

**QATARI INVESTORS GROUP Q.S.C.  
DOHA – QATAR**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REVIEW REPORT  
FOR THE SIX MONTH PERIOD ENDED  
JUNE 30, 2014**

**QATARI INVESTORS GROUP Q.S.C.**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT  
AUDITOR'S REVIEW REPORT**

For the six month period ended June 30, 2014

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**QR. 21398**

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

**To The Board of Directors  
Qatari Investors Group Q.S.C.  
Doha – Qatar**

### ***Introduction***

We have reviewed the accompanying interim condensed consolidated financial position of Qatari Investors Group Q.S.C. (the "Company") and its subsidiaries (together referred to as the "Group") as of June 30, 2014 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six month period then ended and related explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard No. 34: "Interim Financial Reporting". 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 International Accounting Standard No.34: "Interim Financial Reporting".

***Other matters***

The interim condensed consolidated financial statements for the six month period ended June 30, 2013 and the consolidated financial statements for the year ended December 31, 2013 were reviewed and audited respectively by another auditor, whose review report dated August 4, 2013 and audit report dated February 9, 2014 expressed an unmodified review conclusion and an unqualified audit opinion on those consolidated financial statements respectively.

**Doha - Qatar  
July 22, 2014**

**For Deloitte & Touche  
Qatar Branch**

**Muhammad Bahemia  
Partner  
License No. 103**

**QATARI INVESTORS GROUP Q.S.C.****INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at June 30, 2014

	<u>Notes</u>	<b>June 30, 2014 (Reviewed) QR.</b>	December 31, 2013 (Audited) QR.
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill		<b>314,457,585</b>	314,457,585
Intangible assets	<b>8</b>	<b>3,014,228</b>	3,014,228
Property, plant and equipment	<b>9</b>	<b>1,953,474,569</b>	1,921,969,108
Investment properties	<b>10</b>	<b>598,284,525</b>	495,492,613
Equity accounted investments		<b>43,609,954</b>	48,758,844
Available-for-sale investments	<b>11</b>	<b>3,670,649</b>	3,949,358
<b>Total non-current assets</b>		<b><u>2,916,511,510</u></b>	<u>2,787,641,736</u>
<b>Current assets</b>			
Inventories	<b>6</b>	<b>118,696,899</b>	131,134,866
Accounts receivable		<b>154,466,857</b>	146,195,265
Due from related parties		<b>879,967</b>	870,500
Advances to suppliers		<b>116,008,073</b>	118,424,649
Gross amount due from customers for contract works		<b>6,318,845</b>	6,361,317
Prepayments and other receivables	<b>7</b>	<b>9,787,308</b>	12,844,320
Cash and bank balances	<b>5</b>	<b>334,022,813</b>	399,203,447
<b>Total current assets</b>		<b><u>740,180,762</u></b>	<u>815,034,364</u>
<b>Total assets</b>		<b><u><u>3,656,692,272</u></u></b>	<u><u>3,602,676,100</u></u>

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

**QATARI INVESTORS GROUP Q.S.C.****INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at June 30, 2014

	<b>Notes</b>	<b>June 30, 2014 (Reviewed) QR.</b>	<b>December 31, 2013 (Audited) QR.</b>
<b>EQUITY</b>			
Share capital		1,243,267,780	1,243,267,780
Legal reserve		520,218,378	520,218,378
Fair value reserve		(1,316,306)	(1,037,597)
Retained earnings		401,882,909	282,392,641
Proposed dividends		--	93,245,084
<b>Total equity</b>		<b>2,164,052,761</b>	<b>2,138,086,286</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings - long term portion	12	1,119,029,171	1,125,298,249
Employee's end of service benefits		6,089,781	5,146,192
<b>Total non-current liabilities</b>		<b>1,125,118,952</b>	<b>1,130,444,441</b>
<b>Current liabilities</b>			
Borrowings – short term portion	12	91,113,147	37,201,817
Notes payable		369,928	3,927,850
Accounts payable		56,859,915	36,675,105
Due to related parties		164,697	164,697
Accruals and other liabilities		156,649,585	193,812,617
Retention payable		62,363,287	62,363,287
<b>Total current liabilities</b>		<b>367,520,559</b>	<b>334,145,373</b>
<b>Total liabilities</b>		<b>1,492,639,511</b>	<b>1,464,589,814</b>
<b>Total equity and liabilities</b>		<b>3,656,692,272</b>	<b>3,602,676,100</b>

These interim condensed consolidated financial statements were approved by the Board of Directors on July....., 2014 and signed on its behalf by:

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Mr. Abdulla Bin Nasser Al Misnad  
Chairman

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

**QATARI INVESTORS GROUP Q.S.C.****INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME**

For the six month period ended June 30, 2014

	<u>Notes</u>	<b>For the six month period ended June 30,</b>	
		<b>2014</b>	<b>2013</b>
		<b>(Reviewed)</b>	<b>(Reviewed)</b>
		<b>QR.</b>	<b>QR.</b>
<b>Operating income</b>			
Revenue		<b>282,444,618</b>	227,842,519
Contract and service income		<b>18,914,128</b>	41,501,858
		<b>301,358,746</b>	269,344,377
<b>Operating cost</b>		<b>(141,730,505)</b>	(122,753,345)
<b>Gross profit</b>		<b>159,628,241</b>	146,591,032
Income from short-term deposits and savings		<b>673,141</b>	964,044
Income from equity accounted investments		<b>9,069,643</b>	14,319,407
Investment income		<b>392,360</b>	315,591
Rental income		<b>1,908,681</b>	1,179,681
Other income		<b>1,644,334</b>	1,845,051
Finance cost		<b>(18,863,209)</b>	(18,763,541)
General, administrative and selling expenses		<b>(33,674,790)</b>	(33,871,153)
Movement in fair value of investment properties		<b>(1,288,133)</b>	(1,288,134)
<b>Profit for the period</b>		<b>119,490,268</b>	111,291,978
<b>Basic and diluted earnings per share</b>	<b>13</b>	<b>0.96</b>	<b>0.90</b>

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

**QATARI INVESTORS GROUP Q.S.C.****INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the six month period ended June 30, 2014

		<b>For the six month period ended June 30,</b>	
	<b>Note</b>	<b>2014 (Reviewed) QR.</b>	<b>2013 (Reviewed) QR.</b>
<b>Profit for the period</b>		<b>119,490,268</b>	111,291,978
<b>Other comprehensive income</b>			
Movement in fair value of available-for-sale investments	<b>11</b>	<b>(278,709)</b>	341,438
<b>Total comprehensive income for the period</b>		<b>119,211,559</b>	<b>111,633,416</b>

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



**QATARI INVESTORS GROUP Q.S.C.****INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the six month period ended June 30, 2014

	<u>Capital</u>	<u>Legal reserve</u>	<u>Fair value reserve</u>	<u>Retained earnings</u>	<u>Proposed dividends</u>	<u>Total</u>
	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>
Balance as at January 1, 2013 (Audited)	1,243,267,780	498,151,271	(1,262,865)	182,550,539	93,245,084	2,015,951,809
Total comprehensive income for the period	--	--	341,438	111,291,978	--	111,633,416
Dividend paid	--	--	--	--	(93,245,084)	(93,245,084)
Balance as at June 30, 2013 (Reviewed)	<u>1,243,267,780</u>	<u>498,151,271</u>	<u>(921,427)</u>	<u>293,842,517</u>	<u>--</u>	<u>2,034,340,141</u>
Balance as at January 1, 2014 (Audited)	1,243,267,780	520,218,378	(1,037,597)	282,392,641	93,245,084	2,138,086,286
Total comprehensive income for the period	--	--	(278,709)	119,490,268	--	119,211,559
Dividend paid	--	--	--	--	(93,245,084)	(93,245,084)
<b>Balance as at June 30, 2014 (Reviewed)</b>	<u><b>1,243,267,780</b></u>	<u><b>520,218,378</b></u>	<u><b>(1,316,306)</b></u>	<u><b>401,882,909</b></u>	<u><b>--</b></u>	<u><b>2,164,052,761</b></u>

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

**QATARI INVESTORS GROUP Q.S.C.****INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the six month period ended June 30, 2014

	<b>For the six month period ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
	<b>QR.</b>	<b>QR.</b>
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	<b>119,490,268</b>	111,291,978
Adjustments for:		
Depreciation	<b>29,983,278</b>	29,437,798
Movement in fair value of investment properties	<b>1,288,133</b>	1,288,134
Accrued finance cost	<b>20,889,175</b>	18,061,451
Share of profit from equity accounted investments	<b>(9,069,643)</b>	(14,319,408)
Gain from sales of property, plant and equipment	<b>--</b>	(8,304)
Employees' end of service benefits	<b>1,201,570</b>	2,037,829
	<b>163,782,781</b>	147,789,478
<b>Movement in working capital :</b>		
Accounts receivables	<b>(8,271,592)</b>	20,639,934
Due from related parties	<b>(9,467)</b>	(185,692)
Advances to suppliers	<b>2,416,576</b>	4,545,734
Gross amount due from customers for contract work	<b>42,472</b>	(79,305)
Inventories	<b>12,437,967</b>	(63,026,545)
Prepayments and other receivables	<b>3,057,012</b>	7,223,142
Accounts payable	<b>20,184,810</b>	9,261,746
Accruals and other liabilities	<b>(37,163,032)</b>	(2,033,074)
Retention payable	<b>--</b>	(267,738)
Notes payable	<b>(3,557,922)</b>	(6,518,426)
Gross amount due to customers for contract works	<b>--</b>	(4,259,566)
<b>Cash generated from operations</b>	<b>152,919,605</b>	113,089,688
Employees' end of service benefits paid	<b>(257,981)</b>	(902,300)
<b>Net cash from operating activities</b>	<b>152,661,624</b>	112,187,388
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	<b>(61,488,739)</b>	(10,926,838)
Acquisition of investment properties	<b>(104,080,045)</b>	--
Additions of investments in associates	<b>(102,000)</b>	(1,100,000)
Proceeds from sales of property, plant and equipment	<b>--</b>	378,680
Dividend received from associates	<b>14,320,533</b>	15,520,958
<b>Net cash (used in) / from investing activities</b>	<b>(151,350,251)</b>	3,872,800

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

**QATARI INVESTORS GROUP Q.S.C.****INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the six month period ended June 30, 2014

	<b>For the six month period ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
	<b>QR.</b>	<b>QR.</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowings	<b>61,489,900</b>	33,354,812
Repayment of borrowings	<b>(34,736,823)</b>	(27,861,454)
Dividend paid	<b>(93,245,084)</b>	(93,245,084)
<b>Net cash used in financing activities</b>	<b>(66,492,007)</b>	<b>(87,751,726)</b>
(Decrease) / increase in cash and cash equivalents	<b>(65,180,634)</b>	28,308,462
Cash and cash equivalents at the beginning of the period	<b>399,203,447</b>	268,018,130
<b>Cash and cash equivalents at the end of the period</b> (note 5)	<b>334,022,813</b>	<b>296,326,592</b>

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

## **QATARI INVESTORS GROUP Q.S.C.**

### **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

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#### **1. INCORPORATION AND ACTIVITIES**

Qatari Investors Group Q.S.C. (“the Company”) is a Qatari Shareholding Company incorporated in the state of Qatar on 4 May 2006 under commercial registration No. 32831. The Company is governed by the provisions of the Qatar commercial Companies law No. (5) of 2002 and its articles of association.

The Company is primarily engaged in investing in shares and other financial instruments, managing and providing support to its subsidiaries, ownership, leasing of patent, trademarks and investment properties. The Company is also engaged in setting up factories, importing and exporting cement, trading and contracting and real estate.

The accompanying interim condensed consolidated financial statements comprise the financial statements of the Company and of its wholly owned subsidiaries (collectively, the “Group”)

#### **2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

##### **Statement of compliance**

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting under the historical cost convention, except for certain financial instruments which have been stated at fair value. They do not include all the information and disclosures required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2013.

In addition, results for the six-month period ended June 30, 2014 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2014.

The interim condensed consolidated financial statements are prepared in Qatari Riyal (“QR”), which is the Group’s functional and presentation currency.

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 December 31, 2013 except for the adoption of new standards and interpretations effective as of January 1, 2014.

In the current financial year, the Group has adopted certain amendments, new and revised standards and interpretations, which are mainly:

IAS 39	Amendments to IAS 32: Financial Instruments: recognition and measurement relating to novation.
IFRS 10, 11 and 12	Amendments to IFRS 10, 11, 12 and IAS 27 relating to Investment Entities.
IAS 27	Amendment relating to Investment Entities.
IAS 32	Amendments to IAS 32: Financial Instruments: Presentation relating to offsetting financial assets and financial liabilities.
IFRIC 21	Levies.

The adoption of these new / revised standards and interpretations did not have any impact on the financial position or financial performance of the Group as at and for the six month period ended June 30, 2014.

**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

In preparing these financial statements, Management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2013.

## QATARI INVESTORS GROUP Q.S.C.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2014

#### 4. SUBSIDIARIES

The Company owns 100% of the beneficial interest and controls the following entities, (collectively known as the “Group”) as at June 30, 2014.

<u>Name of Subsidiary</u>	<u>Place of incorporation</u>	<u>Ownership interest</u>	<u>Principal Activity</u>
QIG Properties S.P.C.	Qatar	100%	Real estate
QIG Projects Development S.P.C.	Qatar	100%	Industry equipment works
QIG Global Company S.P.C.	Qatar	100%	International companies representation
QIG Industry Company S.P.C.	Qatar	100%	Industrials enterprises (Mechanical – Engineering)
QIG Marine Services Company S.P.C.	Qatar	100%	Marine services and shipping
QIG Technology Company S.P.C.	Qatar	100%	Information technology services
QIG Financial Services S.P.C.	Qatar	100%	Financial services
QIG Trading Company S.P.C.	Qatar	100%	International companies representation

The list above includes entities holding investments in other subsidiaries controlled by the Group.

#### 5. CASH AND BANK BALANCES

	<b>June 30, 2014 (Reviewed)</b>	December 31, 2013 (Audited)
	<b>QR.</b>	QR.
Cash on hand	<b>116,156</b>	152,746
Bank balances:		
Current accounts	<b>213,272,292</b>	150,032,402
Saving accounts	<b>16,009,518</b>	20,094,110
Term deposits	<b>80,000,000</b>	200,000,000
	<b>309,397,966</b>	370,279,258
Restricted cash / Margin deposits	<b>24,624,847</b>	28,924,189
<b>Total cash and bank balances</b>	<b>334,022,813</b>	399,203,447

Short term deposits and saving accounts in various banks earn effective rates of return of 1.5%. These short term deposits and saving accounts have original maturity period of 1 to 3 month.

**QATARI INVESTORS GROUP Q.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

**6. INVENTORIES**

	<b>June 30, 2014 (Reviewed) QR.</b>	December 31, 2013 (Audited) QR.
Finished goods	<b>3,385,781</b>	3,356,202
Semi-finished goods	<b>53,602,597</b>	63,515,249
Raw material	<b>23,726,774</b>	31,772,672
Spare parts	<b>38,101,747</b>	32,610,743
Less: provision for slow moving and damaged inventory	<b>(120,000)</b>	(120,000)
	<b><u>118,696,899</u></b>	<u>131,134,866</u>

The movement in the provision for slow moving and damaged inventory was as follows:

	<b>June 30, 2014 (Reviewed) QR.</b>	December 31, 2013 (Audited) QR.
Opening balance	<b>120,000</b>	1,362,391
Reversed during the period / year	<b>--</b>	(1,242,391)
	<b><u>120,000</u></b>	<u>120,000</u>

**7. PREPAYMENTS AND OTHER RECEIVABLES**

	<b>June 30, 2014 (Reviewed) QR.</b>	December 31, 2013 (Audited) QR.
Due from staff	<b>553,047</b>	217,390
Refundable deposits	<b>1,630,454</b>	1,709,923
Prepayments	<b>1,432,945</b>	7,237,537
Deferred management fee	<b>3,270,010</b>	1,744,000
Accrued income	<b>1,840,665</b>	869,779
Others	<b>1,060,187</b>	1,065,691
	<b><u>9,787,308</u></b>	<u>12,844,320</u>

**QATARI INVESTORS GROUP Q.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

**8. INTANGIBLES**

	<b>June 30, 2014 (Reviewed) QR.</b>	December 31, 2013 (Audited) QR.
Balance as at January 1;	3,014,228	758,904
Additions during the period / year	--	2,255,324
Balance as at June 30 / Dec 31;	<u>3,014,228</u>	<u>3,014,228</u>

Intangible assets represent work in progress related to the installation of an ERP system.

**9. PROPERTY, PLANT AND EQUIPMENT**

	<b>June 30, 2014 (Reviewed) QR.</b>	December 31, 2013 (Audited) QR.
Opening net book value	1,921,969,108	1,970,248,242
Additions during the period / year	61,488,739	18,093,433
Disposals during the period / year	--	(1,287,441)
Depreciation for the period / year	<u>(29,983,278)</u>	<u>(65,085,126)</u>
Closing net book value	<u>1,953,474,569</u>	<u>1,921,969,108</u>

\*Depreciation charge for the period amounting to QR. 1,864,625 is included in General, administrative and selling expenses.

**10. INVESTMENT PROPERTIES**

	<b>June 30, 2014 (Reviewed) QR.</b>	December 31, 2013 (Audited) QR.
Net book value at January 1	495,492,613	494,818,875
Additions during the period / year	104,080,045	3,405,664
Carrying amount	599,572,658	498,224,539
Movement during the period / year	<u>(1,288,133)</u>	<u>(2,731,926)</u>
<b>Net book value at June 30/December 31</b>	<u>598,284,525</u>	<u>495,492,613</u>



**QATARI INVESTORS GROUP Q.S.C.**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

**11. AVAILABLE-FOR-SALE INVESTMENTS**

	<b>June 30, 2014 (Reviewed) QR.</b>	<b>December 31, 2013 (Audited) QR.</b>
<b>(a) Quoted investments</b>		
Original cost of quoted investments	2,727,051	2,727,051
Add: Fair value reserve ( See movement below)	<b>(1,316,306)</b>	<b>(1,037,597)</b>
	<b>1,410,745</b>	<b>1,689,454</b>
<b>(b) Unquoted investments</b>		
Opening cost of unquoted investments	2,259,904	2,259,904
Impairment losses	--	--
	<b>2,259,904</b>	<b>2,259,904</b>
<b>Total available-for-sales investments (a) +(b)</b>	<b>3,670,649</b>	<b>3,949,358</b>

*Movement in Fair value reserve of Quoted investments*

	<b>June 30, 2014 (Reviewed) QR.</b>	<b>December 31, 2013 (Audited) QR.</b>
At the beginning of the period / year	<b>(1,037,597)</b>	<b>(1,262,865)</b>
Net movement during the period / year	<b>(278,709)</b>	<b>225,268</b>
At the end of the period / year	<b>(1,316,306)</b>	<b>(1,037,597)</b>

**QATARI INVESTORS GROUP Q.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

**12. BORROWINGS**

	<b>June 30, 2014 (Reviewed)</b>	December 31, 2013 (Audited)
	<b>QR.</b>	QR.
LC Murabaha Loan (i)	<b>20,546,667</b>	37,201,817
Ijara Facility (ii)	<b>1,036,670,789</b>	1,018,039,403
International Murabaha Facility I (iii)	<b>124,757,947</b>	107,258,846
International Murabaha Facility II (iv)	<b>28,166,915</b>	--
	<b><u>1,210,142,318</u></b>	<b><u>1,162,500,066</u></b>
	<b>June 30, 2014 (Reviewed)</b>	December 31, 2013 (Reviewed)
	<b>QR.</b>	QR.
Classified as:		
Current portion	<b>91,113,147</b>	37,201,817
Non-current portion	<b><u>1,119,029,171</u></b>	<u>1,125,298,249</u>
	<b><u>1,210,142,318</u></b>	<b><u>1,162,500,066</u></b>

- (i) The Group entered into an agreement with a local bank whereby the bank will finance the import of raw materials with a limit of QR 100 million carrying profit rate of 4% per annum. The loan is repayable in seven monthly instalments with a grace period of five month from the date of development of letter of credit. A similar agreement exists for the import of equipment with a limit of QR 22.8 million carrying profit rate of 4.5% per annum.
- (ii) In January 2013, the Group entered into a new Ijara loan refinance agreement with local bank to settle the previous facilities and finance the capital requirements of the cement factory. The profit rate of Ijara facility are as follows (a) in the grace period of first two years - 3.75% per annum, (b) next two years after grace period - 4% per annum, and (c) the remaining period - 4.5% per annum. The loan is repayable in 36 equal quarterly instalments starting after 24 months from January 2013. The credit facilities are secured by a possessory mortgage over the cement factory, special power of attorney issued by the Company in favour of the bank, assignment of all current and future revenue proceeds of the cement factory and three corporate guarantees from the Company, Qatar Investor Group S.P.C. and QIG Industries Company S.P.C. (subsidiary companies). The comprehensive risk insurance policy for the factory premises is endorsed in favour of the bank.

**QATARI INVESTORS GROUP Q.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

**12. BORROWINGS (CONTINUED)**

- (iii) In November 2013, the Group contracted an international Murabaha facility with local bank (mentioned under (ii)) to finance the Company's new production line - Cement for a total facility amount of QR 709 million, out of which QR 107 million was withdrawn in 2013 and QR 15 million in June, 2014. The drawdown period of said facility is 24 months starting December 2013. After the expiry of drawdown period, the facility will be converted into an Ijara facility (independent from the facility mentioned under (ii)) with a limit of QR 763 million subject to a profit rate of 4% per annum for the first two years and 4.5% for the remaining years. The credit facility is secured by an extension of the existing possessory pledge over the cement plant and by the corporate guarantees from Qatari Investors Group Q.S.C. and QIG Industries Company S.P.C.
- (iv) In October 2013, the Group also contracted an international Murabaha facility with local bank to finance the Company's purchase of new investment properties for a total facility amount of QR. 200 million, of which QR 28 million has been withdrawn in April 2014. The drawdown period of said facility is 24 months starting October 2013. The facility is subject to a profit rate of 4% per annum for the first two years and 4.5% for the remaining facility tenure. The credit facility is secured by pledge over certain investment properties and corporate guarantees from Qatari Investors Group Q.S.C.

**13. BASIC AND DILUTED EARNINGS PER SHARE**

	<b>For the six month period ended June 30,</b>	
	<b>2014</b>	2013
	<b>(Reviewed)</b>	(Reviewed)
	<b>QR.</b>	QR.
Profit for the period (QR.)	<b>119,490,268</b>	111,291,978
Weighted average number of shares (in numbers)	<b>124,326,778</b>	124,326,778
Basic and diluted earnings per share (QR.)	<b>0.96</b>	0.90

The basic and diluted earnings per share for the period are the same as there are no diluted effects on earnings.

**14. CONTINGENT LIABILITIES**

	<b>June 30, 2014</b>	December 31, 2013
	<b>(Reviewed)</b>	(Audited)
	<b>QR.</b>	QR.
Letters of guarantees	<b>7,883,446</b>	9,782,365
Letters of credit	<b>35,240,246</b>	14,523,084
Guarantee Cheques	<b>13,064,782</b>	13,064,782
Capital Commitments towards the construction of cement factory	<b>555,060,988</b>	602,386,020

**QATARI INVESTORS GROUP Q.S.C.**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

**15 SEGMENT INFORMATION**

The Company and its subsidiaries are organized into six main business segments and operate only in Qatar. Details of each segment as of and for the six month period ended June 30, 2014 are stated below:

	<b>Industrial &amp; Cement</b>	<b>Contracting and engineering</b>	<b>Investment</b>	<b>Real estate investment</b>	<b>Marine and aviation</b>	<b>Trading</b>	<b>Other segments</b>	<b>Total</b>	<b>Eliminations</b>	<b>Total</b>
	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>
<b>As of June 30, 2014</b>										
<b>Total assets</b>	<u>4,573,305,968</u>	<u>162,329,549</u>	<u>34,945,660</u>	<u>633,267,985</u>	<u>34,713,988</u>	<u>4,040,451</u>	<u>2,601,882,538</u>	<u>8,044,486,139</u>	<u>(4,387,793,867)</u>	<u>3,656,692,272</u>
<b>Total liabilities</b>	<u>(3,471,850,964)</u>	<u>(63,096,290)</u>	<u>(23,792,089)</u>	<u>(586,610,125)</u>	<u>(16,876,939)</u>	<u>(1,308,186)</u>	<u>(824,298,785)</u>	<u>(4,987,833,378)</u>	<u>3,495,193,867</u>	<u>(1,492,639,511)</u>
<b>For the six month ended June 30, 2014</b>										
<b>Revenue</b>	<u>(282,695,775)</u>	<u>(18,084,823)</u>	<u>(378,148)</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>(301,358,746)</u>	<u>-</u>	<u>(301,358,746)</u>
<b>Net income</b>	<u>(114,664,515)</u>	<u>(11,742,241)</u>	<u>(3,269,734)</u>	<u>840,425</u>	<u>(4,455,028)</u>	<u>(166,707)</u>	<u>13,967,532</u>	<u>(119,490,268)</u>	<u>-</u>	<u>(119,490,268)</u>
<b>As of June 30, 2013</b>										
<b>Total assets</b>	<u>4,114,761,567</u>	<u>130,329,543</u>	<u>3,000,174</u>	<u>530,204,698</u>	<u>26,578,470</u>	<u>3,601,182</u>	<u>2,419,223,731</u>	<u>7,224,098,183</u>	<u>(3,853,411,812)</u>	<u>3,370,686,371</u>
<b>Total liabilities</b>	<u>(3,124,443,242)</u>	<u>(20,684,257)</u>	<u>(2,604,555)</u>	<u>(478,195,035)</u>	<u>(16,876,939)</u>	<u>(1,197,762)</u>	<u>(654,154,014)</u>	<u>(4,296,958,042)</u>	<u>2,960,611,812</u>	<u>(1,336,346,230)</u>
<b>For the six month ended June 30, 2013</b>										
<b>Revenue</b>	<u>(228,098,066)</u>	<u>(41,006,311)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(240,000)</u>	<u>-</u>	<u>(269,344,377)</u>	<u>-</u>	<u>(269,344,377)</u>
<b>Net income</b>	<u>(103,608,952)</u>	<u>(17,143,854)</u>	<u>(2,158,105)</u>	<u>2,132,820</u>	<u>(3,443,963)</u>	<u>(141,053)</u>	<u>13,071,129</u>	<u>(111,291,978)</u>	<u>-</u>	<u>(111,291,978)</u>

**QATARI INVESTORS GROUP Q.S.C.**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six month period ended June 30, 2014

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**16. COMPARATIVE INFORMATION**

The corresponding figures presented for 2013 have been reclassified where necessary to preserve consistency with the 2014 figures. However, such reclassifications did not have any effect on the comprehensive income or the total equity for the comparative period.