

# FINANCIAL INFORMATION

## 31 DECEMBER 2011



### Consolidated Statement Of Financial Position

as at 31 December 2011

US\$ 000's

	31 December 2011	31 December 2010
<b>ASSETS</b>		
Cash and bank balances	3,820	3,770
Placements with financial institutions	3,001	56,868
Financing receivables	-	14,400
Investment in associates	230,442	224,847
Investment securities	220,265	248,794
Investment property	259,404	266,412
Other assets	108,913	203,150
<b>Total assets</b>	<b>825,845</b>	<b>1,018,241</b>
<b>LIABILITIES</b>		
Investors' funds	58,887	138,798
Placements from financial and other institutions	116,713	126,241
Financing liabilities	331,077	439,504
Other liabilities	83,882	195,535
<b>Total liabilities</b>	<b>590,559</b>	<b>900,078</b>
<b>Equity of investment account holders</b>	<b>1,898</b>	<b>1,880</b>
<b>OWNERS' EQUITY</b>		
Share capital	321,031	145,780
Treasury shares	(12,852)	(24,674)
Share premium	145,708	206,203
Statutory reserve	79,408	88,298
Accumulated losses	(301,687)	(302,068)
Other reserves	1,377	1,769
Investments fair value reserve	403	975
<b>Total owners' equity</b>	<b>233,388</b>	<b>116,283</b>
<b>Total liabilities, equity of investment account holders and owners' equity</b>	<b>825,845</b>	<b>1,018,241</b>

### Consolidated Income Statement

for the year ended 31 December 2011

US\$ 000's

	2011	2010
Income from investment banking services	4,320	5,032
Management and other fees	3,601	7,085
Income from placements with financial institutions	893	1,148
Income from financing	1,198	651
Share of profits /(losses) from investment in associates	2,595	(11,729)
Income / (loss) from investment securities	11,841	(1,380)
Net foreign exchange gain / (loss)	2,120	(426)
Other income, net	44,810	7,300
<b>Total income</b>	<b>71,378</b>	<b>7,681</b>
Staff cost	10,513	17,635
Investment advisory expenses	6,000	6,990
Finance expense	30,501	50,035
Other expenses	15,863	25,781
<b>Total expenses</b>	<b>62,877</b>	<b>100,441</b>
<b>Profit / (loss) before provision for impairment</b>	<b>8,501</b>	<b>(92,760)</b>
Impairment allowances	(8,120)	(256,119)
<b>Profit / (loss) for the year from continuing operations</b>	<b>381</b>	<b>(348,879)</b>
<b>Discontinued operations</b>		
Loss from discontinued operations	-	(522)
<b>Profit / (loss) for the year</b>	<b>381</b>	<b>(349,401)</b>
<b>Basic and Diluted Earnings per share (US cents)</b>		
Continuing operations	0.04	(76.84)
Discontinued operations	-	(0.11)

The financial statements were approved by the Board of Directors on 28 February 2012 and signed on its behalf by:

**Esam Yousif A. Janahi**  
Chairman

**Mosabah Saif Al Mautairy**  
Director

These statements have been extracted from the financial information for the year ended 31 December 2011 which were audited by KPMG.

### Consolidated Statement Of Changes In Owners' Equity

for the year ended 31 December 2011

US\$ 000's

2011	Share Capital	Treasury shares	Share premium	Statutory reserve	Accumulated losses	Investments fair value reserve	Other reserves	Total
Balance at 1 January 2011	145,780	(24,674)	206,203	88,298	(302,068)	975	1,769	116,283
Profit for the year	-	-	-	-	381	-	-	381
Changes in fair value of investment securities	-	-	-	-	-	(572)	-	(572)
Conversion of Murabaha to share capital	175,251	-	(60,495)	-	-	-	(253)	114,503
Share grants vesting expense, net of forfeitures	-	-	-	-	-	-	(139)	(139)
Sale of treasury shares	-	11,822	-	-	-	-	-	11,822
Loss on sale of treasury shares	-	-	-	(8,890)	-	-	-	(8,890)
<b>Balance at 31 December 2011</b>	<b>321,031</b>	<b>(12,852)</b>	<b>145,708</b>	<b>79,408</b>	<b>(301,687)</b>	<b>403</b>	<b>1,377</b>	<b>233,388</b>
2010	Share Capital	Treasury shares	Share premium	Statutory reserve	Accumulated losses	Investments fair value reserve	Other reserves	Total
Balance at 1 January 2010	604,079	(52,371)	202,316	106,700	(432,677)	975	4,300	433,322
Loss for the year	-	-	-	-	(349,401)	-	-	(349,401)
Conversion of Murabaha to share capital	21,711	-	3,922	-	-	-	(633)	25,000
Adjustment of accumulated losses against share capital	(480,010)	-	-	-	480,010	-	-	-
Share issue expenses	-	-	(35)	-	-	-	-	(35)
Share grants vesting expense, net of forfeitures	-	-	-	-	-	-	(1,898)	(1,898)
Sale of treasury shares	-	27,697	-	-	-	-	-	27,697
Loss on sale of treasury shares	-	-	-	(18,402)	-	-	-	(18,402)
<b>Balance at 31 December 2010</b>	<b>145,780</b>	<b>(24,674)</b>	<b>206,203</b>	<b>88,298</b>	<b>(302,068)</b>	<b>975</b>	<b>1,769</b>	<b>116,283</b>

### Consolidated Statement of Cash Flows

for the year ended 31 December 2011

US\$ 000's

	2011	2010
<b>OPERATING ACTIVITIES</b>		
Proceeds from investment banking services	-	5,032
Placements with / received from financial institutions (more than 90 days), net	(7,145)	(22,643)
Cash receipts from water park operations	-	4,902
Disbursement for projects, net	(2,975)	(12,424)
Receipts from financing receivables	450	-
Investors' funds paid, net	(3,566)	(40,726)
Management fees received	343	7,085
Income from placements and financing received	893	1,597
Payments for expenses and project costs	(20,434)	(63,917)
<b>Cash used in operating activities</b>	<b>(32,434)</b>	<b>(121,094)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities	-	(6,882)
Advance for acquisition of investment securities	(3,770)	-
Proceeds from sale of available-for-sale investments	3,500	35,647
Proceeds from sale of investment in associates	-	40,000
Dividends received	4,860	2,230
Net cash flows from disposal of a subsidiary	-	(1,309)
Payments for acquisition of equipment	-	(116)
<b>Cash generated from investing activities</b>	<b>4,590</b>	<b>69,570</b>
<b>FINANCING ACTIVITIES</b>		
Financing liabilities, net	(1,045)	(180,449)
Proceeds from issue of ordinary shares	10,491	-
Finance expense paid	(23,001)	(40,350)
Payment for share issue expenses	(11,740)	-
Proceeds from sale of treasury shares	-	9,295
Cash paid to charitable organisations	(130)	(631)
Dividends paid	(548)	(262)
Payments to investment account holders, net	-	(993)
<b>Cash used in financing activities</b>	<b>(25,973)</b>	<b>(213,390)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(53,817)</b>	<b>(264,914)</b>
Cash and cash equivalents at 1 January	60,638	325,552
<b>CASH AND CASH EQUIVALENTS at 31 December</b>	<b>6,821</b>	<b>60,638</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	3,820	3,770
Placements with financial institutions	3,001	56,868
	<b>6,821</b>	<b>60,638</b>