Dlala Brokerage and Investments Holding Company Q.S.C.

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2011

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 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 2011 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 and 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 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2010 were audited by another auditor whose report dated 18 January 2011 expressed an unqualified audit opinion on those consolidated financial statements.

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 Company or on its financial position.

Ziad Nader
Of Ernst & Young
Auditor's Registration No. 258

Date: 30 January 2012
Doha

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2011

	Notes	***2011 QR'000***	*2010 QR'000*
ASSETS			
Current assets			
Cash and bank balances	4	**96,429**	172,456
Bank balances – customer funds	5	**388,489**	308,648
Due from customers	6	**58,488**	48,638
Due from Qatar Exchange		**-**	104,371
Financial investments - available-for-sale	7	**75,085**	33,654
Trading properties		**10,585**	-
Other assets	8	**36,774**	3,157
		665,850	670,924
Non-current asset			
Property and equipment	9	**54,304**	59,270
TOTAL ASSETS		**720,154**	730,194
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Due to customers		**423,956**	462,177
Due to Qatar Exchange		**31,319**	-
Other liabilities	10	**30,822**	30,892
		486,097	493,069
Non-current liability			
Employees' end of service benefits	11	**1,797**	1,434
Total liabilities		**487,894**	494,503
Equity			
Share capital	12	**200,000**	200,000
Legal reserve	13	**12,974**	10,713
Fair value reserve		**(999)**	7,477
Proposed dividend	14	**20,000**	-
Retained earnings		**238**	17,457
Equity attributable to owners of the parent		**232,213**	235,647
Non-controlling interests		**47**	44
Total equity		**232,260**	235,691
TOTAL LIABILITIES AND EQUITY		**720,154**	730,194

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Rashid Ahmed H Al-Mannai	Sheikh Hamad Nasser A A Al-Thani	Abdulhameed Sultan J M Al-Jaber
Chairman	Vice Chairman	Acting Chief Executive Officer

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

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2011

	Notes	**2011** **QR'000**	2010 QR'000
Brokerage and commission income		**69,114**	70,153
Brokerage and commission expense	15	**(32,195)**	(31,477)
Net brokerage and commission income		**36,919**	38,676
Investment income	16	**15,208**	5,120
Real estate income	17	**7,499**	700
Interest income		**3,554**	8,134
Net operating income		**63,180**	52,630
Other income		**-**	4,229
General and administrative expenses	18	**(34,928)**	(36,987)
Depreciation	9	**(5,642)**	(5,989)
Impairment of financial investments - available-for-sale		**-**	(745)
PROFIT FOR THE YEAR		**22,610**	13,138
Attributable to:			
Owners of the parent		**22,607**	13,135
Non-controlling interests		**3**	3
		22,610	13,138
BASIC AND DILUTED EARNINGS PER SHARE (QR) (Attributable to owners of the parent)	19	**1.13**	0.66

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 2011

	2011 ***QR'000***	*2010* *QR'000*
Profit for the year	**22,610**	13,138
Other comprehensive income:		
Net fair value (loss) gain on available-for-sale investments	**(4,014)**	5,979
Net gain on disposal of available-for-sale investments reclassified to the consolidated statement of income	**(4,462)**	(67)
Impairment losses on available-for-sale investments reclassified to the consolidated statement of income	**-**	745
Total other comprehensive (loss) income for the year	**(8,476)**	6,657
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**14,134**	19,795
Attributable to:		
Owners of the parent	**14,131**	19,792
Non-controlling interests	**3**	3
	14,134	19,795

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

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2011

	Notes	*2011* *QR'000*	*2010* *QR'000*
OPERATING ACTIVITIES			
Profit for the year		**22,610**	13,138
Adjustments for:			
Depreciation	9	**5,642**	5,989
Provision for employees' end of service benefits	11	**656**	707
Impairment losses on available-for-sale investments		**-**	745
Gain on disposal of available-for-sale investments	16	**(14,442)**	(3,657)
Gain on sale of trading properties	17	**(5,035)**	-
Property and equipment written off	18	**339**	1,030
Interest income		**(3,554)**	(8,134)
Dividend income	16	**(766)**	(1,463)
Reversal of provision		**-**	(4,229)
		5,450	4,126
Working capital changes:			
Customers funds		**(79,841)**	(96)
Due from customers		**(9,850)**	(20,944)
Due from/to Qatar Exchange		**135,690**	(96,371)
Purchase of trading properties		**(39,703)**	-
Other assets		**536**	2,112
Due to customers		**(38,221)**	83,388
Other liabilities		**(306)**	8,567
Cash used in operations		**(26,245)**	(19,218)
Employees' end of service benefits paid	11	**(293)**	(282)
Contribution paid to social fund		**(329)**	-
Net cash used in operating activities		**(26,867)**	(19,500)
INVESTING ACTIVITIES			
Proceeds from disposal of available-for-sale investments		**241,452**	11,714
Purchase of available-for-sale investments		**(276,917)**	(13,091)
Purchase of property and equipment	9	**(1,015)**	(6,689)
Interest income		**3,554**	8,134
Movement in fixed deposits		**-**	80,000
Dividend income		**766**	1,463
Net cash (used in) from investing activities		**(32,160)**	81,531
FINANCING ACTIVITY			
Dividend paid	14	**(17,000)**	-
Net cash used in financing activity		**(17,000)**	-
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(76,027)**	62,031
Cash and cash equivalents at 1 January		**172,456**	110,425
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	4	**96,429**	172,456

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 2011

	Attributable to owners of the parent							
	Share capital QR'000	*Legal reserve QR'000*	*Fair value reserve QR'000*	*Retained earnings QR'000*	*Proposed dividend QR'000*	*Total QR'000*	*Non-controlling interests QR'000*	*Total equity QR'000*
At 1 January 2010	200,000	9,399	820	5,965	-	216,184	41	216,225
Profit for the year	-	-	-	13,135	-	13,135	3	13,138
Other comprehensive income for the year	-	-	6,657	-	-	6,657	-	6,657
Total comprehensive income for the year	-	-	6,657	13,135	-	19,792	3	19,795
Transfer to legal reserve	-	1,314	-	(1,314)	-	-	-	-
Contribution to Social and Sports Fund (Note 10)	-	-	-	(329)	-	(329)	-	(329)
At 31 December 2010	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 10)	-	-	-	(565)	-	(565)	-	(565)
Dividend paid (Note 14)	-	-	-	(17,000)	-	(17,000)	-	(17,000)
Proposed dividend (Note 14)	-	-	-	(20,000)	20,000	-	-	-
Balance at 31 December 2011	**200,000**	**12,974**	**(999)**	**238**	**20,000**	**232,213**	**47**	**232,260**

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

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 2011 were authorised for issue by the Board of Directors on 30 January 2012.

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 2011*	*Ownership interest 2010*
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.

3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Changes in accounting policies and disclosures
The accounting policies adopted in the preparation of the consolidated financial statements are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2010, except as noted below.

During the year, the Group adopted the following standards effective for annual periods beginning on or after 1 January 2011.

IAS 24, 'Related Party Disclosures (Revised)'
The definition of a related party has been clarified to simplify the identification of related party relationships, particularly in relation to significant influence and joint control. A partial exemption from the disclosures has been included for government-related entities. For these entities, the general disclosure requirements of IAS 24 will not apply. Instead, alternative disclosures have been included, requiring: (a) The name of the government and the nature of its relationship with the reporting entity (b) The nature and amount of individually significant transactions (c) A qualitative or quantitative indication of the extent of other transactions that are collectively significant. This amendment did not give rise to any changes to the Group's consolidated financial statements.

IAS 32 Financial Instruments: Presentation (Amendment)
The definition of a financial liability has been amended to classify rights issues (and certain options or warrants) as equity instruments if: (a) The rights are given pro rata to all of the existing owners of the same class of an entity's non-derivative equity instruments and (b) In order to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency. The amendment provide reliefs to entities that issue rights (fixed in a currency other than their functional currency), from treating the rights as derivatives with fair value changes recorded in profit or loss. Rights issued in foreign currencies that were previously accounted for as derivatives will now be classified as equity instruments. This amendment did not give rise to any changes to the Group's consolidated financial statements.

Improvements to IFRS
Improvements to IFRS comprise amendments that result in accounting changes for presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. Most of the amendments are effective for annual periods beginning on or after 1 January 2011, with earlier application permitted. No material changes to accounting policies are expected as a result of these amendments.

Standards issued but not yet effective
The following IASB standards have been issued but are not yet mandatory, and have not been early adopted by the Group:

Standard/ Interpretation	*Content*	*Effective date*
IFRS 9	Financial Instruments: Classification & Measurement (Part 1)	1 January 2015
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013

The Group is considering the implications of the above standards, the impact on the Group and the timing of its adoption by the Group.

3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 invoiced 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 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 debts 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 vehicle	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.

3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Summary of significant accounting policies (continued)
Property and equipment (continued)
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.

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:

a) 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;
b) 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;
c) 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.

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 retranslated 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.

3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Summary of significant accounting policies (continued)
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:

	2011 ***QR'000***	*2010* *QR'000*
Cash and bank balances	**96,429**	172,456

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

	2011	*2010*
	QR'000	*QR'000*
Amounts due from customers	**62,518**	52,668
Less: allowance for impairment of receivables	**(4,030)**	(4,030)
	58,488	48,638

At 31 December 2011, amounts due from customers at nominal value of QR 4,030 thousand (2010: 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 (2010: Nil).

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*
2011	**58,488**	**54,794**	**3,694**	-	-	-	-
2010	48,638	48,548	90	-	-	-	-

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 2011			*31 December 2010*		
	Listed	***Unlisted***	***Total***	*Listed*	*Unlisted*	*Total*
	QR'000	***QR'000***	***QR'000***	*QR'000*	*QR'000*	*QR'000*
Shares	**71,712**	**1,531**	**73,243**	30,624	991	31,615
Funds	**-**	**1,842**	**1,842**	-	2,039	2,039
Total	**71,712**	**3,373**	**75,085**	30,624	3,030	33,654

8 OTHER ASSETS

	2011	*2010*
	QR'000	*QR'000*
Real estate accounts receivable	**34,153**	-
Prepayments	**2,193**	2,066
Other receivables	**428**	1,091
	36,774	3,157

9 PROPERTY AND EQUIPMENT

	Land QR'000	*Building QR'000*	*Leasehold improvements QR'000*	*Furniture and fixtures QR'000*	*Computers and software QR'000*	*Office equipment QR'000*	*Motor vehicles QR'000*	*Capital work in progress QR'000*	*Total 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**

9 PROPERTY AND EQUIPMENT (continued)

	Land QR'000	*Building QR'000*	*Leasehold improvements QR'000*	*Furniture and fixtures QR'000*	*Computers and software QR'000*	*Office equipment QR'000*	*Motor vehicles QR'000*	*Capital work in progress QR'000*	*Total QR'000*
Cost:									
As at 1 January 2010	29,097	-	1,250	2,021	28,780	1,882	357	19,329	82,716
Additions	-	766	39	228	572	283	222	4,579	6,689
Disposals/write off	-	-	(1,219)	(781)	-	-	-	(227)	(2,227)
Transfers	-	11,105	-	97	2,046	-	-	(13,248)	-
As at 31 December 2010	29,097	11,871	70	1,565	31,398	2,165	579	10,433	87,178
Depreciation:									
As at 1 January 2010	-	-	725	810	20,339	1,056	186	-	23,116
Charge for the year	-	445	114	177	4,751	400	102	-	5,989
Disposals/write off	-	-	(809)	(388)	-	-	-	-	(1,197)
As at 31 December 2010	-	445	30	599	25,090	1,456	288	-	27,908
Net book value:									
As at 31 December 2010	29,097	11,426	40	966	6,308	709	291	10,433	59,270

10 OTHER LIABILITIES

	2011 *QR'000*	*2010* *QR'000*
Dividend payable	**16,012**	13,695
Accrued expenses (i)	**10,053**	9,043
Commission payable	**786**	3,592
Contribution payable to Social and Sports Development Fund (ii)	**565**	329
Other payables	**3,406**	4,233
	30,822	30,892

Notes:

(i) Accrued expenses include provision made in relation to claims made by customers and ex-employees against the Group amounting to QR 3,698 thousand (2010: QR 2,500 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 565 thousand (2010: QR 329 thousand) to the Social and Sports Development Fund of Qatar. This amount represents 2.5% of the net profit for the year.

11 EMPLOYEES' END OF SERVICE BENEFITS

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

	2011 *QR'000*	*2010* *QR'000*
Provision as at 1 January	**1,434**	1,009
Provided during the year	**656**	707
End of service benefit paid	**(293)**	(282)
Provision as at 31 December	**1,797**	1,434

12 SHARE CAPITAL

	2011 *QR'000*	*2010* *QR'000*
Authorised, issued and fully paid:		
20,000,000 shares of QR 10 each	**200,000**	200,000

13 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.

14 DIVIDEND PROPOSED AND PAID

A cash dividend of QR 1 per share amounting to QR 20,000 thousand has been proposed by Board of Directors for the year ended 31 December 2011.

During the year, the Group declared and paid a cash dividend of QR 0.85 per share totaling to QR 17,000 thousand (2010: Nil) relating to the year ended 31 December 2010.

15 BROKERAGE AND COMMISSION EXPENSE

	2011 QR'000	*2010 QR'000*
Commission paid to Qatar Exchange	**19,087**	17,565
Other commission expenses	**11,625**	12,520
Other direct brokerage expenses	**1,483**	1,392
	32,195	31,477

16 INVESTMENT INCOME

	2011 QR'000	*2010 QR'000*
Gain on disposal of available-for-sale investments	**14,442**	3,657
Dividend income	**766**	1,463
	15,208	5,120

17 REAL ESTATE INCOME

	2011 QR'000	*2010 QR'000*
Gain on sale of trading properties (Note)	**5,035**	-
Real estate brokerage fee income	**2,464**	700
	7,499	700

Note:
During the year, the Group purchased a land amounting to QR 39,703 thousand for trading purposes and sold a part of the land for QR 34,153 thousand (cost QR 29,118 thousand). This resulted in a gain of QR 5,035 thousand.

18 GENERAL AND ADMINISTRATIVE EXPENSES

	2011 QR'000	*2010 QR'000*
Staff costs	**22,023**	20,850
IT and communication costs	**3,958**	3,962
Bank guarantee fees	**1,448**	1,675
Marketing expenses	**1,332**	1,851
Legal expenses	**1,198**	-
Penalties	**950**	-
Rent expenses	**739**	4,128
Communication expenses	**658**	636
Consulting and professional expenses	**592**	1,543
License and regulatory fees	**438**	361
Maintenance expenses	**403**	342
Property and equipment written off	**339**	1,030
Insurance expenses	**274**	278
Miscellaneous expenses	**576**	331
	34,928	36,987

19 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.

	2011	*2010*
Profit attributable to owners of the parent (QR'000)	**22,607**	13,135
Weighted average number of shares outstanding during the year	**20,000,000**	20,000,000
Basic and diluted earnings per share (QR)	**1.13**	0.66

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.

20 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:

	2011 QR'000	*2010 QR'000*
Brokerage and commission income	**561**	22
Purchase of trading properties (Board of Directors)	**39,703**	-

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

	2011 Receivables QR'000	*2010 Receivables QR'000*
Board of Directors	**739**	-

The above balances are included under due from customers.

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

	2011 QR'000	*2010 QR'000*
Salaries and short-term benefits	**2,282**	2,282
Pension benefits	**125**	102
	2,407	2,384

21 CONTINGENT LIABILITIES

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

	2011 ***QR'000***	*2010* *QR'000*
Letters of guarantee	**204,500**	262,500

Letters of guarantee represents 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.

22 SEGMENT INFORMATION

For management purposes, the Group is organized 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.

22 SEGMENT INFORMATION (continued)

The following table presents the revenue and profit information regarding the Group's operating segments for the year ended 31 December 2011 and 2010, respectively.

31 December 2011	***Stock Broking QR'000***	***Real Estate QR'000***	***IT and International QR'000***	***Others QR'000***	***Elimination QR'000***	***Total 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**

31 December 2010	*Stock Broking QR'000*	*Real Estate QR'000*	*IT and International QR'000*	*Others QR'000*	*Elimination QR'000*	*Total QR'000*
Brokerage and commission income	38,676	-	-	-	-	38,676
Others	10,156	3,222	904	2,020	(2,348)	13,954
Segment revenue	48,832	3,222	904	2,020	(2,348)	52,630
Segment profit	13,998	273	897	(2,030)	-	13,138
Depreciation	1,886	294	-	3,809	-	5,989
Segment assets	600,746	55,819	21,148	81,588	(29,107)	730,194
Segment liabilities	475,445	492	20,050	27,623	(29,107)	494,503

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

23 FINANCIAL RISK MANAGEMENT

Objective and policies

The Group's principal financial liabilities comprise due to customers, 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 due from customers, 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.

23 FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk
The Group is exposed to interest rate risk on its floating rate interest-bearing assets (bank deposits). 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 2011 and 2010. 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*
2011	**+25 b.p**	**164**
2010	+25 b.p	383

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***
2011		
Available-for-sale investments	**+5**	**3,586**
2010		
Available-for-sale investments	+5	1,531

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 5% of the outstanding receivables at 31 December 2011 (2010: Nil).

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.

23 FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)
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.

	2011 ***QR'000***	*2010* *QR'000*
Bank balances (excluding cash)	**96,355**	172,420
Bank balances - customer funds	**388,489**	308,648
Due from customers	**58,488**	48,638
Due from Qatar Exchange	**-**	104,371
Other assets	**34,581**	1,091
	577,913	635,168

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.

31 December 2011	***On demand QR'000***	***Less than 1 year QR'000***	***Total QR'000***
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**

31 December 2010	*On demand QR'000*	*Less than 1 year QR'000*	*Total QR'000*
Due to customers	462,177	-	462,177
Other liabilities	21,849	-	21,849
Total	484,026	-	484,026

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 2011 and 31 December 2010. Capital comprises share capital and retained earnings, and is measured at QR 200,238 thousand at 31 December 2011 (2010: QR 217,457 thousand).

24 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 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 2011, the Group held the following financial instruments measured at fair value:

	Total QR'000	***Level 1 QR'000***	***Level 2 QR'000***	***Level 3 QR'000***
At 31 December 2011				
Available-for-sale investments - listed	**73,554**	**71,712**	**1,842**	**-**

	Total QR'000	*Level 1 QR'000*	*Level 2 QR'000*	*Level 3 QR'000*
At 31 December 2010				
Available-for-sale investments - listed	32,663	30,624	2,039	-

During the year ended 31 December 2011, 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.

25 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 62,518 thousand (2010: QR 52,668 thousand) and the allowance for impairment of receivables was QR 4,030 thousand (2010: 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.

25 SIGNIFICANT ASSUMPTIONS, ESTIMATES AND JUDGMENTS (continued)

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.

26 COMPARATIVE INFORMATION

Certain comparative figures pertaining to 31 December 2010 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.