NATIONAL CEMENT COMPANY
(PUBLIC SHAREHOLDING CO.)
DUBAI

Interim Condensed Financial Statements

Period Ended June 30, 2011

BDO

National Cement Company (Public Shareholding Co.), Dubai

Interim condensed financial statements for the period ended June 30, 2011

Contents

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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, 2011, and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the six 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, 2011 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

BDO CHARTERED ACCOUNTANTS & ADVISORS
Dubai
Yunus Saifee
Reg. No. 418

August 11, 2011

National Cement Company (Public Shareholding Co.), Dubai

Interim condensed statement of financial position at June 30, 2011

	Note	Unaudited June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Non current assets				
Property, plant and equipment	4	186,674	193,002	196,430
Investment properties	5	2,924	2,924	2,925
Investment in marketable securities	6	1,342,635	1,402,141	1,435,904
Investment in an associate	7	73,974	73,974	70,330
Total non current assets		1,606,207	1,672,041	1,705,589
Current assets				
Investment in marketable securities	6	1,341	1,481	1,649
Inventories	8	63,866	83,934	82,565
Trade and other receivables	9	167,144	104,528	127,860
Due from related parties	10	85,500	49,281	53,685
Bank balances and cash	11	9,125	11,409	8,733
Total current assets		326,976	250,633	274,493
Current liabilities				
Trade and other payables	12	72,741	101,725	120,838
Due to related parties	10	3,174	2,410	23,788
Bank loans and overdrafts	13	109,350	22,030	79,500
Total current liabilities		185,265	126,165	224,126
Net current assets		141,711	124,468	50,367
Non current liabilities				
Provision for employees' end of service gratuities		(26,077)	(26,822)	(27,656)
Net assets		1,721,841	1,769,687	1,728,300
Equity				
Share capital	14	358,800	358,800	358,800
Share application money payable		26	26	26
Development and investment reserve	15	300,000	300,000	300,000
Fair value reserve	16	589,013	603,705	574,520
General reserve	17	69,000	69,000	69,000
Statutory reserve	18	126,919	126,919	120,577
Retained earnings		278,083	311,237	305,376
Total equity		1,721,841	1,769,687	1,728,300

These interim condensed financial statements were approved and authorised for issue by the Board of Directors on August 11, 2011 and were signed on their behalf by:

Director

Director

The notes on pages 6 to 19 form part of these interim condensed financial statements

National Cement Company (Public Shareholding Co.), Dubai

Interim condensed statement of comprehensive income for the period ended June 30, 2011

	Note	Unaudited Three months period ended June 30, 2011 AED'000	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2011 AED'000	Unaudited Six months period ended June 30, 2010 AED'000
Revenue		48,428	66,685	105,140	141,291
Cost of sales	20	(52,178)	(67,068)	(114,926)	(128,490)
Gross profit		(3,750)	(383)	(9,786)	12,801
Other income	21	3,745	7,155	6,698	10,229
		(5)	6,772	(3,088)	23,030
Administration, selling and general expenses	22	(8,437)	(8,379)	(17,763)	(17,249)
Profit before financial income and expense		**(8,442)**	**(1,607)**	**(20,851)**	**5,781**
Financial income/(expense) net	23	34,100	34,978	61,689	48,181
Net profit for the period		**25,658**	**33,371**	**40,838**	**53,962**
Fair value gain on available for sale investments transferred from fair value reserve		(1,599)	(7,465)	(2,232)	(4,490)
Total comprehensive income for the period		**24,059**	25,906	**38,606**	49,472
Basic and diluted earnings per share (AED)	24	0.07	0.07	0.11	0.14

The notes on pages 6 to 19 form part of these interim condensed financial statements

Interim condensed statement of changes in equity for the period ended June 30, 2011

	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, 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**
Balance at January 1, 2011	**358,800**	**26**	**300,000**	**603,705**	**69,000**	**126,919**	**311,237**	-	**1,769,687**
Net movements in changes in fair value	-	-	-	(16,924)	-	-	-	-	(16,924)
Transfer of unrealized gain on sale of investments to income statement	-	-	-	2,232	-	-	(2,232)	-	-
Total comprehensive income for the period	-	-	-	-	-	-	40,838	-	40,838
Dividend	-	-	-	-	-	-	(71,760)	71,760	-
Dividend paid during the period	-	-	-	-	-	-	-	(71,760)	(71,760)
Balance at June 30, 2011	**358,800**	**26**	**300,000**	**589,013**	**69,000**	**126,919**	**278,083**	-	**1,721,841**

The notes on pages 6 to 19 form part of these interim condensed financial statements

National Cement Company (Public Shareholding Co.), Dubai

Interim condensed statement of cash flow for the period ended June 30, 2011

	Note	Six months period ended June 30, 2011 AED'000	Six months period ended June 30, 2010 AED'000
Cash flows from operating activities			
Net profit for the period		**40,838**	53,962
Adjustments for:			
Depreciation	4	**7,131**	7,549
Gain on disposal or property, plant and equipment	4	**(128)**	(1,659)
Provision for employees' end of service gratuities		**645**	798
Financial income and expense (net)	22	**(61,689)**	(48,181)
Fair value movements		**22,546**	14,018
Operating proft before working capital changes		**9,343**	26,487
Change in inventories	8	**20,068**	(14,387)
Change in trade and other receivables	9	**(62,616)**	(20,597)
Change in due from related parties	10	**(36,219)**	25,400
Change in trade and other payables	12	**(28,984)**	(36,465)
Change in due to related parties	10	**764**	16,690
Payment of end of service benefits		**(1,353)**	(1,111)
Net cash (used in) operating activities		**(98,997)**	(3,983)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	**(849)**	(2,285)
Investment in marketable securities	6	**(134,635)**	(185,865)
Proceeds from disposal of property, plant and equipment	4	**136**	2,807
Proceeds from disposal of investment in marketable securities		**176,353**	162,464
Increase in investment in associate		**-**	(21,669)
Dividend income		**21,422**	17,226
Interest income (net)		**18,726**	16,937
Net cash from / (used in) investing activities		**81,153**	(10,385)
Cash flows from financing activities			
Dividend paid during the period	18	**(71,760)**	(161,460)
Increase in bank loans		**95,485**	-
Net cash from / (used in) financing activities		**23,725**	(161,460)
Net increase / (decrease) in cash and cash equivalents		**5,881**	(175,828)
Cash and cash equivalents at beginning of the period		**(10,621)**	105,061
Cash and cash equivalents at end of the period	25	**(4,740)**	(70,767)

The notes on pages 6 to 19 form part of these interim condensed financial statements

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 three months period ended June 30, 2011 were authorized for issue by the Board of Directors on August 11, 2011.

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, 2010.

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, 2010.

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, 2011 additions to the property, plant and equipment amounted to approximately AED 0.2 million and assets with a cost of AED 0.1 million were sold during the period. Depreciation charge for the period amounts to AED 3.5 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, 2010: 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, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Non current investments	**1,342,635**	1,402,141	1,435,904
Current investments	**1,341**	1,481	1,649
	1,343,976	1,403,622	1,437,553

a. At June 30, 2011, investments include AED 39 million (December 31, 2010: AED 20 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, 2011, investments in marketable securities amounting to AED 344 million (December 31, 2010: AED 318 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 332 million (December 31, 2010: AED 124 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, 2010 based on the unaudited financial statements of the associate as at June 30, 2010.

8. Inventories

	Unaudited June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Raw materials	**40,124**	20,500	23,615
Work in progress	**1,586**	43,220	38,571
Finished goods	**2,901**	3,453	3,379
Consumables and spare parts	**26,377**	23,883	24,122
Provision for obsolence	**(7,122)**	(7,122)	(7,122)
	63,866	83,934	82,565

9. Trade and other receivables

	Unaudited June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Trade receivables	**100,845**	86,554	111,692
Allowance for doubtful debts	**(6,000)**	(6,000)	(6,000)
	94,845	80,554	105,692
Advances	**20,327**	2,148	2,662
Advances towards investment	**51,823**	20,939	-
Prepayments and other receivables	**149**	887	19,506
	167,144	104,528	127,860

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, 2011 AED'000	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2011 AED'000	Unaudited Six months period ended June 30, 2010 AED'000
With Affiliates:				
- Sale of cement	**3,333**	6,563	10,325	19,445
- Purchase of materials and services	**1,881**	2,822	6,216	10,920
With Key Management Personnel:				
- Salaries & other short term benefits	**996**	807	1,803	1,614
- E.O.S benefits charged	**48**	94	95	189
- E.O.S benefits at period end	**5,622**	5,433	5,622	5,433

Related party balances are as under:

Payables:				
- To Associate	-	19,077	-	19,077
- To Affiliate	**3,174**	4,711	3,174	4,711
Receivables:				
- From Affiliates	**81,750**	42,852	81,750	42,852
- From Director	**3,750**	10,833	3,750	10,833

11. Bank balances and cash

	Unaudited June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Cash at hand	**581**	532	628
Current accounts with banks	**8,544**	10,877	8,105
	9,125	11,409	8,733

12. Trade and other payables

	Unaudited June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Trade payables	**21,393**	25,621	33,448
Derivative financial instruments	**15,489**	38,035	27,646
Other accruals and payables	**19,411**	17,790	37,372
Dividend payable	**16,448**	20,279	22,372
	72,741	101,725	120,838

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

13. Bank loans and overdrafts

	Unaudited June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Bank overdraft	**13,865**	22,030	79,500
Bank loans	**95,485**	-	-
	109,350	22,030	79,500

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 June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Issued and fully paid up:			
358,800,000 shares of AED 1 each	**358,800**	358,800	358,800

15. 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.

16. Fair value reserve

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

17. 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.

18. 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, 2011 as it would be affected at the year-end.

19. Dividend

For 2010, a dividend of AED 71.76 million was proposed by the Directors' of the Company which was approved in the Annual General Meeting on February 10, 2011. This was paid out by way of cash dividend.

20. Cost of sales

	Unaudited Three months period ended June 30, 2011 AED'000	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2011 AED'000	Unaudited Six months period ended June 30, 2010 AED'000
Material expenses	37,629	47,906	80,743	86,847
Factory utilities	7,030	11,474	16,044	23,228
Staff costs	4,471	4,741	12,026	12,198
Depreciation	3,048	2,947	6,113	6,217
	52,178	67,068	114,926	128,490

21. Other income

	Unaudited Three months period ended June 30, 2011 AED'000	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2011 AED'000	Unaudited Six months period ended June 30, 2010 AED'000
Rental income from invest. prc	936	890	982	975
Other rental income	1,718	2,280	3,785	4,249
Income from scrap sales	784	617	1,516	1,414
Gain on disposal - P.P.E.	19	1,611	128	1,659
Other income	288	1,757	287	1,932
	3,745	7,155	6,698	10,229

22. Administration, selling and general expenses

	Unaudited Three months period ended June 30, 2011 AED'000	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2011 AED'000	Unaudited Six months period ended June 30, 2010 AED'000
Staff salaries and benefits	3,422	3,764	8,465	9,075
License fees	-	-	221	242
Insurance	-	13	618	649
Communication	55	44	90	89
Repair and maintenance	1,370	2,083	2,423	3,075
Travelling and conveyance expenses	106	58	214	118
Legal and professional	75	50	175	135
Electricity and water	61	71	107	136
Depreciation	503	580	1,018	1,332
Other	604	153	905	302
Finance Charges	2,241	1,563	3,527	2,096
	8,437	8,379	17,763	17,249

23. Financial income/(expense) net

	Unaudited Three months period ended June 30, 2011 AED'000	Unaudited Three months period ended June 30, 2010 AED'000	Unaudited Six months period ended June 30, 2011 AED'000	Unaudited Six months period ended June 30, 2010 AED'000
Interest income:				
- interest rate swap contracts	296	8,953	474	8,953
- bank deposits	-	15	-	25
- investments	9,565	4,770	18,252	9,643
Net revaluation gain (unrealised) on:				
- interest rate swap contracts	16,302	20,564	22,546	36,220
- commodity derivative contra(	-	-	-	64
Net gain on unwinding of:				
- interest rate swap contracts	-	423	-	423
- commodity derivative contract	-	7,704	-	7,704
Dividend income - available for sale	9,605	6,895	21,422	17,226
Financial income	35,768	49,324	62,694	80,258
Net revaluation loss (unrealised) on:				
- interest rate swap contracts	-	14,346	-	30,393
Interest expense:				
- interest swap contracts	-	-	-	1,684
Loss on disposal of available for sale	1,668	-	1,005	-
Financial expense	1,668	14,346	1,005	32,077
Financial income/(expense) net	34,100	34,978	61,689	48,181

24. Earnings per share

	Unaudited Three months period ended June 30, 2011	Unaudited Three months period ended June 30, 2010	Unaudited Six months period ended June 30, 2011	Unaudited Six months period ended June 30, 2010
Net profit attributable - shareholders	24,059	25,906	38,605	49,472
Weighted average number of shares	358,800	358,800	358,800	358,800
Earnings per share	0.07	0.07	0.11	0.14

25. Cash and cash equivalents

	Unaudited June 30, 2011 AED'000	Unaudited June 30, 2010 AED'000
Cash and bank balances	9,125	8,733
Bank overdraft	(13,865)	(79,500)
	(4,740)	(70,767)

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 19.

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.

27. 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 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 91,528 (June 2010: 48,215)

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 2,370 (June 2010: AED 44,760).

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

27. 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, 2011 the Company had outstanding interest rate swap contracts with a notional amount of USD 235 million (AED 862 million) ((December 31, 2010: USD 235 million (AED 862 million)). The fair value of the interest rate and commodity swap contracts are shown as under:

	Unaudited June 30, 2011 AED'000	**Audited December 31, 2010 AED'000**	**Unaudited June 30, 2010 AED'000**
Interest rate swap - positive value	**-**	-	1,198
Interest rate swap - negative value	**(15,489)**	(38,035)	(28,844)
	(15,489)	(38,035)	(27,646)

28. Capital commitments

	Unaudited June 30, 2011 AED'000	Audited December 31, 2010 AED'000	Unaudited June 30, 2010 AED'000
Property plant and equipment	35,000	-	-

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.

Segment report as on June 30, 2011

	Six months period ended June 30, 2011 (Unaudited)			Six months period ended June 30, 2010 (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	105,140	59,457	164,597	141,291	83,235	224,526
Segment result	(9,786)	59,457	49,671	12,800	43,691	56,491
Other income	-	-	6,698	-	-	10,229
Unallocated expenses	-	-	(17,763)	-	-	(17,237)
Net profit for the year	-	-	38,606	-	-	49,483
Segment assets - other	515,233	1,343,976	1,859,209	472,198	1,437,553	1,909,751
Investment in equity accounted investee	73,974	-	73,974	70,330	-	70,330
Total assets	589,207	1,343,976	1,933,183	542,528	1,437,553	1,980,081
Segment liabilities	83,329	15,489	98,818	224,136	27,646	251,782
Total liabilities	83,329	15,489	98,818	224,136	27,646	251,782
Capital expenditure	806	806	1,612	2,284	185,865	188,149
Depreciation	7,132	-	7,132	7,549	-	7,549