

Islamic Holding Group (Q.S.C.)

INTERIM CONDENSED CONSOLIDATED

FINANCIAL STATEMENTS

31 MARCH 2014

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 31 March 2014 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended 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.

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 31 March 2014

	<i>Notes</i>	31 March 2014 (Unaudited) QR	31 December 2013 (Audited) QR
ASSETS			
Current assets			
Bank balances	3	36,336,329	48,441,981
Bank balances - customers' funds	4	257,769,365	187,369,007
Due from customers		474,800	791
Prepayments and other debit balances	5	13,741,999	4,371,720
Total current assets		308,322,493	240,183,499
Non-current assets			
Property and equipment		540,613	699,777
Available for sale financial assets	6	5,188,950	4,605,289
Total non-current assets		5,729,563	5,305,066
Total assets		314,052,056	245,488,565
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Due to customers		231,547,675	174,449,189
Due to Qatar Exchange		23,801,471	7,149,400
Accrued expenses and other credit balances	8	2,626,543	4,064,529
Total current liabilities		257,975,689	185,663,118
Non-current liability			
Employees' end of service benefits		882,021	858,429
Total liabilities		258,857,710	186,521,547
Shareholders' equity			
Share capital	9	40,000,000	40,000,000
Legal reserve		10,243,566	10,243,566
Retained earnings		5,046,529	8,882,022
Fair value reserve		(95,749)	(158,570)
Total shareholders' equity		55,194,346	58,967,018
Total liabilities and shareholders' equity		314,052,056	245,488,565

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 three months ended 31 March 2014

	<i>Notes</i>	<i>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three months ended 31 March 2013 (Unaudited) QR</i>
Brokerage and commission income		6,996,289	3,182,901
Brokerage and commission expense		(1,855,493)	(834,297)
Brokerage and commission income, net		5,140,796	2,348,604
Net gain on sale of trading property	10	-	1,000,000
Income from saving accounts with Islamic banks		98,868	363,597
Net gain from sale of available of sale investments		283,970	-
Impairment losses on available for sale investments		(163,271)	(475,634)
Income from Wakala contracts		-	293,683
Dividends income		55,000	450,268
Net operating income		5,415,363	3,980,518
Other income		16,954	-
General and administrative expenses		(2,467,810)	(1,874,386)
Profit for the period		2,964,507	2,106,132
Basic and diluted earnings per share	11	0.74	0.53

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 three months ended 31 March 2014

	<i>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three months ended 31 March 2013 (Unaudited) QR</i>
Profit for the period	2,964,507	2,106,132
Other comprehensive income (loss) for the period		
Changes in fair value of available for sale investments	<u>62,821</u>	<u>(106,580)</u>
Total comprehensive income for the period	<u>3,027,328</u>	<u>1,999,552</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 three months ended 31 March 2014

	<i>Share capital</i> <i>QR</i>	<i>Retained earnings</i> <i>QR</i>	<i>Legal reserve</i> <i>QR</i>	<i>Fair value reserve</i> <i>QR</i>	<i>Total</i> <i>QR</i>
As at 1 January 2014 (Audited)	40,000,000	8,882,022	10,243,566	(158,570)	58,967,018
Profit for the period	-	2,964,507	-	-	2,964,507
Other comprehensive income for the period	-	-	-	62,821	62,821
Total comprehensive income for the period	-	2,964,507	-	62,821	3,027,328
Dividends paid to shareholders	-	(6,800,000)	-	-	(6,800,000)
As at 31 March 2014 (Unaudited)	40,000,000	5,046,529	10,243,566	(95,749)	55,194,346
As at 1 January 2013 (Audited)	30,000,000	5,516,669	9,297,320	(656,302)	44,157,687
Profit for the period	-	2,106,132	-	-	2,106,132
Other comprehensive loss for the period	-	-	-	(106,580)	(106,580)
Total comprehensive income for the period	-	2,106,132	-	(106,580)	1,999,552
Dividends paid to shareholders	-	(4,500,000)	-	-	(4,500,000)
As at 31 March 2013 (Unaudited)	30,000,000	3,122,801	9,297,320	(762,882)	41,657,239

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 three months ended 31 March 2014

	<i>Note</i>	<i>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three months ended 31 March 2013 (Unaudited) QR</i>
Operating activities			
Profit for the period		2,964,507	2,106,132
Adjustments for:			
Depreciation expense		167,958	176,330
Bank charges		54,883	59,912
Income from saving accounts with Islamic banks		(98,868)	(363,597)
Income from Wakala contracts		-	(293,683)
Dividends income		(55,000)	(450,268)
Net gain from sale of available for sale investments		(283,970)	-
Impairment losses on available for sale investments		163,271	475,634
Provision for employees' end of service benefits		43,072	31,169
		<u>2,955,853</u>	<u>1,741,629</u>
Working capital changes:			
Bank balances – customers' funds		(70,400,358)	36,081,655
Due from customers		(474,009)	10,919,227
Prepayments and other debit balances		(9,370,279)	(206,489)
Due to customers		57,098,486	(11,457,720)
Due to Qatar Exchange		16,652,071	(30,835,353)
Accrued expenses and other credit balances		(1,437,986)	18,283
		<u>(4,976,222)</u>	<u>6,261,232</u>
Cash from operations			
Bank charges		(54,883)	(59,912)
Employees end of service benefits paid		(19,480)	(20,828)
		<u>(5,050,585)</u>	<u>6,180,492</u>
Net cash flows (used in) from operating activities			
Investing activities			
Purchases of property and equipment		(8,794)	(5,364)
Purchases of available for sale investments		(10,242,020)	(3,975,529)
Proceeds from sale of available for sale investments		9,841,879	-
Dividends income		55,000	450,268
Income from Wakala contracts		-	293,683
Income from saving accounts with Islamic banks		98,868	363,597
		<u>(255,067)</u>	<u>(2,873,345)</u>
Cash flows used in investing activities			
Financing activity			
Dividends paid to shareholders		(6,800,000)	(4,500,000)
		<u>(6,800,000)</u>	<u>(4,500,000)</u>
Cash flows used in financing activity			
Net decrease in cash and cash equivalents		(12,105,652)	(1,192,853)
Cash and cash equivalents at 1 January		48,441,981	29,249,827
Cash and cash equivalents at 31 March	3	<u>36,336,329</u>	<u>28,056,974</u>

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 31 March 2014

1 GENERAL INFORMATION

Islamic Financial Securities Company (Q.P.S.C) was established as a Qatari Private shareholding Company and registered under the Commercial Registration under No. 26337. The principal activities of the Company are investing in shares, bonds and brokerage services in Qatar Exchange according to the Islamic Sharea'a. The Company is governed by the provisions of Qatar Commercial Companies' Law No.5 of 2002 and the regulations of Qatar Financial Market Authority and Qatar Exchange.

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

In its Board of Directors meeting dated 28 December 2009 and the Extraordinary General Assembly Meeting dated 22 August 2010, the shareholders of the Group have resolved to change the Company's name and legal structure from Islamic Financial Securities Company (Qatar Public Shareholding Company) to Islamic Holding Group (Qatari Public Shareholding Company – Parent). The change was approved by the Qatar Financial Markets Authority and the Ministry of Business and Trade on 19 July 2010.

These consolidated financial statements include the financial statements of the Group and its subsidiaries "Islamic Financial Securities Company (S.O.C) and Ajyad Real Estate Company (S.O.C) (hereinafter referred to as the "Group").

Islamic Financial Securities Company (S.O.C) was registered in the State of Qatar under Commercial Registration No. 46645 as a Single Owner Company on 19 Jul 2010. It is fully owned by the Islamic Holding Group (Q.S.C.) ("the Company" or "the Parent"), The principal activities of the Company are brokerage services.

Ajyad Real Estate Company (S.O.C) was incorporated in the state of Qatar as Single Owner Company under Commercial Registration No. 56091 dated 4 June 2012. The Company is fully owned by the parent Company, Islamic Holding Group (Q.S.C) (the "Company" or the "Parent"), The principal activities of the Company are real estate trading and brokerage activities.

The interim condensed consolidated financial statements of the Group for the three months ended 31 March 2014 were authorised for issue in accordance with a resolution of the Board of Directors on 8 April 2014.

2 BASIS OF PREPARATION AND CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group") for the three months ended 31 March 2014 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 2013.

2 BASIS OF PREPARATION AND CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation

The interim condensed consolidated financial statements comprise the interim condensed financial statement of the Company and its subsidiaries as at 31 March 2014.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The interim condensed financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Where the ownership of a subsidiary is less than 100% and, therefore, a non-controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income of the period, even if that results in a deficit balance.

The Group's major subsidiaries included in these interim condensed consolidated financial statements are:

<i>Company's name</i>	<i>Country of incorporation</i>	<i>Company's activities</i>	<i>Percentage of ownership 31 March 2014</i>	<i>Percentage of ownership 31 December 2013</i>
Islamic Financial Securities Company (S.O.C)	Qatar	Brokerage services	100%	100%
Ajyad Real Estate Company (S.O.C)	Qatar	Real Estate	100%	100%

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interest;
- Derecognizes the cumulative translation differences, recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

2 BASIS OF PREPARATION AND CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2013, except for the adoption of new and amended standards and interpretations effective as of 1 January 2013 as noted below:

<i>Standard</i>	<i>Content</i>
IFRS 1	First-time Adoption of International Financial Reporting Standards – Government loans
IFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities – Amendments o IFRS 7
IFRS 10	Consolidated Financial Statements, IAS 27 Separate Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IAS 1	Presentation of Items of Other Comprehensive Income – Amendments to IAS 1
IAS 19	Employee Benefits (Revised)
IAS 28	Investments in Associates and Joint Ventures

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>Topics</i>	<i>Effective dates</i>
IFRS 9 <i>Financial Instruments</i>	1 January 2015
Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)	1 January 2014
IAS 32 <i>Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32</i>	1 January 2014
IAS 39 <i>Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39</i>	1 January 2014
IFRIC Interpretation 21 <i>Levies</i> (IFRIC 21)	1 January 2014

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

3 BANK BALANCES

	<i>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three months ended 31 March 2013 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Bank balances	<u>36,336,329</u>	<u>1,028,056,974</u>	<u>48,441,981</u>

For the purpose of preparation of interim consolidated statement of cash flows, Wakala amounts included under bank balances and disclosed under note 7 have been excluded which amounted to nil as at 31 March 2014 (31 March 2013: 1 billion Qatari Riyal)

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2014

4 BANK BALANCES – CUSTOMERS’ FUND

Represent 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>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Amounts paid to Al Tashelat Islamic Company W.L.L	10,500,000	1,400,000
Refundable deposits	2,000,250	2,000,250
Prepaid expenses	1,179,917	894,455
Other assets	61,832	77,015
Total	13,741,999	4,371,720

6 AVAILABLE FOR SALE FINANCIAL ASSETS

Available for sale financial assets include the following:

	<i>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Quoted equity securities		
Equity securities – Qatar	2,638,950	2,055,289
Unquoted equity securities		
Equity securities – Qatar	2,550,000	2,550,000
Total	5,188,950	4,605,289

7 DUE TO A RELATED PARTY FROM WAKALA CONTRACTS

Based on a correspondence between the Group and a related party, Qatar International Islamic Bank Q.S.C (the “Bank”) dated July 25, 2013, the Bank has terminated the two Wakala agreements, whereby the Group has no investment on behalf of the Bank with Islamic financial institutions as of 31 March 2014 (31 March 2013: QR 1,000,000,000).

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2014

8 ACCRUED EXPENSES AND OTHER CREDIT BALANCES

	<i>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Dividends payable	965,973	517,861
Accrued expenses	604,507	1,525,922
Notes payable	374,636	428,153
Provision for sport and social activities contribution	-	225,941
Other liabilities	<u>681,427</u>	<u>1,366,652</u>
Total	<u>2,626,543</u>	<u>4,064,529</u>

9 SHARE CAPITAL

	<i>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Authorized and issued share capital: 4,000,000 shares with a value of QR.10 per share	<u>40,000,000</u>	<u>40,000,000</u>
Percentage of paid-up capital	100%	100%
Paid-up share capital (QR.)	<u>40,000,000</u>	<u>40,000,000</u>

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>Three months ended 31 March 2014 (Unaudited)</i>	<i>Three months ended 31 March 2013 (Unaudited)</i>
Proceed from sale of trading property	-	17,500,000
Cost of purchase of trading property	<u>-</u>	<u>(16,500,000)</u>
Net gain on sale of trading property	<u>-</u>	<u>1,000,000</u>

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2014

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 31 March 2014 (Unaudited)</i>	<i>Three months ended 31 March 2013 (Unaudited)</i>
Profit for the period (QR)	2,964,507	2,106,132
Weighted average number of shares	4,000,000	4,000,000
Basic and diluted earnings per share (QR)	0.74	0.53

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>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three months ended 31 March 2013 (Unaudited) QR</i>
Income from saving accounts with Islamic banks	98,868	363,597
Brokerage and commission income, net	992,076	192,430
Returned commissions	(911,206)	(231,035)
Income from Wakala contracts	-	293,683

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

	<i>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Bank balances	261,837,299	206,103,706

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>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three Months ended 31 March 2013 (Unaudited) QR</i>
Short term benefits	<u>324,900</u>	<u>226,800</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 as at 31 March 2014:

<i>31 March 2014 (Unaudited)</i>	<i>Loans and receivables QR</i>	<i>Available for sale QR</i>
Financial assets:		
Due from customers	474,800	-
Refundable deposits	2,000,250	-
Other assets	<u>61,832</u>	<u>-</u>
	<u>2,536,882</u>	<u>-</u>
Available-for-sale investments	<u>-</u>	<u>5,188,950</u>
Total	<u><u>2,536,882</u></u>	<u><u>5,188,950</u></u>
Financial liabilities:		
Due to customers	231,547,675	-
Due to Qatar Exchange	23,801,471	-
Accrued expenses and other credit balances	<u>2,626,543</u>	<u>-</u>
Total	<u><u>257,975,689</u></u>	<u><u>-</u></u>

Islamic Holding Group (Q.S.C.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2014

13 FINANCIAL INSTRUMENTS (CONTINUED)

<i>31 December 2013 (Audited)</i>	<i>Loans and receivables QR</i>	<i>Available for sale QR</i>
Financial assets:		
Due from customers	791	-
Refundable deposits	2,000,250	-
Other assets	<u>77,015</u>	<u>-</u>
	<u>2,078,056</u>	<u>-</u>
Available-for-sale investments	<u>-</u>	<u>4,605,289</u>
Total	<u><u>2,078,056</u></u>	<u><u>4,605,289</u></u>
Financial liabilities:		
Due to customers	174,449,189	-
Due to Qatar Exchange	7,149,400	-
Accrued expenses and other credit balances	<u>4,046,529</u>	<u>-</u>
Total	<u><u>185,645,118</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 on 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 31 March 2014, the Group held the following financial instruments measured at fair value:

<i>31 March 2014 (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><u>2,638,950</u></u>	<u><u>2,638,950</u></u>	<u><u>-</u></u>	<u><u>2,550,000</u></u>
	<i>Fair value QR</i>	<i>Level 1 QR</i>	<i>Level 2 QR</i>	<i>Level 3 QR</i>
<i>31 December 2013 (Audited)</i>				
Available for sale investments	<u><u>2,055,289</u></u>	<u><u>2,055,289</u></u>	<u><u>-</u></u>	<u><u>2,550,000</u></u>

During the period ended on 31 March 2014, 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 31 March 2014

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 163,271 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 three 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>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three months ended 31 March 2013 (Unaudited) QR</i>	<i>Three months ended 31 March 2014 (Unaudited) QR</i>	<i>Three months ended 31 March 2013 (Unaudited) QR</i>
Brokerage services	6,996,289	3,182,901	2,726,444	754,566
Real estate activities	-	17,500,000	-	1,000,000
Other investments	454,792	1,107,548	238,063	351,566
Total	7,451,081	21,790,449	2,964,507	2,106,132

Segment assets and liabilities

	<i>Assets</i>		<i>Liabilities</i>	
	<i>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>	<i>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Brokerage services	283,087,121	213,539,881	257,696,448	186,512,547
Real estate activities	11,153,787	6,495,062	15,000	9,000
Other investments	19,811,148	25,453,622	1,146,262	-
Total	314,052,056	245,488,565	258,857,710	186,521,547

15 CONTINGENT LIABILITIES

	<i>31 March 2014 (Unaudited) QR</i>	<i>31 December 2013 (Audited) QR</i>
Letters of guarantee	85,000,000	85,000,000

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.