

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

**Review report and interim  
financial information for the  
period ended September 30, 2009**

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## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors  
Al Dhabi Brokerage Services L.L.C.  
Abu Dhabi, UAE

### *Introduction*


We have reviewed the accompanying condensed statement of financial position of Al Dhabi Brokerage Services L.L.C. (the "Company") as of September 30, 2009 and the related condensed statement of comprehensive income, changes in shareholder's equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting ("IAS 34)". Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

  
October 29, 2009



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## Condensed statement of financial position as at September 30, 2009

	Notes	September 30 2009 (unaudited) AED'000	December 31 2008 (audited) AED'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		7,060	8,456
Available-for-sale investment	3	3,371	1,770
<b>Total non-current assets</b>		<b>10,431</b>	<b>10,226</b>
<b>Current assets</b>			
Trade receivables			
Prepayments	4	128,150	74,188
Bank and cash		125	275
		21,301	22,303
<b>Total current assets</b>		<b>149,576</b>	<b>96,766</b>
<b>Total assets</b>		<b>160,007</b>	<b>106,992</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital			
Statutory reserve		30,000	30,000
Investment revaluation reserve		5,621	5,621
Retained earnings		1,912	311
		53,200	50,586
<b>Total equity</b>		<b>90,733</b>	<b>86,518</b>
<b>Non-current liabilities</b>			
Provision for end of service benefits		652	742
<b>Current liabilities</b>			
Trade and other payables	5	68,622	19,732
<b>Total liabilities</b>		<b>69,274</b>	<b>20,474</b>
<b>Total equity and liabilities</b>		<b>160,007</b>	<b>106,992</b>

Ala'a Eraiqat  
Chairman

Hassan Saleem Al Hossani  
General Manager

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

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**Condensed statement of comprehensive income (unaudited)  
for the period ended September 30, 2009**

	<b>3 months ended Sept 30</b>		<b>9 months ended Sept 30</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>
<b>Income</b>				
Brokerage commission	<b>4,108</b>	6,022	<b>15,400</b>	28,263
Other operating income	<b>14</b>	79	<b>202</b>	134
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>4,122</b>	6,101	<b>15,602</b>	28,397
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenses</b>				
Staff expenses	<b>(2,932)</b>	(3,109)	<b>(7,910)</b>	(9,815)
Other operating expenses	<b>(1,835)</b>	(2,813)	<b>(5,078)</b>	(6,851)
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>(4,767)</b>	(5,922)	<b>(12,988)</b>	(16,666)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (loss)/profit for the period</b>	<b>(645)</b>	179	<b>2,614</b>	11,731
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Other comprehensive income</b>				
Cumulative change in fair value of available-for-sale investment	<b>1,063</b>	(2,422)	<b>1,601</b>	(4,207)
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<b>Net comprehensive income for the period</b>	<b>418</b>	(2,243)	<b>4,215</b>	7,524
	<hr/>	<hr/>	<hr/>	<hr/>

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



**Condensed statement of changes in shareholder's equity (unaudited)  
for the period ended September 30, 2009**

	Share capital AED'000	Statutory reserve AED'000	Investment revaluation reserve AED'000	Retained earnings AED'000	Total AED'000
<b>Balance at January 1, 2008</b>	30,000	4,716	7,549	42,441	84,706
Net profit for the period	-	-	-	11,731	11,731
Cumulative change in fair value of available-for-sale investment	-	-	(4,207)	-	(4,207)
<b>Balance at September 30, 2008</b>	30,000	4,716	3,342	54,172	92,230
<b>Balance at January 1, 2009</b>	30,000	5,621	311	50,586	86,518
Net profit for the period	-	-	-	2,614	2,614
Cumulative change in fair value of available-for-sale investment	-	-	1,601	-	1,601
<b>Balance at September 30, 2009</b>	30,000	5,621	1,912	53,200	90,733

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

**Condensed statement of cash flows (unaudited)  
for the period ended September 30, 2009**

	September 30, 2009 AED'000	September 30, 2008 AED'000
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	2,614	11,731
Adjustment for:		
Depreciation of property and equipment	1,485	1,465
Net movement in end of service benefit	(90)	142
<b>Operating cash flows before movements in working capital</b>	<b>4,009</b>	<b>13,338</b>
(Increase)/decrease in trade receivables	(53,962)	144,686
Decrease/(increase) in prepayments	150	(626)
Increase/(decrease) in trade and other payables	48,890	(158,554)
<b>Net cash used in operations</b>	<b>(913)</b>	<b>(1,156)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(89)	(59)
<b>Decrease in cash and cash equivalents</b>	<b>(1,002)</b>	<b>(1,215)</b>
Cash and cash equivalents at beginning of the period	22,303	23,922
<b>Cash and cash equivalents at end of the period</b>	<b>21,301</b>	<b>22,707</b>

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

**Notes to the condensed financial statements  
for the period ended September 30, 2009**

**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 P.J.S.C., 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 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 Summary of significant accounting policies**

**Basis of preparation**

The condensed financial statements are prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* issued by the International Accounting Standards Board and also comply with the applicable requirements of the laws in the U.A.E.

The condensed financial statements have been prepared on the historical cost basis except for available-for-sale investment which is carried at fair value.

The condensed financial statements are presented in U.A.E. Dirhams (AED) since that is the currency in which the majority of the Company's transactions are denominated.

The accounting policies and estimates used in the preparation of these condensed financial statements are consistent with those used in the audited annual financial statements for the year ended December 31, 2008, except for the impact of the adoption of the Standard described below:

**IAS 1 (revised 2007) Presentation of financial statements** *(effective for annual periods beginning on or after 1 January 2009)*

The revised Standard has introduced a number of terminology changes (including revised titles for the condensed financial statements) and has resulted in a number of changes in presentation and disclosure. However, the revised Standard had no impact on the reported results or financial position of the Company.



**Notes to the condensed financial statements  
for the period ended September 30, 2009 (continued)**

**3 Available-for-sale investment**

	September 30 2009 (unaudited) AED'000	December 31 2008 (audited) AED'000
<b>Quoted</b>		
<b>Beginning balance</b>	1,770	9,008
Increase/ (decrease) in fair value	1,601	(7,238)
<b>Ending balance</b>	<u>3,371</u>	<u>1,770</u>

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

**4 Trade receivables**

	September 30 2009 (unaudited) AED'000	December 31 2008 (audited) AED'000
Trade receivables from customers	66,745	15,737
Clearing accounts receivables	-	1,792
Due from related party (note 6)	61,405	56,659
	<u>128,150</u>	<u>74,188</u>

**5 Trade and other payables**

	September 30 2009 (unaudited) AED'000	December 31 2008 (audited) AED'000
Payables to other brokers	23,139	2,962
Trade payables to customers	43,443	14,525
Other payables	2,040	2,245
	<u>68,622</u>	<u>19,732</u>

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## Notes to the interim condensed financial statements for the period ended September 30, 2009 (continued)

### 6 Related party transactions

Related parties comprise the parent company – Abu Dhabi Commercial Bank P.J.S.C, 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:

	3 months ending September 30		9 months ending September 30	
	2009 (Unaudited) AED'000	2008 (Unaudited) AED'000	2009 (Unaudited) AED'000	2008 (Unaudited) AED'000
Brokerage commission	400	525	1,094	1,628
Interest income	14	79	89	134
Commission expense on bank guarantee	188	438	1,064	1,314
Rent expenses	155	148	465	430

Bank balances include AED 21.3 million (December 31, 2008 – AED 22.3 million) with Abu Dhabi Commercial Bank P.J.S.C .

### 7 Contingent liabilities

	September 30 2009 (unaudited) AED'000	December 31 2008 (audited) AED'000
Bank guarantees	300,000	700,000

The above bank guarantees have been issued by Abu Dhabi Commercial Bank P.J.S.C., a related party (note 6) in the normal course of business.

### 8 Approval of condensed financial statements

The condensed financial statements was approved by management and authorised for issue on October 29, 2009.