



Interim Condensed Consolidated Financial Statements
30 September 2013

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF ALIJARAH HOLDING COMPANY (Q.S.C)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Alijarah Holding Company (Q.S.C) (the "Company") and its subsidiaries (the "Group") as at 30 September 2013, comprising of the interim condensed consolidated statement of financial position as at 30 September 2013 and the related interim condensed consolidated statements of income and comprehensive income for the three-month and nine month periods ended 30 September 2013, the related interim condensed consolidated statement of changes in equity and cash flows for the nine-month period then ended and the related explanatory notes. The Board of Directors 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.


Firas Goussous
Of Ernst & Young

Auditor's Registration No: 236



Date: 9 October 2013

Doha

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013

	Notes	30 Sep 2013 QR (Reviewed)	31 Dec 2012 QR (Audited)
ASSETS			
Cash and Cash Equivalents		651,707,271	749,083,423
Installments and Dues from Customers	3	704,184,012	817,329,724
Available-for-Sale Financial Investments	4	101,053,657	104,125,023
Inventories		1,810,816	1,340,168
Prepayments and Other Receivables	5	70,645,515	72,313,350
Intangible Asset		8,000,000	--
Property and Equipment		117,121,882	118,740,930
Total Assets		1,654,523,153	1,862,932,618
LIABILITIES			
Accounts Payables, Accruals and Other Payables		261,071,361	322,460,737
Islamic Financing Under Wakalah Arrangements		85,521,703	149,520,001
Amounts Due on Construction Contracts	6	13,648,668	71,316,062
Total Liabilities		360,241,732	543,296,800
EQUITY			
Share Capital	7	494,802,000	494,802,000
Legal Reserve		486,228,609	486,228,609
Proposed Dividend		--	98,960,400
Fair Value Reserve		(7,001,383)	1,148,142
Retained Earnings		320,252,195	238,496,667
Total Equity		1,294,281,421	1,319,635,818
Total Liabilities and Equity		1,654,523,153	1,862,932,618

These interim condensed consolidated financial statements were approved by the Board of Directors on 9th October 2013 and signed on its behalf by:



Falah Bin Jassim Bin Jabr Al-Thani
Chairman & Managing Director



Hamad Shareef Al-Emadi
Chief Executive Officer

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	Note	For the three months ended 30 September 2013 (Reviewed) QR	For the three months ended 30 September 2012 (Reviewed) QR	For the nine months ended 30 September 2013 (Reviewed) QR	For the nine months ended 30 September 2012 (Reviewed) QR
Income					
Income from Core Business		31,933,026	156,285,525	205,544,205	498,281,099
Profit from Investments and Deposits		13,557,267	5,696,463	25,290,501	15,563,636
Other Income		260,761	6,920	381,708	85,653
TOTAL INCOME		45,751,054	161,988,908	231,216,414	513,930,388
Expenses					
Operating Expenses		(26,068,066)	(89,815,057)	(134,204,945)	(273,359,017)
General and Administration Expenses		(12,205,453)	(18,965,680)	(47,659,645)	(50,650,444)
TOTAL EXPENSES		(38,273,519)	(108,780,737)	(181,864,590)	(324,009,461)
NET OPERATING INCOME		7,477,535	53,208,171	49,351,824	189,920,927
Recovery from /(Allowance for) Impairment on Installments and Due from Customers		--	--	34,500,000	(30,000,000)
PROFIT FOR THE PERIOD		7,477,535	53,208,171	83,851,824	159,920,927
Basic and Diluted Earnings per Share	11	0.15	1.22	1.69	3.66

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	For the three months ended 30 September 2013 (Reviewed)	For the three months ended 30 September 2012 (Reviewed)	For the nine months ended 30 September 2013 (Reviewed)	For the nine months ended 30 September 2012 (Reviewed)
	QR	QR	QR	QR
Profit For The Period	7,477,535	53,208,171	83,851,824	159,920,927
Other Comprehensive (Loss) / Income:				
Changes in Fair Value Reserve of Available-For-Sale Investments	(11,882,535)	5,573,680	(8,149,525)	(1,322,842)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(4,405,000)	58,781,851	75,702,299	158,598,085

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2013

Figures in Qatari Riyals

	Share Capital	Legal Reserve	Proposed Dividend	Fair Value Reserve	Retained Earnings	Total
Balance at 1 January 2012	329,868,000	164,607,309	115,453,800	(57,646)	152,182,856	762,054,319
Profit for the Period	--	--	--	--	159,920,927	159,920,927
Other Comprehensive Loss for the Period	--	--	--	(1,322,842)	--	(1,322,842)
Total Comprehensive (Loss) / Income for the Period	--	--	--	(1,322,842)	159,920,927	158,598,085
Dividends Paid (Note 8)	--	--	(115,453,800)	--	--	(115,453,800)
Rights Issue	164,934,000	--	--	--	--	164,934,000
Premium on Rights Issue	--	321,621,300	--	--	--	321,621,300
Social and Sports Fund Appropriation	--	--	--	--	(3,998,023)	(3,998,023)
Balance at 30 September 2012 (Reviewed)	494,802,000	486,228,609	--	(1,380,488)	308,105,760	1,287,755,881
Balance at 1 January 2013	494,802,000	486,228,609	98,960,400	1,148,142	238,496,667	1,319,635,818
Profit for the Period	--	--	--	--	83,851,824	83,851,824
Other Comprehensive Loss for the Period	--	--	--	(8,149,525)	--	(8,149,525)
Total Comprehensive (Loss) / Income for the Period	--	--	--	(8,149,525)	83,851,824	75,702,299
Dividends Paid (Note 8)	--	--	(98,960,400)	--	--	(98,960,400)
Social and Sports Fund Appropriation	--	--	--	--	(2,096,296)	(2,096,296)
Balance at 30 September 2013 (Reviewed)	494,802,000	486,228,609	--	(7,001,383)	320,252,195	1,294,281,421

THE ACCOMPANYING NOTES FROM 1 TO 12 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	For the nine months ended 30 September 2013	For the nine months ended 30 September 2012
	QR (Reviewed)	QR (Reviewed)
Cash Flows From Operating Activities		
Profit for the Period	83,851,824	159,920,927
Adjustments for:		
Depreciation	33,501,312	13,694,346
(Recovery from)/ Allowance for Impairment on Installments and Due from Customers	(34,500,000)	30,000,000
Dividend Income	(5,102,880)	(5,085,425)
Loss on Sale of Property and Equipment	5,886	183,461
Finance Income	(9,273,298)	(7,962,630)
Gain on sale of Available-for-Sale Investments	(10,701,254)	--
Finance Expenses	4,571,819	6,899,498
	62,353,409	197,650,177
Changes in Operating Assets and Liabilities		
Installments and Dues from Customers	147,645,712	145,468,089
Prepayments and Other Receivables	(6,332,165)	(9,374,505)
Inventories	(470,648)	1,125,240
Accounts Payables, Accruals and Other Payables	(63,485,671)	75,008,583
Amounts Due on Construction Contracts	(57,667,394)	(387,239,858)
Net Cash From Operating Activities	82,043,243	22,637,726
Cash Flows From Investing Activities		
Finance Income Received	9,273,298	7,962,630
Dividend Income Received	5,102,880	5,085,425
Purchase of Property and Equipment	(32,041,675)	(39,876,857)
Net Investments in Term Deposits	150,000,000	(700,000,000)
Purchase of Available-for-Sale Investments	(55,301,612)	(4,129,029)
Proceeds from Sale of Available-for-Sale Investments	60,924,706	--
Proceeds from Sale of Property and Equipment	153,525	735,000
Net Cash From/(Used in) Investing Activities	138,111,122	(730,222,831)

Continued....

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2013 (Continued)**

	For the nine months ended 30 September 2013	For the nine months ended 30 September 2013
	QR (Reviewed)	QR (Reviewed)
Cash Flow From Financing Activities		
Proceeds From Rights Issue	--	486,555,300
Dividends Paid	(98,960,400)	(115,453,800)
Proceeds From Financing Under Wakalah Arrangements	--	54,990,186
Repayment of Financing Under Wakalah Arrangements	(63,998,298)	(58,283,823)
Finance Charges Paid	(4,571,819)	(6,899,498)
Net Cash (Used in)/From Financing Activities	(167,530,517)	360,908,365
Net Increase/(Decrease) in Cash and Cash Equivalents	52,623,848	(346,676,740)
Cash and Cash Equivalents at the Beginning of the Period	49,083,423	392,395,071
Cash and Cash Equivalents at the End of the Period **	101,707,271	45,718,331

Notes:

Cash and Cash Equivalents as at 30th September 2013, shown above, is exclusive of the Bank Term Deposits having maturity period of more than 90 days amounting to **QR 550 Million. (30th September 2012: **QR 700 Million**)

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 SEPTEMBER 2013**

1. INCORPORATION AND ACTIVITIES

Alijarah 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, Taxi Services and Driving School 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 nine months ended 30 September 2013 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 2012. The results for the nine months ended 30 September 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013.

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 2012, except as noted below:

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

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 SEPTEMBER 2013**

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following standards and amendments to standards became effective in 2013, but did not have any impact on the accounting policies, financial position or performance of the Group. The new standards may result in extensive additional disclosures.

Standard	Content
IAS 1	Presentation of Items of Other Comprehensive Income and Clarification of the Requirement for Comparative Information
IAS 19R	Employee benefits
IAS 32	Tax effects of distribution to holders of equity instruments
IAS 34	Interim Financial Reporting and segment information for total assets and liabilities)
IFRS 1	First-time adoption of International Financial Reporting Standards
IFRS 7	Financial Instruments: Disclosures offsetting financial assets and liabilities
IFRS 10	Consolidated Financial Statements and IAS 27 Separate Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement

Standards issued but not adopted

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

Standard	Content	Effective date
IFRS 9	Financial Instruments: Classification & Measurement (Part 1)	1 January 2015

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 SEPTEMBER 2013**

3. INSTALLMENTS AND DUES FROM CUSTOMERS

			<u>30 Sep 2013</u>	<u>31 Dec 2012</u>
			QR	QR
			(Reviewed)	(Audited)
Gross Installments Due from Financing			176,012,862	169,131,413
	Sep 2013	Dec 2012		
Morabaha	158,744,524	157,727,821		
Ijarah	17,268,338	11,403,592		
Less: Deferred Profits of Future Installments			(15,414,427)	(15,692,429)
	Sep 2013	Dec 2012		
Morabaha	11,864,780	14,827,362		
Ijarah	3,549,647	865,067		
Net Installments Due From Financing			<u>160,598,435</u>	<u>153,438,984</u>
Gross Installments Due From Property Sales			591,961,623	812,876,198
Less: Deferred Profits of Future Installments			(41,549,116)	(72,824,413)
Net Installments Due From Property Sales			<u>550,412,507</u>	<u>740,051,785</u>
Other Trade Related Receivables			43,107,094	8,272,979
Allowance for Impairment			(49,934,024)	(84,434,024)
Total Installments and Dues From Customers			<u>704,184,012</u>	<u>817,329,724</u>

4. AVAILABLE-FOR-SALE FINANCIAL INVESTMENTS

	<u>30 Sep 2013</u>	<u>31 Dec 2012</u>
	QR	QR
	(Reviewed)	(Audited)
Quoted Equity Investments	<u>101,053,657</u>	<u>104,125,023</u>

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. PREPAYMENTS AND OTHER RECEIVABLES

	<u>30 Sep 2013</u>	<u>31 Dec 2012</u>
	QR	QR
	(Reviewed)	(Audited)
Security Deposit	1,815,380	1,816,580
Advance Payments to Suppliers (Note)*	56,364,327	51,334,064
Pre-payments & Other Receivables	7,254,054	11,014,528
Profits Accrued on Bank Deposits	5,211,754	8,148,178
Total	<u>70,645,515</u>	<u>72,313,350</u>

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 SEPTEMBER 2013**

5. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

• **Note:**

Advance payments to suppliers include an amount of QR 18 Million with respect to acquisition of certain franchises and investments. At 30 September 2013, the legal formalities to complete the acquisition of these franchises and investments are in progress.

6. AMOUNTS DUE ON CONSTRUCTION CONTRACTS

During 2010, 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 Sep 13	31 Dec 12
	QR	QR
	(Reviewed)	(Audited)
Opening Balance	71,316,062	527,087,055
Released During The Period / Year	(57,667,394)	(455,770,993)
Closing Balance	13,648,668	71,316,062

7. SHARE CAPITAL

	30 Sep 2013	31 Dec 2012
	QR	QR
	(Reviewed)	(Audited)
<i>Authorized, Issued and Fully paid-up</i> 49,480,200 Ordinary Shares of QR 10 each	494,802,000	494,802,000

8. DIVIDENDS PAID

At the annual general meeting held on 26th February 2013, the shareholders approved a cash dividend payment of QR 98,960,400 (QR 2 per share) (31 Dec 2011: cash dividend amounting to QR 115,453,800- QR 3.5 per share).

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 SEPTEMBER 2013**

9. SEGMENT REPORTING

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

- Financial Leasing
- Transportation
- Property Development
- Driving School
- Taxi Services (including Limousine)

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

Segment Revenue and Segment Result:

Details	Revenue		Result	
	9 months ended 30 September 2013	9 months ended 30 September 2012	9 months ended 30 September 2013	9 months ended 30 September 2012
	QR (Reviewed)	QR (Reviewed)	QR (Reviewed)	QR (Reviewed)
Financial Leasing	70,809,404	72,670,351	98,193,374	32,594,818
Transportation	40,827,061	54,767,484	(8,689,678)	4,165,707
Property Development	129,914,895	429,746,141	1,264,429	132,406,054
Taxi & Un-allocated	37,765,049	415,474	(6,916,301)	(9,245,652)
Intercompany	(48,099,995)	(43,669,062)	--	--
Total	231,216,414	513,930,388	83,851,824	159,920,927

Segment Assets and Liabilities:

Details	Assets		Liabilities	
	30 Sep 2013	31 Dec 2012	30 Sep 2013	31 Dec 2012
	QR (Reviewed)	QR (Audited)	QR (Reviewed)	QR (Audited)
Financial leasing	709,655,445	636,587,909	86,999,609	150,522,732
Transportation	29,469,984	26,699,653	5,211,845	6,206,569
Property Development	798,619,609	997,547,886	507,361,182	649,708,679
Driving School	8,000,000	--	--	--
Taxi & Un-allocated	375,898,887	502,112,509	27,789,868	36,874,159
Inter Company	(267,120,772)	(300,015,339)	(267,120,772)	(300,015,339)
Total	1,654,523,153	1,862,932,618	360,241,732	543,296,800

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 SEPTEMBER 2013**

10. CONTINGENT LIABILITY

	<u>30 Sep 2013</u> QR (Reviewed)	<u>31 Dec 2012</u> QR (Audited)
Letter of Guarantees From Islamic Banks	12,839,000	13,730,000
Capital Commitments	16 Million	67 Million

11. EARNINGS PER SHARE

	Three months ended		Nine months ended	
	30 Sep 2013 (Reviewed) QR	30 Sep 2012 (Reviewed) QR	30 Sep 2013 (Reviewed) QR	30 Sep 2012 (Reviewed) QR
Net Profit For The Period	7,477,535	53,208,171	83,851,824	159,920,927
Weighted Average Number of Shares	49,480,200	43,665,564	49,480,200	43,665,564
Earnings per share	0.15	1.22	1.69	3.66

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

	Three months ended		Nine months ended	
	30 Sep 2013 (Reviewed) QR	30 Sep 2012 (Reviewed) QR	30 Sep 2013 (Reviewed) QR	30 Sep 2012 (Reviewed) QR
Qualifying Shares at The Beginning of The Period	49,480,200	32,986,800	49,480,200	32,986,800
Effect of Rights Issue	--	10,678,764	--	10,678,764
Balance at End of The Period	49,480,200	43,665,564	49,480,200	43,665,564

12. COMPARATIVE FIGURES

Certain prior period amounts have been reclassified to conform to the current period's presentation. Such reclassification has not resulted in any changes to previously reported net profit or equity.