

**MAZAYA QATAR REAL ESTATE  
DEVELOPMENT Q.S.C  
DOHA - QATAR**

**INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE MONTH PERIOD ENDED  
MARCH 31, 2010 TOGETHER WITH INDEPENDENT  
AUDITOR'S REVIEW REPORT**

**MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C**

**INTERIM CONDENSED FINANCIAL STATEMENTS**

**FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010**

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**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To The shareholders'  
Mazaya Qatar Real Estate Development Q.S.C.  
Doha - Qatar**

***Introduction***

We have reviewed the accompanying interim condensed financial statements of Mazaya Qatar Real Estate Development (Q.S.C), (the "Company") which comprise the interim Statement of Financial Position as of March 31, 2010 and statement of comprehensive income, statements of changes in shareholders' equity and cash flows for the three month period then ended, and selected explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standard: IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed financial statements based on our review. The statements of comprehensive income, changes in Shareholders' equity and the interim condensed cash flows were not reviewed for the three months period then ended March 31, 2009 and they are presented for the comparison purpose only.

***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 condensed financial statements consists of making inquiries, primarily of persons responsible for the 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 financial statements are not prepared, in all material respects, in accordance with International Accounting Standard No. (34), "Interim Financial Reporting".

For **Deloitte & Touche**

**Doha - Qatar  
April 28, 2010**

**Midhat Salha  
License No. 257**

**MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C**

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**

AS OF MARCH 31, 2010

	<b>Note</b>	<b>March 31, 2010 (Reviewed) QR.</b>	<b>December 31, 2009 (Audited) QR.</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and bank balances	3	<b>686,255,765</b>	240,976,438
Accounts Receivable		<b>1,177,204</b>	1,824,924
Wakala Investment	4	<b>65,000,000</b>	65,000,000
Prepayments and other debit balances	5	<b>4,653,305</b>	5,758,699
Due from related parties	6	<b>20,599,987</b>	15,391,015
<b>Total Current Assets</b>		<b><u>777,686,261</u></b>	<u>328,951,076</u>
<b>Non-Current Assets</b>			
Available for sale investments	7	<b>21,212,139</b>	21,212,139
Property and equipment		<b>1,370,500</b>	1,312,355
Investment properties		<b>233,275,303</b>	176,351,093
<b>Total Non-Current Assets</b>		<b><u>255,857,942</u></b>	<u>198,875,587</u>
<b>Total Assets</b>		<b><u>1,033,544,203</u></b>	<u>527,826,663</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable		<b>10,958,544</b>	10,946,187
Accruals and other credit balances		<b>1,423,143</b>	794,543
<b>Total Current Liabilities</b>		<b><u>12,381,687</u></b>	<u>11,740,730</u>
<b>Non- Current Liabilities</b>			
Employees' end of service benefits		<b>526,093</b>	422,221
<b>Total Liabilities</b>		<b><u>12,907,780</u></b>	<u>12,162,951</u>
<b>Shareholders' Equity</b>			
Share capital	8	<b>1,000,000,000</b>	500,000,000
Legal reserve		<b>2,063,642</b>	1,566,371
Retained earnings		<b>18,572,781</b>	14,097,341
<b>Total Shareholders' Equity</b>		<b><u>1,020,636,423</u></b>	<u>515,663,712</u>
<b>Total Liabilities and Shareholders' Equity</b>		<b><u>1,033,544,203</u></b>	<u>527,826,663</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

**MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C**

**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010**

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	<b>Note</b>	<b>March 31, 2010 (Reviewed) QR.</b>	<b>March 31, 2009 (Not Reviewed) QR.</b>
Income from deposits with banks and Islamic financial institutions		<b>3,247,789</b>	4,916,093
Consulting Income	6	<b>5,000,000</b>	--
General and administrative expenses	9	<b>(2,655,674)</b>	(2,613,892)
Depreciation		<b>(119,404)</b>	(102,276)
Management fees		<b>(500,000)</b>	(997,260)
<b>Net profit for the period</b>		<b>4,972,711</b>	1,202,665
Other comprehensive income		--	--
<b>Total comprehensive income</b>		<b>4,972,711</b>	1,202,665

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

**MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C****INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010

	<u>Capital</u>	<u>Legal Reserve</u>	<u>Retained Earnings</u>	<u>Total</u>
	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>
<b>Balance as at January 1, 2009 ( Audited)</b>	<b>500,000,000</b>	<b>1,522,279</b>	<b>13,700,507</b>	<b>515,222,786</b>
Comprehensive income	--	--	1,202,665	1,202,665
Transferred to legal reserve	--	120,267	(120,267)	--
<b>Balance as of March 31, 2009 ( Not Reviewed)</b>	<b>500,000,000</b>	<b>1,642,546</b>	<b>14,782,905</b>	<b>516,425,451</b>
<b>Balance as at January 1, 2010 (Audited)</b>	<b>500,000,000</b>	<b>1,566,371</b>	<b>14,097,341</b>	<b>515,663,712</b>
Capital contribution	500,000,000	--	--	500,000,000
Comprehensive income	--	--	4,972,711	4,972,711
Transferred to legal reserve	--	497,271	(497,271)	--
<b>Balance as of March 31, 2010( Reviewed)</b>	<b>1,000,000,000</b>	<b>2,063,642</b>	<b>18,572,781</b>	<b>1,020,636,423</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

**MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C**

**INTERIM CONDENSED STATEMENT OF CASH FLOWS**

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010

	<b>March 31, 2010 (Reviewed) QR.</b>	<b>March 31, 2009 (Not Reviewed) QR.</b>
<b>OPERATING ACTIVITIES</b>		
Profit for the period	4,972,711	1,202,665
Adjustments for:		
Depreciation expense	119,404	102,276
Provision for employees' end of service benefits	103,872	51,720
	<u>5,195,987</u>	<u>1,356,661</u>
Accounts receivable	647,720	(429,161)
Prepayments and other debit balances	1,105,394	(1,561,556)
Due from related parties	(5,208,972)	11,500
Accounts payable	12,357	--
Accruals and other credit balances	628,600	40,463
<b>Net cash generated from / (used in) operating activities</b>	<u>2,381,086</u>	<u>(582,093)</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(177,549)	(189,475)
Purchases of investment properties	(56,924,210)	--
Wakala Investment	--	52,521,569
<b>Net cash (used in) / generated from investing activities</b>	<u>(57,101,759)</u>	<u>52,332,094</u>
<b>FINANCING ACTIVITIES</b>		
Capital contribution	500,000,000	--
<b>Net cash generated from financing activities</b>	<u>500,000,000</u>	<u>--</u>
<b>Net increase in cash and bank balances</b>	<b>445,279,327</b>	<b>51,750,001</b>
Cash and bank balances – beginning of the period	<u>240,976,438</u>	<u>71,624,206</u>
<b>Cash and bank balances – end of the period</b>	<u>686,255,765</u>	<u>123,374,207</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

# MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010

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### 1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

Mazaya Qatar Real Estate Development Q.S.C (the "Company") is a Qatari Public shareholding Company, incorporated in Qatar on February 12, 2008. The company is registered under commercial registration number 38173.

The company's principal activity is investments, real estate development, preparation of studies, real estate consultancy and other related works.

During the period, the Company made an offering of 50 million shares of the authorized capital by an amount of QR 10 per share; the IPO was closed on January 30, 2010 and was fully covered.

### 2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

These condensed interim financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting". The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2009, except for the adoption of certain revised standards which are effective as of January 1, 2010.

Adoption of these standards did not have any material effect on the financial position or performance of the Company other than certain presentation changes. These interim condensed financial statements should be read in conjunction with the 2009 annual financial statements and notes attached thereto.

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the three month ended March 31, 2010 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2010.

### 3. CASH AND BANK BALANCES

	<b>March 31, 2010 (Reviewed)</b>	December 31, 2009 (Audited)
	<b>QR.</b>	QR.
Cash at Banks	<b>10,000</b>	10,000
Call accounts	<b>18,751,957</b>	15,392,844
Current accounts	<b>993,808</b>	2,573,594
Bank deposits	<b>666,500,000</b>	223,000,000
<b>Total</b>	<b>686,255,765</b>	240,976,438



# MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010

### 4. WAKALA INVESTMENT

During the year 2009, the company entered into Wakala Investments agreements amounting to 65 million Qatari Riyal with Kuwaiti Investment Company through Investment House Company as an agency. Due to the financial situation of the investment company, they were not able to pay the invested amount together with the accrued profits on due date, noting that the company has taken all the necessary legal procedures to collect the money, and got the right to confiscate the assets of the Kuwaiti company. The opinion of management that the company will recover the carrying value of these investments without incurring any losses resulting from non-collection.

### 5. PREPAYMENTS AND OTHER DEBIT BALANCES

	<b>March 31, 2010 (Reviewed)</b>	December 31, 2009 (Audited)
	<b>QR.</b>	QR.
Accrued revenue from bank deposits	<b>3,824,302</b>	4,921,290
Due from staff	<b>232,542</b>	265,167
Prepaid expenses	<b>596,461</b>	572,242
<b>Total</b>	<b>4,653,305</b>	5,758,699

### 6. RELATED PARTIES

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

At the reporting date, amounts due from / to related parties are separately presented in the statements of financial position.

	<b>March 31, 2010 (Reviewed)</b>	December 31, 2009 (Audited)
	<b>QR.</b>	QR.
<b>(a) Due from related parties</b>		
Mazaya Lebanon	<b>14,116,569</b>	9,120,419
Mazaya Holding Company	<b>6,483,418</b>	6,270,596
	<b>20,599,987</b>	15,391,015
	<b>March 31, 2010 (Reviewed)</b>	March 31, 2009 (Not Reviewed)
	<b>QR.</b>	QR.
<b>(b) Transactions with related parties</b>		
Consulting income	<b>5,000,000</b>	--
Management fees	<b>500,000</b>	997,260

**MAZAYA QATAR REAL ESTATE DEVELOPMENT Q.S.C****NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010

**7. AVAILABLE FOR SALE INVESTMENTS**

	<b>March 31, 2010 (Reviewed) QR.</b>	<b>December 31, 2009 (Audited) QR.</b>
Nishan Investment and Real Estate Development Company	<b>21,000,000</b>	21,000,000
Mazaya Lebanon	<b>12,139</b>	12,139
Qortuba Investment Properties Company	<b>200,000</b>	200,000
	<b><u>21,212,139</u></b>	<u>21,212,139</u>

**8. SHARE CAPITAL**

	<b>March 31, 2010 (Reviewed) QR.</b>	<b>December 31, 2009 (Audited) QR.</b>
Authorized share capital: 1,000,000 shares with value of QR.10 per share	<b><u>1,000,000,000</u></b>	<u>1,000,000,000</u>
Issued and fully paid: 100 Million shares (2009: 50 Million) with value of QR.10 per share	<b><u>1,000,000,000</u></b>	<u>500,000,000</u>

**9. GENERAL AND ADMINISTRATIVE EXPENSES**

	<b>March 31, 2010 (Reviewed) QR.</b>	<b>March 31, 2009 (Not Reviewed) QR.</b>
Staff costs	<b>1,830,825</b>	761,186
Office rent	<b>195,903</b>	186,576
Legal and professional charges	<b>--</b>	135,000
Donations	<b>--</b>	1,127,747
Others	<b>628,946</b>	403,383
	<b><u>2,655,674</u></b>	<u>2,613,892</u>