

**SECURITIES & INVESTMENT COMPANY ANNOUNCES NET PROFIT OF BD 1.28 MILLION
FOR THE FIRST QUARTER 2010**

Manama, Bahrain – May 11th, 2010: Bahrain-based Securities & Investment Company (SICO) announced today a net profit of BD 1.28 million for the first quarter of 2010 compared to a loss of BD 167,000 for the same period of the previous year

Net interest income during the year increased to BD 446,000 (Q1 2009: BD 377,000), while fee and commission income grew to BD 513,000 (Q1 2009: BD 421,000). Brokerage and other income increased to BD 360,000 (Q1 2009: BD 304,000). Net Investment income stood at BD 920 thousand versus a loss of BD 432 thousand in the first quarter of 2009.

Operating income increased threefold to BD 2.239 million (Q1 2009 : BD 670,000), with earnings per share growing to 3 Bahrain fils, versus a marginal loss per share of 0.39 Bahraini fils for the same period the previous year .

Client fee generated Income represented 39 per cent of the operating income for the year. Assets under management increased by 19 percent reaching BD 180 million (US\$477million) compared to BD 150.5 million (US\$399million) at the end of December 2009.

Total expenses, which includes, both staff overheads and general administration and other expenses grew in the first quarter of 2010 to reach BD959 thousand from BD 837 thousand the same period the previous year

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SICO maintained a strong capital base ending the quarter, after paying a BD 2.1 million dividend to shareholders, with BD 53.8 million in shareholder equity compared to BD 53.7 million as of 31st, December 2009. SICO's outlook continues to be prudent, and its strategy remains focused on maintaining a strong balance sheet, in order to take advantage of opportunities and capitalise on further market recovery, expected to continue in 2010.

"While SICO has an expansionary posture in terms of its businesses, we have maintained a prudent position in our risk appetite as we monitor the regional and global economic environment. It has been our view during the recent past that very substantial economic challenges, with turbulence and uncertainty, will continue for some time to come and therefore the firm has maintained a realistically cautious position during the past quarter", according to Anthony Mallis, Securities & Investment Company's CEO.

*Securities & Investment Company is a wholesale bank offering a selective range of investment banking services, including asset management, brokerage, corporate finance and market-making, on a regional basis and with a particular emphasis on Bahrain. Through its wholly owned subsidiary, **SICO** Fund Services Company (SFS), **SICO** also provides custody and fund administration services.*

SICO's comprehensive range of research, regular market updates and reviews, and Fund Reports, can be accessed via www.sicobahrain.com

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