SAUDI ARABIAN MINING COMPANY (MA'ADEN)
(A Saudi Arabian joint stock company)

Consolidated interim financial statements
for the quarter and nine months ended September 30, 2015 (Unaudited)

Contents

Commercial registration number	1010164391
Directors	Engr. Abdallah Bin Saif Al-Saif – Chairman H.E. Sulaiman Bin Abdulrahman Al Gwaiz H.E. Mohammed Bin Abdullah Al-Kharashi Dr. Ziad Bin Abdulrahman Al-Sudairy Engr. Sultan Bin Jamal Shawli Engr. Khalid Saleh Al Mudaifer Mr. Mansour Bin Saleh Al-Maiman Engr. Khalid Bin Hamad Al-Senani Engr. Abdulaziz Bin Abdallah Al-Sugair
Registered address	Building number 395 Abi Bakr Asseddiq Road, South Exit 6, North Ring Road Riyadh Kingdom of Saudi Arabia
Postal address	P.O. Box 68861 Riyadh 11537 Kingdom of Saudi Arabia
Banker	The Saudi British Bank (SABB)
Auditors	Ernst & Young Al Faisaliah Office Tower, 3rd Floor King Fahad Road P.O. Box 2732 Riyadh 11461 Kingdom of Saudi Arabia

The following statement, which should be read in conjunction with the independent auditor's responsibilities stated in the independent auditor's review report, set out on page 4, is made with a view to distinguish the responsibilities of management and those of the independent auditors in relation to the consolidated interim financial statements of Saudi Arabian Mining Company (Ma'aden) (the "Company") and its subsidiaries (the "Group")

Management is responsible for the preparation of the consolidated interim financial statements that present fairly the consolidated interim financial position of the Group as at September 30, 2015, the results of its operations, changes in equity and cash flows for the quarter and nine months then ended, in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

In preparing the consolidated interim financial statements, the management is responsible for:

- selecting suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- stating whether SOCPA standards have been followed, subject to any material departures disclosed and explained in the consolidated interim financial statements and
- preparing and presenting the consolidated interim financial statements on a going concern basis, unless it is inappropriate to presume that the Group will continue its business for the foreseeable future.

The management is also responsible for:

- designing, implementing and maintaining an effective system of internal controls throughout the Group;
- maintaining statutory accounting records in compliance with local legislation and accounting standards in the respective jurisdictions in which the Group operates;
- taking steps to safeguard the assets of the Group and
- detecting and preventing fraud and other irregularities.

The consolidated interim financial statements for the quarter and nine months ended September 30, 2015 set out on pages 5 to 69, were approved and authorized for issue by the Board of Directors on October 18, 2015 and signed on its behalf by:

Engr. Khalid H. Al-Senani Authorized by the Board	Engr. Khalid Al Mudaifer President and Chief Executive Officer	Mr. Khalid Al-Rowais Chief Financial Officer

5 Muharram 1437H
October 18, 2015
Riyadh
Kingdom of Saudi Arabia

Building a better working world

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Independent auditors' review report to the shareholders of
Saudi Arabian Mining Company (Ma'aden)
(A Saudi Arabian Joint Stock Company)

Scope of review

We have reviewed the accompanying consolidated interim statement of financial position of Saudi Arabian Mining Company "Ma'aden" (the "Company") and its subsidiaries (collectively referred to as the "Group") as at September 30, 2015 and the related consolidated interim statements of income and cash flows for the quarter and nine month periods ended 30 September 2015, the changes in equity for the nine month period then ended and the notes 1 to 50 which form an integral part of the consolidated interim financial statements. These consolidated interim financial statements are the responsibility of the Group's management and have been prepared by them and submitted to us with all the information and explanations which we required.

We conducted our limited review in accordance with the Standard on 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 making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the consolidated interim financial statements taken as a whole. Accordingly, we do not express such an opinion.

Conclusion

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

For Ernst & Young

Rashid S. AlRashoud
Certified Public Accountant
Registration No. 366

ERNST & YOUNG

Riyadh: 5 Muharram 1437H
(18 October 2015)

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	September 30, 2015	September 30, 2014	December 31, 2014
Assets				
Current assets				
Cash and cash equivalents	7	**4,832,391,000**	5,063,307,378	11,973,968,055
Short-term investments	8	**2,270,282,674**	697,952,325	523,320,360
Trade and other receivables	9	**1,401,046,106**	1,010,699,965	1,245,127,333
Inventories	10	**2,901,956,789**	2,692,386,013	2,440,872,603
Advances and prepayments	11	**310,811,222**	249,889,549	232,711,854
Due from joint venture partners	12	**720,000,000**	-	-
		12,436,487,791	9,714,235,230	16,416,000,205
Non-current assets				
Property, plant and equipment	13	**37,074,244,442**	38,402,136,920	38,376,128,047
Capital work-in-progress	14	**36,829,645,701**	23,981,022,929	27,083,158,695
Exploration and evaluation assets	15	**195,471,389**	169,943,501	175,506,312
Deferred stripping expense	16	**33,563,242**	38,811,803	49,082,983
Intangible assets	17	**379,030,450**	335,309,552	409,876,545
Investment in jointly controlled entities	18	**566,767,261**	425,461,721	618,889,332
Long-term investment	19	**50,000,000**	50,000,000	50,000,000
Long-term loan	20	**626,197,939**	-	626,197,939
Advances and prepayments	11	**21,048,368**	17,004,200	16,541,800
Due from joint venture partners	12	**-**	720,000,000	720,000,000
		75,775,968,792	64,139,690,626	68,125,381,653
Total assets		**88,212,456,583**	73,853,925,856	84,541,381,858
Liabilities				
Current liabilities				
Projects and other payables	21	**1,428,165,724**	2,216,357,776	2,034,836,739
Accrued expenses	22	**4,926,666,095**	2,140,934,911	2,558,469,084
Zakat payable	23.2	**28,998,544**	27,685,830	58,735,918
Severance fees payable	24	**17,298,629**	18,982,369	29,727,477
Current portion of obligation under capital lease	26	**11,824,173**	10,671,885	10,948,977
Current portion of long-term borrowings	28.5	**2,049,221,379**	1,508,320,354	1,574,221,379
		8,462,174,544	5,922,953,125	6,266,939,574
Non-current liabilities				
Projects and other payables	21	**968,033,877**	239,927,727	400,794,841
Employees' benefits	25	**345,690,403**	266,982,012	290,375,429
Obligation under capital lease	26	**30,183,577**	42,007,748	39,164,376
Provision for mine closure and reclamation	27	**129,455,387**	108,532,730	131,295,730
Long-term borrowings	28.5	**43,273,068,468**	39,386,442,888	43,337,698,408
Due to joint venture partners	29	**297,879,613**	535,146,121	558,313,877
		45,044,311,325	40,579,039,226	44,757,642,661
Total liabilities		**53,506,485,869**	46,501,992,351	51,024,582,235
Equity				
Share capital	30	**11,684,782,610**	9,250,000,000	11,684,782,610
Statutory reserve				
Share premium	31	**8,391,351,697**	5,250,000,000	8,391,351,697
Transfer of net income	32	**697,394,239**	561,660,119	697,394,239
Retained earnings		**6,530,555,460**	5,679,482,737	5,919,705,879
Equity attributable to shareholders' of the parent company		**27,304,084,006**	20,741,142,856	26,693,234,425
Non-controlling interest	33.6	**7,401,886,708**	6,610,790,649	6,823,565,198
Total equity		**34,705,970,714**	27,351,933,505	33,516,799,623
Total liabilities and equity		**88,212,456,583**	73,853,925,856	84,541,381,858
Commitments and contingent liabilities	45			

	Notes	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31 2014
Sales	34	**2,541,988,112**	3,151,865,443	**8,296,748,503**	7,313,602,151	10,791,882,887
Cost of sales	35	**(2,018,149,466)**	(2,215,225,994)	**(6,391,326,175)**	(5,222,374,586)	(7,676,872,584)
Gross profit		**523,838,646**	936,639,449	**1,905,422,328**	2,091,227,565	3,115,010,303
Operating expenses						
Selling, marketing and logistic expenses	36	**(118,159,832)**	(90,329,393)	**(353,648,028)**	(270,933,544)	(482,841,815)
General and administrative expenses	37	**(105,791,083)**	(120,362,596)	**(325,569,501)**	(316,024,299)	(445,141,238)
Exploration and technical services expenses	38	**(36,630,724)**	(32,265,279)	**(103,194,375)**	(118,208,349)	(189,559,465)
Operating income		**263,257,007**	693,682,181	**1,123,010,424**	1,386,061,373	1,997,467,785
Other (expenses) / income						
Share in net loss of a jointly controlled entity	18.1	**(15,711,055)**	(15,113,246)	**(52,122,071)**	(15,908,893)	(24,963,928)
Income from short-term investments	39	**6,842,233**	2,304,613	**28,883,653**	7,614,547	10,563,669
Finance charges	40	**(111,264,447)**	(74,726,071)	**(340,102,071)**	(174,289,635)	(303,537,973)
Other income / (expenses), net	41	**(11,348,523)**	108,694	**33,911,760**	46,523,887	101,534,028
Income before provision for zakat		**131,775,215**	606,256,171	**793,581,695**	1,250,001,279	1,781,063,581
Provision for zakat	23.2	**(9,741,512)**	(12,694,085)	**(24,410,604)**	(13,384,169)	(44,434,257)
Net income for the quarter / period / year		**122,033,703**	593,562,086	**769,171,091**	1,236,617,110	1,736,629,324
Net income for the quarter / period / year attributable to:						
Shareholders' of the parent company	6.1	**79,912,419**	485,408,729	**610,849,581**	981,383,939	1,357,341,201
Non-controlling interest	33.6	**42,121,284**	108,153,357	**158,321,510**	255,233,171	379,288,123
		122,033,703	593,562,086	**769,171,091**	1,236,617,110	1,736,629,324
Earnings per ordinary share (Saudi Riyals)						
Operating income per share inclusive of non-controlling interest's share		**0.22**	0.71	**0.96**	1.43	2.02
Basic and diluted earnings per share from continuing operations attributable to shareholders' of the parent company	42	**0.07**	0.50	**0.52**	1.01	1.38

SAUDI ARABIAN MINING COMPANY (MA'ADEN)
(A Saudi Arabian joint stock company)
Consolidated interim statement of changes in equity for the nine months ended September 30, 2015 (Unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

		Equity attributable to shareholders' of the parent company					Non-controlling interest				
			Statutory reserve								
	Notes	Share capital	Share premium	Transfer of net income	Retained earnings	Sub-total	Share capital	Payments to increase share capital*	Net income attributable to non-controlling interest	Sub-total	Total equity
January 1, 2014		9,250,000,000	5,250,000,000	561,660,119	4,698,098,798	19,759,758,917	4,947,553,597	114,431,471	185,706,440	5,247,691,508	25,007,450,425
Net income for the period		-	-	-	981,383,939	981,383,939	-	-	255,233,171	255,233,171	1,236,617,110
Payments to increase share capital during the period *	33.6	-	-	-	-	-	-	255,865,220	-	255,865,220	255,865,220
Increase in non-controlling interest / share capital contributed during the period	33.6	-	-	-	-	-	899,063,250	(47,062,500)	-	852,000,750	852,000,750
September 30, 2014		9,250,000,000	5,250,000,000	561,660,119	5,679,482,737	20,741,142,856	5,846,616,847	323,234,191	440,939,611	6,610,790,649	27,351,933,505
Proceeds from right issue offering		2,434,782,610	3,165,217,434	-	-	5,600,000,044	-	-	-	-	5,600,000,044
Transaction costs of right issue offering	31	-	(23,865,737)	-	-	(23,865,737)	-	-	-	-	(23,865,737)
Net income for the remainder of the year		-	-	-	375,957,262	375,957,262	-	-	124,054,952	124,054,952	500,012,214
Net income transferred to statutory reserve	32	-	-	135,734,120	(135,734,120)	-	-	-	-	-	-
Payments to increase share capital during the remainder of the year*	33.6	-	-	-	-	-	-	88,719,597	-	88,719,597	88,719,597
Increase in non-controlling interest / share capital contributed during the remainder of the year	33.6	-	-	-	-	-	255,865,220	(255,865,220)	-	-	-
December 31, 2014		11,684,782,610	8,391,351,697	697,394,239	5,919,705,879	26,693,234,425	6,102,482,067	156,088,568	564,994,563	6,823,565,198	33,516,799,623

(All amounts in Saudi Riyals unless otherwise stated)

Continued

		Equity attributable to shareholders' of the parent company					Non-controlling interest				
			Statutory reserve								
	Notes	Share capital	Share premium	Transfer of net income	Retained earnings	Sub-total	Share capital	Payments to increase share capital*	Net income attributable to non-controlling interest	Sub-total	Total equity
December 31, 2014		11,684,782,610	8,391,351,697	697,394,239	5,919,705,879	26,693,234,425	6,102,482,067	156,088,568	564,994,563	6,823,565,198	33,516,799,623
Dividend paid to non-controlling interest during the period	33.6	-	-	-	-	-	-	-	(330,000,000)	(330,000,000)	(330,000,000)
Net income for the period		-	-	-	610,849,581	610,849,581	-	-	158,321,510	158,321,510	769,171,091
Increase in non-controlling interest / share capital contributed during the period	33.6	-	-	-	-	-	833,278,002	(83,278,002)	-	750,000,000	750,000,000
September 30, 2015		**11,684,782,610**	**8,391,351,697**	**697,394,239**	**6,530,555,460**	**27,304,084,006**	**6,935,760,069**	**72,810,566**	**393,316,073**	**7,401,886,708**	**34,705,970,714**

*These payments, to ultimately increase share capital of the applicable subsidiaries over a period of time, are treated as part of the total equity in these subsidiaries in accordance with the SOCPA clarification number 14/1 issued on March 14, 2012, although no shares have been issued yet and the Commercial Registration certificate has not yet been amended, but will be once these prepayments have been converted to share capital.

(All amounts in Saudi Riyals unless otherwise stated)

MA'ADEN

	Notes	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Operating activities						
Income before provision for zakat		**131,775,215**	606,256,171	**793,581,695**	1,250,001,279	1,781,063,581
Adjustments for non-cash flow items:						
Reversal of allowance for inventory obsolescence	10	-	-	-	-	(1,046,546)
Depreciation	13	**571,843,972**	367,711,361	**1,650,704,647**	937,322,610	1,526,786,955
Adjustment / written-off property, plant and equipment	13	**17,949,787**	(192,503)	**17,949,787**	804,614	816,277
Impairment of exploration and evaluation assets	15	**8,702,784**	-	**11,603,711**	-	21,306,251
Deferred stripping expense	16	**5,697,193**	432,105	**23,468,175**	1,332,869	1,759,937
Amortization of intangible assets	17	**17,000,339**	5,238,752	**50,721,975**	16,002,731	34,307,746
Share in net loss of a jointly controlled entity	18.1	**15,711,055**	15,113,246	**52,122,071**	15,908,893	24,963,928
Provision for severance fees	24	**11,591,126**	10,225,981	**19,048,027**	24,323,849	35,068,957
Provision for employees' termination benefits	25.1	**31,211,964**	29,412,252	**66,399,384**	56,599,090	92,706,633
Contribution for the employees' savings plan	25.2	**7,741,267**	4,795,178	**18,372,095**	13,847,148	21,992,430
Accretion of provision for mine closure and reclamation	27.2	**288,632**	-	**1,101,979**	-	568,400
Provision for inventory loss	35	-	-		43,918,321	76,849,341
Income from short term investments	39	**(6,842,233)**	(2,304,613)	**(28,883,653)**	(7,614,547)	(10,563,669)
Finance charges	40	**110,975,815**	74,726,071	**339,000,092**	174,289,635	302,969,573
Changes in working capital:						
Trade and other receivables	9	**(71,031,791)**	78,428,444	**(141,243,768)**	(248,117,598)	(483,419,008)
Inventories	10	**(139,252,786)**	(124,920,019)	**(461,084,186)**	(853,284,465)	(767,041,120)
Advances and prepayments	11	**18,916,002**	21,852,949	**(82,605,936)**	(101,874,942)	(84,234,847)
Projects and other payables – Trade	21	**(170,295,677)**	336,001,974	**(216,334,035)**	486,683,346	720,034,302
Accrued expenses – Trade	22	**62,664,512**	526,012,055	**(10,923,551)**	499,159,698	355,701,491
Zakat paid	23.2	-	(7,559)	**(54,147,978)**	(39,993,409)	(39,993,409)
Severance fees paid	24	-	-	**(31,476,875)**	(41,771,913)	(41,771,913)
Employees' termination benefits paid	25.1	**(4,853,369)**	(5,135,904)	**(19,897,823)**	(12,710,982)	(31,701,678)
Employees' savings plan withdrawal	25.2	**(2,730,325)**	(3,124,458)	**(9,558,682)**	(5,583,825)	(7,452,537)
Provision for mine closure and reclamation utilized	27.1	**(1,153,345)**	2,801,580	**(1,731,010)**	(4,271,611)	(5,529,621)
Finance charges paid		**(94,870,098)**	(72,521,884)	**(540,060,505)**	(346,902,913)	(773,595,196)
Net cash generated from operating activities		**521,040,039**	1,870,801,179	**1,446,125,636**	1,858,067,878	2,750,546,258
Investing activities						
Income received from short-term investments		**1,537,673**	2,588,328	**14,208,648**	7,915,965	11,739,129
Decrease / (increase) in restricted cash	7	**44,713,816**	(6,670,720)	**236,219,101**	(50,388,323)	(56,664,893)
Short-term investments	8	**223,632,711**	(33,208,575)	**(1,746,962,314)**	(697,952,325)	(523,320,360)
Additions to property, plant and equipment	13	**(14,152,936)**	(14,359,279)	**(272,528,144)**	(71,131,644)	(120,213,102)
Additions to capital work-in-progress	14	**(4,160,227,628)**	(3,320,622,643)	**(9,573,930,935)**	(7,939,678,427)	(11,175,793,364)
Additions to exploration and evaluation assets	15	**(15,809,911)**	(8,503,546)	**(31,568,788)**	(24,059,684)	(50,928,746)
Additions to deferred stripping expense	16	**(6,074,036)**	(6,763,003)	**(7,948,434)**	(6,763,003)	(17,461,251)
Additions to intangible assets	17	**(139,237)**	3,831,935	**(2,636,157)**	(523,677)	(52,490,238)
Investment in a jointly controlled entity	18.2	-	-	-	-	(202,482,646)
Long-term loan to a jointly controlled entity	20	-	-	-	-	(626,197,939)
Projects and other payables – Projects	21	**241,450,857**	33,570,823	**176,902,056**	(81,679,108)	(335,683,987)
Accrued expenses – Projects	22	**1,683,284,220**	(489,130,053)	**2,294,931,184**	(1,665,558,391)	(1,071,027,418)
Net cash utilized in investing activities		**(2,001,784,471)**	(3,839,266,733)	**(8,913,313,783)**	(10,529,818,617)	(14,220,524,815)

(All amounts in Saudi Riyals unless otherwise stated)

Continued

	Notes	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Financing activities						
Obligation under capital lease	26	**(2,771,414)**	(2,501,334)	**(8,105,603)**	(7,315,697)	(9,881,977)
Proceeds from long-term borrowings received	28.5	**1,938,140,301**	2,361,773,480	**5,577,030,437**	8,653,393,675	13,367,210,397
Repayment of long-term borrowings	28.5	**(820,000,000)**	(40,000,000)	**(5,166,660,377)**	(501,530,177)	(1,198,190,354)
Due to joint venture partners	29	**(294,319,264)**	16,942,500	**(260,434,264)**	95,613,033	118,780,789
Proceeds from rights issue offering	30,31	**-**	-	**-**	-	5,576,134,307
Payments to increase share capital by non-controlling interest, net	33.6	**-**	-	**-**	255,865,220	344,584,817
Increase in share capital of non-controlling interest	33.6	**-**	-	**750,000,000**	852,000,750	852,000,750
Dividend paid to non-controlling interest	33.6	**(30,000,000)**	-	**(330,000,000)**	-	-
Net cash generated from financing activities		**791,049,623**	2,336,214,646	**561,830,193**	9,348,026,804	19,050,638,729
Net change in cash and cash equivalents		**(689,694,809)**	367,749,092	**(6,905,357,954)**	676,276,065	7,580,660,172
Unrestricted cash and cash equivalents at beginning of the quarter / period / year		**5,218,717,912**	4,162,247,858	**11,434,381,057**	3,853,720,885	3,853,720,885
Unrestricted cash and cash equivalents at end of the quarter / period / year	7	**4,529,023,103**	4,529,996,950	**4,529,023,103**	4,529,996,950	11,434,381,057
Non-cash flow transactions						
Transfer of capital spares to property, plant & equipment from inventories	13,10		-	**-**	-	133,385,591
Transfer to property, plant and equipment from capital work-in-progress	13,14	**28,493,474**	20,498,282,199	**144,032,046**	21,105,085,145	21,514,836,134
Provision for mine closure capitalized as part of property, plant and equipment	13, 27.1	**-**	-	**-**	29,313,718	34,478,197
Depreciation capitalized as part of capital work-in-progress	14,13	**18,038,699**	5,970,424	**47,692,794**	10,412,640	27,508,167
Amortization capitalized as part of capital-work-in-progress	14,17	**1,425,512**	298,654	**4,213,673**	298,654	1,362,790
Provision for mine closure and reclamation capitalized as part of capital-work-in-progress	14, 27.2	**-**	-	**-**	-	18,288,131
Borrowing cost capitalized as part of capital work-in-progress	14, 40.1	**72,335,914**	30,141,976	**285,249,791**	218,087,876	483,398,891
Transfer to intangible assets from property, plant and equipment	17,13	**-**	-	**885,255**	-	16,819,855
Transfer to intangible assets from capital work-in-progress	17,14	**3,080,807**	66,367,535	**20,568,141**	76,903,262	102,052,990
Transfer from payments to increase share capital to share capital pertaining to non-controlling interest	33.6	**-**	-	**83,278,002**	47,062,500	302,927,720

(All amounts in Saudi Riyals unless otherwise stated)

1. General information

Saudi Arabian Mining Company ("Ma'aden") (the "Company") was formed as a Saudi joint stock company pursuant to Royal Decree No. M/17 dated 14 Zul Qaida 1417H (corresponding to March 23, 1997) and the Council of Ministers Resolution No. 179 dated 8 Zul Qaida 1417H (corresponding to March 17, 1997), with Commercial Registration No. 1010164391 dated 10 Zul Qaida 1421H (corresponding to February 4, 2001). The Company has an authorized and issued share capital of Saudi Riyals ("SAR") 11,684,782,610 divided into 1,168,478,261 ordinary shares with a nominal value of SAR 10 each (Note 30).

The objectives of the Company and its subsidiaries (the "Group") are to be engaged in various projects related to all stages of the mining industry, including development, advancement and improvement of the mineral industry, mineral products and by-products. These activities exclude:

- petroleum and natural gas and materials derived there from;
- any and all hydrocarbon substances, products, by-products and derivatives and
- activities related to all stages of the oil industry and the industries associated therewith and supplementary thereto.

The Group's principal mining activities are at the Mahd Ad' Dahab, Al-Hajar, Bulghah, Al-Amar, Sukhaybarat, As Suq, Al Jalamid, Az Zabirah, Al-Ghazallah and Al Baitha mines. Currently the Group mainly mines gold, phosphate rock, bauxite, low-grade bauxite, kaolin and magnesite.

The Group is involved in the following aluminum project:

On February 14, 2012 the Board of Directors approved a plan developed by Ma'aden in collaboration with their joint venture partner Alcoa Inc. (Note 29) to extend the product mix of their aluminum complex, currently under construction at Ras Al Khair, to include:

- automotive heat treated and non-heat treated sheet,
- building and construction sheet, and
- foil stock sheet

2. Group structure

The Company has the following subsidiaries and jointly controlled entities, all incorporated in the Kingdom of Saudi Arabia:

		Effective ownership		
Subsidiaries	**Type of company**	**Sep 30, 2015**	**Sep 30, 2014**	**Dec 31, 2014**
Ma'aden Gold and Base Metals Company ("MGBM")	Limited liability company	**100%**	100%	100%
Ma'aden Infrastructure Company ("MIC")	Limited liability company	**100%**	100%	100%
Industrial Minerals Company ("IMC")	Limited liability company	**100%**	100%	100%
Ma'aden Aluminum Company ("MAC")	Limited liability company	**74.9%**	74.9%	74.9%
Ma'aden Rolling Company ("MRC")	Limited liability company	**74.9%**	74.9%	74.9%
Ma'aden Bauxite and Alumina Company ("MBAC")	Limited liability company	**74.9%**	74.9%	74.9%
Ma'aden Phosphate Company ("MPC")	Limited liability company	**70%**	70%	70%
Ma'aden Wa'ad Al Shamal Phosphate Company ("MWASPC")	Limited liability company	**60%**	60%	60%
Jointly controlled entities				
Sahara and Ma'aden Petrochemical Company ("SAMAPCO")	Limited liability company	**50%**	50%	50%
Ma'aden Barrick Copper Company ("MBCC")	Limited liability company	**50%**	-	50%

The financial year end of all the subsidiaries and jointly controlled entities coincide with that of the parent company.

MGBM

The company was incorporated in the Kingdom of Saudi Arabia, on August 9, 1989. The objectives of the company are:

- the exploration and mining of gold and associated minerals within their existing mining lease area by way of drilling, mining, concentrating, smelting and refining;
- extract, refine, export and sell such minerals in their original or refined form and
- construct, operate and maintain all mines, buildings, highways, pipelines, refineries, treatment plants, communication systems, power plants and other facilities necessary or suitable for the purposes of the lease.

MIC

The company was incorporated in the Kingdom of Saudi Arabia on August 17, 2008. The objectives of the company are to:

- manage the infrastructure project to develop, construct and operate the infrastructure and
- provide services to Ras Al-Khair area and other mining and industrial locations in the Kingdom of Saudi Arabia.

IMC

The company was incorporated in the Kingdom of Saudi Arabia on March 31, 2009. The objectives of the company are:

- the exploitation of industrial minerals within the existing mining lease area by way of drilling, mining, concentrating, smelting and refining and
- extract, refine, export and sell such minerals in their original or refined form.

The company currently operates a kaolin and low grade bauxite mine in the central zone of Az Zabirah and a high grade magnesite mine at Al Ghazallah and a processing plant at Al Madinah Al Munawarah which partially commenced operations during 2011 and the remaining project is still in development stage.

MAC

The company was incorporated in the Kingdom of Saudi Arabia on October 10, 2010 and is owned:

- 74.9% by Saudi Arabian Mining Company ("Ma'aden") and
- 25.1% by Alcoa Saudi Smelting Inversiones S.L. ("ASSI"), a foreign shareholder, a company wholly owned by Alcoa Incorporated ("Alcoa Inc."), which is accounted for as a non-controlling interest in these consolidated interim financial statements.

The objectives of the company are the production of:

- aluminum ingots;
- aluminum T shape ingots;
- aluminum slabs and
- aluminum billets.

MRC

The company was incorporated in the Kingdom of Saudi Arabia on October 10, 2010 and is owned:

- 74.9% by Saudi Arabian Mining Company ("Ma'aden") and
- 25.1% by Alcoa Saudi Rolling Inversiones S.L. ("ASRI"), a foreign shareholder, a company wholly owned by Alcoa Incorporated ("Alcoa Inc."), which is accounted for as a non-controlling interest in these consolidated interim financial statements.

The objectives of the company are the production of:

- can body stock and
- can ends stock.

The company is currently in its project development phase.

MBAC

The company was incorporated in the Kingdom of Saudi Arabia on January 22, 2011 and is owned:

- 74.9% by Saudi Arabian Mining Company ("Ma'aden") and
- 25.1% by AWA Saudi Limited ("AWA"), a foreign shareholder, which is owned 60% by Alcoa Inc. and 40% by Alumina Limited, an unrelated third party, which is accounted for as a non-controlling interest in these consolidated interim financial statements.

The objectives of the company are to:

- produce and refine bauxite and
- produce alumina.

The company is currently in its commissioning phase.

MPC

The company was incorporated in the Kingdom of Saudi Arabia on January 1, 2008 and is owned:

- 70% by Saudi Arabian Mining Company ("Ma'aden") and
- 30% by Saudi Basic Industries Corporation ("SABIC") which is accounted for as a non-controlling interest in these consolidated interim financial statements.

The objectives of the company are to:

- exploit the Al Jalamid phosphate deposits;
- utilize local natural gas and sulphur resources to manufacture Diammonium Phosphate ("DAP") fertilizers at the processing facilities at Ras Al-Khair and
- produce ammonia as a raw material feed stock for the production of fertilizer and the excess ammonia is exported and sold domestically.

MWASPC

The company was incorporated in the Kingdom of Saudi Arabia on January 27, 2014 and is owned:

- 60% by Saudi Arabian Mining Company ("Ma'aden");
- 25% by Mosaic Phosphate B.V., a foreign shareholder, a limited liability company registered in Netherlands wholly owned by The Mosaic Company ("Mosaic") which is accounted for as a non-controlling interest in these consolidated interim financial statements and
- 15% by Saudi Basic Industries Corporation ("SABIC") which is accounted for as a non-controlling interest in these consolidated interim financial statements.

The objectives of the Company are the production of:

- purified phosphoric acid,
- phosphoric acid,
- sodium tripolyphosphate,
- Di-calcium and Mono-calcium phosphate,
- Di-ammonium and Mono-ammonium phosphate,
- ammonia,
- nitro phosphate and nitro phosphate potash,
- sulphuric acid,
- products used in the manufacturing of lime and
- purified phosphate rock.

SAMAPCO

The company was incorporated in the Kingdom of Saudi Arabia on August 14, 2011 and is owned:

- 50% by Saudi Arabian Mining Company ("Ma'aden") and
- 50% by Sahara Petrochemical Company.

SAMAPCO is a joint venture project and is accounted for as an investment in a jointly controlled entity under the equity method of accounting in these consolidated interim financial statements.

The objectives of the company are the production of:

- concentrated caustic soda;
- chlorine and
- ethylene dichloride.

The operations of the company includes the production and supply of concentrated caustic soda feed stock to the alumina refinery at MBAC and to sell the excess production in the local wholesale and retail market.

MBCC

The company was incorporated in the Kingdom of Saudi Arabia on November 2, 2014 and is owned:

- 50% by Saudi Arabian Mining Company ("Ma'aden") and
- 50% by Barrick Middle East PTY Limited ("Barrick").

MBCC is a joint venture project and is accounted for as an investment in a jointly controlled entity under the equity method of accounting in these consolidated interim financial statements.

The objectives of the company are the production of:

- copper;
- silver;
- zinc;
- nickel;
- gold;
- lead;
- sulphur and
- cobalt.

3. Basis of preparation

The accompanying consolidated interim financial statements have been prepared under the historic cost convention on the accrual basis of accounting and in compliance with the accounting standards promulgated by the Saudi Organization for Certified Public Accountants ("SOCPA").

The consolidated interim financial statements have been prepared in accordance with SOCPA's standard of interim financial reports, on the basis of integrated periods, which views each interim period as an integral part of the financial year. Accordingly, revenues, gains, expenses and losses of the period are recognized during the relevant period.

The results of the operations for an interim period may not be indicative of the annual results of the operations.

These consolidated interim financial statements are presented in SAR which is both the functional and reporting currency of the Group.

4. Summary of significant accounting policies

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

4.1 Basis of consolidation

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. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets acquired or liabilities incurred or assumed at the date of acquisition. Costs directly related to the acquisition, other than those associated with the issue of debt or equity securities that the company incurs in connection with an acquisition, are expensed as incurred and included in general and administrative expenses. The excess of the aggregate of the consideration transferred and the fair value of the minority interest over the fair value of the identifiable net assets acquired is recorded as goodwill. Goodwill arising from acquisition of subsidiaries is reported under "intangible assets" in the accompanying consolidated statement of financial position. Goodwill is tested annually for impairment and carried at cost, net of any accumulated amortization and impairment losses, if any.

Inter-company investments, transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated. The accounting policies of the subsidiaries are in consistency with those adopted by the Group.

Jointly controlled entities

A joint venture exists where the Group has a contractual arrangement with one or more parties to undertake activities typically, however not necessarily, through entities that are subject to joint control.

The Group recognises its interests in jointly controlled entities using the equity method of accounting. The Group's share of the results of joint ventures is based on the financial statements prepared up to a date not earlier than three months before the consolidated statement of financial position date, adjusted to conform with the accounting polices of the Group, if any. Intragroup gains on transactions are eliminated to the extent of the Group's interest in the investee. Intragroup losses are also eliminated unless the transaction provides evidence of impairment in the asset transferred.

4.2 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 consolidated statement of financial position 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 consolidated statement of income.

4.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cash in banks and time deposits with an original maturity of three months or less at the date of acquisition, which are convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Restricted cash and cash equivalents are excluded from cash and cash equivalents for the purpose of the consolidated statement of cash flows. Restricted cash and cash equivalents are related to the following:

- cash accumulated in the debt service reserve account for the next scheduled repayment of long-term borrowings, six months prior to the due date, as per the financing agreements, and
- employees' savings plan obligation

4.4 Short-term investments

Short-term investments include placements with banks and other short-term highly liquid investments with original maturities of more than three months but not more than one year from the date of acquisition.

4.5 Trade receivables

Trade receivables are carried at the original sales invoice amount less an allowance for doubtful debts (if any). An allowance for doubtful debts is established when there is objective evidence that the Group will not be able to collect all the amounts due according to the original terms of the receivables. Such allowances are charged to the consolidated statement of income and reported under "General and administrative expenses". When a trade receivable is uncollectible, it is written-off against the allowance for doubtful debts. Any subsequent recoveries of amounts previously written-off are credited against "General and administrative expenses" in the consolidated statement of income.

4.6 Inventories

Finished goods

Finished goods are measured at the lower of unit cost of production or unit realizable value. The unit cost of production is determined as the total cost of production divided by the saleable unit output.

Production costs include:

- labor costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- the depreciation of mining properties and leases of property, plant and equipment used in the extraction and processing of ore and the amortization of any deferred stripping assets;
- production overheads and
- the revenue generated from the sale of by-products is credited against production costs.

By-products are valued at net realizable value, with reference to the spot price of the commodities ruling at the reporting date.

Work-in-process

The cost of work-in-process is determined using unit cost of production for the period based on percentage of completion at the applicable stage and includes:

- labor costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- the depreciation of mining properties and leases of property, plant and equipment used in the extraction and processing of ore and the amortization of any deferred stripping assets and
- production overheads;

(All amounts in Saudi Riyals unless otherwise stated)

Ore stockpiles

Ore stockpiles represent ore that has been extracted and is available for further processing. If there is significant uncertainty as to when the stockpiled ore will be processed, the cost is expensed as incurred. Where the future processing of this ore can be predicted with confidence because it exceeds the mine's cut-off grade and is economically viable, it is valued at the lower of cost of production or realizable value. Quantities and grades of stockpiles and work-in-process are assessed primarily through surveys and assays.

Spare parts, consumables and raw materials

Spare parts, consumable and raw materials are valued at the weighted average cost basis less an allowance for obsolete and slow moving items.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

4.7 Financial assets and liabilities

Financial assets and liabilities carried on the consolidated statement of financial position principally include cash and cash equivalents, short-term investments, trade and other receivables, projects and other payables, accrued expenses and borrowings.

A financial asset and liability is offset and net amount reported in the consolidated financial statements, when the Group has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis, or to realize the asset and liability simultaneously.

4.8 Property, plant and equipment

Property, plant and equipment are carried at the cost less accumulated depreciation. Land is not depreciated. Depreciation is charged to the consolidated statement of income, using the straight line method or on a unit of production basis for certain mining assets and processing plants where applicable, to allocate the costs of the related assets less their residual values over the following estimated economic useful lives:

	Number of years
• Buildings	9 – 40
• Heavy equipment	5 – 40
• Mobile and workshop equipment	5 – 10
• Laboratory and safety equipment	5
• Civil works	4 – 50
• Fixed plant and heap leaching facilities	4 – 20
• Other equipment	4 – 20
• Office equipment	4 – 10
• Furniture and fittings	4 – 10
• Computer equipment	4 – 5
• Motor vehicles	4
• Mining assets	Over life of mine

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

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

Borrowing costs related to qualifying assets are capitalized as part of the cost of the qualified assets until the commencement of commercial production.

4.9 Capital work-in-progress

Assets in the course of construction are capitalized in the capital work-in-progress account. On completion, the cost of the related asset is transferred to the appropriate category of property, plant and equipment. The cost of property, plant and equipment comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Costs associated with commissioning the plant are capitalized net of proceeds from the sale of any production during the commissioning period. Capital work-in-progress is not depreciated.

4.10 Exploration and evaluation assets

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential or in the process of obtaining more information about existing mineral deposits. Exploration expenditures typically include costs associated with:

- acquisition of exploration rights to explore;
- topographical, geological, geochemical and geophysical studies;
- exploration drilling;
- trenching;
- sampling and
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition. Evaluation expenditures include the cost of:

- establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve;
- determining the optimal methods of extraction and metallurgical and treatment processes;
- studies related to surveying, transportation and infrastructure requirements in relation to both production and shipping;
- permitting activities and
- economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibilities studies.

All exploration and evaluation costs are expensed until it is concluded that a future economic benefit is more likely to be realized than not, i.e. 'probable'. The information used to make that determination depends on the level of exploration as well as the degree of confidence in the ore body. Exploration and evaluation expenditures are capitalized if management determines that probable future economic benefits will be generated as a result of the expenditures.

Exploration and evaluation expenditure relating to extensions of mineral deposits which are already being mined or developed, including expenditure on the definition of mineralization of such mineral deposits, is capitalized as mine development cost following the completion of an economic evaluation equivalent to a feasibility study.

All exploration and evaluation costs incurred after it is concluded that economic benefit is more likely to be realized than not, i.e. 'probable' are capitalized as "Exploration and evaluation assets" only until the technical feasibility and commercial viability of extracting of mineral resource are demonstrable. Once the technical feasibility and commercial viability is demonstrable i.e. economic benefit will or will not be realized, the asset is tested for impairment and any impairment loss is recognized. Based on the final technical scope, receipt of mining license and commercial feasibility, if the economic benefit will be realized and management intends to develop and execute the mine, exploration and evaluation asset is reclassified to "Capital work-in progress". Cash flows attributable to capitalized exploration and evaluation expenditures are classified as investing activities in the consolidated statement of cash flow. Once the commercial production stage is reached, the capitalized capital work-in-progress is reclassified to "Property, plant and equipment".

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Company measures, presents and discloses any resulting impairment loss.

For the purposes of exploration and evaluation assets only, one or more of the following facts and circumstances are considered for identifying that exploration and evaluation asset may be impaired. These include the following:

- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.
- substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Once it has been identified that exploration and evaluation asset may be impaired, the entity performs impairment and reversal of impairment on exploration and evaluation assets as specified in Note 4.13.

4.11 Stripping ratio and deferred stripping expense

The Group also defers waste mining costs and has estimated the average of the waste-to-ore ratio for the quantities contained within the final pit design of the mine. This average is used to calculate the annual waste mining costs to be expensed as follows:

Average ratio of waste to ore mined x Quantity of ore mined x Average unit cost of total tonnes mined

In periods when the actual costs of waste are higher than the costs expensed according to this formula, the difference is deferred to be expensed in a future period when the actual costs are less than the amount to be expensed.

4.12 Intangible assets

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, where applicable. Intangible assets acquired as part of a business combination are capitalized where those assets are separable or arise from contractual or legal rights and their fair values can be measured reliably on initial recognition. Goodwill arising from a business combination and those intangible assets that are estimated to have indefinite lives are tested annually for impairment. Intangible assets are amortized over the shorter of their estimated economic / statutory useful lives using the straight-line method. Amortization methods, residual values and estimated economic useful lives are reviewed at least annually.

Pre-operating expenses and deferred charges deemed of having future economic benefits are capitalized as Intangible assets and are amortized when completed over seven years.

4.13 Asset impairment

The Group assesses its assets at each reporting date 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 asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value-in-use. In assessing value in use, the estimated future cash flows are discounted to their net present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which estimates of future cash flows have not been adjusted.

Assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. When it becomes evident that the circumstances which resulted in the impairment no longer exist, the impairment amount is reversed (with the exception of goodwill) and recorded as income in the consolidated statement of income in the year / period in which such reversal is determined.

4.14 Projects, other payables and accrued expenses

Liabilities in respect of contract costs for capital projects, including trade payables, are recognized at amounts to be paid for goods and services received. The amount recognized is the present value of the future obligations; unless they are due in less than one year.

Liabilities in respect of other payables are recognized at amounts to be paid for goods and services received.

4.15 Zakat, income tax and withholding tax

The Company is subject to zakat in accordance with the regulations of the Department of Zakat and Income Tax (the "DZIT"). A provision for zakat for the Company and zakat related to the Company's subsidiaries is charged to the consolidated statement of income. Differences, if any, at the finalization of final assessments are accounted for when such amounts are determined. Foreign shareholders in subsidiaries are subject to income tax which is included in non-controlling interest in the consolidated statement of income.

The Group withholds taxes on certain transactions with non-resident parties in the Kingdom of Saudi Arabia as required under Saudi Arabian Income Tax Law.

4.16 Severance fees

Effective from year 2005 onwards, as per Article No. 71 of the Saudi Mining Investment Code issued based on the Royal Decree No. 47/M dated 20 Sha'aban 1425H (corresponding to October 4, 2004), the Group is required to pay to the Government of Saudi Arabia severance fee representing 25% of the annual net income per mining license or the equivalent of the hypothetical income tax, whichever is the lower.

The Zakat due shall be deducted from gross severance fee and the net severance fee amount is shown as part of cost of sales in the consolidated statement of income (Note 35).

4.17 Provisions

Provisions are recognized when the Group has:

- a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of economic resources will be required to settle the obligation in the future and
- the amount can be reliably estimated.

4.18 Employees' termination benefits

Employee termination benefits are payable as a lump sum to all employees employed under the terms and conditions of Saudi Labor and Workman Law on termination of their employment contracts. The liability is calculated as the current value of the vested benefits to which the employee is entitled, should the employee leave at the consolidated statement of financial position date. Termination payments are based on employees' final salaries and allowances and their cumulative years of service, as defined by the conditions stated in the laws of the Kingdom of Saudi Arabia.

4.19 Employees' savings plan program

In accordance with Article 145 of the Labor Regulations, and in furtherance to Article 76 of the Company's Internal Work Regulation approved by resolution No. 424 dated 6th of Rabi II 1420H (corresponding to July 19, 1999) issued by His Highness the Minister of Labor and Social Affairs, a Savings Plan Program was introduced to encourage the Saudi employees of the Group to save and invest their savings in areas more beneficial to them, to secure their future and as an incentive for them to continue working with the Group.

Participation in the Savings Plan Program is restricted to Saudi Nationals only and optional with employees required to contribute a monthly minimum installment of 1% to a maximum of 15% of their basic salary subject to a minimum of SAR 300 per month. The Group will contribute an amount equaling 10% per year of the monthly savings of each member per annum for the first year and increase it by 10% per year the years thereafter until it reaches 100% in the 10th year, which will in turn be credited to the savings accounts of the member. The Group's portion is charged to the consolidated statement of income on a monthly basis. The Group's portion will only be paid upon termination or resignation of the employee.

4.20 Mine closure and reclamation

The mining, extraction and processing activities of the Group normally give rise to obligations for site closure or reclamation. Mine closure and reclamation works can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation. The extent of work required and the associated costs are dependent on the requirements of current laws and regulations.

Provisions for the cost of each closure and reclamation program are recognized at the time the mining activities occur. When the extent of the mining activities increases over the life-of-mine, the provision is increased accordingly.

Costs included in the provision encompass all closure and reclamation activity expected to occur progressively over the life-of-mine and at the time of closure in connection with the mining activities at the reporting date. Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognized as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation. The timing of the actual closure and reclamation expenditure is dependent upon a number of factors such as:

- the life-of-mine;
- developments in technology;
- the operating license conditions;
- the environment in which the mine operates and
- changes in economic sustainability.

The full estimated costs are capitalized as part of mining assets under property, plant and equipment and then depreciated as an expense over the expected life-of-mine on a straight-line basis.

Adjustments to the estimated amount and timing of future closure and reclamation cash flows are a normal occurrence in light of the significant judgments and estimates involved. Factors influencing those changes include:

- revisions to estimated ore reserves, mineral resources and lives of mines;
- developments in technology;
- regulatory requirements and environmental management strategies;
- changes in the estimated extent and costs of anticipated activities, including the effects of inflation and changes in economic sustainability.

4.21 Leasing

Leases are classified as capital leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under capital leases are recognized as assets of the Group at the lower of the present value of the minimum lease payments or the fair market value of the assets at the inception of the lease. Depreciation is provided over the estimated economic useful lives of the assets.

Finance costs, which represent the difference between the total lease commitments and the lower of the present value of the minimum lease payments or the fair market value of the assets at the inception of the lease, are charged to the consolidated statement of income over the term of the relevant lease in order to produce a constant periodic rate of return on the remaining balance of the obligation for each accounting year.

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

4.22 Borrowings

Borrowings are initially recognized at the proceeds received, net of transaction costs incurred, if any. Subsequent to initial recognition long-term borrowings are measured at amortized cost using the effective interest rate method. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of those assets. Other borrowing costs are charged to the consolidated statement of income.

4.23 Revenue recognition

Revenue is recognized when all the following conditions are met:

- the significant risks and rewards of ownership of goods / services have been transferred to the buyer;
- neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold, has been retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the sale will flow to the Group and
- the costs incurred or to be incurred in respect of the sale can be measured reliably.

Revenues are shown net of all discounts and rebates and after eliminating sales within the Group.

Sales revenue is commonly subject to an adjustment based on an inspection of the product by the customer or post assay finalization. In such cases, sales revenue is initially recognized on a provisional basis using the current market price and adjusted subsequently within revenue at the market price when finalized.

Revenue from the sale of by-products is credited against production costs.

Investment income consists of earnings on bank deposits and is recognized on an accrual basis.

4.24 Selling, marketing and logistic expenses

Selling, marketing and logistic expenses comprise of all costs for selling and marketing the Group's products and include expenses for advertising, marketing fees and other sales related overheads. Basis of allocations between selling, marketing and logistic expenses, general and administrative expenses and cost of sales, when required, are made on a consistent basis.

4.25 General and administrative expenses

General and administrative expenses include direct and indirect costs not specifically part of cost of sales as required under generally accepted accounting standards. Allocations between selling, marketing and logistic expenses, general and administrative expenses and cost of sales, when required, are made on a consistent basis.

5. Critical accounting estimates, assumptions and judgments

The preparation of consolidated interim financial statements in conformity with accounting standards generally accepted in the Kingdom of Saudi Arabia, requires management to make estimates and assumptions that affect amounts reported in the consolidated interim financial statements and accompanying notes. Estimates and judgments 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. The Group makes estimates and assumptions concerning the future. The accounting estimates will, by definition, seldom equal the related actual results.

The most significant areas requiring the use of management's assumptions, estimates and judgments relate to:

- ore reserve and mineral resource estimates;
- economic useful lives of property, plant and equipment;
- impairment and reversal of impairment of assets;
- allowances;
- mine closure and environmental obligation;
- zakat and income taxes and
- contingencies.

Ore reserve and mineral resource estimates

There is a degree of uncertainty involved in the estimation and classification of ore reserves and mineral resources and corresponding grades being mined or dedicated to future production. Until ore reserves or mineral resources are actually mined and processed, the quantity of ore reserve and mineral resource grades must be considered as estimates only. What is more, the quantity of ore reserves and mineral resources may vary depending on, amongst other things, metal prices and currency exchange rates.

The ore reserve estimates of the Group have been determined based on management long-term commodity price, forecasts cut-off grades and costs that may prove to be inaccurate. Any material change in the quantity of reserves, grades or stripping ratio may affect the economic viability of the properties. In addition, there can be no assurance that gold recoveries or other metal recoveries in small scale laboratory tests will give the same result in larger scale tests under on-site conditions or during production.

Fluctuation in commodity prices, the results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require estimates to be revised. The volume and grade of ore reserves mined and processed and recovery rates may not be the same as currently anticipated. Any material reductions in estimates of ore reserves and mineral resources, or of the Group's ability to extract these ore reserves, could have a material adverse effect of the Group's business, prospects, financial condition and operating results.

Economic useful lives of property, plant and equipment

The Group's mining assets, classified within property, plant and equipment, are amortized on a straight-line basis over the lesser of their economic useful lives or the life-of-mine. When determining the life-of-mine, assumptions that were valid at the time of estimation, may change when new information becomes available.

The factors that could affect estimation of the life-of-mine include the following:

- changes in proven and probable ore reserves;
- the grade of ore reserves varying significantly from time to time;
- differences between actual commodity prices and commodity price assumptions used in the estimation and classification of ore reserves;
- unforeseen operational issues at mine sites and
- changes in capital, operating, mining, processing and reclamation costs, discount rates could possibly adversely affect the economic viability of ore reserves.

Any of these changes could affect prospective depreciated of mining assets and their carrying value. The economic useful lives of non-mining property, plant and equipment is reviewed by management periodically. The review is based on the current condition of the assets and the estimated period during which they will continue to bring economic benefit to the Group.

Impairment and reversal of impairment of assets

The Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets are impaired or whether there is any indicator that an impairment loss recognized in previous years may no longer exist or may have decreased.

Allowances

The Group also creates an allowance for obsolete and slow-moving spare parts. At September 30, 2015, the allowance for obsolete slow-moving items amounted to SAR 15,359,183 (September 30, 2014: SAR 16,405,729 and December 31, 2014: SAR 15,359,183 million) (Note 10). These estimates take into consideration fluctuations of price or cost directly relating to events occurring subsequent to the consolidated interim statement of financial position date to the extent that such events confirm conditions existing at the end of the year.

Mine closure and environmental obligations

The Group's mining and exploration activities are subject to various environmental laws and regulations. The Group estimates environmental obligations based on management's understanding of the current legal requirements in the various jurisdictions in which it operates, terms of the license agreements and engineering estimates. Provision is made, for decommissioning and land restoration costs as soon as the obligation arises. Actual costs incurred in future years could differ materially from the amounts provided. Additionally, future changes to environmental laws and regulations and life-of-mime estimates could affect the carrying amount of this provision.

Zakat and income taxes

During the period ended September 30, 2015 an amount of SAR 54,147,978 (September 30, 2014: SAR 39,993,409 and December 31, 2014: SAR 39,993,409) was paid to DZIT pertaining to the year ended December 31, 2014 but no zakat assessments were finalized by the DZIT. Where the final zakat outcome of these matters is different from the amounts that were initially recorded, such differences will impact the zakat provisions in the year in which such determinations are made.

Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events.

6. Segmental information

Segment reporting

6.1 Business segment

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

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

The Group's operations consist of the following business segments:

- **Phosphate Strategic Business Unit Segment,** consist of operations related to:
  - ***MPC*** - the mining and beneficiation of phosphate concentrated rock at Al Jalamid. The utilization of natural gas and sulphur to produce DAP and MAP fertilizers as well as ammonia products at Ras Al Khair.
  - ***IMC*** - the mining of industrial minerals at a kaolin and low grade bauxite mine in the central zone of Az Zabirah and a high grade magnesite mine at Al Ghazallah and a processing plant at Al Madinah Al Munawarah.
  - ***MWASPC*** - the development of a mine to exploit the Al-Khabra and Umm Wu'al phosphate deposits. The project is in the development stage.
  - ***Phosphate and Industrial Minerals division under Corporate*** – related cost, marketing fees and exploration expenses in Ma'aden Corporate has been allocated to this segment.
  - ***MIC*** – is responsible for the development, construction and delivery of services to Ma'aden entities in the Ras Al Khair area and other mining and industrial locations in the Kingdom of Saudi Arabia. Therefore, a proportionate share of MIC's revenues, costs and assets have been allocated to this segment.

6.1 Business segment (continued)

- **Aluminum Strategic Business Unit Segment**, consists of the operations related to:
  - ***MAC*** – operates the smelter at Ras Al Khair and it currently processes the alumina feedstock that it purchases from Alcoa and produces aluminum products. MAC started commercial production on September 1, 2014.
  - ***MRC*** – in the process of constructing a rolling mill. The project is in the development stage.
  - ***MBAC*** – the mining of bauxite at the Al Baitha mine and the transportation thereof to its refinery at Ras Al Khair. The refinery is in its commissioning phase. Once the refinery is in commercial production MAC will process alumina supplied by MBAC's Al Baitha mine.
  - ***SAMAPCO*** – a jointly controlled entity that produces concentrated caustic soda, chlorine and ethylene dichloride and supply all the required feedstock for use in the alumina refinery at MBAC, any excess production is sold in the international and domestic market. SAMAPCO started commercial production on July 1, 2014.
  - ***Automotive sheet*** project include automotive heat treated and non-treated sheet, building and construction sheet and foil stock sheet. The project is in the development stage (Note 1).
  - ***Aluminum division under Corporate*** – related cost and external sales revenue have been allocated to this segment.
  - ***MIC*** – is responsible for the development, construction and delivery of services to Ma'aden entities in the Ras Al Khair area and other mining and industrial locations in the Kingdom of Saudi Arabia. Therefore, a proportionate share of MIC's revenues, costs and assets have been allocated to this segment.

- **Precious and Base Metals Strategic Business Unit Segment**, consists of operations related to:
  - ***MGBM*** – that operates four gold mines, i.e. Mahd Ad Dahab, Al Amar, Bulghah, and As Suq (which came into commercial production on July 1, 2014) and a processing plant at Sukhaybarat which are located in different geographical areas in the Kingdom of Saudi Arabia. The segment also include the Ad Duwayhi mine project which is in the development stage.
  - ***MBCC*** – a jointly controlled entity that produces copper, silver, zinc, nickel, gold, lead, sulphur and cobalt located in the southeast of Al Madinah Al Munawarah. This project is still in the development stage.
  - ***Precious and base metals division under Corporate*** – related cost and exploration expenses in Ma'aden Corporate has been allocated to this segment.

- **Corporate** – is responsible for effective management and governance including funding of subsidiaries and jointly controlled entities that carry out various projects related to all stages of the mining industry, including development, advancement and improvement of the mineral industry, mineral products and by products..

(All amounts in Saudi Riyals unless otherwise stated)

6.1 Business segment (continued)

	Notes	Phosphate	Aluminum	Precious and base metals	Corporate	Total
September 30, 2015						
Sales	34	**3,982,962,680**	**3,777,237,255**	**536,548,568**	**-**	**8,296,748,503**
Gross profit		**1,238,626,525**	**468,326,261**	**198,469,542**	**-**	**1,905,422,328**
Income from short-term investments	39	**3,355,202**	**1,047,295**	**135,194**	**24,345,962**	**28,883,653**
Net income / (loss) attributable to shareholders' of the parent company		**646,775,710**	**120,456,648**	**38,952,437**	**(195,335,214)**	**610,849,581**
Property, plant and equipment	13	**16,284,089,092**	**20,253,311,499**	**364,188,592**	**172,655,259**	**37,074,244,442**
Capital work-in-progress	14	**15,299,105,523**	**19,396,603,993**	**2,102,090,707**	**31,845,478**	**36,829,645,701**
Exploration and evaluation assets	15	**-**	**-**	**179,396,094**	**16,075,295**	**195,471,389**
Deferred stripping expense	16	**5,474,871**	**-**	**28,088,371**	**-**	**33,563,242**
Intangible assets	17	**105,866,978**	**246,806,895**	**10,780,784**	**15,575,793**	**379,030,450**
Investment in jointly controlled entities	18	**-**	**364,284,615**	**202,482,646**	**-**	**566,767,261**
Total assets		**38,834,178,905**	**43,321,031,794**	**3,979,637,973**	**2,077,607,911**	**88,212,456,583**
September 30, 2014						
Sales	34	4,012,635,936	2,785,327,067	515,639,148	-	7,313,602,151
Gross profit		1,330,530,420	535,163,888	225,533,257	-	2,091,227,565
Income from short-term investments	39	3,091,180	646,665	909,818	2,966,884	7,614,547
Net income / (loss) attributable to shareholders' of the parent company		707,996,856	436,232,867	69,510,515	(232,356,299)	981,383,939
Property, plant and equipment	13	16,942,439,977	20,891,150,374	380,409,105	188,137,464	38,402,136,920
Capital work-in-progress	14	4,874,091,977	17,517,628,366	1,541,580,709	47,721,877	23,981,022,929
Exploration and evaluation assets	15	-	-	128,072,174	41,871,327	169,943,501
Deferred stripping expense	16	27,917,249	-	10,894,554	-	38,811,803
Intangible assets	17	101,735,416	229,652,015	842,080	3,080,041	335,309,552
Investment in a jointly controlled entity	18	-	425,461,721	-	-	425,461,721
Total assets		27,792,400,377	42,636,015,499	2,603,100,181	822,409,799	73,853,925,856

(All amounts in Saudi Riyals unless otherwise stated)

6.1 Business segment (continued)

December 31, 2014	Notes	Phosphate	Aluminum	Precious and base metals	Corporate	Total
Sales	34	5,577,754,186	4,498,996,234	715,132,467	-	10,791,882,887
Gross profit		1,853,439,493	958,687,317	302,883,493	-	3,115,010,303
Income from short-term investments	39	4,979,169	1,036,663	905,004	3,642,833	10,563,669
Net income / (loss) attributable to shareholders' of the parent company		955,338,692	680,022,342	85,662,145	(363,681,978)	1,357,341,201
Property, plant and equipment	13	16,899,127,067	20,896,710,314	396,247,582	184,043,084	38,376,128,047
Capital work-in-progress	14	7,082,221,342	18,277,691,791	1,711,662,424	11,583,138	27,083,158,695
Exploration and evaluation assets	15	-	-	154,251,619	21,254,693	175,506,312
Deferred stripping expense	16	27,704,327	-	21,378,656	-	49,082,983
Intangible assets	17	115,822,626	263,644,483	14,371,039	16,038,397	409,876,545
Investment in jointly controlled entities	18	-	416,406,686	202,482,646	-	618,889,332
Total assets		31,861,658,919	42,580,309,374	3,634,321,795	6,465,091,770	84,541,381,858

6.2 Geographical segment

A geographical segment is a 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. The Group's operation is conducted only in the Kingdom of Saudi Arabia.

(All amounts in Saudi Riyals unless otherwise stated)

7. Cash and cash equivalents

	September 30, 2015	September 30, 2014	December 31, 2014
Term deposits with original maturities equal to or less than three months at the date of acquisition			
- unrestricted	**3,574,066,308**	2,063,013,845	10,561,438,968
- restricted	**258,622,663**	503,497,878	502,412,645
Sub-total	**3,832,688,971**	2,566,511,723	11,063,851,613
Cash and bank balances			
- unrestricted	**954,956,795**	2,466,983,105	872,942,089
- restricted	**44,745,234**	29,812,550	37,174,353
Sub-total	**999,702,029**	2,496,795,655	910,116,442
Total	**4,832,391,000**	5,063,307,378	11,973,968,055

Restricted cash and cash equivalents are related to the following:

Cash accumulated in the debt service reserve account for the next scheduled repayment of long-term borrowings, six months prior to the due date, as per the financing agreement (Note 28.2)	-	157,299	1,242,532
Employees' savings plan obligation (Note 4.19 and 25.2)	**44,745,234**	29,655,251	35,931,821
Sub-total	**44,745,234**	29,812,550	37,174,353
Balance portion accumulated for the scheduled repayment of long-term borrowings, six months prior to due date, invested and included in short-term deposits with original maturities equal to or less than three months at the date of acquisition (Note 28.2)	**258,622,663**	503,497,878	502,412,645
Total restricted cash	**303,367,897**	533,310,428	539,586,998
Total unrestricted cash	**4,529,023,103**	4,529,996,950	11,434,381,057

8. Short-term investments

	September 30, 2015	September 30, 2014	December 31, 2014
Term deposits with original maturities of more than three months and less than a year at the date of acquisition	**2,270,282,674**	697,952,325	523,320,360

Short-term investments yield financial income at prevailing market rates.

(All amounts in Saudi Riyals unless otherwise stated)

9. Trade and other receivables

	September 30, 2015	September 30, 2014	December 31, 2014
Trade	**1,265,885,326**	916,651,606	1,011,948,967
Due from SAMAPCO (Note 43.2)	**47,998,419**	47,998,419	47,998,419
Due from Saudi Mining Polytechnic ("SMP") (Note 43.2)	**3,349,555**	5,444,589	4,813,789
Insurance claims*	**29,670,002**	35,737,524	141,738,693
Withholding tax receivable	**31,866,403**	-	31,973,072
Investment income receivable	**15,937,321**	2,136,358	1,262,316
Other	**6,339,080**	2,731,469	5,392,077
Total	**1,401,046,106**	1,010,699,965	1,245,127,333
Trade receivables includes:			
Due from Alcoa Inc. (Note 43.2)	**90,079,833**	804,606	-
Due from SABIC (Note 43.2)	**407,203,289**	320,878,691	426,937,770

*Insurance claim relates to:

• one of the aluminum pot lines on which the production was halted in October 2013. The temporary shutdown was undertaken after a period of pot instability. The pot line has been restored during second quarter of 2014	**18,616,546**	23,430,966	113,934,773
• an ammonia reformer and conveyor belt claim	**11,053,456**	12,306,558	27,803,920
Total	**29,670,002**	35,737,524	141,738,693

10. Inventories

	September 30, 2015	September 30, 2014	December 31, 2014
Finished goods – ready for sale	**330,511,479**	258,472,650	236,049,195
Work-in-process	**538,561,383**	497,153,878	497,089,525
Stockpile of mined ore	**175,794,960**	127,344,464	187,614,794
By-products	**8,978,029**	21,481,813	9,127,012
Sub-total	**1,053,845,851**	904,452,805	929,880,526
Spare parts and consumables materials	**1,137,583,425**	1,087,404,200	838,757,537
Allowance for obsolete slow-moving spare parts and consumables materials	**(15,359,183)**	(16,405,729)	(15,359,183)
	1,122,224,242	1,070,998,471	823,398,354
Raw materials	**725,886,696**	716,934,737	687,593,723
Sub-total	**1,848,110,938**	1,787,933,208	1,510,992,077
Total	**2,901,956,789**	2,692,386,013	2,440,872,603

The spare parts inventory primarily relates to plant and machinery and accordingly this inventory is expected to be utilized over a period not exceeding one year.

(All amounts in Saudi Riyals unless otherwise stated)

10. Inventories (continued)

Movement in the allowance for inventory obsolescence is as follows:

	September 30, 2015	September 30, 2014	December 31, 2014
January 1	**15,359,183**	16,405,729	16,405,729
Reversal of allowance for obsolescence (Note 35)	**-**	-	(1,046,546)
September 30 / December 31	**15,359,183**	16,405,729	15,359,183

11. Advances and prepayments

	September 30, 2015	September 30, 2014	December 31, 2014
Current portion:			
Advances to contractors	**183,822,271**	151,859,818	158,811,879
Advances to employees	**33,715,127**	48,013,651	22,122,089
Prepaid rent	**21,645,365**	16,550,629	18,913,734
Prepaid insurance	**49,234,916**	26,256,685	15,356,641
Other prepayments	**22,393,543**	7,208,766	17,507,511
Sub-total	**310,811,222**	249,889,549	232,711,854
Non-current portion:			
Other prepayments	**21,048,368**	17,004,200	16,541,800
Sub-total	**21,048,368**	17,004,200	16,541,800
Total	**331,859,590**	266,893,749	249,253,654

12. Due from joint venture partners

	September 30, 2015	September 30, 2014	December 31, 2014
Current portion:			
Due from Mosaic	**450,000,000**	-	-
Due from SABIC	**270,000,000**	-	-
Total	**720,000,000**	-	-
Non-current portion:			
Due from Mosaic	**-**	450,000,000	450,000,000
Due from SABIC	**-**	270,000,000	270,000,000
Total	**-**	720,000,000	720,000,000

On August 5, 2013, the Company entered into an agreement with Mosaic and SABIC to jointly develop a fully integrated phosphate production facility known as the Umm Wu'al phosphate project (Note 1).

As per the agreement Mosaic and SABIC are liable to pay contractual dues to Ma'aden of SAR 1.44 billion in two installments and thereby recorded as other income. This amount is in addition to the historical cost incurred by Ma'aden on the project. First installment, 50% of SAR 1.44 billion, is received by Ma'aden during the year ended December 31, 2013 while due from joint venture partners represents the second installment of the remaining 50% of SAR 1.44 billion due on June 30, 2016.

(All amounts in Saudi Riyals unless otherwise stated)

13. Property, plant and equipment

	Notes	Land	Mining assets	Motor vehicles	Heavy equipment	Fixed plant and heap leaching	Buildings	Civil works	Other equipment	Office equipment	Furniture and fittings	Total
Cost												
January 1, 2014		61,550,000	61,018,120	29,316,169	307,186,893	18,034,309,751	1,964,252,404	490,867,266	79,791,408	38,219,681	45,493,360	21,112,005,052
Additions during the period		-	-	-	-	71,019,144	-	48,000	-	-	64,500	71,131,644
Transfer from capital work-in-progress	14	-	-	16,231,442	35,350,198	9,257,096,180	6,169,124,495	3,776,396,431	1,779,043,219	32,641,166	39,202,014	21,105,085,145
Provision for mine closure capitalized	27.1		29,313,718	-	-	-	-	-	-	-	-	29,313,718
Adjustments / write-offs		-	-	(2,692,117)	-	(3,179,387)	-	-	(927,591)	(9,300)	7,833	(6,800,562)
September 30, 2014		61,550,000	90,331,838	42,855,494	342,537,091	27,359,245,688	8,133,376,899	4,267,311,697	1,857,907,036	70,851,547	84,767,707	42,310,734,997
Additions during remainder of the year		-	-	-	-	49,081,458	-	-	-	-	-	49,081,458
Transfer of capital spares from inventory		-	-	-	-	133,385,591	-	-	-	-	-	133,385,591
Transfer from capital work-in-progress	14	-	397,660	12,469,488	9,558,333	238,127,049	1,418,789	31,555,714	108,268,941	2,430,546	5,524,469	409,750,989
Transfer to intangible assets	17	-	-	-	-	(16,819,855)	-	-	-	-	-	(16,819,855)
Provision for mine closure capitalized	27.1	-	5,164,479	-	-	-	-	-	-	-	-	5,164,479
Adjustments / write-offs		-	-	-	-	-	-	-	-	(24,660)	24,659	(1)
December 31, 2014		61,550,000	95,893,977	55,324,982	352,095,424	27,763,019,931	8,134,795,688	4,298,867,411	1,966,175,977	73,257,433	90,316,835	42,891,297,658
Additions during the period		-	-	-	-	272,528,144	-	-	-	-	-	272,528,144
Transfer from capital work-in-progress	14	-	-	6,826,205	13,563,500	29,737,939	39,241,997	12,729,499	30,047,667	8,422,892	3,462,347	144,032,046
Transfer to intangible assets	17	-	-	-	-	(885,255)	-	-	-	-	-	(885,255)
Adjustment to provision for mine closure	27.1	-	(1,211,312)	-	-	-	-	-	-	-	-	(1,211,312)
Adjustments / write-offs		-	(397,660)	1,384,548	(4,452,156)	(72,374,888)	(9,623,086)	(33,194,752)	(3,213,498)	(407,897)	195,177	(122,084,212)
September 30, 2015		**61,550,000**	**94,285,005**	**63,535,735**	**361,206,768**	**27,992,025,871**	**8,164,414,599**	**4,278,402,158**	**1,993,010,146**	**81,272,428**	**93,974,359**	**43,183,677,069**
Accumulated depreciation												
January 1, 2014		-	44,508,741	23,964,729	88,283,043	2,235,380,136	212,258,637	268,577,366	48,828,319	22,893,973	22,163,831	2,966,858,775
Charge for the period		-	5,986,504	2,214,865	21,023,151	693,471,475	137,824,682	24,159,041	43,349,749	4,147,199	15,558,584	947,735,250
Adjustments / write-offs		-	-	(2,692,117)	-	(2,326,141)	(192,283)	-	(790,898)	(873)	6,364	(5,995,948)
September 30, 2014		-	50,495,245	23,487,477	109,306,194	2,926,525,470	349,891,036	292,736,407	91,387,170	27,040,299	37,728,779	3,908,598,077
Charge for the remainder of the year		-	2,077,514	2,752,449	(1,509,302)	430,769,543	79,244,417	32,528,725	59,895,535	(2,924,232)	3,725,223	606,559,872
Adjustments / write-offs		-	-	-	-	-	11,662	-	-	-	-	11,662
December 31, 2014		-	52,572,759	26,239,926	107,796,892	3,357,295,013	429,147,115	325,265,132	151,282,705	24,116,067	41,454,002	4,515,169,611
Charge for the period		-	4,449,779	8,840,586	21,697,260	1,117,379,173	239,641,848	96,702,610	183,585,921	14,108,853	11,991,411	1,698,397,441
Adjustments / write-offs		-	(397,660)	495,974	(6,251,078)	(70,733,716)	(17,799,755)	(23,020,858)	13,358,648	(57,235)	271,255	(104,134,425)
September 30, 2015		-	**56,624,878**	**35,576,486**	**123,243,074**	**4,403,940,470**	**650,989,208**	**398,946,884**	**348,227,274**	**38,167,685**	**53,716,668**	**6,109,432,627**

(All amounts in Saudi Riyals unless otherwise stated)

13. **Property, plant and equipment (continued)**

	Land	Mining assets	Motor vehicles	Heavy equipment	Fixed plant and heap leaching	Buildings	Civil works	Other equipment	Office equipment	Furniture and fittings	Total
Net book value											
September 30, 2014	61,550,000	39,836,593	19,368,017	233,230,897	24,432,720,218	7,783,485,863	3,974,575,290	1,766,519,866	43,811,248	47,038,928	38,402,136,920
December 31, 2014	61,550,000	43,321,218	29,085,056	244,298,532	24,405,724,918	7,705,648,573	3,973,602,279	1,814,893,272	49,141,366	48,862,833	38,376,128,047
September 30, 2015	**61,550,000**	**37,660,127**	**27,959,249**	**237,963,694**	**23,588,085,401**	**7,513,425,391**	**3,879,455,274**	**1,644,782,872**	**43,104,743**	**40,257,691**	**37,074,244,442**

Property, plant and equipment of MPC, MAC, MRC, MBAC and MGBM with a net book value at September 30, 2015 of SAR 36,123,485,666 (September 30, 2014: SAR 37,149,261,400 and December 31, 2014: SAR 37,117,483,423) are pledged as security to lenders (Note 28.8).

Property, plant and equipment of MBAC with a net book value at September 30, 2015 of SAR 46,846,614 (September 30, 2014: SAR 55,076,438 and December 31, 2014: SAR 52,544,181) were acquired under a capital lease and are pledged as security to the lessor (Note 26).

	Notes	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Allocation of depreciation charge for the quarter / period / year to:						
Capital work-in-progress	14	**18,038,699**	5,970,424	**47,692,794**	10,412,640	27,508,167
Cost of sales	35	**563,265,320**	358,802,239	**1,622,963,287**	916,217,861	1,496,498,745
General and administrative expenses	37	**7,957,160**	8,588,807	**25,049,661**	20,112,354	29,012,333
Exploration and technical services expenses	38	**621,492**	320,315	**2,691,699**	992,395	1,275,877
Total		**589,882,671**	373,681,785	**1,698,397,441**	947,735,250	1,554,295,122

(All amounts in Saudi Riyals unless otherwise stated)

14. Capital work-in-progress

	Notes	Phosphate	Industrial minerals	Aluminum	Precious and base metals	Infra-structure	Corporate	Total
Cost								
January 1, 2014		1,306,087,885	86,094,284	33,677,485,270	1,051,446,195	225,195,111	647,387,731	36,993,696,476
Additions during the period		2,998,629,477	2,421,758	3,427,658,917	760,722,349	51,678,100	370,563,246	7,611,673,847
Transfer to property, plant and equipment	13	(244,021,579)	-	(20,328,843,268)	(269,991,767)	(203,820,761)	(58,407,770)	(21,105,085,145)
Transfer to intangible assets	17	(9,939,659)	-	(66,367,535)	(596,068)	-	-	(76,903,262)
Advances to contractors, net		719,993,669	-	(116,053,381)	-	(28,574,025)	(17,725,250)	557,641,013
September 30, 2014		4,770,749,793	88,516,042	16,593,880,003	1,541,580,709	44,478,425	941,817,957	23,981,022,929
Additions during the remainder of the year		2,389,640,971	511,090	824,389,178	218,497,452	15,343,469	234,067,803	3,682,449,963
Transfer to property, plant and equipment	13	(123,928,220)	-	(242,463,961)	(32,609,002)	(9,943,955)	(805,851)	(409,750,989)
Transfer to intangible assets	17	-	-	(9,342,993)	(15,806,735)	-	-	(25,149,728)
Provision for mine closure capitalized	27.2	-	-	18,288,131	-	-	-	18,288,131
Advances to contractors, net		(58,560,307)	-	(97,924,413)	-	(4,002,016)	(3,214,875)	(163,701,611)
December 31, 2014		6,977,902,237	89,027,132	17,086,825,945	1,711,662,424	45,875,923	1,171,865,034	27,083,158,695
Additions during the period		8,455,372,780	5,424,811	1,165,341,102	419,766,784	524,163	125,468,198	10,171,897,838
Transfer to property, plant and equipment	13	(18,058,967)	(4,772,045)	(83,233,502)	(29,338,501)	(6,056,024)	(2,573,007)	(144,032,046)
Transfer to intangible assets	17	(661,747)	-	(19,613,624)	-	(292,770)	-	(20,568,141)
Advances to contractors, net		(214,820,847)	-	(21,218,078)	-	(10,974,785)	(13,796,935)	(260,810,645)
September 30, 2015		**15,199,733,456**	**89,679,898**	**18,128,101,843**	**2,102,090,707**	**29,076,507**	**1,280,963,290**	**36,829,645,701**
Advances to contractors capitalized as part of additions to capital work-in-progress								
September 30, 2014		902,639,680	-	124,053,219	-	22,709,112	18,276,505	1,067,678,516
December 31, 2014		844,079,373	-	26,128,806	-	18,707,096	15,061,630	903,976,905
September 30, 2015		**629,258,526**	**-**	**4,910,728**	**-**	**7,732,311**	**1,264,695**	**643,166,260**

(All amounts in Saudi Riyals unless otherwise stated)

14. Capital work-in-progress (continued)

	Notes	Phosphate	Industrial minerals	Aluminum	Precious and base metals	Infra-structure	Corporate	Total
Depreciation capitalized as part of capital work-in-progress during the period / year								
September 30, 2014	13	-	-	10,142,086	-	270,554	-	10,412,640
December 31, 2014	13	-	-	27,029,110	-	479,057	-	27,508,167
September 30, 2015	13	**-**	**-**	**45,544,499**	**-**	**2,148,295**	**-**	**47,692,794**
Amortization capitalized as part of capital work-in-progress during the period / year								
September 30, 2014	17	-	-	298,654	-	-	-	298,654
December 31, 2014	17	-	-	1,362,790	-	-	-	1,362,790
September 30, 2015	17	**-**	**-**	**4,213,673**	**-**	**-**	**-**	**4,213,673**
Borrowing cost capitalized as part of capital work-in-progress during the period / year								
September 30, 2014	40.1	-	-	218,087,876	-	-	-	218,087,876
December 31, 2014	40.1	76,800,979	-	406,597,912	-	-	-	483,398,891
September 30, 2015	40.1	**133,431,615**	**-**	**151,818,176**	**-**	**-**	**-**	**285,249,791**

Capital work-in-progress includes borrowing cost relating to the qualifying assets of MAC, MRC, MBAC and MWASPC. The net book value of MPC, MAC, MRC, MBAC, MWASPC and MGBM before consolidation elimination at September 30, 2015 of SAR 33,675,457,047 (September 30, 2014: SAR 20,738,324,184 and December 31, 2014: SAR 23,402,531,540) are pledged as security to the lenders (Note 28.8).

(All amounts in Saudi Riyals unless otherwise stated)

15. Exploration and evaluation assets

	Notes	Corporate	Precious and base metals	Total
January 1, 2014		40,268,139	105,615,678	145,883,817
Additions during the period		1,603,188	22,456,496	24,059,684
September 30, 2014		41,871,327	128,072,174	169,943,501
Additions during the remainder of the year		689,617	26,179,445	26,869,062
Impairment during the remainder of the year	38	(21,306,251)	-	(21,306,251)
December 31, 2014		21,254,693	154,251,619	175,506,312
Additions during the period		6,424,313	25,144,475	31,568,788
Impairment during the period	38	(11,603,711)	-	(11,603,711)
September 30, 2015		**16,075,295**	**179,396,094**	**195,471,389**

(All amounts in Saudi Riyals unless otherwise stated)

16. Deferred stripping expense

	Notes	Phosphate	Precious and base metals	Total
Cost				
January 1, 2014		75,666,881	11,227,159	86,894,040
Stripping cost incurred during the period		-	6,763,003	6,763,003
September 30, 2014		75,666,881	17,990,162	93,657,043
Stripping cost incurred during the remainder of the year		-	10,698,248	10,698,248
December 31, 2014		75,666,881	28,688,410	104,355,291
Stripping cost incurred during the period		-	7,948,434	7,948,434
September 30, 2015		**75,666,881**	**36,636,844**	**112,303,725**
Accumulated amortization				
January 1, 2014		47,110,864	6,401,507	53,512,371
Expensed to cost of sales during the period	35	638,768	694,101	1,332,869
September 30, 2014		47,749,632	7,095,608	54,845,240
Expensed to cost of sales during the remainder of the year	35	212,922	214,146	427,068
December 31, 2014		47,962,554	7,309,754	55,272,308
Expensed to cost of sales during the period	35	22,229,456	1,238,719	23,468,175
September 30, 2015		**70,192,010**	**8,548,473**	**78,740,483**
Net book value				
September 30, 2014		27,917,249	10,894,554	38,811,803
December 31, 2014		27,704,327	21,378,656	49,082,983
September 30, 2015		**5,474,871**	**28,088,371**	**33,563,242**

(All amounts in Saudi Riyals unless otherwise stated)

17. Intangible assets

	Notes	Phosphate	Aluminum	Precious and base metals	Infra-structure	Corporate	Total
Cost							
January 1, 2014		23,929,635	-	6,641,494	297,876,390	3,983,955	332,431,474
Additions during the period		-	-	-	-	523,677	523,677
Transfer from capital work-in-progress	14	9,939,659	66,367,535	596,068	-	-	76,903,262
September 30, 2014		33,869,294	66,367,535	7,237,562	297,876,390	4,507,632	409,858,413
Additions during the remainder of the year		-	38,825,791	-	-	13,140,770	51,966,561
Transfer from property, plant and equipment	13	16,819,855	-	-	-	-	16,819,855
Transfer from capital work-in-progress	14	-	9,342,993	15,806,735	-	-	25,149,728
December 31, 2014		50,689,149	114,536,319	23,044,297	297,876,390	17,648,402	503,794,557
Additions during the period		-	-	-	-	2,636,157	2,636,157
Transfer from property, plant and equipment	13	885,255	-	-	-	-	885,255
Transfer from capital work-in-progress	14	661,747	19,613,624	-	292,770	-	20,568,141
September 30, 2015		**52,236,151**	**134,149,943**	**23,044,297**	**298,169,160**	**20,284,559**	**527,884,110**
Accumulated amortization							
January 1, 2014		9,173,027	-	6,419,072	41,694,816	960,561	58,247,476
Charge for the period		4,811,176	416,172	(23,590)	10,630,596	467,031	16,301,385
September 30, 2014		13,984,203	416,172	6,395,482	52,325,412	1,427,592	74,548,861
Charge for the remainder of the year		1,551,469	11,813,961	2,277,776	3,543,532	182,413	19,369,151
December 31, 2014		15,535,672	12,230,133	8,673,258	55,868,944	1,610,005	93,918,012
Charge for the period		8,098,346	29,642,606	3,590,255	10,505,680	3,098,761	54,935,648
September 30, 2015		**23,634,018**	**41,872,739**	**12,263,513**	**66,374,624**	**4,708,766**	**148,853,660**
Net book value							
September 30, 2014		19,885,091	65,951,363	842,080	245,550,978	3,080,040	335,309,552
December 31, 2014		35,153,477	102,306,186	14,371,039	242,007,446	16,038,397	409,876,545
September 30, 2015		**28,602,133**	**92,277,204**	**10,780,784**	**231,794,536**	**15,575,793**	**379,030,450**

(All amounts in Saudi Riyals unless otherwise stated)

17. Intangible assets (continued)

Intangible assets of MAC, MRC and MBAC with a net book value at September 30, 2015 of SAR 92,277,204 (September 30, 2014: 65,951,363 and December 31, 2014: SAR 102,306,186) are pledged as security to lenders under the Common Term Financing Agreement (Note 28.8).

Intangible assets for infrastructure comprises the infrastructure and support services assets at Ras Al Khair that are transferred to Royal Commission of Jubail and Yanbu ("RCJY") as stated in the Implementation Agreement signed between Ma'aden and RCJY. The cost of the intangible assets comprises its purchase price and any costs directly attributable to bringing such assets to working condition for their intended use. Such intangible assets are carried at historical cost less accumulated amortization. Amortization is provided over the remaining period of LUSA (Land Usage and Service Agreement) term.

	Notes	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Allocation of amortization charge for the quarter / period / year to:						
Capital work-in-progress	14	**1,425,512**	298,654	**4,213,673**	298,654	1,362,790
Cost of sales	35	**8,616,943**	5,077,718	**25,783,706**	15,535,700	23,951,854
Selling, marketing and logistic expenses	36	**7,279,836**	-	**21,839,508**	-	9,706,448
General and administrative expenses	37	**1,103,560**	161,034	**3,098,761**	467,031	649,444
Total		**18,425,851**	5,537,406	**54,935,648**	16,301,385	35,670,536

(All amounts in Saudi Riyals unless otherwise stated)

18. Investment in jointly controlled entities

	September 30, 2015	September 30, 2014	December 31, 2014
SAMAPCO (Note 18.1)	**364,284,615**	425,461,721	416,406,686
MBCC (Note 18.2)	**202,482,646**	-	202,482,646
Total	**566,767,261**	425,461,721	618,889,332

18.1. SAMAPCO

The investment of 50% in the issued and paid-up share capital is as follows:

	September 30, 2015	September 30, 2014	December 31, 2014
Shares at cost (Note 50)	**450,000,000**	450,000,000	450,000,000
Share of the accumulated loss	**(85,715,385)**	(24,538,279)	(33,593,314)
Total (Note 18)	**364,284,615**	425,461,721	416,406,686

Share of the accumulated loss in SAMAPCO

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
July 1 / January 1	**(70,004,330)**	(9,425,033)	**(33,593,314)**	(8,629,386)	(8,629,386)
Share in net loss for the quarter / period / year	**(15,711,055)**	(15,113,246)	**(52,122,071)**	(15,908,893)	(24,963,928)
September 30 / December 31	**(85,715,385)**	(24,538,279)	**(85,715,385)**	(24,538,279)	(33,593,314)

18.2. MBCC

The investment of 50% in the issued and paid-up share capital is as follows:

	September 30, 2015	September 30, 2014	December 31, 2014
Shares at cost (Note 50)	**5,000,000**	-	5,000,000
Payment to increase share capital	**197,482,646**	-	197,482,646
Total (Note 18)	**202,482,646**	-	202,482,646

19. Long-term investment

	September 30, 2015	September 30, 2014	December 31, 2014
Securities with original maturities of more than a year at the date of acquisition	**50,000,000**	50,000,000	50,000,000

(All amounts in Saudi Riyals unless otherwise stated)

20. Long-term loan

	September 30, 2015	September 30, 2014	December 31, 2014
Ma'aden Barrick Copper Company (Note 43.2)	**626,197,939**	-	626,197,939

During the year ended December 31, 2014, the Company entered into a loan agreement with MBCC. The purpose of this loan facility is to provide funding to MBCC for business. The loan is non-interest bearing with no fixed repayment date.

21. Projects and other payables

	September 30, 2015	September 30, 2014	December 31, 2014
Current portion:			
Projects	**664,548,336**	1,447,807,730	1,054,885,316
Trade	**561,251,243**	617,874,800	810,982,797
Advances from customers	**172,135,318**	133,973,774	143,597,425
Other	**30,230,827**	16,701,472	25,371,201
Sub-total	**1,428,165,724**	2,216,357,776	2,034,836,739
Non-current portion:			
Retentions and other payables	**930,033,877**	202,927,727	362,794,841
Non-refundable contributions*	**38,000,000**	37,000,000	38,000,000
Sub-total	**968,033,877**	239,927,727	400,794,841
Total	**2,396,199,601**	2,456,285,503	2,435,631,580

Project payables mainly represents the liability in respect of contracts cost arising from MRC, MBAC and MWASPC.

*Contributed by one of the MAC's contractors to support the company's objective to establish a social responsibility fund for the development of a community project.

22. Accrued expenses

	September 30, 2015	September 30, 2014	December 31, 2014
Projects	**3,747,843,215**	843,772,062	1,452,648,671
Trade	**756,231,480**	989,600,954	789,400,136
Employees	**220,955,927**	141,968,211	198,710,822
Accrued expenses – Alcoa Inc. (Note 43.2)	**103,719,327**	119,165,586	103,982,687
Finance charges	**97,916,146**	46,428,098	13,726,768
Total	**4,926,666,095**	2,140,934,911	2,558,469,084

Accrued expenses for projects mainly represents the contracts cost accruals in relation to MAC, MRC, MBAC, MPC and MWASPC.

Accrued expenses for Alcoa Inc. mainly represents the personnel and other cost accruals related to the Alcoa Inc. employees seconded to MAC, MRC and MBAC.

(All amounts in Saudi Riyals unless otherwise stated)

23. Zakat

23.1. Components of zakat base

The significant components of the zakat base of each company under the zakat and income tax regulation are as follows:

- shareholders' equity at the beginning of the quarter / period / year;
- provisions at the beginning of the quarter / period / year;
- long term borrowings;
- adjusted net income;
- spare parts and consumable materials:
- net book value of property, plant and equipment;
- net book value of capital work-in-progress;
- net book value of exploration and evaluation assets;
- net book value of intangible assets;
- carrying value of investment in a jointly controlled entity; and
- other items.

Zakat is calculated at 2.5% of the higher of the zakat base or adjusted net income.

23.2. Zakat payable

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
July1 / January 1	**19,257,032**	14,999,304	**58,735,918**	54,295,070	54,295,070
Provision for zakat	**9,741,512**	12,694,085	**24,410,604**	13,384,169	44,434,257
Current quarter / period / year (Note 23.3)	**9,741,512**	12,686,526	**28,998,544**	27,685,830	58,735,918
Previous year excess provision	**-**	7,559	**(4,587,940)**	(14,301,661)	(14,301,661)
Paid during the quarter / period / year to the authorities	**-**	(7,559)	**(54,147,978)**	(39,993,409)	(39,993,409)
September 30 / December 31	**28,998,544**	27,685,830	**28,998,544**	27,685,830	58,735,918

23.3. Provision for zakat consists of:

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Saudi Arabian Mining Company	**-**	-	**-**	-	18,759,042
Ma'aden Phosphate Company	**5,529,590**	8,714,748	**18,589,667**	16,275,235	25,728,204
Ma'aden Gold and Base Metals Company (Note 24.2)	**3,328,454**	(122,278)	**4,299,380**	2,144,101	2,463,124
Industrial Minerals Company	**-**	3,052,884	**2,907,825**	6,796,241	8,404,180
Ma'aden Infrastructure Company	**883,468**	1,041,172	**3,201,672**	2,470,253	3,381,368
Total (Note 23.2)	**9,741,512**	12,686,526	**28,998,544**	27,685,830	58,735,918

23.4. Status of final assessments

The Company and its subsidiaries received provisional zakat certificates from the years ended December 31, 2009 to December 31, 2014, however, no zakat assessments were finalized by the DZIT.

(All amounts in Saudi Riyals unless otherwise stated)

24. Severance fees payable

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
July 1 / January 1	**5,707,503**	8,756,388	**29,727,477**	36,430,433	36,430,433
Provision for severance fees (Note 35)	**11,591,126**	10,225,981	**19,048,027**	24,323,849	35,068,957
Current quarter / period / year (Note 24.1)	**11,591,126**	10,225,981	**17,209,322**	18,893,063	29,638,171
Previous year under provision	**-**	-	**1,838,705**	5,430,786	5,430,786
Paid during the quarter / period / year to the authorities	**-**	-	**(31,476,875)**	(41,771,913)	(41,771,913)
September 30 / December 31	**17,298,629**	18,982,369	**17,298,629**	18,982,369	29,727,477

In accordance with the Saudi Mining Code based on the Royal Decree No. 47/M dated 20 Sha'aban 1425H (corresponding to October 4, 2004), the Group is required to pay to the Government of Saudi Arabia severance fees, representing 25% of the annual net income per mining license, as defined, or the equivalent of a hypothetical income tax, based on the annual net income, whichever is lower. The zakat due shall be deducted from this amount. As a result of the above:

- the net income for each mining license of MGBM is subject to severance fees,
- for low grade bauxite, kaolin and magnesia a fixed tariff per tonne is paid as severance fees

Severance fees are shown as part of cost of sales in the consolidated interim statement of income.

24.1. Provision for severance fees consists of:

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Gold mines (Note 24.2)	**5,140,921**	9,718,349	**9,908,581**	17,540,015	27,848,051
Low grade bauxite	**358,661**	429,884	**1,012,185**	1,098,860	1,450,961
Kaolin	**64,274**	33,895	**178,900**	124,993	173,620
Magnesia	**27,270**	43,853	**109,656**	129,195	165,539
Bauxite*	**6,000,000**	-	**6,000,000**	-	-
Total (Note 24)	**11,591,126**	10,225,981	**17,209,322**	18,893,063	29,638,171

*Provision for severance fees related to Al-Baitha Bauxite mine of MBAC is capitalized as part of capital work-in-progress since the company is in its commissioning phase.

(All amounts in Saudi Riyals unless otherwise stated)

24.2 The provision for severance fees payable by gold mines is calculated as follows:

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Net income from operating gold mines before severance fees and zakat for the quarter / period / year	**24,800,082**	38,544,338	**69,774,462**	98,946,879	146,976,824
25% of the quarter's / period's / year's net income as defined	**6,200,020**	9,636,085	**17,443,615**	24,736,720	36,744,206
Hypothetical income tax based on quarter's / period's / year's taxable net income	**8,469,375**	9,596,071	**14,207,961**	19,684,116	30,311,175
Provision based on the lower of the above two computations	**8,469,375**	9,596,071	**14,207,961**	19,684,116	30,311,175
Provision for zakat (Note 23.3)	**(3,328,454)**	122,278	**(4,299,380)**	(2,144,101)	(2,463,124)
Net severance fees provision for the quarter / period / year	**5,140,921**	9,718,349	**9,908,581**	17,540,015	27,848,051

25. Employees' benefits

	September 30, 2015	September 30, 2014	December 31, 2014
Employees' termination benefits (Note 25.1)	**300,945,169**	237,326,761	254,443,608
Employees' savings plan (Note 7 and 25.2)	**44,745,234**	29,655,251	35,931,821
Total	**345,690,403**	266,982,012	290,375,429

25.1 Employees' termination benefits

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
July 1 / January 1	**274,586,574**	213,050,413	**254,443,608**	193,438,653	193,438,653
Provision for the quarter / period / year	**31,211,964**	29,412,252	**66,399,384**	56,599,090	92,706,633
Paid during the quarter / period / year	**(4,853,369)**	(5,135,904)	**(19,897,823)**	(12,710,982)	(31,701,678)
September 30 / December 31 (Note 25)	**300,945,169**	237,326,761	**300,945,169**	237,326,761	254,443,608

25.2 Employees' savings plan

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
July 1 / January 1	**39,734,292**	27,984,531	**35,931,821**	21,391,928	21,391,928
Contribution for the quarter / period / year	**7,741,267**	4,795,178	**18,372,095**	13,847,148	21,992,430
Withdrawals during the quarter / period / year	**(2,730,325)**	(3,124,458)	**(9,558,682)**	(5,583,825)	(7,452,537)
September 30 / December 31 (Note 7 and 25)	**44,745,234**	29,655,251	**44,745,234**	29,655,251	35,931,821

(All amounts in Saudi Riyals unless otherwise stated)

26. Obligation under capital lease

During 2013, MAC on behalf of MBAC entered in a capital lease agreement with a financial institution. The lease payments under such agreements are due in monthly installments. The amounts of future payments under the leases are as follows:

	September 30, 2015	September 30, 2014	December 31, 2014
Future minimum lease payments	**49,406,652**	65,008,750	61,108,225
Less: financial charges not yet due	**(7,398,902)**	(12,329,117)	(10,994,872)
Net present value of minimum lease payments	**42,007,750**	52,679,633	50,113,353
Less: Current portion shown under current liabilities	**(11,824,173)**	(10,671,885)	(10,948,977)
Long term portion of obligation under capital lease	**30,183,577**	42,007,748	39,164,376

Maturity profile

Minimum lease payment falling due during the period / year:			
2014	**-**	3,900,525	-
2015	**3,900,527**	15,602,100	15,602,100
2016	**15,602,100**	15,602,100	15,602,100
2017	**15,602,100**	15,602,100	15,602,100
2018	**14,301,925**	14,301,925	14,301,925
Total	**49,406,652**	65,008,750	61,108,225

The present value of minimum lease payments has been discounted at an effective interest rate of approximately 0.858% per month. The leased assets as at September 30, 2015 of SAR 46,846,614 (September 30, 2014: SAR 55,076,438 and December 31, 2014: SAR 52,544,181) are pledged as security to the lessor (Note 13).

(All amounts in Saudi Riyals unless otherwise stated)

27. Provision for mine closure and reclamation

	September 30, 2015	September 30, 2014	December 31, 2014
Gold mines (Note 27.1)	**107,446,877**	106,482,730	110,389,199
Al-Baitha bauxite mine (Note 27.2)	**19,958,510**	-	18,856,531
Low grade bauxite, kaolin and magnesite mines (Note 27.3)	**2,050,000**	2,050,000	2,050,000
Total	**129,455,387**	108,532,730	131,295,730

The movement in the provision for mine closure and reclamation for each of the mines along with the period in which they commenced commercial production and expected date of closure are as follows:

27.1 Gold mines	**Mahad mine**	**Al Hajar mine**	**Sukhaybarat mine***	**Bulghah mine**	**Al Amar mine**	**As Suq mine**	**Total**
January 1, 2014	20,715,231	5,531,810	20,315,131	21,661,407	13,217,044	-	81,440,623
Additions during the period (Note 13)	5,047,637	1,727,802	2,045,124	2,169,438	1,323,717	17,000,000	29,313,718
Utilization during the period	-	(4,119,611)	(152,000)	-	-	-	(4,271,611)
September 30, 2014	25,762,868	3,140,001	22,208,255	23,830,845	14,540,761	17,000,000	106,482,730
Additions during the remainder of the year (Note 13)	368,744	-	2,412,628	1,117,162	1,288,095	(22,150)	5,164,479
Utilization during the remainder of the year	-	(1,258,010)	-	-	-	-	(1,258,010)
December 31, 2014	26,131,612	1,881,991	24,620,883	24,948,007	15,828,856	16,977,850	110,389,199
Adjustment during the period (Note 13)	-	-	-	-	-	(1,211,312)	(1,211,312)
Utilization during the period	-	(1,731,010)	-	-	-	-	(1,731,010)
September 30, 2015 (Note 27)	**26,131,612**	**150,981**	**24,620,883**	**24,948,007**	**15,828,856**	**15,766,538**	**107,446,877**
Commenced commercial production in	1988	2001	1991	2001	2008	2014	
Expected closure date in	2019	2014	2043	2020	2030	2018	

* Sukhaybarat mine has re-open its mining activities in March 2014 based on new reserve discovery within the mining lease area and currently having combined process with high ore transferred from Bulghah mine.

27.2 Al-Baitha bauxite mine	**Notes**	**Total**
January 1, 2014		-
Additions during the period		-
September 30, 2014		-
Additions during the remainder of the year	14	18,288,131
Accretion of provision during the remainder of the year	40	568,400
December 31, 2014		18,856,531
Accretion of provision during the period	40	1,101,979
September 30, 2015 (Note 27)		**19,958,510**
Commenced commercial production in		2014
Expected closure date in		2059

(All amounts in Saudi Riyals unless otherwise stated)

27. Provision for mine closure and reclamation (continued)

27.3 Low grade bauxite, kaolin and magnesite mines	Az Zabirah mine	Al Ghazalah mine	Total
January 1, 2014	1,600,000	450,000	2,050,000
September 30, 2014	1,600,000	450,000	2,050,000
December 31, 2014	1,600,000	450,000	2,050,000
September 30, 2015 (Note 27)	**1,600,000**	**450,000**	**2,050,000**
Commenced commercial production in	2008	2011	
Expected closure date in	2026	2028	

The provision for mine closure and reclamation represents the full amount of the estimated future closure and reclamation costs for the various operational mining properties, based on information currently available including closure plans and applicable regulations. Future changes, if any, in regulations and cost assumptions may be significant and will be recognized when determined.

The provision for mine closure and reclamation relates to the Group's gold, bauxite, low grade bauxite, kaolin and magnesite mining activity. An updated estimation of the phosphate mine and plant closure and rehabilitation works including facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation is in progress.

(All amounts in Saudi Riyals unless otherwise stated)

28. Long-term borrowings

28.1. Facilities approved

MPC, MAC, MRC, MBAC and MWASPC entered into Common Terms Agreements ("CTA") with the Public Investment Fund and consortiums of financial institutions, the Company (Ma'aden) entered into a Shariah compliant Syndicated Revolving Credit Facility Agreement and MGBM entered into two secured loan arrangements with Saudi Industrial Development Fund ("SIDF").

The Group facilities granted comprise of the following as at September 30, 2015:

	MPC agreement signed on June 15, 2008	MAC agreement signed on Nov. 30, 2010	MRC agreement signed on Nov. 30, 2010	MBAC agreement signed on Nov. 27, 2011	MWASPC agreement signed on June 30, 2014	Ma'aden agreement signed on Dec. 18, 2012	MGBM agreement signed on Mar. 24, 2015	Total
Public Investment Fund ("PIF")	4,000,001,250	4,875,000,000	3,078,750,000	3,750,000,000	7,500,000,000	-	-	23,203,751,250
Islamic and commercial banks								
Procurement*	4,269,892,500	5,047,500,000	1,041,000,000	2,690,712,844	4,299,854,651	-	-	17,348,959,995
Commercial*	1,491,562,500	900,000,000	-	258,750,000	5,450,145,349	-	-	8,100,457,849
Al-Rajhi Bank	2,343,750,000	-	-	-	-	-	-	2,343,750,000
The Export Import Bank of Korea	1,500,000,000	-	-	-	-	-	-	1,500,000,000
Korea Export Insurance corporation	750,000,000	-	-	-	-	-	-	750,000,000
Wakala	-	787,500,000	-	768,750,000	1,650,000,000	-	-	3,206,250,000
Sub-total	10,355,205,000	6,735,000,000	1,041,000,000	3,718,212,844	11,400,000,000	-	-	33,249,417,844
Saudi Industrial Development Fund ("SIDF")	600,000,000	600,000,000	600,000,000	900,000,000	-	-	1,379,000,000	4,079,000,000
Riyal Murabaha facility (a working capital facility)	-	375,000,000	-	-	-	-	-	375,000,000
Sub-total	**14,955,206,250**	**12,585,000,000**	**4,719,750,000**	**8,368,212,844**	**18,900,000,000**	**-**	**1,379,000,000**	**60,907,169,094**
Syndicated Revolving Credit Facility Agreement	-	-	-	-	-	9,000,000,000	-	9,000,000,000
Total facilities granted	**14,955,206,250**	**12,585,000,000**	**4,719,750,000**	**8,368,212,844**	**18,900,000,000**	**9,000,000,000**	**1,379,000,000**	**69,907,169,094**

The financing agreements imposed the following conditions and financial covenants on each of the borrowing legal entities of the Group and if the conditions are met, the financial institutions will provide the long-term borrowing:

- the limitation on creation of additional liens and/or financing obligations by MPC, MAC, MRC, MBAC and MWASPC, unless specifically allowed under the CTA;
- financial ratio maintenance;
- maximum capital expenditures allowed;
- restriction on dividend distribution to shareholders; and
- restriction on the term of the short-term investment with maturities of not more than six (6) months from the date of acquisition, of any Saudi Arabian commercial bank or any other international commercial bank of recognized standing.

28.1 Facilities approved (continued)

MPC facility

*Banque Saudi Fransi and Mizuho Corporate Bank Limited act as agents for procurement facility and commercial facility, respectively.

MAC facility

On November 26, 2012, the contracts for US Dollar procurement and Saudi Riyal procurement were revised to increase the respective facility amounts. Accordingly, the CTA was also revised to reflect the new facility arrangement.

*Standard Chartered Bank acts as inter-creditor agent and as commercial facility agent, Bank Al Jazira acts as US Dollar procurement facility agent, as Saudi Riyal procurement facility agent, as US Dollar Wakala facility agent and as Saudi Riyal Wakala facility agent, SABB Securities Limited acts as onshore security agent and Riyadh Bank, London Branch acts as offshore security trustee and agent.

MRC facility

Facility Agent, SABB Securities Limited acts as Onshore Security Agent and Riyadh Bank, London Branch acts as Offshore Security Trustee and Agent.

MBAC facility

HSBC Saudi Arabia limited acts as Inter-creditor Agent and as Commercial Facility Agent, National Commercial bank acts as Dollar Procurement Facility Agent and Riyal Procurement Facility Agent, Bank Al Jazira acts as Wakala Facility Agent, HSBC Saudi Arabia limited acts as Onshore Security Agent and Riyad Bank, London Branch acts as Offshore Security Trustee and Agent.

MWASPC facility

*Islamic Development Bank and HSBC Saudi Arabia act as agents for procurement facility and Mizuho Corporate Bank Limited and Sumitomo Mitsui Banking Corporation act as agents for commercial facility.

Saudi Arabian Mining Company ("Ma'aden")

On December 18, 2012, the Company entered into a Shariah compliant Syndicated Revolving Credit Facility Agreement ("Murabaha Facility Agreement") and other agreements (together referred to as "financing agreements") totaling to SAR 9 billion. Final maturity for repayment of the loan is five years from the date of signing of the agreement. The facility is with a syndicate of local and international financial institutions, comprising of the following financial institutions:

Al-Rajhi Bank
Arab National Bank
Bank Al-Bilad
Bank AlJazira
Banque Saudi Fransi
J.P.Morgan Chase Bank, N.A., Riyadh Branch
Riyad Bank
Samba Financial Group
The National Commercial Bank
The Saudi British Bank
The Saudi Investment Bank

The financial covenants and conditions include the following with respect to standalone parent company only:

- EBITDA to Interest ratio shall not be less than three times otherwise dividend block will be triggered; and
- the total net debt to tangible net worth shall be less than or equal to three times otherwise an event of default will be triggered which is subject to a cure period of six months, or nine months if the Company has acted expeditiously to cure such breach by initiating the process for a rights issue.

28.1 Facilities approved (continued)

MGBM Facility

The company entered into two secured loan arrangements with Saudi Industrial Development Fund ("SIDF") to provide funding for the production of semi alloy of gold at As Suq mine and also for the capital expenditures of the new gold mine at Ad-Duwayhi.

The financing arrangements imposed certain conditions and special covenants which include:

- the limitation of the creation of additional liens and/or financing obligations by the Company, unless specifically allowed under the loan agreement,
- financial ratio maintenance,
- maximum capital expenditures allowed,
- restriction on dividend distribution to shareholders, and
- restriction on the term of the short-term investment with maturities of not more than six (6) months from the date of acquisition, of any Saudi Arabian commercial bank or any other international commercial bank of recognized standing.

(All amounts in Saudi Riyals unless otherwise stated)

28.2 Facilities utilized under the different CTAs

MPC facility

	September 30, 2015	September 30, 2014	December 31, 2014
Public Investment Fund	**3,001,600,938**	3,334,401,042	3,334,401,042
Less: Repaid during the period / year	**166,400,051**	166,400,052	332,800,104
Sub-total (Note 43.2)	**2,835,200,887**	3,168,000,990	3,001,600,938

The rate of commission on the principal amount of the loan drawdown and outstanding for each commission period, is in the range of LIBOR plus 0.5% per annum.

Loan repayment started on June 30, 2012, on a six monthly basis, in equal principal repayments of SAR 166.4 million, with the final repayment of SAR 172.8 million on December 31, 2023 (Note 7).

	September 30, 2015	September 30, 2014	December 31, 2014
Islamic and commercial banks			
Saudi Riyal procurement	**3,693,457,013**	3,906,951,637	3,906,951,637
Al-Rajhi Bank	**2,027,343,750**	2,144,531,250	2,144,531,250
The Export Import Bank of Korea	**1,230,000,000**	1,337,250,000	1,337,250,000
Commercial	**965,826,562**	1,021,654,688	1,021,654,688
Korea Export Insurance Corporation	**615,000,000**	668,625,000	668,625,000
	8,531,627,325	9,079,012,575	9,079,012,575
Less: Repaid during the period / year	**292,255,126**	255,130,125	547,385,250
Sub-total	**8,239,372,199**	8,823,882,450	8,531,627,325

The rate of commission on the principal amount of the loan drawdown and outstanding for each commission period is in the range of LIBOR plus 0.5% to 1.15% per annum.

The repayment of this loan started on June 30, 2012, on a six monthly basis, starting at SAR 255.1 million and increasing over the term of the loan with the final repayment of SAR 1,285 million on December 31, 2023 (Note 7).

	September 30, 2015	September 30, 2014	December 31, 2014
Saudi Industrial Development Fund	**460,000,000**	540,000,000	540,000,000
Less: Repaid during the period / year	**90,000,000**	80,000,000	80,000,000
Sub-total	**370,000,000**	460,000,000	460,000,000

The project follow-up cost paid during the drawdown amounted to SAR 6.3 million.

Repayment of this loan started on February 26, 2013, on a six monthly basis, starting at SAR 40 million and increasing over the term of the loan with the final repayment of SAR 50 million on June 19, 2019 (Note 7).

	September 30, 2015	September 30, 2014	December 31, 2014
Total MPC borrowings (Note 28.5)	**11,444,573,086**	12,451,883,440	11,993,228,263

(All amounts in Saudi Riyals unless otherwise stated)

28.2 Facilities utilized under the different CTAs (continued)

MAC facility

	September 30, 2015	September 30, 2014	December 31, 2014
Public Investment Fund	**4,775,062,500**	4,875,000,000	4,875,000,000
Less: Repaid during the period / year	**99,937,500**	-	99,937,500
Sub-total (Note 43.2)	**4,675,125,000**	4,875,000,000	4,775,062,500

The rate of commission on the principal amount of the loan drawdown and outstanding for each commission period is LIBOR plus 1.5%.

The repayment of the loan started on December 31, 2014, on a six monthly basis, starting at SAR 99.9 million and increasing over the term of the loan with the final repayment of SAR 1,218 million on June 30, 2026.

	September 30, 2015	September 30, 2014	December 31, 2014
Islamic and commercial banks			
Dollar procurement	**891,870,000**	930,000,000	930,000,000
Saudi Riyal procurement	**4,117,500,000**	4,117,500,000	4,117,500,000
Commercial	**800,062,500**	900,000,000	900,000,000
Wakala	**787,500,000**	787,500,000	787,500,000
	6,596,932,500	6,735,000,000	6,735,000,000
Less: Repaid during the period / year	**138,067,500**	-	138,067,500
Sub-total	**6,458,865,000**	6,735,000,000	6,596,932,500

The rate of commission on the principal amount (lease base amount in case of Wakala facilities) of the loan drawn for each commission period on all the US Dollar facilities is LIBOR plus a margin (mark-up in case of Wakala facilities) that varies over the term of the loan. The rate of commission on the principal amount (lease base amount in case of Wakala facilities) of the loan drawn for each commission period on all the Saudi Riyal facilities is Saudi Interbank Offered Rate ("SIBOR") plus a margin (mark-up in case of Wakala facilities) that varies over the term of the loan. The margin/mark-up on the principal amount of the loan drawn for each commission period is in the range of 1.65% to 2.75% per annum.

The repayment of the loans started from December 31, 2014, starting at SAR 138 million and increasing over the term of the loan with the final repayment of SAR 1,684 million on June 30, 2026.

	September 30, 2015	September 30, 2014	December 31, 2014
Saudi Industrial Development Fund	**570,000,000**	570,000,000	570,000,000
Less: Repaid during the period / year	**50,000,200**	-	-
Sub-total	**519,999,800**	570,000,000	570,000,000

Repayment of the SIDF facility started from February 4, 2015. The repayments are starting at SAR 25 million and increasing over the term of the loan with the final repayment of SAR 62.5 million on June 7, 2020.

	September 30, 2015	September 30, 2014	December 31, 2014
Riyal Murabaha facility	**375,000,000**	375,000,000	375,000,000

The rate of profit on the purchase price i.e. principal amount of the loan drawn for each commission period is Saudi Interbank Offered Rate ("SIBOR") plus 1.75%. The repayment of Murabaha facility is on 31 Mar 2016.

	September 30, 2015	September 30, 2014	December 31, 2014
Total MAC borrowings (Note 28.5)	**12,028,989,800**	12,555,000,000	12,316,995,000

(All amounts in Saudi Riyals unless otherwise stated)

28.2 Facilities utilized under the different CTAs (continued)

MRC facility

	September 30, 2015	**September 30, 2014**	**December 31, 2014**
Public Investment Fund (Note 43.2)	**3,078,750,000**	2,938,383,972	2,938,383,972
The rate of commission on the principal amount of the loan draw for each commission period is London Interbank Offered Rate ("LIBOR") plus 1.5%.			
The repayment of the principal amount of loan will be in 20 installments on a six monthly basis starting from December 31, 2016. The repayments are starting at SAR 30.8 million and increasing over the term of the loan with the final repayment of SAR 153.9 million on June 30, 2026.			
Islamic and commercial banks			
Riyal procurement	**1,041,000,000**	983,317,601	983,317,601
The rate of commission on the principal amount of the loan drawn for each commission period on all the Saudi Riyal facilities is Saudi Interbank Offered Rate ("SIBOR") plus a margin that varies over the term of the loan. The margin/mark-up on the principal amount of the loan drawn for each commission period is in the range of 1.65% to 2.45% per annum.			
The repayment of the principal amounts of loans will start from December 31, 2016. The repayments are starting at SAR 10.4 million and increasing over the term of the loan with the final repayment of SAR 13.5 million on June 30, 2026.			
Saudi Industrial Development Fund	**570,000,000**	540,000,000	540,000,000
Repayment of the SIDF facility will start from January 25, 2016.			
The repayments are starting at SAR 25 million and increasing over the term of the loan with the final repayment of SAR 62.5 million on July 19, 2021.			
Total MRC borrowings (Note 28.5)	**4,689,750,000**	4,461,701,573	4,461,701,573

(All amounts in Saudi Riyals unless otherwise stated)

28.2 Facilities utilized under the different CTAs (continued)

MBAC facility

	September 30, 2015	**September 30, 2014**	**December 31, 2014**
Public Investment Fund (Note 43.2)	**3,750,000,000**	3,220,542,984	3,220,543,013

The rate of commission on the principal amount of the loan drawn for each commission period is London Interbank Offered Rate ("LIBOR") plus 1.5%.

The repayment of the principal amount of PIF facility will be in 21 installments on a six monthly basis starting from June 30, 2017. The repayments are starting at SAR 75 million and increasing over the term of the loan with the final repayment of SAR 435 million on June 30, 2028.

Islamic and commercial banks			
Dollar procurement	**799,500,000**	678,624,769	678,624,769
Riyal procurement	**1,891,212,844**	1,605,283,155	1,605,283,155
Commercial	**258,750,000**	219,629,966	219,629,971
Wakala	**768,750,000**	757,097,355	768,749,963
Sub-total	**3,459,462,844**	3,260,635,245	3,272,287,858

The rate of commission on the principal amount (lease base amount in case of wakala facilities) of the loan drawn for each commission period on the all the dollar facilities is LIBOR plus a margin (mark-up in case of wakala facilities) that varies over the term of the loan. The rate of commission on the principal amount (lease base amount in case of wakala facilities) of the loan drawn for each commission period on all the Saudi Riyal facilities is Saudi Interbank Offered Rate ("SIBOR") plus a margin (mark-up in case of wakala facilities) that varies over the term of the loan. The margin/mark-up on the principal amount of the loan drawn for each commission period is in the range of 1.45% to 2.4% per annum.

The repayment of the principal amounts of Islamic and commercial total approved facilities will start from June 30, 2017. The repayments are starting at SAR 74 million and increasing over the term of the loan with the final repayment of SAR 431 million on June 30, 2027.

Saudi Industrial Development Fund	**381,026,748**	-	375,000,000

Repayment of the SIDF facility will start from July 2017. The repayments are starting at SAR 40 million and increasing over the term of the loan with the final repayment of SAR 80 million in April 2021. SIDF has withheld loan processing and evaluation fee of SAR 75 million.

Total MBAC borrowings (Note 28.5)	**7,849,239,592**	6,481,178,229	6,867,830,871

(All amounts in Saudi Riyals unless otherwise stated)

28.2 Facilities utilized under the different CTAs (continued)

MWASPC facility

	September 30, 2015	September 30, 2014	December 31, 2014
Public Investment Fund (Note 43.2)	**3,881,833,712**	565,123,969	2,149,327,518

The rate of commission on the principal amount of the loan drawdown and outstanding for each commission period, is in the range of LIBOR plus 1.5% per annum.

The repayment of the principal amount of loan will be in 24 installments on a six monthly basis starting from June 30, 2019. The repayments are starting at SAR 112.5 million and increasing over the term of the loan with the final repayment of SAR 606 million on December 31, 2030.

	September 30, 2015	September 30, 2014	December 31, 2014
Islamic and commercial banks			
Dollar procurement facility	**168,519,206**	25,430,580	90,144,283
Saudi Riyal procurement facility	**1,450,619,538**	218,910,066	775,955,587
Wakala	**831,131,757**	124,327,273	448,518,845
Commercial facility	**2,800,841,664**	941,208,112	1,378,217,847
Sub-total	**5,251,112,165**	1,309,876,031	2,692,836,562

The rate of commission on the principal amount of the loan drawdown and outstanding for each commission period is LIBOR plus 1.25% to 2.10% per annum.

The repayment of the principal amounts of loans will start from June 30, 2019. The repayments are starting at SAR 171 million and increasing over the term of the loan with the final repayment of SAR 809 million on December 31, 2030.

	September 30, 2015	September 30, 2014	December 31, 2014
Total MWASPC borrowings (Note 28.5)	**9,132,945,877**	1,875,000,000	4,842,164,080

28.3 Facilities utilized under the Syndicated Revolving Credit Facility

Ma'aden

	September 30, 2015	September 30, 2014	December 31, 2014
Syndicated Revolving Credit Facility (Note 28.5)	**100,000,000**	3,070,000,000	4,430,000,000

The rate of commission on the principal amount of the borrowing drawdown is SIBOR plus 0.85% per annum.

(All amounts in Saudi Riyals unless otherwise stated)

28.4 MGBM facility

	September 30, 2015	September 30, 2014	December 31, 2014
Saudi Industrial Development Fund	**76,791,492**	-	-
The transaction cost paid upfront at the time of the first drawdown amounted to SAR 13.4 million. This amount will be amortized over the term of the loan. Repayment of this loan will start on July 20, 2016, on a six monthly basis, starting at SAR 8 million and increasing over the term of the loan until the final repayment of SAR 18 million on November 9, 2022.			
Total MGBM borrowings (Note 28.5)	**76,791,492**	-	-

28.5 Total borrowings

	September 30, 2015	September 30, 2014	December 31, 2014
Facilities utilized under:			
CTA (Note 28.2):			
MPC	**11,444,573,086**	12,451,883,440	11,993,228,263
MAC	**12,028,989,800**	12,555,000,000	12,316,995,000
MRC	**4,689,750,000**	4,461,701,573	4,461,701,573
MBAC	**7,849,239,592**	6,481,178,229	6,867,830,871
MWASPC	**9,132,945,877**	1,875,000,000	4,842,164,080
Syndicated Revolving Credit Facility (Note 28.3):			
Ma'aden	**100,000,000**	3,070,000,000	4,430,000,000
MGBM facility (Note 28.4)	**76,791,492**	-	-
Sub-total	**45,322,289,847**	40,894,763,242	44,911,919,787
Less: Current portion of borrowings shown under current liabilities			
MPC	**1,048,211,379**	1,007,310,354	1,048,211,379
MAC	**951,010,000**	501,010,000	526,010,000
MRC	**50,000,000**	-	-
Sub-total	**2,049,221,379**	1,508,320,354	1,574,221,379
Long-term portion of borrowings	**43,273,068,468**	39,386,442,888	43,337,698,408

28.6 Maturity profile of long-term borrowings

	September 30, 2015	September 30, 2014	December 31, 2014
2014	-	959,665,177	-
2015	**1,549,221,379**	1,574,221,379	1,574,221,379
2016	**2,139,319,904**	1,756,319,904	1,756,319,904
2017	**2,405,198,993**	5,241,245,918	6,601,245,918
2018	**2,800,503,196**	2,361,914,918	2,403,152,068
Thereafter	**36,428,046,375**	29,001,395,946	32,576,980,518
Total	**45,322,289,847**	40,894,763,242	44,911,919,787

28.7 Facilities' currency denomination

Essentially all of the Group's facilities have been contracted in United States Dollar (US$) and Saudi Riyals (SAR) and the drawdown balances in US$ are shown below:

	September 30, 2015 (US$)	September 30, 2014 (US$)	December 31, 2014 (US$)
Public Investment Fund	**4,858,909,226**	3,937,880,511	4,289,311,451
Islamic and commercial banks			
Procurement	**3,178,193,222**	2,860,057,373	2,957,627,895
Al-Rajhi Bank	**525,000,000**	556,250,000	540,625,000
The Export Import Bank of Korea	**310,400,000**	345,600,000	328,000,000
Korea Export Insurance Corporation	**155,200,000**	172,800,000	164,000,000
Commercial	**1,296,161,110**	814,554,321	918,726,501
US Dollar procurement	**495,970,455**	435,748,093	447,921,081
Wakala	**628,025,135**	445,046,567	530,300,015
Sub-total	**6,588,949,922**	5,630,056,354	5,887,200,492
Saudi Industrial Development Fund	**511,418,144**	418,666,667	518,666,667
Riyal Murabaha facility	**100,000,000**	100,000,000	100,000,000
Syndicated Revolving Credit Facility	**26,666,667**	818,666,667	1,181,333,333
Total	**12,085,943,959**	10,905,270,198	11,976,511,943

28.8 Security

The following assets were pledged as security for these long-term borrowings in accordance with the applicable CTAs:

	September 30, 2015	September 30, 2014	December 31, 2014
Property, plant and equipment (Note 13)	**92,277,204**	37,149,261,400	37,117,483,423
Capital work-in-progress (Note 14)	**36,123,485,666**	20,738,324,184	23,402,531,540
Intangible assets (Note 17)	**33,675,457,047**	65,951,363	102,306,186
Total	**69,891,219,917**	57,953,536,947	60,622,321,149

29. Due to joint venture partners

	September 30, 2015	September 30, 2014	December 31, 2014
Due to Alcoa Inc.* (Note 43.2)	**297,879,613**	209,872,738	241,875,238
Due to Mosaic ** (Note 43.2)	-	203,295,864	203,949,242
Due to SABIC ** (Note 43.2)	-	121,977,519	112,489,397
Total	**297,879,613**	535,146,121	558,313,877

*Due to Alcoa Inc. represents their share of 25.1% in the joint venture project cost to extend the product mix of the aluminum complex, currently under construction at Ras Al Khair, to include:

- automotive heat treated and non-heat treated sheet,
- building, and
- construction sheet and foil stock sheet (Note 1).

(All amounts in Saudi Riyals unless otherwise stated)

**Due to Mosaic and SABIC represents their capital contribution to jointly develop a fully integrated phosphate production facility at Wa'ad Al Shamal Mineral Industrial City, such facility was incorporated in the Kingdom of Saudi Arabia under MWASPC.

30. Share capital

		September 30, 2015	September 30, 2014	December 31, 2014
Authorized, issued and fully paid				
925,000,000	Ordinary shares with a nominal value of SAR 10 per share	**9,250,000,000**	9,250,000,000	9,250,000,000
243,478,261	Ordinary shares with a nominal value of SAR 10 per share, following a rights issue	**2,434,782,610**	-	2,434,782,610
1,168,478,261	**Total**	**11,684,782,610**	9,250,000,000	11,684,782,610

On 20 Rabi Awal 1436H (corresponding to November 13, 2014) in the Extraordinary General Assembly Meeting, the shareholders of the Company approved the Board of Directors' recommendation to increase the share capital of the Company by way of a rights issue offering, amounting to SAR 5,600,000,044. The rights issue offering resulted in the issuing of 243,478,261 ordinary shares at an exercise price of SAR 23 per share (SAR 10 nominal value plus premium of SAR 13 per share) thereby increasing the share capital by SAR 2,434,782,610 and share premium by SAR 3,165,217,434.

During December 2014, the Company completed the rights issue offering and received the proceeds from the offering.

31. Share premium

		September 30, 2015	September 30, 2014	December 31, 2014
525,000,000	Ordinary shares with a nominal value of SAR 10 per share, issued at a premium of SAR 10 per share	**5,250,000,000**	5,250,000,000	5,250,000,000
243,478,261	Ordinary shares with a nominal value of SAR 10 per share, issued at a premium of SAR 13 per share	**3,165,217,434**	-	3,165,217,434
	Less: Transaction cost	**23,865,737**	-	23,865,737
	Net increase in share premium	**3,141,351,697**	-	3,141,351,697
768,478,261	**Total**	**8,391,351,697**	5,250,000,000	8,391,351,697

32. Transfer of net income

	September 30, 2015	September 30, 2014	December 31, 2014
January 1	**697,394,239**	561,660,119	561,660,119
Transfer of 10% of net income for the year	**-**	-	135,734,120
September 30 / December 31	**697,394,239**	561,660,119	697,394,239

In accordance with Regulations for Companies in Saudi Arabia, the Company has established a statutory reserve by the appropriation of 10% of net income until such reserve equals 50% of the share capital. Such transfer is made on an annual basis and the reserve is not available for dividend distribution.

(All amounts in Saudi Riyals unless otherwise stated)

33. Non-controlling interest

	Share capital	Payments to increase share capital	Net income / (loss) attributable to non-controlling interest	Total
33.1 Ma'aden Aluminum Company				
January 1, 2014	1,650,011,250	-	(7,170,225)	1,642,841,025
Share of net income for the period	-	-	756,811	756,811
September 30, 2014	1,650,011,250	-	(6,413,414)	1,643,597,836
Share of net income for the remainder of the year	-	-	16,483,938	16,483,938
December 31, 2014	1,650,011,250	-	10,070,524	1,660,081,774
Share of net loss for the period	-	-	(55,615,570)	(55,615,570)
September 30, 2015	**1,650,011,250**	**-**	**(45,545,046)**	**1,604,466,204**
33.2 Ma'aden Rolling Company				
January 1, 2014	482,453,375	67,955,695	(2,147,089)	548,261,981
Share of net loss for the period	-	-	(1,335,475)	(1,335,475)
Payments to increase share capital during the period	-	85,185,220	-	85,185,220
Increase in non-controlling interest during the period	47,062,500	(47,062,500)	-	-
September 30, 2014	529,515,875	106,078,415	(3,482,564)	632,111,726
Share of net loss for the remainder of the year	-	-	(2,927,989)	(2,927,989)
Increase in non-controlling interest during the remainder of the year	85,185,220	(85,185,220)	-	-
December 31, 2014	614,701,095	20,893,195	(6,410,553)	629,183,737
Share of net loss for the period	-	-	(6,884,264)	(6,884,264)
September 30, 2015	**614,701,095**	**20,893,195**	**(13,294,817)**	**622,299,473**
33.3 Ma'aden Bauxite and Alumina Company				
January 1, 2014	952,544,972	46,475,776	(5,036,373)	993,984,375
Share of net loss for the period	-	-	(1,547,037)	(1,547,037)
Payments to increase share capital during the period	-	170,680,000	-	170,680,000
September 30, 2014	952,544,972	217,155,776	(6,583,410)	1,163,117,338
Share of net loss for the remainder of the year	-	-	(859,062)	(859,062)
Payments to increase share capital during the remainder of the year	-	88,719,597	-	88,719,597
Increase in non-controlling interest during the remainder of the year	170,680,000	(170,680,000)	-	-
December 31, 2014	1,123,224,972	135,195,373	(7,442,472)	1,250,977,873
Share of net loss for the period	-	-	(2,070,357)	(2,070,357)
Increase in non-controlling interest during the period	83,278,002	(83,278,002)	-	-
September 30, 2015	**1,206,502,974**	**51,917,371**	**(9,512,829)**	**1,248,907,516**

(All amounts in Saudi Riyals unless otherwise stated)

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33. Non-controlling interest (continued)

	Share capital	Payments to increase share capital	Net income / (loss) attributable to non-controlling interest	Total
33.4 Ma'aden Phosphate Company				
January 1, 2014	1,862,544,000	-	200,060,127	2,062,604,127
Share of net income for the period	-	-	259,105,120	259,105,120
September 30, 2014	1,862,544,000	-	459,165,247	2,321,709,247
Share of net income for the remainder of the year	-	-	110,847,979	110,847,979
December 31, 2014	1,862,544,000	-	570,013,226	2,432,557,226
Dividend paid during the period (Note 43.1)	-	-	(330,000,000)	(330,000,000)
Share of net income for the period	-	-	224,671,223	224,671,223
September 30, 2015	**1,862,544,000**	**-**	**464,684,449**	**2,327,228,449**
33.5 Ma'aden Wa'ad Al Shamal Phosphate Company				
January 27, 2014 – date of incorporation				
Share of net loss for the period	-	-	(1,746,248)	(1,746,248)
Issuance of non-controlling interest during the period	852,000,750	-	-	852,000,750
September 30, 2014	852,000,750	-	(1,746,248)	850,254,502
Share of net income for the remainder of the year	-	-	510,086	510,086
December 31, 2014	852,000,750	-	(1,236,162)	850,764,588
Share of net loss for the period	-	-	(1,779,522)	(1,779,522)
Issuance of non-controlling interest during the period	750,000,000	-	-	750,000,000
September 30, 2015	**1,602,000,750**	**-**	**(3,015,684)**	**1,598,985,066**
33.6 Summary total				
January 1, 2014	4,947,553,597	114,431,471	185,706,440	5,247,691,508
Share of net income for the period	-	-	255,233,171	255,233,171
Payments to increase share capital during the period (Note 43.1)	-	255,865,220	-	255,865,220
Increase in non-controlling interest during the period	899,063,250	(47,062,500)	-	852,000,750
September 30, 2014	5,846,616,847	323,234,191	440,939,611	6,610,790,649
Share of net income for the remainder of the year	-	-	124,054,952	124,054,952
Payments to increase share capital during the remainder of the year (Note 43.1)	-	88,719,597	-	88,719,597
Increase in non-controlling interest during the remainder of the year	255,865,220	(255,865,220)	-	-
December 31, 2014	6,102,482,067	156,088,568	564,994,563	6,823,565,198
Dividend paid during the period (Note 43.1)	-	-	(330,000,000)	(330,000,000)
Share of net income for the period	-	-	158,321,510	158,321,510
Increase in non-controlling interest during the period	833,278,002	(83,278,002)	-	750,000,000
September 30, 2015	**6,935,760,069**	**72,810,566**	**393,316,073**	**7,401,886,708**

(All amounts in Saudi Riyals unless otherwise stated)

34. Sales

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Phosphate segment					
Diammonium phosphate fertilizer	**1,087,340,410**	1,066,231,804	**3,333,258,615**	2,953,305,532	4,098,250,476
Ammonia	**205,857,414**	319,918,920	**514,636,944**	924,983,561	1,302,796,696
Low grade bauxite	**25,143,487**	29,186,420	**70,942,314**	75,611,044	99,531,392
Caustic calcined magnesia	**9,207,763**	13,581,732	**35,696,065**	39,051,166	49,855,257
Kaolin	**10,312,428**	5,345,819	**28,413,742**	19,597,634	26,793,657
Sub-total	**1,337,861,502**	1,434,264,695	**3,982,947,680**	4,012,548,937	5,577,227,478
Aluminum segment					
Since commencement of commercial production on September 1, 2014	**1,026,881,922**	663,635,020	**3,777,207,255**	663,635,020	2,376,424,767
Before commencement of commercial production	**-**	893,952,987	**-**	2,121,518,050	2,121,518,050
Sub-total	**1,026,881,922**	1,557,588,007	**3,777,207,255**	2,785,153,070	4,497,942,817
Precious and base metals segment					
Gold	**177,229,688**	159,997,741	**536,548,568**	515,639,148	715,132,467
Infrastructure					
Infrastructure revenue	**15,000**	15,000	**45,000**	260,996	1,580,125
Total	**2,541,988,112**	3,151,865,443	**8,296,748,503**	7,313,602,151	10,791,882,887
Gold sales analysis					
Quantity of gold ounces (Oz) sold	**42,860**	33,389	**122,863**	107,234	151,582
Average realized price per ounce (Oz) in:					
US$	**1,103**	1,278	**1,165**	1,282	1,258
Saudi Riyals (equivalent)	**4,135**	4,792	**4,367**	4,809	4,718

(All amounts in Saudi Riyals unless otherwise stated)

35. Cost of sales

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Salaries and staff related benefits	**192,794,705**	105,706,395	**578,379,565**	249,176,198	464,574,216
Contracted services	**100,174,061**	40,905,290	**296,029,952**	118,816,654	261,196,410
Repairs and maintenance	**13,526,521**	13,050,177	**41,269,970**	46,270,123	67,569,105
Consumables	**28,508,161**	42,186,943	**77,163,889**	99,522,639	110,504,633
Overheads	**45,722,040**	26,226,831	**273,347,998**	73,937,038	104,139,350
Raw material and utilities consumed	**1,140,362,199**	1,479,119,580	**3,573,877,119**	3,794,830,172	5,224,836,902
Provision for inventory loss	**-**	-	**-**	43,918,321	76,849,341
Reversal of inventory obsolescence (Note 10)	**-**	-	**-**	-	(1,046,546)
Deferred stripping expense (Note 16)	**5,697,193**	432,105	**23,468,175**	1,332,869	1,759,937
Severance fees (Note 24)	**5,591,126**	10,225,981	**13,048,027**	24,323,849	35,068,957
Sale of by-products (Note 35.1)	**(5,688,469)**	(8,332,709)	**(10,040,188)**	(30,515,585)	(32,611,346)
Total cash operating costs	**1,526,687,537**	1,709,520,593	**4,866,544,507**	4,421,612,278	6,312,840,959
Depreciation (Note 13)	**563,265,320**	358,802,239	**1,622,963,287**	916,217,861	1,496,498,745
Amortization (Note 17)	**8,616,943**	5,077,718	**25,783,706**	15,535,700	23,951,854
Total operating costs	**2,098,569,800**	2,073,400,550	**6,515,291,500**	5,353,365,839	7,833,291,558
(Increase) / decrease in inventory (Note 10)	**(80,420,334)**	141,825,444	**(123,965,325)**	(130,991,253)	(156,418,974)
Total	**2,018,149,466**	2,215,225,994	**6,391,326,175**	5,222,374,586	7,676,872,584

35.1 Sale of by-products comprise of the following commodities:

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Copper	**1,929,138**	1,284,839	**3,258,636**	10,517,516	15,327,002
Zinc	**3,038,440**	3,741,721	**5,435,463**	14,056,303	13,339,033
Silver	**720,891**	3,306,149	**1,346,089**	5,941,766	3,945,311
Total	**5,688,469**	8,332,709	**10,040,188**	30,515,585	32,611,346

(All amounts in Saudi Riyals unless otherwise stated)

36. Selling, marketing and logistic expenses

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Salaries and staff related benefits	**8,601,933**	7,413,363	**24,920,310**	18,617,959	26,271,024
Contracted services	**5,655,835**	2,537,160	**14,672,470**	2,798,437	32,367,085
Freight and overheads	**30,100,213**	17,440,970	**103,536,732**	30,582,529	112,966,692
Consumables	**26,998**	25,639	**76,339**	198,365	234,946
Deductibles	**29,823,891**	19,360,773	**79,345,489**	101,685,185	144,417,478
Marketing fees	**29,891,585**	35,170,410	**89,596,293**	97,001,134	132,489,189
Other selling expenses	**6,779,539**	8,381,078	**19,660,887**	20,049,935	24,388,953
Amortization (Note 17)	**7,279,838**	-	**21,839,508**	-	9,706,448
Total	**118,159,832**	90,329,393	**353,648,028**	270,933,544	482,841,815

37. General and administrative expenses

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Salaries and staff related benefits	**77,561,216**	71,140,878	**240,358,562**	205,936,731	278,692,388
Contracted services	**9,053,989**	30,118,395	**24,947,339**	55,392,667	87,922,295
Overheads and other	**9,707,737**	9,851,593	**26,790,285**	31,463,997	44,300,370
Consumables	**378,051**	317,760	**1,693,681**	2,200,071	3,618,949
Repair parts	**29,370**	184,129	**431,212**	451,448	945,459
Provision for doubtful debts	**-**	-	**3,200,000**	-	-
Depreciation (Note 13)	**7,957,160**	8,588,807	**25,049,661**	20,112,354	29,012,333
Amortization (Note 17)	**1,103,560**	161,034	**3,098,761**	467,031	649,444
Total	**105,791,083**	120,362,596	**325,569,501**	316,024,299	445,141,238

38. Exploration and technical services expenses

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Salaries and staff related benefits	**11,998,911**	14,102,638	**42,176,700**	40,994,859	61,667,647
Contracted services	**13,882,463**	14,249,408	**40,756,944**	66,438,157	88,945,684
Overheads and other	**1,155,056**	2,878,205	**4,101,231**	7,204,516	12,324,903
Consumables	**72,749**	333,491	**1,096,505**	1,951,679	3,407,632
Repair parts	**197,269**	381,222	**767,585**	626,743	631,471
Depreciation (Note 13)	**621,492**	320,315	**2,691,699**	992,395	1,275,877
Impairment of exploration and evaluation asset (Note 15)	**8,702,784**	-	**11,603,711**	-	21,306,251
Total	**36,630,724**	32,265,279	**103,194,375**	118,208,349	189,559,465

(All amounts in Saudi Riyals unless otherwise stated)

39. Income from short-term investments

	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Income received and accrued on short-term investments	**6,842,233**	2,304,613	**28,883,653**	7,614,547	10,563,669

40. Finance charges

	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Public Investment Fund	**30,111,849**	14,107,246	**87,643,572**	28,340,415	57,944,575
Saudi Riyal procurement	**37,622,963**	21,260,205	**113,741,262**	46,450,917	86,722,727
Al-Rajhi Bank	**6,821,043**	6,677,180	**19,825,264**	20,144,181	26,727,423
The Export Import Bank of Korea	**2,955,986**	2,873,018	**8,258,290**	8,866,590	11,739,610
Korea Export Insurance Corporation	**1,559,635**	1,337,157	**4,312,157**	4,676,843	6,194,535
Commercial	**8,937,491**	4,643,583	**26,451,720**	11,859,319	20,512,072
US Dollar procurement	**5,689,853**	1,841,328	**16,715,693**	1,841,328	7,404,592
Wakala	**5,586,119**	2,291,704	**16,983,802**	2,291,704	9,370,520
Saudi Industrial Development Fund	**143,750**	1,458,000	**4,810,417**	7,290,000	8,748,000
Riyal Murabaha Facility	**2,468,594**	-	**7,539,219**	-	3,474,935
Revolving Credit Facility	**7,663,531**	18,236,650	**28,473,895**	42,528,338	62,238,584
Others	**1,415,001**	-	**4,244,801**	-	1,892,000
Accretion of provision for mine closure and reclamation (Note 27.2)	**288,632**	-	**1,101,979**	-	568,400
Total	**111,264,447**	74,726,071	**340,102,071**	174,289,635	303,537,973

40.1 Summary of borrowing cost

	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Expensed during the quarter / period / year (Note 40)	**111,264,447**	74,726,071	**340,102,071**	174,289,635	302,969,573
Capitalized as part of qualifying assets in capital work-in-progress during the quarter / period / year (Note 14)	**72,335,914**	30,141,976	**285,249,791**	218,087,876	483,398,891
Total	**183,600,361**	104,868,047	**625,351,862**	392,377,511	786,368,464

(All amounts in Saudi Riyals unless otherwise stated)

41. Other income, net

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Other income / (expenses), net	**(11,348,523)**	108,694	**33,911,760**	46,523,887	101,534,028

42. Earnings per ordinary share

	Quarter ended		Nine months ended		Year ended
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014	December 31, 2014
Net income attributable to the shareholders of the parent company for the quarter / period / year	**79,912,419**	485,408,729	**610,849,581**	981,383,939	1,357,341,201
Weighted average number of ordinary shares in issue during the quarter / period / year (Note 30)	**1,168,478,261**	970,791,589	**1,168,478,261**	970,791,589	986,920,191
Basic and diluted earnings per ordinary share from continuing operations	**0.07**	0.50	**0.52**	1.01	1.38

Basic earnings per ordinary share is calculated by dividing the income attributable to the shareholders of the parent company by the weighted average number of ordinary shares in issue during the quarter / period / year.

43. Related party transactions and balances

43.1 Related party transactions

Transactions with related parties carried out during the period / year under review, in the normal course of business, is summarized below:

	September 30, 2015	September 30, 2014	December 31, 2014
Sales through SABIC during the period / year	**2,219,824,579**	2,464,934,713	3,364,576,725
Sales to Alcoa Inc. during the period / year	**874,157,411**	748,931,653	1,093,112,211
Cost of seconded employees, technology fee and other cost paid to Alcoa Inc. during the period / year	**296,662,403**	464,842,386	512,888,556
Raw material feedstock purchased from Alcoa Australia	**597,946,117**	1,210,841,423	1,729,072,713
Dividend paid to SABIC during the period / year (Note 33.4 and 33.6)	**330,000,000**	-	-
Payments to increase share capital received from Alcoa Inc. (Note 33.6)	-	255,865,220	344,584,817
Long-term loan to MBCC (Note 20)	-	-	626,197,939

(All amounts in Saudi Riyals unless otherwise stated)

43 Related party transactions and balances (continued)

43.2 Related party balances

	September 30, 2015	September 30, 2014	December 31, 2014
Amount due from / (to) related parties arising from transaction with related parties are as follows:			
Receivables from related parties			
Current portion:			
Due from Alcoa Inc. (Note 9)	**90,079,833**	804,606	-
Due from SABIC (Note 9)	**407,203,289**	320,878,691	426,937,770
Due from SAMAPCO (Note 9)	**47,998,419**	47,998,419	47,998,419
Due from Saudi Mining Polytechnic (Note 9)	**3,349,555**	5,444,589	4,813,789
Sub-total	**548,631,096**	375,126,305	479,749,978
Non-current portion:			
Due from MBCC (Note 20)	**626,197,939**	-	626,197,939
Total	**1,174,829,035**	375,126,305	1,105,947,917
Payable to related party			
Current portion:			
Accrued expenses – Alcoa Inc. (Note 22)	**103,719,327**	119,165,586	103,982,687
Payments to increase share capital received from Alcoa Inc. (Note 33.6)	**72,810,566**	323,234,191	156,088,568
Sub-total	**176,529,893**	442,399,777	260,071,255
Non-current portion:			
Due to Alcoa Inc. (Note 29)	**297,879,613**	209,872,738	241,875,238
Due to Mosaic (Note 29)	**-**	203,295,864	203,949,242
Due to SABIC (Note 29)	**-**	121,977,519	112,489,397
Sub-total	**297,879,613**	535,146,121	558,313,877
Total	**474,409,506**	977,545,898	818,385,132
Long-term borrowings from PIF, a 50% shareholder in Ma'aden			
Due to PIF for the financing of the :			
MPC facility (Note 28.2)	**2,835,200,887**	3,168,000,990	3,001,600,938
MAC facility (Note 28.2)	**4,675,125,000**	4,875,000,000	4,775,062,500
MRC facility (Note 28.2)	**3,078,750,000**	2,938,383,972	2,938,383,972
MBAC facility (Note 28.2)	**3,750,000,000**	3,220,542,984	3,220,543,013
MWASPC facility (Note 28.2)	**3,881,833,712**	565,123,969	2,149,327,518
Total	**18,220,909,599**	14,767,051,915	16,084,917,941

(All amounts in Saudi Riyals unless otherwise stated)

44. Operating leases

	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014	Year ended December 31, 2014
Payments under operating leases recognized as an expense during the quarter / period / year	**2,111,550**	952,409	**6,317,880**	10,829,092	15,048,473

Future minimum operating lease commitments due under these operating leases are as follows:

	September 30, 2015	September 30, 2014	December 31, 2014
2014	**-**	5,795,696	-
2015	**3,241,356**	6,738,856	8,428,856
2016	**8,048,856**	6,738,856	8,428,856
2017	**8,048,856**	6,738,856	7,206,356
2018	**8,048,856**	6,738,856	3,718,856
2019 through 2041	**42,798,418**	37,598,418	51,936,432
Total	**70,186,342**	70,349,538	79,719,356

Operating lease payments represent mainly rentals payable by the Group for mining lease areas. Leases are negotiated for an average term of 15 to 30 years.

45. Commitments and contingent liabilities

	September 30, 2015	September 30, 2014	December 31, 2014
Capital expenditures:			
Contracted for	**12,476,547,533**	15,072,487,017	12,717,132,437
Guarantees:			
Guarantees in favor of Saudi Aramco, for future diesel and gas feedstock supplies	**276,293,968**	220,962,362	276,293,968
Guarantees for the development of aluminum project*	**-**	225,000,000	225,000,000
Guarantee in favor of Saudi Port	**16,071,229**	-	6,671,580
Others	**157,080**	157,080	157,080
Total	**292,365,197**	446,119,442	508,122,628

*Ma'aden has received a back-to-back letter of credit, for the development of the aluminum project, from Alcoa for their proportionate share of 25.1% in aluminum companies, of the total amount of letter of credits submitted by Ma'aden to the Government.

Ma'aden has also provided guarantees to SIDF for making financing facilities available to:

- MAC, MRC and MBAC to the extent of its shareholding of 74.9% (Note 28.1 and 28.2), and
- MPC to the extent of its shareholding of 70% (Note 28.1 and 28.2).

45. Commitments and contingent liabilities (continued)

Contingent liabilities

The Group has contingent liabilities with respect to certain disputed matters, including claims by and against contractors and lawsuits and arbitrations involving a variety of issues. These contingent liabilities arise out of the ordinary course of business. It is not anticipated that any material liabilities will be incurred as a result of these contingent liabilities. There are no material environmental obligations or decommissioning liabilities.

46. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value risk, commission rate risk and commodity price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

46.1. Currency risk

Is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group transactions are principally in Saudi Riyals, Euros and US Dollars. Management monitors the fluctuations in currency exchange rates and believes that the currency risk is not significant.

46.2. Fair value risk

Is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. As the Group's financial instruments are compiled under the historical cost convention, differences can arise between the book values and fair value estimates. Management believes that the fair values of the Group's financial assets and liabilities are not materially different from their carrying values.

46.3. Commission rate risk

Is the exposure to various risks associated with the effect of fluctuations in the prevailing commission rates on the Group's interim financial position and cash flows. The Group's commission rate risks arise mainly from its short-term investments and long term-borrowings, which are at floating rate of commission and are subject to re-pricing on a regular basis. The Group monitors the fluctuations in commission rate.

Based on the Groups net debt outstanding as at September 30, 2015, the effect on net earnings of a 1% movement in the US Dollar LIBOR commission rate would be SAR 385 million (September 30, 2014: SAR 357 million and December 31, 2014: SAR 399 million). These balances will not remain consistent throughout 2015.

46.4. Commodity price risk

Gold is priced in an active market in which prices respond to daily changes in quantities. The Group's normal policy is to sell its products at prevailing market prices. The Group does not generally believe commodity price hedging would provide long-term benefit to the shareholders.

46.5. Credit risk

Is the risk that one party will fail to discharge an obligation and cause the other party to incur a financial loss. The Group is exposed to credit risk from its operating activities (pertaining to trade receivables mainly). However, the cash collection is made at time of sales delivery and from its financing activities, including deposits with banks and financial institutions. Credit limits are established for all customers based on internal rating criteria. Outstanding trade receivables are regularly monitored and any credit concerns highlighted to senior management. Cash and short-term investments are substantially placed with commercial banks with sound credit ratings.

The Group currently has two major customers which account for sales of approximately SAR 537 million, representing 6% of the Group's sales for the period ended September 30, 2015 (September 30, 2014: SAR 516 million representing 7% of the Group's sales and December 31, 2014: SAR 715 million representing 7% of Group's sales from two major customers). Trade receivables are carried net of allowance for doubtful debts, if needed.

46.6. Liquidity risk

Is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

47. Events after the reporting date

On October 8, 2015, Ma'aden announced the commissioning of trial production at Ad Duwayhi mine of its subsidiary MGBM and the commissioning of commercial production is expected to be in the first quarter of 2016.

Other than the above mentioned, no events have arisen subsequent to September 30, 2015 and before the date of signing of the external auditor's review report, that could have a significant effect on the consolidated interim financial statements as at September 30, 2015.

48. Comparative figures

Certain comparative figures of the previous period / quarter / year have been reclassified, wherever necessary, to conform with the current period's / quarter's presentation. Such reclassifications did not affect either the net worth or the net income of the Group for the previous period / quarter / year.

49. Contingent assets held and liabilities incurred under fiduciary administration

On January 6, 2013 MIC, a wholly owned subsidiary of Ma'aden, received an amount of USD 140 million (in a fiduciary capacity) from the Ministry of Finance of the Kingdom of Saudi Arabia, in accordance with the Council of Ministers' Resolution No 87, dated 28 Rabi ul Awal 1433H (corresponding to February 20, 2012), for the purpose of establishing an industrial city in the Northern Borders Province, by the name of "Waad Al-Shamal City for Mining Industries". The aggregate amount represents part payment of the following two amounts approved by the Council of Ministers:

- USD 500 million for the design and construction of the basic infrastructure and required utilities of the industrial city, and
- USD 200 million for the design and construction of the housing and required social facilities for the proposed industrial city.

An additional amount of USD 250 million has been received during the year ended December 31, 2014 and these amounts have been deposited in a separate bank account and does not form part of MIC's available cash resources and has been accounted for in its own standalone accounting records and has not been integrated with MIC's accounting records. Therefore the total amount received from the USD 700 million approved by the Council of Ministers, equals USD 390 million, with the remaining balance still to be received of USD 310 million. The amounts can only be utilized for the designated purpose in accordance with the Council of Ministers Resolution and replenished based on the presentation of supporting documents for the expenditures incurred, in accordance with the applicable Governments Regulations. Total net assets of the project as of September 30, 2015 amounted to SAR 1,462,500,000 (September 30, 2014: SAR 525,000,000 and December 31, 2014: SAR 1,462,500,000).

(All amounts in Saudi Riyals unless otherwise stated)

50. Detailed information about the subsidiaries and jointly controlled entities

Subsidiary	Nature of business	Issued and paid-up share capital			Effective group interest %			Cost of investment by parent company		
		Sep 30, 2015	Sep 30, 2014	Dec 31, 2014	Sep 30, 2015	Sep 30, 2014	Dec 31, 2014	Sep 30, 2015	Sep 30, 2014	Dec 31, 2014
Ma'aden Gold and Base Metals Company ("MGBM")	Gold mining	**867,000,000**	300,000,000	867,000,000	**100**	100	100	**867,000,000**	300,000,000	867,000,000
Ma'aden Infrastructure Company ("MIC")	Manage and develop infrastructure projects	**500,000**	500,000	500,000	**100**	100	100	**500,000**	500,000	500,000
Industrial Minerals Company ("IMC")	Kaolin, low grade bauxite and magnesite mining	**344,855,200**	344,855,200	344,855,200	**100**	100	100	**344,855,200**	344,855,200	344,855,200
Ma'aden Aluminum Company ("MAC")	Aluminum ingots, t-bars, slabs and billets	**6,573,750,000**	6,573,750,000	6,573,750,000	**74.9**	74.9	74.9	**4,923,738,750**	4,923,738,750	4,923,738,750
Ma'aden Rolling Company ("MRC")	Aluminum sheets for can body and lids	**2,449,008,348**	2,109,625,000	2,449,008,348	**74.9**	74.9	74.9	**1,834,307,253**	1,580,109,125	1,834,307,253
Ma'aden Bauxite and Alumina Company ("MBAC")	Bauxite mining and refining	**4,806,784,758**	3,794,999,888	4,474,999,888	**74.9**	74.9	74.9	**3,600,281,784**	2,842,454,916	3,351,774,916
Ma'aden Phosphate Company ("MPC")	Phosphate mining and fertilizer producer	**6,208,480,000**	6,208,480,000	6,208,480,000	**70**	70	70	**4,345,936,000**	4,345,936,000	4,345,936,000
Ma'aden Wa'ad Al Shamal Phosphate Company ("MWASPC")	Phosphate mining and fertilizer producer	**4,005,001,875**	1,501,875	2,130,001,875	**60**	60	60	**2,403,001,125**	901,125	1,278,001,125
								18,319,620,112	14,338,495,116	16,946,113,244
Jointly controlled entities										
Sahara and Ma'aden Petrochemical Company ("SAMAPCO")	Production of concentrated caustic soda and ethylene dichloride	**900,000,000**	900,000,000	900,000,000	**50**	50	50	**450,000,000**	450,000,000	450,000,000
Ma'aden Barrick Copper Company ("MBCC")	Production of copper, silver, zinc, nickel, gold, lead, sulphur and cobalt	**10,000,000**	-	10,000,000	**50**	-	50	**5,000,000**	-	5,000,000

All the subsidiaries and jointly controlled entities listed above are incorporated in the Kingdom of Saudi Arabia.