

DLALA BROKERAGE AND INVESTMENT
HOLDING COMPANY (QSC)
DOHA - QATAR

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD
ENDED SEPTEMBER 30, 2007

DLALA BROKERAGE AND INVESTMENT HOLDING COMPANY (QSC)
DOHA - QATAR
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007

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DLALA BROKERAGE AND INVESTMENT HOLDING COMPANY (QSC)
DOHA - QATAR
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
AS OF SEPTEMBER 30, 2007

| ASSETS: | Note | September 30, 2007 <u>(Unaudited)</u> <u>QR.</u> | December 31, 2006 <u>(Audited)</u> <u>QR.</u> |
|--|------|---|--|
| <u>Current Assets:</u> | | | |
| Cash and bank balances | 3 | 84,948,514 | 66,210,030 |
| Due from institutions | | 233,958,174 | 29,480,125 |
| Due from other customers | | 50,945,419 | 74,480,998 |
| Customers funds | 4 | 308,779,238 | 261,540,079 |
| Prepaid and other debit balances | | 3,922,603 | 5,869,659 |
| | | ----- | ----- |
| Total Current Assets | | 682,553,948 | 437,580,891 |
| | | ----- | ----- |
| <u>Non-Current Assets:</u> | | | |
| Properties and Equipment | 5 | 19,536,856 | 20,271,799 |
| Available-for-Sale Investments | 6 | 68,430,695 | 68,388,243 |
| | | ----- | ----- |
| Total Non-Current Assets | | 87,967,551 | 88,660,042 |
| | | ----- | ----- |
| Total Assets | | 770,521,499 | 526,240,933 |
| | | ===== | ===== |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| LIABILITIES: | | | |
| <u>Current Liabilities:</u> | | | |
| Bank over drafts | | 10,233,942 | 62,865,676 |
| Due to institutions | | 189,826,622 | 65,104,021 |
| Due to other customers | | 205,401,857 | 159,242,152 |
| Accruals and other credit balances | | 6,291,421 | 5,700,583 |
| Due to Doha securities Market | | 145,746,306 | 40,829,603 |
| | | ----- | ----- |
| Total Current Liabilities | | 557,500,148 | 333,742,035 |
| | | ----- | ----- |
| <u>Shareholders' Equity:</u> | | | |
| Capital | 7 | 200,000,000 | 200,000,000 |
| Legal reserve | | 1,842,228 | 1,842,228 |
| Fair value reserve | 6 | (5,097,596) | (22,298,259) |
| Proposed dividend | 8 | -- | 10,000,000 |
| Retained earnings | | 16,250,005 | 2,931,778 |
| | | ----- | ----- |
| Attributable to Equity Holders of Holding Company | | 212,994,637 | 192,475,747 |
| Minority Interest | | 26,714 | 23,151 |
| | | ----- | ----- |
| Total Equity | | 213,021,351 | 192,498,898 |
| | | ----- | ----- |
| Total Liabilities and Equity | | 770,521,499 | 526,240,933 |
| | | ===== | ===== |

Hamad Bin Abdulla Al-Attayah
Chairman

Murad Marouf Mahmoud
CEO

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DLALA BROKERAGE AND INVESTMENT HOLDING COMPANY (QSC)
DOHA - QATAR

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007

| | Note | Nine month period ended September 30, | |
|---|-----------|--|-------------------|
| | | 2007 | 2006 |
| | | <u>(Unaudited)</u> | <u>(Reviewed)</u> |
| <u>Revenue:</u> | | <u>QR.</u> | <u>QR.</u> |
| Brokerage and commission income , net | | 62,834,907 | 55,803,327 |
| Brokerage and commission expense | | (17,503,656) | (22,479,119) |
| | | ----- | ----- |
| Brokerage and Commission Income, Net | | 45,331,251 | 33,324,208 |
| Investments income | | 2,968,609 | 2,651,380 |
| Interest income | | 4,277,390 | 5,701,116 |
| Other income | | 48,232 | -- |
| Impairment loss on investments | 6 | (4,000,000) | -- |
| General and administrative expenses | 9 | (33,321,649) | (26,955,860) |
| Finance cost | | (1,905,018) | -- |
| Foreign exchange difference | | (77,025) | -- |
| Listing cost | | -- | (1,756,055) |
| | | ----- | ----- |
| Net Income for the Period | | 13,321,790 | 12,964,789 |
| | | ===== | ===== |
| Attributable to | | | |
| Equity holders of holding company | | 13,318,227 | 12,964,789 |
| Minority interest | | 3,563 | -- |
| | | ----- | ----- |
| Total | | 13,321,790 | 12,964,789 |
| | | ===== | ===== |
| Earnings per share (basic & diluted) | 10 | 0.67 | 0.65 |
| | | ===== | ===== |

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DLALA BROKERAGE AND INVESTMENT HOLDING COMPANY (QSC)
DOHA - QATAR

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007

| | Capital | Legal Reserve | Fair Value Reserve | Proposed Dividend | Retained Earnings | Attributable to Equity Holders Of Holding Company | Minority Interest | Total |
|---|--------------------|------------------|---------------------|-------------------|-------------------|--|-------------------|--------------------|
| | ----- QR. | ----- QR. | ----- QR. | ----- QR. | ----- QR. | ----- QR. | ----- QR. | ----- QR. |
| Balance – January 31, 2006 | 200,000,000 | 516,380 | (1,870,533) | -- | 1,001,314 | 199,647,161 | -- | 199,647,161 |
| Net income for the period | -- | -- | -- | -- | 12,964,789 | 12,964,789 | -- | 12,964,789 |
| Transfer to legal reserve for period* | -- | 1,296,478 | -- | -- | (1,296,478) | -- | -- | -- |
| Net movement in revaluation reserve | -- | -- | (17,964,122) | -- | -- | (17,964,122) | -- | (17,964,122) |
| Balance - September 30, 2006 (Reviewed) | 200,000,000 | 1,812,858 | (19,834,655) | -- | 12,669,625 | 194,647,828 | -- | 194,647,828 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Balance – January 31, 2007 | 200,000,000 | 1,842,228 | (22,298,259) | 10,000,000 | 2,931,778 | 192,475,747 | 23,151 | 192,498,898 |
| Dividends paid | -- | -- | -- | (10,000,000) | -- | (10,000,000) | -- | (10,000,000) |
| Net income for the period | -- | -- | -- | -- | 13,318,227 | 13,318,227 | 3,563 | 13,321,790 |
| Net movement in revaluation reserve | -- | -- | 17,200,663 | -- | -- | 17,200,663 | -- | 17,200,663 |
| Balance - September 30, 2007 (Unaudited) | 200,000,000 | 1,842,228 | (5,097,596) | -- | 16,250,005 | 212,994,637 | 26,714 | 213,021,351 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

*Transfer to to legal reserve for year 2007 will be recorded at the year end as per Qatar Commercial Companies' Law No. 5 of 2002

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DLALA BROKERAGE AND INVESTMENT HOLDING COMPANY (QSC)
DOHA - QATAR

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007

| | Note | For the Nine Month Period Ended September 30, 2007 <u>(Unaudited)</u> <u>QR.</u> | For the Nine Month Period Ended September 30, 2006 <u>(Reviewed)</u> <u>QR.</u> |
|---|-----------|--|---|
| <u>Cash Flows from Operating Activities:</u> | | | |
| Net income for the period | | 13,321,790 | 12,964,789 |
| Adjustments for: | | | |
| Depreciation of properties and equipments | | 5,375,004 | 2,826,756 |
| Interest Income | | (4,277,390) | (5,701,116) |
| Impairment loss on investments | | 4,000,000 | -- |
| | | ----- | ----- |
| | | 18,419,404 | 10,090,429 |
| Due from institutions | | (204,478,049) | (16,788,995) |
| Due from other customers | | 23,535,579 | (32,823,353) |
| Prepaid and other debit balances | | 2,685,795 | 1,150,512 |
| Customers funds | | (47,239,159) | (478,983,221) |
| Due to institutions | | 124,722,601 | 48,768,821 |
| Due to other customers | | 46,159,705 | 151,926,633 |
| Due to Doha Securities Market | | 104,916,703 | 54,889,546 |
| Accruals and other credit balances | | 590,838 | (1,920,976) |
| | | ----- | ----- |
| Net Cash Flow From (Used in) Operating Activities | | 69,313,419 | (263,690,604) |
| | | ----- | ----- |
| <u>Cash Flows from Investing Activities:</u> | | | |
| Purchase and sale of available-for-sale investments , net | | 13,158,211 | (32,648,967) |
| Purchase of properties and equipments | | (4,640,061) | (10,270,038) |
| Interest received | | 3,538,651 | 5,701,116 |
| | | ----- | ----- |
| Net Cash From (Used in) Investing Activities | | 12,056,801 | (37,217,889) |
| | | ----- | ----- |
| <u>Cash Flows from Finance Activities:</u> | | | |
| Dividends paid | | (10,000,000) | -- |
| | | ----- | ----- |
| Cash Used in Finance Activities | | (10,000,000) | -- |
| | | ----- | ----- |
| Net increase (decrease) in cash and cash equivalents | | 71,370,218 | (300,908,493) |
| Cash and cash equivalents – beginning of the period | | 3,344,354 | 158,041,432 |
| | | ----- | ----- |
| Cash and cash equivalents - End of the Period | 11 | 74,714,572 | (142,867,061) |
| | | ===== | ===== |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DLALA BROKERAGE AND INVESTMENT HOLDING COMPANY (QSC)
DOHA – QATAR

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007 (UNAUDITED)

1. General information:

Dlala Brokerage and Investment Holding Company (the Company) is a Qatari Shareholding Company (Q.S.C.) incorporated in the State of Qatar on May 24, 2005 under Commercial Registration No.30670. The Company is governed by the provisions of the Qatar Commercial Companies law No. 5 of 2002 and the Doha Securities Market regulations. The Company is engaged in brokerage activities at the Doha Securities Market through its subsidiaries, and in investment activities for itself.

2. Accounting Policies:

The interim condensed consolidated financial statements of the Company for the nine months ended September 30, 2007 are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2006. These interim condensed consolidated financial statements should be read in conjunction with the 2006 annual consolidated financial statements and the notes attached thereto.

For the purpose of these interim condensed consolidated financial information, the Company has adopted revised and amended Standards issued by the International Accounting Standards Board (IASB) and the IFRIC that are relevant to its operations for the period beginning January 1, 2007.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the nine months period ended September 30, 2007 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2007.

3. Cash and bank balances:

| | <u>September 30,</u> <u>2007</u> <u>(Unaudited)</u> <u>QR.</u> | <u>December 31,</u> <u>2006</u> <u>(Audited)</u> <u>QR.</u> |
|-----------------------|---|--|
| Cash on Hand | 24,981 | 3,567 |
| Fixed deposits | 56,883,672 | 52,059,170 |
| Bank current accounts | 28,039,861 | 14,147,293 |
| | ----- | ----- |
| | 84,948,514 | 66,210,030 |
| | ===== | ===== |

4. Customers funds:

Customer's funds represent collections from the customers, which the Company holds in trust until the customers commit those funds to the purchase of shares, following which the Company transfers the committed funds to the Company's bank accounts. Customer funds include amounts relating to purchase and sale transactions that were not recorded in the Company's records due to timing differences.

5. Properties and Equipment:

| | <u>Leasehold Improvements</u> | <u>Furniture and Fixtures</u> | <u>Computers and Software</u> | <u>Office Equipment</u> | <u>Vehicles</u> | <u>*Work in Progress</u> | <u>Total</u> |
|--------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------|-----------------------|------------------------------|--------------------------|
| | QR. | QR. | QR. | QR. | QR. | QR. | QR. |
| Cost: | | | | | | | |
| As of January 1, 2006 | -- | 995,063 | 10,821,015 | 159,815 | 36,000 | 133,700 | 12,145,593 |
| Additions | 156,406 | 556,533 | 7,685,625 | 470,333 | 96,000 | 1,305,141 | 10,270,038 |
| Transfer | -- | -- | 133,700 | -- | -- | (133,700) | -- |
| As of September 30, 2006 | <u>156,406</u> | <u>1,551,596</u> | <u>18,640,340</u> | <u>630,148</u> | <u>132,000</u> | <u>1,305,141</u> | <u>22,415,631</u> |
| Depreciation: | | | | | | | |
| As of January 1, 2006 | -- | 60,609 | 176,955 | 909 | 2,250 | -- | 240,723 |
| Charge for the period | 18,855 | 109,868 | 2,621,449 | 58,384 | 18,200 | -- | 2,826,756 |
| As of September 30, 2006 | <u>18,855</u> | <u>170,477</u> | <u>2,798,404</u> | <u>59,293</u> | <u>20,450</u> | <u>--</u> | <u>3,067,479</u> |
| Net book value: | | | | | | | |
| As of September 30, 2006 (Reviewed) | <u>137,551</u> | <u>1,381,119</u> | <u>15,841,936</u> | <u>570,855</u> | <u>111,550</u> | <u>1,305,141</u> | <u>19,348,152</u> |
| Cost: | | | | | | | |
| As of January 1, 2007 | 839,401 | 1,829,533 | 19,804,250 | 839,888 | 132,000 | 1,128,668 | 24,573,740 |
| Additions | 118,993 | 149,575 | 805,574 | 199,039 | 46,000 | 3,320,880 | 4,640,061 |
| Transfer | 8,900 | -- | 3,398,621 | 370,080 | -- | (3,777,601) | -- |
| As of September 30, 2007 (Unaudited) | <u>967,294</u> | <u>1,979,108</u> | <u>24,008,445</u> | <u>1,409,007</u> | <u>178,000</u> | <u>671,947</u> | <u>29,213,801</u> |
| Depreciation: | | | | | | | |
| As of January 1, 2007 | 47,473 | 213,711 | 3,915,395 | 98,312 | 27,050 | -- | 4,301,941 |
| Charge for the period | 137,805 | 142,979 | 4,895,968 | 175,384 | 22,868 | -- | 5,375,004 |
| As of September 30, 2007 (Unaudited) | <u>185,278</u> | <u>356,690</u> | <u>8,811,363</u> | <u>273,696</u> | <u>49,918</u> | <u>--</u> | <u>9,676,945</u> |
| Net book value: | | | | | | | |
| As of September 30, 2007 (Unaudited) | <u>782,016</u> | <u>1,622,418</u> | <u>15,197,082</u> | <u>1,135,311</u> | <u>128,082</u> | <u>671,947</u> | <u>19,536,856</u> |
| Rates of depreciation | 20% | 10% | 20% - 33.33% | 20% | 20% | -- | |

* The work in progress represents amounts paid for the enhanced accounting system. This system is not operational as of the period end.

| <u>6. Available-for-Sale Investments:</u> | <u>September 30,</u> <u>2007</u> <u>(Unaudited)</u> <u>QR.</u> | <u>December 31,</u> <u>2006</u> <u>(Audited)</u> <u>QR.</u> |
|--|---|--|
| Investments - Quoted | 67,688,632 | 78,267,647 |
| Investments - Unquoted | 5,839,659 | 12,418,855 |
| | ----- | ----- |
| Total cost of investments | 73,528,291 | 90,686,502 |
| Changes in fair value - Quoted | (5,085,773) | (22,101,737) |
| Changes in fair value - Unquoted | (11,823) | (196,522) |
| | ----- | ----- |
| Fair value reserve | (5,097,596) | (22,298,259) |
| | ----- | ----- |
| Total | 68,430,695 | 68,388,243 |
| | ===== | ===== |

The company has chosen to make a full provision for impairment by December 31, 2007 which in management's opinion will not exceed QR 6 million. Management is phasing the provision over the financial year and as at 30 September 2007 the amount recorded is QR 4 million.

7. Share Capital:

| | <u>September 30,</u> <u>2007</u> <u>(Unaudited)</u> <u>QR.</u> | <u>December 31,</u> <u>2006</u> <u>(Audited)</u> <u>QR.</u> |
|--|---|--|
| Share capital consists of: | | |
| (20,000,000 shares of QR.10 each authorized issued and fully paid) | 200,000,000 | 200,000,000 |
| | ===== | ===== |

8. Proposed Dividend:

The Company's General Assembly approved in its ordinary meeting held on April 11, 2007 the board of Directors to pay dividends in amount of QR. 10,000,000 for the year 2006. The dividends were paid to the shareholders 2007.

9. General and Administrative Expenses:

| | Nine month period ended | |
|-------------------------------|--------------------------------|-------------------|
| | September 30, | |
| | 2007 | 2006 |
| | (Unaudited) | (Reviewed) |
| | QR. | QR. |
| Staff costs | 15,753,626 | 12,356,122 |
| Consulting and training | 896,499 | 2,124,813 |
| DSM Membership fee and rental | 234,914 | 177,037 |
| Rent | 4,404,209 | 2,430,484 |
| IT and communication cost | 1,929,747 | 1,195,641 |
| Advertising | 1,756,348 | 953,689 |
| Printing and stationery | 77,059 | 1,485,848 |
| Depreciation | 5,375,004 | 2,890,507 |
| Telephone and fax | 539,852 | 238,733 |
| Travel | 322,031 | 357,701 |
| Insurance | 315,944 | 347,175 |
| Maintenance | 116,039 | 346,447 |
| Governmental fees | 65,772 | 99,131 |
| Bank charges | 1,240,787 | 1,532,354 |
| Others | 293,818 | 420,178 |
| Total | 33,321,649 | 26,955,860 |

10. Earnings per Share:

Earnings per share are calculated by dividing the net income for the period by the weighted average number of ordinary shares outstanding during the period as follows:

| | Nine month period ended | |
|--------------------------------------|--------------------------------|-------------------|
| | September 30, | |
| | 2007 | 2006 |
| | (Unaudited) | (Reviewed) |
| | QR. | QR. |
| Net income for the period | QR. 13,321,790 | 12,964,789 |
| Weighted average number of shares | 20,000,000 | 20,000,000 |
| Earnings per share (basic & diluted) | 0.67 | 0.65 |

11. Cash and Cash Equivalents:

For the purpose of the statement of cash flow, cash and cash equivalents include the cash and the bank balances, net of outstanding overdrafts. Cash and cash equivalents at the end of the period as shown in the cash flow statement can be reconciled to the related items in the balance sheet as follows:

| | <u>September 30,</u> <u>2007</u> <u>(Unaudited)</u> <u>QR.</u> | <u>September 30,</u> <u>2006</u> <u>(Reviewed)</u> <u>QR.</u> |
|---|---|--|
| Cash and bank balances | 84,948,514 | 157,507,075 |
| Bank overdraft | (10,233,942) | (300,374,136) |
| | ----- | ----- |
| Cash and Cash Equivalents at the End of the Period | 74,714,572 | (142,867,061) |
| | ===== | ===== |

12. Contingent Liabilities:

| | <u>September 30,</u> <u>2007</u> <u>(Unaudited)</u> <u>QR.</u> | <u>December 31,</u> <u>2006</u> <u>(Audited)</u> <u>QR.</u> |
|----------------------------|---|--|
| Banks letters of guarantee | 235,000,000 | 235,000,000 |
| | ===== | ===== |

13. Subsidiaries:

Details of the Company's direct and indirect subsidiaries at September 30, 2007 are as follows:

| <u>Name of subsidiary</u> | <u>Place of Incorporation</u> | <u>Proportion of Ownership interest</u> | <u>Principal activity</u> |
|--|-------------------------------|---|---------------------------|
| Dlala Brokerage Company W.L.L. | Qatar | 99.98% | Brokerage |
| Dlala Islamic Brokerage Company W.L.L. | Qatar | 99.98% | Brokerage |
| Dlala Investments Company W.L.L. | Qatar | 99.90% | Investments |
| Dlala Gulf Investment Company W.L.L. | Qatar | 99.50% | Investments |

Dlala Investments and Dlala Gulf Investment were not in operation as of September 30, 2007.