

Islamic Holding Group (Q.S.C)

INTERIM CONDENSED CONSOLIDATED

FINANCIAL STATEMENTS

30 JUNE 2013

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

Introduction

We have reviewed the accompanying interim consolidated financial position of Islamic Holding Group (Q.S.C) (the "Company") and its subsidiaries (together referred to as the "Group") as at 30 June 2013 and the related interim consolidated statement of income and comprehensive income for the three-month and six-month periods ended 30 June 2013 and the consolidated statement of changes in equity and cash flows for six-month periods ended 30 June 2013 and the related explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with 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 and consequently 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.

Other matter

The interim condensed consolidated financial statements of the Group as at 30 June 2012 were reviewed and the consolidated financial statements as at 31 December 2012, were audited by another auditor, whose reports dated 18 July 2012 and 15 January 2013 respectively, expressed an unmodified review conclusion and an unmodified audit opinion on those statements.

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

Date:
Doha

Islamic Holding Group (Q.S.C.)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

	<i>Notes</i>	30 June 2013 (Unaudited) QR	31 December 2012 (Audited) QR
ASSETS			
Current assets			
Cash and bank balances	3	1,041,376,407	1,029,249,827
Bank balances - customers' funds	4	112,285,764	148,179,410
Due from customers		37,471	12,169,194
Due from Qatar Exchange		5,457,702	-
Prepayments and other debit balances	5	3,796,504	3,194,529
Total current assets		1,162,953,848	1,192,792,960
Non-current assets			
Property and equipment		947,087	1,244,386
Available for sale investments	6	10,067,002	8,978,203
Total non-current assets		11,014,089	10,222,589
Total assets		1,173,967,937	1,203,015,549
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Due to customers		119,333,046	118,437,571
Due to Qatar Exchange		-	37,789,261
Due to a related party from Wakala contracts	7	1,000,000,000	1,000,000,000
Accrued expenses and other credit balances	8	1,646,936	1,833,690
Total current liabilities		1,120,979,982	1,158,060,522
Non-current liability			
Employees' end of service benefits		858,224	797,340
Total liabilities		1,121,838,206	1,158,857,862
Shareholders' equity			
Paid up share capital	9	30,000,000	30,000,000
Advances of share capital called up	9	7,466,343	-
Legal reserve		9,297,320	9,297,320
Retained earnings		5,418,547	1,016,669
Fair value reserve		(52,479)	(656,302)
Proposed dividends		-	4,500,000
Total shareholders' equity		52,129,731	44,157,687
Total liabilities and shareholders' equity		1,173,967,937	1,203,015,549

Dr. Yousuf Ahmad Hussain Al Nama
Chairman and Managing Director

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

Islamic Holding Group (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</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
		<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
		<i>(Reviewed)</i>		<i>(Reviewed)</i>	
		<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
Brokerage and commission income		4,314,361	5,313,298	7,497,262	10,660,921
Brokerage and commission expense		(1,099,647)	(1,511,683)	(1,933,944)	(3,042,953)
Brokerage and commission income, net		3,214,714	3,801,615	5,563,318	7,617,968
Net gain on sale of trading property	10	-	-	1,000,000	-
Income from saving accounts with Islamic banks		393,234	599,132	756,831	1,143,653
Net gain from sale of available of sale investments		177,947	110,350	177,947	138,228
Impairment losses on available for sale investments		-	-	(475,634)	-
Income from Wakala contracts		299,690	-	593,373	120,000
Dividends income		174,659	42,685	624,927	58,548
Net operating income		4,260,244	4,553,782	8,240,762	9,078,397
General and administrative expenses		(1,730,434)	(2,069,220)	(3,368,578)	(4,399,796)
Depreciation expense		(180,522)	(185,832)	(356,852)	(383,702)
Bank charges		(53,542)	(54,117)	(113,454)	(108,735)
Profit for the period		2,295,746	2,244,613	4,401,878	4,186,164
Basic and diluted earnings per share	11	0.57	0.56	1.10	1.05

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

Islamic Holding Group (Q.S.C.)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
Profit for the period	2,295,746	2,244,613	4,401,878	4,186,164
Other comprehensive (loss) income for the period				
Changes in fair value of available for sale investments	<u>710,403</u>	<u>(215,783)</u>	<u>603,823</u>	<u>(199,932)</u>
Total comprehensive income for the period	<u>3,006,149</u>	<u>2,028,830</u>	<u>5,005,701</u>	<u>3,986,232</u>

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

Islamic Holding Group (Q.S.C.)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2013

	<i>Share capital QR</i>	<i>Advances of share capital called up QR</i>	<i>Retained earnings QR</i>	<i>Legal reserve QR</i>	<i>Fair value reserve QR</i>	<i>Proposed dividends QR</i>	<i>Total QR</i>
As at 1 January 2013 (Audited)	30,000,000	-	1,016,669	9,297,320	(656,302)	4,500,000	44,157,687
Profit for the period	-	-	4,401,878	-	-	-	4,401,878
Other comprehensive income for the period	-	-	-	-	603,823	-	603,823
Total comprehensive income (loss) for the period	-	-	4,401,878	-	603,823	-	5,005,701
Advances of share capital called up	-	7,466,343	-	-	-	-	7,466,343
Dividends paid to shareholders	-	-	-	-	-	(4,500,000)	(4,500,000)
As at 30 June 2013 (Unaudited)	30,000,000	7,466,343	5,418,547	9,297,320	(52,479)	-	52,129,731
As at 1 January 2012 (Audited)	30,000,000	-	224,268	8,692,474	(92,600)	4,000,000	42,824,142
Profit for the period	-	-	4,186,164	-	-	-	4,186,164
Other comprehensive income for the period	-	-	-	-	(199,932)	-	(199,932)
Total comprehensive income for the period	-	-	4,186,164	-	(199,932)	-	3,986,232
Dividends paid to shareholders	-	-	-	-	-	(4,000,000)	(4,000,000)
As at 30 June 2012 (Unaudited)	30,000,000	-	4,410,432	8,692,474	(292,532)	-	42,810,374

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

Islamic Holding Group (Q.S.C.)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2013

	<i>Six months ended 30 June 2013 (Unaudited) QR</i>	<i>Six months ended 30 June 2012 (Unaudited) QR</i>
Operating activities		
Profit for the period	4,401,878	4,186,164
Adjustments for:		
Depreciation expense	356,852	383,702
Bank charges	113,454	108,735
Income from saving accounts with Islamic banks	(756,831)	(1,143,653)
Income from Wakala contracts	(593,373)	(120,000)
Dividends income	(624,927)	-
Impairment losses on available for sale investments	(177,947)	(138,228)
Net gain from sale of available for sale investments	475,634	-
Provision for employees' end of service benefits	113,969	132,769
	3,308,709	3,409,489
Working capital changes:		
Bank balances – customers' funds	35,893,646	1,722,498
Due from customers	12,131,723	(55,062)
Due from/ to Qatar Exchange	(43,246,963)	(18,594)
Prepayments and other debit balances	(601,975)	(5,156,718)
Due to customers	895,475	-
Accrued expenses and other credit balances	(186,754)	(587,741)
	8,193,861	(686,128)
Cash used in operations:		
Bank charges	(113,454)	(108,735)
Employees end of service benefits paid	(53,085)	(63,774)
Net cash flows from (used in) operating activities	8,027,322	(858,637)
Investing activities		
Purchases of property and equipment	(59,553)	(5,009)
Purchases of available for sale investments	(4,400,633)	(14,140,567)
Proceeds from sale of available for sale investments	3,617,970	-
Dividends income	624,927	8,537,507
Income from Wakala contracts	593,373	120,000
Income from saving accounts with Islamic banks	756,831	1,143,653
Cash flows (used in) from investing activities	1,132,915	(4,344,416)
Financing activity		
Amounts paid to settle unpaid capital	7,466,343	-
Dividends paid to shareholders	(4,500,000)	(4,000,000)
Cash flows used in financing activity	2,966,343	(4,000,000)
Net decrease in cash and cash equivalents	12,126,580	(9,203,053)
Cash and cash equivalents at 1 January	29,249,827	37,365,341
Cash and cash equivalents at 30 June	3	28,162,288

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

1 GENERAL INFORMATION

Islamic Financial Securities Company was established as a Qatari Private shareholding Company and registered in the Commercial Registration under No. 26337. The main activities of the Company are investing in shares and bonds, brokerage services in Qatar Exchange according to the Islamic Sharea'a. The Company works according to the Qatar Commercial Companies' Law No. 5 of 2002 and Qatar Exchange Regulations.

The Board of Directors in its meeting held on September 22, 2006 decided to change the Company to a Qatari Public Shareholding Company which was approved by the Ministry of Economy and Trade on December 26, 2006. The Company shares were listed in Qatar Exchange on March 3, 2008.

The shareholders in their Board of Directors meeting held on December 28, 2008 and based on the General Assembly resolution held on August 22, 2010, decided to change the Company's name and legal structure from Islamic Financial Securities Company (Qatari Public Shareholding Company) to Islamic Holding Group (Qatari Public Shareholding Company-Holding) (the "Company"). The change was made in accordance with the approvals of Qatar Financial Markets Authority and the approval of Ministry of Business and Trade on July 19, 2010.

These consolidated financial statements include the financial statements of the Group and its subsidiary company "Islamic Financial Securities Company" (hereinafter "the Group"). Islamic Financial Securities Company (the subsidiary company) was registered in the State of Qatar under Commercial Registration No. 46645 as a Single Person Company on July 19, 2010. It is fully owned by the Islamic Holding Group (Q.S.C.). The subsidiary company provides brokerage services.

The principal activities of the Group are investing activities including real estate and brokerage services in Qatar Exchange through its subsidiary companies in accordance with Islamic Sharea'a.

The interim condensed consolidated financial statements as at 30 June 2013 comprise the interim condensed financial statements of the Company and its subsidiaries (together referred to as the "Group") as at 30 June 2013. The subsidiaries of the Group as at 30 June 2013 are as follows:

<i>Company's name</i>	<i>Country of incorporation</i>	<i>Company's activities</i>	<i>Percentage of ownership 30 June 2013</i>	<i>Percentage of ownership 31 December 2012</i>
Islamic Financial Securities Company (S.O.C)	Qatar	Brokerage services	100%	100%
Ajyad Real Estate Company (S.O.C) (i)	Qatar	Real Estate	100%	100%

Note:

- (i) The Company was established on 4 June 2012 as sole proprietorship company which is fully owned by the Group.

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2013 were authorised for issue in accordance with a resolution of the Board of Directors on

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group") for the six months ended 30 June 2013 have been prepared in accordance with the International Accounting Standard 34 - "Interim Financial Reporting".

The interim condensed consolidated financial statements do not contain all 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.

New standards and amendments

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2012, except for the adoption of the following new standards and amendments:

<i>Standard</i>	<i>Content</i>
IAS 1	Clarification of the requirements for comparative information (Amendment)
IAS 28	Investments in Associates and Joint Ventures
IAS 34	Interim financial reporting and segment information for total assets and liabilities (Amendment)
IFRS 7	Financial instruments: Disclosures- Offsetting Financial Assets and Financial Liabilities (Amendment)
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement

These new standards and amendments affected presentation only and had no impact on the Group's consolidated financial position or performance.

In addition, the following standard has been issued but not yet effective:

<i>Standard</i>	<i>Content</i>
IFRS 9	Financial Instruments: Classification and Measurement (Effective 1 January 2015)

The Group is assessing the impact of this standard on its consolidated financial position and performance on future periods.

3 CASH AND BANK BALANCES

	<i>Six months ended 30 June 2013 (Unaudited) QR</i>	<i>Six months ended 30 June 2012 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>
Cash on hand	-	-	-
Bank balances	<u>1,041,376,407</u>	<u>428,162,288</u>	<u>1,029,249,827</u>
Total	<u>1,041,376,407</u>	<u>428,162,288</u>	<u>1,029,249,827</u>

For the purpose of preparation the interim consolidated statement of cash flows, Wakala amounts included under bank balances and disclosed under note 7 have been excluded which amounted to 1 billion Qatari Riyal as at 30 June 2013 (30 June 2012: 400 million Qatari Riyal)

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

4 BANK BALANCES – CUSTOMERS’ FUND

Represents bank balances for the 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 with the settlement authority

5 PREPAYMENTS AND OTHER DEBIT BALANCES

	<i>30 June 2013 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>
Refundable deposits	2,000,250	2,000,250
Accrued revenue from saving accounts with Islamic banks	569,599	462,515
Prepaid expenses	1,226,655	731,164
Other assets	-	600
Total	3,796,504	3,194,529

6 AVAILABLE FOR SALE INVESTMENTS

Available for sale investments include the following:

	<i>30 June 2013 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>
Quoted equity securities		
Equity securities – Qatar	7,297,222	6,208,423
Unquoted equity securities		
Equity securities – Qatar	2,550,000	2,550,000
Equity securities – Syria	219,780	219,780
Total unquoted	2,769,780	2,769,780
Total	10,067,002	8,978,203

7 DUE TO A RELATED PARTY FROM WAKALA CONTRACTS

The Group entered into two Wakala agreements with a related party, Qatar International Islamic Bank Q.S.C (the “Bank”), whereby the Group invests a total amount of QR 1,000,000,000 on behalf of the Bank with Islamic financial institutions. According to the agreement, the Group will recognise QR 600,000 semi annually as an agent fees.

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

8 ACCRUED EXPENSES AND OTHER CREDIT BALANCES

	<i>30 June 2013 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>
Accrued expenses	264,372	1,409,662
Notes payable	428,155	-
Dividends payable	801,669	272,815
Provision for sport and social activities contribution	-	151,213
Other liabilities	152,740	-
Total	1,646,936	1,833,690

9 PAID UP SHARE CAPITAL

	<i>30 June 2013 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>
Authorized and issued share capital: 4,000,000 shares with a value of QR.10 per share	40,000,000	40,000,000
Percentage of paid-up capital	75%	75%
Paid-up share capital (QR.)	30,000,000	30,000,000

According to board of directors' resolution no.14/2013 dated 14 May 2013, the shareholders were called to pay off the unpaid 25% of the share capital based on the article of association and in coordination with the Ministry of Business and Trade. The shareholders have paid QR 7,466,343 which represents 74.6% from the remaining unpaid share capital of QR 10,000,000.

10 NET GAIN ON SALE OF TRADING PROPERTY

During the period, the Group has jointly purchased with, Al Tashelat Islamic Company W.L.L, one property from a related party, Qatar International Islamic Bank Q.S.C, which was sold to another third party. The details of this transaction is summarised as follow:

	<i>Six months ended 30 June 2013 (Unaudited)</i>	<i>Six months ended 30 June 2012 (Unaudited)</i>
Proceed from sale of trading property	17,500,000	-
Cost of purchase of trading property	(16,500,000)	-
Net gain on sale of trading property	1,000,000	-

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

11 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing profit for the period by the weighted average number of ordinary shares outstanding during the period as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
Profit for the period (QR)	2,295,746	2,244,613	4,401,878	4,186,164
Weighted average number of shares	4,000,000	4,000,000	4,000,000	4,000,000
Basic and diluted earnings per share (QR)	0.57	0.56	1.1	1.05

12 RELATED PARTIES TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Group and entities controlled, jointly controlled or significantly influenced by those parties.

Transactions with related parties included in the interim consolidated statement of income are as follows:

	<i>Six months ended</i>	<i>Six months ended</i>
	<i>30 June 2013</i>	<i>30 June 2012</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>QR</i>	<i>QR</i>
Income from saving accounts with Islamic banks	665,536	898,401
Brokerage and commission income, net	506,911	570,544
Returned commissions	(716,456)	(637,871)
Income from Wakala contracts	593,373	120,000

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

	<i>30 June</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR</i>	<i>QR</i>
Bank balances	143,506,560	138,764,027
Due to a related party from Wakala contracts	1,000,000,000	1,000,000,000

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

12 RELATED PARTIES TRANSACTIONS (CONTINUED)

Key management remuneration

The remuneration of directors and other members of key management during the period were as follows:

	<i>Six months ended 30 June 2013 (Unaudited) QR</i>	<i>Six Months ended 30 June 2012 (Unaudited) QR</i>
Short term benefits	<u>474,400</u>	<u>607,600</u>

13 FINANCIAL INSTRUMENTS

Set out below is an overview of financial instruments, other than cash and bank balances and bank balances – customers’ funds, held by the Group at:

<i>30 June 2013 (Unaudited)</i>	<i>Loans and receivables QR</i>	<i>Available for sale QR</i>
Financial assets:		
Due from customers	37,471	-
Other debit balances	2,569,849	-
Due from Qatar Exchange	<u>5,457,702</u>	<u>-</u>
	<u>8,065,022</u>	<u>-</u>
Available-for-sale investments	<u>-</u>	<u>10,067,002</u>
Total	<u>8,065,022</u>	<u>10,067,002</u>
Financial liabilities:		
Due to customers	119,333,046	-
Due to a related party from Wakala contracts	1,000,000,000	-
Accrued expenses and other credit balances	<u>1,646,936</u>	<u>-</u>
Total	<u>1,120,979,982</u>	<u>-</u>

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

13 FINANCIAL INSTRUMENTS (CONTINUED)

<i>31 December 2012 (Audited)</i>	<i>Loans and receivables QR</i>	<i>Available for sale QR</i>
Financial assets:		
Due from customers	12,169,194	-
Other debit balances	<u>2,462,765</u>	<u>-</u>
	<u>14,631,959</u>	<u>-</u>
Available-for-sale investments	<u>-</u>	<u>8,978,203</u>
Total	<u><u>14,631,959</u></u>	<u><u>8,978,203</u></u>
Financial liabilities:		
Due to customers	118,437,571	-
Due to Qatar Exchange	37,789,261	-
Due to a related party from Wakala contracts	1,000,000,000	-
Accrued expenses and other credit balances	<u>1,833,690</u>	<u>-</u>
Total	<u><u>1,158,060,522</u></u>	<u><u>-</u></u>

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial investments 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; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

For financial instruments that are recognised at fair value of a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

<i>30 June 2013 (Unaudited)</i>	<i>Fair value QR</i>	<i>Level 1 QR</i>	<i>Level 2 QR</i>	<i>Level 3 QR</i>
Available for sale investments	<u>7,297,222</u>	<u>7,297,222</u>	<u>-</u>	<u>2,769,780</u>
<i>31 December 2012 (Audited)</i>	<i>Fair value QR</i>	<i>Level 1 QR</i>	<i>Level 2 QR</i>	<i>Level 3 QR</i>
Available for sale investments	<u>6,208,423</u>	<u>6,208,423</u>	<u>-</u>	<u>2,769,780</u>

During the period ended on 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.

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

13 FINANCIAL INSTRUMENTS (CONTINUED)

Impairment

Available for sale investments

For available for sale investments, the Group assess at each reporting date whether there is objective evidence that an investment or group of investments is impaired. In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of the investments below its cost. The determination of what is 'significant' or 'prolonged' requires judgment. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. The Group has identified an impairment of QR 475,634 on quoted equity securities which was recorded under impairment losses on available for sale in the interim consolidated statement of income.

14 SEGMENT INFORMATION

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

Segment revenue and results

	<i>Revenue</i>		<i>Results</i>	
	<i>Six months ended 30 June 2013 (Unaudited) QR</i>	<i>Six months ended 30 June 2012 (Unaudited) QR</i>	<i>Six months ended 30 June 2013 (Unaudited) QR</i>	<i>Six months ended 30 June 2012 (Unaudited) QR</i>
Brokerage services	7,497,262	10,660,921	2,324,934	3,002,399
Real estate activities	17,500,000	-	1,000,000	-
Other investments	2,153,078	1,460,429	1,076,944	1,183,765
Total	27,150,340	12,121,350	4,401,878	4,186,164

Segment assets and liabilities

	<i>Assets</i>		<i>Liabilities</i>	
	<i>30 June 2013 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>	<i>30 June 2013 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>
Brokerage services	140,301,164	164,325,004	120,891,903	158,857,862
Real estate activities	-	-	-	-
Other investments	1,033,666,773	1,038,690,545	1,000,000,000	1,000,000,000
Total	1,173,967,937	1,203,015,549	1,120,891,903	1,158,857,862

15 CONTINGENT LIABILITIES

	<i>30 June 2013 (Unaudited) QR</i>	<i>31 December 2012 (Audited) QR</i>
Letters of guarantee	1,085,000,000	1,085,000,000

16 COMPARATIVE FIGURES

Certain comparative figures pertaining to previous period/year have been reclassified in order to conform to the presentation of the current period and improve the quality of the information presented. However, such reclassifications do not affect the previously reported profit or equity.