

**AL DHABI BROKERAGE
SERVICES L.L.C.**

**Reports and financial
statements for the year
ended December 31, 2008**

AL DHABI BROKERAGE SERVICES L.L.C.

Reports and financial statements for the year ended December 31, 2008

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**Report of the Directors
for the year ended December 31, 2008**

The Directors have pleasure in submitting their report, together with the audited financial statements of the Company for the year ended December 31, 2008.

Principal activity

The principal activity of the Company is to provide Brokerage Services pertaining to financial instruments and commodities.

Results and appropriation

Revenue for the year was AED 31.1 million (2007 – AED 37.6 million). Net profit for the year was AED 9.1 million (2007 – AED 18.1 million).

The appropriation of profits is as follows:

	2008 AED'000	2007 AED'000
Retained earnings at the beginning of the year	42,441	26,115
Net profit for the year	9,050	18,140
Less: Transfer to statutory reserve	(905)	(1,814)
	<hr/>	<hr/>
Retained earnings at the end of the year	50,586	42,441
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Directors

The Directors through out the year were Mr. Ala'a Eraiqat and Jasim Al Darmaki. The Directors fall for reappointment for 2009.

Auditors

The Directors propose the reappointment of Deloitte & Touche as auditors of the Company for the year ending December 31, 2009.

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Chairman

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Al Dhabi Brokerage Services L.L.C.
Abu Dhabi, United Arab Emirates

Report on the financial statements

We have audited the financial statements of Al Dhabi Brokerage Services L.L.C. (the "Company"), which comprise the balance sheet as at December 31, 2008, and the income statement, statement of changes in shareholder's equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out in pages 4 to 23.

Management's responsibility for the financial statements

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

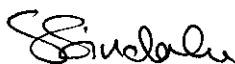
INDEPENDENT AUDITOR'S REPORT (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2008, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

Also, in our opinion, proper books of account are maintained by the Company, and the information included in the Directors' Report is in agreement with the books of account. We have obtained all the information and explanations which we considered necessary for the purpose of our audit. According to the information available to us, there were no contraventions of the United Arab Emirates (U.A.E.) Federal Commercial Companies Law No. (8) of 1984 (as amended) or the Articles of Association of the Company which might have a material effect on the financial position of the Company or on the results of its operations for the year.



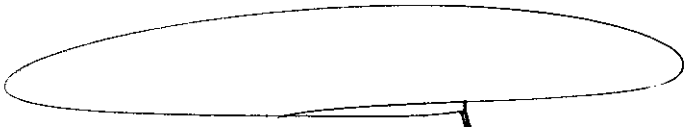
Saba Y. Sindaha
Registration Number 410
January 28, 2009



Balance sheet
as at December 31, 2008

	Notes	2008 AED'000	2007 AED'000
ASSETS			
Non-current assets			
Property and equipment	5	8,456	10,348
Available-for-sale investments	6	1,770	9,008
Total non-current assets		10,226	19,356
Current assets			
Trade receivables	7	74,188	295,523
Prepayments		275	150
Bank and cash		22,303	23,922
Total current assets		96,766	319,595
Total assets		106,992	338,951
EQUITY AND LIABILITIES			
Equity			
Share capital	8	30,000	30,000
Statutory reserve	9	5,621	4,716
Investment revaluation reserve		311	7,549
Retained earnings		50,586	42,441
Total equity		86,518	84,706
Non-current liabilities			
Provision for end of service benefits		742	555
Current liabilities			
Trade and other payables	10	19,732	253,690
Total liabilities		20,474	254,245
Total equity and liabilities		106,992	338,951


 Ala'a Eraiqat
 Chairman


 Hassan Saleem Al Hossani
 General Manager

The accompanying notes form an integral part of these financial statements.

**Income statement
for the year ended December 31, 2008**

	2008 AED'000	2007 AED'000
Income		
Brokerage commission	31,109	37,612
Interest income	128	128
	<hr/>	<hr/>
	31,237	37,740
	<hr/>	<hr/>
Expenses		
Staff expenses	(13,344)	(10,858)
Other operating expenses	(8,843)	(8,742)
	<hr/>	<hr/>
	(22,187)	(19,600)
	<hr/>	<hr/>
Net profit for the year	9,050	18,140
	<hr/>	<hr/>

The accompanying notes form an integral part of these financial statements.

**Statement of changes in shareholder's equity
for the year ended December 31, 2008**

	Notes	Share capital AED'000	Statutory reserve AED'000	Investment revaluation reserve AED'000	Retained earnings AED'000	Total AED'000
Balance at 1 January 2007		10,000	2,902	-	26,115	39,017
Additional capital introduced	8	20,000	-	-	-	20,000
Net profit for the year		-	-	-	18,140	18,140
Transfer to statutory reserve		-	1,814	-	(1,814)	-
Increase in fair value of available for sale investments	6	-	-	7,549	-	7,549
Balance at 1 January 2008		30,000	4,716	7,549	42,441	84,706
Net profit for the year		-	-	-	9,050	9,050
Transfer to statutory reserve	9	-	905	-	(905)	-
Decrease in fair value of available for sale investments	6	-	-	(7,238)	-	(7,238)
Balance at 31 December 2008		30,000	5,621	311	50,586	86,518

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
for the year ended December 31, 2008

	2008 AED'000	2007 AED'000
Operating activities		
Net profit for the year	9,050	18,140
Adjustment for:		
Depreciation of property and equipment	1,964	1,391
Net movement in end of service benefits	187	410
Operating cash flows before changes in operating assets and liabilities	<u>11,201</u>	<u>19,941</u>
Decrease/(increase) in trade receivables	221,335	(263,360)
(Increase)/decrease in prepayments	(125)	214
(Decrease)/increase in trade and other payables	(233,958)	247,881
Net cash (used in)/ from operating activities	<u>(1,547)</u>	<u>4,676</u>
Investing activities		
Purchase of property and equipment	(72)	(6,298)
Net cash used in investing activities	<u>(72)</u>	<u>(6,298)</u>
Financing activities		
Additional capital introduced	-	20,000
Net cash used in financing activities	<u>-</u>	<u>20,000</u>
(Decrease)/increase in cash and cash equivalents	<u>(1,619)</u>	<u>18,378</u>
Cash and cash equivalents at beginning of the year	<u>23,922</u>	<u>5,544</u>
Cash and cash equivalents at end of the year	<u><u>22,303</u></u>	<u><u>23,922</u></u>

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements for the year ended December 31, 2008

1 General

Al Dhabi Brokerage Services L.L.C. (the "Company") is a limited liability company incorporated in the Emirate of Abu Dhabi, United Arab Emirates (U.A.E.). The Company was established on February 7, 2005 and commenced its operations on May 14, 2005 and is a wholly owned subsidiary of Abu Dhabi Commercial Bank, a public joint stock company incorporated and registered in the U.A.E. The registered head office of the Company is P.O. Box 939, Abu Dhabi, U.A.E.

The Company is registered as a brokerage company in accordance with the U.A.E. Federal Law No. 4 of 2000.

The principal activity of the Company is to provide Brokerage Services pertaining to financial instruments and commodities.

2 Adoption of new and revised standards

The following three interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) effective for the current period are as follows:

- IFRIC 11 IFRS 2 *Group and Treasury Share Transactions*
- IFRIC 12 *Service Concession Arrangements*
- IFRIC 14 IAS 19 *The Limit on a Defined Benefit Asset, Minimum Funding Requirement and their interaction.*

The adoption of these Interpretations has not led to any changes in the Company's accounting policies.

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

New Standards and Amendments to Standards:

- | | |
|--|--|
| • IAS 1 (Revised) <i>Presentation of Financial Statements</i> | Effective for annual periods beginning on or after January 1, 2009 |
| • IAS 1 (revised) <i>Presentation of Financial Statements</i> and IAS 32 (revised) <i>Financial Instruments: Presentation – Amendments relating to puttable instruments and obligations arising on liquidation</i> | Effective for annual periods beginning on or after January 1, 2009 |
| • IAS 23 (Revised) <i>Borrowing Costs</i> | Effective for annual periods beginning on or after January 1, 2009 |

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

2 Adoption of new and revised Standards (continued)

- | | |
|--|--|
| • IAS 32 (revised) <i>Financial Instruments- Amendments relating to disclosure of puttable instruments and obligations arising on liquidation</i> | Effective for annual periods beginning on or after January 1, 2009 |
| • IAS 39 (revised) <i>Financial Instruments: Recognition and Measurement- Amendments for eligible hedged Items</i> | Effective for annual periods beginning on or after July 1, 2009 |
| • IFRS 1 (revised) <i>First time Adoption of IFRS</i> and IAS 27 (revised) <i>Consolidated and Separate Financial Statements – Amendment relating to cost of an investment on first time adoption</i> | Effective for annual periods beginning on or after January 1, 2009 |
| • IFRS 2 (revised) <i>Share-based payment – Amendment relating to vesting conditions and cancellations</i> | Effective for annual periods beginning on or after January 1, 2009 |
| • IFRS 3 (revised) <i>Business Combinations – Comprehensive revision on applying the acquisition method and consequential amendments to IAS 27 (revised) Consolidated and Separate Financial Statements, IAS 28 (revised) Investments in Associates and IAS 31 (revised) Interests in Joint Ventures</i> | Effective for annual periods beginning on or after July 1, 2009 |
| • IFRS 8 <i>Operating Segments</i> | Effective for annual periods beginning on or after January 1, 2009 |
| • Amendments to IFRS 5, IAS 1, IAS 16, IAS 19, IAS 20, IAS 23, IAS 27, IAS 28, IAS 29, IAS 31, IAS 36, IAS 38, IAS 39, IAS 40 and IAS 41 <i>resulting from the May and October 2008 Annual Improvements to IFRSs</i> | Effective for annual periods beginning on or after January 1, 2009 |

New Interpretations:

- | | |
|---|--|
| • IFRIC 13 <i>Customer Loyalty Programmes</i> | Effective for annual periods beginning on or after July 1, 2008 |
| • IFRIC 15 <i>Agreements for the Construction of Real Estate</i> | Effective for annual periods beginning on or after January 1, 2009 |
| • IFRIC 16 <i>Hedges of a Net Investment in a Foreign Operation</i> | Effective for annual periods beginning on or after October 1, 2008 |
| • IFRIC 17 <i>Distributions of Non-cash Assets to Owners</i> | Effective for annual periods beginning on or after July 1, 2009 |

The directors anticipate the adoption of the above Standards and Interpretations in future periods will have no material impact on the financial statements of the Company in the period of initial application.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)****3 Summary of significant accounting policies****3.1 Basis of preparation**

The financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and applicable requirements of the Laws of the U.A.E.

The significant accounting policies adopted are as follows:

3.2 Accounting convention

The financial statements are prepared under the historical cost convention except for available-for-sale investments which are carried at fair value.

3.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment in value, if any.

The cost of property and equipment is their purchase costs, together with any incidental costs of acquisition.

Depreciation is charged so as to write off the cost of property and equipment on a straight line basis over the expected useful economic lives of the assets concerned.

Freehold improvement	5 to 10 years
Computer and office equipment	4 to 10 years
Furniture and fixtures	5 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

3.4 Impairment

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)****3 Summary of significant accounting policies (continued)****3.4 Impairment (continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.5 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)****3 Summary of significant accounting policies (continued)****3.6 Available for sale investments**

Quoted and unquoted investments held by the Company that are traded in an active market are classified as being Available for Sale investments (AFS) and are stated at fair value. Gains and losses arising from changes in fair value are recognized directly in equity in the investment revaluation reserve with the exception of impairment losses, interest calculated using the effective rate of interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in income statement. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investment revaluation reserve is included in income statement for the period.

Dividends on AFS equity instruments are recognised in income statement when the Company's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in income statement, and other changes are recognised in equity.

3.7 Revenue recognition

Brokerage commission revenue is recognised when the service has been rendered and when the Company's right to receive the income has been established.

Interest income is accrued on a time and proportion basis, by reference to principal outstanding and at the effective interest rate applicable.

3.8 Foreign currencies

For the purpose of these financial statements U.A.E Dirhams (AED) is the functional and the presentation currency of the Company.

Transactions in currencies other than AED (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in income statement in the period in which they arise.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)****3 Summary of significant accounting policies (continued)****3.9 Trade and settlement date accounting**

The "regular way" purchases and sales of financial assets and liabilities are recognised on the trade date basis i.e. the date that the Company physically enters into the contract. Regular way purchases or sales are those that require delivery of assets within the time frame generally established by regulation or convention in the market place.

3.10 Provision for end of service benefits

Provision for end of service benefit is made in accordance with local labour legislation and is based on current remuneration rates and cumulative service at the balance sheet date.

3.11 Offsetting

Financial assets and financial liabilities are only offset and the net amount disclosed in the balance sheet when there is a legally enforceable right to set off the recognised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.12 Financial assets

Financial assets are bank and cash, available-for-sale investments (AFS) and trade receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise of cash and balances with banks in current accounts or deposits which mature within three months of the date of placement.

Available-for-sale financial assets

Unquoted shares and quoted shares held by the Company that are traded in an active market but not intended to be traded frequently are classified as being available for sale and are stated at fair value. The fair value of investment in securities is determined by reference to quoted market prices at the close of business on the balance sheet date where available. In the absence of quoted market prices, fair value is determined with reference to the latest available financial information of the investee.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

3 Summary of significant accounting policies (continued)

3.12 Financial assets (continued)

Available-for-sale financial assets (continued)

Gains and losses arising from changes in fair value are recognised directly in equity as a separate component under cumulative changes in fair value with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in income statement. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised is included in income statement for the period.

Trade receivables

Trade receivables that have fixed or determinable payments that are not quoted in an active market are classified as trade receivables. Trade receivables are measured at amortised cost, less any impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

3.13 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

3 Summary of significant accounting policies (continued)

3.13 Financial liabilities and equity instruments (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are classified as 'other financial liabilities' and are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

4 Critical accounting judgements and key sources of estimation uncertainty

While applying the accounting policies as stated in Note 3, the management of the Company makes judgements, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements and estimate made by management are summarised as follows:

Investment in securities

As described in Note 3, investments are classified as available for sale. In judging whether investments are available for sale, management has considered the detailed criteria for determination of such classification as set out in IAS 39 "*Financial Instruments: Recognition and Measurement*".

**Notes to the financial statements
for the year ended December 31, 2008 (continued)****4 Critical accounting judgements and key sources of estimation uncertainty
(continued)****Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, is discussed below:

Trade receivables

Management has estimated the recoverability of trade receivable balances and has considered any allowance required for doubtful receivables. Management has estimated the allowance for doubtful receivables on the basis of prior experience, the current economic environment and other conditions including customer credit-worthiness, the personal guarantee of an Owner, undertakings of specific customers and the net realisable value of customer portfolios which the Company has the ability to liquidate under current market regulations.

For individually significant amounts, this estimation is performed on an individual basis. Management has not considered any impairment on trade and other receivables at the year end.

Useful lives and residual values of property and equipment

The useful lives and residual values of the property and equipment are based on management's judgement of the historical pattern of useful lives and the general standards in the industry. As described in Note 3 above, the useful lives and residual values are reviewed for reasonableness by management on an annual basis.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

5 Property and equipment

	Freehold improvement AED'000	Computer and office equipment AED'000	Furniture and fixtures AED'000	Total AED'000
Cost				
At January 1, 2007	1,879	2,850	1,001	5,730
Additions	4,375	515	1,408	6,298
	<hr/>	<hr/>	<hr/>	<hr/>
At January 1, 2008	6,254	3,365	2,409	12,028
Additions	-	69	3	72
	<hr/>	<hr/>	<hr/>	<hr/>
At December 31, 2008	6,254	3,434	2,412	12,100
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation				
At January 1, 2007	5	275	9	289
Charge for the year	320	550	521	1,391
	<hr/>	<hr/>	<hr/>	<hr/>
At January 1, 2008	325	825	530	1,680
Charge for the year	629	614	721	1,964
	<hr/>	<hr/>	<hr/>	<hr/>
At December 31, 2008	954	1,439	1,251	3,644
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount				
At December 31, 2008	5,300	1,995	1,161	8,456
	<hr/>	<hr/>	<hr/>	<hr/>
At December 31, 2007	5,929	2,540	1,879	10,348
	<hr/>	<hr/>	<hr/>	<hr/>

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

6 Available-for-sale investments

	2008	2007
	AED'000	AED'000
Quoted		
At 1 January	9,008	1,459
(Decrease)/increase in fair value	(7,238)	7,549
Fair value at 31 December	1,770	9,008

The above represent investment of 1,416,341 shares in Dubai Financial Market P.J.S.C. made on December 8, 2006.

7 Trade receivables

	2008	2007
	AED'000	AED'000
Trade receivables from customers	15,737	183,061
Clearing accounts receivables	1,792	68,486
Due from related party (Note 11)	56,659	43,976
	74,188	295,523

The credit period for trade receivables is two days (Trade date plus two working days)

Before accepting any new customer, it is the Company policy that customers hold current accounts with Abu Dhabi Commercial Bank (ADCB), a related party.

Trade receivables from customers consists of only those customers holding a current account with ADCB, a related party (Note 11). The settlement date of these balances, two days from the transaction date, is settled by the customer through ADCB's current account.

There are no receivables which are past due at the balance sheet date.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

8 Share capital

	Authorised AED'000	Issued and fully paid	
		2008 AED'000	2007 AED'000
Ordinary shares of AED 10 each	30,000	30,000	30,000

In accordance with the Securities & Commodities Authority decision No. 176/R for 2007 the Company has increased its issued and fully paid up share capital from AED 10 million to AED 30 million.

9 Statutory reserve

In accordance with the U.A.E. Federal Commercial Companies law number (8) of 1984 (as amended) and the Company's Articles of Association, the Company has established a statutory reserve by appropriation of 10% of the annual net profits until the reserve is equalled to 50% of the share capital. This reserve is not available for distribution.

10 Trade and other payables

	2008 AED'000	2007 AED'000
Payables to other brokers	2,962	5,669
Trade payables to customers	14,525	245,237
Other payables	2,245	2,784
	19,732	253,690

Trade payable to customers consists of only those customers holding a current account with ADCB, a related party (Note 11). The settlement date of these balances is after two days from transaction date, and is settled to the customer through ADCB's current account.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

11 Related party transactions

Related parties comprise the parent company – Abu Dhabi Commercial Bank P.J.S.C. (“ADCB”), its Directors and entities in which they have significant influence in operating and financial decisions. Details of material transactions with such related parties in the normal course of business are as follows:

	2008 AED’000	2007 AED’000
Brokerage commission	1,968	4,925
Interest income	128	128
Commission expense on bank guarantee	1,752	1,752
Rent expenses	894	626

Bank balances include AED 22.3 million (December 31, 2007 – AED 23.9 million) with ADCB.

12 Contingent liabilities

	2008 AED’000	2007 AED’000
Bank guarantees	700,000	700,000

The above bank guarantees have been issued by ADCB, a related party (Note 11) in the normal course of business.

**Notes to the financial statements
for the year ended December 31, 2008 (continued)****13 Financial instruments****13.1 Capital risk management**

The Company manages its capital to ensure to be able to continue as a going concern while maximizing the return on equity. The Company does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objective. The Company's overall strategy remains unchanged from 2007.

13.2 Financial risk management objectives

The Company is exposed to the following risks related to financial instruments- credit risk, and liquidity risk. In addition to these risks, the bank balance exposes the Company to cash flow interest rate risk due to the variable interest rate liability. However, the magnitude of the risk is not considered to be significant in line with the volume of the balance held at the year end.

The Company's executive management function supports the business activities of the Company by ensuring that sufficient liquidity is maintained at all times, and by deploying liquid balances at optimum rates, within the risk parameters set by management and the governing laws and regulations.

13.3 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company, and arises principally from the Company's trade and other receivables and bank balances. The Company has adopted a policy of only dealing with creditworthy counterparties and with customers holding a current account with ADCB, the parent company, for whom the credit risk is assessed to be low. Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries.

13.4 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its funding requirements. ADCB is the major source of funding for the Company and liquidity risk for the Company is assessed to be low.

The table below summarises the maturity profile of the Company's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the balance sheet date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained. The maturity profile of the financial assets and financial liabilities at the balance sheet date based on contractual repayment arrangements was as follows:

**Notes to the financial statements
for the year ended December 31, 2008 (continued)**

13 Financial instruments (continued)

13.4 Liquidity risk (continued)

The maturity profile of the financial assets and financial liabilities at December 31, 2008 was as follows:

	Total	Less than 30	30-90 days	90-180	Over 180
	AED'000	days	AED'000	days	days
		AED'000	AED'000	AED'000	AED'000
Trade receivables and prepayments	74,188	74,049	-	-	139
Bank and cash	22,303	22,303	-	-	-
	<u>96,491</u>	<u>96,352</u>	<u>-</u>	<u>-</u>	<u>139</u>
Trade and other payables	(19,732)	(17,586)	(2,115)	-	(31)
Liquidity gap	<u>76,759</u>	<u>78,766</u>	<u>(2,115)</u>	<u>-</u>	<u>108</u>

The maturity profile of the financial assets and financial liabilities at December 31, 2007 was as follows:

	Total	Less than 30	30-90 days	90-180 days	Over 180 days
	AED'000	days	AED'000	AED'000	AED'000
		AED'000	AED'000	AED'000	AED'000
Trade receivables and prepayments	295,523	251,547	-	-	43,976
Bank and cash	23,922	23,922	-	-	-
	<u>319,445</u>	<u>275,469</u>	<u>-</u>	<u>-</u>	<u>43,976</u>
Trade and other payables	(253,690)	(250,906)	-	(2,784)	-
Liquidity gap	<u>65,755</u>	<u>24,563</u>	<u>-</u>	<u>(2,784)</u>	<u>43,976</u>

**Notes to the financial statements
for the year ended December 31, 2008 (continued)****13 Financial instruments (continued)****13.5 Market Risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes market variables such as interest rates, foreign exchange rates, and equity prices. The Company does not maintain a significant portfolio of interest bearing assets and liabilities and quoted and unquoted securities whereby it is exposed to market risk, as its main activity is to provide Brokerage Services pertaining to financial instruments and commodities.

13.6 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the net interest income of the Company. However, the Company does not maintain interest bearing assets that have a significant impact on its interest income.

13.7 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to currency risk as all the assets and liabilities are denominated in the reporting currency AED.

13.8 Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit and taking insurance coverage to cover possible insurable operational risks.

Fair value of financial instruments

Management considers that the carrying amounts of financial assets and liabilities in the financial statements approximate their fair values.

14 Approval of financial statements

The financial statements were approved by management and authorised for issue on January 28, 2009.