



Interim Condensed Consolidated Financial Statements
30 June 2014

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF ALIJARAH HOLDING COMPANY (Q.S.C.)

Introduction

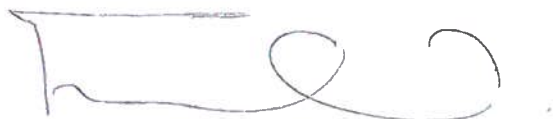
We have reviewed the accompanying interim condensed consolidated financial statements of Alijarah Holding Company (Q.S.C.) (the "Company") and its subsidiaries (the "Group") as at 30 June 2014, comprising of the interim condensed consolidated statement of financial position as at 30 June 2014 and the related interim condensed consolidated statements of income and comprehensive income for the three-month and six month periods ended 30 June 2014, the related interim condensed consolidated statement of changes in equity and cash flows for the six-month period then ended and the related explanatory notes. The Board of Directors 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. Consequently, it 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.



Firas Qoussous
Of Ernst & Young
Auditor's Registration No: 236

Date: 24 July 2014
Doha

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Notes	30 Jun 2014	31 Dec 2013
		QR (Reviewed)	QR (Audited)
ASSETS			
Cash and Cash Equivalents		562,643,995	695,936,310
Installments and Dues from Customers	3	641,438,486	635,796,724
Available-for-Sale Financial Investments	4	104,731,942	81,766,574
Inventories		2,602,628	2,324,355
Prepayments and Other Receivables	5	62,980,851	50,578,106
Intangible Asset		8,000,000	8,000,000
Investment Property	6	122,085,516	--
Property and Equipment		139,060,610	135,212,962
Total Assets		1,643,544,028	1,609,615,031
LIABILITIES			
Accounts Payables, Accruals and Other Payables		226,300,735	240,767,283
Islamic Financing Under Wakalah Arrangements		157,828,693	69,807,335
Amounts Due on Construction Contracts	7	1,993,183	1,993,183
Total Liabilities		386,122,611	312,567,801
EQUITY			
Share Capital	8	494,802,000	494,802,000
Legal Reserve		486,228,609	486,228,609
Proposed Dividend		--	74,220,300
Fair Value Reserve		(2,794,894)	(7,476,666)
Retained Earnings		279,185,702	249,272,987
Total Equity		1,257,421,417	1,297,047,230
Total Liabilities and Equity		1,643,544,028	1,609,615,031

These interim condensed consolidated financial statements were approved by the Board of Directors on 24th July 2014 and signed on its behalf by:



Sh. Falah Bin Jassim Bin Jabr Al-Thani
Chairman & Managing Director



Hamad Shareef Al-Emadi
Chief Executive Officer

THE ACCOMPANYING NOTES FROM 1 TO 13 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD ENDED 30 JUNE 2014**

	Note	For the three months ended 30 June 2014 (Reviewed)	For the three months ended 30 June 2013 (Reviewed)	For the six months ended 30 June 2014 (Reviewed)	For the six months ended 30 June 2013 (Reviewed)
		QR	QR	QR	QR
Income					
Income from Core Business		12,737,245	33,420,251	96,531,131	173,611,179
Profit from Investments and Deposits		24,956,467	2,790,777	33,754,868	11,733,234
Other Income		147,123	9,870	347,505	120,947
TOTAL INCOME		37,840,835	36,220,898	130,633,504	185,465,360
Expenses					
Operating Expenses		(12,830,917)	(22,928,809)	(70,414,310)	(104,766,650)
General and Administration Expenses		(14,772,274)	(15,862,580)	(27,784,002)	(35,454,192)
Finance Charges		(986,067)	(1,509,289)	(1,755,485)	(3,370,229)
TOTAL EXPENSES		(28,589,258)	(40,300,678)	(99,953,797)	(143,591,071)
NET OPERATING INCOME / (LOSS)		9,251,577	(4,079,780)	30,679,707	41,874,289
Recovery from Impairment on Installments and Due from Customers		--	34,500,000	--	34,500,000
PROFIT FOR THE PERIOD		9,251,577	30,420,220	30,679,707	76,374,289
Basic and Diluted Earnings per Share	12	0.19	0.61	0.62	1.54

THE ACCOMPANYING NOTES FROM 1 TO 13 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2014**

	For the three months ended 30 June 2014 (Reviewed)	For the three months ended 30 June 2013 (Reviewed)	For the six months ended 30 June 2014 (Reviewed)	For the six months ended 30 June 2013 (Reviewed)
	QR	QR	QR	QR
Profit For The Period	9,251,577	30,420,220	30,679,707	76,374,289
Other Comprehensive Income:				
Changes in Fair Value Reserve of Available-For-Sale Investments	187,120	(1,426,902)	4,681,772	3,733,010
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	9,438,697	28,993,318	35,361,479	80,107,299



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2014

Figures in Qatari Rivals

	Share Capital	Legal Reserve	Proposed Dividend	Fair Value Reserve	Retained Earnings	Total
Balance at 1 January 2013	494,802,000	486,228,609	98,960,400	1,148,142	238,496,667	1,319,635,818
Profit for the Period	--	--	--	--	76,374,289	76,374,289
Other Comprehensive Income for the Period	--	--	--	3,733,010	--	3,733,010
Total Comprehensive Income for the Period	--	--	--	3,733,010	76,374,289	80,107,299
Dividends Paid (Note 9)	--	--	(98,960,400)	--	--	(98,960,400)
Social and Sports Fund Appropriation	--	--	--	--	(1,909,357)	(1,909,357)
Balance at 30 June 2013	494,802,000	486,228,609	--	4,881,152	312,961,599	1,298,873,360
Balance at 1 January 2014	494,802,000	486,228,609	74,220,300	(7,476,666)	249,272,987	1,297,047,230
Profit for the Period	--	--	--	--	30,679,707	30,679,707
Other Comprehensive Income for the Period	--	--	--	4,681,772	--	4,681,772
Total Comprehensive Income for the Period	--	--	--	4,681,772	30,679,707	35,361,479
Dividends Paid (Note 9)	--	--	(74,220,300)	--	--	(74,220,300)
Social and Sports Fund Appropriation	--	--	--	--	(766,992)	(766,992)
Balance at 30 June 2014	494,802,000	486,228,609	--	(2,794,894)	279,185,702	1,257,421,417

THE ACCOMPANYING NOTES FROM 1 TO 13 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2014**

	For the six months ended 30 June 2014	For the six months ended 30 June 2013
	QR (Reviewed)	QR (Reviewed)
Cash Flows From Operating Activities		
Profit for the Period	30,679,707	76,374,289
Adjustments for:		
Depreciation	12,337,489	13,363,947
Recovery from Allowance for Impairment on Installments and Due from Customers	--	(34,500,000)
Dividend Income	(4,274,927)	(5,102,880)
Loss on Sale of Property and Equipment	956,555	5,885
Gain on Sale of Available-for-Sale Investments	(24,761,851)	--
Finance Income	(4,415,322)	(6,514,527)
Finance Expenses	1,755,485	3,370,229
	12,277,136	46,996,943
Changes in Operating Assets and Liabilities		
Installments and Dues from Customers	(5,641,762)	132,220,472
Prepayments and Other Receivables	(12,402,745)	10,409,746
Inventories	(278,273)	225,092
Accounts Payables, Accruals and Other Payables	(15,233,540)	(49,043,960)
Amounts Due on Construction Contracts	--	(57,667,394)
Net Cash (Used in)/From Operating Activities	(21,279,184)	83,140,899
Cash Flows From Investing Activities		
Finance Income Received	4,415,322	6,514,527
Dividend Income Received	4,274,927	5,102,880
Purchase of Property and Equipment	(17,283,993)	(5,523,328)
Purchase of Investment Property	(122,085,516)	--
Net Investments in Term Deposits	(375,000,000)	150,000,000
Purchase of Available-for-Sale investments	(192,633,532)	(27,922,191)
Proceeds from Sale of Available-for-Sale investments	199,111,787	--
Proceeds from Sale of Property and Equipment	142,301	153,525
Net Cash (Used in)/From Investing Activities	(499,058,704)	128,325,413

Continued....

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2014 (Continued)**

	For the six months ended 30 June 2014	For the six months ended 30 June 2013
	QR	QR
Cash Flow From Financing Activities		
Dividends Paid	(74,220,300)	(98,960,400)
Proceeds From Financing Under Wakalah Arrangements	119,820,000	--
Repayment of Financing Under Wakalah Arrangements	(31,798,642)	(48,499,785)
Finance Charges Paid	(1,755,485)	(3,370,229)
Net Cash From/(Used in) Financing Activities	12,045,573	(150,830,414)
Net (Decrease)/Increase in Cash and Cash Equivalents	(508,292,315)	60,635,898
Cash and Cash Equivalents at the Beginning of the Period	695,936,310	49,083,423
Cash and Cash Equivalents at the End of the Period	187,643,995	109,719,321

Notes:

**Cash and Cash Equivalents as at 30th June 2014, shown above, is exclusive of the Bank Term Deposits having maturity period of more than 90 days amounting to QR 375 Million. (30th June 2013: QR 550 Million)

1. INCORPORATION AND ACTIVITIES

Alijarah Holding Company Q.S.C. (the "Company") is a public shareholding company incorporated in the State of Qatar in accordance with resolution No. 35 issued on 21 April 2003 by the Ministry of Business and Trade. The Company is registered under commercial registration No. 26487 and is governed by the provisions of the Qatar Commercial Companies' Law No. 5 of 2002. The registered office of the Company is located at 'D' Ring Road, Doha, State of Qatar. The Company's shares are publicly traded at the Qatar Exchange.

The Company and its subsidiaries (together the "Group") are engaged in Leasing, Real Estate, Property Development, Transportation and Taxi Services and operate through its fully owned subsidiaries established in the State of Qatar. The Group is committed to conduct all its activities in accordance with Islamic Sharia'a.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial statements for the six months ended 30 June 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013. The results for the six months ended 30 June 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the interim condensed consolidated financial statements are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2013, except as noted below:

During the period, the Group has adopted the following standards effective for the annual period beginning on or after 1 January 2013.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 JUNE 2014**

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 standards and interpretations effective as of 1 January 2014.

The nature and the impact of each new standard or amendment are described below:

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 Consolidated Financial Statements. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact to the Group, since none of the entities in the Group qualifies to be an investment entity under IFRS 10.

Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32

These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Group.

Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact on the Group.

Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36

These amendments remove the unintended consequences of IFRS 13 Fair Value Measurement on the disclosures required under IAS 36 Impairment of Assets. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which an impairment loss has been recognized or reversed during the period. These amendments have no impact on the Group.

Standards Issued But Not Adopted

Also, during the period, the following new standards have been issued but are not yet effective. The Group is currently evaluating the impact of these new standards.

IFRS 14 Regulatory Deferral Accounts (Effective 1 January 2016).

IFRS 15 Revenue from Contracts with Customers (Effective 1 January 2017).

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 JUNE 2014**

3. INSTALLMENTS AND DUES FROM CUSTOMERS

			30 Jun 2014	31 Dec 2013
			QR	QR
			(Reviewed)	(Audited)
Gross Installments Due from Financing			208,745,265	185,383,599
	Jun 2014	Dec 2013		
Morabaha	176,137,841	160,893,007		
Ijarah	32,607,424	24,490,592		
Less: Deferred Profits of Future Installments			(17,488,149)	(15,858,449)
	Jun 2014	Dec 2013		
Morabaha	12,499,116	11,923,751		
Ijarah	4,989,033	3,934,698		
Net Installments Due From Financing			191,257,116	169,525,150
Gross Installments Due From Property Sales			441,496,896	506,125,741
Less: Deferred Profits of Future Installments			(20,579,247)	(33,897,547)
Net Installments Due From Property Sales			420,917,649	472,228,194
Other Trade Related Receivables			79,086,190	43,874,419
Allowance for Impairment			(49,822,469)	(49,831,039)
Total Installments and Dues From Customers			641,438,486	635,796,724

4. AVAILABLE-FOR-SALE FINANCIAL INVESTMENTS

	30 Jun 2014	31 Dec 2013
	QR	QR
	(Reviewed)	(Audited)
Quoted Equity Investments	104,731,942	81,766,574

Note: Quoted equity investments have been valued using Level 1 measurement techniques as per IFRS 7 and there have been no transfers between Level 1 and Level 2 fair value measurements. There are no Level 3 fair value measurements.

5. PREPAYMENTS AND OTHER RECEIVABLES

	30 Jun 2014	31 Dec 2013
	QR	QR
	(Reviewed)	(Audited)
Security Deposit	1,814,180	1,815,380
Advance Payments to Suppliers (Note)*	24,321,504	19,692,841
Pre-payments & Other Receivables	3,857,908	4,866,165
Other Receivables (Note)*	30,471,328	19,877,793
Profits Accrued on Bank Deposits	2,515,931	4,325,927
Total	62,980,851	50,578,106

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 JUNE 2014**

5. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

• **Note:**

On 27 October 2013, the board of directors resolved to discontinue the acquisition of Petro Qatar. The consideration for the acquisition amounting QR 18.2 Million is classified under Other Receivables.

6. INVESTMENT PROPERTY

On 11 June 2014, the company purchased a property (the "Property") in Al-Aziziyah area amounting to QR 122 Million. The Property is held for an undetermined future use.

7. AMOUNTS DUE ON CONTRUCTION CONTRACTS

During 2010, the Group entered into an arrangement with Qatari Diar Real Estate Co., for undertaking the infrastructure development of the plot areas in the Northern and West Water Front of Lusail area. In accordance with the terms and conditions of the agreement, the Group will utilize the proceeds payable to Qatari Diar against the infrastructure development of the said areas.

	30 Jun 14	31 Dec 13
	QR (Reviewed)	QR (Audited)
Opening Balance	1,993,183	71,316,062
Released During The Period / Year	--	(69,322,879)
Closing Balance	1,993,183	1,993,183

8. SHARE CAPITAL

	30 Jun 2014	31 Dec 2013
	QR (Reviewed)	QR (Audited)
Authorized, Issued and Fully paid-up 49,480,200 Ordinary Shares of QR 10 each	494,802,000	494,802,000

9. DIVIDENDS PAID

At the annual general meeting held on 12th February 2014, the shareholders approved a cash dividend payment of QR 74,220,300 (QR 1.5 per share) (31 Dec 2012: cash dividend amounting to QR 98,960,400- QR 2 per share).

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 JUNE 2014**

10. SEGMENT REPORTING

Based on the nature of core activities of the business, the Group is segmented into five major operating segments. The major operating segments are given below with their respective revenue and analysis of Assets and Liabilities:

- Financial Leasing
- Transportation
- Property Development
- Taxi Services (including Limousine)
- Driving School

The Group operates geographically in only one segment, being Doha-Qatar.

Segment Revenue and Segment Result:

Details	Revenue		Result	
	6 months ended 30 Jun 2014	6 months ended 30 Jun 2013	6 months ended 30 Jun 2014	6 months ended 30 Jun 2013
	QR	QR	QR	QR
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Financial Leasing	28,058,610	52,097,063	23,134,305	81,858,322
Transportation	24,490,285	31,831,543	(4,575,319)	(3,463,752)
Property Development	41,941,635	119,025,177	(1,413,428)	10,841,863
Taxi and Un-allocated	57,578,685	15,499,882	13,534,149	(12,862,144)
Intercompany	(21,435,711)	(32,988,305)	--	--
Total	130,633,504	185,465,360	30,679,707	76,374,289

Segment Assets and Liabilities:

Details	Assets		Liabilities	
	30 Jun 2014	31 Dec 2013	30 Jun 2014	31 Dec 2013
	QR	QR	QR	QR
	(Reviewed)	(Audited)	(Reviewed)	(Audited)
Financial leasing	559,243,859	635,416,754	42,203,934	75,194,269
Transportation	40,600,245	34,128,561	4,036,543	8,301,384
Property Development	808,598,173	778,546,320	404,685,272	428,730,956
Driving School	8,000,000	8,000,000	--	--
Taxi and Un-allocated	386,710,200	381,151,013	94,805,311	27,968,809
Inter Company	(159,608,449)	(227,627,617)	(159,608,449)	(227,627,617)
Total	1,643,544,028	1,609,615,031	386,122,611	312,567,801

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 JUNE 2014**

11. CONTINGENT LIABILITIES

	30 Jun 2014	31 Dec 2013
	QR	QR
	(Reviewed)	(Audited)
Letter of Guarantees From Islamic Banks	28,929,100	15,198,100
Capital Commitments	10.5 Million	18.4 Million

12. EARNINGS PER SHARE

	Three months ended		Six months ended	
	30 Jun 2014	30 Jun 2013	30 Jun 2014	30 Jun 2013
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
	QR	QR	QR	QR
Net Profit For The Period	9,251,577	30,420,220	30,679,707	76,374,289
Weighted Average Number of Shares	49,480,200	49,480,200	49,480,200	49,480,200
Earnings per share	0.19	0.61	0.62	1.54

The weighted average numbers of shares have been calculated as follows:

	Three months ended		Six months ended	
	30 Jun 2014	30 Jun 2013	30 Jun 2014	30 Jun 2013
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
	QR	QR	QR	QR
Qualifying Shares at The Beginning of The Period	49,480,200	49,480,200	49,480,200	49,480,200
Balance at End of The Period	49,480,200	49,480,200	49,480,200	49,480,200

13. COMPARATIVE FIGURES

Certain prior period amounts have been reclassified to conform to the current period's presentation. Such reclassification has not resulted in any changes to previously reported net profit or equity.