

**NATIONAL CEMENT COMPANY
(PUBLIC SHAREHOLDING CO.)
DUBAI**

Interim condensed financial statements

Period ended September 30, 2012

Contents

	Page:
Review report of the Independent Auditors	1
Interim condensed financial statements	
- Interim condensed statement of financial position	2
- Interim condensed statement of comprehensive income	3
- Interim condensed statement of changes in equity	4
- Interim condensed statement of cash flows	5
- Notes to the interim condensed financial statements	6 - 18



هاتف : ٢٨٦٩ ٤ ٢٢٢ ٩٧١
فاكس : ٠١٥١ ٤ ٢٢٧ ٩٧١

الطابق الثالث، برج الفطيم
شارع آل مكتوم، دبيرة
ص.ب. ١٩٦١، دبي، ا.ع. م

Tel: +971 4 222 2869
Fax: +971 4 227 0151
info@bdo.ae
www.bdo.ae

3rd Floor, Al Futtaim Tower
Al Maktoum Street, Deira
P O Box 1961, Dubai, UAE

Review report of the independent auditors to the shareholders of National Cement Company (Public Shareholding Co.), Dubai

We have reviewed the accompanying interim condensed statement of financial position of National Cement Company (Public Shareholding Co.) ("the Company") as of September 30, 2012, and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the nine months period then ended ("the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the 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, no matter has come to our attention that causes us to believe that the accompanying interim financial information as of September 30, 2012 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.



BDO CHARTERED ACCOUNTANTS & ADVISORS

Dubai
Yunus Yusuf Saif
Reg. No. 418

November 6, 2012

بي دي أو محاسبون قانونيون ومستشارون شركة مساهمة مسجلة بدبي وعضو بشركات بي دي أو العالمية المحدودة. ويضممان محدود من المملكة المتحدة. وتشكل جزء من شبكة بي دي أو العالمية ذات عضوية مستقلة.

BDO Chartered Accountants & Advisors, a partnership firm registered in Dubai, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

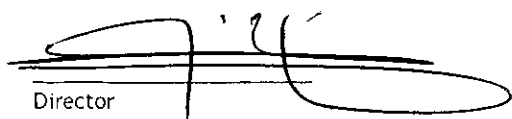
Branch Offices: Abu Dhabi, Sharjah, JAFZ, SAIF Zone & RAKIA Free Zone.

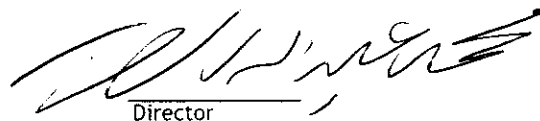
National Cement Company (Public Shareholding Co.), Dubai

Interim condensed statement of financial position at September 30, 2012

		Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
	Note			
Non current assets				
Property, plant and equipment	4	209,489	183,394	183,874
Investment properties	5	2,924	2,924	2,924
Investment in marketable securities	6	1,102,402	1,426,801	1,254,081
Investment in an associate	7	87,076	78,723	73,974
Total non current assets		1,401,891	1,691,842	1,514,853
Current assets				
Investment in marketable securities	6	885	811	935
Inventories	8	77,110	57,645	54,727
Trade and other receivables	9	140,152	161,454	149,068
Due from related parties	10	158,517	149,509	154,863
Bank balances and cash	11	66,355	21,125	23,887
Total current assets		443,019	390,544	383,480
Current liabilities				
Trade and other payables	12	64,491	41,716	42,898
Bank loans and overdrafts	13	168,805	139,489	118,888
Due to related parties	10	3,352	4,142	3,642
Total current liabilities		236,648	185,347	165,428
Net current assets		206,371	205,197	218,052
Non current liabilities				
Provision for employees' end of service gratuities		(23,140)	(25,228)	(26,091)
Net assets		1,585,122	1,871,811	1,706,814
Equity				
Share capital	14	358,800	358,800	358,800
Share application money payable		26	26	26
Development and investment reserve		-	-	300,000
Fair value reserve	15	441,626	714,665	557,930
General reserve	16	316,517	316,517	69,000
Statutory reserve	17	179,402	179,402	126,919
Retained earnings		288,751	302,401	294,139
Total equity		1,585,122	1,871,811	1,706,814

These interim condensed financial statements were approved and authorised for issue by the Board of Directors on November 6, 2012 and were signed on their behalf by:


Director


Director

Interim condensed statement of comprehensive income for the period ended September 30, 2012

		Unaudited Three months period ended September 30, 2012 AED'000	Unaudited Three months period ended September 30, 2011 AED'000	Unaudited Nine months period ended September 30, 2012 AED'000	Unaudited Nine months period ended September 30, 2011 AED'000
	Note				
Revenue		44,424	36,390	143,651	141,530
Cost of sales	19	(32,613)	(37,515)	(123,372)	(152,441)
Gross profit		11,811	(1,125)	20,279	(10,911)
Other income	20	3,757	3,074	9,979	9,772
		15,568	1,949	30,258	(1,139)
Administration, selling and general expenses	21	(6,027)	(5,989)	(21,436)	(23,752)
Finance cost	22	(1,240)	-	(4,349)	-
Profit before financial income and expense		8,301	(4,040)	4,473	(24,891)
Financial income net	23	8,934	20,096	53,637	79,553
Net profit for the period		17,235	16,056	58,110	54,662
Net movement in fair value of available for sale investments		(25,719)	(40,431)	(258,776)	(57,355)
Total comprehensive income for the period		(8,484)	(24,375)	(200,666)	(2,693)
Basic and diluted earnings per share (AED)	24	0.05	0.04	0.16	0.15

National Cement Company (Public Shareholding Co.), Dubai

Interim condensed statement of changes in equity for the period ended September 30, 2012

	Share capital AED'000	Share application money payable AED'000	Development & investment reserve AED'000	Fair value reserve AED'000	General reserve AED'000	Statutory reserve AED'000	Retained earnings AED'000	Total equity AED'000
Balance at January 1, 2011	358,800	26	300,000	603,705	69,000	126,919	311,237	1,769,687
Transfer on derecognition of investments to statement of comprehensive income	-	-	-	11,580	-	-	-	11,580
Total comprehensive income for the period	-	-	-	(57,355)	-	-	54,662	(2,693)
Dividend paid during the period	-	-	-	-	-	-	(71,760)	(71,760)
Balance at September 30, 2011	358,800	26	300,000	557,930	69,000	126,919	294,139	1,706,814
Balance at January 1, 2012	358,800	26	-	714,665	316,517	179,402	302,401	1,871,811
Transfer on derecognition of investments to statement of comprehensive income	-	-	-	(14,263)	-	-	-	(14,263)
Total comprehensive income for the period	-	-	-	(258,776)	-	-	58,110	(200,666)
Dividend paid during the period	-	-	-	-	-	-	(71,760)	(71,760)
Balance at September 30, 2012	358,800	26	-	441,626	316,517	179,402	288,751	1,585,122

Interim condensed statement of cash flow for the period ended September 30, 2012

		Nine months period ended September 30, 2012 AED'000	Nine months period ended September 30, 2011 AED'000
	Note		
Cash flows from operating activities			
Net profit for the period		58,110	54,662
Adjustments for:			
Depreciation	4	9,919	10,662
Gain on disposal of property, plant and equipment	4	(478)	(150)
Provision for employees' end of service gratuities		1,584	940
Financial income and expense (net)	23	(53,637)	(42,164)
Operating profit before working capital changes		15,498	23,950
Change in inventories	8	(19,465)	29,207
Change in trade and other receivables	9	21,302	(44,539)
Change in due from related parties	10	(9,008)	(105,581)
Change in trade and other payables	13	22,775	(58,803)
Change in due to related parties	10	(790)	1,232
Payment of end of service benefits		(3,672)	(1,671)
Net cash generated from/(used in) operating activities		26,640	(156,205)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(36,015)	(1,560)
Investment in marketable securities	6	(169,018)	(254,959)
Investment in associate		(8,353)	-
Proceeds from disposal of property, plant and equipment	4	478	150
Proceeds from disposal of investment in marketable securities		219,786	351,798
Dividend income		30,946	23,379
Interest income		23,210	24,776
Net cash from investing activities		61,034	143,584
Cash flows from financing activities			
Dividend paid during the period	18	(71,760)	(71,760)
(Decrease)/Increase in bank loans		29,316	84,465
Net cash (used in)/from financing activities		(42,444)	12,705
Net increase in cash and cash equivalents		45,230	84
Cash and cash equivalents at beginning of the period		21,125	(10,621)
Cash and cash equivalents at end of the period	25	66,355	(10,537)

1. Status and activities

National Cement Company (Public Shareholding Co.), Dubai ("the Company"), is registered in accordance with the decree issued by His Highness Ruler of Dubai on April 10, 1968 establishing a cement company in the Emirate of Dubai and in accordance with the provisions of the UAE Federal Law No. 8 of 1984 (as amended). The registered address of the Company is P.O. Box 4041, Dubai, United Arab Emirates.

The principal activity of the Company is to manufacture and sell cement and cement related products. The Company also invests in investment securities and derivative products. The Company is listed on the Dubai Financial Market since 2005.

The interim condensed financial statements for the nine months period ended September 30, 2012 were authorized for issue by the Board of Directors on November 6, 2012.

These interim condensed financial statements are presented in thousands of UAE Dirhams (AED'000) unless otherwise stated.

2. Basis of preparation

These interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for interim condensed financial statements (International Accounting Standard 34 Interim Financial Reporting). These interim condensed financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2011.

3. Significant accounting policies

The accounting policies applied in the preparation of these interim condensed financial information are consistent with those applied in the annual financial statements of the Company for the year ended December 31, 2011.

These interim condensed financial statements are prepared under the historical cost convention except in respect of investment in marketable securities and derivative financial instruments, which are stated at fair values.

4. Property, plant and equipment

During the nine month period ended September 30, 2012 additions to the property, plant and equipment amounted to approximately AED 36.02 million and assets with a cost of AED 2.04 million were sold during the period. Depreciation charge for the period amounts to AED 9.92 million.

5. Investment properties

Investment properties represent land and villas constructed on that land. No investment properties were bought or sold during the current period and no depreciation was charged as the depreciable assets are fully depreciated.

The fair market value of investment properties, including land, is in the range of AED 45 million to AED 50 million (September 30, 2011: AED 45 million to 50 million) as per the internal valuation carried out by the management. The valuation was based on an assessment of the market prices for similar properties and on the basis of future rentals.

6. Investment in marketable securities

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Non current investments	1,102,402	1,426,801	1,254,081
Current investments	885	811	935
	<u>1,103,287</u>	<u>1,427,612</u>	<u>1,255,016</u>

- a. At September 30, 2012, investments include AED 47.05 million (December 31, 2011: AED 46.24 million) which are stated at cost. In the opinion of the management, the fair value of these investments is not materially different from their carrying amounts.
- b. At September 30, 2012, investments in marketable securities amounting to AED 312.46 million (December 31, 2011: AED 324.21 million) are held in the personal name of one of the Company's Director for the beneficial interest of the Company.
- c. Investments amounting to AED 204.35 million (December 31, 2011: AED 237.58 million) are held under lien against various un-drawn bank facilities.

7. Investment in an associate

Investment in an associate company represents 22.74% share in Berber Cement Company (Ltd), a limited liability company registered in the Republic of Sudan. The principal activity of the associate is to manufacture and sell cement. The Company's share in net assets of the associate has been equity accounted as at December 31, 2011 based on the unaudited financial statements of the associate as at December 31, 2011.

8. Inventories

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Raw materials	25,659	34,660	32,263
Work in progress	30,152	1,574	1,677
Finished goods	2,893	2,211	2,872
Consumable and spare parts	25,528	26,322	25,037
Provision for obsolescence	(7,122)	(7,122)	(7,122)
	<u>77,110</u>	<u>57,645</u>	<u>54,727</u>

9. Trade and other receivables

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Trade receivables	83,052	92,561	88,708
Allowance for doubtful debts	(6,000)	(6,000)	(6,000)
Trade receivables (net)	77,052	86,561	82,708
Advances	7,578	22,787	13,358
Advance towards investment	51,824	51,824	51,823
Prepayments and other receivables	3,698	282	1,179
	<u>140,152</u>	<u>161,454</u>	<u>149,068</u>

10. Related party disclosures

The Company, in the ordinary course of its business, enters into trading and financing transactions with concerns which fall within the definition of "related party" as contained in International Accounting Standard 24. The balances due to/from such parties, which have been disclosed separately in the interim condensed financial statements, are unsecured and repayable on demand. The management believes that the terms of the trading transactions are not materially different from those that could have been obtained from unrelated parties.

The significant related party transactions during the period are as follows:

	Unaudited Three months period ended September 30, 2012 AED'000	Unaudited Three months period ended September 30, 2011 AED'000	Unaudited Nine months period ended September 30, 2012 AED'000	Unaudited Nine months period ended September 30, 2011 AED'000
With Affiliates:				
- Sale of cement	4,112	3,177	11,491	13,502
- Purchase of materials and services	1,735	1,845	8,540	8,061
With Key Management Personnel:				
- Salaries & other short term benefits	854	996	2,609	2,705
- E.O.S benefits charged	47	48	142	142
- E.O.S benefits at period end	5,860	5,670	5,860	5,670

10. Related party disclosures (Continued)

Related party balances are as under:

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Payables:			
- To other related parties	3,352	4,142	3,642
Receivables:			
- From Associate	141,104	112,318	107,703
- From other related parties	11,410	27,376	37,341
- From Director	6,003	9,815	9,819
	<u>66,355</u>	<u>21,125</u>	<u>23,887</u>

11. Bank balances and cash

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Cash at hand	578	606	824
Current accounts with banks	65,777	20,519	23,063
	<u>66,355</u>	<u>21,125</u>	<u>23,887</u>

12. Trade and other payables

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Trade payables	19,269	16,198	13,717
Derivative financial instruments	-	622	646
Other accruals and payables	27,380	10,511	13,319
Directors' fees	-	1,500	-
Dividend payable	17,842	12,885	15,216
	<u>64,491</u>	<u>41,716</u>	<u>42,898</u>

Please refer to note 27 for further information on derivative financial instruments.

13. Bank loans and overdrafts

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Bank overdrafts	-	-	34,424
Bank loans	168,805	139,489	84,464
	<u>168,805</u>	<u>139,489</u>	<u>118,888</u>

Bank loans and overdrafts are secured by a lien on investments and a bank guarantee of USD 20 million in the name of a bank.

14. Share capital

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Issued and fully paid up:			
358,800,000 shares of AED 1 each	<u>358,800</u>	<u>358,800</u>	<u>358,800</u>

15. Fair value reserve

This reserve represents the cumulative changes in fair value of investments in marketable securities.

16. General reserve

As required by Article 57.2 of the Article of Association of the Company, 10% of the net profit has to be transferred to general reserve. It can be discontinued by the resolution of the ordinary general meeting on the proposal of Board of Directors or if it reaches 10% of the paid up capital of the Company. Such reserve shall be used for the purpose designated by the ordinary general meeting on the proposal of the Board of Directors. No such transfer has been made during the period under review.

17. Statutory reserve

In accordance with Article 57.1 of the Memorandum of Association of the Company and the UAE Federal Law No.8 of 1984 (as amended), a minimum of 10% of the net profit of the Company is to be allocated every year to a non-distributable reserve. Such allocation may be ceased when the statutory reserve equals 50% of the paid up share capital.

No allocation has been made to the statutory reserve for the three months period ended September 30, 2012 as it would be affected by the year end.

18. Dividend

For the financial year ended December 31, 2011, a dividend of AED 71.76 million was proposed by the Directors' of the Company which was approved in the Annual General Meeting on March 21, 2012. This was paid out by way of cash dividend.

19. Cost of sales

	Unaudited Three months period ended September 30, 2012 AED'000	Unaudited Three months period ended September 30, 2011 AED'000	Unaudited Nine months period ended September 30, 2012 AED'000	Unaudited Nine months period ended September 30, 2011 AED'000
Material expenses	10,890	24,955	69,034	105,697
Factory utilities	14,263	5,013	29,515	21,057
Staff costs	4,520	4,509	15,908	16,536
Depreciation	2,940	3,038	8,915	9,151
	<u>32,613</u>	<u>37,515</u>	<u>123,372</u>	<u>152,441</u>

20. Other income

	Unaudited Three months period ended September 30, 2012 AED'000	Unaudited Three months period ended September 30, 2011 AED'000	Unaudited Nine months period ended September 30, 2012 AED'000	Unaudited Nine months period ended September 30, 2011 AED'000
Rental income from invest. prc	766	845	2,350	1,827
Other rental income	1,897	902	4,541	4,687
Income from scrap sales	576	687	1,925	2,203
Gain on disposal - P.P.E.	21	22	478	150
Other income	497	618	685	905
	<u>3,757</u>	<u>3,074</u>	<u>9,979</u>	<u>9,772</u>

21. Administration, selling and general expenses

	Unaudited Three months period ended September 30, 2012 AED'000	Unaudited Three months period ended September 30, 2011 AED'000	Unaudited Nine months period ended September 30, 2012 AED'000	Unaudited Nine months period ended September 30, 2011 AED'000
Staff salaries and benefits	3,815	3,514	12,754	11,979
License fees	-	-	221	221
Insurance	-	2	619	619
Communication	38	57	100	147
Repair and maintenance	1,055	1,268	4,204	3,691
Travelling and conveyance	93	65	210	279
Legal and professional	50	193	215	369
Electricity and water	81	73	186	181
Depreciation	345	492	1,004	1,510
Other	104	163	436	1,070
Finance Charges	446	162	1,487	3,686
	<u>6,027</u>	<u>5,989</u>	<u>21,436</u>	<u>23,752</u>

22. Finance costs

Finance costs represent interest paid on overdrafts and bank loans.

23. Financial income

	Unaudited Three months period ended September 30, 2012 AED'000	Unaudited Three months period ended September 30, 2011 AED'000	Unaudited Nine months period ended September 30, 2012 AED'000	Unaudited Nine months period ended September 30, 2011 AED'000
Interest income:				
- interest rate swap contracts	187	434	2,611	909
- investments	4,881	5,616	19,977	23,867
Net revaluation gain (unrealised) on:				
- interest rate swap contracts	-	14,843	622	37,389
Gain on disposal of available for sale financial assets	48	6,594	692	5,589
Dividend income - available for sale	4,280	1,957	30,946	23,379
Financial income	9,396	29,444	54,848	91,133
Loss on disposal of available for sale investments	462	9,348	1,211	11,580
Financial expense	462	9,348	1,211	11,580
Financial income net	8,934	20,096	53,637	79,553

24. Earnings per share

	Unaudited Three months period ended September 30, 2012	Unaudited Three months period ended September 30, 2011	Unaudited Nine months period ended September 30, 2012	Unaudited Nine months period ended September 30, 2011
Net profit attributable - shareholders	17,235	16,056	58,110	54,662
Weighted average number of shares	358,800	358,800	358,800	358,800
Earnings per share	0.05	0.04	0.16	0.15

25. Cash and cash equivalents

	Unaudited September 30, 2012 AED'000	Unaudited September 30, 2011 AED'000
Bank balances and cash	66,355	23,887
Bank overdraft	-	(34,424)
	<u>66,355</u>	<u>(10,537)</u>

26. Segment reporting

The Company's activities comprise two main business segments, manufacturing and selling cement and cement related products and investment in marketable securities and derivative products. The details of segment revenue, segment result, segment assets and segment liabilities have been provided on page 18.

27. Financial instruments**Capital risk management**

The capital is managed by the Company in a way that it is able to continue as a going concern while maximizing return to stakeholders.

The capital structure of the Company consists of borrowings, cash and cash equivalents and equity attributable to equity holders comprising of issued capital, reserves and retained earnings.

Market risk management

The Company is primarily exposed to the financial risks of changes in foreign currency exchange rates (currency risk), interest rates (interest rate risk) and market prices (other price risk).

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument or the Company, or factors affecting all similar financial instruments traded in the market.

27. Financial instruments (Continued)

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuation arise. The Company is mainly exposed to US Dollars. The US Dollar has been pegged against the United Arab Emirates Dirham ("AED"), hence no exchange risk is considered to exist.

Interest rate risk management

The Company is exposed to interest rate risk on cash at bank (including time deposits), available for sale investments and interest rate swap contracts.

If the interest rates on available for sale investments have had been 50 base points higher or lower and all other variables were held constant, the Company's profits would have increased or decreased by AED 244,059 (September 30, 2011: AED 119,335)

If the interest rates on interest swap contracts have had been 50 base points higher or lower and all other variables were held constant, the Company's profits would have increased or decreased by AED 9,361 (September 30, 2011: AED 4,545).

Other price risk management

The Company is exposed to other price risks in market on its equity investments. Investments in equity instruments are generally held for long term and are not traded actively.

If equity prices in market had been 10% higher/lower:

- Available for sale investment valuation reserve would increase/decrease by AED 25.9 million.
- The profit would be unaffected as equity investments are classified as available for sale.

Credit risk management

Credit risk is the risk that one party of a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company is exposed to credit risk from its financial assets which comprise principally of fixed deposits, bank balances, trade and other receivables, due from related parties and investments. The credit risk on trade receivables is subjected to credit evaluations and an allowance may be made for estimated irrecoverable amounts. The Company is not exposed to any significant concentration of credit risk because its exposure is spread over financial institutions.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company has built appropriate liquidity risk management framework for the management of its short, medium and long term funding and liquidity requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cashflows.

27. Financial instruments (Continued)

Derivative contracts

The Company's investments in certain securities normally carry interest which is linked to LIBOR.

The Company has also entered into certain interest rate swaps contracts and commodity derivative swap contracts. These swap contracts are not designated as hedges and accordingly are treated as free standing derivative contracts.

At September 30, 2012 the Company had outstanding interest rate swap contracts with a notional amount of USD 50 million (AED 184 million) ((December 31, 2011: USD 185 million (AED 681 million)). The fair value of the interest rate and commodity swap contracts are shown as under:

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Interest rate swap - negative value	-	(622)	(646)

Financial instruments by category

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Financial assets			
Available for sale investments	1,103,287	1,427,612	1,255,016
Loans and receivables:			
- Trade and other receivables	140,152	161,454	149,068
- Due from related parties	158,517	149,508	154,863
Cash and bank balances	66,355	21,125	23,887
Financial liabilities			
Other financial liabilities			
- Trade and other payables	64,491	41,716	42,898
- Due to related parties	3,352	4,142	3,642
Bank loans and overdrafts	168,805	139,489	118,888

28. Capital commitments

	Unaudited September 30, 2012 AED'000	Audited December 31, 2011 AED'000	Unaudited September 30, 2011 AED'000
Property plant and equipment	<u>5,682</u>	<u>38,150</u>	<u>35,000</u>

29. Operating leases**Leases as lessee**

The Company has leased plots of land under operating leases on which residential flats for staff accommodation are located. These leases typically run for a period of one year, with an option to renew the lease after that date. The lease rentals are usually renewed to reflect market rentals.

Leases as lessor

The Company had leased residential villas on operating leases to earn rental income. These leases typically run for a period of one year, with an option to renew the lease after that date. The lease rentals are usually renewed to reflect market rentals.

30. Comparative figures

Certain comparative figures have been reclassified to conform to the presentation adopted in these interim condensed financial statements.

National Cement Company (Public Shareholding Co.), Dubai

Notes to the interim condensed financial statements for the nine months period ended September 30, 2012 (Continued)

Segment report as on September 30, 2012

	Nine months period ended Sept 30, 2012 (Unaudited)			Nine months period ended Sept 30, 2011 (Unaudited)		
	Cement AED'000	Investment in marketable securities and derivative products AED'000	Total AED'000	Cement AED'000	Investment in marketable securities and derivative products AED'000	Total AED'000
Segment revenue	143,651	53,637	197,288	141,530	79,553	221,083
Segment result	20,279	53,637	73,916	(10,911)	79,553	68,642
Other income	-	-	9,979	-	-	9,772
Unallocated expenses	-	-	(25,785)	-	-	(23,752)
Net profit for the year	-	-	58,110	-	-	54,662
Segment assets	654,547	1,103,287	1,757,834	569,343	1,255,016	1,824,359
Investment in equity accounted investee	87,076	-	87,076	73,974	-	73,974
Total assets	741,623	1,103,287	1,844,910	643,317	1,255,016	1,898,333
Segment liabilities	259,788	-	259,788	190,873	646	191,519
Total liabilities	259,788	-	259,788	190,873	646	191,519
Capital expenditure	36,015	169,018	205,033	1,559	254,959	256,518
Depreciation	9,919	-	9,919	10,662	-	10,662