

# **Ezdan Holding Group Q.S.C.**

## **INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**31 MARCH 2015**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF EZDAN HOLDING GROUP Q.S.C.**

### *Introduction*

We have reviewed the accompanying interim consolidated statement of financial position of Ezdan Holding Group (Q.S.C.) (“the Company”) and its subsidiaries (together referred to as the “Group”) as at 31 March 2015, 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 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 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: 26 April 2015  
Doha



## Ezdan Holding Group Q.S.C.


## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2015

		<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
	<i>Notes</i>		
<b>ASSETS</b>			
Cash and bank balances	7	1,256,430	297,785
Receivables and prepayments	8	275,456	212,376
Inventories		24,776	21,702
Due from related parties	14	145,060	72,562
Investment properties held for sale	9	289,592	299,537
Available for sale financial assets	10	5,155,128	5,190,446
Investment properties	12	34,335,771	34,216,539
Investments in equity accounted investees	11	2,930,730	3,053,834
Property and equipment		<u>26,352</u>	<u>28,059</u>
<b>TOTAL ASSETS</b>		<u><b>44,439,295</b></u>	<u><b>43,392,840</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Payables and other liabilities	13	1,475,428	449,919
Due to a related party	14	3,075	56,106
Islamic financing borrowings	15	<u>13,494,085</u>	<u>12,809,634</u>
<b>TOTAL LIABILITIES</b>		<u><b>14,972,588</b></u>	<u><b>13,315,659</b></u>
<b>EQUITY</b>			
Share capital		26,524,967	26,524,967
Legal reserve	19	1,055,927	1,055,927
Revaluation reserve		1,192,840	1,264,808
Foreign currency translation reserve		1,954	1,954
Retained earnings		<u>691,019</u>	<u>1,229,525</u>
<b>TOTAL EQUITY</b>		<u><b>29,466,707</b></u>	<u><b>30,077,181</b></u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><b>44,439,295</b></u>	<u><b>43,392,840</b></u>



Dr. Khalid Bin Thani Al-Thani  
Chairman



Ali Al-Obaidli  
Group Chief Executive Officer

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.



Ezdan Holding Group Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the three months ended 31 March 2015

		<i>For the three months ended 31 March</i>	
		<i>2015</i>	<i>2014</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
<i>Notes</i>		<i>QR'000</i>	<i>QR'000</i>
	Rental income	<b>362,936</b>	301,744
	Dividends income from available-for-sale financial assets	<b>183,619</b>	161,653
	Net gain on sale of available-for-sale financial assets	<b>52,146</b>	51,637
	Other operating revenues	<b>10,781</b>	34,077
	Operating expenses	<b>(64,529)</b>	(55,734)
	<b>Operating profit for the period</b>	<b>544,953</b>	493,377
	<i>Add (less):</i>		
	Share from the results of equity accounted investees	11 <b>75,333</b>	64,534
	Gain on sale of investment properties held for sale	9 <b>4,543</b>	-
	Gain on acquisition of an associate	6 -	8,461
	Other income	<b>7,820</b>	5,311
	General and administrative expenses	<b>(38,062)</b>	(35,434)
	Depreciation	<b>(2,414)</b>	(1,834)
	Finance costs	<b>(69,680)</b>	(73,742)
	<b>PROFIT FOR THE PERIOD</b>	<b>522,493</b>	460,673
	<b>BASIC AND DILUTED EARNINGS PER SHARE (QR)</b>	<b>0.20</b>	0.17

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

Ezdan Holding Group Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2015

	<i>For the three months ended</i>	
	<b>31 March</b>	
	<b>2015</b>	<b>2014</b>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
<i>Note</i>	<b>QR'000</b>	<b>QR'000</b>
Profit for the period	<b>522,493</b>	460,673
<b>Other comprehensive income</b>		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Net (loss) gain on available- for- sale financial assets	17 (72,371)	616,298
Share of net movements in revaluation reserve of equity accounted investees	<b>403</b>	336
<b>Other comprehensive (loss) income for the period</b>	<b>(71,968)</b>	616,634
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>450,525</b>	1,077,307

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

Ezdan Holding Group Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2015

	<i>Share capital QR'000</i>	<i>Legal reserve QR'000</i>	<i>Revaluation reserve QR'000</i>	<i>Foreign currency translation reserve QR'000</i>	<i>Retained earnings QR'000</i>	<i>Total equity QR'000</i>
Balance at 1 January 2015 (Audited)	<u>26,524,967</u>	<u>1,055,927</u>	<u>1,264,808</u>	<u>1,954</u>	<u>1,229,525</u>	<u>30,077,181</u>
Profit for the period	-	-	-	-	522,493	522,493
Other comprehensive loss for the period	<u>-</u>	<u>-</u>	<u>(71,968)</u>	<u>-</u>	<u>-</u>	<u>(71,968)</u>
Total comprehensive income for the period	-	-	(71,968)	-	522,493	450,525
Dividends (Note 18)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,060,999)</u>	<u>(1,060,999)</u>
<b>Balance at 31 March 2015 (Reviewed)</b>	<b><u>26,524,967</u></b>	<b><u>1,055,927</u></b>	<b><u>1,192,840</u></b>	<b><u>1,954</u></b>	<b><u>691,019</u></b>	<b><u>29,466,707</u></b>

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

Ezdan Holding Group Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the three months ended 31 March 2015

	<i>Share capital QR'000</i>	<i>Legal reserve QR'000</i>	<i>Revaluation reserve QR'000</i>	<i>Foreign currency translation reserve QR'000</i>	<i>Retained earnings QR'000</i>	<i>Total equity QR'000</i>
Balance at 1 January 2014 (Audited)	<u>26,524,967</u>	<u>919,890</u>	<u>335,980</u>	<u>1,954</u>	<u>861,480</u>	<u>28,644,271</u>
Profit for the period	-	-	-	-	460,673	460,673
Other comprehensive income for the period	<u>-</u>	<u>-</u>	<u>616,634</u>	<u>-</u>	<u>-</u>	<u>616,634</u>
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>616,634</u>	<u>-</u>	<u>460,673</u>	<u>1,077,307</u>
Balance at 31 March 2014 (Reviewed)	<u><u>26,524,967</u></u>	<u><u>919,890</u></u>	<u><u>952,614</u></u>	<u><u>1,954</u></u>	<u><u>1,322,153</u></u>	<u><u>29,721,578</u></u>

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.

Ezdan Holding Group Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2015

	Notes	Three months ended 31 March	
		2015 (Reviewed) QR'000	2014 (Reviewed) QR'000
<b>OPERATING ACTIVITIES</b>			
Profit for the period		522,493	460,673
Adjustment for:			
Depreciation		2,414	1,834
Gain on sale of investment properties held for sale	9	(4,543)	-
Provision for employees' end of service benefits		2,949	2,914
Share from the results of equity accounted investees	11	(75,333)	(64,534)
Gain on acquisition of an associate		-	(8,461)
Allowance for impairment of doubtful receivables		-	1,223
Reversal of allowance for impairment of doubtful receivables		(6,207)	(1,742)
Profit on Islamic bank accounts		(3,903)	(852)
Net gain on sale of available-for-sale financial assets		(52,146)	(51,637)
Finance costs		69,680	73,742
		<b>455,404</b>	<b>413,160</b>
Working capital changes:			
Receivables and prepayments		(56,873)	42,654
Inventories		(3,074)	714
Due from/to related parties		(126,602)	(4,173)
Payables and other liabilities		(35,964)	(14,687)
Cash from operations		232,891	437,668
Employees' end of service benefits paid		(1,025)	(308)
Net cash flows from operating activities		<b>231,866</b>	<b>437,360</b>
<b>INVESTING ACTIVITIES</b>			
Payments for purchase of property and equipment		(707)	(1,968)
Payments for development of investment properties		(55,512)	(106,197)
Proceeds from sale of investment properties held for sale		14,488	-
Proceeds from sale of available for sale financial assets		240,035	(426,879)
Payments for purchase of available for sale financial assets		(224,088)	281,025
Payments for purchase of investments in equity accounted investees		(82)	(49,650)
Dividends received from equity accounted investees		198,068	162,821
Net movement in short term deposits maturing after three months		190,000	350,000
Net movement in restricted bank accounts		-	3,234
Profits on Islamic bank accounts		3,903	852
Net cash flows from investing activities		<b>366,105</b>	<b>213,238</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from Islamic financing borrowings		900,000	-
Payments for Islamic financing borrowings		(348,951)	(595,331)
Dividends paid		(375)	-
Net cash flows from (used in) financing activities		<b>550,674</b>	<b>(595,331)</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>1,148,645</b>	<b>55,267</b>
Cash and cash equivalents as of 1 January		98,098	85,817
<b>CASH AND CASH EQUIVALENTS AS AT 31 MARCH</b>	7	<b>1,246,743</b>	<b>141,084</b>

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.



# Ezdan Holding Group Q.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015

### 1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Ezdan Holding Group Q.S.C. (“the Company”) (formerly, Ezdan Real Estate Company Q.S.C.) is a Qatari public shareholding company registered in the State of Qatar under the Commercial Registration Number 15466. The Company was established on 24 May 1993 as a Limited Liability Company, and was publicly listed on Qatar Exchange on 18 February 2008.

The Company’s name has been changed from Ezdan Real Estate Company Q.S.C. to Ezdan Holding Group Q.S.C. based on a resolution from the Extraordinary General Assembly Meeting that was held on 17 September 2012.

The Company’s registered office is located at P.O. Box 3222, Doha, State of Qatar.

The principal activities of the Company and its subsidiaries include financial and administrative control over a company or more by owing at least 51% of its shares, investment in shares, Sukuk, financial securities, and other investments inside and outside the State of Qatar, owning patents, commercial works and privilege , and other rights using them and renting them to others, providing real estate consulting services, managing property and collect rentals and providing property maintenance works.

These interim condensed consolidated financial statements of the Company and its subsidiaries (together referred to as “the Group”) as at and for the year ended 31 December 2014, include the following subsidiaries:

<i>Name of the Company</i>	<i>Share capital QR</i>	<i>Country of incorporation</i>	<i>Effective percentage of ownership</i>		
			<i>31 March 2015</i>	<i>31 December 2014</i>	<i>31 March 2014</i>
Ezdan Hotels Company S.O.C.	200,000	Qatar	100%	100%	100%
Ezdan Mall Company S.O.C.	200,000	Qatar	100%	100%	100%
Ezdan Real Estate Company S.O.C.	200,000	Qatar	100%	100%	100%
Ezdan Partnership Co. S.O.C.	200,000	Qatar	100%	100%	100%
Al Etkan Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Alrobe Alkhale Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Al Ekleem Real Estate Co. S.O.C.	200,000	Qatar	100%	100%	100%
Almnara Medical Equipment Co. S.O.C.	200,000	Qatar	100%	100%	100%
Al Taybeen Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Al Kara Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Ethmar Construction and Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Al Namaa Maintenance Services Co. S.O.C.	200,000	Qatar	100%	100%	100%
Shatee Alneel Co. S.O.C.	200,000	Qatar	100%	100%	100%
Arkan Import and Export Co. S.O.C.	200,000	Qatar	100%	100%	100%
Tarek Al Haq Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Manazel Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Een Jaloot Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Tareek Alkher Trading Co. S.O.C.	200,000	Qatar	100%	100%	100%
Alkora Alzahbya Co. S.O.C.	200,000	Qatar	100%	100%	100%
High Trade for Trading S.O.C.	200,000	Qatar	100%	-	-
Amaken for Electronic S.O.C.	200,000	Qatar	100%	-	-
Gulf Intiaz for Trading S.O.C.	200,000	Qatar	100%	-	-
Ezdan Palace Hotel.S.O.C.	200,000	Qatar	100%	-	-

The Parent of the Group is Al-Tadawul Holding Group Q.S.C. (“Tadawul”) which aggregately owns directly and indirectly through its subsidiaries, 54 % of the share capital of the Company as at 31 March 2015 (31 December 2014: 54%).

These interim condensed consolidated financial statements of the Group were authorized for issue by the Board of Directors of the Group on 26 April 2015.

## 2 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the three months ended 31 March 2015 have been prepared in accordance with International Financial Reporting Standards, IAS 34 – “Interim Financial Reporting” (“IAS 34”).

The interim condensed consolidated financial statements are prepared in Qatar Riyals, which is the Group’s functional and presentational currency and all values are rounded to the nearest thousands (QR’000) except when otherwise indicated.

The interim condensed consolidated financial statements do not include 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 2014. In addition, results for the three months ended 31 March 2015 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2015.

## 3 SIGNIFICANT ACCOUNTING POLICIES

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 2014, except for the adoption of new standards and interpretations effective as of 1 January 2015.

The following amended accounting standards became effective in 2015 and have been adopted by the Group in preparation of these interim condensed consolidated financial statements as applicable. Whilst they did not have any impact on these interim condensed consolidated financial statements, they may require additional disclosures in the annual consolidated financial statements for the year ended 31 December 2015.

Defined Benefits Plans:	Employee Contributions (Amendments to IAS 19)
Annual improvements:	2010-2012 Cycle
Annual improvements:	2011-2013 Cycle

### Standards issued but not yet effective

The following new standards have been issued but are not yet effective. The Group is currently evaluating the impact of these new standards and intend to adopt these standards, if applicable, when they become effective.

<i>Topic</i>	<i>Effective date</i>
IFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to IAS 16 and IAS 38: Clarifications of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to IAS 27: Equity method in Separate Financial Statements	1 January 2016
IFRS 15 Revenue from Contracts with Customers	1 January 2017
IFRS 9 Financial Instruments	1 January 2018

## 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing these unaudited interim condensed consolidated financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2014.

## 5 FINANCIAL RISK MANAGEMENT

The aspects of the Group’s financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2014.

**6 ACQUISITION OF AN ASSOCIATE**

On 5 March 2014, the Group acquired additional 28.75% interest in Islamic Holding Group Q.S.C. and obtained significant influence over financial and operating policy decisions of Islamic Holding Group Q.S.C.

Islamic Holding Group Q.S.C. was established as a Qatari Private shareholding Company and registered under the Commercial Registration under No. 26337. The principal activities of Islamic Holding Group Q.S.C. are investing in shares, bonds and brokerage services in Qatar Exchange according to the Islamic Shari'a. Islamic Holding Group Q.S.C. 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 Islamic Holding Group 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.

The fair value of identifiable assets acquired and liabilities assumed of Islamic Holding Group Q.S.C. as at the date of acquisition were:

	<i>QR'000</i>
<b>ASSETS</b>	
Bank balances	36,336
Bank balances - customers' funds	257,769
Due from customers	475
Prepayments and other debit balances	13,742
Property and equipment	541
Available-for-sale financial assets	5,189
<b>Total assets</b>	<b>314,052</b>
<b>Liabilities</b>	
Due to customers	231,548
Due to Qatar Exchange	23,801
Accrued expenses and other credit balances	2,627
Employees' end of service benefits	882
<b>Total liabilities</b>	<b>258,858</b>
<b>NET ASSETS</b>	<b>55,194</b>
Fair value of net assets	19,886
Goodwill arising on acquisition	42,148
<b>Cost of an associate acquired</b>	<b>62,034</b>
Cash considerations	49,515
Fair value of the Group's equity interest in Islamic Holding Group held before acquisition	12,519
	<b>62,034</b>

In compliance with the provisions of International Financial Reporting Standard 3 "Business Combinations", the Group has carried out one time "Purchase Price Allocation" (PPA) exercise for the value of the acquisition of the shares of Islamic Holding Group Q.S.C. PPA identifies the values paid for the tangible assets, intangible assets and the goodwill arising on the acquisition. The intangibles identified on acquisition of shares in Islamic Holding Group Q.S.C. were not material and accordingly were not considered.

The gain on the acquisition of QR 8,461 thousand is included in the Group's consolidated statement of income for the period ended 31 March 2014.

At 31 March 2015

**7 CASH AND CASH EQUIVALENTS**

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents comprised of the following:

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 March 2014 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Cash in hand	967	702	291
<i>Cash at banks and other financial institutions</i>			
Term deposits	140,000	50,000	190,000
Saving and call accounts	1,077,636	82,866	66,164
Current accounts	28,140	7,516	31,643
Margin accounts	9,687	11,439	9,687
<b><i>Cash and bank balances</i></b>	<b>1,256,430</b>	152,523	297,785
<i>Less: restricted bank balances</i>	(9,687)	(11,439)	(9,687)
<i>Less: short term bank deposits maturing after 3 months</i>	-	-	(190,000)
<b>Cash and cash equivalents</b>	<b>1,246,743</b>	141,084	98,098

**8 RECEIVABLES AND PREPAYMENTS**

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Tenants receivable	94,297	90,737
Less: allowance for impairment of tenants receivable	(52,485)	(58,692)
	41,812	32,045
Advances to suppliers	134,541	112,869
Prepaid expenses	40,257	35,650
Accrued income	27,642	3,835
Refundable deposits	12,525	10,653
Advances to contractors	3,304	3,304
Notes receivable	2,277	1,818
Other receivables and debit balances	13,098	12,202
	<b>275,456</b>	212,376
<i>The maturity of receivables and prepayments are as follows:</i>		
Non-current	15,829	13,957
Current	259,627	198,419
	<b>275,456</b>	212,376

**9 INVESTMENT PROPERTIES HELD FOR SALE**

During 2014, the Group decided to dispose certain investment properties. Carrying value of the investment properties held for sale are as follows:

	<i>31 March 2014 (Reviewed) QR'000</i>	<i>31 December 2013 (Audited) QR'000</i>
Balance at 1 January	<b>299,537</b>	-
Transferred from investment properties (Note 12)	-	358,978
Sold during the period/year	<b>(9,945)</b>	(59,441)
<b>Balance at 31 March/ December</b>	<b><u>289,592</u></b>	<b><u>299,537</u></b>

*Note i*

The Group has recognised a gain of QR 4,543 thousand during the period (31 March 2014: Nil) from the sale of investment properties held for sale.

*Note ii*

The Group has received an advance payment amounting to QR 5,656 thousand at 31 March 2015 (31 December 2014: QR 19,308) in respect of sale of certain investment properties held for sale. These advances are recognised as a liability and included in Note 13.

**10 AVAILABLE FOR SALE FINANCIAL ASSETS****Concentration of investment portfolio**

Concentration of investment portfolio arises when a number of investments are made in entities engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would be affected by changes in economic, political or other conditions. The Group manages this risk through diversification of investments in terms of industry concentration. The industry concentration of the investment portfolio is as follows:

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Banks and financial institutions	<b>3,914,823</b>	3,877,425
Industry	<b>967,028</b>	1,040,351
Consumer goods and services	<b>241,424</b>	250,309
Telecommunication	<b>24,960</b>	21,607
Insurance	<b>6,893</b>	754
	<b><u>5,155,128</u></b>	<b><u>5,190,446</u></b>

*Notes:*

- (i) All available for sale financial assets of the Group are local shares listed at Qatar Exchange.
- (ii) The mortgages on available for sale financial assets are disclosed in Note 15.
- (iii) At 31 March 2014, the Group's ownership interest in Widam Food Company Q.S.C. and Qatar Investors Group Q.S.C. were 23.32% and 20% respectively (31 December 2014: 20.63% and 20% respectively). However, these investments are still accounted for as available for sale financial assets since the Group does not have significant influence over the operating and financial decisions of the investees.

**11 INVESTMENTS IN EQUITY ACCOUNTED INVESTEES**

The following table illustrates the summarised financial information of the Group's investments in equity accounted investees:

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
<i>Group's share of the equity accounted investees' statement of financial position:</i>		
Total assets	<b>9,458,110</b>	9,878,520
Total liabilities	<b>(7,653,559)</b>	(7,950,929)
Net assets	<b>1,804,551</b>	1,927,591
Goodwill	<b>1,126,179</b>	1,126,243
Carrying amount of the investments	<b>2,930,730</b>	3,053,834
<i>For the three months ended 31 March</i>		
	<i>2015 (Reviewed) QR'000</i>	<i>2014 (Reviewed) QR'000</i>
<i>Group's share of equity accounted investees' revenues and results:</i>		
Revenues	<b>157,678</b>	106,925
Results	<b>75,333</b>	64,534

*Note:*

(i) The mortgages on investments in equity accounted investees are disclosed in Note 15.

**12 INVESTMENT PROPERTIES**

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
At 1 January	34,216,539	33,855,075
Development costs and acquired land during the period / year	55,512	390,212
Transferred to investment properties held for sale (Note 9)	-	(358,978)
Capitalized finance costs on properties under development	63,720	276,773
Fair value adjustment on investment properties	-	53,457
	<u>34,335,771</u>	<u>34,216,539</u>

*Notes:*

- (i) The Group did not perform an independent valuation on its investment properties as at 31 March 2015. The Group carried out a valuation of all the investment properties as at 31 December 2014. The valuation was prepared by D.T.Z Qatar L.L.C., a certified valuer, specialized in the valuation of real estate and similar activities. The valuation has been prepared in accordance with the appropriate sections of the Practice Statements ("PS"), contained with the RICS Valuation- Professional Standards 2015 (the "Red Book"). Management, having the experience and knowledge in the real estate industry, believes that the carrying values of the investment properties at 31 March 2015 are not materially different from their fair values. An overall revaluation to all the investment properties will be carried out at 30 June 2015.
- (ii) All investment properties are located in the State of Qatar.
- (iii) The mortgages on the investment properties are disclosed in Note 15.
- (iv) Title deeds of certain investment properties are in the name of one shareholder of the Group and the Group is in the process of transferring them to the Group's name.

**13 PAYABLES AND OTHER LIABILITIES**

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Dividends payable	1,060,624	-
Tenants deposits	149,798	145,130
Unearned rents	87,441	76,203
Contractors and suppliers payable	53,108	53,555
Provision for Social and Sports Activities Fund	46,562	46,562
Provision for end of services benefits	22,555	20,631
Accrued expenses	18,565	65,734
Retention payable	11,593	11,593
Advances from customers (Note 9)	5,656	19,308
Derivative financial liabilities	4,446	4,446
Other payables	15,080	6,757
	<u>1,475,428</u>	<u>449,919</u>
<i>The maturity of payables and other liabilities are as follows:</i>		
Non-current	188,391	268,119
Current	1,287,037	181,800
	<u>1,475,428</u>	<u>449,919</u>

**14 RELATED PARTIES DISCLOSURES**

Related parties represent the Parent of the Group, major shareholders, associated companies, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's Board of Directors.

Related party balances included in the statement of financial position are as follows:

**Due from related parties**

<i>Name of related party</i>	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Emtedad for real estate projects W.L.L.	100,016	25,016
Dar Al Arab W.L.L.	38,088	32,893
Dar Al Sharq for Printing, Publishing and Distribution W.L.L.	3,150	-
SAK Holding Group Company W.L.L.	3,080	14,592
White Square real Estate Company W.L.L.	712	46
Other related parties	14	15
	<u>145,060</u>	<u>72,562</u>

**Due to a related party**

<i>Name of related party</i>	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
SAK Trading and Contracting Company S.O.C.	<u>3,075</u>	<u>56,106</u>
	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Islamic financing borrowings from an associate Bank	<u>2,686,669</u>	<u>2,686,669</u>

**Related party transactions**

Transactions with related parties during the period are as follows:

	<i>For the three months ended 31 March</i>	
	<i>2015 (Reviewed) QR'000</i>	<i>2014 (Reviewed) QR'000</i>
Construction of investment properties ( <i>Note i</i> )	-	56,824
Finance costs capitalized to properties under development	<u>12,167</u>	<u>18,119</u>
Finance costs charged to the consolidated statement of income	<u>13,305</u>	<u>16,584</u>
Rental income	<u>1,512</u>	<u>1,512</u>

(*Note i*)

The Group has entered into a construction agreement with SAK Trading and Contracting Company S.O.C. to construct its investment properties



**14 RELATED PARTIES DISCLOSURES (CONTINUED)****Compensation of key management personnel**

	<i>For the three months ended 31 March</i>	
	<i>2015 (Reviewed) QR'000</i>	<i>2014 (Reviewed) QR'000</i>
Key management and executive committee benefits	<b>10,332</b>	9,030

**15 ISLAMIC FINANCING BORROWINGS**

The movements on the Islamic financing borrowings during the period were as follows:

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
At 1 January	<b>12,809,634</b>	12,076,283
Facilities obtained during the period / year	<b>900,000</b>	1,825,000
Finance costs	<b>133,402</b>	602,217
Repayments of outstanding facilities during the period / year	<b>(348,951)</b>	(1,693,866)
<b>At 31 March / 31 December</b>	<b>13,494,085</b>	12,809,634
<i>The maturity of Islamic financing borrowings are as follows:</i>		
Current	<b>1,319,111</b>	1,234,220
Non-current	<b>12,174,974</b>	11,575,414
	<b>13,494,085</b>	12,809,634

*Note:*

The Islamic financing borrowings have been obtained for the purpose of financing long term projects and working capital requirements of the Group. The contracts carry profits at commercial rates.

As at 31 March 2015, the Group had secured borrowings against mortgages on different types of investment properties owned by the Group with a carrying value of QR 17,647,964 thousand (31 December 2014: QR 16,724,264 thousand) and mortgage against quoted shares included in the interim condensed consolidated financial statements within available for sale financial assets and investments in equity accounted investees with carrying value of QR 4,258,874 thousand at 31 March 2015 (31 December 2014: QR 4,451,507 thousand).

**16 BASIS OF DILUTED EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares outstanding during the period.

	<i>31 March 2015 (Reviewed)</i>	<i>31 March 2014 (Reviewed)</i>
Profit for the period (QR'000)	<u>522,493</u>	<u>460,673</u>
Weighted average number of shares outstanding during the period (thousands of share)	<u>2,652,497</u>	<u>2,652,497</u>
Basic earnings per share (QR)	<u>0.20</u>	<u>0.17</u>

There were no potentially dilutive shares outstanding at any time during the period. Therefore, the diluted earnings per share are equal to the basic earnings per share.

**17 COMPONENTS OF OTHER COMPREHENSIVE INCOME**

	<i>For the three months ended 31 March</i>	
	<i>2015 (Reviewed) QR'000</i>	<i>2014 (Reviewed) QR'000</i>
<b>Revaluation reserve</b>		
<b>Available- for- sale financial assets</b>		
Net gain on available- for-sale financial assets	(29,259)	658,906
Net gain on disposal of available-for-sale financial assets reclassified to consolidated statement of income	(43,112)	(34,147)
Reclassification of gain recognised in the consolidated statement of income	-	(8,461)
Net gain on available- for-sale financial assets`	<u>(72,371)</u>	<u>616,298</u>
Share of revaluation reserve of revaluation reserve of equity accounted investees	<u>403</u>	<u>336</u>
<b>Other comprehensive (loss) income for the period</b>	<u>(71,968)</u>	<u>616,634</u>

**18 DIVIDENDS**

At the General Assembly held on 25 March 2015, the shareholders approved a cash dividend of QR 0.40 per share totaling to QR 1,060,999 thousand for the year ended 2014 (2013:QR 0.31 per share totaling to QR 822,274 thousand for the year ended 2013).

**19 LEGAL RESERVE**

In accordance with the requirements of the Qatar Commercial Companies Law No. 5 of 2002, and the Company's Article of Association, a minimum of 10% of the annual profit should be transferred to legal reserve until the reserve equals 50% of the share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the Company's Article of Association.

No transfer has been made for the three months period ended 31 March 2015 as the Group will transfer the total required amount by 31 December 2015.

**20 CONTINGENT LIABILITIES**

The Group had the following contingent liabilities from which it is anticipated that no material liabilities will arise.

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Bank guarantees	<u>9,687</u>	<u>9,687</u>
Letters of credits	<u>8,875</u>	<u>8,875</u>

**21 FINANCIAL INSTRUMENTS****Fair values**

Set out below is a comparison of the carrying amounts and fair value of the Group's financial instruments as at 31 March 2015 and 31 December 2014:

	<i>Carrying amounts</i>		<i>Fair values</i>	
	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
<b>Financial assets</b>				
Bank balances (excluding cash)	1,255,463	297,494	1,255,463	297,494
Receivables	54,337	54,900	54,337	54,900
Due from related parties	145,060	72,562	145,060	72,562
Available-for-sale financial assets	<u>5,155,128</u>	<u>5,190,446</u>	<u>5,155,128</u>	<u>5,190,446</u>
	<u>6,609,988</u>	<u>5,615,402</u>	<u>6,609,988</u>	<u>5,615,402</u>
<b>Financial liabilities</b>				
Payables and other liabilities	1,152,326	221,481	1,152,326	221,481
Due to a related party	3,075	56,106	3,075	56,106
Islamic financing borrowings	<u>13,494,085</u>	<u>12,809,634</u>	<u>13,494,085</u>	<u>12,809,634</u>
	<u>14,649,486</u>	<u>13,087,221</u>	<u>14,649,486</u>	<u>13,087,221</u>

**Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments 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 values are not based on observable market data.

**21 FINANCIAL INSTRUMENTS (CONTINUED)****Fair value hierarchy (continued)**

The following table shows an analysis of financial investments recorded at fair value by level of the fair value hierarchy:

<b>At 31 March 2015 (Reviewed)</b>	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Investment properties held for sale	-	-	289,592	289,592
Investment properties	-	-	34,335,771	34,335,771
Available for sale financial assets	5,155,128	-	-	5,155,128
<i>At 31 December 2014(Audited)</i>	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Investment properties held for sale	-	-	299,537	299,537
Investment properties	-	-	34,216,539	34,216,539
Available-for-sale financial assets	5,190,446	-	-	5,190,446

During the period /year ended 31 March 2015 and 31 December 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.

**22 SEGMENTAL INFORMATION**

For management purposes, the Group is divided into four operating segments which are based on business activities, as follows:

- Residential and commercial property : The segment includes developing, owning, trading and renting of real estates.
- Investments : The segment is engaged in investing activities including shares and bonds.
- Hotel & Suites : The segment includes managing hotels, suites, and restaurants.
- Malls : The segment includes management of malls.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

The following table presents revenues and expenses of the Group's operating segments for the periods ended 31 March 2015 and 31 March 2014.

<i>For the period ended 31 March 2015 (Reviewed)</i>	<i>Residential and commercial property</i> <i>QR'000</i>	<i>Investments</i> <i>QR'000</i>	<i>Hotel and suites</i> <i>QR'000</i>	<i>Malls</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
<i>Segment revenues</i>	288,428	311,601	70,535	26,613	697,177
<i>Segment expenses</i>	(147,717)	(40)	(18,430)	(8,497)	(174,684)
<i>Segment profit</i>	140,711	311,561	52,105	18,116	522,493

**22 SEGMENTAL INFORMATION (CONTINUED)**

<i>For the period ended 31 March 2014 (Reviewed)</i>	<i>Residential and commercial property QR'000</i>	<i>Investments QR'000</i>	<i>Hotel and suites QR'000</i>	<i>Malls QR'000</i>	<i>Total QR'000</i>
<i>Segment revenues</i>	258,827	287,136	57,965	23,489	627,417
<i>Segment expenses</i>	<u>(144,378)</u>	<u>(108)</u>	<u>(15,066)</u>	<u>(7,192)</u>	<u>(166,744)</u>
<i>Segment profit</i>	<u>114,449</u>	<u>287,028</u>	<u>42,899</u>	<u>16,297</u>	<u>460,673</u>

The following table presents assets and liabilities information of the Group's operating segments as of 31 March 2015 and 31 December 2014.

	<i>Residential and commercial property QR'000</i>	<i>Investments QR'000</i>	<i>Hotel and suites QR'000</i>	<i>Malls QR'000</i>	<i>Total QR'000</i>
<b>SEGMENT ASSETS</b>					
As of 31 March 2015 (Reviewed)	<u><b>29,881,580</b></u>	<u><b>8,515,261</b></u>	<u><b>4,493,629</b></u>	<u><b>1,548,825</b></u>	<u><b>44,439,295</b></u>
As of 31 December 2014 (Audited)	<u>28,973,097</u>	<u>8,367,942</u>	<u>4,502,327</u>	<u>1,549,474</u>	<u>43,392,840</u>
<b>SEGMENT LIABILITIES</b>					
As of 31 March 2015 (Reviewed)	<u><b>14,904,180</b></u>	<u>-</u>	<u><b>28,698</b></u>	<u><b>39,710</b></u>	<u><b>14,972,588</b></u>
As of 31 December 2014 (Audited)	<u>13,244,231</u>	<u>-</u>	<u>32,636</u>	<u>38,792</u>	<u>13,315,659</u>

**23 COMPARATIVE FIGURES**

Certain comparative figures in the interim condensed consolidated financial statements were reclassified to match with the current period's classification. However, such reclassifications did not have any effect on the interim consolidated net profit, or comprehensive income or the total consolidated equity for the comparative period / year.