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**Interim Condensed Consolidated Financial Information and Review Report
Tamdeen Real Estate Company – KSC (Closed) and its Subsidiaries
Kuwait**

30 June 2013 (Unaudited)

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Report on review of interim condensed consolidated financial information

To the board of directors of
Tamdeen Real Estate Company – KSC (Closed)
Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Tamdeen Real Estate Company (A Kuwaiti Closed Shareholding Company) and its subsidiaries as of 30 June 2013 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, “Interim Financial Reporting”.

Report on review of other legal and regulatory requirements

Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 25 of 2012, or of the articles and memorandum of association of the Company, as amended, have occurred during the six-month period ended 30 June 2013 that might have had a material effect on the business or financial position of the Company.



Abdullatif M. Al-Aiban (CPA)
(Licence No. 94-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners



Fawzia Mubarak Al-Hassawi
(Licence No. 80-A)
of UHY-Fawzia Mubarak Al-Hassawi

Interim condensed consolidated statement of income

	Notes	Three months ended		Six months ended	
		30 June 2013 (Unaudited) KD'000	30 June 2012 (Unaudited) KD'000	30 June 2013 (Unaudited) KD'000	30 June 2012 (Unaudited) KD'000
Income					
Operational income		2,146	2,470	4,325	4,716
Operational expenses		(701)	(1,725)	(1,436)	(2,466)
Net operational income		1,445	745	2,889	2,250
Other operational income		247	179	480	334
Fees from management of investment portfolios		7	33	29	46
Net income from investments	4	752	2,472	5,641	5,789
Share of profit in associated companies	7	390	1,380	2,245	2,588
Impairment in value of properties under development	8	-	-	(856)	-
Foreign currency exchange (loss)/gain		(14)	69	(14)	70
Other income		305	296	365	759
		3,132	5,174	10,779	11,836
Expenses and other charges					
Staff costs		429	453	1,047	1,111
General and administrative expenses		468	759	1,288	1,632
Finance costs		1,157	1,465	2,231	2,845
		2,054	2,677	4,566	5,588
Profit for the period before contribution to KFAS, contribution to Zakat and provision for NLST		1,078	2,497	6,213	6,248
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		-	-	-	-
Contribution to Zakat		-	-	-	-
Provision for National Labour Support Tax (NLST)		(27)	(9)	(33)	(25)
Profit for the period		1,051	2,488	6,180	6,223
Attributable to :					
Owners of the parent company		1,016	1,342	3,808	3,559
Non-controlling interests		35	1,146	2,372	2,664
		1,051	2,488	6,180	6,223
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY					
	5	2.7 Fils	3.6 Fils	10.3 Fils	9.6 Fils

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of comprehensive income

	Three months ended		Six months ended	
	30 June 2013 (Unaudited) KD'000	30 June 2012 (Unaudited) KD'000	30 June 2013 (Unaudited) KD'000	30 June 2012 (Unaudited) KD'000
Profit for the period	1,051	2,488	6,180	6,223
Other comprehensive income:				
Exchange differences arising on translation of foreign operations	13	67	116	279
Available for sale investments:				
- Net change in fair value during the period	8,873	132	12,749	(3,108)
- Transferred to interim condensed consolidated statement of income on impairment in value	-	-	-	203
- Transferred to interim condensed consolidated statement of income on sale	(134)	(2,072)	(134)	(2,072)
Total other comprehensive income/(loss)	8,752	(1,873)	12,731	(4,698)
Total comprehensive income for the period	9,803	615	18,911	1,525
Attributable to:				
Owners of the parent company	9,768	(531)	16,539	(1,139)
Non-controlling interests	35	1,146	2,372	2,664
	9,803	615	18,911	1,525

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Assets				
Non-current assets				
Available for sale investments	6	106,134	89,246	92,150
Investments in associated companies	7	83,517	77,129	76,334
Investment properties		20,880	20,880	20,880
Properties under development	8	34,819	34,972	34,719
Property, plant and equipment		2,054	2,092	1,818
		247,404	224,319	225,901
Current assets				
Cash and bank balances		3,326	1,979	3,989
Short term deposits		1,712	1,753	3,646
Investments at fair value through profit or loss		833	675	693
Accounts receivable and other debit balances	9	13,312	13,529	19,366
Investments in lands and real estate held for trading		11,341	11,341	15,987
		30,524	29,277	43,681
Total assets		277,928	253,596	269,582
Equity and liabilities				
Equity				
Share capital		37,312	37,312	37,312
Share premium		11,132	11,132	11,132
Treasury shares		(713)	(650)	(645)
Reserve of profit on sale of treasury shares		739	739	739
Legal reserve		8,464	8,464	8,045
Voluntary reserve		9,862	9,862	9,443
Foreign currency translation reserve		335	219	279
Retained earnings		14,178	13,335	13,673
Cumulative changes in fair value		27,480	14,865	15,535
Equity attributable to the owners of the parent company		108,789	95,278	95,513
Non-controlling interests		53,655	42,944	44,374
Total equity		162,444	138,222	139,887
Liabilities				
Non-current liabilities				
Term loans	10	67,500	60,500	60,500
Refundable rental deposits		1,171	1,138	1,145
Provision for end of service indemnity		687	635	618
		69,358	62,273	62,263
Current liabilities				
Bank facilities	11	4,184	8,646	7,849
Accounts payable and other credit balances		9,442	11,955	14,583
Current portion of term loans	10	32,500	32,500	45,000
		46,126	53,101	67,432
Total liabilities		115,484	115,374	129,695
Total equity and liabilities		277,928	253,596	269,582

Meshal Jassim Al-Marzouq
Chairman

Ali Yacoub Ghafil Al-Aryan
Vice-Chairman

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (Unaudited)

	Equity attributable to the owners of the parent company										Total KD'000	
	Share capital KD'000	Share premium KD'000	Treasury shares KD'000	Reserve of profit on sale of treasury shares KD'000	Legal reserve KD'000	Voluntary reserve KD'000	Foreign currency translation reserve KD'000	Retained earnings KD'000	Cumulative changes in fair value KD'000	Sub- total KD'000		Non- controlling interests KD'000
Balance as at 1 January 2013	37,312	11,132	(650)	739	8,464	9,862	219	13,335	14,865	95,278	42,944	138,222
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	8,339	8,339
Purchase of treasury shares	-	-	(63)	-	-	-	-	-	-	(63)	-	(63)
Cash dividends (Note 14)	-	-	-	-	-	-	-	(2,965)	-	(2,965)	-	(2,965)
Transactions with the owners	-	-	(63)	-	-	-	-	(2,965)	-	(3,028)	8,339	5,311
Profit for the period	-	-	-	-	-	-	-	3,808	-	3,808	2,372	6,180
Other comprehensive income:												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	116	-	-	116	-	116
Available for sale investments:												
- Net change in fair value during the period	-	-	-	-	-	-	-	-	12,749	12,749	-	12,749
- Transferred to interim condensed consolidated statement of income on sale	-	-	-	-	-	-	-	-	(134)	(134)	-	(134)
Total comprehensive income for the period	-	-	-	-	-	-	116	3,808	12,615	16,539	2,372	18,911
Balance as at 30 June 2013	37,312	11,132	(713)	739	8,464	9,862	335	14,178	27,480	108,789	53,655	162,444

Interim condensed consolidated statement of changes in equity (Unaudited) (continued)

	Equity attributable to the owners of the parent company										Total KD'000	
	Share capital KD'000	Share premium KD'000	Treasury shares KD'000	Reserve of profit on sale of treasury shares KD'000	Legal reserve KD'000	Voluntary reserve KD'000	Foreign currency translation reserve KD'000	Retained earnings KD'000	Cumulative changes in fair value KD'000	Sub- total KD'000		Non- controlling interests KD'000
Balance as at 1 January 2012	37,312	11,132	(645)	739	8,045	9,443	-	13,080	20,512	99,618	46,953	146,571
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(5,243)	(5,243)
Cash dividends (Note 14)	-	-	-	-	-	-	-	(2,966)	-	(2,966)	-	(2,966)
Transactions with the owners	-	-	-	-	-	-	-	(2,966)	-	(2,966)	(5,243)	(8,209)
Profit for the period	-	-	-	-	-	-	-	3,559	-	3,559	2,664	6,223
Other comprehensive income:												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	279	-	-	-	-	279
Available for sale investments:												
- Net change in fair value during the period	-	-	-	-	-	-	-	-	(3,108)	(3,108)	-	(3,108)
- Transferred to interim condensed consolidated statement of income on impairment in value	-	-	-	-	-	-	-	-	203	203	-	203
- Transferred to interim condensed consolidated statement of income on sale	-	-	-	-	-	-	-	-	(2,072)	(2,072)	-	(2,072)
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	279	3,559	(4,977)	(1,139)	2,664	1,525
Balance as at 30 June 2012	37,312	11,132	(645)	739	8,045	9,443	279	13,673	15,535	95,513	44,374	139,887

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Six months ended 30 June 2013 (Unaudited) KD'000	Six months ended 30 June 2012 (Unaudited) KD'000
OPERATING ACTIVITIES			
Profit for the period attributable to the owners of the parent company		3,808	3,559
Adjustments:			
Depreciation		111	152
Provision for end of service indemnity		69	100
Unrealised (profit)/loss from investments at fair value through profit or loss		(158)	64
Net profit from sale of available for sale investments		(226)	(2,162)
Impairment in value of available for sale investments		-	203
Impairment in value of properties under development		856	-
Dividends income		(5,247)	(3,859)
Interest income		(10)	(35)
Share of profit in associated companies		(2,245)	(2,588)
Finance costs		2,231	2,845
		(811)	(1,721)
Changes in operating assets and liabilities:			
Accounts receivable and other debit balances		217	1,451
Accounts payable and other credit balances		(1,872)	4,478
Refundable rental deposits		33	(1)
End of service indemnity paid		(17)	(41)
Net cash (used in)/from operating activities		(2,450)	4,166
INVESTING ACTIVITIES			
Net purchase of available for sale investments		(340)	(4,442)
Proceeds from sale of available for sale investments		666	4,378
Investments in associated companies		(1,060)	(3,915)
Properties under development		(703)	(1,428)
Property, plant and equipment		(73)	12
Dividends income received		5,247	3,859
Dividends received from associated companies		2,100	-
Interest income received		10	35
Net cash from/(used in) investing activities		5,847	(1,501)
FINANCING ACTIVITIES			
Cash dividends		(2,847)	(2,919)
Change in non-controlling interests		1,039	1,492
Change in bank facilities		(4,462)	6,038
Change in term loans		7,000	(5,000)
Change in foreign currency translation reserve		116	279
Net change in treasury shares		(63)	-
Finance costs paid		(2,874)	(2,974)
Net cash used in financing activities		(2,091)	(3,084)
Net increase/(decrease) in cash and cash equivalents		1,306	(419)
Cash and cash equivalents at beginning of the period		3,732	8,054
Cash and cash equivalents at end of the period	12	5,038	7,635

The notes set out on pages 8 to 21 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities of the parent company

Tamdeen Real Estate Company – KSC (Closed) (the parent company) was incorporated in Kuwait on 16 December 1982 in accordance with the Commercial Companies Law. The shares of this parent company are listed on the Kuwait Stock Exchange.

The principal activities of the parent company are represented in the real estate investments inside and outside the State of Kuwait, for the purposes of ownership, resale, leasing and renting. The parent company is also engaged in the development of real estate projects and construction contracts of buildings, managing the properties of others, establishing and managing real estate investment funds, real estate studies and consultancy, and investing in companies with activities similar to its own and in financial portfolios managed by professional companies and authorities.

In accordance with Law No. 97 of 2013 amending certain articles of the Amiri Decree by Law No. 25 of 2012 regarding the issuance of the Companies Law, all existing companies are required to comply with the new Companies Law in accordance with the rules and regulations stipulated in the Executive By-Laws due to be issued by the Minister of Commerce and Industry within six months from the date of issuance of the Law No. 97 in the official gazette on 27 March 2013. Further, all other supervisory bodies are required to issue their respective regulations in accordance with the provisions of this law within this time frame.

The address of the parent company: PO Box 21816 - Safat 13079 - State of Kuwait.

The interim condensed consolidated financial information for the six months period ended 30 June 2013 was authorised for issue by the parent company's board of directors on 6 August 2013.

2 Basis of preparation

This interim condensed consolidated financial information of the group has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2012.

This interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of the management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation for the interim condensed consolidated financial information have been included.

Operating results for the six months period ended 30 June 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013. For further details, refer to the group's consolidated financial statements and its related disclosures for the year ended 31 December 2012.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

2.1 Adoption of new IASB Standards and Amendments issued during the period

The group has adopted the following new and amended IFRS during the period:

<i>Standard or Interpretation</i>	<i>Effective for annual periods beginning on</i>
IAS 1 Presentation of Financial Statements – Amendment	1 July 2012
IAS 19 Employee Benefits (revised)	1 January 2013
IAS 27 Consolidated and Separate Financial Statements - Revised as IAS 27 Separate Financial Statements	1 January 2013
IAS 28 Investments in Associates - Revised as IAS 28 Investments – Associates and Joint Ventures	1 January 2013
IFRS 10 Consolidated Financial Statements	1 January 2013
IFRS 12 Disclosure of Interests in Other Entities	1 January 2013
IFRS 13 Fair Value Measurement	1 January 2013
IFRS 7 Financial Instruments: Disclosures – Amendment	1 January 2013
Annual Improvements 2009-2011	1 January 2013

2.1.1 IAS 1 Presentation of Financial Statements - Amendment

The amendment to IAS 1 requires entities to group other comprehensive income items presented in the statement of comprehensive income based on those:

- Potentially re-classifiable to statement of income in a subsequent period, and
- That will not be re-classified to statement of income subsequently.

2.1.2 IAS 19 Employee Benefits (revised)

The numerous amendments to IAS 19 have been issued by IASB and range from fundamental changes such as removing the corridor approach and the concept of expected returns on plan assets to simple clarifications and re-wordings.

The adoption of this amendment did not have any significant impact on the financial position or performance of the group.

2.1.3 IAS 27 Consolidated and Separate Financial statements – Revised as IAS 27 Separate Financial Statements

As a result of the consequential amendments, IAS 27 now deals only with separate financial statements.

The adoption of this amendment did not have any significant impact on the financial position or performance of the group.

2.1.4 IAS 28 Investments in Associates – Revised as IAS 28 Investments - Associates and Joint Ventures

As a result of the consequential amendments, IAS 28 brings investments in joint ventures into its scope. However, the equity accounting methodology under IAS 28 remains unchanged.

The adoption of this amendment did not have any significant impact on the financial position or performance of the group.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

2.1 Adoption of new IASB Standards and Amendments issued during the period (continued)

2.1.5 IFRS 10 Consolidated Financial Statements

IFRS 10 supersedes IAS 27 Consolidated and Separate Financial Statements. It revised the definition of control together with accompanying guidance to identify an interest in subsidiary. However, the requirements and procedures of consolidation and the accounting for any non-controlling interests and changes in control percentage remain the same.

The adoption of this standard did not have any significant impact on the financial position or performance of the group.

2.1.6 IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 is designed to complement the other new standards. It sets out consistent disclosure requirements for subsidiaries, joint ventures and associates, as well as unconsolidated structured entities. The disclosure requirements are extensive and will result in significant amounts of new disclosures for some companies. Structured entities were previously referred to in SIC 12 as special purpose entities. The disclosures required by IFRS 12 aims to provide transparency about the risks a company is exposed to through its interests in other entities.

The adoption of this standard did not have any significant impact on the financial position or performance of the group.

2.1.7 IFRS 13 Fair Value Measurement

IFRS 13 does not affect which items to be fair valued, but clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements.

The adoption of this standard did not have any significant impact on the financial position or performance of the group.

2.1.8 IFRS 7 Financial Instruments: Disclosures – Amendment

Qualitative and quantitative disclosures have been added to IFRS 7 ‘Financial Instruments: Disclosures’ (IFRS 7) relating to gross and net amounts of recognised financial instruments that are (a) set off in the statement of financial position and (b) subject to enforceable master netting arrangements and similar agreements, even if not set off in the statement of financial position. The required disclosures should be provided retrospectively.

The adoption of this amendment did not have any significant impact on the financial position or performance of the group.

2.1.9 Annual Improvements 2009-2011

The Annual Improvements 2009-2011 (the Annual Improvements) made several minor amendments to a number of IFRSs. The amendments relevant to the group are summarised below:

Clarification of the requirements for opening statement of financial position:

- clarifies that the appropriate date for the opening statement of financial position is the beginning of the preceding period (related notes are no longer required to be presented).
- addresses comparative requirements for the opening statement of financial position when an entity changes accounting policies or makes retrospective restatements or reclassifications, in accordance with IAS 8.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

2.1 Adoption of new IASB Standards and Amendments issued during the period (continued)

2.1.9 Annual Improvements 2009-2011 (continued)

Clarification of the requirements for comparative information provided beyond minimum requirements:

- clarifies that additional financial statement information need not to be presented in the form of a complete set of financial statements for periods beyond the minimum requirements.
- requires that any additional information presented should be presented in accordance with IFRS and the entity should present comparative information in the related notes for that additional information.

Tax effect of distribution to holders of equity instruments:

- addresses a perceived inconsistency between IAS 12 ‘Income Taxes’ (IAS 12) and IAS 32 ‘Financial Instruments: Presentation’ (IAS 32) with regards to recognising the consequences of income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction.
- clarifies that the intention of IAS 32 is to follow the requirements in IAS 12 for accounting for income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction.

Segment information for total assets and liabilities:

- clarifies that the total assets and liabilities for a particular reportable segment are required to be disclosed if, and only if: (1) a measure of total assets or of total liabilities (or both) is regularly provided to the chief operating decision maker; (2) there has been a material change from those measures disclosed in the last annual financial statements for that reportable segment.

The adoption of the above amendments did not have any significant impact on the financial position or performance of the group.

2.2 IASB Standards issued but not yet effective

At the date of authorisation of this interim condensed consolidated financial information, certain new standards, amendments and interpretations have been published by the IASB but are not yet effective, and have not been adopted early by the group.

Management anticipates that all of the relevant pronouncements will be adopted in the group’s accounting policies for the first period beginning on or after the effective date of the new standard, amendment or interpretation. Management is yet to determine impact of these standards, amendments and interpretations on the consolidated financial statements. Information on new standards, amendments and interpretations that are expected to be relevant to the group’s consolidated financial statements is provided below.

<i>Standard or Interpretation</i>	<i>Effective for annual periods beginning on</i>
IAS 32 Financial Instruments: Presentation – Amendments	1 January 2014
IFRS 9 Financial Instruments: Classification and Measurement	1 January 2015

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation (continued)

2.2 IASB Standards issued but not yet effective (continued)

2.2.1 IAS 32 Financial Instruments: Presentation - Amendments

The amendments to IAS 32 add application guidance to address inconsistencies in applying IAS 32's criteria for offsetting financial assets and financial liabilities in the following two areas:

- the meaning of “currently has a legally enforceable right of set-off”.
- that some gross settlement systems may be considered equivalent to net settlement.

The amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively. Management does not anticipate a material impact on the group's consolidated financial statements from these amendments.

2.2.2 IFRS 9 Financial Instruments: Classification and Measurement

The IASB aims to replace IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety, with the replacement standard to be effective for annual periods beginning 1 January 2015. IFRS 9 is the first part of Phase 1 of this project where the main phases are:

- Phase 1: Classification and Measurement
- Phase 2: Impairment methodology
- Phase 3: Hedge accounting

In addition, a separate project is dealing with derecognition.

3 Subsidiary companies

The list of the consolidated subsidiary companies of the parent company is as follows:

Subsidiary companies	Percentage of ownership in subsidiary companies			Country of incorporation	Principal activity	Date of incorporation	Date of control
	30 June 2013 (Unaudited) %	31 Dec. 2012 (Audited) %	30 June 2012 (Unaudited) %				
Tamdeen Investment Company - KSC (Closed)	51.37	51.37	51.37	Kuwait	Investment	3 March 1997	11 January 2003
Manshar Real Estate Company - KSC (Closed)	75.685	75.685	75.685	Kuwait	Real estate	17 March 2007	17 March 2007
Tamdeen Housing Company - KSC (Closed)	45.41	45.41	45.41	Kuwait	Real estate	21 July 2008	21 July 2008
Al Adiyat International Real Estate Company - KSC (Closed) *	97.75	97.75	97.75	Kuwait	Real estate	25 June 2006	1 April 2012

* During the previous year, the parent company purchased the entire share amounting to 97.75% and which is owned by one of the subsidiary companies [Tamdeen Investment Company – KSC (Closed)] in Al Adiyat International Real Estate Company – KSC (Closed). No profit or loss resulted from this transaction and Al Adiyat International Real Estate Company – KSC (Closed) became a direct subsidiary of the parent company with the same share.

Notes to the interim condensed consolidated financial information (continued)

4 Net income from investments

	Three months ended		Six months ended	
	30 June 2013 (Unaudited) KD'000	30 June 2012 (Unaudited) KD'000	30 June 2013 (Unaudited) KD'000	30 June 2012 (Unaudited) KD'000
Net profit from sale of available for sale investments	226	2,166	226	2,162
Unrealised profit/(loss) from investments at fair value through profit or loss	89	(8)	158	(64)
Impairment in value of available for sale investments	-	-	-	(203)
Dividends income	434	303	5,247	3,859
Interest income	3	11	10	35
	752	2,472	5,641	5,789

5 Earnings per share attributable to the owners of the parent company

	Three months ended		Six months ended	
	30 June 2013 (Unaudited)	30 June 2012 (Unaudited)	30 June 2013 (Unaudited)	30 June 2012 (Unaudited)
Profit for the period attributable to the owners of the parent company (KD'000)	1,016	1,342	3,808	3,559
Weighted average number of outstanding shares (excluding treasury shares) (in thousand)	370,384	370,712	370,384	370,712
Earnings per share attributable to the owners of the parent company	2.7 Fils	3.6 Fils	10.3 Fils	9.6 Fils

6 Available for sale investments

	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Local managed portfolios and funds	4,892	4,707	4,640
Participations in unquoted local companies shares	7,616	7,656	9,145
Participations in capital of companies located outside Kuwait	93,626	76,883	78,365
	106,134	89,246	92,150

Participations in capital of companies located outside Kuwait include the investments of one of the consolidated subsidiary companies [Tamdeen Investment Company – KSC (Closed)] in shares listed on foreign financial markets. These participations include investments with a total fair value of KD57,856 thousand (KD54,071 thousand at 31 December 2012 and KD65,312 thousand at 30 June 2012) mortgaged against term loans (Note 10) and bank facilities (Note 11).

Notes to the interim condensed consolidated financial information (continued)

7 Investments in associated companies

This item comprises the investments of the group in the following associated companies:

Company's name	Place of incorporation	30 June 2013 (Unaudited)		31 Dec. 2012 (Audited)		30 June 2012 (Unaudited)	
		Direct & indirect ownership %	Value KD'000	Direct & indirect ownership %	Value KD'000	Direct & indirect ownership %	Value KD'000
Ajmal Holding Company - BSC	Bahrain	29	11,265	29	9,489	29	9,757
Tamdeen Holding Co. – KSC (Holding Closed) *	Kuwait	51	20,927	51	17,665	51	17,856
Fucom for Central Markets – KSC (Closed)	Kuwait	25	301	25	228	25	263
Tamdeen Shopping Centers Company – KSC (Closed)	Kuwait	30	36,230	30	36,175	30	35,127
Tamdeen Franchises Holding Company – KSC (Holding Closed)	Kuwait	30	13,059	30	12,896	30	12,655
Tamdeen Resorts Company – WLL	Kuwait	25	133	25	133	25	132
Al Maysam Combined General Trading Company – WLL **	Kuwait	30	1,602	46	543	46	544
			83,517		77,129		76,334

Notes to the interim condensed consolidated financial information (continued)

7 Investments in associated companies (continued)

As follows, the group's share in the net assets and profit for the period/year of the associated companies in accordance with the latest financial statements available at the date of the interim condensed consolidated statement of financial position:

	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Assets	123,460	122,793	120,666
Liabilities	(39,943)	(45,664)	(44,332)
Net assets	83,517	77,129	76,334

	Six months ended 30 June 2013 (Unaudited) KD'000	Year ended 31 Dec. 2012 (Audited) KD'000	Six months ended 30 June 2012 (Unaudited) KD'000
Profit for the period/year	2,245	3,480	2,588

* During the previous year, one of the subsidiary companies of the group [Tamdeen Investment Company – KSC (Closed)] purchased from a related party an additional share in Tamdeen Holding Co. – KSC (Holding Closed) for an amount of KD3,915 thousand, and thus the group's share in this associated company became 51%.

** During the period, the share capital of Al Maysam Combined General Trading Company – WLL was increased by an amount of KD3,000 thousand, but the group subscribed by part of its share in this increase, and this resulted in a decrease in the group's share in this associated company by a percentage of 16%.

8 Properties under development

	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Cost			
At beginning of period/year	35,095	33,914	33,914
Additions during period/year	703	2,497	1,428
Transferred to property, plant and equipment	-	(1,316)	-
At end of period/year	35,798	35,095	35,342
Impairment in value			
At beginning of period/year	123	623	623
Additions during period/year *	856	420	-
Related to the transferred to property, plant and equipment	-	(920)	-
At end of period/year	979	123	623
Net book value			
At end of period/year	34,819	34,972	34,719

* During the period, the group impaired the cost of properties under development related to Barwa City project located in the State of Qatar by a percentage of 60% or equivalent to KD856 thousand from the cost.

Notes to the interim condensed consolidated financial information (continued)

9 Accounts receivable and other debit balances

	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Receivable from tenants	1,414	1,385	1,733
Staff receivable	47	32	40
Prepaid expenses	321	301	623
Due from related parties *	3,523	3,443	8,181
Accrued income	4	19	339
Due from sale of investments in lands and real estate held for trading *	8,357	8,769	8,769
Other debit balances	724	845	941
	14,390	14,794	20,626
Provision for doubtful debts	(1,078)	(1,265)	(1,260)
	13,312	13,529	19,366

* The balances due above are mainly represented by the amounts that resulted from the sale transaction performed by the group during the year 2011 for some of its real estate plots which have been invested in for trading purpose to related parties for an amount of KD9,103 thousand and other third parties for an amount of KD10,030 thousand. The group collected part of these due balances during the current period and the previous year.

10 Term loans

The term loans are due for repayment as follows:

	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Within one year	32,500	32,500	45,000
From one to five years	67,500	60,500	60,500
	100,000	93,000	105,500

During the period, the group obtained new loans of amount KD7,000 thousand from local banks. All the term loans are granted to the group by local banks. These loans are denominated in Kuwaiti Dinars with annual interest rate ranging between 1.75% to 2% (2% to 2.25% at 31 December 2012 and 2% to 2.5% at 30 June 2012) over the discount rate announced by the Central Bank of Kuwait. The total amount of the instalments relating to the loans which are due to be repaid within twelve months from the date of the interim condensed consolidated statement of financial position is shown as a current liability.

The loans granted to the group are against the mortgage of investments in shares with a fair value of KD57,856 thousand (KD54,071 thousand at 31 December 2012 and KD65,312 thousand at 30 June 2012) (Note 6) and mortgage of investment properties and properties under development.

Notes to the interim condensed consolidated financial information (continued)

11 Bank facilities

The bank facilities represent the balances of overdraft facilities which are granted to the group by local banks to finance the working capital and the real estate activities. They are completely repayable on demand with annual floating interest rate which is equal to the current interest rate in the market. The bank facilities are granted to the group against the mortgage of available for sale investments (Note 6).

12 Cash and cash equivalents

Cash and cash equivalents which are shown in the interim condensed consolidated statement of cash flows comprise of the following:

	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Cash and bank balances	3,326	1,979	3,989
Short term deposits (mature within three months)	1,712	1,753	3,646
	5,038	3,732	7,635

13 Segmental analysis

The activities of the group are principally carried out within the State of Kuwait. With the exception of participations in capital of companies located outside Kuwait (Note 6), all of the assets and liabilities are located inside Kuwait.

The segmental analysis of gross income, profit or loss for the period/year attributable to the owners of the parent company, total assets, total liabilities, non-controlling interests and net assets employed is as follows:

	Real estate KD'000	Investment KD'000	Total KD'000
Period ended at 30 June 2013 (Unaudited)			
Gross income	3,702	7,077	10,779
Profit for the period attributable to the owners of the parent company	294	3,514	3,808
Total assets	82,709	195,219	277,928
Total liabilities	(82,936)	(32,548)	(115,484)
Non-controlling interests	-	(53,655)	(53,655)
Net assets employed	(227)	109,016	108,789

Notes to the interim condensed consolidated financial information (continued)

13 Segmental analysis (continued)

	Real estate KD'000	Investment KD'000	Total KD'000
Year ended at 31 December 2012 (Audited)			
Gross income	6,105	10,686	16,791
(Loss)/profit for the year attributable to the owners of the parent company	(1,322)	5,381	4,059
Total assets	82,811	170,785	253,596
Total liabilities	(82,243)	(33,131)	(115,374)
Non-controlling interests	-	(42,944)	(42,944)
Net assets employed	568	94,710	95,278
Period ended at 30 June 2012 (Unaudited)			
Gross income	2,873	8,963	11,836
(Loss)/profit for the period attributable to the owners of the parent company	(885)	4,444	3,559
Total assets	80,609	188,973	269,582
Total liabilities	(80,391)	(49,304)	(129,695)
Non-controlling interests	-	(44,374)	(44,374)
Net assets employed	218	95,295	95,513

14 Dividends

On 26 May 2013, the general assembly of shareholders approved the cash dividends of 8% or equivalent to 8 Kuwaiti Fils per share from the paid-up share capital to the shareholders registered at that date as per records for the year ended 31 December 2012 (cash dividends of 8% or equivalent to 8 Kuwaiti Fils per share from the paid-up share capital to the shareholders for the year ended 31 December 2011).

15 Related party transactions

Included in the transactions carried out by the group during the period, there are certain transactions with related parties within the normal activities of the group involving shareholders who are represented in the board of directors, in addition to other major shareholders. These transactions were incorporated in the interim condensed consolidated financial information as follows:

	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Interim condensed consolidated statement of financial position			
Accounts receivable and other debit balances (Note 9)	3,523	3,443	8,181
Accounts payable and other credit balances	68	1,763	3,852
Purchase of a share in an associated company (Note 7)	-	-	3,915

Notes to the interim condensed consolidated financial information (continued)

15 Related party transactions (continued)

	Six months ended 30 June 2013 (Unaudited) KD'000	Year ended 31 Dec. 2012 (Audited) KD'000	Six months ended 30 June 2012 (Unaudited) KD'000
Interim condensed consolidated statement of income			
Management fees income and consultancies	190	408	189
General and administrative expenses (top management salaries and remunerations)	283	512	265
Operational expenses	303	519	220
<hr/>			
	30 June 2013 (Unaudited) KD'000	31 Dec. 2012 (Audited) KD'000	30 June 2012 (Unaudited) KD'000
Contra accounts - off interim condensed consolidated statement of financial position items			
Net book value of customers' portfolios (major shareholders)	64,198	62,027	38,026

16 Commitments and contingent liabilities

At the date of the interim condensed consolidated statement of financial position, the parent company had commitments against letters of guarantee issued in favour of third parties of amount KD2,271 thousand (KD2,271 thousand at 31 December 2012 and KD2,129 thousand at 30 June 2012).

17 Summary of financial assets and liabilities by category

The group adopted IFRS13 Fair Value Measurement and consequential amendments to IAS 34 effective from 1 January 2013. In the first year of adoption, there was no need to present comparative information for the required disclosures. Accordingly, the disclosure for the fair value hierarchy is only presented for the period ended 30 June 2013.

17.1 Categories of financial assets and liabilities

The carrying amounts of the group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position are categorized as follows:

	30 June 2013 (Unaudited) KD '000
Financial assets	
Cash and cash equivalents	5,038
Investments at fair value through profit or loss	833
Accounts receivable and other debit balances	13,312
Available for sale investments	106,134
	<hr/>
	125,317
<hr/>	
Financial liabilities	
Accounts payable and other credit balances	9,442
Term loans	100,000
Bank facilities	4,184
	<hr/>
	113,626

Notes to the interim condensed consolidated financial information (continued)

17 Summary of financial assets and liabilities by category (continued)

17.1 Categories of financial assets and liabilities (continued)

Fair value represents amounts at which an asset could be exchanged or a liability settled on an arm's length basis. In the opinion of the parent company's management, the carrying amounts of financial assets and liabilities as at 30 June 2013 approximate their fair values.

17.2 Fair value hierarchy for financial instruments measured at fair value

The following table presents the financial assets which are measured at fair value in the interim condensed consolidated statement of financial position in accordance with the fair value hierarchy.

This hierarchy groups financial assets into six levels based on the significance of inputs used in measuring the fair value of the financial assets. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets that are not based on observable market data (unobservable inputs).

The level within which the financial assets are classified is determined based on the lowest level of significant inputs which lead to the fair value measurement.

The financial assets measured at fair value in the interim condensed consolidated statement of financial position according to the fair value hierarchy are as follows:

30 June 2013 (Unaudited)

		Level 1	Level 2	Level 3	Total
	Note	KD'000	KD'000	KD'000	KD'000
Assets at fair value					
Investments at fair value through profit or loss:					
- Local managed portfolios	a	833	-	-	833
Available for sale investments:					
- Local managed portfolios and funds	a	4,892	-	-	4,892
- Participations in unquoted local companies shares	b	-	7,616	-	7,616
- Participations in capital of companies located outside Kuwait	c	86,580	7,046	-	93,626
		92,305	14,662	-	106,967

Notes to the interim condensed consolidated financial information (continued)

17 Summary of financial assets and liabilities by category (continued)

17.2 Fair value hierarchy for financial instruments measured at fair value (continued)

Measurement at fair value

The methods and valuation techniques used for the purpose of measuring fair value are as follows:

a) Local managed portfolios and funds

The underlying investments in local managed portfolios and funds represent quoted bonds and quoted and unquoted securities. They are valued based on latest reports received from the managers of these portfolios and funds.

b) Participations in unquoted local companies shares

These represent participations in unquoted local companies shares which are measured at fair value. Fair value is estimated based on the average of recent transaction prices for these investments and other valuation techniques including discounted cash flows.

c) Participations in capital of companies located outside Kuwait

These investments represent the group's participations in capital of quoted and unquoted companies in the stock exchange markets outside the State of Kuwait. The quoted investments represent all the quoted shares which are generally exchanged in the stock exchange markets, and its fair value has been determined by reference to the latest bid prices at the reporting date. The fair value of the unquoted investments has been determined by using other valuation methods such as the discounted cash flows.

18 Comparative figures

Certain comparative figures have been reclassified to conform with the current period's presentation of the interim condensed consolidated financial information. This reclassification has no effect on the consolidated financial statements for the previous year and the interim condensed consolidated financial information for the previous period including equity, net profit and cash and cash equivalents.