

**AL SORAYAI TRADING AND INDUSTRIAL
GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS AND REVIEW REPORT
THREE-MONTH AND NINE-MONTH PERIODS ENDED
SEPTEMBER 30, 2012**

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

**UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW
REPORT**

THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012

(Expressed in Saudi Riyals)

INDEX	PAGE
Review report	1
Interim consolidated balance sheet (unaudited)	2
Interim consolidated statement of income (unaudited)	3
Interim consolidated statement of cash flows (unaudited)	4
Notes to the interim consolidated financial statements (unaudited)	5 - 12

PH

REVIEW REPORT

To the shareholders
Al Sorayai Trading Industrial Group Company
Jeddah, Saudi Arabia

Scope of Review

We have reviewed the interim consolidated balance sheet of AL SORAYAI TRADING INDUSTRIAL GROUP COMPANY (a Saudi Joint Stock Company) ("the Company") and its subsidiaries ("the Group") as of September 30, 2012 and the related interim consolidated statement of income for the three-month and nine-month periods then ended, and the interim consolidated statement of cash flows for the nine-month period then ended, and notes 1 to 10 which form an integral part of these interim consolidated financial statements as prepared by the Group and presented to us with all the necessary information and explanations. These interim consolidated financial statements are the responsibility of the Group's management.

We conducted our review in accordance with the standard of review of interim financial reporting issued by the Saudi Organization for Certified Public Accountants. A review of interim consolidated financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. The scope of review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Kingdom of 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 results

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

Other matters

Without qualifying our opinion, we draw attention to the fact that the comparative figures have been restated due to change in the useful economic life of machinery.

Deloitte & Touche
Bakr Abulkhair & Co.



Al-Mutahhar Y. Hamiduddin
License No. 296
29 Thul Qa'dah, 1433
October 15, 2012



AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONSOLIDATED BALANCE SHEET (Unaudited)
AS OF SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

	Note	2012	2011 (Restated note 6)
ASSETS			
Current assets			
Cash and cash equivalents		25,276,798	24,593,821
Accounts receivable and other receivables		272,791,573	275,178,500
Due from related parties		2,912,708	47,705,670
Inventory		566,970,227	514,843,839
Total current assets		867,951,306	862,321,830
Non-current assets			
Property and equipment	6	289,513,492	252,510,750
Deferred charges		3,888,939	419,519
Total non-current assets		293,402,431	252,930,269
TOTAL ASSETS		1,161,353,737	1,115,252,099
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Due to banks		369,318,195	442,825,515
Current portion of long-term loan	7	3,200,000	-
Accounts payables other liabilities		170,606,415	140,240,393
Due to related parties		49,690,455	40,586,918
Total current liabilities		592,815,065	623,652,826
Non-current liabilities			
End-of-service indemnities		37,374,802	35,183,095
Long-term loan	7	38,967,000	-
Total non-current liabilities		76,341,802	35,183,095
Shareholders' equity			
Share capital		300,000,000	300,000,000
Statutory reserve	4	26,521,193	23,008,863
General reserve		2,277,097	2,277,097
Retained earnings	6	163,398,580	131,130,218
Total shareholders' equity		492,196,870	456,416,178
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,161,353,737	1,115,252,099

The accompanying notes form an integral part of these interim consolidated financial statements

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONSOLIDATED STATEMENT OF INCOME (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

		Period from July 1 to September 30		Period from January 1 to September 30	
	Note	2012	2011 (Restated note 6)	2012	2011 (Restated note 6)
Sales	10	241,969,091	232,223,145	723,364,869	656,297,014
Cost of sales	10	(169,915,024)	(175,864,567)	(522,748,549)	(482,060,986)
Gross profit		72,054,067	56,358,578	200,616,320	174,236,028
Selling and distribution expenses		(38,284,759)	(31,683,514)	(108,004,910)	(90,542,670)
General and administrative expenses		(14,442,881)	(11,674,813)	(39,595,165)	(31,407,573)
Operating income		19,326,427	13,000,251	53,016,245	52,285,785
Finance charges		(1,696,786)	(2,545,468)	(6,722,798)	(7,247,729)
Other income		213,037	2,027,502	1,713,097	2,111,094
Net income before zakat		17,842,678	12,482,285	48,006,544	47,149,150
Zakat		(1,500,000)	(1,300,000)	(4,500,000)	(4,300,000)
NET INCOME		16,342,678	11,182,285	43,506,544	42,849,150
Earnings per share from net income	8	0.54	0.37	1.45	1.43
Earnings per share from continuing operations	8	0.59	0.39	1.60	1.58
Loss per share from other operations	8	(0.05)	(0.02)	(0.15)	(0.15)

The accompanying notes form an integral part of these interim consolidated financial statements

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

	Period from January 1 to September 30	
	2012	2011 (Restated)
OPERATING ACTIVITIES		
Net income before zakat	48,006,544	47,149,150
Adjustments for:		
Depreciation	30,750,439	30,740,054
Amortization of deferred charges	411,061	420,228
Gain on sale of property and equipment	(426,415)	-
End-of-service indemnities	4,192,560	5,467,165
Finance charges	6,722,798	7,247,729
Changes in operating assets and liabilities:		
Accounts receivable and other receivables	(36,547,212)	(17,906,214)
Due from related parties	2,708,039	(22,914,395)
Inventories	(29,747,668)	(52,560,850)
Accounts payable and other liabilities	39,033,088	25,198,856
Due to related parties	(1,077,194)	(36,337,181)
Cash from operations	64,026,040	(13,495,458)
End-of-service indemnities paid	(2,592,172)	(2,275,407)
Zakat paid	(4,926,160)	(5,957,794)
Finance charges paid	(6,722,798)	(7,247,729)
Net cash from / (used in) operating activities	49,784,910	(28,976,388)
INVESTING ACTIVITIES		
Purchase of property and equipment	(40,835,021)	(8,678,014)
Proceeds from sale of property and equipment	465,500	-
Net cash used in investing activities	(40,369,521)	(8,678,014)
FINANCING ACTIVITIES		
Long-term loan	37,867,000	-
Due to banks	(32,658,695)	76,306,960
Dividends	-	(30,000,000)
Net cash from financing activities	5,208,305	46,306,960
Net change in cash and cash equivalents	14,623,694	8,652,558
Cash and cash equivalents, opening	10,653,104	15,941,263
CASH AND CASH EQUIVALENTS	25,276,798	24,593,821
Non-cash transaction		
Deferred charges	4,300,000	-

The accompanying notes form an integral part of these interim consolidated financial statements

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

1. ORGANIZATION AND ACTIVITIES

Al Sorayai Trading Industrial Group Company ("the Company") is a Saudi joint stock company which was established in accordance with the Ministry of Commerce resolution No. 523/Q dated 21 Dul-Qaidah, 1428 (December 31, 2007).

During 2010, the Company offered 9 million shares for public subscription representing 30% of the Company's share capital during the period from 17 Safar 1431 (February 1, 2010) to 23 Safar 1431 (February 7, 2010) at SR 27 per share including the par value of SR 10 per share and a premium of SR 17 per share. Thus, the Company converted to a public joint stock company.

The activities of the Company are the retail and wholesale of carpet, rugs, flooring, furniture, blankets and curtain fabrics and accessories. Also, manufacturing of carpets and tufts according to the Ministry of Industry and Electricity resolution No. 1566/S dated 20 Dhul-Hijjah, 1420 and manufacturing of industrial yarn from polypropylene, nylon, processed polypropylene and processed nylon (polyamide) according to the Ministry of Commerce resolution No. 1699/S issued on 27 Dul-Hijja, 1424 and commercial services. Additionally, the Company may invest in other companies. These activities are carried out through the main Commercial Registration No. 4030133919 on 5 Rabi'I, 1422.

In the general assembly meeting held on May 22, 2012, the shareholders resolved to add activities which are to invest in real estate for investment purposes. The Company is in process to obtain the amended Commercial Registration and bye-laws.

The accompanying interim consolidated financial statements include the accounts of the Company, its branches and local and foreign subsidiaries.

At September 30, the Company has investments in the following subsidiaries (collectively referred to as "the Group"):

<u>Subsidiary</u>	<u>Country of Incorporation</u>	<u>% Held directly and indirectly</u>	<u>Principal activities</u>
The Home Styles Company LLC*	Saudi Arabia	100%	Retail carpet, rugs, flooring, furniture, blankets and curtain fabrics and accessories.
Millennium Weavers Group Holdings Company LLC**	USA	100%	Distribute rugs, carpets and other soft flooring products.
Millennium Weavers LLC**	USA	100%	Distribute rugs, carpets and other soft flooring products
Millennium Weavers Europe ***	Belgium	99%	Distribute rugs, carpets and other soft flooring products

* The Home Styles Company LLC ("the subsidiary"), incorporated in November 2010, is owned 90% by the Company and 10% is owned by The Home Styles LLC, a company incorporated in UAE. These interim consolidated financial statements include 100% results of the subsidiary on the basis of a letter of trust which the Company has with all the shareholders of the subsidiary. The subsidiary did not have any activity during 2010 until June 2011.

** Millennium Weavers Group Holdings Company LLC and Millennium Weavers LLC incorporated during January 2011 and did not have activity until September 30, 2011.

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

***Millennium Weavers Europe Company is a subsidiary incorporated during 2012 and started its activities during the current quarter.

The following main registered branches for the factories and other 55 branches representing the showrooms and distribution centers of the Group.

Branch	CR No.	CR. Date
Jeddah Industrial Yarn Factory	4030115974	3 Rajab, 1416
Al Sorayai Carpet Factory	4030131014	8 Jumad I, 1421

The results, assets and liabilities of these branches are included in these interim consolidated financial statements.

The Company's share capital is SR 300,000,000 divided into 30,000,000 shares of SR 10 each.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying interim consolidated financial statements have been prepared in accordance with the interim accounting standard issued by the Saudi Organization for Certified Public Accountants. These interim consolidated financial statements have been prepared according to the accounting standards annually adopted by the Company in preparing the annual consolidated financial statements. The following is a summary of significant accounting policies applied by the Group and should be read in conjunction with the Group's audited consolidated financial statements for the year ended December 31, 2011.

Critical accounting estimates and judgments

The preparation of interim consolidated financial statements in conformity with accounting standards generally accepted in the Kingdom of Saudi Arabia requires the use of estimates and assumptions that could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date of the interim consolidated financial statements in addition to the reported amounts of revenues and expenses during that period. Although these estimates are based on management's best knowledge of current events and activities available with the management actual result ultimately may differ from those estimates.

Basis of preparation

The interim consolidated financial statements have been prepared under the historical cost basis, using the accrual basis of accounting and the going concern concept.

Interim consolidated financial statements

The interim consolidated financial statements include the accounts of the Company and its subsidiaries (hereafter referred to as "the Group"). All significant intercompany balances and transactions among the Company and its subsidiaries are eliminated in the consolidation.

Sales

Sales are recognized upon delivery of goods to customers and are stated net of trade or quantity discounts.



AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

Expenses

Selling and distribution expenses principally comprise of costs incurred in the distribution and sale of the Company's products. All other expenses are classified as general and administrative expenses.

General and administrative expenses include direct and indirect costs not specifically part of cost of sales as required under accounting principles generally accepted in the Kingdom of Saudi Arabia.

Allocations between general and administrative expenses and cost of sales, when required, are made on a consistent basis.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost of finished goods includes cost of materials, labor and an appropriate proportion of direct overheads. Other inventories are valued on a weighted average cost basis. An allowance is made wherever necessary for obsolete, slow-moving and defective stock. Net realizable value represents the estimated selling price for the inventories less costs necessary to make the sale.

Investment in subsidiaries

Investments in subsidiaries which are more than 50% owned and in which the Group exercises control are consolidated based on the financial statements of the respective subsidiaries in the interim consolidated financial statements of the Group.

Intercompany transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of all investments and financial instruments is reduced to recognize other than temporary diminution in value.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Expenditure on maintenance and repairs is expensed, while expenditure for betterment is capitalized. Depreciation is provided over the estimated useful lives of the applicable assets using the straight line method. Leasehold improvements are amortized over the shorter of the estimated useful life or the remaining term of the lease. The estimated rates of depreciation of the principal classes of assets are as follows:

Buildings	5% - 10%
Machinery, equipment and tools (Note 6)	8.3%-12.5%
Improvements and decorations	25%
Furniture, fixtures and office equipment	25% - 33.33%
Motor vehicles	25%

Deferred charges

Deferred charges represent the cost charged by Saudi Industrial Development Fund (SIDF) in relation to the loan facility granted. These costs are amortized over the term of the loan.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

Impairment of non-current assets

At each balance sheet date, the Group assesses whether there are any indications, whether internal or external, of impairment in the value of non-current assets. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount of an asset is the higher of its value in use and fair value less cost to sell.

A non-current asset is considered impaired if its carrying amount is higher than its recoverable amount. To determine impairment, the Group compares the non-current asset's carrying amount with the non-discounted estimated cash flow from the asset's use. If the carrying amount exceeds the non-discounted cash flow from the asset, the Group estimates the present value of the estimated future cash flows from the asset. The excess of the carrying amount over the present value of the estimated future cash flows from the assets is considered an impairment loss.

An impairment loss is recognized immediately in the interim consolidated statement of income. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior years. A reversal of an impairment loss is recognized immediately in the interim consolidated statement of income. Impairment loss relating to intangible assets with indefinite lives is not reversed in a subsequent period. A reversal of an impairment loss to intangible assets with identified useful life is recognized immediately in the interim consolidated statement of income.

Financial assets and financial liabilities

Financial assets comprise of cash and cash equivalents, accounts receivables and due from related parties. These financial assets are initially measured as fair value and thereafter at their cost value as reduced by appropriate allowance for estimated irrecoverable amounts. .

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include due to banks, accounts payable and due to related parties and are stated at their fair value.

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.

Certain categories of financial assets, such as accounts receivable, that are assessed not to be impaired individually are subsequently assessed for impairment on an individual basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced through the loss resulting from the impairment immediately for all the financial assets except for the accounts receivable as they are not considered recoverable it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are credited to the interim consolidated statement of income. Changes in the carrying amount of the allowance account are recognized in the interim consolidated statement of income

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

Zakat and income tax

The Group is subject to the regulations of the Directorate of Zakat and Income Tax (DZIT) in the Kingdom of Saudi Arabia. Zakat is provided on an accrual basis. The Zakat charge is computed on the Zakat base. Any differences in the estimate is recorded when the final assessment is approved at which time the accrual is cleared.

Foreign subsidiaries are subject to income taxes in their respective countries of domicile. Such income taxes are charged to interim consolidated statement of income.

End-of-service indemnities

End-of-service indemnities, required by Saudi Arabian Labor Law, are provided in the financial statements based on the employees' length of service.

Foreign currency translation

Foreign currency transactions are translated into Saudi Riyals at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the interim consolidated statement of income.

On consolidation, the assets and liabilities of the Group's overseas subsidiaries are translated at exchange rates prevailing on the interim consolidated balance sheet date. Income and expenses are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve.

Leasing

Rentals payable under operating leases are charged to the interim consolidated statement of income on a straight line basis over the term of the operating lease.

3. SETTLEMENTS RELATED TO THE PERIOD

All settlements deemed important by the Group have been prepared to fairly show the Group's interim consolidated financial statements in its financial position and the results of operations. The period's results of operations may not give an accurate indication of the actual results for all the year's operations.

4. STATUTORY RESERVE

In accordance with Regulations for Companies in Saudi Arabia and the bye-laws of the Company, the Company establishes a statutory reserve by appropriation of 10% of net income until the reserve equals 50% of the share capital. This reserve is not available for dividend distribution. The Company has not accounted for statutory reserve for the nine-month period ended September 30 as it is accounting for such reserve based on the annual consolidated financial statements.

5. DIVIDENDS

Based on the board of directors' proposal and approval of the shareholders in the general assembly meeting held on March 27, 2011, dividends amounting to SR 30,000,000 declared and paid during 2011.

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

PRIOR YEAR ADJUSTMENTS

During 2011, the Company reviewed the estimated useful life of its machineries and decided to change its estimated useful life from eight years to twelve years. This was based on external technical report and the information available to the Company.

The changes were not reflected in the interim consolidated financial statements of the first three quarters of 2011 and were reflected in the interim consolidated financial statements for the three-month period ended December 31, 2011 and the consolidated financial statements for the year ended December 31, 2011. Had there been change in the depreciation rate in the third quarter of the year 2011, there would be an increase in net book value of machineries as of September 30, 2011 by SR 9,186,489 and decrease in cost of sales for the three-month period ended September 30, 2011 by SR 3,062,163 and decrease in cost of sales for the nine-month period ended September 30, 2011 by SR 9,186,489.

Following balances were restated as a result of the prior period adjustment:

	2011 (As previously reported)	Adjustment	2011 As restated
Interim consolidated balance sheet as of September 30, 2011			
Property and equipment	243,324,261	9,186,489	252,510,750
Retained earnings September 30, 2011	121,943,729	9,186,489	131,130,218
Interim consolidated statement of income for the three-month period ended September 2011			
Cost of sales	178,926,730	(3,062,163)	175,864,567
Interim consolidated statement of income for the nine-month period ended September 2011			
Cost of sales	491,247,475	(9,186,489)	482,060,986
Interim consolidated cash flows for the nine-month period ended September 30, 2011			
Operating activities			
Net income before zakat	37,962,661	9,186,489	47,149,150
Depreciation	39,926,543	(9,186,489)	30,740,054

6. LONG TERM DEBT

During the period the Group obtained a long-term loan amount of SR 42.2 million from Saudi Industrial Development Fund (SIDF). The first installment is due on February 2013 followed by semi-annual installments. This loan is guaranteed by the mortgage over all the property and equipment of Jeddah industrial yarn plant for the purpose of financing the expansion of the Jeddah industrial yarn factory and Rug factories. The loan agreement involves certain covenants including the maintenance of certain financial ratios and maintenance of a minimum level of tangible net worth and a minimum current ratio.

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

7. BASIC EARNINGS PER SHARE

Earnings per share from net income have been calculated by dividing the net income over the weighted average number of shares outstanding as at the end of the period.

Earnings per share, from continuing operations, have been calculated by dividing the operating income after its share of zakat over the weighted average number of shares outstanding at the end of the period.

Earnings per share from other operations have been calculated by dividing the net income from other operations after its share of zakat over the weighted average number of shares outstanding as of the end of the period.

8. COMMITMENTS AND CONTINGENT LIABILITIES

As at September 30, the Group had the following contingent liabilities:

	2012	2011
Letters of bank guarantee	9,902,641	26,441,768
Letters of credit	9,892,800	28,327,936
	<u>19,795,441</u>	<u>54,769,704</u>

9. BUSINESS SEGMENTS

Segment information pertains to the Group's activities and operations as basis for preparing its own financial information.

The Group currently operates in manufacturing and selling its products under one operating segment.

The Group's principal place of business is Saudi Arabia.

Sales and cost of sales:

	2012	2011 (Restated note 6)
Sales - Local	551,020,123	535,845,633
Sales - Export	172,344,746	120,451,381
	<u>723,364,869</u>	<u>656,297,014</u>
Cost of sales - Local	386,101,987	382,601,476
Cost of sales - Export	136,646,562	99,459,510
	<u>522,748,549</u>	<u>482,060,986</u>

AL SORAYAI TRADING AND INDUSTRIAL GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Expressed in Saudi Riyals)

The Group's operations are conducted in Saudi Arabia, United States of America and Europe, Selected financial information as of September 30, 2012 & 2011, summarized by geographic area, is as follows:

2012 (Unaudited)	Saudi Arabia	United States of America	Europe	Total
Property and equipment, net	287,675,440	1,188,312	649,740	289,513,492
Deferred charges	3,888,939	-	-	3,888,939
Revenue, net	705,416,172	6,550,867	11,397,830	723,364,869
Net income / (loss)	46,686,381	(2,165,820)	(1,014,017)	43,506,544

2011 (Unaudited)	Saudi Arabia	United States of America	Europe	Total
Property and equipment, net (restated note 6)	252,510,750	-	-	252,510,750
Deferred charges	419,519	-	-	419,519
Revenue, net	656,297,014	-	-	656,297,014
Net income (restated note 6)	42,849,150	-	-	42,849,150


