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**Interim Condensed Consolidated Financial Statements**  
**30 June 2012**

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**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2012**

	<u>Notes</u>	<b>30 Jun 2012 (Reviewed)</b>	<b>31 Dec 2011 (Audited)</b>
		<b>QR</b>	<b>QR</b>
<b>ASSETS</b>			
Cash and cash equivalents		<b>809,491,354</b>	392,395,071
Installments and dues from customers	3	<b>850,624,373</b>	1,015,098,549
Available for sale financial investments	4	<b>90,173,556</b>	97,070,078
Inventory properties		<b>44,405,492</b>	45,653,792
Prepayments and other receivables		<b>58,428,135</b>	64,870,601
Property and equipment		<b>74,920,327</b>	84,461,655
<b>Total Assets</b>		<b>1,928,043,237</b>	1,699,549,746
<b>LIABILITIES</b>			
Accounts payables, accruals and other credit balances		<b>305,374,254</b>	261,543,981
Islamic financing under wakalah arrangements		<b>129,771,538</b>	148,864,391
Amounts due on construction contracts	5	<b>262,593,211</b>	527,087,055
<b>Total Liabilities</b>		<b>697,739,003</b>	937,495,427
<b>EQUITY</b>			
Share capital	6	<b>494,802,000</b>	329,868,000
Legal reserve	7	<b>486,228,609</b>	164,607,309
Proposed dividend		--	115,453,800
Fair value reserve		<b>(6,954,168)</b>	(57,646)
Retained earnings		<b>256,227,793</b>	152,182,856
<b>Total Equity</b>		<b>1,230,304,234</b>	762,054,319
<b>Total Liabilities and Equity</b>		<b>1,928,043,237</b>	1,699,549,746

*These interim condensed consolidated financial statements were approved by the Board of Directors on 3<sup>rd</sup> July 2012 and signed on its behalf by:*

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**Falah Bin Jassim Bin Jabr Al-Thani**  
Chairman

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**Hamad Shareef Al-Emadi**  
A/Chief Executive Officer

THE ACCOMPANYING NOTES 1 TO 11 ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE PERIOD ENDED 30 JUNE 2012**

	<u>Note</u>	For the three months ended 30 June 2012 (Reviewed)	For the three months ended 30 June 2011 (Reviewed)	For the six months ended 30 June 2012 (Reviewed)	For the six months ended 30 June 2011 (Reviewed)
		QR	QR	QR	QR
<b><u>Income</u></b>					
Income from Core Business		184,824,673	168,625,492	341,995,574	280,989,742
Profit from Investments and Deposits		2,321,494	4,310,161	9,867,173	12,216,937
Other income		12,463	23,857	78,733	36,348
<b>TOTAL INCOME</b>		<b>187,158,630</b>	<b>172,959,510</b>	<b>351,941,480</b>	<b>293,243,027</b>
<b><u>Expenses</u></b>					
Operating Expenses		(100,660,390)	(90,302,743)	(183,543,960)	(134,179,329)
General and Administration Expenses		(16,202,140)	(18,515,910)	(31,684,764)	(32,462,914)
<b>TOTAL EXPENSES</b>		<b>(116,862,530)</b>	<b>(108,818,653)</b>	<b>(215,228,724)</b>	<b>(166,642,243)</b>
<b>NET OPERATING INCOME</b>		<b>70,296,100</b>	<b>64,140,857</b>	<b>136,712,756</b>	<b>126,600,784</b>
Allowance for impairment on installments and due from customers		(15,000,000)	(10,000,000)	(30,000,000)	(30,000,000)
<b>PROFIT FOR THE PERIOD</b>		<b>55,296,100</b>	<b>54,140,857</b>	<b>106,712,756</b>	<b>96,600,784</b>
Basic and diluted Earnings per share	11	1.35	1.48	2.61	2.65

THE ACCOMPANYING NOTES 1 TO 11 ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 JUNE 2012**

	For the three months ended 30 June 2012 (Reviewed)	For the three months ended 30 June 2011 (Reviewed)	For the six months ended 30 June 2012 (Reviewed)	For the six months ended 30 June 2011 (Reviewed)
	QR	QR	QR	QR
<b>Profit for the period</b>	<b>55,296,100</b>	54,140,857	<b>106,712,756</b>	96,600,784
<b>Other comprehensive income:</b>				
Changes in fair value reserve of available for sale investments	<b>(5,107,366)</b>	(1,124,975)	<b>(6,896,522)</b>	(1,465,964)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>50,188,734</b>	53,015,882	<b>99,816,234</b>	95,134,820

THE ACCOMPANYING NOTES 1 TO 11 ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2012**

**Figures in Qatari Riyals**

	Share Capital	Legal Reserve	Proposed Dividend	Fair Value Reserve	Retained Earnings	Total
<b>Balance at 1 January 2011 (Audited)</b>	<b>329,868,000</b>	<b>143,062,409</b>	<b>98,960,400</b>	<b>(2,048,075)</b>	<b>79,118,780</b>	<b>648,961,514</b>
Dividends Paid (Note 8)	--	--	(98,960,400)	--	--	(98,960,400)
Profit for the Period	--	--	--	--	96,600,784	96,600,784
Other Comprehensive Income for the Period	--	--	--	(1,465,964)	--	(1,465,964)
Total Comprehensive Income for the Period	--	--	--	(1,465,964)	96,600,784	95,134,820
Social and Sports Fund appropriation	--	--	--	--	(2,415,019)	(2,415,019)
<b>Balance at 30 June 2011 (Reviewed)</b>	<b>329,868,000</b>	<b>143,062,409</b>	<b>--</b>	<b>(3,514,039)</b>	<b>173,304,545</b>	<b>642,720,915</b>
	Share Capital	Legal Reserve	Proposed Dividend	Fair Value Reserve	Retained Earnings	Total
<b>Balance at 1 January 2012 (Audited)</b>	<b>329,868,000</b>	<b>164,607,309</b>	<b>115,453,800</b>	<b>(57,646)</b>	<b>152,182,856</b>	<b>762,054,319</b>
Dividends Paid (Note 8)	--	--	(115,453,800)	--	--	(115,453,800)
Rights Issue (Note 6)	164,934,000	--	--	--	--	164,934,000
Premium on Rights Issue (Note 7)	--	321,621,300	--	--	--	321,621,300
Profit for the Period	--	--	--	--	106,712,756	106,712,756
Other Comprehensive Income for the Period	--	--	--	(6,896,522)	--	(6,896,522)
Total Comprehensive Income for the period	--	--	--	(6,896,522)	106,712,756	99,816,234
Social and Sports Fund appropriation	--	--	--	--	(2,667,819)	(2,667,819)
<b>Balance at 30 June 2012 (Reviewed)</b>	<b>494,802,000</b>	<b>486,228,609</b>	<b>--</b>	<b>(6,954,168)</b>	<b>256,227,793</b>	<b>1,230,304,234</b>

THE ACCOMPANYING NOTES 1 TO 11 ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2012**

	For the six months ended 30 June 2012 (Reviewed)	For the six months ended 30 June 2011 (Reviewed)
	QR	QR
<b>Cash flows from Operating Activities</b>		
Profit for the period	106,712,756	96,600,784
<u>Adjustments for:</u>		
Depreciation	9,158,577	7,886,472
Allowance for impairment on installments and due from customers	30,000,000	30,000,000
Dividend income	(5,085,425)	(3,466,391)
Loss on sale of property and equipment	183,461	103,583
Gain on sale of available for sale investments	--	(1,036,392)
Finance income	(4,781,748)	(8,750,546)
Finance expenses	4,760,601	4,728,961
<b>Operating Profit before changes in Working Capital</b>	<b>140,948,222</b>	<b>126,066,471</b>
<b>Changes in operating assets and liabilities</b>		
Installments and dues from customers	134,474,176	(152,770,058)
Prepayments and other receivables	6,442,466	16,645,858
Inventory properties	1,248,300	320,636,376
Accounts payables, accruals and other payables	41,162,454	(69,874,208)
Amount due on construction contracts	(264,493,844)	(192,441,985)
<b>Net cash from operating activities</b>	<b>59,781,774</b>	<b>48,262,453</b>
<b>Cash flows from Investing Activities</b>		
Finance income received	4,781,748	8,750,546
Dividend income received	5,085,425	3,466,391
Purchase of property and equipment	(535,710)	(4,650,618)
Purchase of available-for-sale investments	--	(7,364,226)
Proceeds from sale of property and equipment	735,000	25,000
Proceeds from sale of available for sale investments	--	7,347,125
Investments made in bank term deposits	(700,000,000)	--
<b>Net cash (used in) from investing activities</b>	<b>(689,933,537)</b>	<b>7,574,218</b>

Continued....

THE ACCOMPANYING NOTES 1 TO 11 ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2012**

	For the six months ended 30 June 2012 (Reviewed)	For the six months ended 30 June 2011 (Reviewed)
	QR	QR
<b>Cash flow from financing activities</b>		
Proceeds from rights issue (Note 6 and 7)	486,555,300	--
Dividends paid	(115,453,800)	(98,960,400)
Proceeds from financing under Wakalah arrangements	18,490,186	67,959,872
Repayment of financing under Wakalah arrangements	(37,583,039)	(46,771,768)
Finance charges paid	(4,760,601)	(5,356,426)
<b>Net cash from (used in) financing activities</b>	<b>347,248,046</b>	<b>(83,128,722)</b>
Net decrease in cash and cash equivalents	(282,903,717)	(27,292,050)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>392,395,071</b>	<b>529,591,925</b>
<b>Cash and cash equivalents at the end of the period**</b>	<b>109,491,354</b>	<b>502,299,875</b>

**Notes:**

\*\*Cash and Cash Equivalents as at 30<sup>th</sup> June 2012, shown above is exclusive of the Bank Term Deposits having maturity period of more than 90 days amounting to QR 700 Million (2011: Nil)

THE ACCOMPANYING NOTES 1 TO 11 ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.



**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
30 JUNE 2012**

**1. INCORPORATION AND ACTIVITIES**

Aljarah Holding Company Q.S.C. (the “Company”) is a public shareholding company incorporated in the State of Qatar in accordance with resolution No.35 issued on 21 April 2003 by the Ministry of Business and Trade. The Company is registered under commercial registration No. 26487 and is governed by the provisions of the Qatar Commercial Companies’ Law No. 5 of 2002. The registered office of the Company is located at ‘D’ Ring Road, Doha, State of Qatar. The Company’s shares are publicly traded at the Qatar Exchange.

The Company and its subsidiaries (together the “Group”) are engaged in Leasing, Real Estate, Property Development, Transportation and Limousine Services and operate through its fully owned subsidiaries established in the State of Qatar. The Group is committed to conduct all its activities in accordance with Islamic Sharia’a.

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

The interim condensed consolidated financial statements for the six months ended 30 June 2012 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2011. The results for the six months ended 30 June 2012 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2012.

**SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation 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 financial statements for the year ended 31 December 2011, except as noted below:



**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED**

**30 JUNE 2012**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

During the period, the Group has adopted the following standards effective for the annual period beginning on or after 1 January 2012.

**IFRS 7 Financial Instruments (Disclosures)**

The amendment requires additional quantitative and qualitative disclosures relating to transfers of financial assets, when:

- Financial assets are derecognized in their entirety, but the entity has a continuing involvement in them (e.g., options or guarantees on the transferred assets)
- Financial assets are not derecognized in their entirety

The amended disclosures are more extensive and onerous than previous disclosures. This amendment did not have any impact on the Group.

The following amendments to standards became effective in 2012, but did not have any impact on the accounting policies, financial position or performance of the Group

<b>Standard</b>	<b>Content</b>
IAS 12	Income Taxes – Tax recovery of underlying assets (Amendment)
IFRS 1	First-time adoption – Severe hyperinflation and removal of fixed dates for first-time adopt (Amendment)

**Standards, amendments and interpretations issued but not adopted**

The Group is currently considering the implications of the new IFRSs which are effective for future accounting periods and has not early adopted any of the new Standards as listed below:

<b>Standard/ Interpretation</b>	<b>Content</b>	<b>Effective date</b>
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
IAS 1	Presentation of Items of Other Comprehensive Income (Amendment)	1 January 2013
IAS 19	Employee Benefits (Revised)	1 January 2013

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
30 JUNE 2012**

**3. INSTALLMENTS AND DUES FROM CUSTOMERS**

			30 Jun 2012	31 Dec 2011
			QR (Reviewed)	QR (Audited)
Gross Installments due from financing			145,660,912	150,060,090
	Jun 2012	Dec 2011		
Morabaha	QR 134,121,279	QR 141,923,319		
Ijarah	QR 11,539,633	QR 8,136,771		
Less: Deferred Profits of future Installments			(13,172,903)	(15,817,323)
	Jun 2012	Dec 2011		
Morabaha	QR 11,300,729	QR 14,263,370		
Ijarah	QR 1,872,174	QR 1,553,953		
Allowance for Impairment			(84,434,024)	(54,434,024)
Net Installments due from financing			48,053,985	79,808,743
Gross Installments due from Property Sales			884,569,906	1,046,527,761
Less: Deferred profits of future installments			(89,727,595)	(117,212,361)
Net Installments due from Property Sales			794,842,311	929,315,400
Other trade related receivables			7,728,077	5,974,406
<b>Total Installments and Dues from Customers</b>			<b>850,624,373</b>	<b>1,015,098,549</b>

**4. AVAILABLE FOR SALE FINANCIAL INVESTMENTS**

	30 Jun 2012	31 Dec 2011
	QR (Reviewed)	QR (Audited)
Quoted Equity Investments	90,173,556	97,070,078

Note: Quoted equity investments have been valued using Level 1 measurement techniques as per IFRS 7 and there have been no transfers between Level 1 and Level 2 fair value measurements. There are no Level 3 fair value measurements.

**5. AMOUNTS DUE ON CONSTRUCTION CONTRACTS**

The Group entered into an arrangement with Qatari Diar Real Estate Co., for undertaking the infrastructure development of the plot areas in the Northern and West Water Front of Lusail area. In accordance with the terms and conditions of the agreement, the Group will utilize the proceeds payable to Qatari Diar against the infrastructure development of the said areas.

	30 Jun 2012	31 Dec 2011
	QR (Reviewed)	QR (Audited)
Opening Balance	527,087,055	973,313,595
Release during the year	(264,493,844)	(446,226,540)
<b>Closing balance</b>	<b>262,593,211</b>	<b>527,087,055</b>

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
30 JUNE 2012**

**6. SHARE CAPITAL**

	30 Jun 2012	31 Dec 2011
<b>Authorised, Issued and Fully paid-up</b>	QR	QR
Balance at the beginning of the period: 32,986,800 Ordinary Shares of QR 10 each	329,868,000	329,868,000
Add: Shares issued during the period: 16,493,400 Ordinary shares of QR 10 each	164,934,000	--
Balance at the end of the period : 49,480,200 Ordinary shares of QR 10 each	494,802,000	329,868,000

At the Extra Ordinary General Assembly meeting held on 29<sup>th</sup> February 2012, the Shareholders have approved an increase in authorized capital from 32,986,800 shares to 49,480,200 shares. Further to the approval, the Board of Directors announced a Rights Issue which opened for subscription starting on the 15<sup>th</sup> of April 2012 until 29<sup>th</sup> April 2012. The issue process was completed during this quarter and the shares were listed in the Qatar Exchange.

**7. LEGAL RESERVE**

As per article 154 of Qatar Commercial Companies Law no. 5 of 2002, QR 321,621,300 received in excess of the nominal amount of the share issued during the period has been credited to the Legal reserve.

**8. DIVIDENDS PAID**

At the Annual General Assembly held on 20<sup>th</sup> February 2012, the shareholders approved a cash dividend payment of QR 115,453,800 (QR 3.5 per share) (31 Dec 2010: cash dividend amounting to QR 98,960,400 - QR 3 per share).

**9. SEGMENT REPORTING**

Based on the nature of core activities of the business, the Group is segmented into major four operating segments. The major operating segments are given below with their respective revenue and analysis of assets and liabilities:

- Financial Leasing
- Real Estate Property Development
- Transportation
- Limousine Services

The Group operates geographically in only one segment, being Doha-Qatar.

## 9. SEGMENT REPORTING (Continued)

Segment revenue and segment result:

Details	Revenue		Result	
	6 months ended 30 Jun 2012 (Reviewed)	6 months ended 30 Jun 2011 (Reviewed)	6 months ended 30 Jun 2012 (Reviewed)	6 months ended 30 Jun 2011 (Reviewed)
	QR	QR	QR	QR
Financial Leasing	49,498,631	46,036,227	12,145,911	9,166,840
Transportation	38,835,579	30,651,798	3,753,034	3,021,611
Property Development	292,565,540	233,676,844	90,966,547	83,266,577
Limousine and Un-allocated	278,636	1,533,190	(152,736)	1,145,756
Intercompany	(29,236,905)	(18,655,032)	--	--
<b>Total</b>	<b>351,941,481</b>	<b>293,243,027</b>	<b>106,712,756</b>	<b>96,600,784</b>

Segment assets and liabilities:

Details	Assets		Liabilities	
	30 Jun 2012 (Reviewed)	31 Dec 2011 (Audited)	30 Jun 2012 (Reviewed)	31 Dec 2011 (Audited)
	QR	QR	QR	QR
Financial leasing	603,543,113	693,768,768	132,147,269	150,778,531
Transportation	49,301,567	73,865,680	6,243,026	3,633,809
Property Development	1,075,726,036	1,088,721,119	823,632,918	1,000,021,834
Un-allocated (including limousine)	484,774,322	88,361,929	21,017,590	28,229,003
Inter Company	(285,301,801)	(245,167,750)	(285,301,801)	(245,167,750)
<b>Total</b>	<b>1,928,043,237</b>	<b>1,699,549,746</b>	<b>697,739,002</b>	<b>937,495,427</b>

## 10. CONTINGENT LIABILITY

	30 Jun 2012 QR (Reviewed)	31 Dec 2011 QR (Audited)
Letter of guarantees from Islamic banks	13,730,000	9,200,000
Capital Commitments	263 Millions	440 Millions

## 11. EARNINGS PER SHARE

	Three months ended		Six months ended	
	30 Jun 2012 (Reviewed)	30 Jun 2011 (Restated)	30 Jun 2012 (Reviewed)	30 Jun 2011 (Restated)
	QR	QR	QR	QR
Net profit for the period	<b>55,296,100</b>	54,140,857	106,712,756	96,600,784
Weighted average number of shares	40,854,091	36,505,392	40,854,091	36,505,392
<b>Earnings per share</b>	<b>1.35</b>	<b>1.48</b>	<b>2.61</b>	2.65

Basic earnings per share for the prior year is stated after adjusting the weighted average number of shares for the effect of rights issue during the period.

The weighted average numbers of shares have been calculated as follows:

	Three months ended		Six months ended	
	30 Jun 2012 (Reviewed)	30 Jun 2011 (Restated)	30 Jun 2012 (Reviewed)	30 Jun 2011 (Restated)
	QR	QR	QR	QR
Qualifying shares at the beginning of the period	32,986,800	32,986,800	32,986,800	32,986,800
Effect of rights issue	7,867,291	3,518,592	7,867,291	3,518,592
<b>Balance at end of the period</b>	<b>40,854,091</b>	36,505,392	<b>40,854,091</b>	36,505,392