

Custodian and Clearing Center of Financial instruments for Lebanon and the Middle East (MIDCLEAR) SAL

INCOME STATEMENT

Year ended 31 December 2006

	<i>2006</i> <i>LL</i>	<i>2005</i> <i>LL</i>
Revenues	7,455,542,124	4,734,237,339
Securities custody charges	(1,812,304,451)	(1,417,342,588)
GROSS PROFIT	5,643,237,673	3,316,894,751
Other income	764,003,370	640,679,256
Administrative expenses	(2,302,421,752)	(1,718,525,795)
Depreciation	(78,522,662)	(70,733,396)
Loss of exchange, net	(1,580,045)	(14,400,955)
Loss on disposal of property and equipment, net	(3,060,127)	(1,137,299)
PROFIT BEFORE INCOME TAX	4,021,656,457	2,152,776,562
Income tax expense	(581,185,325)	(310,148,273)
PROFIT FOR THE YEAR	3,440,471,132	1,842,628,289

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BALANCE SHEET

At 31 December 2006

	<i>2006</i>	<i>2005</i>
	<i>LL</i>	<i>LL</i>
ASSETS		
Non-current assets		
Property and equipment	267,466,362	183,651,466
Current assets		
Accounts receivable and prepayments	879,975,354	645,043,139
Bank balances and cash	8,715,702,366	5,623,930,004
	9,595,677,720	6,268,973,143
TOTAL ASSETS	9,863,144,082	6,452,624,609
EQUITY AND LIABILITIES		
Equity		
Share capital	2,800,000,000	2,800,000,000
Statutory reserve	713,309,539	369,262,426
Retained earnings	4,683,396,876	2,086,972,857
Total equity	8,196,706,415	5,256,235,283
Non-current liabilities		
Employees' end of service benefits	440,051,548	313,973,527
Current liabilities		
Accounts payable and accruals	1,226,386,119	882,415,799
Total liabilities	1,666,437,667	1,196,389,326
TOTAL EQUITY AND LIABILITIES	9,863,144,082	6,452,624,609

Custodian and Clearing Center of Financial instruments for Lebanon and the Middle East (MIDCLEAR) SAL

CASH FLOWS

Year ended 31 December 2006

	<i>2006</i>	<i>2005</i>
	<i>LL</i>	<i>LL</i>
OPERATING ACTIVITIES		
Profit before income tax	4,021,656,457	2,152,776,562
Adjustments for:		
Depreciation	78,522,662	68,599,396
Provision for employees' end of service benefits	126,078,021	71,767,513
Loss on sale of property and equipment	3,060,127	1,137,299
	4,229,317,267	2,294,280,770
Working capital changes:		
Accounts receivable and prepayments	(234,932,215)	(139,506,821)
Accounts payable and accruals	72,933,268	82,408,611
Cash from operations	4,067,318,320	2,237,182,560
Income tax paid	(310,148,273)	(117,598,511)
Net cash from operating activities	3,757,170,047	2,119,584,049
INVESTING ACTIVITIES		
Purchase of property and equipment	(171,379,445)	(82,429,655)
Proceeds from sale of property and equipment	5,981,760	1,724,581
Time deposits	-	4,044,052,876
Net cash (used in) from investing activities	(165,397,685)	3,963,347,802
FINANCING ACTIVITIES		
Dividends paid	(500,000,000)	(494,539,000)
Net cash used in financing activities	(500,000,000)	(494,539,000)
INCREASE IN CASH AND CASH EQUIVALENTS		
	3,091,772,362	5,588,392,851
Cash and cash equivalents at 1 January	5,623,930,004	35,537,153
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	8,715,702,366	5,623,930,004

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STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2006

	<i>capital</i> <i>LL</i>	<i>reserve</i> <i>LL</i>	<i>earnings</i> <i>LL</i>	<i>Total</i> <i>LL</i>
Balance at 1 January 2005	2,800,000,000	184,999,597	923,146,397	3,908,145,994
Profit for the year - 2005	-	-	1,842,628,289	1,842,628,289
Dividends paid	-	-	(494,539,000)	(494,539,000)
Transfer to statutory reserve	-	184,262,829	(184,262,829)	-
Balance at 31 December 2005	<u>2,800,000,000</u>	<u>369,262,426</u>	<u>2,086,972,857</u>	<u>5,256,235,283</u>
Profit for the year - 2006	-	-	3,440,471,132	3,440,471,132
Dividends paid	-	-	(500,000,000)	(500,000,000)
Transfer to statutory reserve	-	344,047,113	(344,047,113)	-
Balance at 31 December 2006	<u>2,800,000,000</u>	<u>713,309,539</u>	<u>4,683,396,876</u>	<u>8,196,706,415</u>