

INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

INTERIM STATEMENT OF FINANCIAL POSITION As at 31 March 2012 (Unaudited)

	(Unaudited)	(Audited)
	31 March 2012 US\$	31 December 2011 US\$
ASSETS		
Cash and balances with banks	205,766	158,912
Investments	15,846,140	15,859,440
Deferred payment sale receivables	3,680,203	3,680,203
Investment properties	18,209,155	18,474,757
Other assets	1,584,639	1,385,874
Property and equipment	2,870,117	2,963,735
TOTAL ASSETS	42,396,020	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	640,492	640,175
Total liabilities	7,539,758	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	3,832,517	3,679,690
Accumulated losses	(56,385,770)	(56,105,725)
Total owners' equity	34,856,262	34,983,480
TOTAL LIABILITIES AND OWNERS' EQUITY	42,396,020	42,522,921
OFF-BALANCE SHEET ITEMS:		
EQUITY OF INVESTMENT ACCOUNTHOLDERS	16,574,474	16,546,150

INTERIM STATEMENT OF INCOME For the three months ended 31 March 2012 (Unaudited)

	Unaudited Three months ended	
	31 March 2012 US\$	31 March 2011 US\$
Gain on disposal of investments at fair value through equity	-	21,904
Fair value gain / (loss) on investments at fair value through statement of income	19,104	(460,742)
Other income	403,603	20,790
Operating income / (loss)	422,707	(418,048)
EXPENSES		
Staff cost	194,482	214,363
Administrative and general expenses	123,912	92,320
Depreciation	199,127	200,091
Operating expenses	517,521	506,774
Net loss before provision for impairment, net	(94,814)	(924,822)
Provision for impairment, net	(185,231)	(494,604)
NET LOSS FOR THE PERIOD	(280,045)	(1,419,426)

INTERIM STATEMENT OF CASH FLOWS For the three months ended 31 March 2012 (Unaudited)

	Unaudited Three months ended	
	31 March 2012 US\$	31 March 2011 US\$
OPERATING ACTIVITIES		
Net loss for the period	(280,045)	(1,419,426)
Adjustments for non-cash items:		
Depreciation	199,127	200,091
Provision for impairment, net	185,231	494,604
Gain on disposal of investments at fair value through equity	-	(21,904)
Gain on disposal of investment property	(30,117)	-
Fair value (gain) / loss on investments at fair value through statement of income	(19,104)	460,742
Operating gain / (loss) before changes in operating assets and liabilities:	55,092	(285,893)
Working capital adjustments:		
Other assets	(198,765)	8,948
Other liabilities	317	(35,177)
Net cash used in operating activities	(143,356)	(312,122)
INVESTING ACTIVITIES		
Proceeds from disposal of investments at fair value through equity	-	170,291
Proceeds from disposal of investment property	190,606	-
Purchase of property, plant and equipment	(396)	-
Net cash from investing activities	190,210	170,291
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	46,854	(141,831)
Cash and cash equivalents at beginning of the period	158,912	411,444
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	205,766	269,613

INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY For the three months ended 31 March 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	-	-	-	(280,045)	(280,045)
Other comprehensive income during the period	-	-	152,827	-	152,827
Balance as at 31 March 2012	80,000,000	7,409,515	3,832,517	(56,385,770)	34,856,262
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	-	-	-	(1,419,426)	(1,419,426)
Other comprehensive income during the period	-	-	167,604	-	167,604
Balance as at 31 March 2011	80,000,000	7,409,515	2,812,208	(52,610,163)	37,611,560

These statements were extracted from the interim condensed financial statements on which Ernst & Young issued an unqualified review report dated 9 May 2012.

The interim condensed financial statements were authorised for issue in accordance with approval of the Board of Directors on 9 May 2012.


Mr. Ghassan Al Sultan
Chairman


Mr. Ebrahim Al Shaikh
Director