

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

Interim Condensed Financial Statements

Period Ended June 30, 2010



National Cement Company (Public Shareholding Co.), Dubai

Interim condensed financial statements for the period ended June 30, 2010

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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 June 30, 2010, and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the three 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 June 30, 2010 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.



BDO CHARTERED ACCOUNTANTS & ADVISORS

Dubai

Yunus Saif

Reg. No. 418

August 09, 2010

Interim condensed statement of financial position at June 30, 2010

		Unaudited June 30, 2010	Audited December 31, 2009	Unaudited June 30, 2009
	Note	AED'000	AED'000	AED'000
Non current assets				
Property, plant and equipment	4	196,430	190,095	184,188
Investment properties	5	2,925	2,924	2,924
Investment in marketable securities	6	1,435,904	1,412,157	1,512,079
Investment in an associate	7	70,330	48,660	52,758
Total non current assets		1,705,589	1,653,836	1,751,949
Current assets				
Investment in marketable securities	6	1,649	2,692	3,628
Inventories	8	82,565	68,178	56,505
Trade and other receivables	9	127,860	124,375	190,647
Due from related parties	10	53,685	75,276	58,346
Bank balances and cash	11	8,733	105,061	72,539
Total current assets		274,493	375,582	381,665
Current liabilities				
Trade and other payables	12	120,838	157,859	156,002
Due to related parties	10	23,788	7,098	32,543
Bank overdraft		79,500	-	-
Total current liabilities		224,126	164,957	188,545
Net current assets		50,367	210,625	193,120
Non current liabilities				
Provision for employees' end of service gratuities		(27,656)	(27,967)	(27,975)
Net assets		1,728,300	1,836,494	1,917,094
Equity				
Share capital	13	358,800	358,800	358,800
Share application money payable		26	26	26
Development and investment reserve	14	300,000	300,000	300,000
Fair value reserve	15	574,520	570,726	648,530
General reserve	16	69,000	69,000	69,000
Statutory reserve	17	120,577	120,577	107,203
Retained earnings		305,377	417,365	433,535
Total equity		1,728,300	1,836,494	1,917,094

These interim condensed financial statements were approved and authorised for issue by the Board of Directors on August 10, 2010 and were signed on their behalf by:

Director 

 Director

Interim condensed statement of comprehensive income for the period ended June 30, 2010

	Note	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Three months period ended June 30, 2009 AED'000	Unaudited Six months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2009 AED'000
Revenue		66,685	115,010	141,291	267,462
Cost of sales	19	(67,068)	(74,755)	(128,490)	(162,137)
Gross profit		(383)	40,255	12,801	105,325
Other income	20	7,155	4,281	10,229	7,615
		6,772	44,536	23,030	112,940
Administration, selling and general expenses	21	(8,379)	(7,325)	(17,249)	(16,216)
Profit before financial income and expense		(1,607)	37,211	5,781	96,724
Financial income/(expense) net	22	34,978	21,721	48,181	37,356
Net profit for the period		33,371	58,932	53,962	134,080
Fair value gain on available for sale investments transferred from fair value reserve		(7,465)	333	(4,490)	704
Total comprehensive income for the period		25,906	59,265	49,472	134,784
Basic and diluted earnings per share (AED)	23	0.07	0.17	0.14	0.38

National Cement Company (Public Shareholding Co.), Dubai

Interim condensed statement of changes in equity for the period ended June 30, 2010

	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	Dividend AED'000	Total equity AED'000
Balance at January 1, 2009	358,800	26	300,000	1,289,027	69,000	107,203	298,751	161,460	2,584,267
Net movements in changes in fair value	-	-	-	(642,156)	-	-	-	-	(642,156)
Transfer of unrealized gain on sale of investments to income statement	-	-	-	1,659	-	-	-	-	1,659
Net profit for the period	-	-	-	-	-	-	134,784	-	134,784
Dividend paid during the period	-	-	-	-	-	-	-	(161,460)	(161,460)
Balance at June 30, 2009	358,800	26	300,000	648,530	69,000	107,203	433,535	-	1,917,094
Balance at January 1, 2010	358,800	26	300,000	570,726	69,000	120,577	417,365	-	1,836,494
Net movements in changes in fair value	-	-	-	48	-	-	-	-	48
Transfer of unrealized gain on sale of investments to income statement	-	-	-	3,746	-	-	-	-	3,746
Total comprehensive income for the period	-	-	-	-	-	-	49,472	-	49,472
Dividend	-	-	-	-	-	-	(161,460)	161,460	-
Dividend paid during the period	-	-	-	-	-	-	-	(161,460)	(161,460)
Balance at June 30, 2010	358,800	26	300,000	574,520	69,000	120,577	305,377	-	1,728,300

The notes on pages 6 to 18 form part of these interim condensed financial statements

Interim condensed statement of cash flow for the period ended June 30, 2010

		Six months period ended June 30, 2010 AED'000	Six months period ended June 30, 2009 AED'000
	Note		
Cash flows from operating activities			
Net profit for the period		49,472	134,784
Adjustments for:			
Depreciation	4	7,549	8,854
Gain on disposal of property, plant and equipment	4	(1,659)	(60)
Provision for employees' end of service gratuities		798	645
Financial income and expense (net)	22	(29,673)	(35,755)
Operating profit before working capital changes		26,487	108,468
Change in inventories	8	(14,387)	24,679
Change in trade and other receivables	9	(20,597)	(40,321)
Change in due from related parties	10	25,400	(6,655)
Change in trade and other payables	12	(36,465)	11,526
Change in due to related parties	10	16,690	(12,511)
Change in long term receivable		-	1,000
Payment of end of service benefits		(1,111)	(858)
<i>Net cash (used in) / from operating activities</i>		(3,983)	85,328
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(2,285)	(1,967)
Investment in marketable securities	6	(185,865)	(223,649)
Proceeds from disposal of property, plant and equipment	4	2,807	60
Proceeds from disposal of investment in marketable securities		162,464	210,173
Associate		(21,669)	-
Dividend income		17,225	13,193
Interest income (net)		16,938	21,859
<i>Net cash (used in) / from investing activities</i>		(10,385)	19,669
Cash flows from financing activities			
Dividend paid during the period	18	(161,460)	(161,460)
<i>Net cash used in financing activities</i>		(161,460)	(161,460)
Net decrease in cash and cash equivalents		(175,828)	(56,463)
Cash and cash equivalents at beginning of the period		105,061	129,002
Cash and cash equivalents at end of the period	24	(70,767)	72,539

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, 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 was listed on the Dubai Financial Market in 2005.

The interim condensed financial statements for the three months period ended June 30, 2010 were authorized for issue by the Board of Directors on August 09, 2010.

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 (IAS 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, 2009.

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, 2009.

These interim condensed financial statements are presented in United Arab Emirates Dirhams ("AED"), rounded to the nearest thousand and 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 three month period ended June 30, 2010 additions to the property, plant and equipment amounted to approximately AED 2.28 million and assets with a cost of AED 3.1 million were sold during the period. Depreciation charge for the period amounts to AED 7.5 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 (June 30, 2009: 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 June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 AED'000
Non current investments	1,435,904	1,412,157	1,512,079
Current investments	1,649	2,692	3,628
	<u>1,437,553</u>	<u>1,414,849</u>	<u>1,515,707</u>

- a. At June 30, 2010, investments include AED 21.3 million (December 31, 2009: AED 16 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 June 30, 2010, investments in marketable securities amounting to AED 254 million (December 31, 2009: AED 258 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 167 million (December 31, 2009: AED 113 million) are held under lien against various un-drawn bank facilities.

7. Investment in an associate

Investment in an associate company represents 22% 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. During the period there has been a change in the shareholding pattern effecting to increase in shareholding from 20% to 22%.

8. Inventories

	Unaudited June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 AED'000
Raw materials	47,737	24,198	45,076
Work in progress	38,571	21,632	15,525
Finished goods	3,379	29,470	3,026
Provision for obsolescence	(7,122)	(7,122)	(7,122)
	<u>82,565</u>	<u>68,178</u>	<u>56,505</u>

9. Trade and other receivables

	Unaudited June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 AED'000
Trade receivables	111,692	107,471	149,765
Allowance for doubtful debts	(6,000)	(6,000)	-
	<u>105,692</u>	<u>101,471</u>	<u>149,765</u>
Advances	2,662	21,000	37,097
Prepayments and other receivables	19,506	1,904	3,785
	<u>127,860</u>	<u>124,375</u>	<u>190,647</u>

Prepayments and other receivables mainly represents amount transferred for the setting up of a cement company in Syria. The total commitment for this investment is AED 29 million.

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.

10. Related party disclosures (Continued)

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

	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Three months period ended June 30, 2009 AED'000	Unaudited Six months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2009 AED'000
With Affiliates:				
- Sale of cement	6,563	13,342	19,445	33,547
- Purchase of materials and services	2,822	3,705	10,920	8,419
With Directors:				
- Advance paid to a Director	-	4,000	-	4,000
With Key Management Personnel:				
- Salaries & other short term benefits	807	835	1,614	1,670
- E.O.S benefits charged	94	46	189	91
- E.O.S benefits at period end	5,433	5,243	5,433	5,243

Related party balances breakup

Payables:				
- To Associate	19,077	23,832	19,077	23,832
- To Affiliate	4,711	8,712	4,711	8,712
Receivables:				
- From Affiliates	42,852	45,387	42,852	45,387
- From Director	10,833	12,958	10,833	12,958

Related party balances are as under:

Payables:				
- To Associate	19,077	23,832	19,077	23,832
- To Affiliate	4,711	8,712	4,711	8,712
Receivables:				
- From Affiliates	42,852	45,387	42,852	45,387
- From Director	10,833	12,958	10,833	12,958

11. Bank balances and cash

	Unaudited June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 AED'000
Cash at hand	628	627	972
Current accounts with banks	8,105	64,668	51,682
Fixed deposits maturing: - within 3 months		39,766	19,885
	<u>8,733</u>	<u>105,061</u>	<u>72,539</u>

12. Trade and other payables

	Unaudited June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 AED'000
Trade payables	33,448	24,603	33,160
Derivative financial instruments	27,646	109,489	87,977
Other accruals and payables	37,372	19,041	29,203
Dividend payable	22,372	4,726	5,662
	<u>120,838</u>	<u>157,859</u>	<u>156,002</u>

Please refer to note 26 for further information on derivative financial instruments.

13. Share capital

	Unaudited June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 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>

14. Development and investment reserve

The balance represents the amount set aside from retained earnings in previous years. The Directors have resolved to treat this reserve as distributable.

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.

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 six months period ended June 30, 2010 as it would be affected at the year-end.

18. Dividend

For 2009, a dividend of AED 161.4 million was proposed by the Directors' of the Company which was approved in the Annual General Meeting on March 10, 2010. This was paid out by way of cash dividend.

19. Cost of sales

	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Three months period ended June 30, 2009 AED'000	Unaudited Six months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2009 AED'000
Material expenses	47,906	54,056	86,847	117,149
Factory utilities	11,474	12,481	23,228	27,689
Staff costs	4,741	4,811	12,198	10,472
Depreciation	2,947	3,407	6,217	6,827
	<u>67,068</u>	<u>74,755</u>	<u>128,490</u>	<u>162,137</u>

20. Other income

	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Three months period ended June 30, 2009 AED'000	Unaudited Six months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2009 AED'000
Rental income from invest. prc	890	918	975	1,038
Other rental income	2,280	2,272	4,249	4,494
Income from scrap sales	617	992	1,414	1,790
Gain on disposal - P.P.E.	1,611	35	1,659	60
Other income	1,757	64	1,932	233
	<u>7,155</u>	<u>4,281</u>	<u>10,229</u>	<u>7,615</u>

21. Administration, selling and general expenses

	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Three months period ended June 30, 2009 AED'000	Unaudited Six months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2009 AED'000
Staff salaries and benefits	3,764	4,047	9,075	8,390
License fees	-	-	242	164
Insurance	13	186	649	347
Communication	44	55	89	114
Repair and maintenance	2,083	1,820	3,075	3,527
Travelling and conveyance expenses	58	99	118	200
Legal and professional	50	55	135	114
Electricity and water	71	95	136	163
Depreciation	580	789	1,332	2,026
Other	153	119	302	369
Finance Charges	1,564	60	2,096	802
	<u>8,379</u>	<u>7,325</u>	<u>17,249</u>	<u>16,216</u>

22. Financial income/(expense) net

	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Three months period ended June 30, 2009 AED'000	Unaudited Six months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2009 AED'000
Interest income:				
- interest rate swap contracts	8,953	1,797	8,953	10,708
- bank deposits	15	194	25	214
- investments	4,770	4,414	9,643	10,936
Net revaluation gain (unrealised) on:				
- interest rate swap contracts	20,564	-	36,220	-
- commodity derivative contracts	-	-	64	-
Net gain on unwinding of:				
- interest rate swap contracts	423	7,574	423	24,697
- commodity derivative contract	7,704	-	7,704	-
Dividend income - available for sale	6,895	7,742	17,226	13,193
Financial income	49,324	21,721	80,258	59,748
Net revaluation loss (unrealised) on:				
- interest rate swap contracts	14,346	-	30,393	17,976
- commodity derivative contracts	-	-	-	4,416
Interest expense:				
- interest swap contracts	-	-	1,684	-
Financial expense	14,346	-	32,077	22,392
Financial income/(expense) net	34,978	21,721	48,181	37,356

23. Earnings per share

	Unaudited Three months period ended June 30, 2010	Unaudited Three months period ended June 30, 2009	Unaudited Six months period ended June 30, 2010	Unaudited Six months period ended June 30, 2009
Net profit attributable - shareholders	25,906	59,265	49,472	134,784
Weighted average number of shares	358,800	358,800	358,800	358,800
Earnings per share	<u>0.07</u>	<u>0.17</u>	<u>0.14</u>	<u>0.38</u>

24. Cash and cash equivalents

	Unaudited June 30, 2010 AED'000	Unaudited June 30, 2009 AED'000
Cash and bank balances	8,733	72,539
Bank overdraft	(79,500)	-
	<u>(70,767)</u>	<u>72,539</u>

25. 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 19.

26. 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.

26. Financial instruments (Continued)

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.

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 cash at bank have had been 50 base points higher or lower and all other variables were held constant, the Company's profits would not be materially affected.

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 48,215 (2009: 54,680)

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 44,760 (2009: AED 53,540).

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 0.3794 million.
- The profit would be unaffected as equity investments are classified as available for sale.

26. Financial instruments (Continued)**Credit risk management**

Credit risk is the risk that one party to 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 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.

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 June 30, 2010 the Company had outstanding interest rate swap contracts with a notional amount of USD 285 million (AED 1,045 million) ((December 31, 2009: USD 160 million (AED 588 million)) and outstanding commodity derivative swap contracts with a notional amount of nil value ((December 31, 2009: USD 66 million (AED 242 million)). The fair value of the interest rate and commodity swap contracts are shown as under:

	Unaudited June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 AED'000
Interest rate swap - positive value	1,198	-	293
Interest rate swap - negative value	(28,844)	(33,895)	(21,545)
Commodity derivative - negative value	-	(75,594)	(66,725)
	<u>(27,646)</u>	<u>(109,489)</u>	<u>(87,977)</u>

27. Capital commitments

	Unaudited June 30, 2010 AED'000	Audited December 31, 2009 AED'000	Unaudited June 30, 2009 AED'000
Property plant and equipment	-	-	2,000

28. 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.

29. Comparative figures

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

Segment report as on June 30, 2010

	Six months period ended June 30, 2010 (Unaudited)			Six months period ended June 30, 2009 (Unaudited)		
	Cement	Investment in marketable securities and derivative products	Total	Cement	Investment in marketable securities and derivative products	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Segment revenue	141,291	83,235	224,526	267,462	61,976	329,438
Segment result	12,800	43,691	56,491	105,325	38,060	143,385
Other income	-	-	10,229	-	-	7,615
Unallocated expenses	-	-	(17,237)	-	-	(16,216)
Net profit for the year	-	-	49,483	-	-	134,784
Segment assets - other	472,198	1,437,553	1,909,751	565,149	1,515,707	2,080,856
Investment in equity accounted investee	70,330	-	70,330	52,758	-	52,758
Total assets	542,528	1,437,553	1,980,081	617,907	1,515,707	2,133,614
Segment liabilities	224,136	27,646	251,782	128,543	87,977	216,520
Total liabilities	224,136	27,646	251,782	128,543	87,977	216,520
Capital expenditure	2,284	185,865	188,149	1,967	223,649	225,616
Depreciation	7,549	-	7,549	8,854	-	8,854