

INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2012

INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2012 (Unaudited)

	(Unaudited)	(Audited)
	30 Sept 2012 US\$	31 December 2011 US\$
ASSETS		
Cash and balances with banks	461,924	158,912
Investments	14,694,742	15,859,440
Deferred payment sale receivables	3,680,203	3,680,203
Investment properties	17,846,182	18,474,757
Other assets	1,424,634	1,385,874
Property and equipment	2,685,839	2,963,735
TOTAL ASSETS	40,793,524	42,522,921
LIABILITIES AND OWNERS' EQUITY		
Liabilities		
Due to a financial institution	3,670,202	3,670,202
Murabaha payable	3,229,064	3,229,064
Other liabilities	661,922	640,175
Total liabilities	7,561,188	7,539,441
Owners' Equity		
Share capital	80,000,000	80,000,000
Statutory reserve	7,409,515	7,409,515
Investments fair value reserve	2,981,003	3,679,690
Accumulated losses	(57,158,182)	(56,105,725)
Total owners' equity	33,232,336	34,983,480
TOTAL LIABILITIES AND OWNERS' EQUITY	40,793,524	42,522,921
OFF-BALANCE SHEET ITEMS:		
EQUITY OF INVESTMENT ACCOUNTHOLDERS	16,450,524	16,546,150

INTERIM STATEMENT OF INCOME

For the nine months ended 30 September 2012 (Unaudited)

(Unaudited)

Three months ended

(Unaudited)

Nine months ended

	30 Sept 2012 US\$	30 Sept 2011 US\$	30 Sept 2012 US\$	30 Sept 2011 US\$
Gain on disposal of investments at fair value through equity	-	-	-	21,904
Fair value loss on investments at fair value through statement of income	(8,522)	(397,617)	(17,775)	(385,804)
Other income	303,818	240,942	1,087,938	381,227
Operating income / (loss)	295,296	(156,675)	1,070,163	17,327
EXPENSES				
Staff cost	235,853	249,101	668,403	737,355
Administrative and general expenses	125,953	100,941	413,186	352,216
Depreciation	195,804	199,204	592,795	599,273
Operating expenses	557,610	549,246	1,674,384	1,688,844
Net loss before provision for impairment	(262,314)	(705,921)	(604,221)	(1,671,517)
Provision for impairment, net	(263,005)	(358,501)	(448,236)	(2,581,644)
NET LOSS FOR THE PERIOD	(525,319)	(1,064,422)	(1,052,457)	(4,253,161)

INTERIM STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2012 (Unaudited)

(Unaudited)

Nine months ended

	30 Sept 2012 US\$	30 Sept 2011 US\$
OPERATING ACTIVITIES		
Net loss for the period	(1,052,457)	(4,253,161)
Adjustments for non-cash items:		
Depreciation	592,795	599,273
Provision for impairment, net	448,236	2,816,579
Gain on disposal of investments at fair value through equity	-	(21,904)
Gain on disposal of investment property	(63,187)	-
Fair value loss on investments at fair value through statement of income	17,775	385,804
Loss on disposal of equipment	66,312	-
Operating gain / (loss) before changes in operating assets and liabilities:	9,474	(473,409)
Working capital adjustments:		
Other assets	(38,760)	2,378
Other liabilities	21,747	21,224
Net cash used in operating activities	(7,539)	(449,807)
INVESTING ACTIVITIES		
Proceeds from disposal of investments at fair value through equity	-	170,291
Proceeds from disposal of investment property	381,211	291
Purchase of equipment	(110,448)	(4,510)
Proceeds from disposal of equipment	39,788	-
Net cash from investing activities	310,551	165,781
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	303,012	(284,026)
Cash and cash equivalents at beginning of the period	158,912	411,444
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	461,924	127,418

INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY

For the nine months ended 30 September 2012 (Unaudited)

	Share capital US\$	Statutory reserve US\$	Investments fair value reserve US\$	Accumulated losses US\$	Total Owners' equity US\$
Balance at 1 January 2012	80,000,000	7,409,515	3,679,690	(56,105,725)	34,983,480
Net loss for the period	-	-	-	(1,052,457)	(1,052,457)
Other comprehensive loss during the period	-	-	(698,687)	-	(698,687)
Balance as at 30 September 2012	80,000,000	7,409,515	2,981,003	(57,158,182)	33,232,336
Balance at 1 January 2011	80,000,000	7,409,515	2,644,604	(51,190,737)	38,863,382
Net loss for the period	-	-	-	(4,253,161)	(4,253,161)
Other comprehensive income during the period	-	-	210,500	-	210,500
Balance as at 30 September 2011	80,000,000	7,409,515	2,855,104	(55,443,898)	34,820,721

These statements were extracted from the interim condensed financial statements reviewed by Ernst & Young.

The interim condensed financial statements were authorised for issue in accordance with approval of the Board of Directors on 24 October 2012.


Mr. Ghassan Al Sultan
Chairman


Mr. Ebrahim Al Shaikh
Director