

CUSTODIAN AND CLEARING CENTR
OF FINANCIAL INSTRUMENTS
FOR LEBANON
AND THE MIDDLE EAST

(MIDCLEAR) S.A.L.

FINANCIAL STATEMENTS
31 DECEMBER 2010

Centre de Conservation et de Compensation des Instruments Financiers pour le Liban et le Moyen-Orient (MIDCLEAR) SAL

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2010

	<i>LBP</i>	<i>LBP</i>
Revenues	8,901,571,613	8,643,510,122
Securities custody charges	(1,773,727,193)	(1,790,104,715)
GROSS PROFIT	7,127,844,420	6,853,405,407
Other income	1,360,804,659	1,119,844,168
Administrative expenses	(3,320,700,813)	(3,032,366,701)
Depreciation	(187,599,032)	(132,540,606)
Loss of exchange, net	(31,201,513)	(10,212,962)
Loss on disposal of property and equipment, net	-	(38,472)
PROFIT FOR THE YEAR BEFORE INCOME TAX	4,949,147,721	4,798,090,834
Income tax expense	(709,797,319)	(687,977,796)
PROFIT FOR THE YEAR	4,239,350,402	4,110,113,038
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	4,239,350,402	4,110,113,038

Centre de Conservation et de Compensation des Instruments Financiers pour le Liban et le Moyen-Orient (MIDCLEAR) SAL

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2010

	<i>2010</i> <i>LBP</i>	<i>2009</i> <i>LBP</i>
ASSETS		
Non-current assets		
Property and equipment	736,567,120	377,810,463
Deposits with the Central Bank of Lebanon for the purchase of real estate	8,180,549,617	8,180,549,617
	<u>8,917,116,737</u>	<u>8,558,360,080</u>
Current assets		
Accounts receivable and prepayments	1,193,635,484	1,044,964,843
Bank balances and cash	15,152,223,573	11,582,717,960
	<u>16,345,859,057</u>	<u>12,627,682,803</u>
TOTAL ASSETS	<u>25,262,975,794</u>	<u>21,186,042,883</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	2,800,000,000	2,800,000,000
Statutory reserve	933,333,333	933,333,333
Retained earnings	19,399,876,682	15,661,223,680
Total equity	<u>23,133,210,015</u>	<u>19,394,557,013</u>
Non-current liabilities		
Employees' end of service benefits	980,601,136	795,455,618
Current liabilities		
Accounts payable and accruals	1,149,164,643	996,030,252
Total liabilities	<u>2,129,765,779</u>	<u>1,791,485,870</u>
TOTAL EQUITY AND LIABILITIES	<u>25,262,975,794</u>	<u>21,186,042,883</u>

Centre de Conservation et de Compensation des Instruments Financiers pour le Liban et le
Moyen-Orient (MIDCLEAR) SAL

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2010

	<i>capital LBP</i>	<i>reserve LBP</i>	<i>earnings LBP</i>	<i>Total LBP</i>
Balance at 1 January 2009	2,800,000,000	933,333,333	12,051,808,042	15,785,141,375
Total comprehensive income for the year - 2009	-	-	4,110,113,038	4,110,113,038
Dividends paid (Note 11)	-	-	(500,697,400)	(500,697,400)
Balance at 31 December 2009	<u>2,800,000,000</u>	<u>933,333,333</u>	<u>15,661,223,680</u>	<u>19,394,557,013</u>
Total comprehensive income for the year 2010	-	-	4,239,350,402	4,239,350,402
Dividends paid (Note 11)	-	-	(500,697,400)	(500,697,400)
Balance at 31 December 2010	<u><u>2,800,000,000</u></u>	<u><u>933,333,333</u></u>	<u><u>19,399,876,682</u></u>	<u><u>23,133,210,015</u></u>

Centre de Conservation et de Compensation des Instruments Financiers pour le Liban et le Moyen-Orient (MIDCLEAR) SAL

NOTES TO THE FINANCIAL STATEMENTS

31 December 2010

	<i>2010</i> <i>LBP</i>	<i>2009</i> <i>LBP</i>
OPERATING ACTIVITIES		
Profit before income tax	4,949,147,721	4,798,090,834
Adjustments for:		
Depreciation	187,599,032	132,540,606
Provision for employees' end of service benefits	185,145,518	111,656,432
Loss on sale of property and equipment	-	38,472
	<u>5,321,892,271</u>	<u>5,042,326,344</u>
Working capital changes:		
Accounts receivable and prepayments	(148,670,641)	(37,354,949)
Accounts payable and accruals	150,050,072	(79,969,201)
	<u>5,323,271,702</u>	<u>4,925,002,194</u>
Cash from operations	(706,713,000)	(845,168,389)
Income tax paid		
	<u>4,616,558,702</u>	<u>4,079,833,805</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(546,355,689)	(123,346,431)
Deposits with the Central Bank of Lebanon for the purchase of real estate	-	(2,901,164,710)
	<u>(546,355,689)</u>	<u>(3,024,511,141)</u>
Net cash used in investing activities		
FINANCING ACTIVITIES		
Dividends paid	(500,697,400)	(500,697,400)
	<u>(500,697,400)</u>	<u>(500,697,400)</u>
Net cash used in financing activities		
INCREASE IN CASH AND CASH EQUIVALENTS		
	3,569,505,613	554,625,264
Cash and cash equivalents at 1 January	11,582,717,960	11,028,092,696
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	<u>15,152,223,573</u>	<u>11,582,717,960</u>