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

Consolidated interim financial statements
for the quarter ended March 31, 2012 (Unaudited)

Commercial registration number	1010164391	
Directors	Engr. Abdallah Bin Saif Al-Saif	Chairman
	H.E. Soliman Bin Saad Al-Hamyyd	
	H.E. Mohammed Bin Abdullah Al-Kharashi	
	Dr. Ziad Bin Abdulrahman Al-Sudairy	
	Mr. Sultan Bin Jamal Shawli	
	Engr. Khalid Al Mudaifer	
	Mr. Mansour Bin Saleh Al-Maiman	
	Engr. Khalid Bin Hamad Al-Senani	
	Mr. Abdulaziz bin Abdullah 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	
Bankers	The Saudi British Bank (SABB)	
Auditors	PricewaterhouseCoopers Kingdom Tower, 21st Floor King Fahad Road P.O. Box 8282 Riyadh 11482 Kingdom of Saudi Arabia	

Statement of Directors' responsibilities for the preparation and approval of the consolidated interim financial statements for the quarter ended March 31, 2012

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 distinguishing the responsibilities of the management and those of the independent auditors in relation to the consolidated interim financial statements of Saudi Arabian Mining Company (Ma'aden) and its subsidiaries ("the Group")

The management is responsible for the preparation of the consolidated interim financial statements that present fairly the consolidated financial position of the Group as at March 31, 2012, the results of its operations, changes in shareholders' equity and cash flows for the quarter 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 ended March 31, 2012 set out on pages 5 to 44, were approved and authorized for issue by the Board of Directors on April 16, 2012 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

April 16, 2012
Riyadh
Kingdom of Saudi Arabia

Independent auditor's review report to the shareholders of
Saudi Arabian Mining Company (Ma'aden)
(A Saudi Arabian joint stock company)

<u>Scope of review</u>

We have reviewed the accompanying consolidated interim statement of financial position of Saudi Arabian Mining Company ("Ma'aden" or the "Company") and its subsidiaries (collectively referred to as the "Group") as of March 31, 2012 and the related consolidated interim statements of income, changes in shareholders' equity and cash flows for the quarter then ended, and the notes from 1 to 40 which form an integral part of these consolidated interim financial statements. These consolidated interim financial statements are the responsibility of the Group's management.

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

<u>Conclusion</u>

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

PricewaterhouseCoopers

By: ___________________
Omar M. Al Sagga
License Number 369

April 16, 2012
Riyadh
Kingdom of Saudi Arabia

Consolidated interim statement of financial position as at March 31, 2012 (Unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

	Notes	March 31, 2012	March 31, 2011	December 31, 2011
Assets				
Current assets				
Cash and cash equivalents	7	**4,513,904,201**	3,704,150,298	5,044,478,181
Short-term investments	8	**4,975,178,565**	6,224,075,343	6,181,085,507
Trade and other receivables	9	**448,537,997**	111,348,280	481,514,210
Inventories	10	**710,446,673**	375,152,499	561,796,672
Advances and pre-payments	11	**353,470,647**	517,371,703	324,351,658
Due from Government	12	**-**	61,045,987	-
		11,001,538,083	10,993,144,110	12,593,226,228
Non-current assets				
Advances and prepayments	11	**433,287,947**	52,650,000	341,645,866
Investment in jointly controlled entity	13	**448,234,600**	-	448,154,100
Property, plant and equipment	14	**19,252,008,350**	200,050,459	7,450,689,814
Pre-operating expenses and deferred charges	15	**614,875,971**	330,488,277	500,125,224
Capital work-in-progress	16	**12,435,243,198**	23,508,518,813	22,239,884,168
		33,183,650,066	24,091,707,549	30,980,499,172
Total assets		**44,185,188,149**	35,084,851,659	43,573,725,400
Liabilities				
Current liabilities				
Projects and other payables	17	**1,388,879,879**	1,041,226,903	1,332,495,045
Accrued expenses	18	**1,328,385,511**	990,895,106	1,503,425,929
Zakat payable	19.2	**161,767,159**	212,858,549	141,108,124
Severance fees payable	20	**118,088,641**	70,175,769	83,433,989
Current portion of long-term borrowings	23.2	**762,383,304**	-	762,383,304
		3,759,504,494	2,315,156,327	3,822,846,391
Non-current liabilities				
Projects and other payables	17	**332,600,734**	-	821,488,065
Provision for mine closure and reclamation	21	**89,468,052**	90,923,831	90,884,799
Employee benefits	22	**139,526,548**	113,541,679	139,515,024
Long-term borrowings	23.2	**18,849,633,763**	13,522,824,842	18,815,478,234
		19,411,229,097	13,727,290,352	19,867,366,122
Total liabilities		**23,170,733,591**	16,042,446,679	23,690,212,513
Shareholders' equity				
Share capital	24	**9,250,000,000**	9,250,000,000	9,250,000,000
Statutory reserve				
Share premium	25	**5,250,000,000**	5,250,000,000	5,250,000,000
Transfer of net income	26	**284,327,877**	242,996,397	284,327,877
Retained earnings		**2,448,160,084**	1,873,855,672	2,202,108,620
Equity attributable to shareholders' of the parent company		**17,232,487,961**	16,616,852,069	16,986,436,497
Non-controlling interest	27	**3,781,966,597**	2,425,552,911	2,897,076,390
Total equity		**21,014,454,558**	19,042,404,980	19,883,512,887
Total liabilities and equity		**44,185,188,149**	35,084,851,659	43,573,725,400
Commitments and contingent liabilities	36			

SAUDI ARABIAN MINING COMPANY (MA'ADEN)
(A Saudi Arabian joint stock company)
Consolidated interim statement of income for the quarter ended March 31, 2012 (Unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

	Notes	Quarter ended March 31, 2012	March 31, 2011	Year ended December 31, 2011
Sales	28	**938,207,181**	205,161,925	1,514,387,952
Cost of sales	29	**(479,804,841)**	(77,318,278)	(481,781,913)
Gross profit		**458,402,340**	127,843,647	1,032,606,039
Operating expenses				
General and administrative expenses	30	**(69,937,349)**	(62,991,688)	(235,455,326)
Exploration expenses	31	**(22,770,353)**	(21,756,747)	(116,056,918)
Technical services expenses		**(3,879,798)**	(6,175,245)	(14,188,139)
Operating income		**361,814,840**	36,919,967	666,905,656
Other (expenses) / income				
Share in net income / (loss) of jointly controlled entity	13	**80,500**	-	(1,845,900)
Provision for severance fees	20	**(35,324,307)**	(16,237,724)	(85,032,887)
Income from short-term investments	32	**14,709,576**	29,074,588	75,155,805
Financial charges		**(34,849,970)**	-	(11,369,399)
Other income / (expenses)		**8,020,294**	(1,241,966)	13,813,569
Income before zakat		**314,450,933**	48,514,865	657,626,844
Provision for zakat	19.2	**(20,659,035)**	(5,516,368)	(119,547,535)
Net income for the quarter / year		**293,791,898**	42,998,497	538,079,309
Net income attributable to:				
Shareholders' of the parent company	6	**246,051,464**	43,730,376	413,314,804
Non-controlling interest's share of quarter's / year's net income / (loss) in a subsidiary company	27	**47,740,434**	(731,879)	124,764,505
		293,791,898	42,998,497	538,079,309
Earnings per ordinary share (Saudi Riyals)				
Operating income per share		**0.39**	0.04	0.72
Basic and diluted earnings per share from continuing operations	33	**0.27**	0.05	0.45

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	Equity attributable to shareholders of the parent company						
			Statutory reserve					
		Share capital	Share premium	Transfer of net income	Retained earnings	Total	Non-controlling interest	Total
January 1, 2011		9,250,000,000	5,250,000,000	242,996,397	1,830,125,296	16,573,121,693	2,134,410,194	18,707,531,887
Net income for the quarter		-	-	-	43,730,376	43,730,376	(731,879)	42,998,497
Increase in non-controlling interest	27	-	-	-	-	-	291,874,596	291,874,596
March 31, 2011		9,250,000,000	5,250,000,000	242,996,397	1,873,855,672	16,616,852,069	2,425,552,911	19,042,404,980
Net income for the remainder of the year		-	-	-	369,584,428	369,584,428	125,496,384	495,080,812
Net income transferred to statutory reserve	26	-	-	41,331,480	(41,331,480)	-	-	-
Increase in non-controlling interest		-	-	-	-	-	346,027,095	346,027,095
December 31, 2011		9,250,000,000	5,250,000,000	284,327,877	2,202,108,620	16,986,436,497	2,897,076,390	19,883,512,887
Net income for the quarter		-	-	-	246,051,464	246,051,464	47,740,434	293,791,898
Increase in non-controlling interest	27	-	-	-	-	-	837,149,773	837,149,773
March 31, 2012		**9,250,000,000**	**5,250,000,000**	**284,327,877**	**2,448,160,084**	**17,232,487,961**	**3,781,966,597**	**21,014,454,558**

Consolidated interim statement of cash flows for the quarter ended March 31, 2012 (Unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

	Notes	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Operating activities				
Income before zakat		**314,450,933**	48,514,865	657,626,844
Adjustments for non-cash flow items:				
(Reversal) / increase of allowance for inventory obsolescence	10	**-**	(2,985,832)	(4,222,018)
Share in net (income) / loss of jointly controlled entity	13	**(80,500)**	-	1,845,900
Depreciation	14	**244,460,390**	16,413,989	174,150,305
Adjustment / written-off property, plant and equipment	14	**73,954**	-	8,973,299
Amortization of pre-operating expenses and deferred charges (mine closure)	15	**4,461,938**	4,787,681	20,157,539
Provision for severance fees	20	**35,324,307**	16,237,724	85,032,887
Provision for employee termination benefits	22.1	**7,961,319**	7,041,419	35,231,278
Contribution of employees' for savings plan	22.2	**2,294,448**	1,771,951	8,451,955
Income from short term investments	32	**(14,709,576)**	(29,074,588)	(75,155,805)
Changes in working capital:				
Trade and other receivables	9	**32,976,213**	(81,385,285)	(451,551,215)
Inventories	10	**(147,842,065)**	(68,255,403)	(253,663,390)
Advances and prepayments	11	**(120,761,070)**	(156,624,833)	(252,600,654)
Due from Government	12	**-**	-	61,045,987
Projects and other payables – Trade	17	**(74,880,308)**	(48,592,668)	232,707,795
Accrued expenses – Trade	18	**188,692,664**	(14,609,216)	19,286,175
Zakat paid	19.2	**-**	-	(185,781,592)
Severance fee paid	20	**(669,655)**	(516,235)	(56,053,178)
Provision for mine closure and reclamation paid	21	**(1,416,747)**	-	(539,032)
Employee termination benefits paid	22.1	**(7,728,858)**	(3,999,989)	(10,027,788)
Employees' savings plan withdrawal	22.2	**(2,515,385)**	(616,005)	(3,484,725)
Net cash generated from / (utilized in) operating activities		**460,092,002**	(311,892,425)	11,430,567
Investing activities				
Income received from short-term investments		**10,431,902**	27,349,058	99,361,855
Short-term investments	8	**1,210,184,616**	2,561,625,000	2,578,683,256
Investment in jointly controlled entity	13	**-**	-	(181,730,185)
Additions to pre-operating expenses and deferred charges	15	**(142,550,644)**	(36,436,249)	(277,516,590)
Additions to capital work-in-progress / property, plant and equipment	16	**(2,218,681,887)**	(1,821,409,494)	(8,181,820,098)
Projects and other payables – Projects	17	**(357,622,189)**	326,335,864	1,157,791,609
Accrued expenses – Projects	18	**(363,733,082)**	(261,186,935)	217,448,497
Net cash (utilized in) / generated from investing activities		**(1,861,971,284)**	796,277,244	(4,587,781,656)
Financing activities				
Proceeds from long-term borrowings received	23.2	**34,155,529**	5,737,503	6,060,774,199
Changes in non-controlling interest	27	**837,149,773**	291,874,596	637,901,691
Net cash generated from financing activities		**871,305,302**	297,612,099	6,698,675,890

(All amounts in Saudi Riyals unless otherwise stated)

Continued

	Notes	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Net change in cash and cash equivalents		**(530,573,980)**	781,996,918	2,122,324,801
Cash and cash equivalents at beginning of the quarter / year		**5,044,478,181**	2,922,153,380	2,922,153,380
Cash and cash equivalents at end of the quarter / year	7	**4,513,904,201**	3,704,150,298	5,044,478,181
Non-cash flow transactions				
Transfer from pre-operating expenses and deferred charges to investment in jointly controlled entity	13,15	**-**	-	31,939,887
Transfer from capital work-in-progress to investment in jointly controlled entity	13,16	**-**	-	236,329,928
Transfer from pre-operating expenses and deferred charges to property, plant and equipment	14,15	**-**	-	24,133,649
Depreciation capitalized in capital work-in-progress	14, 16	**-**	-	27,161,818
Transfer from capital work-in-progress to property, plant and equipment	14,16	**12,045,852,880**	3,878,004	7,418,903,021
Provision for mine closure charged to property, plant and equipment	14, 21	**-**	-	500,000
Transfer from pre-operating expenses and deferred charges to inventory	15,10	**807,936**	-	-
Transfer from pre-operating expenses and deferred charges to capital work-in-progress	15,16	**22,530,023**	-	-

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 share capital of SR 9,250,000,000 (Nine billion and two hundred fifty million Saudi Riyals) divided into 925,000,000 (Nine hundred and twenty five million) ordinary shares with a nominal value of SR 10 each.

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, Al Jalamid, Az Zabirah and Al Zarghat mines. Currently the Group mainly mines gold, phosphate rock, low-grade bauxite, kaolin and magnesite.

The Group's major projects are Al-Khabra phosphate and aluminum and these are principally in the development stage.

The objective of the phosphate project is to exploit the Al Jalamid phosphate deposits in the Kingdom of Saudi Arabia and to manufacture diammonium phosphate ("DAP"), monoammonium phosphate ("MAP"), fertilizer products and ammonia. The capital cost of the project is estimated to be SR 19.6 billion.

The Group is proceeding with the development of another phosphate project, known as the Umm Wu'al phosphate project located at the Government announced "Northern Promise Industrial Mineral City", in the Northern Region, near the city of Turayf in the Kingdom of Saudi Arabia. This project is based on the exploitation of the Al-Khabra phosphate deposits owned by Ma'aden, the utilization of captive national resources such as groundwater and sulfur, and is taking advantage of the existence of a railway infrastructure, linking the Northern Region to Ras Al Khair in the Eastern Province to have access to the port facilities at the Arabian Gulf. Ma'aden has completed the pre-feasibility study of the project and it is proceeding to the feasibility and basic engineering stage. The ramp-up production of the project is expected to commence during the last quarter of 2016.

The objective of the aluminum project is to develop the bauxite mine, the alumina refinery, smelter and rolling mill as well as a power plant for the production of aluminum and related products in the Kingdom of Saudi Arabia. In December 2009, the Company entered into an agreement with Alcoa Inc. Incorporated, ("Alcoa Inc.") for the development of the aluminum project. The Company has a 74.9% interest in the aluminum project and Alcoa Inc. has a 25.1% interest. The total cost of the project is estimated to be SR 40.5 billion. Alcoa Inc. also agreed to reimburse the Company for 25.1% of the aluminum project's costs incurred by the Company before Alcoa Inc.'s participation. As of December 31, 2011, an amount of SR 212 million has been received as a final settlement from Alcoa Inc. in respect of its agreed portion of the aluminum project's costs.

On February 14, 2012 the Board approved a plan developed by Ma'aden in collaboration with their joint venture partner Alcoa Inc. 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. The project is expected to commence commercial production during the last quarter of 2014.

(All amounts in Saudi Riyals unless otherwise stated)

2. Group structure

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

Subsidiary	Type of company	Effective ownership as at March 31, 2012	2011
Ma'aden Gold and Base Metals Company ("MGBM")	Limited liability company	**100%**	100%
Ma'aden Phosphate Company ("MPC")	Limited liability company	**70%**	70%
Ma'aden Infrastructure Company ("MIC")	Limited liability company	**100%**	100%
Ma'aden Industrial Minerals Company ("MIMC")	Limited liability company	**100%**	100%
Ma'aden Aluminum Company ("MAC")	Limited liability company	**74.9%**	74.9%
Ma'aden Rolling Company ("MRC")	Limited liability company	**74.9%**	74.9%
Ma'aden Bauxite and Alumina Company ("MBAC")	Limited liability company	**74.9%**	74.9%
Jointly controlled entity			
Sahara and Ma'aden Petrochemical Company ("SAMAPCO")	Limited liability company	**50%**	-

MGBM was incorporated on August 9, 1989, which was then managed by Petromin and thereafter its assets were transferred to Ma'aden as a part of its capital. MGBM's activities are mainly related to:

- the exploration and mining of gold and associated minerals existing within their 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, railroads, highways, pipelines, refineries, treatment plants, communication systems, power plants and other facilities necessary or suitable for the purposes of the lease.

MPC was incorporated on January 1, 2008 to be a phosphate fertilizer producer. Saudi Basic Industries Corporation ("SABIC") holds a 30% interest in MPC, and it is accounted for as a non-controlling interest in these consolidated interim financial statements. The project aims to exploit a phosphate deposit located at the Al Jalamid site and utilize local natural gas and sulphur resources to manufacture Diammonium Phosphate (DAP). Processing facilities at Ras Al-Khair, have been designed with the flexibility to also produce Monoammonium Phosphate (MAP), should production of MAP be considered more economically viable in the future. DAP produced is sold primarily to the international markets. It produces ammonia as a raw material feed stock for the production of the fertilizers and any excess ammonia is exported or sold domestically. The commercial operation of the Ammonia plant was declared on October 1, 2011 whilst all the other plants were declared commercially operational on February 1, 2012. The entire phosphate project related to the Al Jalamid deposit and Ras Al-Khair is now fully in commercial operation.

MIC was incorporated on August 17, 2008 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.

MIMC was incorporated on March 31, 2009 to manage the industrial minerals sector of the Group. Its activities are mainly related to:

- exploit the industrial minerals existing within the 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, railroads, highways, pipelines, refineries, treatment plants, communication systems, power plants and other facilities necessary or suitable for the purposes of the lease.

MAC was incorporated on October 10, 2010 and is currently in the development stage. Its activities are mainly related to the production of aluminum ingots, t-bars, slabs and billets. Alcoa Inc., through its subsidiary Alcoa Smelting Inversiones S.L Company ("ASC") holds a 25.1% interest in MAC, which is accounted for as a non-controlling interest in these consolidated interim financial statements. MAC is a company incorporated in Saudi Arabia and is a subsidiary of Ma'aden.

MRC was incorporated on October 10, 2010 and is currently in the development stage. Its activities are mainly related to the production of aluminum sheets for can body and lids. Alcoa Inc., through its subsidiary Alcoa Saudi Rolling Inversiones S.L Company ("ARC") holds a 25.1% interest in MRC, which is accounted for as non-controlling interest in these consolidated interim financial statements. MRC is a company incorporated in Saudi Arabia and is a subsidiary of Ma'aden.

MBAC was incorporated on January 22, 2011 and is currently in the development stage. Its activities are mainly related to the mining and refining of bauxite and the production of alumina. Alcoa Inc., through its subsidiary AWA Saudi Limited holds a 25.1% interest in MBAC, which is accounted for as a non-controlling interest in these consolidated interim financial statements. MBAC is a company incorporated in Saudi Arabia and is a subsidiary of Ma'aden.

SAMAPCO was incorporated on August 14, 2011 and is currently in the development phase. Its activities are mainly related to the production of concentrated caustic soda, chlorine and ethylene dichloride with a primary objective to supply the production of concentrated caustic soda to the alumina refinery at MBAC and market the excess in the wholesale and retail industry. The project is a 50:50% joint venture between Ma'aden and Sahara Petrochemicals, which is accounted for as an investment in a jointly controlled entity under the equity method of accounting in these consolidated interim financial statements. SAMAPCO is a company incorporated in Saudi Arabia and is a jointly controlled entity of Ma'aden.

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

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

These consolidated interim financial statements are presented in Saudi Riyals 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 periods presented, except for the change in accounting policies mentioned in note 4.8 and 4.17.

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 purchase 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, plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Goodwill arising from acquisition of subsidiaries is reported under "intangible assets" in the accompanying consolidated interim 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 transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Jointly controlled entity

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 a jointly controlled entity 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 interim 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 interim statement of income.

4.3 Cash and cash equivalents

Cash and cash equivalents balance includes cash on hand, cash in banks and time deposits with an original maturity of three months or less at the date of acquisition.

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 interim 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 interim statement of income.

4.6 Inventories

Refined metals

Refined metals are measured at the lower of net cost of production or net realizable value. The net 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
- production overheads.

Work-in-process

The cost of work-in-process is determined using weighted average basis.

(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 it 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 due to economic viability, it is valued at the lower of net cost of production or net realizable value. Quantities of stockpiles and work-in-process are assessed primarily through surveys and assays.

Stores and materials

Stores and spares 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 amounts reported in the consolidated interim 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 stated at the historical cost less accumulated depreciation. Depreciation is provided over the shorter of estimated economic useful lives of the applicable assets or the estimated life-of-mine using the straight-line method. The estimated useful lives of the principal classes of assets are as follows:

	Number of years
• Buildings	9 – 33
• Heavy equipment	5 – 20
• Fixed plant and heap leach facilities	4 – 20
• Other equipment	4 – 20
• Office equipment	4 – 10
• Furniture and fixtures	4 – 10
• Mobile and workshop equipment	10
• Mining assets	2 - 8
• Laboratory and safety equipment	5
• Computer equipment	5
• Motor vehicles	4
• Civil works	4

During the quarter ended December 31, 2011, the Group decided to include the cost of mine closure and reclamation within Property, plant and equipment by classifying such cost in a new group of assets called "Mining assets" and transferred the historical cost and accumulated depreciation from Pre-operating expenses and deferred charges, where it was previously disclosed. Also see policy on "Mine closure and reclamation" in note 4.17.

The effect of the above mentioned change in accounting policy, in the accompanying consolidated interim financial statements, is not considered to be significant and hence, comparative figures are not restated.

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

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

Borrowing costs related to qualifying assets are capitalized as part of the cost of the qualified assets.

4.9 Pre-operating expenses and deferred charges

Exploration, evaluation, development and pre-operating expenses are expensed in the period incurred until a prospective exploration project or mine is identified as having economic development potential. Once a prospective exploration project or mine has been determined to have economic development potential, the subsequent development and pre-operating expenses incurred on the project or mine are deferred and then amortized over the expected life-of-mine or a period of seven years whichever is lower. If a project or mine is no longer considered economical, the accumulated project costs are charged to consolidated interim statement of income in the period in which the determination is made.

Technical services expenditure arises from detailed assessment of deposits or other projects that have been identified as having economic potential. Technical services are charged to the statement of income. However, when there is a high degree of confidence in the project's viability and hence it is probable that future economic benefits will flow to the Company such expenditures are capitalized.

4.10 Stripping ratio

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.

4.11 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 a start-up period are capitalized where the asset is available for use but incapable of operating at normal levels during the commissioning period net of the proceeds from the sale of any production during the development period. Capital work-in-progress is not depreciated.

4.12 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.

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 interim statement of income in the period in which such reversal is determined.

4.13 Trade payable and accruals

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

4.14 Zakat

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 interim statement of income. Additional amounts payable, if any, at the finalization of final assessments are accounted for when such amounts are determined.

4.15 Severance fees

Effective from period 2005 onwards, as per 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 Company is required to pay to the Government of Saudi Arabia severance fee representing 25% of the annual net income or the equivalent of the hypothetical income tax, whichever is the lower. Severance fee is charged to income on a monthly basis and is adjusted at the end of each quarter. The Zakat due shall be deducted from the amount.

4.16 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.

4.17 Mine closure and reclamation

The mining, extraction and processing activities of the Group normally give rise to obligations for site closure or rehabilitation. Mine closure and rehabilitation 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 rehabilitation 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 rehabilitation 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 rehabilitation expenditure is dependent upon a number of factors such as:

- the life-of-mine,
- the operating license conditions, and
- the environment in which the mine operates.

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 straight-line basis. Adjustments to the estimated amount and timing of future closure and rehabilitation 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; and
- changes in the estimated extent and costs of anticipated activities, including the effects of inflation.

In prior periods, the full estimated mine closure and reclamation costs capitalized were deferred (included within pre-operating expenses and deferred charges) and then amortized to expense over the expected life-of-mine on straight-line basis but not exceeding seven years. As a consequence of the change in accounting policy mentioned in note 4.8 during the quarter ended December 31, 2011 cost capitalized relating to mine closure and reclamation will now be depreciated over the expected life-of-the mine.

The effect of the above mentioned change in accounting policy, in the accompanying consolidated interim financial statements, is not considered to be significant and hence, comparative figures are not restated.

4.18 Employees termination benefits

Employees' end-of-service 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 interim statement of financial position date. Termination payments are based on employees' final salaries and allowances and their cumulative periods of service, as defined by the conditions stated in the laws of the Kingdom of Saudi Arabia.

4.19 Borrowings

Borrowings are recognized at the proceeds received, net of transaction costs incurred, if any. 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 consolidated interim statement of income.

4.20 Revenue recognition

Revenue is recognized when all the following conditions are met:

- the significant risks and rewards of ownership of the product 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 discounts and transportation expenses, 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. In such cases, sales revenue is initially recognized on a provisional basis using the Group's best estimate of contained metal, and adjusted subsequently.

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

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

4.22 Savings plan program

In accordance with clause 137 of the Labor Regulations, and in furtherance to clause 76 of the Company's Internal Work Regulation approved by resolution No. 424 dated 6^{th} of Rabi II 1420H (corresponding to July 19, 1999) issued by H.H. 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 Company.

Participation in the Savings Plan Program is restricted to Saudi nationals 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 SR 300. The Group will contribute an amount equaling 10% of the monthly savings of each member per annum for the first year and increase it by 10% in the year after it reaches 100% at the 10^{th} year, which will in turn be credited to the savings accounts of the member. The Company's portion is charged to the consolidated interim statement of income on a monthly basis. The Company's portion will only be paid upon termination or resignation of the employee.

4.23 Leasing

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

5. Critical accounting estimates, assumptions and judgments

The preparation of consolidated interim financial statements in conformity with generally accepted accounting standards 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:

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

Reserve and 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 Company'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 periods may no longer exist or may have decreased.

Allowances

The Group also creates an allowance for obsolete and slow-moving spare parts. At March 31, 2012, the allowance for obsolete slow-moving items amounted to SR 19 million (March 31, 2011: SR 20 million and December 31, 2011: SR 19 million). 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 quarter.

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 periods 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

During the year ended December 31, 2011, an amount of SR 186 million relating to year ended 2010 was paid to DZIT 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 period 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 judgment and estimates of the outcome of future events.

6. Segmental information

Segment reporting

(a) Business segment

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

(i) engaged in revenue producing activities;

(ii) results of its operations are continuously analyzed by management in order to make decisions related to resource allocation and performance assessment; and

(iii) financial information is separately available.

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

- **The corporate segment**, includes the corporate operations and projects under development.

- **The gold segment**, consists of operations related to the mining of gold and is carried out through MGBM. This segment currently operates Mahd Ad Dahab, Al-Hajar, Bulghah, Al Amar mines and a processing plant at Sukhaybarat which are located in different geographical areas in the Kingdom of Saudi Arabia.

- **The phosphate segment**, consist of operations related to mining of phosphate and utilization of national resources of natural gas and sulphur to manufacture DAP, MAP fertilizer and ammonia products and is carried out through MPC. This segment started commercial operation during first quarter of 2012, except for the ammonia plant for which commercial production was declared on October 1, 2011.

- **The aluminum segment**, consists of the operations related to the development of an aluminum mine, refinery, smelter, rolling mill and power plant for the production of aluminum and related products. This segment is currently in the development stage and is expected to commence commercial operation during 2013 and 2014.

  Chlor alkali project consists of the operations related to the development of concentrated caustic soda and ethylene dichloride complex for the production of concentrated caustic soda, chlorine and ethylene dichloride and the supply of entire production for use in the alumina refinery at Ma'aden Bauxite and Alumina Company, any excess production is sold in the international and domestic market. This segment is currently in the development stage and is expected to commence commercial operations during 2013 and 2014.

- **The industrial minerals segment**, consist of operations related to the mining of industrial minerals carried out through MIMC, which currently operates a kaolin and low grade bauxite mine in the central zone of Az Zabirah and a high grade magnesite mine and processing plant at Al Madinah Al Munawarah which partially commenced operations during 2011.

- **The infrastructure segment,** relates to the development, construction and delivery of services in the Ras Al-Khair Area, and other mining and industrial locations in the Kingdom of Saudi Arabia.

(All amounts in Saudi Riyals unless otherwise stated)

	Note	Corporate	Gold	Phosphate	Aluminum	Industrial minerals	Infra-structure	Total
March 31, 2012								
Sales	28	**-**	**341,182,684**	**568,333,319**	**-**	**28,289,242**	**401,936**	**938,207,181**
Gross profit		**-**	**242,163,692**	**211,759,769**	**-**	**12,873,168**	**(8,394,289)**	**458,402,340**
Income from short-term investments		**12,072,940**	**2,578,931**	**-**	**-**	**14,747**	**42,958**	**14,709,576**
Net income/(loss) attributable to shareholders' of the parent company		**(46,027,889)**	**172,635,922**	**120,339,149**	**(1,531,594)**	**9,242,633**	**(8,606,757)**	**246,051,464**
Investment in jointly controlled entity	13	**-**	**-**	**-**	**448,234,600**	**-**	**-**	**448,234,600**
Property, plant and equipment		**107,187,398**	**129,726,689**	**18,219,543,892**	**82,113**	**249,177,820**	**546,290,438**	**19,252,008,350**
Pre-operating expenses and deferred charges	15	**19,822,781**	**148,341,010**	**114,571,908**	**318,328,272**	**13,812,000**	**-**	**614,875,971**
Capital work-in-progress	16	**27,853,734**	**34,589,545**	**4,794,369**	**11,994,125,100**	**75,102,470**	**298,777,980**	**12,435,243,198**
Total assets		**3,613,441,291**	**1,531,562,184**	**21,907,534,372**	**15,824,836,006**	**394,892,409**	**912,921,887**	**44,185,188,149**
March 31, 2011								
Sales	28	-	193,866,809	-	-	11,295,116	-	205,161,925
Gross profit		-	123,304,643	-	-	4,539,004	-	127,843,647
Income from short-term investments		28,402,523	672,065	-	-	-	-	29,074,588
Net income/(loss) attributable to shareholders' of the parent company		(30,692,732)	73,133,553	(2,439,596)	-	3,729,151	-	43,730,376
Property, plant and equipment		62,293,734	126,882,087	4,581,391	398,053	5,895,194	-	200,050,459
Pre-operating expenses and deferred charges	15	9,351,575	113,800,446	153,440,263	39,198,072	14,697,921	-	330,488,277
Capital work-in-progress	16	61,034,507	29,533,642	18,460,268,564	3,900,106,797	323,462,536	734,112,767	23,508,518,813
Total assets		6,698,042,687	988,408,526	20,810,760,676	5,506,991,066	376,623,279	704,025,425	35,084,851,659
December 31, 2011								
Sales	28	-	900,853,900	540,687,740	-	70,523,183	2,323,129	1,514,387,952
Gross profit		-	610,638,471	451,267,851	-	22,912,563	(52,212,846)	1,032,606,039
Income from short-term investments		71,043,144	3,896,593	-	-	7,880	208,188	75,155,805
Net income/(loss) attributable to shareholders' of the parent company		(234,550,176)	391,374,105	294,354,152	(4,139,716)	19,735,628	(53,459,189)	413,314,804
Investment in jointly controlled entity	13	-	-	-	448,154,100	-	-	448,154,100
Property, plant and equipment		108,655,397	136,801,387	6,396,424,564	126,906	253,594,897	555,086,663	7,450,689,814
Pre-operating expenses and deferred charges	15	16,492,509	130,442,981	128,728,397	210,020,943	14,440,394	-	500,125,224
Capital work-in-progress	16	16,380,365	19,134,128	11,941,413,972	9,966,403,230	74,335,961	222,216,512	22,239,884,168
Total assets		4,751,093,751	1,310,426,260	21,749,632,574	14,550,923,434	391,648,376	820,001,005	43,573,725,400

The corporate segment's net loss amount excludes share in earnings of subsidiary companies. The corporate segment's total assets amount excludes investment balances with respect to subsidiary companies.

b) 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

	March 31, 2012	March 31, 2011	December 31, 2011
Term deposits with original maturities equal to or less than three months at acquisition	**3,762,347,032**	2,756,375,000	4,241,502,076
Cash and bank balances – unrestricted	**362,569,992**	941,882,621	413,767,991
Cash and bank balances – restricted	**388,987,177**	5,892,677	389,208,114
Total	**4,513,904,201**	3,704,150,298	5,044,478,181

Restricted cash and bank balances are related to the following:

	March 31, 2012	March 31, 2011	December 31, 2011
Cash accumulated in the debt service reserve account for the first scheduled repayment of long-term borrowing six month prior to due date, as per facility agreement	**379,504,152**	-	379,504,152
Cash accumulated under employees' savings plan program (Note 4.22 and 22.2)	**9,483,025**	5,892,677	9,703,962
Total	**388,987,177**	5,892,677	389,208,114

8. Short-term investments

	March 31, 2012	March 31, 2011	December 31, 2011
Term deposits with original maturities of more than three months at acquisition	**4,951,757,127**	6,179,000,000	6,161,941,744
Investment income receivable	**23,421,438**	45,075,343	19,143,763
	4,975,178,565	6,224,075,343	6,181,085,507

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

9. Trade and other receivables

	March 31, 2012	March 31, 2011	December 31, 2011
Trade	**437,255,180**	80,761,803	470,757,985
Other	**11,282,817**	30,586,477	10,756,225
Total	**448,537,997**	111,348,280	481,514,210

Trade receivables includes:

	March 31, 2012	March 31, 2011	December 31, 2011
Due from SABIC (Note 34.2)	**189,821,228**	21,590,210	280,596,018
Due from SAMAPCO (Note 34.2)	**47,765,824**	**-**	47,593,280

(All amounts in Saudi Riyals unless otherwise stated)

10. Inventories

	March 31, 2012	March 31, 2011	December 31, 2011
Finished goods – ready for sale	**193,454,548**	86,643,192	136,556,423
By-products	**2,352,828**	18,664,444	21,687,342
Work-in-progress at net production cost	**261,632,803**	142,771,221	180,041,210
Raw materials	**63,068,484**	23,470,203	83,662,590
Stockpile of mined ore	**44,020,901**	14,089,494	37,400,735
Total inventories	**564,529,564**	285,638,554	459,348,300
Spare parts and consumables materials	**164,739,763**	109,572,785	121,271,026
Allowance for obsolete slow-moving spare parts and consumable materials	**(18,822,654)**	(20,058,840)	(18,822,654)
Total spare parts and consumables	**145,917,109**	89,513,945	102,448,372
Total	**710,446,673**	375,152,499	561,796,672

The spare parts inventory primarily relates to plant and machinery and, accordingly, this inventory is expected to be utilized over a period exceeding one year.

Movement in the allowance for inventory obsolescence is as follows:

	March 31, 2012	March 31, 2011	December 31, 2011
January 1	**18,822,654**	23,044,672	23,044,672
(Reversal) / increase of allowance for obsolescence	**-**	(2,985,832)	(4,222,018)
March 31 / December 31	**18,822,654**	20,058,840	18,822,654

11. Advances and pre-payments

	March 31, 2012	March 31, 2011	December 31, 2011
Current portion:			
Advances to contractors	**254,172,142**	452,199,182	273,980,028
Advances to employees	**37,758,812**	31,144,591	3,519,124
Other prepayments	**61,539,693**	34,027,930	46,852,506
Sub-total	**353,470,647**	517,371,703	324,351,658
Non-current portion:			
Advances to contractors	**430,861,280**	48,750,000	336,452,533
Other pre-payments	**2,426,667**	3,900,000	5,193,333
Sub-total	**433,287,947**	52,650,000	341,645,866
Total	**786,758,594**	570,021,703	665,997,524

Advances and prepaid expenses mainly represent advances paid by MAC, MRC, MBAC and MPC in relation to the development of their sites.

12. Due from Government

The balance represented cost incurred to finance the required feasibility studies for the Railway Line Project, linking the Northern Area (Al Jalamid) with the fertilizer plant at Ras Al-Khair (Note 34.2). The amount has been repaid in full on July 13, 2011.

(All amounts in Saudi Riyals unless otherwise stated)

13. Investment in jointly controlled entity

	March 31, 2012	March 31, 2011	December 31, 2011
Investment of 50% in the issued and paid-up share capital of SAMAPCO, March 31, 2012 at carrying value / December 31, 2011 at cost	**448,154,100**	-	450,000,000
Share in net income / (loss) for the quarter / period since incorporation	**80,500**	-	(1,845,900)
Total	**448,234,600**	-	448,154,100

The investment in SAMAPCO comprises of:

Contribution in kind:	
Pre-operating and deferred charges (Note 15)	31,939,887
Capital work-in-progress (Note 16)	236,329,928
Cash paid	181,730,185
Total	**450,000,000**

(All amounts in Saudi Riyals unless otherwise stated)

14. 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, 2011		22,550,000	-	24,840,012	66,203,746	356,052,604	106,348,548	221,811,152	31,404,423	28,970,334	15,890,412	874,071,231
Transfer from capital work-in-progress	16	-	-	1,996,000	395,852	334,100	-	-	1,102,973	10,649	38,430	3,878,004
March 31, 2011		22,550,000	-	26,836,012	66,599,598	356,386,704	106,348,548	221,811,152	32,507,396	28,980,983	15,928,842	877,949,235
Additions during remainder of the year		-	-	-	-	-	-	4,852,122	-	-	-	4,852,122
Transfer from capital work-in-progress	16	-	-	484,039	151,101,972	6,616,937,069	225,499,837	371,073,126	23,496,659	15,740,191	10,692,124	7,415,025,017
Transfer from pre-operating expenses and deferred charges	15	-	62,713,264	-	-	-	-	-	-	-	-	62,713,264
Deferred cost of mine closure and reclamation	21	-	500,000	-	-	-	-	-	-	-	-	500,000
Adjustments / write-offs		-	-	(4,800,226)	(7,619,032)	(2,002,846)	(92,500)	(3,934,960)	(1,686,374)	(1,204,967)	(2,742,298)	(24,083,203)
December 31, 2011		22,550,000	63,213,264	22,519,825	210,082,538	6,971,320,927	331,755,885	593,801,440	54,317,681	43,516,207	23,878,668	8,336,956,435
Transfer from capital work-in-progress	16	-	-	-	443,766	12,011,991,055	-	-	12,048,285	19,751,389	1,618,385	12,045,852,880
Adjustments / write-offs		-	-	-	(127,435)	-	-	-	-	(44,901)	-	(172,336)
March 31, 2012		**22,550,000**	**63,213,264**	**22,519,825**	**210,398,869**	**18,983,311,982**	**331,755,885**	**593,801,440**	**66,365,966**	**63,222,695**	**25,497,053**	**20,382,636,979**
Accumulated depreciation												
January 1, 2011		-	-	24,516,326	35,711,146	308,027,420	45,911,893	196,628,868	17,423,589	23,542,180	9,723,365	661,484,787
Charge for the quarter		-	-	726,100	1,460,313	7,200,389	2,132,012	2,765,262	1,281,683	472,889	375,341	16,413,989
March 31, 2011		-	-	25,242,426	37,171,459	315,227,809	48,043,905	199,394,130	18,705,272	24,015,069	10,098,706	677,898,776
Charge for the remainder of the year		-	-	1,792,780	12,167,111	103,678,777	18,550,773	33,225,487	8,504,555	4,586,531	2,392,120	184,898,134
Transfer from pre-operating expenses and deferred charges	15	-	38,579,615	-	-	-	-	-	-	-	-	38,579,615
Adjustments / write-offs		-	-	(6,289,625)	(2,942,296)	(254,814)	(92,500)	(3,066,098)	(604,726)	(1,283,966)	(575,879)	(15,109,904)
December 31, 2011		-	38,579,615	20,745,581	46,396,274	418,651,772	66,502,178	229,553,519	26,605,101	27,317,634	11,914,947	886,266,621
Charge for the quarter		-	945,224	557,592	3,188,913	222,689,688	6,236,897	6,015,792	3,367,654	582,436	876,194	244,460,390
Adjustments / write-offs		-	-	-	(95,576)	-	-	-	-	(2,806)	-	(98,382)
March 31, 2012		**-**	**39,524,839**	**21,303,173**	**49,489,611**	**641,341,460**	**72,739,075**	**235,569,311**	**29,972,755**	**27,897,264**	**12,791,141**	**1,130,628,629**
Net book value												
March 31, 2011		22,550,000	-	1,593,586	29,428,139	41,158,895	58,304,643	22,417,022	13,802,124	4,965,914	5,830,136	200,050,459
December 31, 2011		22,550,000	24,633,649	1,774,244	163,686,264	6,552,669,155	265,253,707	364,247,921	27,712,580	16,198,573	11,963,721	7,450,689,814
March 31, 2012		**22,550,000**	**23,688,425**	**1,216,652**	**160,909,258**	**18,341,970,522**	**259,016,810**	**358,232,129**	**36,393,211**	**35,325,431**	**12,705,912**	**19,252,008,350**

Property, plant and equipment of MPC with a net book value at March 31, 2012 of SR 18,219,543,892 (March 31, 2011: SR 4,581,390 and December 31, 2011: SR 6,396,424,564) are pledged as security to lenders under the Common Term Financing Agreement (Note 23.5).

(All amounts in Saudi Riyals unless otherwise stated)

14. Property, plant and equipment (continued)

	Notes	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Allocation of depreciation charge for the quarter / year				
To capital work-in-progress	16	**-**	-	**27,161,818**
To cost of sales	29	**241,839,775**	14,757,971	**167,185,259**
To general and administration expenses	30	**2,620,615**	1,656,018	**6,965,046**
Total		**244,460,390**	16,413,989	**201,312,123**

(All amounts in Saudi Riyals unless otherwise stated)

15. Pre-operating expenses and deferred charges

	Notes	Corporate	Gold	Phosphate	Aluminum	Industrial minerals	Total
Cost							
January 1, 2011		32,274,486	207,277,936	162,674,081	7,080,197	16,947,780	426,254,480
Additions during the year		2,265,393	11,286,799	1,631,625	32,117,875	-	47,301,692
Transfer to inventory during the quarter		-	-	(538,921)	-	-	(538,921)
Adjustments/written off		-	-	(10,326,522)	-	-	(10,326,522)
March 31, 2011		34,539,879	218,564,735	153,440,263	39,198,072	16,947,780	462,690,729
Additions during remainder of the year		8,075,458	54,219,399	7,464,913	202,762,758	734,592	273,257,120
Transfer to property, plant and equipment (mining assets)	14	-	(62,713,264)	-	-	-	(62,713,264)
Adjustments/written off		-	-	(30,979,566)	-	-	(30,979,566)
Transfer to inventory during remainder of the year		-	-	(1,197,213)	-	-	(1,197,213)
Transfer to SAMAPCO	13	-	-	-	(31,939,887)	-	(31,939,887)
December 31, 2011		42,615,337	210,070,870	128,728,397	210,020,943	17,682,372	609,117,919
Additions during the quarter		3,599,609	19,505,940	11,137,766	108,307,329	-	142,550,644
Transfer to capital work-in-progress	16	-	-	(22,530,023)	-	-	(22,530,023)
Transfer to inventory during the quarter		-	-	(807,936)	-	-	(807,936)
March 31, 2012		**46,214,946**	**229,576,810**	**116,528,204**	**318,328,272**	**17,682,372**	**728,330,604**
Amortization							
January 1, 2011		23,747,135	101,747,762	-	-	1,919,874	127,414,771
Charge for the quarter		1,441,169	3,016,527	-	-	329,985	4,787,681
March 31, 2011		25,188,304	104,764,289	-	-	2,249,859	132,202,452
Charge for remainder of the year		934,524	13,443,215	-	-	992,119	15,369,858
Transfer to property, plant and equipment (mining assets)	14	-	(38,579,615)	-	-	-	(38,579,615)
December 31, 2011		26,122,828	79,627,889	-	-	3,241,978	108,992,695
Charge for the quarter		269,337	1,607,911	1,956,296	-	628,394	4,461,938
March 31, 2012		**26,392,165**	**81,235,800**	**1,956,296**	**-**	**3,870,372**	**113,454,633**
Net book value							
March 31, 2011		9,351,575	113,800,446	153,440,263	39,198,072	14,697,921	330,488,277
December 31, 2011		16,492,509	130,442,981	128,728,397	210,020,943	14,440,394	500,125,224
March 31, 2012		**19,822,781**	**148,341,010**	**114,571,908**	**318,328,272**	**13,812,000**	**614,875,971**

15. Pre-operating expenses and deferred charges (continued)

(All amounts in Saudi Riyals unless otherwise stated)

Pre-operating expenses and deferred charges of MPC, MAC, MRC and MBAC with a net book value before consolidation elimination at March 31, 2012 of SR 525,640,297 (March 31, 2011: SR 189,519,643 and December 31, 2011: SR 432,078,591) are pledged as security to the lenders under the Common Term Agreement (Note 23.5).

Certain amounts included within pre-operating expenses and deferred charges, due to the development stage activities, have been reclassified to capital work-in-progress following the conclusion of the related engineering review process.

	Notes	Quarter ended		Year ended
		March 31, 2012	March 31, 2011	December 31, 2011
Allocation of amortization charge for the quarter / year				
To cost of sales	29	**4,124,400**	3,264,016	15,656,130
To general and administration expenses	30	**337,538**	1,523,665	4,501,409
Total		**4,461,938**	4,787,681	20,157,539

(All amounts in Saudi Riyals unless otherwise stated)

16. Capital work-in-progress

	Notes	Corporate	Gold	Phosphate	Aluminum	Industrial minerals	Infra-structure	2011
Cost								
January 1, 2011		60,546,550	21,792,745	18,074,500,793	2,493,825,789	307,327,968	732,993,478	21,690,987,323
Additions during the quarter		487,957	10,033,903	387,352,769	1,406,281,008	16,134,568	1,119,289	1,821,409,494
Transfer to property, plant and equipment	14	-	(2,293,006)	(1,584,998)	-	-	-	(3,878,004)
March 31, 2011		61,034,507	29,533,642	18,460,268,564	3,900,106,797	323,462,536	734,112,767	23,508,518,813
Additions during the remainder of the year		3,941,713	24,535,703	693,996,667	6,302,626,361	10,055,774	92,365,136	7,127,521,354
Transfer to property, plant and equipment	14	(48,595,855)	(34,935,217)	(6,473,685,755)	-	(253,546,799)	(604,261,391)	(7,415,025,017)
Depreciation capitalized during the remainder of the year	14	-	-	27,161,818	-	-	-	27,161,818
Credit for pre-commercial production revenue net of cost	34.1	-	-	(766,327,322)	-	(5,635,550)	-	(771,962,872)
Transfer to SAMAPCO	13	-	-	-	(236,329,928)	-	-	(236,329,928)
December 31, 2011		16,380,365	19,134,128	11,941,413,972	9,966,403,230	74,335,961	222,216,512	22,239,884,168
Additions during the quarter		11,952,742	16,590,692	131,612,256	2,027,721,870	766,509	76,561,468	2,265,205,537
Transfer to property, plant and equipment	14	(479,373)	(1,135,275)	(12,044,238,232)	-	-	-	(12,045,852,880)
Transfer from pre-operating expenses and deferred charges	15	-	-	22,530,023	-	-	-	22,530,023
Credit for pre-commercial production revenue net of cost	34.1	-	-	(46,523,650)	-	-	-	(46,523,650)
March 31, 2012		**27,853,734**	**34,589,545**	**4,794,369**	**11,994,125,100**	**75,102,470**	**298,777,980**	**12,435,243,198**

During the quarter ended March 31, 2012, MPC capitalized SR 10.6 million (March 31,2011: SR 53 million and December 31, 2011: SR 185 million) and MAC capitalized SR 13.5 million (March 31,2011: SR 150 million and December 31, 2011: SR 287 million) of finance costs. The borrowing relates to qualifying assets.

Capital work-in-progress of MPC, MAC, MRC and MBAC with a book value before consolidation elimination at March 31, 2012 of SR 12,074,433,448 (March 31, 2011: SR 21,809,404,908 and December 31, 2011: SR 21,983,618,181) are pledged as security to the lenders under the Common Term Financing Agreement (Note 23.5).

(All amounts in Saudi Riyals unless otherwise stated)

16. Capital work-in-progress (continued)

	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Pre-commercial production revenue net of production cost comprises of the following			
• **Phosphate (MPC)**			
Ammonia sales through SABIC, net of production cost (Note 34.1)	-	-	655,956,984
DAP sales, net of production cost	**46,523,650**	-	110,370,338
	46,523,650	-	766,327,322
• **Industrial minerals (MIMC)**			
Caustic calcined magnesia sales, net of production cost	**-**	-	5,635,550
Total amount of pre-commercial production revenue, net of production cost	**46,523,650**	-	771,962,872

(All amounts in Saudi Riyals unless otherwise stated)

17. Projects and other payables

	March 31, 2012	March 31, 2011	December 31, 2011
Current portion:			
Projects	**1,145,490,176**	1,004,257,354	1,014,225,034
Trade	**223,129,651**	27,475,716	303,112,761
Other	**20,260,052**	9,493,833	15,157,250
Sub-total	**1,388,879,879**	1,041,226,903	1,332,495,045
Non-current portion:			
Advances from Alcoa Inc. (Note 34.2)	**332,600,734**	-	821,488,065
Total	**1,721,480,613**	1,041,226,903	2,153,983,110

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

Advances received from Alcoa Inc. are for the development of MAC, MRC and MBAC.

18. Accrued expenses

	March 31, 2012	March 31, 2011	December 31, 2011
Projects	**856,104,884**	890,270,940	1,383,055,563
Trade	**225,071,934**	19,950,407	46,043,704
Employees	**58,255,272**	42,800,493	48,590,838
Accrued expenses – Alcoa Inc. (Note 34.2)	**188,953,421**	37,873,266	25,735,824
Total	**1,328,385,511**	990,895,106	1,503,425,929

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

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.

19. Zakat

19.1 Components of zakat base

The significant components of the Zakat base of each company under the zakat and income tax regulation are comprised of

- shareholders' equity,
- provisions at the beginning of the period,
- long term borrowings,
- adjusted net income,
- net book value of property, plant and equipment,
- net book value of pre-operating expenses and deferred charges, and
- certain other items

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

(All amounts in Saudi Riyals unless otherwise stated)

19.2 Zakat payable

	March 31, 2012	March 31, 2011	December 31, 2011
January 1	**141,108,124**	207,342,181	207,342,181
Provision for zakat	**20,659,035**	5,516,368	119,547,535
Current quarter / year	**20,659,035**	5,516,368	141,108,124
Previous quarter / year (over) / under provision	**-**	-	(21,560,589)
Paid during the quarter / year to the authorities	**-**	-	(185,781,592)
March 31 / December 31	**161,767,159**	212,858,549	141,108,124

The provision for zakat consist of:

	Quarter ended		Year ended
	March 31, 2012	March 31, 2011	December 31, 2011
Saudi Arabian Mining Company	**9,646,911**	2,500,000	107,336,047
Ma'aden Gold and Base Metals Company (Note 20)	**6,310,234**	3,016,368	19,657,487
Ma'aden Phosphate Company	**4,131,174**	-	12,122,621
Ma'aden Infrastructure Company	**236,435**	-	1,234,914
Ma'aden Industrial Minerals Company	**334,281**	-	757,055
Total	**20,659,035**	5,516,368	141,108,124

19.3 Status of final assessments

The Company and its subsidiaries received provisional zakat certificates for the year ended December 31, 2010, however, no zakat assessments were finalized by the DZIT.

20. Severance fees payable

	March 31, 2012	March 31, 2011	December 31, 2011
January 1	**83,433,989**	54,454,280	54,454,280
Provision for severance fee	**35,324,307**	16,237,724	85,032,887
Current quarter / year	**35,324,307**	16,237,724	83,810,743
Previous quarter / year (over) / under provision	**-**	-	1,222,144
Paid during the quarter / year to the authorities	**(669,655)**	(516,235)	(56,053,178)
March 31 / December 31	**118,088,641**	70,175,769	83,433,989

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, as defined, or the equivalent of the actual 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 income from the gold mines and kaolin mine is subject to severance fees.

Provision for severance fees consists of:

	Quarter ended		Year ended
	March 31, 2012	March 31, 2011	December 31, 2011
Gold mines	**34,964,049**	16,068,267	82,676,088
Low grade bauxite, kaolin and magnesite mines	**360,258**	169,457	1,134,655
Total	**35,324,307**	16,237,724	83,810,743

(All amounts in Saudi Riyals unless otherwise stated)

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

	March 31, 2012	March 31, 2011	December 31, 2011
Net income from operating mines before severance fee for the quarter / year	**213,910,205**	92,218,187	484,575,401
25% of the year's net income as defined	**53,477,551**	23,054,547	121,143,850
Hypothetical income tax based on quarter's / year's taxable net income	**41,274,283**	19,084,635	102,333,575
Provision based on the lower of the above two computations	**41,274,283**	19,084,635	102,333,575
Provision for zakat (Note 19.2)	**(6,310,234)**	(3,016,368)	(19,657,487)
Net severance fee provision for the quarter / year	**34,964,049**	16,068,267	82,676,088

21. Provision for mine closure and reclamation

	March 31, 2012	March 31, 2011	December 31, 2011
Gold mines (Note 21.1)	**88,968,052**	90,923,831	90,384,799
Low grade bauxite and kaolin mines (Note 21.2)	**500,000**	-	500,000
Total	**89,468,052**	90,923,831	90,884,799

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 is as follows:

21.1 Gold mines

	Mahad mine	Al Hajar mine	Sukhaybarat mine*	Bulghah mine	Al Amar mine	Total
January 1, 2011	24,197,336	11,380,823	20,467,221	21,661,407	13,217,044	90,923,831
March 31, 2011	24,197,336	11,380,823	20,467,221	21,661,407	13,217,044	90,923,831
Utilization during the remainder of the year	(440,425)	(98,607)	-	-	-	(539,032)
December 31, 2011	23,756,911	11,282,216	20,467,221	21,661,407	13,217,044	90,384,799
Utilization during the quarter	(1,320,627)	(96,120)	-	-	-	(1,416,747)
March 31, 2012	**22,436,284**	**11,186,096**	**20,467,221**	**21,661,407**	**13,217,044**	**88,968,052**
Commenced commercial production in	1988	2001	1991*	2001	2008	
Expected closure date in	2016	2013	2015	2017	2018	

* The Sukhaybarat mine ceased its mining activities and current operations are limited to the carbon in leach ("CIL") processing of ore transferred from Bulghah mine

21.2 Low grade bauxite and kaolin mines

	Note	Az Zabirah mine	Al Zarghat mine	Total
January 1, 2011		-	-	-
March 31, 2011		-	-	-
Provision for the remainder of the year	14	300,000	200,000	500,000
December 31, 2011		300,000	200,000	500,000
March 31, 2012		**300,000**	**200,000**	**500,000**
Commenced commercial production in		2008	2011	
Expected closure date in		2026	2028	

(All amounts in Saudi Riyals unless otherwise stated)

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, low grade bauxite and kaolin mining activity only, as the aluminum project is currently in the development stage, and, an update 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.

22. Employee benefits

	March 31, 2012	March 31, 2011	December 31, 2011
Employee termination benefits (Note 22.1)	**130,043,523**	107,649,002	129,811,062
Employees' savings plan (Note 7 and 22.2)	**9,483,025**	5,892,677	9,703,962
Total	**139,526,548**	113,541,679	139,515,024

22.1 Employee termination benefits

	March 31, 2012	March 31, 2011	December 31, 2011
January 1	**129,811,062**	104,607,572	104,607,572
Provision for the quarter / year	**7,961,319**	7,041,419	35,231,278
Paid during the quarter / year	**(7,728,858)**	(3,999,989)	(10,027,788)
March 31 / December 31	**130,043,523**	107,649,002	129,811,062

22.2 Employees' savings plan

	March 31, 2012	March 31, 2011	December 31, 2011
January 1	**9,703,962**	4,736,732	4,736,732
Contribution during the quarter / year	**2,294,448**	1,771,950	8,451,955
Withdrawals during the quarter / year	**(2,515,385)**	(616,005)	(3,484,725)
March 31 / December 31	**9,483,025**	5,892,677	9,703,962

(All amounts in Saudi Riyals unless otherwise stated)

23. Long-term borrowings

23.1 Facilities approved

MPC, MAC, MRC and MBAC entered into Common Terms Agreements ("CTA") with the Public Investment Fund and consortiums of financial institutions, comprising of:

	MPC Facilities granted June 15, 2008	MAC Facilities granted Nov. 10, 2010	MRC Facilities granted Nov. 30, 2010	MBAC Facilities granted Nov. 30, 2011	Total
Public Investment Fund ("PIF")	4,000,001,250	4,875,000,000	3,078,750,000	3,750,000,000	15,703,751,250
Islamic and commercial banks					
Procurement*	4,269,892,500	4,447,500,000	1,041,000,000	2,690,700,000	12,449,092,500
Commercial*	1,491,562,500	900,000,000	-	258,750,000	2,650,312,500
Al-Rajhi facility	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	1,556,250,000
Sub-total	10,355,205,000	6,135,000,000	1,041,000,000	3,718,200,000	21,249,405,000
Saudi Industrial Development Fund ("SIDF")	600,000,000	600,000,000	600,000,000	-	1,800,000,000
Total facilities granted	**14,955,206,250**	**11,610,000,000**	**4,719,750,000**	**7,468,200,000**	**38,753,156,250**

MPC facility

The financing agreements imposed conditions and special covenants which include:

- the limitation on creation of additional liens and/or financing obligations by MPC, unless specifically allowed under the CTA;
- financial ratio maintenance;
- maximum capital expenditures allowed; and
- restriction on dividend distribution to shareholders.

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

MAC facility

The financing agreement imposed special conditions and covenants and if the conditions are met, the financial institutions will provide long-term borrowing totaling to SR 11.6 billion for financing the construction and operation of MAC. Special covenants imposed include:

- the limit of creation of additional liens and/or financing obligations by MAC, unless specifically allowed under the CTA;
- financial ratio maintenance;
- maximum capital expenditures allowed; and
- restriction on dividend distribution to shareholders.

Riyadh Bank, Saudi Hollandi Bank, Standard Chartered Bank, APICORP, National Commercial Bank, Banque Saudi Fransi, SAMBA, Arab National Bank and Bank Al Jazira act as agents for procurement facility and Al Rajhi Bank and Alinma Bank act as agents for wakala facility, respectively.

MRC facility

The consortium of financial institutions and PIF, subject to certain conditions precedent, approved a facility SR 4.7 billion for MRC. This facility was not utilized as at March 31, 2012.

MBAC facility

The consortium of financial institutions and PIF, subject to certain conditions precedent, approved a facility SR 7.5 billion for MBAC. This facility was not utilized as at March 31, 2012.

(All amounts in Saudi Riyals unless otherwise stated)

23.2 Facilities utilized under the different CTAs

MPC facility

	March 31, 2012	March 31, 2011	December 31, 2011
Public Investment Fund			
July 14, 2008 arrangement fees charged in respect of the facility	**20,000,000**	20,000,000	20,000,000
November 18, 2008 first draw down	**800,000,256**	800,000,256	800,000,256
January 15, 2009 second draw down	**870,000,000**	870,000,000	870,000,000
April 30, 2009 third draw down	**543,483,656**	543,483,656	543,483,656
March 8, 2010 fourth draw down	**928,188,694**	928,188,694	928,188,694
December 29, 2010 fifth draw down	**475,761,503**	475,761,503	475,761,503
July 26, 2011 final drawdown	**362,567,141**	-	362,567,141
Sub-total (Note 34.2)	**4,000,001,250**	3,637,434,109	4,000,001,250

The rate of commission on the principal amount of the loan draw down and outstanding for each commission period, is in the range of LIBOR plus 0.5% per annum. Loan repayments will start from June 30, 2012, on a six monthly basis, in equal principal repayments of SR 166.4 million, with the final repayment of SR 172.8 million on December 31, 2023.

	March 31, 2012	March 31, 2011	December 31, 2011
Islamic and commercial banks			
Banque Saudi Fransi – as agent for the procurement facility participants	**4,269,892,500**	3,878,480,091	4,269,892,500
Al-Rajhi Bank	**2,343,750,000**	2,342,055,941	2,343,750,000
The Export Import Bank of Korea	**1,500,000,000**	1,360,645,227	1,500,000,000
Mizuho Corporate Bank Limited - as agent for the commercial facility participants	**1,116,562,500**	1,014,209,474	1,116,562,500
Korea Export Insurance Corporation	**750,000,000**	750,000,000	750,000,000
Sub-total	**9,980,205,000**	9,345,390,733	9,980,205,000

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

The repayment of facilities will start from June 30, 2012. All the repayments of the above facilities will be on a six monthly basis, with the final repayment due on December 31, 2023.

	March 31, 2012	March 31, 2011	December 31, 2011
Saudi Industrial Development Fund			
April 26, 2010 first draw down	**300,000,000**	300,000,000	300,000,000
December 10, 2010 second draw down	**240,000,000**	240,000,000	240,000,000
September 26, 2011 third draw down	**30,000,000**	-	30,000,000
Sub-total	**570,000,000**	540,000,000	570,000,000

The project follow-up cost paid during the drawdown amounted to SR 6.3 million. Repayment of this facility will start on February 26, 2013, on a six monthly basis, with the final payment on June 19, 2019.

	March 31, 2012	March 31, 2011	December 31, 2011
Total MPC borrowings	**14,550,206,250**	13,522,824,842	14,550,206,250

(All amounts in Saudi Riyals unless otherwise stated)

MAC facility

	March 31, 2012	March 31, 2011	December 31, 2011
Public Investment Fund	**2,248,712,778**	-	2,248,712,948

The rate of commission on the principal amount of the loan draw down and outstanding for each commission period, is LIBOR plus 2.05% and the rate of commission on the outstanding amount for each commission period is 1% per annum.

The repayment of the loan will be in 24 installments on a six monthly basis starting from December 31, 2014. The repayments starting at SR 99.9 million and increasing over the term of the loan with the final repayment of SR 1,218 million on June 30, 2026. (Note 34.2)

	March 31, 2012	March 31, 2011	December 31, 2011
Islamic and commercial banks			
Dollar procurement	**411,223,811**	-	411,223,842
Riyal procurement	**1,595,819,155**	-	1,595,819,276
Commercial	**406,146,980**	-	406,147,010
Wakala	**399,908,093**	-	365,752,212
Sub-total	**2,813,098,039**	-	2,778,942,340

The rate of commission on the principal amount of the loan drawdown and outstanding for each commission period, is LIBOR plus 2.05% and the rate of commission on the outstanding amount for each commission period is 0.3% per annum.

The repayment of the loan will start from December 31, 2014. The repayments starting at SR 125.8 million and increasing over the term of the loan with the final repayment of SR 1,534 million on June 30, 2026.

	March 31, 2012	March 31, 2011	December 31, 2011
Total MAC borrowings	**5,061,810,817**	-	5,027,655,288
Total borrowings	**19,612,017,067**	13,522,824,842	19,577,861,538
Less: Current portion of long-term borrowings relating to MPC borrowing	**762,383,304**	-	762,383,304
Long term portion	**18,849,633,763**	13,522,824,842	18,815,478,234

23.3 Maturity profile of long-term borrowings

	March 31, 2012	March 31, 2011	December 31, 2011
2012	**762,383,304**	745,829,133	762,383,304
2013	**864,409,329**	804,786,531	864,409,329
2014	**1,185,890,354**	885,395,964	1,185,890,354
2015	**1,499,621,379**	958,108,251	1,499,621,379
Thereafter	**15,299,712,701**	10,128,704,963	15,265,557,172
Total	**19,612,017,067**	13,522,824,842	19,577,861,538

23.4 Facilities' currency denomination

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

	March 31, 2012 (US$)	March 31, 2011 (US$)	December 31, 2010 (US$)
Public Investment Fund	**1,666,323,741**	969,982,429	1,666,323,786
Islamic and commercial banks			
Procurement	**1,564,189,775**	1,034,261,358	1,564,189,807
Al-Rajhi Bank	**625,000,000**	624,548,251	625,000,000
The Export Import Bank of Korea	**400,000,000**	362,838,727	400,000,000
Korea Export Insurance Corporation	**200,000,000**	200,000,000	200,000,000
Commercial	**406,055,861**	270,455,860	406,055,869
Dollar procurement	**109,659,683**	-	109,659,691
Wakala	**106,642,158**	-	97,533,923
Sub-total	**3,411,547,477**	2,492,104,196	3,402,439,290
Saudi Industrial Development Fund	**152,000,000**	144,000,000	152,000,000
Total	**5,229,871,218**	3,606,086,625	5,220,763,076

23.5 Security

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

	March 31, 2012	March 31, 2011	December 31, 2011
Property, plant and equipment (Note 14)	**18,219,543,892**	4,581,390	6,396,424,564
Pre-operating expenses and deferred charges (Note 15)	**525,640,297**	189,519,643	432,078,591
Capital work-in-progress (Note 16)	**12,074,433,448**	21,809,404,908	21,983,618,181
Total	**30,819,617,637**	22,003,505,941	28,812,121,336

24. Share capital

	March 31, 2012	March 31, 2011	December 31, 2011
Authorized, issued and fully paid			
925,000,000 Ordinary shares, with a nominal value of SR 10 per share (Note 33)	**9,250,000,000**	9,250,000,000	9,250,000,000

25. Share premium

	March 31, 2012	March 31, 2011	December 31, 2011
Share premium balance	**5,250,000,000**	5,250,000,000	5,250,000,000

(All amounts in Saudi Riyals unless otherwise stated)

26. Transfer of net income

	March 31, 2012	March 31, 2011	December 31, 2011
January 1	**284,327,877**	242,996,397	242,996,397
Transfer of 10% of net income for the year	**-**	-	41,331,480
March 31 / December 31	**284,327,877**	242,996,397	284,327,877

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.

27. Non-controlling interest

	March 31, 2012	March 31, 2011	December 31, 2011
January 1	**2,897,076,390**	2,134,410,194	2,134,410,194
Increase in non- controlling interest	**837,149,773**	291,874,596	637,901,691
Share of current quarter's / year's net income / (loss)	**47,740,434**	(731,879)	124,764,505
March 31 / December 31	**3,781,966,597**	2,425,552,911	2,897,076,390

28. Sales

	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Gold segment			
Gold revenue	**341,182,684**	192,380,162	865,751,039
Zinc revenue	**-**	1,486,647	35,102,861
	341,182,684	193,866,809	900,853,900
Phosphate segment			
Diammonium phosphate	**288,344,576**	-	-
Ammonia revenue	**279,988,743**	-	540,687,740
	568,333,319	-	540,687,740
Industrial minerals			
Low grade bauxite revenue	**22,148,455**	11,295,116	63,743,696
Caustic calcined magnesia	**4,390,500**	-	4,980,909
Kaolin revenue	**1,750,287**	-	1,798,578
	28,289,242	11,295,116	70,523,183
Infrastructure			
Infrastructure revenue	**401,936**	-	2,323,129
Total	**938,207,181**	205,161,925	1,514,387,952
Gold sales analysis			
Value of gold sales	**341,182,684**	192,380,162	865,751,039
Quantity of gold ounces (Oz) sold	**53,646**	36,783	147,205
Average realized price per ounce (Oz) in:			
US$	**1,696**	1,395	1,568
Saudi Riyals (equivalent)	**6,360**	5,230	5,881

(All amounts in Saudi Riyals unless otherwise stated)

29. Cost of sales

	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Personnel cost	**115,203,675**	33,456,858	120,634,468
Contracted services	**48,530,343**	8,309,118	67,456,224
Repairs and maintenance	**7,558,675**	4,815,954	25,009,469
Consumables	**20,586,130**	18,177,149	83,342,569
Overheads	**23,554,338**	5,410,027	18,579,047
Raw material and utilities consumed	**163,479,284**	-	17,569,850
Provision / (reversal) of inventory obsolescence	**-**	-	(4,243,997)
Sale of by-products	**(9,208,281)**	(16,348,746)	(50,534,873)
Total cash operating costs	**369,704,164**	53,820,360	277,812,757
Depreciation (Note 14)	**241,839,775**	14,757,971	167,185,259
Amortization (Note 15)	**4,124,400**	3,264,016	15,656,130
Total operating costs	**615,668,339**	71,842,347	460,654,146
(Increase) / decrease in inventory	**(135,863,498)**	5,475,931	21,127,767
Total	**479,804,841**	77,318,278	481,781,913

30. General and administrative expenses

	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Salaries and staff related benefits	**52,264,448**	47,058,224	166,981,090
Contracted services	**6,502,482**	7,365,982	27,937,061
Overheads and other	**6,696,733**	4,157,211	19,901,452
Consumables	**518,361**	736,671	6,302,892
Directors' allowances	**582,689**	403,667	2,375,194
Repair parts	**414,483**	90,250	491,182
Depreciation (Note 14)	**2,620,615**	1,656,018	6,965,046
Amortization (Note 15)	**337,538**	1,523,665	4,501,409
Total	**69,937,349**	62,991,688	235,455,326

The Board of Directors' allowances represents accrual based on management's estimate and will be finalized upon approval by the Company's shareholders at the General Assembly Meeting.

31. Exploration expenses

	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Salary and staff related benefits	**10,437,217**	11,343,524	41,024,132
Contracted services	**9,114,714**	8,303,258	65,770,782
Overheads and other	**2,122,708**	1,088,764	3,348,751
Consumables	**1,001,114**	839,571	3,053,086
Repair parts	**94,600**	181,630	2,860,167
Total	**22,770,353**	21,756,747	116,056,918

32. Income from short-term investments

	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Income received and accrued on short-term investments	**14,709,576**	29,074,588	75,155,805

(All amounts in Saudi Riyals unless otherwise stated)

33. Earnings per ordinary share

	Quarter ended March 31, 2012	March 31, 2010	Year ended December 31, 2011
Net income attributable to the shareholders of the parent company	**246,051,464**	43,730,376	413,314,804
Weighted average number of ordinary shares in issue during the quarter / year (Note 24)	**925,000,000**	925,000,000	925,000,000
Basic and diluted earnings per ordinary share from continuing operations	**0.27**	0.05	0.45

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

34. Related party transactions and balances

34.1 Related party transactions

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

	March 31, 2012	March 31, 2011	December 31, 2011
Sales through SABIC during the quarter / year			
• Since commencement of commercial production on October 1, 2011 for Ammonia and on February 1, 2012 for all other plants, disclosed in the income statement as part of sales.	**417,972,212**	-	540,687,740
• Before date of commencement of commercial production, the pre-commercial production revenue, net of cost of production for the quarter ended March, 2012 amounting to SR 46,523,650 (March 31, 2011: Nil and December 31, 2011: SR 766,327,322) has been credited against capital work-in-progress (Note 16)	**143,351,893**	21,590,210	1,227,916,669
Total	**561,324,105**	21,590,210	1,768,604,409

34.2 Related party balances

Amount due from / (to) related parties arising from transaction with related parties are as follows:

	March 31, 2012	March 31, 2011	December 31, 2011
Receivables from related party			
Due from SABIC (Note 9)	**189,821,228**	21,590,210	280,596,018
Due from SAMAPCO (Note 9)	**47,765,824**	-	47,593,280
Due from Government (Note 12)	**-**	61,045,987	-
Payable to shareholder			
Advances from Alcoa Inc. (Note 17)	**332,600,734**	-	821,488,065
Accrued expenses – Alcoa Inc. (Note 18)	**188,953,421**	37,873,266	25,735,824
Total	**521,554,155**	37,873,266	847,223,889
Long-term borrowings from a 50% shareholder in Ma'aden			
Due to PIF for:			
Financing of the MPC facility (Note 23.2)	**4,000,001,250**	3,637,434,109	4,000,001,250
Financing of the MAC facility (Note 23.2)	**2,248,712,778**	-	2,248,712,948
Total	**6,248,714,028**	3,637,434,109	6,248,714,198

35. Operating leases

	Quarter ended March 31, 2012	Quarter ended March 31, 2011	Year ended December 31, 2011
Payments under operating leases recognized as an expense during the year	**3,918,291**	3,127,500	15,016,083

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

	March 31, 2012	March 31, 2011	December 31, 2011
2011	**-**	11,888,583	-
2012	**16,505,933**	15,016,083	15,016,083
2013	**28,278,830**	14,956,083	14,956,083
2014	**35,723,163**	14,956,083	14,956,083
2015	**28,788,163**	8,021,083	8,021,083
2016	**23,563,163**	2,796,083	2,796,083
2017 through 2029	**455,121,311**	28,364,693	28,364,693
Total	**587,980,563**	95,998,691	84,110,108

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

36. Commitments and contingent liabilities

	March 31, 2012	March 31, 2011	December 31, 2011
Capital expenditures:			
Contracted for	**13,636,697,939**	10,819,544,488	14,701,023,625
Guarantees:			
Guarantees in favor of Saudi Aramco, for future diesel and gas feedstock supplies	**171,000,000**	171,000,000	171,000,000
Guarantees for the development of the aluminum project	**1,312,657,080**	1,312,975,908	1,312,975,908
Total	**1,483,657,080**	1,483,975,908	1,483,975,908
Letters of credit:			
For the development of the aluminum project	**1,537,500,000**	95,873,647	1,537,500,000

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.

37. 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.

37.1 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 U.S. dollars. Management monitors the fluctuations in currency exchange rates and believes that the currency risk is not significant.

37.2 Fair value

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 Company's financial assets and liabilities are not materially different from their carrying values.

37.3 Commission rate risk

Is the exposure to various risks associated with the effect of fluctuations in the prevailing commission rates on the Group's 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 at March 31, 2012, the effect on net earnings of a 1% movement in the US Dollar LIBOR commission rate would be SR 101 million (March 31, 2011: SR 36 million and December 31, 2011: SR 84 million). These balances will not remain consistent throughout 2012.

37.4 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.

37.5 Credit risk

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 SR 341 million, representing 36% of the Group's sales for the quarter ended March 31, 2012 (March 31, 2011: SR 192 million representing 94% of Group's sales from two major customers and December 31, 2011: SR 856 million representing 57% of Group's sales from two major customers). Trade receivables are carried net of provision for doubtful debts, if needed.

37.6 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.

38. Post statement of financial position events

No events have arisen subsequent to March 31, 2012 and before the date of signing the review report, that could have a significant effect on the consolidated interim financial statements as at March 31, 2012.

39. Comparative figures

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

(All amounts in Saudi Riyals unless otherwise stated)

40. Detailed information about subsidiaries and jointly controlled entity

Subsidiary	Nature of business	Issued and paid-up share capital	Effective group interest 2012 %	Effective group interest 2011 %	Cost of investment by parent company March 31, 2012	Cost of investment by parent company March 31, 2011
Ma'aden Gold and Base Metals Company ("MGBM")	Gold mining	300,000,000	100	100	**300,000,000**	300,000,000
Ma'aden Phosphate Company ("MPC")	Phosphate mining and fertilizer producer	6,208,480,000	70	70	**4,345,936,000**	4,345,936,000
Ma'aden Industrial Minerals Company ("MIMC")	Kaolin, low grade bauxite and magnesite mining	500,000	100	100	**500,000**	500,000
Ma'aden Infrastructure Company ("MIC")	Manage and develop infrastructure projects	500,000	100	100	**500,000**	500,000
Ma'aden Aluminum Company ("MAC")	Aluminum ingots, t-bars, slabs and billets	4,761,574,116	74.9	74.9	**3,566,419,013**	492,373,875
Ma'aden Rolling Company ("MRC")	Aluminum sheets for can body and lids	1,359,625,000	74.9	74.9	**1,018,359,125**	353,621,625
Ma'aden Bauxite and Alumina Company ("MBAC")	Bauxite mining and refinery	884,999,944	74.9	74.9	**662,864,958**	381,990,000
					9,894,579,096	5,874,921,500
<u>Jointly controlled entity</u>						
Sahara and Ma'aden Petrochemical Company ("SAMAPCO")	Production of concentrated caustic soda and ethylene dichloride	900,000,000	50	-	**450,000,000**	-
Total					**10,344,579,096**	5,874,921,500

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