BUILDING A TRADITION OF SUCCESS

دلالة القابضة
DLALA HOLDING

ANNUAL REPORT 2009

CONTENTS

His Highness
Sheikh Hamad Bin Khalifa AL-Thani
Emir of the State of Qatar

His Highness
Sheikh Tamim Bin Hamad AL-Thani
Heir Apparent

H.E. Turki Bin Mohamed Al-khater
Chairman

H.E. Dr. Sheikh Hamad Bin Naser Al-Thani
Vice Chairman

Mr. Nawwaf Abdullah Al-Attiyah
member of B.O.D

Mr.Abdullah Kamal
member of B.O.D

Mr. Abdul Jaleel Mahdi Burhani
member of B.O.D

Mr. Ibrahim Abdul Rahman Al Baker
member of B.O.D

Mr. Chaouki Hani Daher
member of B.O.D

Mr. Salah Jasim Murad
member of B.O.D

Mr. George Shehadeh
member of B.O.D

BOARD OF DIRECTORS'
"Innovation is a continual process at Dlala. It filters through every fibre of our organization from the Directors to employees at every level.
All employees are encouraged to think smart and find new solutions to new challenges."

Board of director's report for the fiscal year ending 31 December 2009

In the Name of Allah, the Most Gracious, the Most Merciful As-Salamu Alaikum Wa Rahmatullahi Wa Barakatu

On behalf of the Board of Directors of Dlala Brokerage and Investments Holding Company (QSC) I would like to present to you the fourth annual report of Dlala Holding. It will provide you with an insight into the Company's achievements and operations during the fiscal year that ended on 31 December 2009.
The year 2009 posed several challenges to the international economy. This had an adverse impact on the international financial markets as well as on the exchange operations at Qatar Exchange. In spite of all this Dlala Holding was able to realise commendable operational profits.
The 47% drop in the traded volume of Qatar Exchange substantially influenced the Company's 2009 revenues. However, the Company was successful in increasing its share in the exchange market by 11%, thanks to the concerted efforts of its two affiliates registered on Qatar Exchange.
The financial results of Dlala Holding as well as most of the local and international companies were mainly affected by the revaluation of the financial provisions of the properties and investment funds as a result of the global financial crisis. However, this did not affect the basic operations of the Company. On the contrary, its share in the market increased.
The financial activities of the Company were conducted with absolute transparency and Dlala Holding was the first company listed on Qatar Exchange to announce the provision for permanents impairment on property and investment available for sale before announcing its financial results for the first half of 2009.
The re-evaluated value of QR 24.61 million of the Company's provision for permanents impairment on property and investment available for sale resulted in a net loss of QR 956,341 compared to an operating profit of QR 20.46 million realised by the Company.

During 2009 the Company further developed the infrastructure of most of its sections in order to keep pace with the developments at Qatar Exchange. We reinforced the basic infrastructure of our Information Technology systems as well as our supervisory and security procedures with most modern systems with a view towards upgrading the efficiency and productivity of our operations.

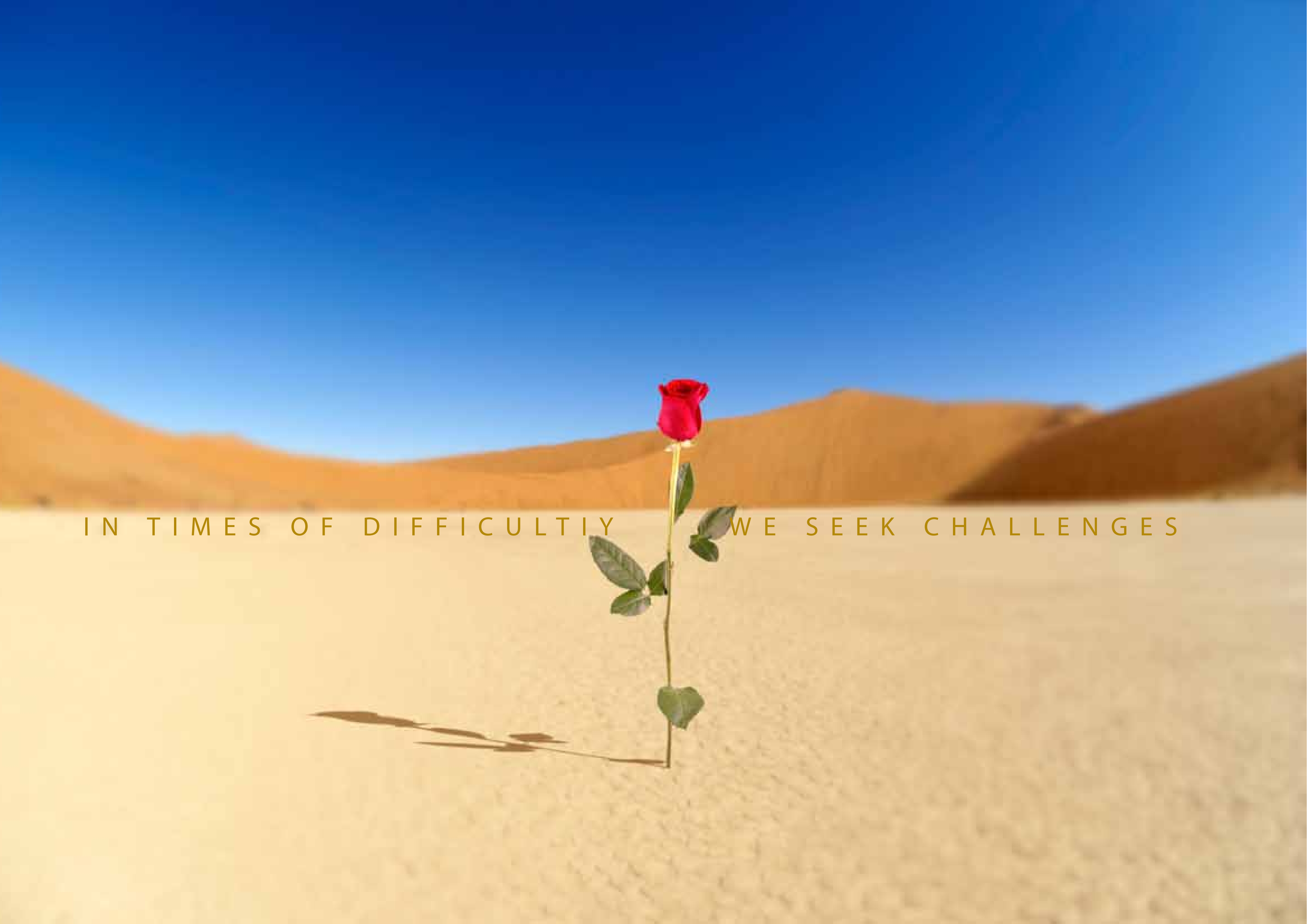
During the third quarter of 2009 our new subsidiary, Dlala Real Estate Company, commenced its experimental operations. We have also completed all the necessary preparations to inaugurate our new premises on Salwa Road. It will include our new headquarters from which the Company will be working towards realising its objectives under a new identity.

At Dlala Holding, we are working towards making 2010 a year of success and growth by diversifying our investments and by expanding the horizons of our operations beyond the stock market to the real estate sector. The Company will be functioning in this new sector with the aid of the most advanced automated systems. This will contribute considerably towards developing our property management operations as well as our real estate brokerage activities in the Qatari market.
In conclusion, on behalf of the employees, board of directors and shareholders of Dlala Holding, I would like to extend our most profound gratitude to HH Sheikh Hamad Bin Khalifa Al Thani, Emir of the State of Qatar and HH Sheikh Tamim Bin Hamad Bin Khalifa Al Thani, the Heir Apparent for their farsighted vision and for the wise policies they are adopting to develop Qatar, especially its economy.
I would also like to extend our sincere thanks and appreciation to our esteemed shareholders and clients for their valuable support and loyalty. I sincerely wish that we continue to achieve prosperity and success in all our operations
The Board would like to thank all the employees of Dlala Holding for their sincere efforts and diligence towards realising the objectives of the Company and protecting the interests of our clients.
Thank You.

Wa-Ssalamu Alaikum Wa Rahmatullahi Wa Barakatu

Turki Bin Mohammed Al Khater

Chairman



VISION

With a view to best Business Practices, while keeping an eye on regional and local cultures, we have blended knowledge with professional people, who use automated solutions to efficiently reach and serve our customers, in an environment that adheres to High Ethical Standards.

We aim to be the best financial brokerage house in Qatar, and aspire to be a fully integrated business that will redefine the regional financial services scene.

Mr. Waleed Jassim Al-Mossallam
CEO

MISSION

We commit to exceeding our clients' expectations in terms of quality, trust and professional excellence while delivering value, and to maintain high standards of ethical behaviour and professional integrity.

- We employ people who have expertise, and determination and who work closely as a team, with our clients and business partners.
- We pursue technical innovation, growth and compliance with best practices to increase value for our customers and successful opportunities for all Dlala stakeholders.
- We foster a working environment that encourages professional and financial growth.
- We ensure continuous improvement and transparency through total quality management practices.
- We provide a reasonable and sustainable return to shareholders.
- We are a responsible corporate citizen.

GROUP DYNAMICS

DLALA HOLDING (Q.S.C)

Dlala Brokerage and Investment Holding Company (Q.S.C.) was incorporated in the State of Qatar in May 2005, with a paid-up capital of QR 200 million (approx. US$ 55 million). The Company is the first non-banking financial investment establishment to be listed on Doha Securities Market (DSM) in order to provide brokerage services to investors in equity markets. Dlala Holding later went on to establish both Dlala Brokerage Company (W.L.L.) and Dlala Islamic Brokerage Company (W.L.L.) Both companies commenced operations in January 2006 and are listed on DSM.

In a short span of time, Dlala Holding has managed to win the confidence of local and regional investors on the DSM, thanks to its expertise and experience in financial brokerage and investment. Investors' growing confidence is adequately reflected in the evolution of the Company's operations. Today the Company's ultimate aim is to support investors while they make their investment decisions.

Dlala's current board of directors consists of representatives from leading organisations of the Qatari economy. They are: Pension Fund of the General

دلالة القابضة
DLALA HOLDING

Retirement & Pension Authority; Qatar Foundation for Education, Science and Community Development; Education and Health Fund – Ministry of Finance; QNB; Doha Bank; Commercialbank; International Bank of Qatar; Ahlibank and Amwal. Dlala Holding's board of directors oversee the strategic administration of all its activities and ensures its conformity with the business practices of leading national organisations.

Mission

To raise the bar of trading in the Doha Securities Market (DSM) to levels that comply with international standards, to keep pace with the significant growth of the Qatari economy and region.

To provide customers with the most competent brokerage & investment services through:
• A team of highly skilled and well-trained professionals
• The best technological infrastructure available in the brokerage and financial sector.
• A high-tech, state-of-the-art call centre, offering a swift response and ensuring absolute privacy for customers.
• Enhanced awareness among both existing and prospective investors, through dedicated workshops held in collaboration with interested parties, and thereby encouraging them to migrate to e-trading.
• Being a responsible corporate citizen, with an active role in our society.

DLALA BROKERAGE (W.L.L.)

Vision
To encourage more co-operation among the leading brokerage companies in the region and promote the integration of the financial markets of the GCC region.

Mission
Dlala Brokerage Company (L.L.C.) is determined to become the leading brokerage company in the financial sector.
Our aim is to: help investors to make timely and appropriate investment decisions, observe the highest ethical standards and deliver to the expectations of our customers.
We aspire to provide our customers with the most modern means of trading , utilising the latest state-of-the-art e-trading methods, both online and through our call centre. We are committed to expand the scope of our services and extend
them to all our clients, wherever they are.

Profile
Dlala Brokerage Company L.L.C was established in January 2006 to provide brokerages services in the equities markets for companies listed in financial markets. Dlala Brokerage applies international standards in e-trading via the Internet. It also uses systems that provide the security and confidentiality of customers accounts. Moreover, Dlala Brokerage provides investors with trading services through its call center which is equipped with the latest communication technology to ensure quality and swift services for all clients. The company has a staff with excellent expertise, qualifications and competencies in the field of financial brokerage so as to meet the needs of all customers accurately and quickly.

DLALA ISLAMIC (W.L.L.)

Vision
To maximize the presence of Islamic capital in international markets.

Mission
To become the first choice of investors who are seeking to enhance their investments in the capital markets, in a modern and professional manner and in accordance with the principles of Islamic Sharia utilising state-of-the-art Shari'a-compatible mechanisms that the Company introduces in the field of stock brokerage.

Profile
.Dlala Islamic Brokerage L.L.C was established in January 2006 with the aim of providing brokerage services according to Islamic Sharia provisions for companies registered in financial markets.

دلالة الإسلامية
DLALA ISLAMIC

The company has a special (Fatwa) committee for consultation and control. It is an internal and independent committee whose members represent the elite jurisprudence scholars who are qualified to give their views and opinions about buying and selling shares of a particular company or other sectors of investment according to the terms and provisions of the Islamic Sharia.

Dlala Islamic Brokerage L.L.C applies the latest international standards in brokerage and e-trading via the Internet, together with the adoption of support and auxiliary systems that provide the utmost security and confidentiality of customer accounts. It also provides investors with direct transaction services through its call center that is equipped with cutting-edge and sophisticated communication technologies to ensure swift and quality services to investors. The company's staff has good expertise and excellent competencies in the financial brokerage sector so as to meet the needs of all the customers in an accurate and swift manner.

Dlala's Islamic Panel for Fatwa and Shari'a Compliance Control
The Panel for Fatwa and Shari'a Compliance Control at Dlala Islamic is an internal independent body, comprising well known Islamic scholars who determine the compliance of equities with Shari'a rules. The panel provides investors with an Islamic perspective of the shares or listed companies.

Members of the Panel

Dr. Sultan Al Hashmy - President

Dr. Al Hashmy has more than 15 years experience in Islamic transactions. He holds a B.Sc. in Shari'a and Islamic Studies, and a Master's Degree from the Islamic University of Imam Mohamed Bin Sa'oud, Riyadh, Kingdom of Saudi Arabia. Dr. Al Hashmy has held various prestigious positions and has served as a member of the Shari'a panels and committees of several leading establishments. He is also a professor at the Shari'a and Islamic Studies Faculty of Qatar University.

Mr. Hamad Bin Mahmoud Al Mahmoud - Excutive Member

Mr. Hamad Bin Mahmoud Al Mahmoud is a very experienced Islamic scholar who has held various prestigious positions since obtaining his B.Sc. in Shari'a and Islamic Studies from Qatar University in 1989. Mr. Al Mahmoud was appointed as the Chief of Shari'a Courts and Islamic Affairs in 1990. He was also appointed as an Assistant to the Chief of Da'awa - Islamic Affairs Department in 1991.

Mr. Al Mahmoud served as an Assistant Shari'a Judge from 1995 till 1997. In 2002 he was promoted as a full judge at the Shari'a Court of Appeal. Mr. Al Mahmoud has participated in many international and regional conferences, meetings and forums on Islamic transactions and its governing standards. He has also participated in the establishment of many important Islamic and economic Fatwas.

Mr. Saif Abdul Nour Saif El Din - Member

Mr. Saif Abdul Nour Saif El Din holds a B.Sc. degree from Qatar University and has held several key positions. He was the Office Chief - Administration and Finance at the Ministry of Endowment and was also a researcher at the 'Zakat Fund'. Presently he is the Chief of the Office for Research and Studies at the 'Zakat Fund'. He has participated in several conferences and special forums.

Mr. Azizo-Allah Al Bloshi - Shari'a Auditor

Mr. Al Bloshi holds a Master's degree and a Diploma in Islamic Shari'a from the Islamic University of Medina. He also has a Master's degree, with honors, in Islamic and Arabic Sciences from Pakistan. He was appointed as the

Supreme Counsel for Justice and holds the position of Shari'a Auditor in various companies and establishments. We have a distinguished Fatwa Panel, comprising renowned Islamic scholars, who ensure that our activities and transactions are in compliance with Shari'a principles and guidelines annually.

DLALA REAL ESTATE

Vision
To be pioneers in Real Estate management and marketing, while using the latest technological solutions for customer services.

Mission
To become the real estate company of choice, offering modern solutions for property management, while building trust, raising the standards of customer service and protecting owners and investors from risk.

دلالة العقارية
DLALA REAL ESTATE

Profile
Dlala Real Estate, the third subsidiary of Dlala Holding has been launched to offer clients in Qatar, leading edge solutions to property management and marketing. It has been created to add to the market bringing with it a well-developed technological system for dealing with customers electronically.

The Company is committed to it's clients with regard to real estate renting, leasing, buying and selling. Its systems have been designed to provide quality and professional services to clients through quick, simple and convenient procedures and financial settlements. Additionally, it is committed to securing owners and investors rights whilst keeping risk to the minimum.

The range of activities include:
- Property Management Department, dedicated to monthly rent collection, maintenance and general services.
- A Sales Department that will do the following:
    - Property rental (Residential, Commercial and Industrial).
    - Marketing and Sales for properties through sales points, exhibitions and through our database.
    - Brokerage Department: Act as a broker to find buyers for properties, and finalizing all registrations and settlements.

Service Channels

We have the biggest call centre of its kind in Qatar and were the first company to launch an online e-trading service in Qatar. (See annual report '07 - page 12) Dlala Brokerage and Investment Holding Company (Q.S.C.) provides brokerage services for shares listed on Doha Securities Market (DSM). The Company buys and sells shares listed on DSM through a variety of channels, as shown below:

• Online e-trading
• Customer Service Branches
• Call Centre
• VIP Lounge
• Account Managers

Online e-trading

Dlala was the first company to launch an online e-trading service in Qatar. In this regard, the Company developed an advanced IT infrastructure, based on the latest international standards in IT systems. The new system ensures the highest standards of trading flexibility, offers absolute privacy and security and executes transactions and orders very quickly.

Customer Service Branches

- Dlala Brokerage andDlala Islamic Branches (Al Muntazah)
- Dlala Brokerage and Dlala Islamic Branches (Doha Securities Market Building)

Call Centre

Dlala Brokerage and Dlala Islamic have the biggest call centre of its kind in Qatar.
Equipped with the latest technology and experienced professionals, the call centre provides the following services:
• Receiving orders - buying, selling, amending, cancelling.
• Receiving 'uplift' instructions to customers' portfolios.
• Receiving payment orders, cheque issue orders and bank transfers.
• Answering customer enquiries about their portfolios.
• Providing customers with news about the Doha Securities Market (DSM).

Call Centre Enquiries

Dlala Brokerage : Tel. +974 428 4444
Dlala Islamic : Tel. +974 428 5555

VIP Lounge

Dlala Brokerage and Dlala Islamic offer an exclusive range of private and special services for VIP customers at their VIP Lounge. The VIP Lounge provides a luxurious trading environment with high-class amenities and logistics, thereby making trading a comfortable experience. The VIP Lounge is equipped with offices, computers, screens, satellite, and special TV channels showing the latest regional and international economic news.

A dedicated team of highly experienced professionals is always at hand to provide VIP customers with a personalised range of services.

Account Managers

We have a team of highly experienced account managers, who personally manage the accounts of corporates and high net worth clients. This service is available for both local and international companies.

For more information about this service please call +974 428 4444/428 5555.

Internal Committees

We nurture an inspiring and productive environment that promises growth and prosperity for all our stakeholders.

Executive Committee

The Executive Committee comprises five board members and is headed by the Chairman. The Committee was established following a decision of the Board of Directors. The Committee will be in operation for the entire tenure of the Board of Directors.

Members of the Executive Committee

1- H.E. Turki Bin Mohamed Al-khater - President
2- Mr. Abdullah Kamal
3- Mr. Ibrahim Al-Baker
4- Mr. Nawaf Abdullah Al-Attiyah
5- Mr. George Shehadeh

Responsibilities of the Committee

1. Review the preliminary balance sheet before presenting it to the Board of Directors.
2. Approve all agreed upon agreements and obligations that are beyond the authority of the CEO.
3. Approve all expenses that are beyond the authority of the CEO.
4. Review the quality and efficiency of the services provided by the Company and recommend ways of improvement and development.
5. Develop future plans and strategies according to the policies of the Board of Directors.
6. Supervise and monitor the funds invested by the Company in order to ensure their compliance with the approved policies of the Company.
7. Develop the general guidelines and policies for investment and present them to the Board of Directors. (annual report '07 - page 14)

Internal Audit Committee

The Committee is responsible for supervising and undertaking all internal and external audit activities, according to the pre-approved action plan of the Board of Directors. The Committee comprises four members of the Board of Directors who will elect a Chairman. The Committee will be in operation for the entire tenure of the Board of Directors.

Responsibilities of the Committee

1. Develop the procedures, goals and scope of internal audit.
2. Study and revise internal audit reports, prepare appropriate comments and present them to the Board of Directors.
3. Study the reports prepared by external auditors and Qatar Central Bank and make necessary recommendations.
4. Submit a synopsis of various meetings to the Chairman, who will present them to the Board of Directors.
5. Supervise and monitor the financial, administrative and technical activities of the internal audit department.
6. Recommend and follow-up all activities related to training, promotion and development of human resources.
7. Evaluate the performance of internal and external auditors.
8. Review the remarks of the external auditor regarding the financial statements.
9. Review the executive rotation plan and its compliance with the CEO's directives and provide appropriate recommendations.
10. Delegate responsibilities to a sub-committee comprising one or more of its members or to the Company's CEO.
11. Ensure that all laws and instructions of QCB regarding the Company's activities are duly adhered to.
12. Review any remarks raised on the above mentioned reports and forward them to the concerned departments for follow-up and timely action.
13. Any other activities referred to by the Committee.

Members of the Internal Audit Committee

H.E. Dr. Sheikh Hamad Bin Nasser Al-Thani - President
Mr. Salah Jassem Mourad
Mr. Abdul Jaleel Mahdi Burhani
Mr. Chaouki Hani Daher

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of Dlala Brokerage and Investments Holding Company (QSC) Doha – Qatar

Report on consolidated financial statements

We have audited the accompanying consolidated financial statements of Dlala Brokerage and Investments Holding Company Q.S.C (the "Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2009 and consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The consolidated financial statements of the Group as at and for the year ended 31 December 2008 were audited by another auditor whose report dated 4 February 2009 expressed an unqualified audit opinion.

Responsibility of the Directors for the consolidated financial statements

The Directors of the Company are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated 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.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2009, and of its financial performance, its cash flows and the changes in its equity for the year then ended in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

In addition, in our opinion, the Group has maintained proper accounting records and the consolidated financial statements are in agreement therewith. We have reviewed the accompanying report of the board of directors and confirm that the financial information contained theron is in agreement with the books and records of the Group. We are not aware of any violations of the provisions of Qatar Commercial Companies law No.5 of 2002 or the terms of Articles of Association having occurred during the year which might have had a material effect on the business of the Group or its financial position as at 31 December 2009. Satisfactory explanations and information have been provided to us by the management in response to all our requests.

Consolidated statement of financial position

As at 31 December 2009 In Qatari Riyals

	Note	2009	2008
ASSETS			
Current assets			
Cash and bank balances	4	**190,425,190**	248,249,388
Bank balances – customer funds	5	**309,340,333**	441,323,691
Due from customers	6	**31,693,500**	6,187,470
Due from Qatar Exchange		**8,000,450**	75,137,536
Other assets	7	**5,269,021**	3,595,329
Total current assets		**544,728,494**	774,493,414
Non-current assets			
Available-for-sale investments	8	**22,709,212**	28,535,520
Investment in associates	9	-	10,455,888
Property and equipment	10	**59,600,069**	64,738,230
Total non-current assets		**82,309,281**	103,729,638
Total assets		**627,037,775**	878,223,052
LIABILITIES AND EQUITY			
Current Liabilities			
Term loan – short term	11	-	3,931,800
Due to customers		**378,791,126**	578,704,047
Other liabilities	12	**31,013,003**	29,812,392
Total current liabilities		**409,804,129**	612,448,239
Non-current liabilities			
Provision for employees' end of service benefits		**1,009,127**	867,823
Term loan – long term	11	-	24,451,065
Total non-current liabilities		**1,009,127**	25,318,888
Total liabilities		**410,813,256**	637,767,127
EQUITY (page 8)			
Share capital	13	**200,000,000**	200,000,000
Legal reserve	14	**9,398,577**	9,398,577
Fair value reserve		**820,206**	(15,904,729)
Retained earnings		**5,964,658**	46,924,515
Total equity attributable to equity holders of the Company		**216,183,441**	240,418,363
Non-controlling interest		**41,078**	37,562
Total equity		**216,224,519**	240,455,925
Total equity and liabilities		**627,037,775**	878,223,052

The consolidated financial statements were approved by the Board of Directors and signed on its behalf by the following on 27 January 2010.

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Chairman Vice Chairman CEO

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Consolidated Statement of Income
for the year ended December 31, 2009

	Note	2009	2008
Revenue Brokerage and commission income	15a	**67,005,297**	132,774,200
Brokerage and commission expense	15b	**(21,540,432)**	(41,073,972)
Brokerage and commission income, net		**45,464,865**	91,700,228
Finance income		**11,582,102**	8,046,631
Investment income	16	**4,743,218**	8,413,813
Reversal of provision for operational losses	12	**3,165,214**	-
Share of profit in associate		**-**	240,835
		64,955,399	108,401,507
Expenses			
General and administrative expenses	17	**(20,591,252)**	(24,560,167)
Staff costs	18	**(20,034,111)**	(28,131,224)
Provision for legal cases	19	**-**	(2,228,800)
Impairment of available-for-sale investments	8	**(15,161,421)**	(1,417,392)
Impairment of property and equipment	10	**(9,444,699)**	-
Finance costs		**(680,257)**	(1,559,092)
Total expenses		**(65,911,740)**	(57,896,675)
(Loss)/profit for the year		**(956,341)**	50,504,832
Attributable to			
Owners of the Company		**(959,857)**	50,494,326
Non-controlling interest		**3,516**	10,506
Total		**(956,341)**	50,504,832
(Loss)/earnings per share	20	**(0.05)**	2.52

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income
For the year ended 31 December 2009

In Qatari Riyals

	Note	2009	2008
(Loss)/profit for the year		**(956,341)**	50,504,832
Other comprehensive income			
Net change in fair value of available-for-sale investments	8	**2,610,834**	(13,838,488)
Net change in fair value of available-for-sale financial assets transferred to profit or loss	8	**13,390,618**	4,828,324
Cumulative change in fair value reserve transferred to statement of income on disposal of associate		**723,483**	-
Total other comprehensive income for the year		**16,724,935**	(9,010,164)
Total comprehensive income for the year		**15,768,594**	41,494,668
Attributable to			
Owners of the company		**15,765,078**	41,484,162
Non-controlling interest		**3,516**	10,506
Total comprehensive income for the year		**15,768,594**	41,494,668

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2009 In Qatari Riyals

	Share Capital	Legal reserve	Fair value reserve	Retained earnings	Total equity attributable to equity holders of the Company	Non-controlling interest	Total dequity
Balance at 1 January 2008	200,000,000	4,348,093	(6,894,565)	25,479,622	222,933,150	28,107	222,961,257
Total comprehensive income for the year							
Profit	-	-	-	50,494,326	50,494,326	10,506	50,504,832
Other comprehensive income							
Net change in fair value of available-for-sale investments	-	-	(13,838,488)	-	(13,838,488)	-	(13,838,488)
Net change in fair value of available-for-sale financial assets transferred to profit or loss	-	-	4,828,324	-	4,828,324	-	4,828,324
Total other comprehensive income	-	-	(9,010,164)	-	(9,010,164)	-	(9,010,164)
Total comprehensive income for the year	-	-	(9,010,164)	50,494,326	41,484,162	10,506	41,494,668
Dividend	-	-	-	(24,000,000)	(24,000,000)		(24,000,000)
Transfer to legal reserve	-	5,050,484	-	(5,049,433)	1,051	(1,051)	-
Balance at 31 December 2008	200,000,000	9,398,577	(15,904,729)	46,924,515	240,418,363	37,562	240,455,925
Balance at 1 January 2009	200,000,000	9,398,577	(15,904,729)	46,924,515	240,418,363	37,562	240,455,925
Total comprehensive income for the year							
Loss	-	-	-	(959,857)	(959,857)	3,516	(956,341)
Other comprehensive income							
Net change in fair value of available-for-sale investments			2,610,834		2,610,834		2,610,834
Net change in fair value of available-for-sale financial assets transferred to profit or loss			13,390,618		13,390,618		13,390,618
Cumulative change in fair value reserve transferred to statement of income on disposal of associate	-	-	723,483	-	723,483	-	723,483
Total other comprehensive income			16,724,935		16,724,935		16,724,935
Total comprehensive income for the year	-	-	16,724,935	(959,857)	15,765,078	3,516	15,768,594
Dividend	-	-	-	(40,000,000)	(40,000,000)	-	(40,000,000)
Transfer to legal reserve	-	-	-	-	-	-	-
Balance at 31 December 2009	**200,000,000**	**9,398,577**	**820,206**	**5,964,658**	**216,183,441**	**41,078**	**216,224,519**

The accompanying notes ١ to ٢٦ form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2009 In Qatari Riyals

	Note	2009	2008
OPERATING ACTIVITIES (Loss)/profit for the year		**(956,341)**	50,504,832
Adjustments for:			
Depreciation	10	**5,632,662**	6,305,902
Finance income		**(11,582,102)**	(8,046,631)
Impairment of available-for-sale investments	8	**15,161,421**	1,417,392
Impairment on property and equipment	10	**9,444,699**	-
Provision for employees' end of service benefit		**456,172**	147,880
Profit on sale of available-for-sale investments and associate	16	**(2,792,119)**	(7,550,241)
Provision for legal cases	19	-	2,228,800
Finance costs		**680,257**	1,559,092
Reversal of provision for operational losses	12	**(3,165,214)**	-
Share of profit of associate	9	-	(240,835)
		12,879,435	46,326,191
Change in due from customers		**(25,506,030)**	267,719,105
Change in due from Qatar Exchange		**67,137,086**	(75,137,536)
Change in other assets		**(2,201,415)**	1,572,112
Change in customer funds		**131,983,358**	(83,584,802)
Change in due to customers		**(199,912,921)**	148,919,940
Change in due to Qatar Exchange		-	(117,158,136)
Change in other liabilities		**(1,894,602)**	11,491,925
Change in term deposits		**(80,000,000)**	-
Employees' end of service benefits paid		**(314,868)**	-
Net cash (used in)/from operating activities		**(97,829,957)**	200,148,799
INVESTING ACTIVITIES			
Proceeds from sale of available-for-sale investments		**8,795,756**	18,224,614
Proceeds from sale of associate		**11,842,073**	-
Purchase of property and equipment	10	**(9,941,740)**	(52,463,189)
Proceeds from sale of property and equipment		**2,540**	-
Finance income received		**12,109,825**	5,920,742
Net cash from/(used in) investing activities		**22,808,454**	(28,317,833)
FINANCING ACTIVITIES			
Dividend paid		**(33,739,573)**	(24,000,000)
Finance costs paid		**(680,257)**	(1,559,092)
(Repayment) / proceeds from loan	11	**(28,382,865)**	28,382,865
Net cash (used in)/ from financing activities		**(62,802,695)**	2,823,773
Net (decrease) / increase in cash and cash equivalents		**(137,824,198)**	174,654,739
Cash and cash equivalents at 1 January		**248,249,388**	73,594,649
Cash and cash equivalents at 31 December	4.1	**110,425,190**	248,249,388

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements
For the year ended 31 December 2009

1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

Dlala Brokerage and Investments Holding Company (QSC) (the "Company") is a Qatari Shareholding Company (Q.S.C.) incorporated in the State of Qatar on May 24, 2005 under Commercial Registration No.30670. The Company is governed by the provisions of the Qatar Commercial Companies law No. 5 of 2002, Qatar Exchange and Qatar Financial Markets Authority regulations. The Company together with its subsidiaries (together referred to as the "Group") is engaged in brokerage activities at the Qatar Exchange and in investment activities.

2. BASIS OF PREPARATION

a) Statement of compliance
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the applicable requirements of Qatar Commercial Companies' Law No. 5 of 2002.

The consolidated financial statements were authorised for issue by the Board of Directors on 27 January 2010.

b) Basis of measurement
The financial statements are prepared under the historical cost convention except for available-for-sale investments that have been measured at fair value. The accounting policies are consistent with those used in the previous year, except for certain disclosure changes noted in 2 d).

c) Use of estimates and judgements
The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 22.

d) Standards, amendments and interpretations issued
The following standards, amendments and interpretations have been issued and are effective for financial years beginning on or after 1 January 2009 and therefore, these have been adopted and applied in the preparation if these consolidated financial statements:

i) Determination and presentation of operating segments

As of 1 January 2009 the Group determines and presents operating segments based on the information that internally is provided to the CEO, who is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of IFRS 8 *Operating Segments*. Previously operating segments were determined and presented in accordance with IAS 14 *Segment Reporting*. The new accounting policy in respect of segment operating disclosures is presented as follows.

Comparative segment information has been re-presented in conformity with the transitional requirements of IFRS 8. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

ii) Presentation of financial statements
The Group applies revised IAS 1 Presentation of Financial Statements (2007), which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. This presentation has been applied in these consolidated financial statements as at and for the year ended 31 December 2009. Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

iii) Amendment to IFRS 7 Financial Instruments: Disclosures
The amendment to the standard requires an entity to provide a quantitative and qualitative analysis of those instruments recognised at fair value based on a three-level measurement hierarchy. Furthermore, for those instruments which have significant unobservable inputs (classified as Level 3), the amendment requires disclosures on the transfers into and out of Level 3, a reconciliation of the opening and closing balances, total gains and losses for the period split between those recognised in other comprehensive income, purchases, sales issues and settlements, and sensitivity analysis of reasonably possible changes in assumptions. In addition, disclosure is required of the movements between different levels of the fair value hierarchy and the reason for those movements. Finally, the standard amends the previous liquidity risk disclosures as required under IFRS 7 for non-derivative and derivative financial liabilities.
Entities are required to apply this amendment for annual periods beginning on or after 1 January 2009, with no requirement to provide comparatives on transition. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

iv) Improvements to IFRS (issued in May 2008)

Improvements to IFRS issued in May 2008 contained numerous amendments to IFRS that the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments effective for annual periods beginning on or after 1 January 2009 have been adopted by the Group and no material changes to accounting policies arose as a result of these amendments.

d) Standards, interpretations and amendments issued (continued)

Standards, amendments and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2009, and have not been applied in preparing these consolidated financial statements. None of these are expected to have a material effect on the consolidated financial statements of the Group, with the exception of:

1- IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments,* published on 12 November 2009 as part of phase I of the IASB's comprehensive project to replace IAS 39, deals with classification and measurement of financial assets. The requirements of this standard represent a significant change from the existing requirements in IAS 39 in respect of financial assets. The standard contains two primary measurement categories for financial assets: amortised cost and fair value. A financial asset would be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. The standard eliminates the existing IAS 39 categories of *held to maturity, available for* sale and *loans and receivables.* For an investment in an equity instrument which is not held for trading, the standard permits an irrevocable election, on initial recognition, on an individual share-by-share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognised in other comprehensive income would ever be reclassified to profit or loss at a later date. However, dividends on such investments are recognised in profit or loss, rather than other comprehensive income unless they clearly represent a partial recovery of the cost of the investment. Investments in equity instruments in respect of which an entity does not elect to present fair value changes in other comprehensive income would be measured at fair value with changes in fair value recognised in profit or loss.

The standard requires that derivatives embedded in contracts with a host that is a financial asset within the scope of the standard are not separated: instead the hybrid financial instrument is assessed in its entirety as to whether it should be measured at amortised cost or fair value.

The standard is effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted. The Group is currently in the process of evaluating the potential effect of this standard.

2- Improvements to IFRS (issued in April 2009)

Improvements to IFRS issued in April 2009 contained numerous amendments to IFRS that the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments are effective for annual periods beginning on or after 1 January 2010 with earlier adoption permitted. No material changes to accounting policies are expected as a result of these amendments.

3. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been applied in the preparation of these consolidated financial statements:

a. Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of Dlala Brokerage and Investments Holding Company Q.S.C and its subsidiaries as at and for the year ended 31 December 2009. The financial statements of the subsidiaries are prepared for the same year as the Company, using consistent accounting policies.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interest represents the portion of profit or loss and net assets not held by the Company and presented separately in the consolidated statement of income and within shareholders' equity in the consolidated statement of financial position separately from equity attributable to the equity holders of the Company.

The consolidated financial statements include the financial statements of Dlala Brokerage and Investments Holding Company Q.S.C and the following subsidiaries.

	Country of Incorporation	Percentage interest 2009	2008
Dlala Brokerage W.L.L.	Qatar	99.98%	99.98%
Dlala Islamic Brokerage W.L.L.	Qatar	99.98%	99.98%
Dlala Real Estate L.L.C.	Qatar	100.00%	100.00%
Dlala Investment Company L.L.C (Dormant).	Qatar	99.90%	99.50%
Dlala International W.L.L (Dormant).	Qatar	99.50%	99.50%
Dlala Information Technology S.P.C (Dormant)	Qatar	100.00%	-

b. Foreign currency

- Functional and presentation currency

The financial statements are presented in Qatari Riyals, which is the Company's functional and presentation currency.

- Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. Non-monetary items measured in terms of historical costs in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income.

c. Revenue recognition

Brokerage and commission income is recognized when a sale or purchase transaction is completed and when the Group's right to receive the income has been established.

Dividend income is recognized when the right to receive is the income established. This is usually the ex-dividend date for equity securities. Interest income is accrued on a time apportioned basis, by reference to the principal outstanding and the effective interest rate applicable.

d. Financial instruments

Financial instruments represent the Group's financial assets and liabilities. Significant financial assets include cash and bank balances, available-for-sale investments and certain other assets. Significant financial liabilities include customer accounts.

(i) Classification

Available-for-sale investments are financial assets that are not investments carried at fair value through the statement of income nor are held to maturity nor loans or receivables.

(ii) Recognition

The Group initially recognizes all financial assets and liabilities on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

(iii) Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Group also derecognizes certain assets when it charges off balances pertaining to the assets deemed to be uncollectable. The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

(iv) Measurement

Financial instruments are recognized initially at fair value plus, for instruments not at fair value through the statement of income, any directly attributable transaction costs. Subsequent to initial recognition, available-for-sale investments are measured at fair value. Gains and losses arising from a change in the fair value of available-for-sale investments are recognized in a separate fair value reserve in equity and when the investments are sold, impaired, collected or otherwise disposed of, the cumulative gain or loss previously recognized in the fair value reserve is transferred to the statement of income.

Cash and bank balances and amounts due from customers are carried at amortized cost in the balance sheet.

e. Fair value

The fair value of the marketable financial assets represents the quoted bid price at the balance sheet date and in case of non availability of quoted prices for certain financial assets, fair value will be arrived at using suitable pricing models.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2009

f. Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment (if any). Depreciation is computed using the straight-line method to write-off the cost of the assets over their estimated useful lives as follows:

Leasehold improvements	20%
Furniture and fixture	10%
Computers and software	20% - 33.33%
Office equipment	20%
Motor vehicles	20%

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their relevant amount.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of income in the year the asset is derecognised.

g. Capital work in progress

This account represents work-in-progress on assets, which are carried at cost, less any recognized impairment loss. Upon the completion of the work, the balance of work performed is transferred to the relevant property and equipment category.

h. Impairment

- Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Impairment losses, if any, are recognized in the statement of income and reflected in an allowance account created for this purpose.

The Group determines that available-for-sale equity investments are impaired when there has been a 'significant' or 'prolonged' decline in the fair value below its cost. This determination of what is 'significant' or 'prolonged' requires judgment and is assessed based on qualitative and quantitative factors, for each available-for-sale investment separately. In making a judgment of impairment, the Group evaluates among other factors, evidence of deterioration in the financial health of the entity, impact of delay in execution, industry and sector performance, changes in technology and operational and financing cash flows.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the profit or loss, the impairment loss is reversed, with the amount of the reversal recognised profit or loss. However, any subsequent recovery in the impaired available-for-sale equity security is recognised in other comprehensive income.

- Non-financial assets

The carrying amount of the Group's assets, other than financial assets, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses are recognized in the statement of income. Impairment losses are reversed only if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

i. Employee end of service benefits

- Non Qatari Employees

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' length of service and the completion of a minimum service period. The Group treats this obligation as a non-current liability.

- Qatari Employees

With respect to the Qatari employees, the Group makes contributions to Government Pension Fund calculated as a percentage on the employees' salaries in accordance with the requirements of law No. 24 of 2002 pertaining to Retirement and Pensions. The Group's obligations are limited to the contributions which are expensed when due.

j. Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

k. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

l. Dividend

Dividends to shareholders are recognised as a liability in the period in which it is declared.

4. CASH AND BANK BALANCES

	2009	2008
Cash on hand	**23,114**	2,193
Fixed deposits	**137,500,000**	152,500,000
Call accounts	**26,055,898**	63,538,798
Current accounts	**26,846,178**	32,208,397
	190,425,190	248,249,388

Fixed deposits and call accounts represent short term placements with various banks, with effective interest rate ranging from 5.9% to 6.4%, and maturity upto 6 months.

4.1 CASH AND CASH EQUIVALENTS

	2009	2008
Cash on hand	**23,114**	2,193
Fixed deposits	**57,500,000**	152,500,000
Call accounts	**26,055,898**	63,538,798
Current accounts	**26,846,178**	32,208,397
	110,425,190	248,249,388

Fixed deposits within cash and cash equivalents represent the portion that matures within three months.

5. BANK BALANCES – CUSTOMER FUNDS

Customer funds represent bank balances for the customers, which the Group holds in trust until the customers commit those funds to the purchase of shares following which the Group transfers the committed funds to the Group's bank accounts and settles the transaction with the settlement authority.

6. DUE FROM CUSTOMERS

	2009	2008
Amounts due from customers	**35,723,770**	10,217,740
Less: Provision for doubtful debts	**(4,030,270)**	(4,030,270)
Net	**31,693,500**	6,187,470

The Group provides fully for all balances from its customers which are under legal cases. No interest is charged on overdue balances. The normal credit term for the Group is transaction day plus three days.

7. OTHER ASSETS

	2009	2008
Profit and interest accrued on time and call deposits	**1,598,165**	2,125,889
Prepayments and other debit balances	**3,670,856**	1,469,440
	5,269,021	3,595,329

8. AVAILABLE-FOR-SALE INVESTMENTS

	Quoted	Unquoted	Total
At Cost			
As at 1 January 2008	**48,916,897**	**5,112,855**	**54,029,752**
Acquisition during the year	41,553,290	-	41,553,290
Transferred from associate (note 9)	-	1,778,779	1,778,779
Impairment	(1,417,392)	-	(1,417,392)
Disposal during the year	(52,227,663)	-	(52,227,663)
As at 31 December 2008	**36,825,132**	**6,891,634**	**43,716,766**
Acquisition during the year	-	-	-
Transferred from associate (note 9)	-	103,860	103,860
Impairment	(13,233,061)	(1,928,360)	(15,161,421)
Disposal during the year	(4,729,199)	(2,041,000)	(6,770,199)
As at 31 December 2009	**18,862,872**	**3,026,134**	**21,889,006**
Fair value adjustments			
As at 1 January 2008	**(6,171,083)**	-	**(6,171,083)**
Reversal of fair value reserve on disposal	4,828,324	-	4,828,324
Movement during the year	(13,032,439)	(806,048)	(13,838,487)
As at 31 December 2008	**(14,375,198)**	**(806,048)**	**(15,181,246)**
Reversal of fair value reserve on disposal and impairment	12,943,998	446,620	13,390,618
Movement during the year	2,366,214	244,620	2,610,834
As at 31 December 2009	**935,014**	**(114,808)**	**820,206**
At Fair value			
As at December 31, 2009	**19,797,886**	**2,911,326**	**22,709,212**
As at December 31, 2008	22,449,934	6,085,586	28,535,520

All available-for- sale investments represent investments in equity securities within the Middle East region.
Impairment of QR. 15,161,421 has been recorded during the year on the equity portfolio. This includes impairment of QR. 1,602,000, being 90% of the cost of investment in the unquoted shares of E-data, a Jordan based company, which the management considers irrecoverable.

9. INVESTMENT IN ASSOCIATES

During the year the Group has disposed a portion of its investment in the unquoted shares of Tuhama Investments, a Jordan based company, which diluted the shareholding of the Group from 22% to 1%. Subsequently, the investment in associate was reclassified as available-for-sale as the Group no longer has significant influence over Tuhama Investments. The movement on the investment in associates balance during the year is as follows:

	2009	2008
Balance as at the beginning of the year	**10,455,888**	11,993,832
Disposal of associate	**(10,352,028)**	-
Share of profit for the year	**-**	240,835
Reclassification to available-for-sale (note 8)	**(103,860)**	(1,778,779)
Balance as at the end of the year	**-**	10,455,888

10. PROPERTY AND EQUIPMENT

	Land	Leasehold improvements	Furniture and fixtures	Computers and software	Office equipment	Motor vehicles	Capital work in progress	Total
Cost:								
As at 1 January 2008	-	1,013,013	1,989,007	24,224,574	1,412,195	178,000	942,800	29,759,589
Additions	36,306,584	234,021	28,005	1,167,425	450,182	179,000	14,097,972	52,463,189
Transfer	-	-	-	942,800	-	-	(942,800)	-
As at 31 December 2008	36,306,584	1,247,034	2,017,012	26,334,799	1,862,377	357,000	14,097,972	82,222,778
Additions	157,579	3,550	3,801	1,134,885	22,640	-	8,619,285	9,941,740
Disposal	-	-	-	-	(2,540)	-	-	(2,540)
Transfer	-	-	-	1,310,313	-	-	(1,310,313)	-
As at 31 December 2009	**36,464,163**	**1,250,584**	**2,020,813**	**28,779,997**	**1,882,477**	**357,000**	**21,406,944**	**92,161,978**
Depreciation:								
As at 1 January 2008	-	235,012	406,247	10,134,364	344,204	58,819	-	11,178,646
Charge for the year	-	240,598	201,461	5,468,465	339,345	56,033	-	6,305,902
As at 31 December 2008	-	**475,610**	**607,708**	**15,602,829**	**683,549**	**114,852**	-	**17,484,548**
Charge for the year	-	248,899	202,168	4,737,115	373,079	71,401	-	5,632,662
As at 31 December 2009	-	**724,509**	**809,876**	**20,339,944**	**1,056,628**	**186,253**	-	**23,117,210**
Impairment Net book value:	7,366,865	-	-	-	-	-	2,077,834	9,444,699
As at 31 December 2009	**29,097,298**	**526,075**	**1,210,937**	**8,440,053**	**825,849**	**170,747**	**19,329,110**	**59,600,069**
As at 31 December 2008	36,306,584	771,424	1,409,304	10,731,970	1,178,828	242,148	14,097,972	64,738,230

Impairment of QR. 9,444,699 has been recorded on the Group's Salwa Road property under refurbishment due to the impact the current market conditions have had on rental yields. The Group obtained an independent valuation to determine the amount of impairment to record.

11. TERM LOAN

	2009	2008
Total amount of loan due to bank	-	28,382,865
Less: current portion	-	(3,931,800)
Long term portion	-	24,451,065

During the year, the Group has repaid the entire amount of the term loan which was borrowed last year for the acquisition of land and a building.

12. OTHER LIABILITIES

	2009	2008
Accounts payable	**4,840,702**	3,081,616
Provision for legal cases	**4,225,417**	6,608,704
Dividend payable	**13,894,517**	7,634,090
Provisions and other accruals*	**8,052,367**	12,487,982
	31,013,003	29,812,392

*During the year, the Group has reversed an amount of QR. 3,165,214, from provision for operational losses, on the basis of the historical trend of actual operational losses incurred over the past two years.

13. SHARE CAPITAL

	2009	2008
Share capital consists of:		
20,000,000 authorised, issued and fully paid shares of QR.10 each with each carrying equal voting rights.	**200,000,000**	200,000,000

14. LEGAL RESERVE

In accordance with the Qatar Commercial Companies' Law No. 5 of 2002, 10% of net income for the year is to be transferred to legal reserve. This annual transfer may cease when the reserve equals 50% of the paid up capital. This reserve is not available for distribution. As the Group has incurred a loss in the current year, no amount has been transferred from retained earnings to the legal reserve.

15. BROKERAGE AND COMMISSION

a) Brokerage and Commission income

Brokerage and commission income of QR. 67,005,297 (2008: QR. 132,774,200) comprises commissions raised on share purchase and sell transactions less rebates offered to clients.

b) Brokerage and commission expenses

Brokerage and commission expenses of QR. 21,540,432 (2008: QR. 41,073,972) comprise fees paid to the Qatar Exchange and other direct brokerage costs.

16. INVESTMENT INCOME

	2009	2008
Profit on disposal of available-for-sale investments and associate	**2,792,119**	7,252,536
Dividends received	**1,951,099**	1,161,277
	4,743,218	8,413,813

17. GENERAL AND ADMINISTRATIVE EXPENSES

	2009	2008
Consulting and professional expenses	**727,759**	1,086,537
Qatar Exchange membership fee	**273,000**	273,000
Rent expenses	**3,857,677**	3,785,762
IT and communication costs	**4,191,808**	3,937,127
Marketing	**1,825,279**	3,607,100
Depreciation	**5,632,662**	6,305,902
Telephone and fax expenses	**563,651**	609,278
Travel expenses	**133,428**	452,694
Insurance expenses	**531,160**	486,065
Maintenance expenses	**200,691**	304,106
Governmental expenses	**212,206**	203,534
Qatar Exchange penalty*	-	509,000
Bank guarantee fee	**1,957,622**	2,673,828
Miscellaneous expenses	**484,309**	326,234
	20,591,252	24,560,167

*This expense represents the penalty charged by the Qatar Exchange ("QE") for violating certain of its trading rules in accordance with QE regulations in 2008.

18. STAFF COSTS

	2009	2008
Salaries and allowances	**18,437,672**	19,791,936
Provision for end of service benefits	**456,172**	456,023
Provision for air tickets	**668,099**	621,947
Provision for bonus	**-**	6,611,906
Other staff costs	**472,168**	649,412
	20,034,111	28,131,224

19. PROVISION FOR LEGAL CASES

In the previous year various claims were made by customers which are still outstanding. The Group has made full provision for these claims amounting to QR 4,225,417. No additional provisions were made in the current year.

20. (LOSS) / EARNINGS PER SHARE

	2009	2008
Net (loss) / profit attributable to equity holders of the Company	**(959,857)**	50,494,326
Number of shares	**20,000,000**	20,000,000
Basic (loss) / earnings per share	**(0.05)**	2.52

There were no potentially dilutive shares outstanding at any time during the year therefore, the diluted (loss) / earnings per share are equal to the basic (loss) / earnings per share.

21. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Group exercises significant influence, shareholders and key management personnel of the Group.

Key management personnel of the Group comprise the Board of Directors and key members of management having authority and responsibility for planning, controlling and directing the activities of the Group. Transactions with related parties include salaries and other short term benefits paid to directors and other members of key management.

The remuneration of members of key management during the year were as follows:

	2009	2008
Short-term benefits – salary packages to senior managers	**2,517,090**	4,953,553

There were no other related party transactions during the year that require disclosure in these consolidated financial statements. The terms and conditions of the transactions with key management personnel and related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

22. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

- **Impairment on available-for-sale securities**

The Group determines that available-for-sale equity investments are impaired when there has been a 'significant' or 'prolonged' decline in the fair value below its cost. This determination of what is 'significant' or 'prolonged' requires judgment and is assessed based on qualitative and quantitative factors, for each available-for-sale investment separately. In making a judgment of impairment, the Group evaluates among other factors, evidence of deterioration in the financial health of the entity, impact of delay in execution, industry and sector performance, changes in technology and operational and financing cash flows.

- **Depreciation and impairment of property and equipment**

The cost of property and equipment is depreciated over the estimated useful life, which is based on expected usage of the asset, the repair and maintenance program and technological obsolescence arising from changes. The management has not considered any residual value as it is deemed immaterial.

The carrying amounts of the Group's property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

23. FINANCIAL RISK MANAGEMENT

Overview

Financial instruments represent the Groups's financial assets and liabilities. Financial assets include cash and bank balances, available-for-sale investments and certain other assets. Significant financial liabilities include customer accounts. Accounting policies for financial instruments are set out in note 3.

The Group has exposure to various risks from its use of financial instruments. These risks can be broadly classified as:

- credit risk
- liquidity risk
- market risk
- operational risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

CREDIT RISK

Credit risk is the risk that an obligor or counterparty will fail to meet its obligations in accordance with agreed terms. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure (such as individual obligor default risk, country and economic sector risk).

Management of credit risk

The Group has a policy to only transact with customers with credit balances. In certain special limited circumstances, the Group allows certain customers with good credit ratings to trade on a T+3 basis. The Group's exposure to its counterparties is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management. Cash is placed with financial institutions with good credit ratings.

EXPOSURE TO CREDIT RISK:

As at 31 December 2009:	Cash and bank balances	Bank balances – customer funds	Due from customers	Due from Qatar Exchange	Available-for-sale investments	Other financial assets	Total carrying value
On Balance sheet items							
Neither past due nor impaired							
1 – 90 days	190,425,190	309,340,333	31,693,500	8,000,450	22,709,212	1,598,165	563,766,850
91 – 180 days	-	-	-	-	-	-	-
181 – 365 days	-	-	-	-	-	-	-
More than 365 days	-	-	-	-	-	-	-
Individually impaired	-	-	4,030,270	-	-	-	4,030,270
Total	**190,425,190**	**309,340,333**	**35,723,770**	**8,000,450**	**22,709,212**	**1,598,165**	**567,797,120**

As at 31 December 2008:	Cash and bank balances	Bank balances – customer funds	Due from customers	Due from Qatar Exchange	Available- for-sale investments	Other financial assets	Total carrying value
On Balance sheet items							
Neither past due nor impaired							
1 – 90 days	248,249,388	441,323,691	6,187,470	75,137,536	28,535,520	2,125,889	801,559,494
91 – 180 days	-	-	-	-	-	-	-
181 – 365 days	-	-	-	-	-	-	-
More than 365 days	-	-	-	-	-	-	-
Individually impaired	-	-	4,030,270	-	-	-	4,030,270
Total	**248,249,388**	**441,323,691**	**10,217,740**	**75,137,536**	**28,535,520**	**2,125,889**	**805,589,764**

Concentration risk

Concentration risk is any single exposure or group of exposures with the potential to produce losses large enough to threaten the Group's health or ability to maintain its core operations. Such concentrations include:

- Significant exposures to an individual counterparty or group of related counterparties
- Credit exposures to counterparties in the same economic sector or geographical region
- Credit exposures to counterparties whose financial performance is dependent on the same activity or commodity
- Indirect credit exposures arising from the Group's credit risk mitigation activities (e.g. exposure to a single collateral type or to credit protection provided by a single counterparty).

The Group has a diversified customer base with no significant exposure to any individual counterparty or in any particular economic sector, therefore the concentration of credit risk is not considered to be significant for the Group.

LIQUIDITY RISK

Liquidity risk is the potential loss for the Group arising from its inability either to meet its obligations or fund the assets without incurring unacceptable costs or losses.

Management of liquidity risk

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following table sets out the maturity profile of the Group's financial assets and financial liabilities. The contractual maturities of financial assets and financial liabilities have been determined on the basis of the remaining period at the balance sheet date to the contractual maturity date. Management monitors the maturity profile to ensure that adequate liquidity is maintained.

MATURITY PROFILE

The maturity profile of the Group 's financial assets and financial liabilities as at 31 December 2009 was as follows:

GROSS UNDISCOUNTED CASHFLOWS

	On Demand	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Total
ASSETS							
Cash and bank balances	52,925,190	57,500,000	80,000,000	-	-	-	**190,425,190**
Bank balances – customer funds	309,340,333	-	-	-	-	-	**309,340,333**
Available-for-sale investments	-	-	-	22,709,212	-	-	**22,709,212**
Due from customers	-	31,693,500	-	-	-	-	**31,693,500**
Due from Qatar Exchange	-	8,000,450	-	-	-	-	**8,000,450**
Other financial assets	-	1,598,165	-	-	-	-	**1,598,165**
	362,265,523	98,792,115	80,000,000	22,709,212	-	-	**563,766,850**
LIABILITIES							
Customer accounts	378,791,126	-	-	-	-	-	**378,791,126**
MATURITY GAP	(16,525,603)	98,792,115	80,000,000	22,709,212	-	-	**184,975,724**

The maturity profile of the Group's financial assets and financial liabilities as at 31 December 2008 was as follows:

GROSS UNDISCOUNTED CASHFLOWS

	On Demand	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Total
ASSETS							
Cash and bank balances	95,749,388	152,500,000	-	-	-	-	248,249,388
Bank balances – customer funds	441,323,691	-	-	-	-	-	441,323,691
Available-for-sale investments	-	-	-	28,535,520	-	-	28,535,520
Due from customers	-	6,187,470	-	-	-	-	6,187,470
Due from Qatar Exchange	-	75,137,536	-	-	-	-	75,137,536
Other financial assets	-	2,125,889	-	-	-	-	2,125,889
	537,073,079	235,950,895	-	28,535,520	-	-	801,559,494
LIABILITIES							
Customer accounts	578,704,047	-	-	-	-	-	578,704,047
MATURITY GAP	(41,630,968)	235,950,895	-	28,535,520	-	-	222,855,447

The table above considered the Group's financial assets and liabilities on the basis of their earliest possible contractual maturity and liquidity profile. The Group's expected cash flows on these instruments do not vary significantly from this analysis.

Exposure to liquidity risk

The Group's liquid assets include cash and cash equivalents and marketable securities. The table below lists the liquidity indicators that the Group monitors:

No	Indicators	As at 31 December 2009
1	Liquid assets/ total assets	**21%**
2	Current assets / current liabilities	**133%**

No	Indicators	As at31 December 2008
1	Liquid assets/ total assets	32%
2	Current assets / current liabilities	126%

MARKET RISK

Market Risk is the risk of losses in both on and off balance sheet positions arising from movements in market prices. These risks include the risk pertaining to interest rate related instruments and equities and foreign exchange risk throughout the Group.

Management of market risk

The Group is subject to market risk in relation to available-for-sale investments. The Group evaluates the current market value and other factors including normal volatility in share price for quoted equities and other relevant factors such as investment manager's periodic reports relating to unquoted equities in order to manage its market risk.

Market risk has three main components:

Interest Rate Risk;
Foreign exchange Risk; and
Other price Risk

INTEREST RATE RISK

Interest rate risk arises when there is a mismatch between positions which are subject to interest rate adjustment within a period. In the Group's funding and investment activities, fluctuations in interest rates are reflected in profit margins and earnings.
Maturities of assets and liabilities have been determined on the basis of contractual pricing. The following table summarizes the repricing profile of the Group's financial assets, liabilities:

As at 31 December 2009	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Non-Interest sensitive	Total
ASSETS							
Cash and bank balances	83,555,898	80,000,000	-	-	-	26,869,292	190,425,190
Bank balances – customer funds	-	-	-	-	-	309,340,333	309,340,333
Available-for-sale investments	-	-	-	-	-	22,709,212	22,709,212
Due from customers	-	-	-	-	-	31,693,500	31,693,500
Due from Qatar Exchange	-	-	-	-	-	8,000,450	8,000,450
Other financial assets	-	-	-	-	-	1,598,165	1,598,165
	83,555,898	80,000,000	-	-	-	400,210,952	563,766,850
LIABILITIES							
Due to customers	-	-	-	-	-	378,791,126	378,791,126
MATURITY GAP	83,555,898	80,000,000	-	-	-	21,419,826	184,975,724

As at 31 December 2008	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Non-Interest sensitive	Total
ASSETS							
Cash and bank balances	216,038,798	-	-	-	-	32,210,590	248,249,388
Bank balances – customer funds	-	-	-	-	-	441,323,691	441,323,691
Available-for-sale investments	-	-	-	-	-	28,535,520	28,535,520
Due from customers	-	-	-	-	-	6,187,470	6,187,470
Due from Qatar Exchange	-	-	-	-	-	75,137,536	75,137,536
Other financial assets	-	-	-	-	-	2,125,889	2,125,889
	216,038,798	-	-	-	-	585,520,696	801,559,494
LIABILITIES							
Due to customers	-	-	-	-	-	578,704,047	578,704,047
MATURITY GAP	216,038,798	-	-	-	-	6,816,649	222,855,447

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group has no significant concentration of currency risk as almost all financial assets and liabilities are denominated in the functional currency that is Qatari Riyals.

EQUITY PRICE RISK

Equity price risk is the risk to earnings or capital that results from adverse changes in the value of investments of the Group.

A 10% increase or decrease in market values of the Group's portfolio of available-for-sale investments is expected to result in an increase or decrease of QR. 2,207,921 (2008: QR 2,853,552) in the assets and equity of the Group.

OPERATIONAL RISK

Operational risk is the risk of loss arising from systems and control failures, fraud and human errors, which can result in financial and reputation loss, and legal and regulatory consequences. The Group manages operational risk through appropriate controls, instituting segregation of duties and internal checks and balances, including internal audit and compliance.

CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the equity balance. The Group's overall strategy remains unchanged from 2008.

The capital structure of the Group consists of, cash and bank balances and equity, comprising issued capital, reserves and retained earnings.

24. FAIR VALUES AND CLASSIFICATION OF FINANCIAL INSTRUMENTS

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of the financial assets and liabilities are not considered to be significantly different from their book values as these items are either short-term in nature or repriced frequently.

Level in the fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price in an active market for an identical instrument.
Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market price in an active market for a similar instrument, quoted price for an identical instrument in markets that are considered less active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
Level 3: Valuation techniques using unobservable inputs.

Fair values of financial assets and liabilities that are traded in active markets are based on quoted market prices or dealer quotations. For all other financial instruments the Group determines fair value using valuation techniques.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	Fair Value	Level 1	Level 2	Level 3
Financial assets				
Available-for-sale investments	**22,709,212**	**19,797,886**	**1,579,588**	**1,331,738**

Level 2 financial assets represent available-for-sale investments in unquoted equity instruments for which fair values are mainly determined based on dealer quotations. Level 3 financial assets represent certain unquoted equity instruments, which are stated at cost, being the best available proxy for fair value due to the absence of relevant published information.

25. OPERATING SEGMENTS

The Group is organised into three main operating segments which comprise stock broking, real estate, IT & International and other activities. The results of each of the operating segments which are being reviewed regularly by the Chief Operating Decision Maker are stated below:

	Stock broking	Real estate	IT and international	Others	2009
External revenue	**57,044,741**	**1,019,463**	**532,875**	**6,358,320**	**64,955,399**
Inter-segment revenue	-	-	-	-	-
Reportable segment profit/(loss)	**11,170,349**	**(4,967,547)**	**495,485**	**(7,654,628)**	**(956,341)**
Reportable segment assets	**519,189,143**	**27,139,248**	**20,733,232**	**59,976,152**	**627,037,775**
	Stock broking	**Real estate**	**IT and international**	**Others**	**2008**
External revenue	100,637,478	223,750	4,084	7,536,195	108,401,507
Inter-segment revenue	-	-	-	-	-
Reportable segment profit	49,946,224	223,750	3,574	331,284	50,504,832
Reportable segment assets	673,293,970	30,223,750	209,373	174,495,959	878,223,052

26. COMPARATIVES

Certain prior year amounts have been reclassified to conform with the current year's presentation. Such reclassifications do not affect previously reported profit or equity.