إشارة: ر أ م م/2012/007
29 فبراير 2012

السيدة/ نوره الحاتمي المحترمة
مدير إدارة الإفصاح والإدراج
سوق دبي المالي
دبي – الإمارات العربية المتحدة
فاكس: 3315148 9714+

السلام عليكم ورحمة الله وبركاته ،،

**الموضوع: البيانات المالية للربع الأخير من العام 2011 للفترة المنتهية في 31 ديسمبر 2011**

بالإشارة إلى رسالتنا المؤرخة في 28 فبراير 2012 والمتعلقة بالموضوع المذكور أعلاه.

مرفق تجدون طية البيانات المالية للربع الأخير من العام 2011 للفترة المنتهية في 31 ديسمبر 2011.

شاكرين لكم حسن تعاونكم ودعمكم المستمر، ومتمنيين لكم دوام التوفيق.

وتفضلوا بقبول فائق التحية والاحترام،،،

د. حيدر المجالي
رئيس الإستراتيجية/ مقرر مجلس الإدارة

المرفقات:
الميزانية العمومية وبيان الأرباح والخسائر للربع الأخير للعام 2011م

**GULF FINANCE HOUSE BSC**

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2011

US$ 000's

| | 31 December 2011 | 31 December 2010 |
|---|---|---|
| **ASSETS** | | |
| Cash and bank balances | 3,620 | 3,770 |
| Placements with financial institutions | 3,001 | 56,868 |
| Financing receivables | - | 14,400 |
| Investment in associates | 230,442 | 224,847 |
| Investment securities | 220,265 | 248,794 |
| Investment property | 259,404 | 268,412 |
| Other assets | 108,913 | 203,150 |
| **Total assets** | **825,845** | 1,018,241 |
| **LIABILITIES** | | |
| Investors' funds | 58,887 | 138,798 |
| Placements from financial and other institutions | 116,713 | 126,241 |
| Financing liabilities | 331,077 | 439,504 |
| Other liabilities | 83,882 | 195,535 |
| **Total liabilities** | **590,559** | 900,078 |
| **Equity of investment account holders** | **1,898** | 1,880 |
| **OWNERS' EQUITY** | | |
| Share capital | 321,031 | 145,780 |
| Treasury shares | (12,862) | (24,674) |
| Share premium | 145,708 | 208,203 |
| Statutory reserve | 79,408 | 88,298 |
| Accumulated losses | (301,687) | (302,068) |
| Other reserves | 1,377 | 1,769 |
| Investments fair value reserve | 403 | 975 |
| **Total owners' equity** | **233,388** | 116,283 |
| **Total liabilities, equity of investment account holders and owners' equity** | **825,845** | 1,018,241 |

These consolidated financial statements have been approved by the Board of Directors on 28 February 2012 and signed on its behalf by:

Esam Yousif A. Janahi
*Chairman*

Mosabah Saif Al Mautairy
Director

**GULF FINANCE HOUSE BSC**

**CONSOLIDATED INCOME STATEMENT**
**for the year ended 31 December 2011**

US$ 000's

| | 2011 | 2010 |
|---|---|---|
| Income from investment banking services | 4,320 | 5,032 |
| Management and other fees | 3,601 | 7,085 |
| Income from placements with financial institutions | 893 | 1,148 |
| Income from financing | 1,198 | 651 |
| Share of profits /(losses) from investment in associates | 2,595 | (11,729) |
| Income / (loss) from investment securities | 11,841 | (1,380) |
| Net foreign exchange gain / (loss) | 2,120 | (426) |
| Other income, net | 44,810 | 7,300 |
| **Total income** | 71,378 | 7,881 |
| Staff cost | 10,513 | 17,635 |
| Investment advisory expenses | 6,000 | 6,990 |
| Finance expense | 30,501 | 50,035 |
| Other expenses | 15,863 | 25,781 |
| **Total expenses** | 62,877 | 100,441 |
| **Profit / (loss) before provision for impairment** | 8,501 | (92,760) |
| Impairment allowances | (8,120) | (256,119) |
| **Profit / (loss) for the year from continuing operations** | 381 | (348,879) |
| **Discontinued operations** | | |
| Loss from discontinued operations | - | (522) |
| **Profit /(loss) for the year** | 381 | (349,401) |
| **Basic and Diluted Earnings per share (US cents)** | | |
| Continuing operations | 0.04 | (76.84) |
| Discontinued operations | - | (0.11) |

**GULF FINANCE HOUSE BSC**

**CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY**
**for the year ended 31 December 2011**

US$ 000's

| 2011 | Share Capital | Treasury shares | Share premium | Statutory reserve | Accumulated losses | Investments fair value reserve | Other reserves | Total |
|---|---|---|---|---|---|---|---|---|
| Balance at 1 January 2011 | 145,780 | (24,674) | 206,203 | 88,298 | (302,068) | 975 | 1,769 | 116,283 |
| Profit for the year | - | - | - | - | 381 | - | - | 381 |
| Changes in fair value of investment securities | - | - | - | - | - | (572) | - | (572) |
| Conversion of Murabaha to share capital | 175,251 | | (60,495) | | - | - | (253) | 114,503 |
| Share grants vesting expense, net of forfeitures | - | - | - | - | - | - | (139) | (139) |
| Sale of treasury shares | - | 11,822 | - | - | - | - | - | 11,822 |
| Loss on sale of treasury shares | - | - | - | (8,890) | - | - | - | (8,890) |
| **Balance at 31 December 2011** | **321,031** | **(12,852)** | **145,708** | **79,408** | **(301,687)** | **403** | **1,377** | **233,388** |

| 2010 | Share Capital | Treasury shares | Share premium | Statutory reserve | Accumulated losses | Investments fair value reserve | Other reserves (note 20) | Total |
|---|---|---|---|---|---|---|---|---|
| Balance at 1 January 2010 | 604,079 | (52,371) | 202,316 | 106,700 | (432,677) | 975 | 4,300 | 433,322 |
| Loss for the year | - | - | - | - | (349,401) | - | - | (349,401) |
| Conversion of Murabaha to share capital | 21,711 | - | 3,922 | - | - | - | (633) | 25,000 |
| Adjustment of accumulated losses against share capital | (480,010) | - | - | - | 480,010 | - | - | - |
| Share issue expenses | - | | (35) | - | - | - | - | (35) |
| Share grants vesting expense, net of forfeitures | - | - | - | - | - | - | (1,898) | (1,898) |
| Sale of treasury shares | - | 27,697 | - | - | - | - | - | 27,697 |
| Loss on sale of treasury shares | - | - | - | (18,402) | - | - | - | (18,402) |
| Balance at 31 December 2010 | 145,780 | (24,674) | 206,203 | 88,298 | (302,068) | 975 | 1,769 | 116,283 |

**GULF FINANCE HOUSE BSC**

**CONSOLIDATED STATEMENT OF CASH FLOWS**
**for the year ended 31 December 2011**

US$ 000's

| | 2011 | 2010 |
|---|---|---|
| **OPERATING ACTIVITIES** | | |
| Proceeds from investment banking services | - | 5,032 |
| Placements with / received from financial institutions (more than 90 days), net | (7,145) | (22,843) |
| Cash receipts from water park operations | | 4,902 |
| Disbursement for projects, net | (2,975) | (12,424) |
| Receipts from financing receivables | 450 | |
| Investors' funds paid, net | (3,566) | (40,726) |
| Management fees received | 343 | 7,085 |
| Income from placements and financing received | 893 | 1,597 |
| Payments for expenses and project costs | (20,434) | (63,917) |
| **Net cash used in operating activities** | (32,434) | (121,094) |
| INVESTING ACTIVITIES | | |
| Purchase of investment securities | - | (6,882) |
| Advance for acquisition of investment securities | (3,770) | - |
| Proceeds from sale of available-for-sale investments | 3,500 | 35,647 |
| Proceeds from sale of investment in associates | - | 40,000 |
| Dividends received | 4,860 | 2,230 |
| Net cash flows from disposal of a subsidiary | - | (1,309) |
| Payments for acquisition of equipment | - | (116) |
| **Net cash generated from investing activities** | 4,590 | 69,570 |
| **FINANCING ACTIVITIES** | | |
| Financing liabilities, net | (1,045) | (180,449) |
| Proceeds from issue of ordinary shares | 10,491 | - |
| Finance expense paid | (23,001) | (40,350) |
| Payment for share issue expenses | (11,740) | - |
| Proceeds from sale of treasury shares | - | 9,295 |
| Cash paid to charitable organisations | (130) | (631) |
| Dividends paid | (548) | (262) |
| Payments to investment account holders, net | - | (993) |
| **Net cash generated from financing activities** | (25,973) | (213,390) |
| **Net decrease in cash and cash equivalents during the year** | (53,817) | (264,914) |
| Cash and cash equivalents at 1 January | 60,638 | 325,552 |
| **CASH AND CASH EQUIVALENTS at 31 December** | 6,821 | 60,638 |
| Cash and cash equivalents comprise: | | |
| Cash and bank balances | 3,820 | 3,770 |
| Placements with financial institutions | 3,001 | 56,868 |
| | 6,821 | 60,638 |