

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10 Other Assets

	2000 KD 000's	1999 KD 000's
Accrued interest receivable	21,264	4,580
Sundry debtors	1,933	25
Amounts due from sale of investments	-	4,505
Other	-	2,307
	23,197	11,417

11 Due to Banks and Other Financial Institutions

	2000 KD 000's	1999 KD 000's
Current accounts and demand deposits	32,204	11,373
Time deposits	235,703	534,843
	267,907	546,216

12 Customers' Deposits

	2000 KD 000's	1999 KD 000's
Current accounts	146,660	104,625
Savings accounts	178,230	162,994
Certificates of deposit	95,147	80,282
Time deposits	725,216	648,064
	1,145,253	995,965

13 Other Liabilities

	2000 KD 000's	1999 KD 000's
Interest payable	16,210	17,090
Deferred income	2,995	1,364
Other	5,680	6,115
Provision for non cash facilities	3,849	4,870
Provision to be ceded to the Central Bank of Kuwait	346	2,312
Contribution to Kuwait Foundation for the Advancement of Sciences	652	541
Staff related provisions	2,076	2,177
	31,808	34,469

14 Share Capital

	2000 KD 000's	1999 KD 000's
Authorised, issued and fully paid ordinary Shares	82,086	82,086
	82,086	82,086

The number of authorised, issued and fully paid ordinary shares of KD 0.100 each as at 31 December 2000, is 820,858,550 (1999 : 820,858,550).

As at 31 December 2000, the Bank held 40,223,974 (1999 : 29,913,974) of its treasury shares, equivalent to 4.90% (1999 : 3.644%) of the total share capital at that date.

The market value of the treasury shares at 31 December 2000 is KD 19,709,747 (1999 : KD 12,115,159).

15 Reserves

The share premium account is not available for distribution.

In accordance with the Law of Commercial Companies and the Bank's Articles of Association, 10% of the Bank's profit for the year is transferred to statutory reserve.

Distribution of the statutory reserve is limited to the amount required to enable the payment of a dividend of 5% of share capital in years when accumulated profits are not sufficient for the payment of a dividend of that amount. Also part of this reserve, equivalent to the cost of the treasury shares, has been earmarked as non-distributable.

The general reserve represents the surplus general provision on credit facilities arising on implementation of Central Bank of Kuwait's instructions issued on 18 December 1996, as well as additional instructions issued on 1 June 1999, and dividends distributed on treasury shares up until the end of 1997.

The property revaluation reserve represents the surplus of market value over carrying value of freehold lands and buildings owned by the Bank.

16 Proposed Dividend

At 31 December 2000, a cash dividend of KD 0.035 per share has been proposed and will be submitted for formal approval at the Annual General Meeting. This dividend (totalling KD 27,322 thousand) has not been recognised as a liability at 31 December 2000.

During 1999, a cash dividend of KD 0.033 per share proposed as of 31 December 1999, was approved at the 2000 Annual General Meeting and was paid in 2000 following that approval. That dividend (totalling KD 25,762 thousand) was not recognised as a liability at 31 December 1999.

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17 Earnings Per Share

Earnings per share is based on net profit of KD 35,449,000 (1999 : KD 29,379,000) and the weighted average number of ordinary shares of KD 0.100, of 781,102,412 (1999 : 801,716,242), after adjusting for treasury shares.

18 Interest Income

	2000 KD 000's	1999 KD 000's
Government debt bond, treasury bills and other investments	32,054	39,005
Placements with banks	20,050	23,460
Advances to customers	72,311	58,129
	124,415	120,594

19 Interest Expense

	2000 KD 000's	1999 KD 000's
Call accounts	2,817	1,483
Savings accounts	5,209	5,450
Time deposits	45,621	48,632
Bank borrowings	30,797	27,155
	84,444	82,720

20 Other Income

	2000 KD 000's	1999 KD 000's
Investment securities	5,383	879
Collateral securities	16	5
Dividend income	1,768	1,624
Investment and dealing securities provisions	(3,588)	(1,436)
Other	(1,694)	250
	1,885	1,322

21 Related Party Transactions

Certain related parties (directors and officers of the Bank, their families and companies of which they are principal owners) were customers of the Bank in the ordinary course of business. Such transactions were made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with unrelated parties, and did not involve more than a normal amount of risk.

Related Party Transactions "CONTINUED"

The year-end balances included in the balance sheet are as follows:

DESCRIPTION	No. of Board or Executive Management Members	No. of Related Parties	Value
2000:			
Board Members			
Loans	1	2	7,310
Commitments & Contingent Liabilities	-	2	50
Credit Cards	-	-	-
Deposits	7	-	33
Executive Management			
Loans	8	-	131
Commitments & Contingent Liabilities	-	-	-
Credit Cards	-	-	-
Deposits	7	-	43
1999:			
Board Members			
Loans	3	1	7,748
Commitments & Contingent Liabilities	-	1	720
Credit Cards	-	-	-
Deposits	2	1	1,201
Executive Management			
Loans	3	-	115
Commitments & Contingent Liabilities	2	-	1
Credit Cards	6	-	1
Deposits	6	-	201

22 Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. In addition to monitoring credit limits, the Bank manages the credit exposure relating to its trading activities by entering into master netting agreements and collateral arrangements with counterparties in appropriate circumstances, and limiting the duration of exposure. In certain cases the Bank may also close out transactions or assign them to other counterparties to mitigate credit risk.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographic location.

The Bank seeks to manage its credit risk exposure through diversification of lending activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or business. It also obtains security when appropriate.

For details of the composition of the loans and advances portfolio refer note 7.

23 Concentration of Assets and Liabilities and Off Balance Sheet Items

At 31 December 2000:

	KUWAIT KD 000's	OTHER MIDDLE EAST KD 000's	WESTERN EUROPE KD 000's	U.S.A AND CANADA KD 000's	ASIA AND PACIFIC KD 000's	REST OF WORLD KD 000's	TOTAL KD 000's
Assets:							
Cash and short term funds	38,007	9,913	13,182	1,927	539	-	63,568
Treasury bills	67,436	-	-	-	-	-	67,436
Deposits with banks and other financial institutions	98,500	17,536	-	-	-	-	116,036
Loans and advances to customers	833,722	7,204	35,902	-	28,256	31,737	936,821
Government treasury bonds	305,620	-	-	-	-	-	305,620
Government debt bond	74,311	-	-	-	-	-	74,311
Investment securities	8,792	18,582	6,649	22,415	40	-	56,478
Premises and equipment	9,907	-	-	-	-	-	9,907
Other assets	23,197	-	-	-	-	-	23,197
	1,459,492	53,235	55,733	24,342	28,835	31,737	1,653,374
Liabilities:							
Due to banks and other financial institutions	95,949	44,674	108,644	8,571	10,069	-	267,907
Customers' deposits	1,144,095	1,158	-	-	-	-	1,145,253
Other liabilities	31,808	-	-	-	-	-	31,808
Shareholders' funds	208,406	-	-	-	-	-	208,406
	1,480,258	45,832	108,644	8,571	10,069	-	1,653,374
Commitments and contingent liabilities	222,356	5,836	9,543	5,290	68,382	10,870	322,277

At 31 December 1999:

	KUWAIT KD 000's	OTHER MIDDLE EAST KD 000's	WESTERN EUROPE KD 000's	U.S.A AND CANADA KD 000's	ASIA AND PACIFIC KD 000's	REST OF WORLD KD 000's	TOTAL KD 000's
Assets:							
Cash and short term funds	63,133	28,923	65,854	1,594	567	6	160,077
Treasury bills	140,405	-	-	-	-	-	140,405
Dealing securities	-	7,059	-	-	-	-	7,059
Deposits with banks and other financial institutions	150,826	1,520	47,635	-	-	-	199,981
Loans and advances to customers	582,154	53,339	15,560	1,682	6,423	31,261	690,419
Government treasury bonds	240,500	-	-	-	-	-	240,500
Government debt bond	247,821	-	-	-	-	-	247,821
Investment securities	12,491	5,516	47,427	5,192	276	78	70,980
Premises and equipment	11,169	-	-	-	-	-	11,169
Other assets	11,417	-	-	-	-	-	11,417
	1,459,916	96,357	176,476	8,468	7,266	31,345	1,779,828
Liabilities:							
Due to banks and other financial institutions	237,085	122,535	172,296	10,077	4,223	-	546,216
Customers' deposits	993,276	2,689	-	-	-	-	995,965
Other liabilities	34,469	-	-	-	-	-	34,469
Shareholders' funds	203,178	-	-	-	-	-	203,178
	1,468,008	125,224	172,296	10,077	4,223	-	1,779,828
Commitments and contingent liabilities	197,656	6,937	12,075	5,118	57,423	40,463	319,672

24 Interest Rate Risk

The Bank's interest sensitivity position based on contractual repayment arrangements was as follows:

At 31 December 2000:

	UP TO 1 MONTH KD 000's	1-3 MONTHS KD 000's	3-12 MONTHS KD 000's	OVER 1 YEAR KD 000's	NON INTEREST SENSITIVE KD 000's	TOTAL KD 000's
Assets:						
Cash and short term funds	63,568	-	-	-	-	63,568
Treasury bills	17,220	-	50,216	-	-	67,436
Dealing securities	-	-	-	-	-	-
Deposits with banks and other financial institutions	-	82,036	34,000	-	-	116,036
Loans and advances to customers	211,076	127,475	190,733	462,721	(55,184)	936,821
Government treasury bonds	27,546	55,472	222,602	-	-	305,620
Government debt bond	-	-	-	74,311	-	74,311
Investment securities	-	-	-	16,704	39,774	56,478
Premises and equipment	-	-	-	-	9,907	9,907
Other assets	-	-	-	-	23,197	23,197
	319,410	264,983	497,551	553,736	17,694	1,653,374
Liabilities:						
Due to banks and other financial institutions	102,191	43,601	85,823	34,738	1,554	267,907
Customers' deposits	615,359	184,102	294,298	12,478	39,016	1,145,253
Other liabilities	-	-	-	-	31,808	31,808
Shareholders' funds	-	-	-	-	208,406	208,406
	717,550	227,703	380,121	47,216	280,784	1,653,374

At 31 December 1999:

	UP TO 1 MONTH KD 000's	1-3 MONTHS KD 000's	3-12 MONTHS KD 000's	OVER 1 YEAR KD 000's	NON INTEREST SENSITIVE KD 000's	TOTAL KD 000's
Assets:						
Cash and short term funds	160,077	-	-	-	-	160,077
Treasury bills	-	38,091	102,314	-	-	140,405
Dealing securities	-	-	-	-	7,059	7,059
Deposits with banks and other financial institutions	-	71,061	128,920	-	-	199,981
Loans and advances to customers	178,992	340,770	138,007	96,710	(64,060)	690,419
Government treasury bonds	-	41,113	155,648	43,739	-	240,500
Government debt bond	-	-	-	247,821	-	247,821
Investment securities	-	33,377	-	-	37,603	70,980
Premises and equipment	-	-	-	-	11,169	11,169
Other assets	-	-	-	-	11,417	11,417
	339,069	524,412	524,889	388,270	3,188	1,779,828
Liabilities:						
Due to banks and other financial institutions	259,925	143,295	55,275	87,721	-	546,216
Customers' deposits	570,788	194,581	228,614	1,982	-	995,965
Other liabilities	-	-	-	-	34,469	34,469
Shareholders' funds	-	-	-	-	203,178	203,178
	830,713	337,876	283,889	89,703	237,647	1,779,828

Interest Rate Risk "CONTINUED"

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the financial instruments. The Bank is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities and off balance sheet instruments that mature or reprice in a given period. The Bank manages this risk by matching the repricing of assets and liabilities through risk management strategies.

A majority of the Bank's assets and liabilities reprice within one year. Accordingly there is a limited exposure to interest rate risk.

The effective interest rate (effective yield) of a monetary financial instrument is the rate that, when used in a present value calculation, results in the carrying amount of the instrument. The rate is a historical rate for a fixed rate instrument carried at amortised cost and a current market rate for a floating rate instrument or an instrument carried at fair value.

25 Effective Interest Rates

At 31 December 2000:

	0%-3% KD 000's	3%-6% KD 000's	6%-9% KD 000's	9%-12% KD 000's	NON	TOTAL KD 000's
					INTEREST SENSITIVE KD 000's	
Assets:						
Cash and short term funds	7,045	12,085	31,988	-	12,450	63,568
Treasury bills	-	-	67,436	-	-	67,436
Deposits with banks and other financial institutions	-	-	116,036	-	-	116,036
Loans and advances to customers	43,698	3,350	598,410	346,547	(55,184)	936,821
Government treasury bonds	-	-	305,620	-	-	305,620
Government debt bond	-	74,311	-	-	-	74,311
Investment securities	-	-	16,704	-	39,774	56,478
Premises and equipment	-	-	-	-	9,907	9,907
Other assets	-	-	-	-	23,197	23,197
	50,743	89,746	1,136,194	346,547	30,144	1,653,374
Liabilities:						
Due to banks and other financial institutions	54,958	14,596	192,253	6,100	-	267,907
Customers' deposits	139,028	324,252	642,957	-	39,016	1,145,253
Other liabilities	-	-	-	-	31,808	31,808
Shareholders' funds	-	-	-	-	208,406	208,406
	193,986	338,848	835,210	6,100	279,230	1,653,374

At 31 December 1999:

	0%-3% KD 000's	3%-6% KD 000's	6%-9% KD 000's	9%-12% KD 000's	NON	TOTAL KD 000's
					INTEREST SENSITIVE KD 000's	
Assets:						
Cash and short term funds	14,715	28,133	106,213	-	11,016	160,077
Treasury bills	-	-	140,405	-	-	140,405
Dealing Securities	-	-	-	-	7,059	7,059
Deposits with banks and other financial institutions	-	47,362	152,619	-	-	199,981
Loans and advances to customers	87,578	4,269	365,163	297,469	(64,060)	690,419
Government treasury bonds	-	-	240,500	-	-	240,500
Government debt bond	-	247,821	-	-	-	247,821
Investment securities	-	-	37,909	-	33,071	70,980
Premises and equipment	-	-	-	-	11,169	11,169
Other assets	-	-	-	-	11,417	11,417
	102,293	327,585	1,042,809	297,469	9,672	1,779,828
Liabilities:						
Due to banks and other financial institutions	52,331	64,761	429,124	-	-	546,216
Customers' deposits	160,157	474,158	361,650	-	-	995,965
Other liabilities	-	-	-	-	34,469	34,469
Shareholders' funds	-	-	-	-	203,178	203,178
	212,488	538,919	790,774	-	237,647	1,779,828

26 Currency Risk

The Bank views itself as a Kuwaiti entity with Kuwaiti Dinars as its functional currency. Hedging transactions are used to manage any significant risk in other currencies.

The Bank had the following significant net exposures denominated in foreign currencies as at 31 December 2000.

	2000 KD 000's	1999 KD 000's
Net assets (liabilities):		
US Dollars	(6,468)	(15,213)
Euros	7,409	3,644
Sterling Pounds	(14)	(1,933)
Japanese Yen	(15)	(584)
Jordanian Dinar	6,102	7,059
Others	(7,962)	(5,671)
	(948)	(12,698)

27 Off Balance Sheet Financial Instruments

i) Financial instruments with contractual amounts representing credit risk

The primary purpose of these instruments is to ensure that funds are available to a customer as required. The contractual amounts represent the credit risk, assuming that the amounts are fully advanced and that any collateral or other security is of no value. However, the total contractual amount of commitments to extend credit does not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded.

	2000 KD 000's	1999 KD 000's
Letters of credit:		
Sight	55,772	51,787
Syndicated	36,989	42,041
Acceptance	8,410	6,630
Confirmed	1,735	19,136
	102,906	119,594
Guarantees:		
Contract	116,754	130,549
Tender	39,827	16,804
Syndicated	17,956	28,289
Other	44,834	24,436
	219,371	200,078
	322,277	319,672

The financial statements do not reflect the following commitments and contingent liabilities which arise in the normal course of business:

Irrevocable commitments to extend credit at the balance sheet date amounted to KD 21,907,000 (1999 : KD 21,933,000). All of the commitments expire within 5 years.

ii) Financial instruments with contractual or notional amounts that are subject to credit risk

These derivative financial instruments, comprising foreign exchange and interest rate contracts, allow the Bank and its customers to transfer, modify or reduce their foreign exchange and interest rate risks.

The amount subject to credit risk is insignificant and is limited to the current replacement value of instruments that are favourable to the Bank, which is only a fraction of the contractual or notional amounts used to express the volumes outstanding. This credit risk exposure is managed as part of the overall borrowing limits granted to customers. Collateral security is not usually obtained for credit risk exposures on these instruments.

G U L F B A N K

Off Balance Sheet Financial Instruments "CONTINUED"

Notional Amounts	TERM TO MATURITY				TOTAL
	UP TO 1 MONTH	1-3 MONTHS	3-12 MONTHS	OVER ONE YEAR	
At 31 December 2000	KD 000's	KD 000's	KD 000's	KD 000's	KD 000's
Foreign exchange contracts					
Spot and forward	23,423	7,533	22,546	-	53,502
Interest rate contracts					
Forward rate agreements	-	-	-	-	-
	23,423	7,533	22,546	-	53,502
At 31 December 1999					
Foreign exchange contracts					
Spot and forward	23,325	31,768	528	-	55,621
Interest rate contracts					
Forward rate agreements	-	-	23,878	-	23,878
	23,325	31,768	24,406	-	79,499

28 Segmental Analysis

i) By Business Units

As At 31 December 2000	TREASURY & INTERNATIONAL	DOMESTIC BANKING	TOTAL
	KD 000's	KD 000's	KD 000's
Income Statements:			
Interest Income from external Sources	69,245	55,170	124,415
Net Profit	5,350	30,099	35,449
Balance Sheets:			
Assets			
Net Assets	878,595	774,779	1,653,374
Liabilities			
Deposits	650,428	762,732	1,413,160
Other Liabilities	-	31,808	31,808
Central Treasury	19,761	(19,761)	-
Shareholders' Funds	208,406	-	208,406
	878,595	774,779	1,653,374

Segmental Analysis "CONTINUED"

At 31 December 1999	TREASURY & INTERNATIONAL KD 000's	DOMESTIC BANKING KD 000's	TOTAL KD 000's
Income Statements:			
Interest Income from external Sources	74,262	46,332	120,594
Net Profit	3,509	25,870	29,379
Balance Sheets:			
Assets			
Net Assets	1,194,340	585,488	1,779,828
Liabilities			
Deposits	846,118	696,063	1,542,181
Other Liabilities	-	34,469	34,469
Central Treasury	145,044	(145,044)	-
Shareholders' Funds	203,178	-	203,178
	1,194,340	585,488	1,779,828

ii) By Geographical Area

All significant segment revenue from external customers is derived from customers based in Kuwait. Geographic segment information relating to location of assets is given in note 23.