



H.H. Sheikh Hamad Bin Khalifa Al- Thani
Emir of the State of Qatar



H.H. Sheikh Tamim Bin Hamad Bin Khalifa Al- Thani
Heir Apparent



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Vision, Mission and Profile



Mission

To exceed our customers' expectations for quality, trustworthy service and professional excellence by delivering exceptional value and maintaining the highest standards of ethics and professional integrity.

To employ skilled and experienced professionals, who take pride in working closely as a team as well as with our clients and business partners.

To pursue technical innovation and growth and ensure compliance with the best practices in order to add more value to our customers and create successful opportunities for our stakeholders.

To foster a business environment that encourages professional and financial growth.

To ensure continuous improvement and transparency by adopting the best management practices.

To provide reasonable and sustainable returns to our shareholders.

To be a responsible corporate citizen.

Vision

We strive to adopt the best global business practices within our regional and local cultures; are committed to employ the right mix of business expertise, professional experts and automated solutions and are determined to serve our customers in an environment that adheres to the highest ethical standards.

We aim to be recognised as the best brokerage house in Qatar, and aspire to be a fully integrated investment entity that would re-engineer the regional investment scene.

Company profile:

Dlala Brokerage and Investment Holding Company (Q.S.C.) was established in May 2005, with a paid-up capital of QR 200 million. In September 2005, the Company became the first non-banking financial organization to be listed on Qatar Exchange (QE) 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 registered on QE.

In 2010 Dlala has launched a new real estate investment arm – Dlala Real Estate – that provides different real estate service such as property Management, real estate brokerage, real estate marketing and real estate evaluator as well.

In a short span of time, Dlala Holding has managed to win the confidence of local and regional investors in DSM, thanks to its expertise and experience in brokerage and investment. The investors' growing confidence is adequately reflected in the evolution of the Company's operations. Today the Company's ultimate aim is to help investors to make the most appropriate investment decisions.



**His Excellency Dr.
Mohamed Nasser
Al- Qahtani**
Chairman



**Mr. Nasser Hamad
Al-Sulaiti**
Vice Chairman

Board of Directors



**Mr. Ahmed Mohamed
Al Asmakh**
Managing Director





**H.E. Sheikh
Suhaim Bin Khaled Bin
Hamad Al-Thani**
Member of B.O.D.



**Mr. Ali Hussein Ali
Al Sada**
Member of B.O.D.



**Mr. Walid Reslan
Al Abdullah**
Member of B.O.D.



**Mr. Abdul Rahman
Ahmad Al Mana**
Member of B.O.D.



**Ms. Moza Mohammed Juma
Al Fuddalla Al Sulaiti**
Member of B.O.D.

Summary of the Report of the Board of directors



In the name of God, the merciful,

Dear Shareholders,

It is my pleasure and on behalf of the Board of Directors of Dlala Brokerage and Investment Holding Company, to introduce to you summary of the Annual Report of the company's activity & the results of its operations during the financial year ended 31 December 2012.

The year 2012 has witnessed a remarkable development in the company's operations and investment, which aimed mainly to the continued success of the company and achieving annual balance growth, supports these operations continuously, so as to achieve significant and consistent return to shareholders.

Dear Shareholders: The Company during the past year, has carried out a modernization & development process of all policies and procedures within the company, as a part of a plan for functions and regulatory departments to activate the culture of overall quality among the staff, so as to reflect it on the services provided to customers.

The company has expanded its policies developed in 2011 to advance Dlala Real Estate Company, where it made unprecedented profits from the operations of land development since it was established, enabled it to maintain the growth rates of Dlala Holding under the low trading operations of Qatar Exchange, which affected significantly the profits of the two brokering subsidiaries companies, where the profits of Dlala Real Estate made the larger percentage of the total net profits of Dlala Holding Company.

Financial Results:

With regard to the financial performance of the company, I am pleased to announce that Dlala Holding Company was able to achieve good profit under the economic conditions experienced by the markets, where the company's net profit during the year 2012 reached 26.1 Million Qatari Riyals with increase of 16% from the results of the previous year, also the EPS reached Qatari Riyals 1.31 in the year 2012.

Based on the above results and as a commitment of Dlala Holding Company to increase the return to shareholders, the company's Board of Directors decided to recommend to the honorable General Assembly to approve the distribution of bonus shares to shareholders by 11% of the capital.

Future Plans:

Dlala Holding Company currently preparing a three years strategic plan for the company, to keep up with current changes in the financial markets and the low trading volumes in Qatar Exchange, in order to achieve steady and constant growth in the company's profit, by diversifying investments, openness to regional markets and take advantage of the real estate & investment boom witnessed in Qatar nowadays to achieve the vision of 2030.

Governance Report:

The company prepared a detailed report on Corporate Governance covers the fiscal year from 1st January till 31st December 2012, in accordance with the requirements of corporate governance system included in the Financial Markets issued by the Qatar Financial Markets Authority,

which has been printed to inform the shareholders and being placed in the website of the company.

Dear Shareholders: Dlala Brokerage and Investment Company is working to become part of the development and progress system in the State of Qatar which witnesses comprehensive booming in all areas where all institutions integrated to show the civilized image of the State of Qatar. Dlala Company also promises to be active component in this advanced system.

Finally, I take this opportunity to raise on behalf of all of you and on behalf of all the staff of Dlala Holding Company and Board of Directors, deepest thanks and gratitude to His Highness Sheikh Hamad Bin Khalifa Al Thani, the Amir of State of Qatar & to the Heir Apparent HH Sheikh Tamim Bin Hamad Bin Khalifa Al Thani for the sharp vision and wise policy they take to develop the economy of the State of Qatar & advancement in all fields.

I would also like, on behalf of the Board of Directors, to express the sincere thanks and appreciations to the shareholders and valued clients for their confidence and support and we hope to be worthy of this trust. We also hope to see you always at the best, while the company achieved more success and goals.

The council would also like to thank all the staff of "Dlala" for their sincere efforts, dedication and keenness to achieve the objectives of the company and its client's interests.

Thanking You,

Dr. Mohammed Nasser Al Qahtani
Chairman

Service Channels



Dlala Brokerage Company (W.L.L.)



دلالة للوساطة
DLALA BROKERAGE

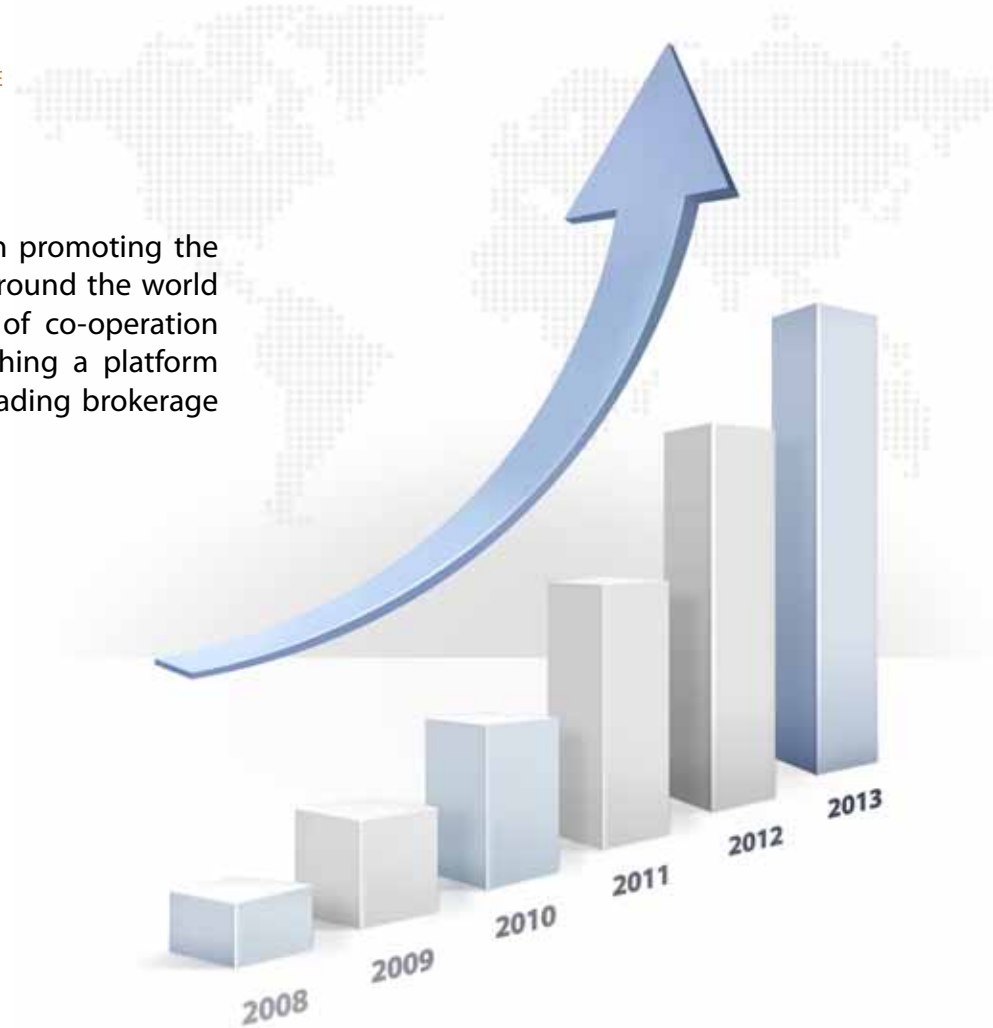
Mission

Dlala Brokerage Company (W.L.L.) is determined to be recognised as a pioneer in the brokerage sector by helping investors to make timely and appropriate investment decisions, observing the highest ethical and professional standards and, delivering the expectations of our customers.

We strive to ensure 'total satisfaction' for our customers and employees and aim to provide our customers with the most modern means of trading, that utilises the latest state-of-the-art e-trading methods, both online and through our call centre. We are committed to provide our investors with the best possible service, wherever they might be, and help them fulfill their aspirations and investment goals.

Vision

To assume a leading role in promoting the integration of stock markets around the world by exploring newer avenues of co-operation among them and by establishing a platform that brings together all the leading brokerage companies in these markets.



Dlala Islamic Brokerage Company (W.L.L.)



Mission

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

Vision

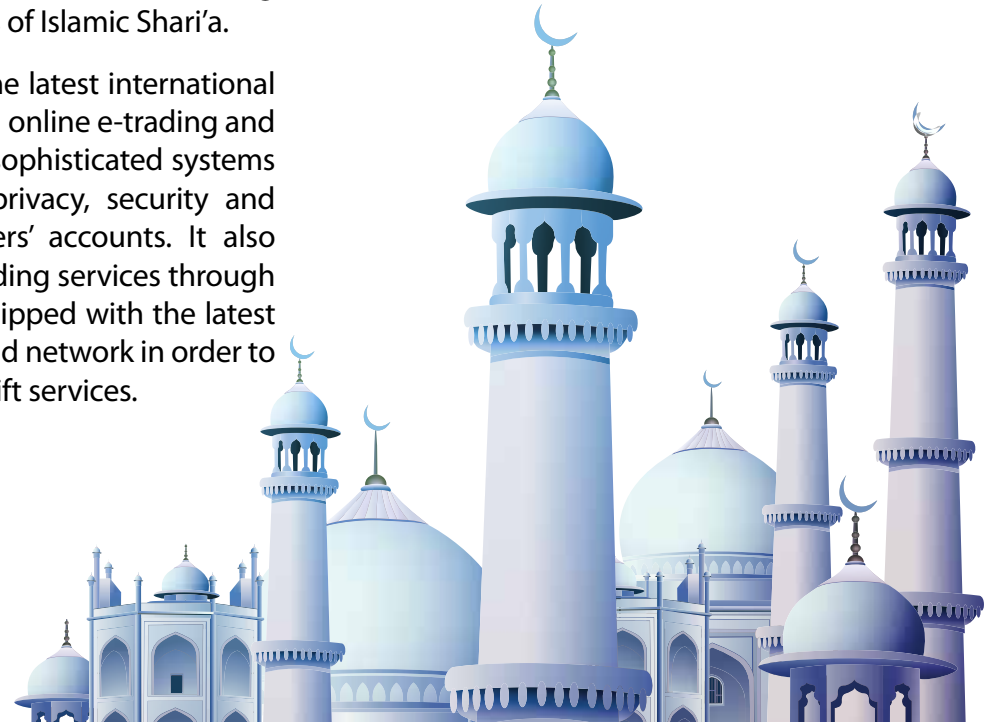
To maximize the presence of Islamic capital in the international markets.

Dlala Islamic Brokerage Company (W.L.L.), the Islamic trading and brokerage arm of Dlala Holding, was established in January 2006 with the aim of providing brokerage services, in accordance with Islamic Shari'a rules and laws.

The Company has a special (Fatwa) panel that ensures that its activities and transactions are in compliance with Shari'a principles and guidelines. It is an internal independent panel comprising renowned Islamic scholars. The panel provides their views and opinions on the buying and selling of shares of specific companies as well as on other sectors of investment, according to the terms and provisions of Islamic Shari'a.

Dlala Islamic employs the latest international standards in brokerage and online e-trading and is backed by modern and sophisticated systems that ensure the utmost privacy, security and confidentiality of customers' accounts. It also provides investors with trading services through its call centre, which is equipped with the latest communication systems and network in order to ensure high quality and swift services.

Dlala Islamic is proud to have a team of dedicated professionals who possess the expertise, qualifications and experience required to precisely and efficiently meet the needs of all its customers.



Dlala Real Estate Company (W.L.L.)



دلالة العقارية
DLALA REAL ESTATE

Mission

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

Vision

To be pioneers in Real Estate management and marketing and to offer the very best technological solutions for customer services.

Profile

Dlala Real Estate, the third subsidiary of dlala holding, was launched to offer clients in Qatar, cutting edge solutions in property management and marketing. Its systems, policies and procedures have been designed to provide quality and professional services to clients through quick, simple and convenient procedures & financial settlements. Additionally, it is committed to securing owners' & investors' rights while keeping risk to the minimum .



The range of activities:

1. Property Management:

- Rental Collection:

Automated functionality of rentals due and collection insures that collection is made on time. Supported by legal and back office procedures.

- Rental Services (renting and contract management):

Our automated notification functionality accelerate the rent process and improve property occupancy rate, using our wide range of advertising and marketing plans.

- Facilities Management:

We hire and supervise experienced personnel/independent contractors who will provide service to landlord properties.

2. Sell & Buy Brokerage: We work closely with our customers to secure the possible deal in the market. Dlala policies and procedures are designed to facilitate both buyer and seller interest.

3. Electronic Follow Up:

- Landlord Access:

For Landlords to follow up electronically the details of the property transactions like (Tenant details, unit status, rent amounts and payments, contract dates and other relevant details).

- Notify me:

communicate electronically real time with our customers to notifying them with listed properties.

4. •Certified Real Estate Evaluator: Dlala policies and procedures are designed to produce a trusted evaluation documentation presenting properties market price.



Board Committees



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 of four members of the Board. The membership of the Committee will correspond to the tenure of Board membership. All members of the Audit Committee have accounting and financial experience.

The members of the Audit Committee are:

- Ms. Moza Mohammed Juma Al Fuddalla Al Sulaiti - Member
- Mr. Walid Reslan Al Abdullah - Member
- Mr. Abdul Rahman Ahmad Al Mana - Member

The responsibilities of the Committee:

1. Report to the Board any matters that, in the opinion of the Committee, necessitate action and recommend follow-up action.
2. Report to the Board on the matters related to the Committee as outlined in QFMA CGC.
3. Consider other issues as determined by the Board.

4. Monitor risk factors related to Dlala and recommend to the Board for mitigating the risk factors.
5. Review the Financial and Internal Control and risk management systems.
6. Discuss the Internal Control systems with the management to ensure management's performance of its duties towards the development of efficient Internal Control systems.
7. Consider the findings of principal investigations in Internal Control matters requested by the Board or carried out by the Committee on its own initiative with the Boards' approval.
8. Review Dlala's financial and accounting policies and procedures.
9. Monitor accuracy and validity of the financial statements and the yearly, half-yearly and quarterly reports, and to review such statements and reports, with special focus on -
 - Any changes to the accounting policies and practices;
 - Matters subject to the discretion of Senior Executive Management;
 - Major amendments resulting from the audit;

- Continuation of Dlala as a viable going concern;
 - Compliance with the accounting standards - International Financial Reporting Standards.
 - Compliance with the applicable listing rules in Qatar Exchange; and
 - Compliance with disclosure rules and any other requirements relating to the preparation of financial reports
10. Consider any significant and unusual matters contained or to be contained in Dlala's financial reports and accounts.
 11. Oversee and follow up the independence and objectivity of the External Auditor and for determining the nature, scope and efficiency of the external audit in accordance with International Standards on Auditing and International Financial Reporting Standards.
 12. Ensure that the External Auditor conducts an annual and semi-annual independent audit with the purpose of providing an objective assurance to the Board and shareholders that the financial statements are prepared in accordance with related laws and regu-

- lations and International Financial Reporting Standards and accurately represent the financial position and performance of Dlala in all material respects.
13. Meet with the External Auditors at least once a year.
 14. Consider any issues raised by the External Auditors.
 15. Ensure the timely reply by the Board to the queries and matters contained in the External Auditors' letters or reports.
 16. Ensure that External Auditor attends the General Assembly and delivers the annual report and answers any queries in this respect.
 17. Recommend to the Board regarding appointment of External Auditors.
 18. Review the letter of appointment of the External Auditor, his business plan and any significant clarifications he requests from senior management as regards the accounting records, the financial accounts or control systems as well as the Senior Executive management's reply.
 19. Evaluate the performance of External Auditor.
 20. Oversee the functioning of Internal Audit and in particular to ensure that the following Internal Audit functions are performed
 - a. Audit the Internal Control Systems and oversee their implementation.
 - b. Internal Audit to be carried out by operationally independent, appropriately trained and competent staff.
 - c. Internal Audit will submit the report to the Board through the Committee.
 - d. Internal Audit has access to all Dlala activities.
 - e. Internal Audit to be independent from day-to-day functioning of Dlala. Independence to be reinforced by the compensation of Internal Audit being determined by the Board based on the recommendation of the Committee.
 - f. Internal Auditor will attend the General Assembly.
 21. Ensure that the Internal Audit function includes at least one internal auditor appointed by the Board.
 22. Recommend to the Board for approval of the scope of Internal Audit and to particularly include the following
 - a. Control and oversight procedures of financial affairs, investments, and risk management.
 - b. Comparative evaluation of the development of risk factors and the systems in place to respond to drastic or unexpected market changes.
 - c. Assessment of the performance of the Board and senior management in implementing the Internal Control Systems, including the number of times the Board was notified of control issues (including risk management) and the manner in which such issues were handled by the Board.
 - d. Internal Control failure, weaknesses or contingencies that have affected or may affect the Dlala's financial performance and the procedure followed by Dlala in addressing Internal Control failures (especially such problems as disclosed in Dlala's annual reports and financial statements).

- e. Dlala's compliance with applicable market listing and disclosure rules and requirements.
 - f. Dlala's compliance with Internal Control systems in determining and managing risk.
 - g. All relevant information describing Dlala's risk management operations.
23. Ensure that the Internal Audit Report is prepared every three months and submitted to the Committee and Board.
24. Supervise and monitor the financial, administrative & technical activities of Internal Audit.
25. Evaluate the performance of Internal Auditor.
26. Ensure that External and Internal Auditors are separate legal entities and ensure that all other requirements of appointing External Auditor are applied to the appointment of Internal Auditor including auditor rotation (incases when the Board decides to outsource Internal Audit function to an external consultant)
27. Coordinate with the Board, Senior Executive Management & Dlala's Chief Financial Officer or the person undertaking the latter's responsibilities.
28. Coordinate between the Internal Auditor and External Auditor, the availability of necessary resources, and the effectiveness of the Internal Controls.
29. Review remarks raised on any of the reports submitted to the Committee and forward them to the concerned departments for follow-up and timely action.
30. Develop rules, through which employees of Dlala can confidentially report any concerns about matters in the financial reports or Internal Controls or any other matters that raise suspicions, where such matter is unethical, illegal or detrimental to Dlala. Ensure that proper arrangements are available to allow independent and fair investigation of such matters whilst ensuring that the aforementioned employee is afforded confidentiality and protected from reprisal.
31. Consider issues raised by the Dlala's Chief Financial Officer or the person undertaking the latter's responsibilities, or Compliance Officer or Internal Auditors or External Auditors.
32. Oversee Dlala's adherence to professional conduct rules.
33. Ensure all laws and instructions regarding Dlala's activities are duly adhered to.
34. Ensure that the rules of procedure related to the powers assigned to the Board are properly applied;
35. Attend the General Assembly.
36. Consult at Dlala's expense any independent expert or consultant with prior approval from the Board.
37. Recommend and follow-up all activities related to training, promotion and development of human resources.
38. Delegate responsibilities to a sub-committee comprising one or more of its members or to Dlala's CEO.

Executive Committee

The Executive Committee comprises five Board members and is headed by the Chairman. The membership of the Committee will correspond to the tenure of Board membership.

The members of the Executive Committee are:

- H.E. Dr. Mohamed Nasser Al- Qahtani - Chairman
- Mr. Ali Hussein Ali Al Sada - Member
- H.E. Sheikh Suhaim Bin khaled Bin Hamad Al-Thani - Member
- Mr. Nasser Hamad Al-Sulaiti - Vice Chairman
- Mr. Ahmed Mohamed Al Asmakh - Managing Director

The responsibilities of the Committee as documented in the Board meeting minutes of 2005 are to:

1. Develop the company strategy and approve the internal policies and procedures .
2. Review the and approve the Organizational structure.
3. Supervise and monitor the financial performance of the company.

4. Review the annual budget before submitting it to the board Directors for approval .
5. Develop general guidelines and policies for investments and present them to the Board of Directors.
6. Develop the portfolio investment policy .
7. Approve all the investment projects.
8. Review and approve on sale of fixed assets .
9. Approve all agreed upon agreements and obligations that are beyond the authority of the CEO.
10. Approve the request of borrowing from financial institutions
11. Develop business plans and strategies of the company before presenting it to the Board of Directors.
12. Review and approve the proposals for change in paid up capital or company re-structure .
13. Review and approve the proposals for issuing bonds and investments securities.
14. Appoint and terminate CEO and his deputy, and determine his salary .

Nomination, Remuneration and Governance Committee

Nomination, Remuneration and Governance Committee comprises of four members of the Board. The membership of the Committee will correspond to the tenure of Board membership.

The members of the Committee are:

- Mr. Nasser Hamad Al-Sulaiti - Vice Chairman
- Ms. Moza Mohammed Juma Al Fuddalla Al Sulaiti - Member
- H.E. Sheikh Suhaim Bin khaled Bin Hamad Al-Thani - Member

The responsibilities of the Committee:

1. Report to the Board any matters that, in the opinion of the Committee, necessitate action and to recommend necessary follow-up action.
2. Report to the Board on the matters related to the Committee as outlined in the QFMA CGC and its terms of reference.
3. Consider other issues as determined by the Board.
4. Responsible for the Board nomination process & overseeing the process regarding

- appointment of Board of Directors.
5. Responsible for formulating and publishing a formal, rigorous and transparent procedure for nomination of Board Members based on the requirements of the Dlala Holding's bylaws (including Articles of Association), QFMA CGC, Commercial Companies Law and other relevant authority.
 6. Propose to the Board for amendment to the Articles of Association for approval by the Extraordinary General Assembly of the shareholders, where ever the Committee deems such amendments to be necessary.
 7. Establish and publish (after approval from the shareholders in the General Assembly) a remuneration policy, which governs the remuneration of the Chairman of the Board, Board Members and Senior Executive Management based on Dlala's bylaws (including Articles of Association), QFMA CGC, Commercial Companies Law, other applicable regulations and international best practices applicable to Qatar.
 8. Define and implement Related Party Policy to govern commercial transaction with the related parties and potential conflicts of interest, with reference to the definition of related parties as included in the QFMA CGC. Such policy to include the requirements as specified in the QFMA CGC.
 9. Ensure, in co-operation with the Chairman of the Board, that an annual evaluation of the Board's performance is performed.
 10. Prepare and present to the Board for approval – Management succession plan, Induction program for new Board Members, Training process and plan for Board Members, Annual Corporate Governance Report as per requirements of QFMA CGC.
 11. Attend the General Assembly. (Article 14.2 – QFMA CGC)
 12. Consult at Dlala's expense any independent expert or consultant with prior approval from the Board.
 13. Delegate responsibilities to a sub-committee comprising one or more of its members or to Dlala's CEO.
- Keep the Board updated about the latest developments in the area of corporate governance and industry best practices.

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2012



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DLALA BROKERAGE AND INVESTMENTS HOLDING COMPANY Q.S.C.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Dlala Brokerage & 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 2012 and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts & disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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, the auditors 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 policies 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 of 31 December 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Legal and Other Regulatory Requirements

Furthermore, in our opinion proper books of account have been kept by the Company and the consolidated financial statements comply with the Qatar Commercial Companies' Law No. 5 of 2002 and the Company's Articles of Association. We further confirm that the financial information included in the Annual Report of the Board of Directors is in agreement with the books and records of the Group. We have obtained all the information and explanations we required for the purpose of our audit, and are not aware of any violations of the above mentioned law or the Articles of Association having occurred during the year, which might have had a material effect on the business of the Group or on its financial position.

Ziad Nader
Of Ernst & Young
Auditor's Registration No. 258
Date: 6 February 2013
Doha

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2012

	Notes	2012 QR'000	2011 QR'000				
ASSETS							
Current assets							
Cash and bank balances	4	101,270	96,429	Employees' end of service benefits	14	1,848	1,797
Bank balances – customer funds	5	143,262	388,489	Total liabilities		378,713	487,894
Due from customers	6	9,479	58,488	Equity			
Due from Qatar Exchange		7,454	-	Share capital	15	200,000	200,000
Financial investments - available-for-sale	7	82,668	75,085	Legal reserve	16	15,586	12,974
Trading properties	8	171,672	10,585	Fair value reserve		(16,592)	(999)
Other assets	9	33,350	36,774	Proposed dividend	17	-	20,000
		549,155	665,850	Proposed bonus shares	17	22,000	-
				Retained earnings		1,095	238
Non-current assets				Equity attributable to owners of the parent		222,089	232,213
Property and equipment	10	49,893	54,304	Non-controlling interests		48	47
Investment in joint venture	11	1,802	-	Total equity		222,137	232,260
		51,695	54,304	TOTAL LIABILITIES AND EQUITY		600,850	720,154
TOTAL ASSETS		600,850	720,154				
LIABILITIES AND EQUITY							
Liabilities							
Current liabilities							
Due to customers		176,324	423,956	Nasser Hamad Al Sulaiti	Ahmed Mohamed Al	Abdulhameed Sultan J M	
Due to Qatar Exchange		893	31,319	Vice Chairman	Asmakh	Al-Jaber	
Islamic financing facility	12	112,387	-		Managing Director	Chief Executive Officer	
Other liabilities	13	87,261	30,822				
		376,865	486,097				
Non-current liability							

The accompanying notes 1 to 29 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF INCOME For the year ended 31 December 2012

	Notes	2012 QR'000	2011 QR'000
Brokerage and commission income		37,710	69,114
Brokerage and commission expense	18	(13,390)	(32,195)
Net brokerage and commission income		24,320	36,919
Investment income	19	5,284	15,208
Real estate income	20	32,773	7,499
Interest income		1,893	3,554
Net operating income		64,270	63,180
Other income		603	-
General and administrative expenses	21	(30,646)	(34,928)
Depreciation	10	(5,019)	(5,642)
Islamic finance costs		(2,387)	-
Share of loss of joint venture	11	(698)	-
PROFIT FOR THE YEAR		26,123	22,610
Attributable to:			
Owners of the parent		26,122	22,607
Non-controlling interests		1	3
		26,123	22,610
BASIC & DILUTED EARNINGS PER SHARE (QR)			
(Attributable to owners of the parent)	22	1,31	1,13

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2012

	2012 QR'000	2011 QR'000
Profit for the year	26,122	22,610
Other comprehensive income:		
Net fair value loss on available-for-sale investments	(18,255)	(4,014)
Net loss (gain) on disposal of available-for-sale investments reclassified to the consolidated statement of income	2,662	(4,462)
Total other comprehensive loss for the year	(15,593)	(8,476)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	10,530	14,134
Attributable to:		
Owners of the parent	10,529	14,131
Non-controlling interests	1	3
	10,530	14,134

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2012

	Attributable to owners of the parent							Non-controlling interests	Total equity
	Share capital	Legal reserve	Fair value reserve	Retained earnings	Proposed dividend	Proposed bonus shares	Total		
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
At 1 January 2011	200,000	10,713	7,477	17,457	-	-	235,647	44	235,691
Profit for the year	-	-	-	22,607	-	-	22,607	3	22,610
Other comprehensive loss for the year	-	-	(8,476)	-	-	-	(8,476)	-	(8,476)
Total comprehensive income for the year	-	-	(8,476)	22,607	-	-	14,131	3	14,134
Transfer to legal reserve	-	2,261	-	(2,261)	-	-	-	-	-
Contribution to Social and Sports Fund (Note 13)	-	-	-	(565)	-	-	(565)	-	(565)
Dividend paid (Note 17)	-	-	-	(17,000)	-	-	(17,000)	-	(17,000)
Proposed dividend (Note 17)	-	-	-	(20,000)	20,000	-	-	-	-
Balance at 31 December 2011	200,000	12,974	(999)	238	20,000	-	232,213	47	232,260
Profit for the year	-	-	-	26,122	-	-	26,122	1	26,123
Other comprehensive loss for the year	-	-	(15,593)	-	-	-	(15,593)	-	(15,593)
Total comprehensive income for the year	-	-	(15,593)	26,123	-	-	10,529	1	10,530
Transfer to legal reserve	-	2,612	-	(2,612)	-	-	-	-	-
Contribution to Social and Sports Fund (Note 13)	-	-	-	(653)	-	-	(653)	-	(653)
Dividend paid (Note 17)	-	-	-	-	(20,000)	-	(20,000)	-	(20,000)
Proposed bonus shares (Note 17)	-	-	-	(22,000)	-	22,000	-	-	-
Balance at 31 December 2012	200,000	15,586	(16,592)	1,095	-	22,000	222,089	48	222,137

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS At 31 December 2012

1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

Dlala Brokerage and Investments Holding Company Q.S.C. ("the Company") is a Qatari Shareholding Company (Q.S.C.) incorporated in the State of Qatar on 24 May 2005 under Commercial Registration No.30670. The Company is listed in the Qatar Exchange and is governed by the provisions of the Qatar Commercial Companies Law No. 5 of 2002, and the regulations of Qatar Financial Markets Authority and Qatar Exchange. The Company's registered office is at P.O. Box 24571, Doha, State of Qatar.

The Company, together with its subsidiaries (together referred to as "the Group"), is engaged in brokerage activities at the Qatar Exchange, real estate and other investment activities.

The consolidated financial statements of the Group for the year ended 31 December 2012 were authorised for issue by the Board of Directors on 6 February 2013.

2. BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of Dlala Brokerage and Investments Holding Company Q.S.C. and its subsidiaries. The principal subsidiaries of the Group are as follows:

Entity	Country of incorporation	Relationship	Ownership interest	Ownership interest
			2012	2011
Dlala Brokerage W.L.L.	Qatar	Subsidiary	99.98%	99.98%
Dlala Islamic Brokerage W.L.L.	Qatar	Subsidiary	99.98%	99.98%
Dlala Real Estate S.P.C.	Qatar	Subsidiary	100%	100%
Dlala Investment Company L.L.C. (Dormant)	Qatar	Subsidiary	99.90%	99.90%
Dlala International L.L.C. (Dormant)	Qatar	Subsidiary	99.50%	99.50%
Dlala Information Technology S.P.C. (Dormant)	Qatar	Subsidiary	100%	100%

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All material intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not owned, directly or indirectly, by the Group and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from the equity attributable to the owners of the parent. Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance. Any change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets (including any goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interest and any cumulative translation differences recorded in equity, and recognises the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in the consolidated statements of income. It will also reclassify the parent's share of components previously recognised in other comprehensive income to the profit or loss or retained earnings, as appropriate.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

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

The consolidated financial statements are prepared under the historical cost basis, except for available-for-sale investments that have been measured at fair value.

The consolidated financial statements have been presented in Qatar Riyals (QR), which is the Group's functional and presentation currency and all values are rounded to the nearest thousand (QR'000) except when otherwise indicated.

Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS effective as of 1 January 2012, which did not have any impact on the Group:

IAS 12	Income Taxes (Amendment) – Deferred Taxes: Recovery of Underlying Assets
IFRS 1	First-Time Adoption of International Financial Reporting Standards (Amendment)
IFRS 7	Financial Instruments: Disclosures – Enhanced Derecognition Disclosure Requirements

Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Group's consolidated financial statements are listed below. This listing of standards and interpretations issued are those that the Group reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Group intends to adopt these standards when they become effective. The Group is currently considering the implications of the new IFRSs which are effective for future accounting periods and has not early adopted any of the new Standards as listed below:

Standard	Title
IAS 1	Presentation of Items of Other Comprehensive Income – Amendments to IAS 1 (Effective for annual periods beginning on or after 1 July 2012)
IAS 19	Employee Benefits (Revised) (Effective 1 January 2013)
IAS 28	Investments in Associates and Joint Ventures (Effective 1 January 2013)
IAS 32	Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32 (Effective 1 January 2014)
IFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities — Amendments to IFRS 7 (Effective 1 January 2013)
IFRS 9	Financial Instruments: Classification and Measurement (Effective 1 January 2015)
IFRS 10	Consolidated Financial Statements, IAS 27 Separate Financial Statements (Effective 1 January 2013)
IFRS 12	Disclosure of Interests in Other Entities (Effective 1 January 2013)
IFRS 13	Fair Value Measurement (Effective 1 January 2013)

Summary of significant accounting policies

Revenue

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

Real estate brokerage fee income is recognized when a rental contract is signed between the landlord and the tenant and when the right to receive the income has been established.

Revenue from sale of trading properties is recognized when significant risk and rewards of ownership are passed to the buyer and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties sold. Income from cancellation of sales contract is recognized based on underlying contractual terms.

Dividend income is recognized when the right to receive the dividend is established. Interest income is recognised using the effective interest rate method.

Due from customers

Amount due from customers are carried at original invoice amount less any allowance for non-collectability of receivables. An allowance for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the customer) that the Group will not be able to collect part or all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired receivables are derecognized when they are assessed as uncollectible.

Financial investments – available-for-sale

Available-for-sale investments are recognised and derecognised, on a trade date basis, when the Group becomes, or ceases to be, a party to the contractual provisions of the instrument.

Investments designated as available-for-sale investments are initially recorded at cost and subsequently measured at fair value, unless this cannot be reliably measured. Changes in fair value are reported as a separate component of equity through other

comprehensive income. Upon impairment any loss, or upon derecognition any gain or loss, previously reported as "fair value reserve" within equity is included in the consolidated statement of income for the period.

Trading properties

Trading properties are real estate properties developed or held for sale in the ordinary course of business. Trading properties are held at the lower of cost and net realisable value. Cost of trading properties is determined on a specific identification basis.

Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and/or impairment losses, if any. When significant parts of property and equipment are required to be replaced in intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognised in the consolidated statement of income as incurred.

Land is not depreciated. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Building	20 years
Leasehold improvements	5 years
Furniture and fixtures	10 years
Computers and software	3 to 5 years
Office equipment	5 years
Motor vehicles	5 years

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate 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 recoverable amount, being the higher of their fair value less costs to sell and their value in use.

An item of property and equipment and any significant part initially recognised 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 calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in the consolidated statement of income when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Investments in joint ventures

Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in jointly controlled entities are accounted for using the equity method and are recognised initially at cost.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the joint ventures from the date that joint control commences until the date that joint control ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Impairment and uncollectibility of financial assets

An assessment is made at the end of each reporting period to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognised in the consolidated statement of income. Impairment is determined as follows:

- For assets carried at fair value, impairment is the difference between cost and fair value, less any impairment loss previously recognised in the consolidated statement of income;
- For assets carried at cost, impairment is the difference between carrying value and the present value of future cash flows discounted at the current market rate of return for a similar financial asset;
- For assets carried at amortised cost, impairment is the difference between carrying amount and the present value of future cash flows discounted at the original effective interest rate.

Cash and bank balances

For the purposes of the consolidated statement of cash flows, cash and bank balances consist of cash in hand, balances with banks and short term deposits with a maturity of less than three months.

Due to customers

Amounts due to customers are recognized initially at fair value of the amounts to be paid, less directly attributable transaction costs. Subsequent to initial recognition, due to customers are measured at amortized cost.

Islamic financing facility

Islamic financing facility is recognised initially at fair value of the amounts borrowed, less directly attributable transaction costs. Subsequent to initial recognition, Islamic financing facility is measured at amortized cost using the effective interest rate method, with any differences between the cost and final settlement values being recognized in the consolidated statement of income over the period of borrowings. Installments due within one year at amortized cost are shown as current liability.

Borrowing costs

Borrowing costs are recognised in the period in which they are incurred with unpaid amounts included in "Islamic financing facility".

Borrowing costs that are directly attributable to the construction of investment properties, properties under developments and property, plant and equipment are capitalised. The capitalisation of borrowing costs will cease once the asset is ready for its intended use. All other borrowing costs are recognised as expense.

Provisions

Provisions are recognised when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Employees' end of service benefits

The Group provides end of service benefits to its expatriate employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

The Group also provides for its contribution to the State administered retirement fund for Qatari employees in accordance with the retirement law, and the resulting charge is included within the staff cost in the consolidated statement of income. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised when they are due.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the consolidated statement of income.

Fair values

The fair value of financial investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets at the close of business on the reporting date.

For financial instruments where there is no active market, the fair value is determined by using discounted cash flow analysis or reference to broker or dealer price quotations. For discounted cash flow analysis, estimated future cash flows are based on management's best estimates and the discount rate used is a market related rate for a similar instrument.

Derecognition of financial assets and liabilities

a. Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

b. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the consolidated statement of income.

4. CASH AND BANK BALANCES

Cash and cash equivalents included in the consolidated statement of cash flows include the following balances:

	2012	2011
	QR'000	QR'000
Cash and bank balances	101,270	96,429

Bank balances include short term deposits made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short term deposit rates.

5. BANK BALANCES – CUSTOMER FUNDS

Bank balances - customer funds represent bank balances for customers, which the Group holds 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 transactions with the settlement authority.

6. DUE FROM CUSTOMERS

	2012	2011
	QR'000	QR'000
Amounts due from customers	13,509	62,518
Less: allowance for impairment of receivables	(4,030)	(4,030)
	9,479	58,488

At 31 December 2012, amounts due from customers at nominal value of QR 4,030 thousand (2011: QR 4,030 thousand) were impaired. The Group provides fully for all balances due from its customers, which are under legal cases. There were no movements in the allowance during the year (2011: Nil). At 31 December, the aging of unimpaired amounts due from customers is as follows:

At 31 December, the aging of unimpaired amounts due from customers is as follows:

	Total	Neither past due nor impaired	Past due but not impaired				
			< 30 days	30 – 60 days	61 – 90 days	91 – 120 days	>120 days
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
2012	9,479	9,474	5	-	-	-	-
2011	58,488	54,794	3,694	-	-	-	-

Unimpaired amounts due from customer balances are expected to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables.

7. FINANCIAL INVESTMENTS – AVAILABLE-FOR-SALE

	31 December 2012			31 December 2011		
	Listed	Unlisted	Total	Listed	Unlisted	Total
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
Shares	79,171	1,719	80,890	71,712	1,531	73,243
Funds	-	1,778	1,778	-	1,842	1,842
Total	79,171	3,497	82,668	71,712	3,373	75,085

8. TRADING PROPERTIES

	2012	2011
	QR'000	QR'000
Balance at 1 January	10,585	
Acquired during the year	653,459	39,703
Disposed during the year (Note 20)	(492,372)	(29,118)
Balance at 31 December	171,672	10,585

9. OTHER ASSETS

	2012	2011
	QR'000	QR'000
Advance towards purchase of trading properties	19,575	-
Real estate accounts receivable	9,971	34,153
Prepayments	2,542	2,193
Other receivables	1,262	428
	33,350	36,774

10. PROPERTY AND EQUIPMENT

	Land	Building	Leasehold improvements	Furniture and fixtures	Computers and software	Office equipment	Motor vehicles	Capital work in progress	Total
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
Cost:									
As at 1 January 2012	29,097	12,051	83	1,721	36,930	3,566	772	3,382	87,602
Additions	-	55	15	256	184	18	-	184	712
Disposals/write off	-	-	-	(60)	(559)	(303)	-	-	(922)
As at 31 December 2012	29,097	12,106	98	1,917	36,555	3,281	772	3,566	87,392
Depreciation:									
As at 1 January 2012	-	1,047	48	584	29,246	1,969	404	-	33,298
Charge for the year	-	611	21	164	3,636	465	122	-	5,019
Disposals/write off	-	-	-	(20)	(558)	(240)	-	-	(818)
As at 31 December 2012	-	1,658	69	728	32,324	2,194	526	-	37,499
Net book value:									
As at 31 December 2012	29,097	10,448	29	1,189	4,231	1,087	246	3,566	49,893

	Land	Building	Leasehold improvements	Furniture and fixtures	Computers and software	Office equipment	Motor vehicles	Capital work in progress	Total
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
Cost:									
As at 1 January 2011	29,097	11,871	70	1,565	31,398	2,165	579	10,433	87,178
Additions	-	9	13	90	275	113	193	322	1,015
Disposals/write off	-	-	-	(481)	-	(89)	-	(21)	(591)
Transfers	-	171	-	547	5,257	1,377	-	(7,352)	-
As at 31 December 2011	29,097	12,051	83	1,721	36,930	3,566	772	3,382	87,602
Depreciation:									
As at 1 January 2011	-	445	30	599	25,090	1,456	288	-	27,908
Charge for the year	-	602	18	148	4,156	602	116	-	5,642
Disposals/write off	-	-	-	(163)	-	(89)	-	-	(252)
As at 31 December 2011	-	1,047	48	584	29,246	1,969	404	-	33,298
Net book value:									
As at 31 December 2011	29,097	11,004	35	1,137	7,684	1,597	368	3,382	54,304

11. INVESTMENT IN JOINT VENTURE

The Group has a 50% interest in Dlala Sola Systems W.L.L., a jointly controlled entity established during the year. The principal activity of the jointly controlled entity is provision of information technology services. The interest in the jointly controlled entity is accounted for using the equity method.

The Group's share of summarized financial information of the jointly controlled entity is disclosed below:

	2012	2011
	QR'000	QR'000
Revenue	30	-
Loss for the year	698	-
Current assets	1,775	-
Non-current assets	48	-
Current liabilities	(21)	-
Net assets	1,802	-

12. ISLAMIC FINANCING FACILITY

	2012	2011
	QR'000	QR'000
Islamic financing facility	112,387	-

This is an Islamic financing arrangement amounting to QR 110,000 thousand obtained in the name of Dlala Brokerage and Investment Holding Company Q.S.C., for and on behalf of one of the subsidiaries to finance the purchase of trading properties. The facility is secured against the land purchased amounting to QR 121,118 thousand. The loan is fully repayable on 8 September 2013 with a total profit amounting to QR 6,134 thousand.

13. OTHER LIABILITIES

	2012	2011
	QR'000	QR'000
Advances received from customers	51,781	-
Dividend payable	18,178	16,012
Accrued expenses (i)	11,086	10,053
Commission payable	1,029	786
Contribution payable to Social and Sports Development Fund (ii)	653	565
Other payables	4,534	3,406
	87,261	30,822

Notes:

- (i). Accrued expenses include provision made in relation to claims made by customers and ex-employees against the Group amounting to QR 3,050 thousand (2011: QR 3,698 thousand).
- (ii) Pursuant to Law No. 13 of 2008 and further clarification of the law issued in 2010, the Group made an appropriation of QR 653 thousand (2011: QR 565 thousand) to the Social and Sports Development Fund of Qatar. This amount represents 2.5% of the net profit for the year.

14. EMPLOYEES' END OF SERVICE BENEFITS

The movements in the provision recognised in the consolidated statement of financial position are as follows:

	2012	2011
	QR'000	QR'000
Provision as at 1 January	1,797	1,434
Provided during the year	484	656
End of service benefit paid	(433)	(293)
Provision as at 31 December	1,848	1,797

15. SHARE CAPITAL

	2012	2011
	QR'000	QR'000
Authorised, issued and fully paid: 20,000,000 shares of QR 10 each	200,000	200,000

16. LEGAL RESERVE

In accordance with the Qatar Commercial Companies' Law No. 5 of 2002 and the Company's Articles of Association, 10% of the profit for the year is required to be transferred to the legal reserve. The Group may resolve to discontinue such annual transfers, when the reserve equals 50% of the issued capital. This reserve is not available for distribution, except in the circumstances stipulated by the above law.

17. DIVIDENDS

During the year, a cash dividend of QR 1 per share amounting to QR 20,000 thousand was declared and paid in respect of profits for the year ended 31 December 2011 (2011: QR 0.85 per share totaling to QR 17,000 thousand in respect of profits for the year ended 31 December 2010).

During the year, the Board of Directors has proposed a bonus share issue of 11 shares for every 100 shares held at 31 December 2012 amounting to QR 22,000 thousand (2011: Nil), which is subject to the approval of the shareholders at the Annual General Assembly.

18. BROKERAGE AND COMMISSION EXPENSE

	2012	2011
	QR'000	QR'000
Commission paid to Qatar Exchange	10,849	19,087
Other commission expenses	1,823	11,625
Other direct brokerage expenses	718	1,483
	13,390	32,195

19. INVESTMENT INCOME

	2012	2011
	QR'000	QR'000
Dividend income	4,453	766
Gain on disposal of available-for-sale investments	831	14,442
	5,284	15,208

20. Real Estate Income

	2012	2011
	QR'000	QR'000
Gain on sale of trading properties	27,267	5,035
Income from cancellation of land sales contracts	2,803	-
Real estate brokerage fee income	2,703	2,464
	32,773	7,499

Gain on sale of trading properties

	2012	2011
	QR'000	QR'000
Sale of trading properties	519,639	34,153
Cost of trading properties sold (Note 8)	(492,372)	(29,118)
	27,267	5,035

21. General and Administrative Expenses

	2012	2011
	QR'000	QR'000
Staff costs	18,404	21,520
IT and communication costs	3,370	3,958
Commission to General Manager (Real Estate) (Note 23)	1,306	503
Marketing expenses	2,316	1,332
Consulting and professional fees	1,179	592
Bank guarantee fees	796	1,448
Rent expenses	702	739
Communication expenses	471	658

License and regulatory fees	354	438
Maintenance expenses	226	403
Insurance expenses	66	274
Property and equipment written off	30	339
Legal expenses	-	1,198
Penalties	-	950
Miscellaneous expenses	1,426	576
	30,646	34,928

22. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the year.

	2012	2011
Profit attributable to owners of the parent (QR'000)	26,122	22,607
Weighted average number of shares outstanding during the year	20,000,000	20,000,000
Basic and diluted earnings per share (QR)	1.31	1.13

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

23. RELATED PARTY DISCLOSURES

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions with related parties included in the consolidated statement of income are as follows:

	2012	2011
	QR'000	QR'000
Brokerage and commission income	830	561
Purchase of trading properties (Board of Directors)	459,544	39,703
Real estate brokerage fee income (Board of Directors)	150	-

Balances with related parties included in the consolidated statement of financial position are as follows:

	2012		2011	
	Receivable	Payable	Receivable	Payable
	QR'000	QR'000	QR'000	QR'000
Board of Directors	-	111	739	-

The above balances are included under due from and due to customers respectively.

Compensation of key management personnel

The remuneration of key management personnel during the year was as follows:

	2012	2011
	QR'000	QR'000
Salaries and short-term benefits	4,622	2,282
Pension benefits	124	125
	4,746	2,407

24. CONTINGENT LIABILITIES

The Group had the following contingent liabilities from which it is anticipated that no material liabilities will arise:

	2012	2011
	QR'000	QR'000
Letters of guarantee	150,000	204,500

Letters of guarantee represent the financial guarantees issued by the banks on behalf of the Group to Qatar Exchange in the ordinary course of business and will mature within twelve months from the reporting date.

25. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their nature of activities and has three reportable segments and other activities. The three reportable segments are as follows:

- Stock Broking – this segment includes financial services provided to customers as a stock broker;
- Real Estate – this segment includes providing property management, marketing and sales services for real estate clients;
- IT and International – this segment includes IT management services and other overseas financial services.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss. Transfer pricing between operating segments are on arm's length basis in a manner similar to transactions with third parties.

The following table presents the revenue, profit, assets and liabilities information regarding the Group's operating segments for the year ended 31 December 2012 and 2011, respectively.

31 December 2012	Stock Broking	Real Estate	IT and International	Others	Elimination	Total
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
Brokerage and commission income	24,320	-	-	-	-	24,320
Others	6,947	34,336	1,283	2,426	(5,042)	39,950
Segment revenue	31,267	34,336	1,283	2,426	(5,042)	64,270
Segment profit/(loss)	6,309	25,011	(4,332)	(865)	-	26,123
Depreciation	893	410	-	3,716	-	5,019
Segment assets	296,403	267,965	17,463	46,870	(27,851)	600,850
Segment liabilities	186,042	183,170	659	36,693	(27,851)	378,713

31 December 2011	Stock Broking	Real Estate	IT and International	Others	Elimination	Total
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000
Brokerage and commission income	36,919	-	-	-	-	36,919
Others	8,442	9,653	428	11,158	(3,420)	26,261
Segment revenue	45,361	9,653	428	11,158	(3,420)	63,180
Segment profit/	13,614	4,457	406	4,133	-	22,610
Depreciation	1,258	406	-	3,978	-	5,642
Segment assets	588,150	64,928	20,775	85,296	(38,995)	720,154
Segment liabilities	463,871	5,144	79	57,795	(38,995)	487,894

The Group's operations are located in the State of Qatar.

26. FINANCIAL RISK MANAGEMENT

Objective and policies

The Group's principal financial liabilities comprise amounts due to customers, Islamic financing facility, due to Qatar Exchange and certain other liabilities. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as amounts due from customers, due from Qatar Exchange, available-for-sale investments, bank balances - customer funds, cash and bank balances, which arise directly from its operations.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks, which are summarized below.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign currency exchange rates and equity prices will affect the Group's income or value of its holding of financial instruments. The objective of market risk management is to manage and control the market risk exposure within acceptable parameters, while optimizing return.

Interest rate risk

The Group is exposed to interest rate risk on its floating rate interest bearing financial instruments. The following table demonstrates the sensitivity of the consolidated statement of income to reasonably possible changes in interest rates, with all other variables held constant. The sensitivity of the consolidated statement of income is the effect of the assumed changes in interest rates on the Group's profit for the year, based on the floating rate financial instruments held at 31 December 2012. The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown.

	Increase in basis points	Effect on profit QR'000
2012	+25 b.P	283
2011	+25 b.P	164

There is no impact on the Group's equity.

Equity price risk

The following table demonstrates the sensitivity of the effect of cumulative changes in fair values recognised in the equity to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Changes in equity prices	Effect on equity QR'000
2012	+5	3,959
2011	+5	3,586

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. As the Qatari Riyal is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk. The Group is not exposed to significant currency risk, in light of minimal balances in foreign currencies other than US Dollars.

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 Group is exposed to credit risk on its due from customers, bank balances and bank balances – customer funds and certain other assets as reflected in the consolidated statement of financial position.

The Group seeks to limit its credit risk with respect to banks by only dealing with reputable banks and with respect to customers by setting credit limits and monitoring outstanding receivables. The Group provides brokerage services to a large number of customers and no single customer accounts for more than 10% of the outstanding receivables.

With respect to credit risk arising from the financial assets of the Group, including receivables and bank balances, the Group's exposure to credit risk arises from default of the

counterparty, with a maximum exposure equal to the carrying amount of these assets in the consolidated statement of financial position.

The table below shows the maximum exposure to credit risk for the components of the consolidated statement of financial position. The maximum exposure is shown gross.

	2012	2011
	QR'000	QR'000
Bank balances (excluding cash)	101,249	96,355
Bank balances - customer funds	143,262	388,489
Due from customers	9,479	58,488
Due from Qatar Exchange	7,454	-
Other assets	11,233	34,581
	272,677	577,913

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk 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 its reputation.

The Group limits its liquidity risk by ensuring bank facilities are available. The Group's terms of trade require amounts to be settled within its specified terms in invoices. Due to customers and Qatar Exchange are normally settled within the terms of trade.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December, based on contractual payment dates and current market interest rates.

	On demand	Less than 1 year	Total
	QR'000	QR'000	QR'000
At 31 December 2012			
Due to customers	176,324	-	176,324
Due to Qatar Exchange	893	-	893
Islamic financing facility	-	116,134	116,134
Other liabilities	24,394	-	24,394
Total	201,611	116,134	317,745
At 31 December 2011			
Due to customers	423,956	-	423,956
Due to Qatar Exchange	31,319	-	31,319
Other liabilities	20,769	-	20,769
Total	476,044	-	476,044

Capital management

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2012 and 31 December 2011. Capital comprises share capital and retained earnings, and is measured at QR 201,095 thousand at 31 December 2012 (2011: QR 200,238 thousand).

27. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of bank balances, due from customers, available-for-sale investments and other receivables. Financial liabilities consist of Islamic financing facility, due to customers, due to Qatar Exchange and other payables.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December 2012, the Group held the following financial instruments measured at fair value:

	Total	Level 1	Level 2	Level 3
	QR'000	QR'000	QR'000	QR'000
At 31 December 2012				
Available-for-sale investments	80,949	79,171	1,778	-
At 31 December 2011				
Available-for-sale investments	73,554	71,712	1,842	-

During the year ended 31 December 2012, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

28. SIGNIFICANT ASSUMPTIONS, ESTIMATES AND JUDGMENTS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and certain disclosures at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgments, estimates and assumptions, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Impairment of receivables

An estimate of the collectible amount of receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due.

At the end of the reporting period, gross amounts due from customers was QR 13,509 thousand (2011: QR 62,518 thousand) and the allowance for impairment of receivables was QR 4,030 thousand (2011: QR 4,030 thousand). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated statement of income.

Useful lives of property and equipment

The Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset and physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

29. COMPARATIVE INFORMATION

Certain comparative figures pertaining to 31 December 2011 have been reclassified in order to conform to the presentation of the current year and improve the quality of the information presented. However, such reclassifications do not affect the previously reported profit or equity.