

Barwa Real Estate Company Q.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL
INFORMATION

30 June 2014

Barwa Real Estate Company Q.S.C
Condensed consolidated interim financial information
30 June 2014

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REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF BARWA REAL ESTATE COMPANY Q.S.C.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Barwa Real Estate Company Q.S.C. (the "Parent Company") and its subsidiaries (collectively "the Group") as of 30 June 2014 and the related condensed consolidated interim statements of income, comprehensive income, changes in equity and cash flows for the six month period then ended and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, 'Interim financial reporting' as issued by the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making enquiries, 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, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 as issued by the IASB.

Other matter

The condensed consolidated interim financial information for the six month period ended 30 June 2013 and the consolidated financial statements of the Group for the year ended 31 December 2013 were reviewed and audited, respectively, by another firm of auditors who expressed an unqualified review conclusion and an unqualified audit opinion in their reports dated 31 July 2013, and 12 March 2014, respectively.

Mohamed Elmoataz

of PricewaterhouseCoopers

Auditor's registration number 281


Doha, 23 July 2014

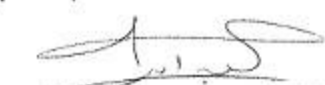
Barwa Real Estate Company Q.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

		30 June 2014 (Reviewed) QR'000	31 December 2013 (Audited) (Restated) QR'000	1 January 2013 (Audited) (Restated) QR'000
	Note			
ASSETS				
Cash and bank balances	5	1,452,997	965,785	675,963
Financial assets at fair value through profit or loss		10,232	8,776	6,704
Finance Lease receivables	6	2,353,660	2,508,058	2,792,229
Receivables and prepayments	6	3,031,956	902,358	720,589
Due from related parties	7	2,273,483	2,880,482	2,724,291
Available-for-sale financial assets		234,272	208,005	366,406
Non-current assets and assets of disposal group classified as held for sale	8	13,826,440	4,346,120	6,156,728
Trading properties	9	3,729,019	19,818,842	18,396,769
Advances for projects and investments		4,722,104	4,687,216	4,781,942
Investments in associates	10	525,219	500,473	2,285,001
Goodwill		126,411	126,411	126,411
Investment properties	11	9,728,709	9,758,249	12,431,909
Property, plant and equipment		395,919	417,265	856,821
Deferred income tax assets		780	783	114
TOTAL ASSETS		42,411,201	47,128,823	52,321,877
LIABILITIES AND EQUITY				
LIABILITIES				
Payables and other liabilities	12	3,351,862	2,416,693	3,030,334
Due to related parties	7	2,368,192	385,725	7,092,289
Liabilities of disposal group classified as held for sale	8	45,964	612	11,540
Obligations under Islamic finance contracts	13	20,500,579	27,788,091	26,661,159
Liabilities under derivative financial instruments		6,884	-	142,128
Deferred income tax liabilities		748	793	206
TOTAL LIABILITIES		26,274,229	30,591,914	36,937,656
EQUITY				
Share capital		3,891,246	3,891,246	3,891,246
Treasury shares		(4,119)	(4,119)	(4,119)
Legal reserve		842,294	842,294	811,555
General reserve		4,639,231	4,639,231	4,639,231
Other reserves		(65,807)	(36,484)	(325,916)
Retained earnings		3,995,421	4,478,958	3,752,649
Total equity attributable to equity holders of the parent		13,298,266	13,811,126	12,764,646
Non-controlling interests		2,838,706	2,725,783	2,619,575
TOTAL EQUITY		16,136,972	16,536,909	15,384,221
TOTAL LIABILITIES AND EQUITY		42,411,201	47,128,823	52,321,877

These condensed consolidated interim financial statements were approved by the Board of Directors on 23 July 2014 and signed on their behalf by:


H.E. Salah Bin.Ghanem Al Ali
Chairman


Ahmad Abdulla Al-Abdulla
Acting Group Chief Executive Officer

Barwa Real Estate Company Q.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME

	<i>For the three months ended</i>		<i>For the Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>(Reviewed)</i>	<i>(Restated)</i>	<i>(Reviewed)</i>	<i>(Restated)</i>
<i>Notes</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Continuing operations				
REVENUES AND GAINS				
Rental income	200,260	185,046	401,075	376,381
Income from consultancy and other related services	81,609	70,030	156,304	158,910
Profit on disposal of properties	-	-	-	954
Net fair value (loss)/ gain on investment properties and non-current assets held for sale	(130,918)	-	655	-
Share of results of equity accounted investees	10 17,240	21,646	28,003	59,103
Other income - net	35,087	30,769	85,004	91,896
TOTAL REVENUES AND GAINS	203,278	307,491	671,041	687,244
EXPENSES AND LOSSES				
Operating expenses	(129,230)	(91,252)	(246,730)	(189,192)
General and administrative expenses	(71,869)	(90,940)	(138,325)	(178,258)
Net finance costs	(81,513)	(108,446)	(191,377)	(170,132)
Impairment of available for sale financial assets and receivables and prepayments	(44,480)	-	(45,441)	-
Depreciation	(14,226)	(17,701)	(28,771)	(35,279)
TOTAL EXPENSES AND LOSSES	(341,318)	(308,339)	(650,644)	(572,861)
(Loss)/profit before income tax	(138,040)	(848)	20,397	114,383
Income tax expense	(232)	(1,574)	(1,059)	(2,244)
(Loss)/profit for the period from continuing operations	(138,272)	(2,422)	19,338	112,139
Discontinued operations				
Gain for the period from discontinued operations	8 95,791	40,425	204,446	84,340
(Loss)/Profit for the period	(42,481)	38,003	223,784	196,479
<i>Attributable to:</i>				
Equity holders of the parent	(42,926)	40,649	222,222	199,183
Non-controlling interests	445	(2,646)	1,562	(2,704)
	(42,481)	38,003	223,784	196,479
Basic and diluted earnings per share from continuing and discontinued operations				
<i>(attributable to equity holders of the parent expressed in QR per share)</i>				
From continuing operations	(0.36)	0	0.05	0.30
From discontinued operations	0.25	0.10	0.53	0.22
14	(0.11)	0.10	0.58	0.52

The attached notes from 1 to 20 form an integral part of these condensed consolidated interim financial information.

Barwa Real Estate Company Q.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	<i>For the three months ended</i>		<i>For the six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
<i>Note</i>	<i>(Reviewed)</i>	<i>(Restated)</i>	<i>(Reviewed)</i>	<i>(Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
(Loss)/Profit for the period	<u>(42,481)</u>	<u>38,003</u>	<u>223,784</u>	<u>196,479</u>
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Currency translation differences	15	5,377	(8,766)	5,790
Change in fair value of available-for-sale financial assets		14,808	6,595	37,438
Other comprehensive income/(loss) for the period, net of tax		<u>20,185</u>	<u>(2,171)</u>	<u>43,228</u>
Total comprehensive income for the period		<u>(22,296)</u>	<u>35,832</u>	<u>267,012</u>
<i>Attributable to:</i>				
Equity holders of the parent		(22,881)	38,417	265,389
Non-controlling interests		585	(2,585)	1,623
Total comprehensive income for the period		<u>(22,296)</u>	<u>35,832</u>	<u>267,012</u>
Total comprehensive income attributable to equity holders of the parent arising from:				
Continuing operations		(118,672)	(2,008)	60,943
Discontinued operations		95,791	40,425	204,446
		<u>(22,881)</u>	<u>38,417</u>	<u>265,389</u>

The attached notes from 1 to 20 form an integral part of these condensed consolidated interim financial information.

Barwa Real Estate Company Q.S.C.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the parent						Non-controlling interests		Total Equity Q/R 000
	Share capital Q/R 000	Treasury shares Q/R 000	Legal reserve Q/R 000	General reserve Q/R 000	Other reserves Q/R 000	Retained earnings Q/R 000	Total Q/R 000	Non-controlling interests Q/R 000	
Balance at 1 January 2014	3,891,246	(4,119)	842,294	4,639,231	(36,484)	4,478,958	13,811,126	2,725,783	16,536,909
Profit for the period	-	-	-	-	-	222,222	222,222	1,562	223,784
Other comprehensive income for the period	-	-	-	-	43,167	-	43,167	61	43,228
Total comprehensive income for the period	-	-	-	-	43,167	222,222	265,389	1,623	267,012
Partners' contribution	-	-	-	-	-	(778,249)	(778,249)	110,650	110,650
Dividends for 2013	-	-	-	-	(72,490)	72,490	-	650	(78,249)
Other movements	-	-	-	-	(72,490)	(705,759)	-	111,500	(666,949)
Total transactions with owners	-	-	-	-	(65,807)	3,995,421	13,298,266	2,838,706	16,136,972
Balance at 30 June 2014 (Reviewed)	3,891,246	(4,119)	842,294	4,639,231	(65,807)	3,995,421	13,298,266	2,838,706	16,136,972
<i>Equity attributable to owners of the parent</i>									
Balance at 1 January 2013 - as previously stated	3,891,246	(4,119)	811,555	4,639,231	(325,916)	3,786,403	12,798,400	503,926	13,302,326
Profit for the period	-	-	-	-	-	(33,754)	(33,754)	2,115,649	2,081,895
Other comprehensive income for the period	-	-	-	-	-	3,752,649	3,752,649	12,764,646	15,384,221
Total comprehensive income for the period	-	-	-	-	-	199,183	199,183	(2,704)	196,479
Partners' contribution	-	-	-	-	-	260,816	260,816	(1,27)	260,689
Dividends for 2012	-	-	-	-	-	199,183	199,183	(2,831)	457,168
Total transactions with owners	-	-	-	-	-	(583,687)	(583,687)	110,650	110,650
Balance at 30 June 2013 (Reviewed)	3,891,246	(4,119)	811,555	4,639,231	(65,100)	3,368,145	12,640,938	2,727,394	15,368,332

The attached notes from 1 to 20 form an integral part of these condensed consolidated interim financial information.

Barwa Real Estate Company Q.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Note	For the Six months ended	
	30 June	
	2014 (Reviewed) QR '000	2013 (Restated) QR '000
OPERATING ACTIVITIES		
Net profit for the period from continued operations	19,338	112,139
Net profit for the period from discontinued operations	204,446	84,340
Adjustments for:		
- Depreciation	28,793	35,307
- Share of results of equity accounted investees	(28,003)	(59,103)
- Profit on sale of properties	-	(954)
- Fair value change in derivative financial instruments	-	(37,519)
- Fair value gain on call option	-	(3,975)
- Amortization of unearned finance lease income	-	(172,710)
- Loss / (gain) on disposal of subsidiaries	39,364	(232,327)
- Gain on disposal of property, plant and equipment	-	(8,498)
- Reversal of board of directors remuneration	-	(10,500)
- Gain on revaluation of non-current assets held for sale	(182,644)	-
- Loss on revaluation of investment property	181,989	-
- Impairment of available for sale financial assets and receivables and prepayment	45,441	-
- Gain on disposal of available-for-sale financial assets	(1,851)	(1,180)
- Dividend income	(9,570)	(8,271)
- Unrealised gain on financial assets at fair value through profit or loss	1,300	(1,513)
- Unwinding of discount on deferred sale arrangements	(154,900)	-
- Net Finance cost	373,103	-
- Gain on reversal of provision	-	(6,110)
- Net deferred Tax benefit	(42)	-
Operating cash flows before working capital changes	516,764	1,024,271
Working capital changes:		
- Receivables and prepayments	289,201	383,610
- Due from/to related parties	2,075,132	33,142
- Payables and other liabilities	1,030,410	303,207
NET CASH FROM OPERATING ACTIVITIES	3,911,507	409,085
INVESTING ACTIVITIES		
Purchase of financial assets carried at fair value through profit and loss	(2,756)	-
Purchase of investment properties	(4,837)	(25,786)
Proceeds from sale of available-for-sale financial assets	9,927	22,835
Proceeds from sale of properties	-	375,000
Advances for purchase of investments and properties	(79,554)	(91,266)
Change in non-current assets held for sale	(56,180)	-
Payment for purchase of non-current assets held for sale	(10,021)	-
Payment for purchase of trading properties	(813,603)	-
Payments for purchase of available-for-sale financial assets	(4,661)	(16,976)
Payments for purchase of property, plant and equipment	(7,736)	(31,169)
Proceeds from disposal of property, plant and equipment	38	-
Proceeds from disposal of subsidiaries	-	477,557
	5,568,762	-
Net movement in short term deposits with maturities more than three months	(31,115)	(38,938)
Dividend income	9,570	8,271
Dividends received from equity accounted investees	4,000	12,000
NET CASH FROM INVESTING ACTIVITIES	4,581,834	691,528
FINANCING ACTIVITIES		
Finance cost paid	(370,703)	-
Proceeds from Islamic financing contracts	-	606,966
Payments for obligations under Islamic financing contracts	(7,289,912)	(122,142)
Dividends paid	(384,047)	(563,584)
Receipts of government grant	-	346,800
Movement in restricted bank balances	105	485
Settlement of derivative financial liabilities	6,884	(102,221)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	(8,037,673)	166,304
INCREASE IN CASH AND CASH EQUIVALENTS	455,668	553,519
Net foreign exchange differences	534	(298,167)
Cash and cash equivalents at 1 January	838,701	611,531
Cash and cash equivalents of disposal group	58,099	(4,625)
Cash and cash equivalent for loss of control on subsidiaries	(1,868)	-
CASH AND CASH EQUIVALENTS AT 30 June	1,351,134	862,258

The attached notes from 1 to 20 form an integral part of these condensed consolidated interim financial information.

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION At 30 June 2014

1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Barwa Real Estate Company Q.S.C. ("the Company" or "the Parent") was incorporated pursuant to the provision of Article 68 of the Qatar Commercial Companies Law No. 5 of 2002 as Qatari Public Shareholding Company under Commercial Registration No. 31901 dated 27 December 2005. The term of the Company is 100 years starting from the date of declaration in the Commercial Register. The Company is a listed entity on Qatar Exchange.

The Company's registered office address is P.O. Box 27777, Doha, State of Qatar.

The principal activities of the Company and its subsidiaries (together, "the Group") include investment in all types of real estate including acquiring, reclamation, dividing, developing and reselling of land and to establish agricultural, industrial, commercial projects on land, or lease those land, and also buying, selling and leasing buildings or projects. It also administers and operates real estate investments in and outside the State of Qatar. The Group is engaged in the business of developing domestic and international real estate projects, investing, hotels ownership and management, projects consulting, advertisement, brokerage services and others.

2 BASIS OF PREPARATION

The condensed consolidated interim financial information for the period ended 30 June 2014 have been prepared in accordance with International Financial Reporting Standards, IAS 34 – "Interim Financial Reporting" ("IAS 34").

The condensed consolidated interim financial information are presented in Qatari Riyals, which is the Company's functional and presentational currency and all values are rounded to the nearest thousands (QR'000) except when otherwise indicated.

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

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2013.

3.1 Changes in accounting policies and disclosures

(a) New standards and interpretations effective but do not have effect or not relevant to the Group

IFRIC 21, 'Levies' (effective 1 January 2014). This is an interpretation of IAS 37, 'Provisions, contingent liabilities and contingent assets'. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

Amendments to IFRS 10, 12 and IAS 27 on consolidation for investment entities (effective 1 January 2014). These amendments will exempt certain investment entities from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. Changes have also been made IFRS 12 to introduce disclosures that an investment entity needs to make.

Amendments to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets (effective 1 January 2014). This amendment removed certain disclosures of the recoverable amount of CGUs, which had been included in IAS 36 by the issue of IFRS 13.

Amendments to IAS 32, 'Financial instruments: Presentation' on asset and liability offsetting (effective 1 January 2014). These amendments are to the application guidance in IAS 32, 'Financial instruments:

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Changes in accounting policies and disclosures (continued)

Presentation', and clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.

Amendments to IAS 39 'Financial instruments: Recognition and measurement', on novation of derivatives and hedge accounting (effective 1 January 2014). This amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument to a central counter party meets specified criteria.

(b) New standards and interpretations not yet adopted by the Group

Amendments to IAS 19, 'Employee benefits' on defined benefit plans (Annual periods beginning on or after 1 July 2014). The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service.

Amendment to IFRS 2, 'Share based payment' (For share-based payment transactions for which the grant date is on or after 1 July 2014) amends the definitions of "vesting condition" and "market condition" and adds definitions for "performance condition" and "service condition" (which were previously part of the definition of "vesting condition",

IFRS 3, 'Business combinations' (Annual periods beginning on or after 1 July 2014). The amendment clarifies that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself. It also clarifies that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date.

IFRS 8, 'Operating segments' (Annual periods beginning on or after 1 July 2014). The amendment requires to disclose the judgement made by management in applying the aggregation criteria to operating segments.

IAS 16, 'Property, plant and equipment', and IAS 38, 'Intangible assets' (Annual periods beginning on or after 1 July 2014). The amendment clarifies that when an item of property, plant and equipment is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

IAS 24, 'Related party disclosures' (Annual periods beginning on or after 1 July 2014) amendment clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.

IFRS 3, 'Business combinations' (Annual periods beginning on or after 1 July 2014). The amendment clarifies that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date.

IFRS 13, 'Fair value measurement' (Annual periods beginning on or after 1 July 2014. An entity shall apply the amendment prospectively from the beginning of the first annual period in which IFRS 13 is applied). The amendment clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement of IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.

IFRS 15, 'Revenue from Contracts with Customers' (Annual periods beginning on 1 January 2017) it establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

IAS 40, 'Investment property' (Annual periods beginning on or after 1 July 2014. May be applied to individual acquisitions of investment property before 1 July 2014 if, and only if, the information necessary to apply the amendment is available). The amendment clarifies the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.

At 30 June 2014

3 SIGNIFICANT ACCOUNTING POLICIES (continued)**3.1 Changes in accounting policies and disclosures (continued)**

IFRS 14, 'regulatory deferral accounts' (Annual periods beginning on or after 1 January 2016) permits first time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items,

IFRS 9, 'Financial instruments' (Annual periods beginning on or after 1 January 2018)

Amendments to IFRS 9, 'Financial instruments' on hedge accounting (Annual periods beginning on or after 1 January 2018). The amendments to IFRS 9 bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements.

3.2 Restatements

The Group used to report its 50% interest in Lusail Golf Development Company LLC as a joint venture under IFRS 11. This classification was based on shareholders agreement, which requires all decisions to be made by anonymous approval of all shareholders. Such shareholders agreement is not yet authenticated. Based on advice of the internal legal counsel, the Group management has assessed that only the articles of association of Lusail Golf Development Company LLC which gives a casting power in the voting to the Group should be considered as guidance for managing the Company till the official authentication of the shareholders agreement. Therefore, Lusail Golf Development Company LLC is consolidated in these condensed consolidated financial statements with retrospective effect.

The restatement of prior period amounts did not lead to any significant effect on the comprehensive income, other comprehensive income, cash flows or retained earnings of the Group. The restatement mainly affected the statement of financial position as at 31 December 2013 and 1 January 2013 as follows:

31 December 2013	As previously reported (QR '000)	Effect of restatement (QR '000)	Restated (QR '000)
Advances for projects and investments	317,329	4,369,887	4,687,216
Non-controlling interest	499,484	2,226,299	2,725,783
Investment in Joint Venture	2,153,497	(2,153,497)	-
Cash & bank balances	955,337	10,448	965,785
1 January 2013	As previously reported (QR '000)	Effect of restatement (QR '000)	Restated (QR '000)
Advances for projects and investments	2,671,293	2,110,649	4,781,942
Non-controlling interest	503,926	2,115,649	2,619,575
Cash & bank balances	665,514	10,449	675,963

4 ACCOUNTING ESTIMATES

The preparation of this condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial information for the year ended 31 December 2013.

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)
At 30 June 2014

5 CASH AND BANK BALANCES

Cash and bank balances are comprised of the following:

	<i>As at</i> 30 June	<i>As at</i> 31 December
	2014	2013
	<i>(Reviewed)</i>	<i>(Audited)</i> <i>(Restated)</i>
	QR'000	QR'000
Cash on hand	513	352
Short term bank deposits	769,392	157,953
Current account balances	234,138	204,817
Call account balances	448,060	601,664
Margin bank account	894	999
Total cash and bank balances	1,452,997	965,785
Cash and bank balances attributable to discontinued operations	58,099	1,868
Short term bank deposits maturing after 3 months	(159,068)	(127,953)
Restricted bank balances	(894)	(999)
Cash and cash equivalents	1,351,134	838,701

Notes:

- (i) Short term bank deposits are made for varying periods depending on the immediate cash requirements of the Group with original maturity dates of less than three months and carry profit at commercial market rates.
- (ii) Restricted bank balances are restricted to cover certain bank guarantees given to the Parent.

6 CURRENT AND NON-CURRENT PRESENTATION OF RECEIVABLES AND PREPAYMENTS AND FINANCE LEASE RECEIVABLES

The following table presents the current and non-current distinction of receivables and prepayments and finance lease receivables at the reporting date.

	<i>Receivables and prepayments</i>		<i>Finance lease receivables</i>	
	<i>30 June</i> 2014 <i>(Reviewed)</i>	<i>31 December</i> 2013 <i>(Audited)</i> <i>(Restated)</i>	<i>30 June</i> 2014 <i>(Reviewed)</i>	<i>31 December</i> 2013 <i>(Audited)</i> <i>(Restated)</i>
	QR'000	QR'000	QR'000	QR'000
Current	2,933,127	734,399	333,144	316,711
Non-current	98,829	167,959	2,020,516	2,191,347
	3,031,956	902,358	2,353,660	2,508,058

Note:

Finance lease receivables amounting to QR 959,720 thousand (31 December 2013: QR 1,068,702 thousand) owned by a subsidiary of the Group has been pledged as a security against US\$ 270,000,000 (30 June 2014: QR 983,205,000) of Sukuk Al Musharaka facility.

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

At 30 June 2014

7 RELATED PARTY TRANSACTIONS AND BALANCES

The Controlling Company of the Group is Qatari Diar Real Estate Investment Company Q.S.C ("Controlling Company"), which owns 45% of the Company's shares in addition to a preferred share based on the Articles of Association of the Parent Company. The remaining 55% of the shares are widely held.

The Parent Company has transactions with related parties, i.e. shareholders having control on the Company, associated companies, directors and key management of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Related party transactions

Transactions with related parties during the period were as follows:

	<i>For the Six months ended 30 June</i>	
	<i>2014 (Reviewed)</i>	<i>2013 (Reviewed) (Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
Consideration for sale of subsidiaries to the Controlling Company	<u>7,626,206</u>	<u>6,109,011</u>
Payment by the Controlling Company of Islamic financing facility as settlement of the consideration for the sale of subsidiaries	<u>7,289,912</u>	<u>5,808,454</u>
Collection of balance due on the sale of Barwa bank to the Controlling Company	<u>1,727,649</u>	<u>-</u>
Gain from sale of property, plant and equipment to associated companies	<u>-</u>	<u>8,421</u>
Income from consultancy and other services - associated companies	<u>102,945</u>	<u>52,080</u>
Rental income for leases assets – Controlling Company and associated companies	<u>6,398</u>	<u>9,258</u>
Finance costs - Controlling Company	<u>18,691</u>	<u>17,581</u>

Current and non-current portions of due from and due to related parties were as follows:

	<i>Due from related parties</i>		<i>Due to related parties</i>	
	<i>30 June 2014 (Reviewed)</i>	<i>31 December 2013 (Audited) (Restated)</i>	<i>30 June 2014 (Reviewed)</i>	<i>31 December 2013 (Audited) (Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Current	<u>2,159,625</u>	<u>2,770,618</u>	<u>2,364,546</u>	<u>363,373</u>
Non-current	<u>113,858</u>	<u>109,864</u>	<u>3,646</u>	<u>22,352</u>
	<u>2,273,483</u>	<u>2,880,482</u>	<u>2,368,192</u>	<u>385,725</u>

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED) At 30 June 2014

7 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

On 5 November 2013, the Group and Qatari Diar Real Estate Investment Company Q.S.C. ("QD") ("Controlling Company") entered into a framework agreement to sell investment properties, property, plant and equipment, investments in associates and available-for-sale financial assets (the "Assets"). As per the framework agreement, the Assets shall be sold, transferred and/or assigned by the Group to QD through separate sale and purchase agreements ("SPA's") to be entered into in respect of each individual Asset at future dates. QD will at its sole discretion either acquire the Assets directly or it will incorporate a SPV within the State of Qatar to acquire the Assets, which will either directly own the Assets or acquire the shares of the companies holding the underlying Assets. As of 30 June 2014, the negotiation for the sale is in progress. The disposal of these assets was planned to be completed within twelve months from the agreement date. Subsequently on July 15th 2014, the framework agreement was extended to another six month to end on 31 December 2014.

Due to related parties

Due to related parties include an Islamic financing facilities (Murabaha) obtained from the Controlling Company amounting to QR 1,309,343 thousand (31 December 2013: QR 1,300,049 thousand). This Islamic financing facility is unsecured and carries fixed and variable profit rates.

Compensation of directors and other key management personnel

The remuneration of directors and other members of key management during the period was as follows:

Consolidated	<i>For the three months ended 30 June</i>		<i>For the six months ended 30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Salaries and related benefits	<u>15,919</u>	<u>13,198</u>	<u>28,087</u>	<u>26,872</u>

8 NON CURRENT ASSETS AND ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

Carrying values of non-current assets held for sale are as follows:

	<i>30 June 2014 (Reviewed)</i>	<i>31 December 2013 (Audited) (Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
Investments in equity accounted investees	484,746	484,746
Investment properties, Property, plant and equipment	3,471,783	3,289,522
Available-for-sale financial assets	441,249	432,927
Assets of disposal group classified as held for sale	101,143	137,057
	<u>9,327,519</u>	<u>1,868</u>
	<u>13,826,440</u>	<u>4,346,120</u>

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)

At 30 June 2014

8 NON CURRENT ASSETS AND ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

Impact of the disposal group on cash flows statement:

	<i>30 June 2014 (Reviewed) QR'000</i>
Operating cash flows	132,497
Investing cash flows	(139,832)
Financing cash flows	(638)
Total cash flows	<u>(7,973)</u>

During the period, the Group signed sale and purchase agreements with QD to sell the Group interest in Barwa Commercial Avenue and Barwa City to QD, Barwa Commercial Avenue deal were completed during July 2014 upon obtaining the approval of Qatar Financial Market Authority. Barwa City deal was completed during the period

The results of the subsidiaries classified as discontinued operations during the year were as follows:

	<i>30 June 2014 (Reviewed) QR'000</i>	<i>30 June 2013 (Reviewed) (Restated) QR'000</i>
INCOME		
Rental Income	262,167	69,712
Other income	180	-
EXPENSES		
General and administrative & Operating expenses	(18,639)	(21,182)
Net finance income /(costs)	124	(196,314)
Depreciation	(22)	(203)
(Loss) / Gain on disposal on subsidiary	<u>(39,364)</u>	<u>232,327</u>
Profit for the period from discontinued operations	<u>204,446</u>	<u>84,340</u>

The classification of assets and liabilities of disposal group has not resulted in re-measurement differences due to the nature of balances involved.

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)

At 30 June 2014

8 NON CURRENT ASSETS AND ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

The major classes of assets and liabilities of Barwa Commerical Avenue were as follows:

	<i>30 June 2014 (Reviewed) QR'000</i>
Assets	
Cash and bank balances	58,099
Receivables and prepayments	88,621
Trading properties	9,179,772
Advances for projects	<u>1,027</u>
Assets of disposal group classified as held for sale	<u>9,327,519</u>
Liabilities	
Payables and other liabilities	(23,214)
Due to related party	<u>(22,750)</u>
Liabilities of disposal group classified as held for sale	<u>(45,964)</u>
Net assets of disposal group held for sale	<u>9,281,555</u>

The major classes of assets and liabilities of disposed and liquidated subsidiaries as at the disposal dates were as follows:

	<i>30 June 2014 (Reviewed) QR'000</i>
Assets	
Cash and bank balances	111,337
Receivables and prepayments	85,235
Trading properties	7,702,538
Advances for projects	737
Property and equipment	<u>30</u>
Total Assets	<u>7,899,877</u>
Liabilities	
Payables and other liabilities	(182,063)
Due to related party	<u>(52,244)</u>
Total Liabilities	<u>(234,307)</u>
Net assets disposed	7,665,570
Loss on disposal	<u>(39,364)</u>
Selling price	<u>7,626,206</u>
Consideration on disposal of subsidiaries	<u>7,580,396</u>
Assumed liabilities	<u>45,810</u>

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

(CONTINUED)

At 30 June 2014

9 TRADING PROPERTIES

	<i>30 June 2014 (Reviewed)</i>	<i>31 December 2013 (Audited) (Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
Properties available for sale	186,167	16,101,633
Properties under development	<u>3,542,852</u>	<u>3,717,209</u>
	<u>3,729,019</u>	<u>19,818,842</u>

Movements of properties under development during the period/year were as follows:

	<i>30 June 2014 (Reviewed)</i>
	<i>QR'000</i>
At 1 January	3,717,209
Additions during the period/year	816,590
On disposal of subsidiaries	(806,702)
Capitalised finance cost	33,408
Transferred to investment property	(179,992)
Transferred to properties available for sale	(34,663)
Transferred from advances for projects and investments	-
Net realizable value adjustment	-
Exchange adjustment	<u>(2,998)</u>
At 30 June / 31 December	<u>3,542,852</u>

10 INVESTMENTS IN ASSOCIATES

The following table illustrates the summarised financial information of the Group's investments in Associates

	<i>Six months ended 30 June 2014 (Reviewed)</i>
	<i>QR'000</i>
At January 1 st 2014	500,473
Dividends received from associates	(4,000)
Share of change in fair value reserve of available-for-sale financial assets	909
Currency translation adjustment	(166)
Share of profit from associate	<u>28,003</u>
AT JUNE 30, 2014	<u>525,219</u>

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)

At 30 June 2014

10 INVESTMENTS IN ASSOCIATES (continued)

	<i>Six months ended 30 June 2014 (Reviewed) QR'000</i>
Group's share of the associates' statement of financial position:	
Total assets	1,051,379
Total liabilities	<u>(526,160)</u>
Group share of net assets of associates	<u>525,219</u>
Carrying amount of the investments	<u>525,219</u>
Group's share of associates' revenues and results:	
Revenues	<u>169,065</u>
Results	<u>28,003</u>

11 INVESTMENT PROPERTIES

	<i>30 June 2014 (Reviewed) QR'000</i>
At 1 January	9,758,249
Additions during the period/year	4,836
Transferred from advances for projects and investments	47,674
Transfers from trading properties	91,603
Transferred to non-current assets held for sale (Note 8)	-
Net fair value (loss)/ gain	(181,989)
Government grant received	-
Translation adjustments	<u>8,336</u>
At 30 June / 31 December	<u>9,728,709</u>

The fair value of investment properties was reviewed at 30 June 2014 using techniques similar to those used in the financial statements for the year ended 31 December 2013.

Included under investment properties are properties under construction with carrying amount of QR 1,178,962 thousand at 30 June 2014 (31 December 2013: QR 897,975 thousand) where title deed will be transferred to the Group only on completion of construction activities. These are presented in the condensed consolidated interim financial statements on the bases that the beneficial interest of such properties resided with the Group.

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)

At 30 June 2014

12 PAYABLES AND OTHER LIABILITIES

	<i>30 June 2014 (Reviewed) QR'000</i>	<i>31 December 2013 (Audited) (Restated) QR'000</i>
Subcontractors and suppliers	526,293	649,753
Clients advances and unearned income	201,710	161,650
Retention payable	197,376	171,315
Contribution to social and sports fund	42,650	42,650
Advances received for sale of properties	1,044,000	-
Accrued expenses	194,246	190,318
Accrued finance cost	70,975	115,608
Employees end of services benefits	56,348	52,103
Provisions for litigations	112,887	145,661
Other payables	905,377	887,635
	<u>3,351,862</u>	<u>2,416,693</u>
<i>The maturity of payables and other liabilities are as follows:</i>		
Non-current	2,544,413	833,187
Current	807,449	1,583,506
	<u>3,351,862</u>	<u>2,416,693</u>

13 OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS

The movements in the obligations under Islamic finance contracts during the period / year were as follows:

	<i>30 June 2014 (Reviewed) QR'000</i>
At 1 January	27,788,091
Facilities obtained during the period/year	-
Repayments of outstanding facilities during the period /year	(7,289,912)
Deferred finance charges	2,400
At 30 June	<u>20,500,579</u>

The maturity profile of obligations under Islamic finance contracts are as follows:

	<i>30 June 2014 (Reviewed) QR'000</i>	<i>31 December 2013 (Audited) (Restated) QR'000</i>
Non-current	16,803,264	25,376,845
Current	3,697,315	2,411,246
	<u>20,500,579</u>	<u>27,788,091</u>

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

At 30 June 2014

13 OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS (continued)

Note:

The Islamic finance contracts have been obtained for the purpose of financing long term projects and working capital requirements of the Group. The contracts carry profits at commercial rates. There were no securities pledged against any of the contracts at 30 June 2014 and 31 December 2013, except for finance lease receivable pledged as security, which has been disclosed in Note 6 to these condensed interim consolidated condensed financial statements.

14 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the period as follows:

	<i>For the six months ended</i>	
	<i>30 June</i>	
	<i>2014</i>	<i>2013</i>
	<i>(Reviewed)</i>	<i>(Restated)</i>
Profit attributable to owners of the parent from continuing operations (QR 000')	17,776	114,843
Profit attributable to owners of the parent from discontinued operations (QR 000')	204,446	84,340
Profit attributable to owners of the parent (QR 000')	222,222	199,183
Ordinary shares issued and fully paid (thousands)	389,125	389,125
Treasury Shares (thousands)	(50)	(50)
Weighted average number of shares outstanding during the period (in thousand shares)	389,075	389,075
From continuing operations	0.05	0.30
From discontinued operations	0.53	0.22
Basic and diluted earnings per share (QR)	0.58	0.52

There were no potentially dilutive shares outstanding at any time during the period and therefore the diluted earnings per share is equal to the basic earnings per share.

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)

At 30 June 2014

15 OTHER RESERVES

	<i>For the Six months ended</i>	
	<i>30 June</i>	
	<i>2014</i>	<i>2013</i>
	<i>(Reviewed)</i>	<i>(Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
<i>Translation reserves:</i>		
Currency translation differences from foreign operations	5,790	(6,422)
Currency translation differences transferred to profit or loss on disposal of subsidiaries	-	264,136
	<u>5,790</u>	<u>257,714</u>
<i>Available-for-sale financial assets:</i>		
Gain on remeasurement at fair value	37,438	2,975
	<u>37,438</u>	<u>2,975</u>
Other reserves for the period	<u>43,228</u>	<u>260,689</u>

16 CONTINGENT LIABILITIES

The Group had the following contingent liabilities from which it is anticipated that no material liabilities will arise.

	<i>30 June</i>	<i>31 December</i>
	<i>2014</i>	<i>2013</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>(Restated)</i>	<i>(Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
Bank guarantees	<u>58,773</u>	<u>72,029</u>

17 COMMITMENTS

	<i>30 June</i>	<i>31 December</i>
	<i>2014</i>	<i>2013</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>(Restated)</i>	<i>(Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
Contractual commitments to contractors and suppliers for properties under development	<u>1,925,512</u>	<u>2,248,854</u>
Commitments for operating leases (i)	<u>287,884</u>	<u>329,457</u>
Commitments for purchase of investments	<u>270,636</u>	<u>270,959</u>

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED) At 30 June 2014

17 COMMITMENTS (continued)

Note:

(i) Commitments for operating leases are analysed as follows:

	30 June 2014 (Reviewed) QR'000	31 December 2013 (Audited) (Restated) QR'000
Less than one year	53,210	68,825
Between 1 and 5 years	131,332	137,200
More than 5 years	<u>103,342</u>	<u>123,432</u>
	<u>287,884</u>	<u>329,457</u>

18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

18.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value profit rate risk, cash flow profit rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

There have been no changes in the risk management department or in any risk management policies since the year end.

18.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

18.3 Fair value estimation

Set out below is a comparison of the carrying amounts and fair values of the Group's financial instruments as at 30 June 2014 and 31 December 2013:

At 30 June 2014

18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)**18.3 Fair value estimation (continued)**

	<i>Carrying amounts</i>		<i>Fair values</i>	
	<i>30 June 2014 (Reviewed) QR'000</i>	<i>31 December 2013 (Audited) (Restated) QR'000</i>	<i>30 June 2014 (Reviewed) QR'000</i>	<i>31 December 2013 (Audited) (Restated) QR'000</i>
Financial assets				
Bank balances	1,452,997	965,785	1,452,997	965,785
Receivables	2,948,193	783,365	2,948,193	783,365
Finance lease receivables	2,353,660	2,508,058	2,353,660	2,508,058
Due from related parties	2,273,483	2,880,482	2,273,483	2,880,482
Financial assets at fair value through profit or loss	10,232	8,776	10,232	8,776
Non-current financial assets and financial assets of disposal group classified as held for sale	9,913,408	623,671	9,913,408	623,671
Available-for-sale financial assets	234,272	208,005	234,272	208,005
	<u>19,186,245</u>	<u>7,978,142</u>	<u>19,186,245</u>	<u>7,978,142</u>
Financial liabilities				
Payables and other liabilities	(2,417,705)	(1,526,840)	(2,417,705)	(1,526,840)
Due to related parties	(2,368,192)	(385,725)	(2,368,192)	(385,725)
Liabilities of disposal group classified as held for sale	(45,964)	(612)	(45,964)	(612)
Liabilities under derivative financial instruments	(6,884)	-	(6,884)	-
Obligations under Islamic finance contracts	(20,500,579)	(27,788,091)	(20,500,579)	(27,788,091)
	<u>(25,339,324)</u>	<u>(29,701,268)</u>	<u>(25,339,324)</u>	<u>(29,701,268)</u>

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair values are not based on observable market data.

As at 30 June 2014 and 31 December 2013, the Group held the following classes of financial instruments measured at fair value:

At 30 June 2014

18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)**18.3 Fair value estimation (continued)****Financial assets**

	<i>30 June 2014 (Reviewed) QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
Available-for-sale financial assets	234,272	132,983	-	101,289
Financial assets at fair value through profit or loss	10,232	10,232	-	-
Derivative financial instruments	-	-	-	-
Non-current financial assets held for sale	585,889	-	-	585,889
	<u>830,393</u>	<u>143,215</u>	<u>-</u>	<u>687,178</u>

	<i>31 December 2013 (Audited) (Restated) QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
Available-for-sale financial assets	208,005	106,938	-	101,067
Financial assets at fair value through profit or loss	8,776	8,776	-	-
Derivative financial instruments	2,988	-	2,988	-
Non-current financial assets held for sale	621,803	-	-	621,803
	<u>841,572</u>	<u>115,714</u>	<u>2,988</u>	<u>722,870</u>

Financial liabilities

	<i>30 June 2014 (Reviewed) QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
Derivative financial instruments	6,884	-	6,884	-

	<i>31 December 2013 (Audited) (Restated) QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
Derivative financial instruments	-	-	-	-

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

At 30 June 2014

18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

18.3 Fair value estimation (continued)

The following table shows a reconciliation of the opening and closing amount of level 3 financial assets which are recorded at fair value.

	<i>Available for sale financial assets</i>	<i>Non-current assets held for sale</i>
At 1 January 2014	101,067	621,803
Gain recorded in the consolidated statements of comprehensive income	222	9,264
Impairment loss	-	(45,178)
At 30 June 2014	<u>101,289</u>	<u>585,889</u>

19 SEGMENT INFORMATION

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different businesses and are managed separately because they require different expertise. For each of the strategic divisions, the Group's top management (the chief operating decision maker) reviews internal management reports on a regular basis. The real estate segment develops, sells and lease condominiums, villas and plots of land. Business services segment provides business support services and other services comprise financial and other institutions.

The operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results, which are considered as a measure of the individual segment's profit and losses.

Operating segments

The operating segments are presented as follows;

<i>For the Six months ended 30 June 2014 (Reviewed)</i>	<i>Real Estate QR'000</i>	<i>Business services QR'000</i>	<i>Other services QR'000</i>	<i>Eliminations QR'000</i>	<i>Total QR'000</i>
Revenues and gains					
- External parties	565,311	105,416	314	-	671,041
- Internal segments	2,697	67,649	-	(70,346)	-
Total revenues and gains	<u>568,008</u>	<u>173,065</u>	<u>314</u>	<u>(70,346)</u>	<u>671,041</u>
Profit (loss) /for the period	<u>221,275</u>	<u>58,675</u>	<u>(851)</u>	<u>(55,315)</u>	<u>223,784</u>
Net finance (cost)/ income	<u>(191,750)</u>	<u>410</u>	<u>(37)</u>	<u>-</u>	<u>(191,377)</u>
Depreciation	<u>(28,044)</u>	<u>(595)</u>	<u>(132)</u>	<u>-</u>	<u>(28,771)</u>
Share of results of equity accounted investees	<u>28,003</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,003</u>

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)
At 30 June 2014

19 SEGMENT INFORMATION (continued)

<i>For the Six months ended 30 June 2013 (Reviewed)(Restated)</i>	<i>Real Estate</i>	<i>Business services</i>	<i>Other services</i>	<i>Eliminations</i>	<i>Total</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Revenues and gains					
- External parties	599,932	84,288	3,024	-	687,244
- Internal segments	1,984	47,553	-	(49,537) (i)	-
Total revenues and gains	601,916	131,841	3,024	(49,537)	687,244
Profit /(loss) for the period	182,836	23,140	(440)	(9,057)	196,479
Net finance cost	(170,030)	(58)	(44)	-	(170,132)
Depreciation	(34,141)	(984)	(154)	-	(35,279)
Share of results of equity accounted investees	58,058	-	1,045	-	59,103

Note:

(i) Inter-segment revenues and gains are eliminated on consolidation.

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2014 and 31 December 2013:

<i>At 30 June 2014 (Reviewed)</i>	<i>Real Estate</i>	<i>Business services</i>	<i>Other services</i>	<i>Eliminations</i>	<i>Total</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Current assets	24,340,924	248,733	62,218	-	24,651,875
Non-current assets	18,155,997	98,025	112,402	(607,098)	17,759,326
Total assets	42,496,921	346,758	174,620	(607,098)	42,411,201
Current liabilities	(8,614,065)	(66,366)	(612)	-	(8,681,043)
Non-current liabilities	(17,432,508)	(52,826)	(153,786)	45,934	(17,593,186)
Total liabilities	(26,046,573)	(119,192)	(154,398)	45,934	(26,274,229)
Investments in equity accounted investees	510,363	-	14,856	-	525,219
Capital expenditures	862,568 (ii)	-	-	-	862,568

Barwa Real Estate Company Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(CONTINUED)
At 30 June 2014

19 SEGMENT INFORMATION (continued)

<i>At 31 December 2013 (Audited)(Restated)</i>	<i>Real Estate</i> <i>QR '000</i>	<i>Business services</i> <i>QR '000</i>	<i>Other services</i> <i>QR '000</i>	<i>Eliminations</i> <i>QR '000</i>	<i>Total</i> <i>QR '000</i>
Current assets	29,018,419	220,007	39,395	-	29,277,821
Non-current assets	18,240,983	71,351	108,776	(570,108)	17,851,002
Total assets	47,259,402	291,358	148,171	(570,108)	47,128,823
Current liabilities	(4,309,268)	(75,073)	(1,797)	-	(4,386,138)
Non-current liabilities	(26,063,084)	(60,858)	(149,451)	67,617	(26,205,776)
Total liabilities	(30,372,352)	(135,931)	(151,248)	67,617	(30,591,914)
Investments in equity accounted investees (Restated)	486,095	-	14,378	-	500,473
Capital expenditures	1,571,242 (ii)	-	-	-	1,571,242

Note:

- (ii) Capital expenditure consists of additions to trading properties, investment properties and property, plant and equipment and assets from business combinations.

20 DIVIDENDS

The shareholders of the Parent Company approved at the Annual General Meeting held on 8 April 2014 a cash dividend of QR 2 per share; total amounting to QR 778,249 thousand from the profit of 2013 (2013: cash dividend of QR 1.5 per share; total amounting to QR 583,687 from the profit of 2012).