

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

**REVIEWED INTERIM CONDENSED  
CONSOLIDATED  
FINANCIAL STATEMENTS**

**30 JUNE 2013**

## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF DLALA BROKERAGE AND INVESTMENTS HOLDING COMPANY Q.S.C.

### Introduction

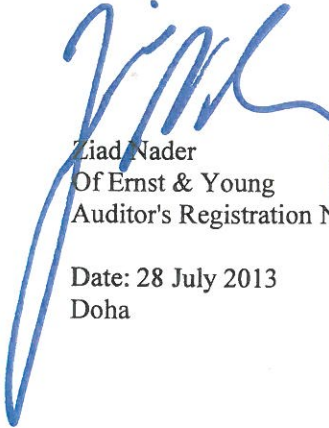
We have reviewed the accompanying interim condensed consolidated financial statements of Dlala Brokerage and Investment Holding Company Q.S.C. ("the Company") and its subsidiaries (together referred to as "the Group") as at 30 June 2013, comprising of the interim consolidated statement of financial position as at 30 June 2013 and the related interim consolidated statements of income and comprehensive income for the three-month and six-month period ended 30 June 2013, the related interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

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

Date: 28 July 2013  
Doha



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

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2013

	Notes	30 June 2013 QR'000 (Reviewed)	31 December 2012 QR'000 (Audited)
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	3	45,214	101,270
Bank balances - customer funds	4	373,040	143,262
Due from customers		76,061	9,479
Due from Qatar Exchange		-	7,454
Financial investments - available-for-sale	5	120,631	82,668
Trading properties		41,661	171,672
Other assets		91,231	33,350
		<u>747,838</u>	<u>549,155</u>
<b>Non-current asset</b>			
Property and equipment	6	44,321	49,893
Investment in joint venture		-	1,802
		<u>44,321</u>	<u>51,695</u>
<b>TOTAL ASSETS</b>		<u>792,159</u>	<u>600,850</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Due to customers		410,763	176,324
Due to Qatar Exchange		56,128	893
Islamic financing facility	7	31,893	112,387
Other liabilities		75,988	87,261
		<u>574,772</u>	<u>376,865</u>
<b>Non-current liability</b>			
Employees' end of service benefits		2,310	1,848
<b>Total liabilities</b>		<u>577,082</u>	<u>378,713</u>
<b>Equity</b>			
Share capital		222,000	200,000
Legal reserve		15,586	15,586
Fair value reserve		(1,120)	(16,592)
Proposed bonus shares	13	-	22,000
Retained earnings		(21,431)	1,095
<b>Equity attributable to owners of the parent</b>		<u>215,035</u>	<u>222,089</u>
Non-controlling interests		42	48
<b>Total equity</b>		<u>215,077</u>	<u>222,137</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>792,159</u>	<u>600,850</u>

Nasser Hamad Al Safaiti  
(Chairman)

Ahmed Mohamed AlAsmakh  
(Managing Director)

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements.

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

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2013

	Notes	<i>Three months ended</i>		<i>Six months ended</i>	
		<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>
Brokerage and commission income		<b>13,290</b>	11,165	<b>21,249</b>	24,810
Brokerage and commission expense		<b>(4,702)</b>	(3,341)	<b>(8,086)</b>	(8,442)
<b>Net brokerage and commission income</b>		<b>8,588</b>	7,824	<b>13,163</b>	16,368
Real estate income	8	<b>5,881</b>	16,885	<b>21,654</b>	26,930
Investment income		<b>3,023</b>	(34)	<b>8,131</b>	5,208
Interest income		<b>264</b>	615	<b>471</b>	1,120
<b>Net operating income</b>		<b>17,756</b>	25,290	<b>43,419</b>	49,626
Other income		-	519	<b>65</b>	519
General and administrative expenses		<b>(7,719)</b>	(9,428)	<b>(14,804)</b>	(17,052)
Losses on claim by customers	9	<b>(32,232)</b>	-	<b>(32,232)</b>	-
Impairment on available-for-sales investment		<b>(13,407)</b>	-	<b>(13,407)</b>	-
Write off of capital work-in-progress	6	<b>(2,370)</b>	-	<b>(2,370)</b>	-
Depreciation	6	<b>(1,073)</b>	(1,372)	<b>(2,177)</b>	(2,750)
Islamic finance costs		<b>(128)</b>	-	<b>(1,149)</b>	-
<b>(LOSS) PROFIT FOR THE PERIOD</b>		<b>(39,173)</b>	15,009	<b>(22,655)</b>	30,343
Attributable to:					
Owners of the parent		<b>(39,166)</b>	15,008	<b>(22,649)</b>	30,341
Non-controlling interests		<b>(7)</b>	1	<b>(6)</b>	2
		<b>(39,173)</b>	15,009	<b>(22,655)</b>	30,343
<b>BASIC AND DILUTED EARNINGS PER SHARE (QR)</b>	10	<b>(1.76)</b>	0.68	<b>(1.02)</b>	1.37

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements.

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

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	<i>Three months 30 June</i>		<i>Six months ended</i>	
	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>
(Loss) Profit for the period	<u>(39,173)</u>	<u>15,009</u>	<u>(22,655)</u>	<u>30,343</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Net fair value gain (loss) on available-for-sale investments	<b>4,068</b>	(9,322)	<b>3,298</b>	(10,166)
Net loss (gain) on disposal of available-for-sale investments reclassified to the consolidated statement of income	<u>572</u>	<u>908</u>	<u>(1,233)</u>	<u>(755)</u>
<b>Net other comprehensive gain (loss) to be classified to profit and loss in subsequent periods</b>	<u><b>4,640</b></u>	<u>(8,414)</u>	<u><b>2,065</b></u>	<u>(10,921)</u>
<i>Items not to be reclassified to profit or loss in subsequent periods</i>				-
Impairment losses on available-for-sale investment reclassified to the statement of income	<b>13,407</b>	-	<b>13,407</b>	-
<b>Total other comprehensive income (loss) for the period</b>	<u><b>18,047</b></u>	<u>(8,414)</u>	<u><b>15,472</b></u>	<u>(10,921)</u>
<b>TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD</b>	<u><b>(21,126)</b></u>	<u>6,595</u>	<u><b>(7,183)</b></u>	<u>19,422</u>
Attributable to:				
Owners of the parent	<b>(21,119)</b>	6,594	<b>(7,177)</b>	19,420
Non-controlling interests	<u>(7)</u>	<u>1</u>	<u>(6)</u>	<u>2</u>
	<u><b>(21,126)</b></u>	<u>6,595</u>	<u><b>(7,183)</b></u>	<u>19,422</u>

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements.

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2013

	Notes	Six months ended 30 June	
		2013 QR'000 (Reviewed)	2012 QR'000 (Reviewed)
<b>OPERATING ACTIVITIES</b>			
(Loss) Profit for the period		(22,655)	30,343
Adjustments for:			
Depreciation	6	2,177	2,750
Provision for employees' end of service benefits		639	267
Profit on sale of financial investments – available-for-sale		(1,233)	(755)
Interest income		(471)	(1,120)
Loss on disposal of property and equipment		34	25
Impairment on available-for-investment		13,407	-
Write off of capital work-in-progress	6	2,370	-
Islamic finance cost		1,149	-
Dividend income		(6,898)	(4,453)
		(11,481)	27,057
Working capital changes:			
Customers funds		(229,778)	119,987
Due from customers		(66,582)	28,743
Due to/from Qatar Exchange		62,689	(26,510)
Trading properties		130,011	10,585
Other assets		(57,881)	27,921
Due to customers		234,439	(130,085)
Advance paid for trading properties		-	(42,504)
Other liabilities		(10,080)	11,939
Cash from operations		51,337	27,133
Employees' end of service benefits paid		(177)	(185)
Net cash from operating activities		51,160	26,948
<b>INVESTING ACTIVITIES</b>			
Proceeds from sale of available-for-sale investments		314,458	141,904
Purchase of available-for-sale investments		(349,123)	(162,767)
Proceeds from sales of property and equipment		-	75
Proceeds from disposal of joint venture		1,802	-
Purchase of property and equipment	6	(202)	(309)
Interest income		471	1,120
Dividend income		6,898	4,453
Proceeds from sale of fractional shares arising from bonus issue		123	-
Net cash used in investing activities		(25,573)	(15,524)
<b>FINANCING ACTIVITIES</b>			
Dividend paid	13	-	(20,000)
Repayment of Islamic financing facility		(80,494)	-
Islamic financing cost paid		(1,149)	-
Net cash used in financing activities		(81,643)	(20,000)
<b>DECREASE IN CASH AND BANK BALANCES</b>		<b>(56,056)</b>	<b>(8,576)</b>
Cash and cash equivalents at 1 January		101,270	96,429
<b>CASH AND BANK BALANCES AT 30 JUNE</b>	3	<b>45,214</b>	<b>87,853</b>

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements.

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

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2013

	<i>Attributable to owners of the parent</i>							<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Retained Earnings/ (Accumulated Losses)</i>	<i>Proposed dividend</i>	<i>Proposed bonus shares</i>	<i>Total</i>		
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>		
At 1 January 2013	200,000	15,586	(16,592)	1,095	-	22,000	222,089	48	222,137
Loss for the period	-	-	-	(22,649)	-	-	(22,649)	(6)	(22,655)
Other comprehensive income for the period	-	-	15,472	-	-	-	15,472	-	15,472
Bonus shares issued (Note 13)	22,000	-	-	-	-	(22,000)	-	-	-
Proceeds from sale of fractional shares arising from bonus issue	-	-	-	123	-	-	123	-	123
Total comprehensive loss for the period	-	-	15,472	(22,526)	-	-	(7,054)	(6)	(7,060)
<b>At 30 June 2013 (Reviewed)</b>	<b>222,000</b>	<b>15,586</b>	<b>(1,120)</b>	<b>(21,431)</b>	<b>-</b>	<b>-</b>	<b>215,035</b>	<b>42</b>	<b>215,077</b>
At 1 January 2012	200,000	12,974	(999)	238	20,000	-	232,213	47	232,260
Profit for the period	-	-	-	30,341	-	-	30,341	2	30,343
Other comprehensive loss for the period	-	-	(10,921)	-	-	-	(10,921)	-	(10,921)
Total comprehensive income for the period	-	-	(10,921)	30,341	-	-	19,420	2	19,422
Dividend paid (Note 13)	-	-	-	-	(20,000)	-	(20,000)	-	(20,000)
<b>At 30 June 2012 (Reviewed)</b>	<b>200,000</b>	<b>12,974</b>	<b>(11,920)</b>	<b>30,579</b>	<b>-</b>	<b>-</b>	<b>231,633</b>	<b>49</b>	<b>231,682</b>

The attached notes 1 to 15 form part of these interim condensed consolidated financial statements.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 1 CORPORATE INFORMATION

Dlala Brokerage and Investment 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 together with its subsidiaries (together referred to as “the Group”) is engaged in brokerage activities at the Qatar Exchange, real estate and in other investment activities.

The interim condensed consolidated financial statements of the Group for the six months period ended 30 June 2013 were authorised for issue by the Board of Directors on 28 July 2013.

### 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2013 have been prepared in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting” (“IAS 34”).

The interim condensed consolidated financial statements are prepared in Qatar Riyals, which is the Group’s functional and presentation currency, and all values are rounded to the nearest thousands (QR’000) except when otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2012. In addition, the results for the six months ended 30 June 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013.

#### 2.2 Basis of consolidation

The interim condensed consolidated financial statements comprise the interim condensed financial statements of Dlala Brokerage and Investment Holding Company Q.S.C (“the Company”) and its subsidiaries (together referred to as “the Group”). The principal subsidiaries of the Group are as follows:

<i>Entity Name</i>	<i>Country of incorporation</i>	<i>Ownership interest 2013</i>	<i>Ownership interest 2012</i>
Dlala Brokerage W.L.L.	Qatar	99.98%	99.98%
Dlala Islamic Brokerage W.L.L.	Qatar	99.98%	99.98%
Dlala Real Estate S.P.C.	Qatar	100%	100%
Dlala Investment Company L.L.C. (Dormant)	Qatar	99.90%	99.90%
Dlala International L.L.C. (Dormant)	Qatar	99.50%	99.50%
Dlala Information Technology S.P.C. (Dormant)	Qatar	100%	100%



## 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.3 Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2012, except as noted below:

During the period, the Group has adopted the following standards effective for annual periods beginning on or after 1 January 2013.

#### ***IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1***

The amendments to IAS 1 introduce a grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never be reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Group's financial position or performance.

#### ***IAS 1 Clarification of the requirement for comparative information (Amendment)***

The amendment to IAS 1 clarifies the difference between voluntary additional comparative information and the minimum required comparative information. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the minimum required comparative period. The additional voluntarily comparative information does not need to be presented in a complete set of financial statements.

An opening statement of financial position (known as the 'third balance sheet') must be presented when an entity applies an accounting policy retrospectively, makes retrospective restatements, or reclassifies items in its financial statements, provided any of those changes has a material effect on the statement of financial position at the beginning of the preceding period. The amendment clarifies that a third balance sheet does not have to be accompanied by comparative information in the related notes. Under IAS 34, the minimum items required for interim condensed financial statements do not include a third balance sheet.

#### ***IAS 34 Interim financial reporting and segment information for total assets and liabilities (Amendment)***

The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 *Operating Segments*. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker (CODM) and there has been a material change in the total amount disclosed in the entity's previous annual consolidated financial statements for that reportable segment. The Group provides this disclosure as total segment assets were reported to the CODM.

#### ***IFRS 7 Financial Instruments: Disclosures Offsetting Financial Assets and Financial Liabilities Amendments to IFRS 7***

The amendment requires an entity to disclose information about rights to set-off financial instruments and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether the financial instruments are set off in accordance with IAS 32. As the Group is not setting off financial instruments in accordance with IAS 32 and does not have relevant offsetting arrangements, the amendment does not have an impact on the Group.

#### ***IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements***

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. IFRS 10 replaces the parts of previously existing IAS 27 *Consolidated and Separate Financial Statements* that dealt with consolidated financial statements and SIC-12 *Consolidation – Special Purpose Entities*. IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. To meet the definition of control in IFRS 10, all three criteria must be met, including: (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns. IFRS 10 had no impact on the consolidation of investments held by the Group.

**2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.3 Significant accounting policies**

**IFRS 11 *Joint Arrangements* and IAS 28 *Investment in Associates and Joint Ventures***

IFRS 11 replaces IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly-controlled Entities — Non-monetary Contributions by Venturers*. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture under IFRS 11 must be accounted for using the equity method. IFRS 11 had no impact on the consolidation of investments held by the Group.

**IFRS 12 *Disclosure of Interests in Other Entities***

IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. None of these disclosure requirements are applicable for interim condensed consolidated financial statements, unless significant events and transactions in the interim period requires that they are provided. Accordingly, the Group has not made such disclosures.

**IFRS 13 *Fair Value Measurement***

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Group.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 *Financial Instruments: Disclosures*. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting the interim condensed consolidated financial statements for the period period. The Group provides these disclosures in Note 13.

Several other new standards and amendments apply for the first time in 2013. However, they do not impact the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**3 CASH AND BANK BALANCES**

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

	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>31 December 2012 QR'000 (Audited)</i>
Cash and bank balances	<u>45,214</u>	<u>101,270</u>

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.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 4 BANK BALANCES – CUSTOMER FUNDS

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

### 5 FINANCIAL INVESTMENTS – AVAILABLE-FOR-SALE

	<i>30 June 2013</i> <i>(Reviewed)</i>			<i>31 December 2012</i> <i>(Audited)</i>		
	<i>Listed</i> <i>QR'000</i>	<i>Unlisted</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>	<i>Listed</i> <i>QR'000</i>	<i>Unlisted</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Shares	<b>116,568</b>	<b>1,840</b>	<b>118,408</b>	79,171	1,719	80,890
Funds	-	<b>2,223</b>	<b>2,223</b>	-	1,778	1,778
Total	<b>116,568</b>	<b>4,063</b>	<b>120,631</b>	79,171	3,497	82,668

### 6 PROPERTY AND EQUIPMENT

	<i>30 June</i> <i>2013</i> <i>QR'000</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2012</i> <i>QR'000</i> <i>(Audited)</i>
<i>Cost:</i>		
Balance at the beginning of the period/year	<b>87,392</b>	87,602
Additions during the period/year	<b>202</b>	712
Disposal/written off during the period/year	<b>(826)</b>	(922)
Reclassification during the period/year	<b>(1,193)</b>	-
Write off of capital work-in-progress	<b>(2,370)</b>	-
Balance at the end of the period/year	<b>83,205</b>	87,392
<i>Accumulated depreciation:</i>		
Balance at the beginning of the period/year	<b>37,499</b>	33,298
Depreciation for the period/year	<b>2,177</b>	5,019
Relating to disposal	<b>(792)</b>	(818)
Balance at the end of the period/year	<b>38,884</b>	37,499
Net carrying amount at the end of the period/year	<b>44,321</b>	49,893

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 7 ISLAMIC FINANCING FACILITY

	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>31 December 2012 QR'000 (Audited)</i>
Islamic financing facility (i)	-	112,387
Islamic financing facility (i)	<b>18,031</b>	-
Revolving loan (iii)	<b>13,862</b>	-
	<b>31,893</b>	112,387

- i. This is an Islamic financing arrangement amounting to QR 110,000 thousand obtained in the name of the 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 was repaid on 28 March 2013 and the mortgage has been released by the bank.
- ii. This is an Islamic financing arrangement amounting to QR 18,000 thousand obtained in the name of the 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 20,965 thousand. The loan is repayable on 19 June 2014 inclusive of the profit amounting to QR 1,030 thousand.
- iii. This is a revolving loan obtained by one of the subsidiaries from a local bank to finance the purchase of trading property. The loan has been secured by corporate guarantee of the parent Company.

### 8 REAL ESTATE INCOME

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June 2013 QAR'000 (Reviewed)</i>	<i>30 June 2012 QAR'000 (Reviewed)</i>	<i>30 June 2013 QAR'000 (Reviewed)</i>	<i>30 June 2012 QAR'000 (Reviewed)</i>
Gain on sale of trading properties (Note i)	<b>5,820</b>	15,619	<b>21,413</b>	25,094
Real estate brokerage fee income	<b>61</b>	1,266	<b>241</b>	1,836
	<b>5,881</b>	16,885	<b>21,654</b>	26,930

*Note i:*

Sales proceeds and cost of the trading properties sold during the period are as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June 2013 QAR'000 (Reviewed)</i>	<i>30 June 2012 QAR'000 (Reviewed)</i>	<i>30 June 2013 QAR'000 (Reviewed)</i>	<i>30 June 2012 QAR'000 (Reviewed)</i>
Sales proceeds from sales of trading properties	<b>66,764</b>	354,332	<b>218,722</b>	469,799
Costs of the properties sold	<b>(60,944)</b>	(338,713)	<b>(197,309)</b>	(444,705)
	<b>5,820</b>	15,619	<b>21,413</b>	25,094

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 9 LOSSES ON CLAIM BY CUSTOMERS

During the period, two customers of the Group lodged formal complaints with the authorities against the Group, claiming compensation for the losses suffered by them on their share trading account maintained with the Group. Consequent to investigations, the Group discovered that such losses suffered by the customers resulted from the misconduct by the Group's ex-employees in previous years (2006 and 2008) and is in the process of taking necessary legal actions against the perpetrators to recover the losses. However, in compliance with the applicable laws and regulations, the management of the Group has resolved to compensate the customers and account for the losses suffered by them in the second quarter of 2013. Accordingly the Group has recognized a loss of QR 32.2 million in the current period relating to these complaints in accordance with the applicable International Financial Reporting Standards.

### 10 BASIC AND DILUTED EARNINGS PER SHARE

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

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June 2013 (Reviewed)</i>	<i>30 June 2012 (Restated)</i>	<i>30 June 2013 (Reviewed)</i>	<i>30 June 2012 (Restated)</i>
(Loss) Profit for the period attributable to owners of the parent (QR'000)	<u>(39,166)</u>	<u>15,008</u>	<u>(22,649)</u>	<u>30,341</u>
Weighted average number of shares outstanding during the period (in thousands)	<u>22,200</u>	<u>22,200</u>	<u>22,200</u>	<u>22,200</u>
Basic and diluted earnings per share (QR)	<u>(1.76)</u>	<u>0.68</u>	<u>(1.02)</u>	<u>1.37</u>

On 2 April 2013, at the extraordinary general assembly, the shareholders approved a bonus share of 11 shares for every 100 shares held at 31 December 2012. Therefore the previous reported basic and diluted earnings per share of QR 1.52 for the period ended 30 June 2012 has been restated to QR 1.37.

The weighted average numbers of shares have been calculated for the effect of bonus shares issue as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June 2013 (Reviewed)</i>	<i>30 June 2012 (Restated)</i>	<i>30 June 2013 (Reviewed)</i>	<i>30 June 2012 (Restated)</i>
Qualifying shares at the beginning of the period (in thousands)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Effect of bonus shares issue (in thousands)	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>
Balance at the end of the period	<u>22,200</u>	<u>22,200</u>	<u>22,200</u>	<u>22,200</u>

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 11 CONTINGENT LIABILITIES

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

	<i>30 June 2013 (Reviewed) QR'000</i>	<i>31 December 2012 (Audited) QR'000</i>
Letters of guarantee	<u>150,146</u>	<u>150,000</u>

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.

### 12 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 interim consolidated statement of income are as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>
Purchase of trading properties	<u>-</u>	<u>147,075</u>	<u>-</u>	<u>336,048</u>
Brokerage and commission income	<u>327</u>	<u>-</u>	<u>371</u>	<u>754</u>

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

	<i>30 June 2013 (Reviewed)</i>		<i>31 December 2012 (Audited)</i>	
	<i>Receivables QR'000</i>	<i>Payables QR'000</i>	<i>Receivables QR'000</i>	<i>Payables QR'000</i>
Key management personnel	<u>-</u>	<u>228</u>	<u>-</u>	<u>111</u>
	<u>-</u>	<u>228</u>	<u>-</u>	<u>111</u>

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

#### Compensation of key management personnel

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

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>	<i>30 June 2013 QR'000 (Reviewed)</i>	<i>30 June 2012 QR'000 (Reviewed)</i>
Salaries and short-term benefits	<u>251</u>	<u>216</u>	<u>661</u>	<u>577</u>
Pension benefits	<u>31</u>	<u>47</u>	<u>31</u>	<u>54</u>
	<u>282</u>	<u>263</u>	<u>692</u>	<u>631</u>

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 13 BONUS SHARES AND DIVIDEND PAID

During the period, a bonus shares issue of 11 shares for every 100 shares held at 31 December 2012 amounting to QR 22,000 thousand was proposed and approved by the shareholders at the extraordinary general assembly held on 2 April 2013.

A cash dividend of QR 1 per each shares totaling to QR 20,000 thousand relating to the year ended 31 December 2011 was approved and paid during the period ended 30 June 2012.

### 14 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.
- *Others* – Represents the Holding Company which provides corporate services to the branches and subsidiaries of the Group.

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.

The following table presents revenue and profit information regarding the Group's operating segment for the six months ended 30 June 2013 and 2012, respectively.

<i>Six months ended 30 June 2013 (Reviewed)</i>	<i>Stock broking QR'000</i>	<i>Real estate QR'000</i>	<i>IT and international QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Net brokerage and commission income	21,249	-	-	-	-	21,249
Others	7,295	22,282	65	13,909	(13,230)	30,321
<b>Segment revenue</b>	<b>28,544</b>	<b>22,282</b>	<b>65</b>	<b>13,909</b>	<b>(13,230)</b>	<b>51,570</b>
<b>Segment (loss) profit</b>	<b>(31,471)</b>	<b>16,108</b>	<b>45</b>	<b>(7,337)</b>	<b>-</b>	<b>(22,655)</b>
<b>Depreciation</b>	<b>295</b>	<b>205</b>	<b>-</b>	<b>1,677</b>	<b>-</b>	<b>2,177</b>
<i>Six months ended 30 June 2012 (Reviewed)</i>	<i>Stock broking QR'000</i>	<i>Real estate QR'000</i>	<i>IT and international QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Net brokerage and commission income	16,368	-	-	-	-	16,368
Others	3,502	26,984	63	2,971	(262)	33,258
<b>Segment revenue</b>	<b>19,870</b>	<b>26,984</b>	<b>63</b>	<b>2,971</b>	<b>(262)</b>	<b>49,626</b>
<b>Segment profit (loss)</b>	<b>8,459</b>	<b>21,823</b>	<b>(1,821)</b>	<b>1,882</b>	<b>-</b>	<b>30,343</b>
<b>Depreciation</b>	<b>547</b>	<b>203</b>	<b>25</b>	<b>1,975</b>	<b>-</b>	<b>2,750</b>

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 14 SEGMENT INFORMATION (continued)

The following table presents the segment assets and liabilities:

<i>At 30 June 2013 (Reviewed)</i>	<i>Stock broking QR'000</i>	<i>Real estate QR'000</i>	<i>IT and international QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
<b>Total assets</b>	<b><u>576,048</u></b>	<b><u>164,292</u></b>	<b><u>15,906</u></b>	<b><u>78,227</u></b>	<b><u>(42,314)</u></b>	<b><u>792,159</u></b>
<b>Total liabilities</b>	<b><u>496,637</u></b>	<b><u>85,210</u></b>	<b><u>52</u></b>	<b><u>37,497</u></b>	<b><u>(42,314)</u></b>	<b><u>577,082</u></b>
<i>At 31 December 2012 (Audited)</i>	<i>Stock broking QR'000</i>	<i>Real estate QR'000</i>	<i>IT and international QR'000</i>	<i>Others QR'000</i>	<i>Elimination QR'000</i>	<i>Total QR'000</i>
Total assets	<u>296,403</u>	<u>267,965</u>	<u>17,463</u>	<u>46,870</u>	<u>(27,851)</u>	<u>600,850</u>
Total liabilities	<u>186,042</u>	<u>183,170</u>	<u>659</u>	<u>36,693</u>	<u>(27,851)</u>	<u>378,713</u>

### 15 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 30 June 2013, the Group held the following financial instruments measured at fair value:

	<i>Total QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
<i>At 30 June 2013 (Reviewed)</i>				
Available-for-sale investments	<u>118,791</u>	<u>116,568</u>	<u>2,223</u>	<u>-</u>
	<i>Total QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
<i>At 31 December 2012 (Audited)</i>				
Available-for-sale investments	<u>80,949</u>	<u>79,171</u>	<u>1,778</u>	<u>-</u>

During the period ended 30 June 2013, 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.