

**THE SAUDI ARABIAN AMIANTIT COMPANY
AND SUBSIDIARIES
(A Saudi Joint Stock Company)**

INTERIM CONSOLIDATED FINANCIAL
STATEMENTS FOR THE THREE-MONTH AND
SIX-MONTH PERIODS ENDED JUNE 30, 2013
AND INDEPENDENT AUDITORS' LIMITED REVIEW REPORT

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES
(A Saudi Joint Stock Company)
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2013

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LIMITED REVIEW REPORT

July 11, 2013

To the Shareholders of The Saudi Arabian Amiantit Company
(A Saudi Joint Stock Company)

Scope of review

We have reviewed the accompanying interim consolidated balance sheet of The Saudi Arabian Amiantit Company (the "Company") and its subsidiaries (collectively referred to as the "Group") as of June 30, 2013 and the interim consolidated income statement for the three-month and six-month periods ended June 30, 2013, and the interim consolidated statement of cash flows for the six-month period then ended and the related notes which form an integral part of these interim consolidated financial statements. These interim consolidated financial statements are the responsibility of the Group's management and have been prepared by them and submitted to us together with all the information and explanations which we required.

We conducted our limited review in accordance with the standard of Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants. A limited review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. The scope of such limited review is substantially less than an audit conducted in accordance with auditing standards generally accepted in Saudi Arabia, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Review conclusion

Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim consolidated financial statements for them to be in conformity with accounting standards generally accepted in Saudi Arabia.

PricewaterhouseCoopers

By: _____

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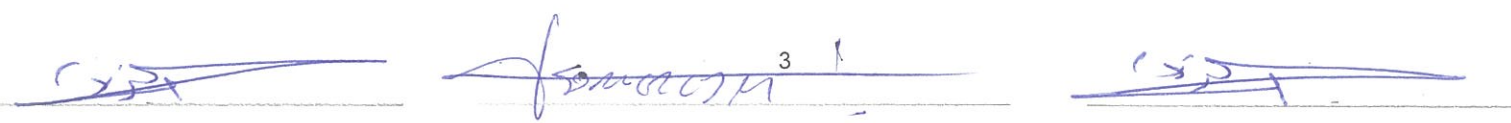


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THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES
(A Saudi Joint Stock Company)
Interim consolidated balance sheet
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	June 30,2013 (Unaudited)	December 31, 2012 (Audited)	June 30,2012 (Unaudited)
Assets				
Current assets				
Cash and cash equivalents		106,151	127,347	165,941
Short-term bank deposits		-	47	506
Accounts receivable	2	1,996,691	2,023,106	1,976,525
Inventories		1,366,191	1,481,940	1,179,831
Prepayments and other receivables		134,661	127,286	179,592
		<u>3,603,694</u>	<u>3,759,726</u>	<u>3,502,395</u>
Non-current assets				
Investments in associates		182,943	204,762	212,068
Property, plant and equipment		751,872	811,826	788,024
Intangible assets		12,893	12,734	10,623
Deferred income tax assets		9,451	9,848	11,373
Other non-current assets		38,315	23,610	22,474
		<u>995,474</u>	<u>1,062,780</u>	<u>1,044,562</u>
Total assets		<u>4,599,168</u>	<u>4,822,506</u>	<u>4,546,957</u>
Liabilities				
Current liabilities				
Short-term borrowings		1,742,895	1,633,139	1,401,912
Current maturity of long-term borrowings		86,408	96,378	58,223
Current maturity of liabilities against capital leases		-	-	6,093
Accounts payable		490,588	650,679	730,925
Accrued and other liabilities		326,226	305,425	348,297
Zakat and tax payable		76,003	109,343	124,267
		<u>2,722,120</u>	<u>2,794,964</u>	<u>2,669,717</u>
Non-current liabilities				
Long-term borrowings		115,052	170,397	51,262
Employee termination benefits		88,442	92,303	91,711
Warranty provisions		59,167	52,763	54,521
Other non-current liabilities		13,465	11,672	10,588
		<u>276,126</u>	<u>327,135</u>	<u>208,082</u>
Total liabilities		<u>2,998,246</u>	<u>3,122,099</u>	<u>2,877,799</u>
Equity				
Equity attributable to shareholders of the Company:				
Share capital		1,155,000	1,155,000	1,155,000
Statutory reserve		159,812	159,812	148,678
Retained earnings	5	244,042	303,021	268,385
Employees shares program and reserve		(35,474)	(37,448)	(39,357)
Currency translation differences		(32,170)	(12,474)	(24,188)
Total shareholders' equity		<u>1,491,210</u>	<u>1,567,911</u>	<u>1,508,518</u>
Non-controlling interests		109,712	132,496	160,640
Total equity		<u>1,600,922</u>	<u>1,700,407</u>	<u>1,669,158</u>
Total liabilities and equity		<u>4,599,168</u>	<u>4,822,506</u>	<u>4,546,957</u>
Contingencies and commitments	6			

The notes from 1 to 6 form an integral part of these interim consolidated financial statements.



THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES
(A Saudi Joint Stock Company)
Interim consolidated income statement
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For three-month periods ended June 30,		For six-month periods ended June 30,	
		2013 (Unaudited)	2012 (Unaudited)	2013 (Unaudited)	2012 (Unaudited)
Sales	4	830,389	895,925	1,689,575	1,795,944
Cost of sales		(685,996)	(746,876)	(1,404,901)	(1,490,984)
Gross profit		144,393	149,049	284,674	304,960
Operating expenses					
Selling and marketing		(21,289)	(19,442)	(40,462)	(38,322)
General and administrative		(50,273)	(54,824)	(100,782)	(112,150)
Income from operations		72,831	74,783	143,430	154,488
Other expenses, net					
Share in net loss of associates		(10,093)	(7,913)	(19,564)	(17,973)
Financial charges, net		(23,718)	(20,648)	(46,696)	(41,349)
Other	3	(985)	(3,672)	(941)	(5,790)
Income before foreign income tax, zakat and non-controlling interests		38,035	42,550	76,229	89,376
Foreign income tax		(2,465)	(2,618)	(3,376)	(4,756)
Zakat		(10,800)	(13,650)	(21,581)	(24,905)
Income before non-controlling interests		24,770	26,282	51,272	59,715
Non-controlling interests		5,894	4,107	9,723	5,853
Net income for the period		30,664	30,389	60,995	65,568
Earnings per share (Saudi Riyals):					
	2.26				
• Operating income		0.64	0.66	1.27	1.37
• Net income for the period		0.27	0.27	0.54	0.58

The notes from 1 to 6 form an integral part of these interim consolidated financial statements.

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THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES
(A Saudi Joint Stock Company)
Interim consolidated cash flow statement
For six-month period ended June 30, 2013
(All amounts in Saudi Riyals thousands unless otherwise stated)

	For six-month period ended June 30, 2013 <i>(Unaudited)</i>	For six-month period ended June 30, 2012 <i>(Unaudited)</i>
Cash flow from operating activities		
Net income for the period	60,995	65,568
<u>Adjustments for non-cash items</u>		
Depreciation, impairment, amortization and provisions	61,250	61,450
Share in net loss of associates	19,564	17,974
Deferred income tax (credits) charges	(60)	190
Loss applicable to non-controlling interests	(9,723)	(5,853)
<u>Changes in working capital</u>		
Accounts receivable	(3,487)	(240,239)
Inventories	87,898	(136,309)
Prepayments and other receivables	(21,555)	(56,291)
Accounts payable	(140,470)	159,741
Accrued and other current liabilities	15,550	45,546
Employee termination benefits	(2,752)	1,960
Net cash generated from (utilized in) operating activities	<u>67,210</u>	<u>(86,263)</u>
Cash flow from investing activities		
Short-term bank deposits	(49)	824
Investments	(6,400)	(3,049)
Purchase of property, plant and equipment	(34,285)	(50,439)
Intangible assets and other	(16,958)	33,147
Net cash utilized in investing activities	<u>(57,692)</u>	<u>(19,517)</u>
Cash flow from financing activities		
Increase in short-term borrowings	139,054	273,817
Proceeds from long-term borrowings	532	427
Repayments of long-term borrowings	(53,951)	(196,043)
Repayments of liabilities against capital leases	-	(6,093)
Dividends paid	(112,984)	(140,566)
Dividends paid by subsidiaries to non-controlling interests	(951)	(3,818)
Board of Directors' fee paid	(1,800)	(1,800)
Purchase of shares for employees share program	-	(41,758)
Changes in non-controlling interests and other	(614)	(3,121)
Net cash utilized in financing activities	<u>(30,714)</u>	<u>(118,955)</u>
Net decrease in cash and cash equivalents	(21,196)	(224,735)
Cash and cash equivalents at beginning of period	<u>127,347</u>	<u>390,676</u>
Cash and cash equivalents at end of period	<u>106,151</u>	<u>165,941</u>

The notes from 1 to 6 form an integral part of these interim consolidated financial statements.

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES

(A Saudi Joint Stock Company)

Notes to the interim consolidated financial statements

For the three-month and six-month periods ended June 30, 2013 (Unaudited)

(All amounts in Saudi Riyals thousands unless otherwise stated)

1 General information

The Saudi Arabian Amiantit Company (the "Company" or "SAAC") and its subsidiaries (collectively the "Group") consist of the Company and its various Saudi Arabian and foreign subsidiaries. The Group is principally engaged in manufacturing and selling various types of pipes and related products, licensing of related technologies and supply of pipe manufacturing machines, and water management services including related consultancy, engineering and operations.

The Company is a joint stock company, registered in the Kingdom of Saudi Arabia, operating under Commercial Registration No. 2050002103 issued in Dammam on 17 Rabi' I 1388 AH (June 13, 1968). The registered address of the Company is P.O. Box 589, First Industrial Area, Dammam 31421, Kingdom of Saudi Arabia.

During the six-month period ended June 30, 2013:

- The Group's effective ownership in one of its Saudi Arabian subsidiary "Fiberglass Pipes Company" was increased from 51% to 100% through an acquisition of 49% equity interests from the other shareholders of the subsidiary for an amount of Saudi Riyals 6.4 million; and
- The Board of Directors of one of the Group's subsidiaries, "Amiantit Fiberglass Industries India Limited ("AFIIL - India")" unanimously resolved to file a reference to the Board for Industrial and Financial Restructuring (BIFR) in India in accordance with the provisions of the Sick Industrial Companies (Special Provisions) Act 1985 declaring AFIIL - India a sick industrial company. The Group's management expects that this will result in liquidation of AFIIL - India. The Group has accordingly stopped consolidating the accounts of AFIIL - India after recording the related impairment charges of Saudi Riyals 8.2 million in the accompanying interim consolidated financial statements.

The accompanying interim consolidated financial statements include all adjustments comprising mainly of normal recurring accruals considered necessary by the Group's management to present a fair statement of the financial position, results of operations and cash flows. The interim results of the operations for the three and six-month periods ended June 30, 2013 may not represent a proper indication for the annual results of operations. These interim consolidated financial statements and notes should be read in conjunction with the annual audited consolidated financial statements and the related notes for the year ended December 31, 2012.

The accompanying interim consolidated financial statements were authorized for issue by the Company's management on July 11, 2013.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these interim consolidated financial statements are set out below. These policies have been consistently applied to all periods presented.

2.1 Basis of preparation

The accompanying interim consolidated financial statements have been prepared under the historical cost convention on the accrual basis of accounting, as modified by revaluation of derivative financial instruments to fair value, and in compliance with the Standard of Accounting for Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants. Significant accounting policies adopted by the Group for preparing such interim consolidated financial statements are consistent with the accounting policies described in the 2012 annual audited consolidated financial statements of the Group.

2.2 Critical accounting estimates and judgments

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of certain critical estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management makes estimates and assumptions concerning the future which, by definition, seldom equal the related actual results.

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES

(A Saudi Joint Stock Company)

Notes to the interim consolidated financial statements

For the three-month and six-month periods ended June 30, 2013 (Unaudited)

(All amounts in Saudi Riyals thousands unless otherwise stated)

2.3 Investments

(a) Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies to obtain economic benefit generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Goodwill arising from acquisition of subsidiaries is reported under "Intangible assets" in the balance sheet. Goodwill is tested annually for impairment and carried at cost, net of impairment losses.

Inter-company transactions, balances and unrealized gains and losses on transactions between group companies are eliminated. Unrealized losses are also eliminated.

(b) Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill identified on acquisition, which is adjusted subsequently for impairment loss, if any.

2.4 Segment reporting

(a) Business segment

A business segment is group of assets, operations or entities:

- (i) engaged in revenue producing activities;
- (ii) results of its operations are continuously analyzed by management in order to make decisions related to resource allocation and performance assessment; and
- (iii) financial information is separately available.

(b) Geographical segment

A geographical segment is group of assets, operations or entities engaged in revenue producing activities within a particular economic environment that are subject to risks and returns different from those operating in other economic environments.

2.5 Foreign currencies

(a) Reporting currency

These interim consolidated financial statements are presented in Saudi Riyals which is the reporting currency of the Company.

(b) Transactions and balances

Foreign currency transactions are translated into Saudi Riyals using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period-end exchange rates are recognized in the income statement.

(c) Group companies

Cumulative adjustments resulting from the translations of the financial statements of the foreign subsidiaries and associates into Saudi Riyals are reported as a separate component of equity.

Dividends received from subsidiaries and associates are translated at the exchange rate in effect at the transaction date.

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES

(A Saudi Joint Stock Company)

Notes to the interim consolidated financial statements

For the three-month and six-month periods ended June 30, 2013 (Unaudited)

(All amounts in Saudi Riyals thousands unless otherwise stated)

2.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and with banks and other short-term highly liquid investments with maturities of three months or less from the purchase date.

2.7 Accounts receivable

Accounts receivable are carried at original invoice amount less provision for doubtful debts. A provision for doubtful debts is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

At June 30, 2013 approximately 29% (2012: 34%) of accounts receivable were related to government projects.

2.8 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined using weighted average method. The cost of finished products include the cost of raw materials, labor and production overheads.

2.9 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, except construction in progress which is stated at cost. Land is not depreciated. Depreciation is charged to the income statement, using the straight-line method, to allocate the cost of the related assets to their estimated useful lives.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

Maintenance and normal repairs which do not materially extend the estimated useful life of an asset are charged to the income statement as and when incurred. Major renewals and improvements, if any, are capitalized and the assets so replaced are retired.

2.10 Deferred charges

Costs that are not of benefit beyond the current period are charged to the income statement, while costs that will benefit future periods are capitalized. Deferred charges, reported under "Intangible assets" in the balance sheet, include certain indirect construction costs and pre-operating expenses which are amortized over periods which do not exceed seven years.

2.11 Patents, trademarks and licenses

Expenditure to acquire patents, trademarks and licenses, included under "Intangible assets" is capitalized and amortized using the straight-line method over their useful lives, but not exceeding twenty years.

2.12 Impairment of non-current assets

Non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-current assets other than intangible assets that suffered impairment are reviewed for possible reversal of impairment at each reporting date. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined, had no impairment loss been recognized for the assets or cash-generating unit in prior years. A reversal of an impairment loss is recognized as income immediately in the income statement. Impairment losses recognized on intangible assets are not reversible.

2.13 Borrowings

Borrowings are recognized at the proceeds received, net of transaction costs incurred. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of those assets. Other borrowing costs are charged to the income statement.

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES

(A Saudi Joint Stock Company)

Notes to the interim consolidated financial statements

For the three-month and six-month periods ended June 30, 2013 (Unaudited)

(All amounts in Saudi Riyals thousands unless otherwise stated)

2.14 Accounts payable and accruals

Liabilities are recognized for amounts to be paid for goods and services received, whether or not billed to the Group.

2.15 Provisions

Warranty provisions - The Group offers warranties for its products. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. Warranty provisions are charged to "Cost of sales" in the income statement.

Onerous contracts - Provision against onerous contracts are recognized when the Group expects that the costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it. Such provisions are charged to "Cost of sales" in the income statement.

2.16 Zakat and tax

The Company is subject to zakat in accordance with the regulations of the Department of Zakat and Income Tax (the "DZIT"). Foreign shareholders in the consolidated Saudi Arabian subsidiaries are subject to income tax. Income tax provisions related to the foreign shareholders in such subsidiaries are charged to the non-controlling interests.

Provision for zakat for the Company and zakat related to the Company's ownership in the Saudi Arabian subsidiaries is charged to the income statement. Additional amounts payable, if any, at the finalization of assessments are accounted for when such amounts are determined.

The Company and its Saudi Arabian subsidiaries withhold tax on certain transactions with non-resident parties, including dividend payments to foreign shareholders of the Saudi Arabian subsidiaries, in the Kingdom of Saudi Arabia as required under Saudi Arabian Income Tax Law.

Foreign subsidiaries are subject to income tax in their respective countries of domicile which are charged to the income statement.

Deferred income tax are recognized on all major temporary differences between financial income and taxable income during the period in which such differences arise, and are adjusted when related temporary differences are reversed. Deferred income tax are determined using tax rates which have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

2.17 Employee termination benefits

Employee termination benefits required by the Saudi Labor and Workman Law are accrued by the Company and its Saudi Arabian subsidiaries and charged to the income statement.

The foreign subsidiaries provide currently for employee termination and other benefits as required under the laws of their respective countries of domicile.

2.18 Disposal groups held for sale

Disposal groups are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

2.19 Employees share ownership plan

The Group has an Employee Share Ownership Plan ("ESOP"), which provides a 3 year service awards to certain levels of employees. These employees, subject to their subscription of ESOP and meeting the underlying conditions, will be given the Company's shares, at no costs. The Company has purchased its shares required for the ESOP through a local financial institution.

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES

(A Saudi Joint Stock Company)

Notes to the interim consolidated financial statements

For the three-month and six-month periods ended June 30, 2013 (Unaudited)

(All amounts in Saudi Riyals thousands unless otherwise stated)

The employees' service cost of share options granted to them under the ESOP is measured by reference to the fair value of the Company's shares on the date on which the options are granted. This cost is recognized as an expense over the period in which service conditions are fulfilled by the employees, ending on the date on which the relevant employees become fully entitled to the shares (the "vesting date"). The cumulative expense recognized, for the equity-settled transactions at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Company's best estimate of the number of shares that will ultimately vest. The charge for a period recorded in the income statement represents the movement in cumulative expense recognized as at the beginning and end of that period.

Shares purchased by the financial institution acting as trustee for the ESOP are carried at cost as a deduction from shareholders' equity until the options vest and the underlying shares are transferred to the employee on which date any difference between the employee service cost and the purchase cost of the shares is taken directly to retained earnings as an equity adjustment.

2.20 Revenues

Sales are recognized upon delivery of products or on the performance of services. Revenues on long-term contracts are recognized on the percentage of completion basis. Revenues are shown net of certain expenses and after eliminating sales within the Group.

2.21 Selling, marketing and general and administrative expenses

Selling, marketing and general and administrative expenses include direct and indirect costs not specifically part of production costs as required under generally accepted accounting principles. Allocations between selling, marketing and general and administrative expenses and production costs, when required, are made on a consistent basis.

2.22 Dividends

Dividends are recorded in the financial statements in the period in which they are approved by shareholders of the Company.

2.23 Derivative financial instruments

Derivative financial instruments are initially recorded at cost, if any, and are re-measured to their fair values at subsequent reporting dates. Changes in the fair value of derivative financial instruments which do not qualify for hedge accounting are recognized in the income statement as they arise and the resulting positive and negative fair values are reported under current assets and liabilities, respectively, in the balance sheet.

2.24 Operating leases

Rental expense under operating leases is charged to the income statement over the period of the respective lease.

2.25 Statutory reserve

In accordance with the Regulations for Companies in the Kingdom of Saudi Arabia, the Company is required to transfer 10% of their net income to a statutory reserve until such reserve equals 50% of share capital. The statutory reserve in the accompanying interim consolidated financial statements is the statutory reserve of the Company. This reserve currently is not available for distribution to the shareholders of the Company.

2.26 Earnings per share

Earnings per share for the three-month and six-month periods ended June 30, 2013 and June 30, 2012 has been computed by dividing the operating income and net income for the period by weighted average number of 112,984,309 shares outstanding during such periods.

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES

(A Saudi Joint Stock Company)

Notes to the interim consolidated financial statements

For the three-month and six-month periods ended June 30, 2013 (Unaudited)

(All amounts in Saudi Riyals thousands unless otherwise stated)

3 Other expenses, net

	Three-month periods ended June 30,		Six-month periods ended June 30,	
	2013	2012	2013	2012
Impairment losses against investments, property plant and equipment and intangible assets	(13,948)	(4,882)	(13,948)	(9,385)
Reversal of provision for settlement of claims	10,977	-	10,977	-
Foreign exchange gains (losses)	4,510	(3,357)	3,904	(1,062)
Miscellaneous income	(2,524)	4,567	(1,874)	4,657
	(985)	(3,672)	(941)	(5,790)

4 Segment information

The Group operates principally in the following business segments:

- (i) Manufacturing and selling various types of pipes;
- (ii) Development and licensing of technologies related to production of various types of pipes, construction and supply of related pipe manufacturing machines; and
- (iii) Water management and related consultancy, engineering and operations.

Selected financial information as of June 30, 2013 and 2012 and for the periods then ended, summarized by the above business segments, was as follows:

	Pipe manufacturing	Technology	Water management	Total
2013				
Sales	1,536,017	15,090	138,468	1,689,575
Net income (loss)	76,497	(4,720)	(10,782)	60,995
Total assets	4,070,555	95,732	432,881	4,599,168
2012				
Sales	1,623,671	7,584	164,689	1,795,944
Net income (loss)	83,495	(10,015)	(7,912)	65,568
Total assets	4,069,931	81,206	395,820	4,546,957

The Group's operations are conducted in Saudi Arabia, Europe and certain other geographical areas. Selected financial information as of June 30, 2013 and 2012 and for the periods then ended, summarized by geographic area, was as follows:

	Saudi Arabia	Europe and other countries	Total
2013			
Sales	1,171,362	518,213	1,689,575
Non-current assets:			
Property, plant and equipment	517,974	233,898	751,872
Other non-current assets	191,980	51,622	243,602
2012			
Sales	1,238,806	557,138	1,795,944
Non-current assets:			
Property, plant and equipment	499,328	288,696	788,024
Other non-current assets	189,546	66,992	256,538

THE SAUDI ARABIAN AMIANTIT COMPANY AND SUBSIDIARIES

(A Saudi Joint Stock Company)

Notes to the interim consolidated financial statements

For the three-month and six-month periods ended June 30, 2013 (Unaudited)

(All amounts in Saudi Riyals thousands unless otherwise stated)

5 Dividends

The shareholders have approved a dividend of Saudi Riyal 1.0 per share, amounting to Saudi Riyals 115.5 million, in their meeting held on March 9, 2013. Such dividends were fully paid during the period.

6 Contingencies and commitments

- (i) The Group was contingently liable for bank guarantees issued in the normal course of the business amounting Saudi Riyals 713.5 million at June 30, 2013. SAAC, collectively with other shareholder of an associate, is also contingently liable for a corporate guarantee amounting to Saudi Riyals 241.1 million in relation to the borrowing facilities of the associate.
- (ii) The capital expenditure contracted by the Group but not yet incurred till June 30, 2013 was approximately Saudi Riyals 22.3 million.