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Interim condensed consolidated financial information and review report

Tamdeen Real Estate Company – KSC (Closed)

and its Subsidiaries

Kuwait

31 March 2011 (Unaudited)

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Grant Thornton

Al-Qatami, Al-Aiban & Partners

Auditors & Consultants

Souq Al Kaber Building - Block A - 9th Floor
Tel : (965) 2244 3900-9
Fax: (965) 2243 8451
P.O.Box 2986, Safat 13030
Kuwait
www.gtkuwait.com

UHY Fawzia Mubarak Al-Hassawi
Auditors & Consultant

An independent member firm of UHY
P.O. Box 20316, Safat 13064 – Kuwait
Tel : +965- 2564221
Fax : +965 2564214
E-mail : fawzia@fmh.com.kw

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 31 March 2011 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-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 Commercial Companies Law of 1960, or of the articles of association of the Company, as amended, have occurred during the three-month period ended 31 March 2011 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

Kuwait
11 May 2011

Interim condensed consolidated statement of income

	Notes	Three months ended 31 March 2011 (Unaudited) KD'000	Three months ended 31 March 2010 (Unaudited) KD'000
Income			
Operational income		2,392	4,553
Operational expenses		(785)	(1,782)
Net operational income		1,607	2,771
Other operational income		222	140
Fees from management of investment portfolios		7	9
Profit from sale of investments in lands and real estate held for trading	11	292	311
Profit from sale of a land from the projects in progress		-	48
Net income from investments	3	3,073	4,527
Share of profit in associated companies	6	717	747
Foreign currency exchange (loss)/gain		(41)	1
Other income		288	258
		6,165	8,812
Expenses and other charges			
Staff costs		638	798
General and administrative expenses		804	985
Finance costs		1,828	2,887
		3,270	4,670
Profit for the period before contribution to KFAS, contribution to Zakat and provision for NLST		2,895	4,142
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		-	-
Contribution to Zakat		(1)	-
Provision for National Labour Support Tax (NLST)		(17)	(11)
Profit for the period		2,877	4,131
Attributable to :			
Owners of the parent company		1,719	2,059
Non-controlling interests		1,158	2,072
		2,877	4,131
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY	4	4.6 Fils	5.5 Fils

The notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

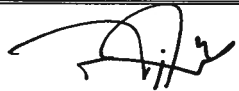
Interim condensed consolidated statement of comprehensive income


	Three months ended 31 March 2011 (Unaudited) KD'000	Three months ended 31 March 2010 (Unaudited) KD'000
Profit for the period	2,877	4,131
Other comprehensive income:		
Exchange differences arising on translation of foreign operations	(52)	(242)
Available for sale investments:		
- Net change in fair value during the period	(1,406)	18,899
- Transferred to interim condensed consolidated statement of income on impairment in value	(29)	-
- Transferred to interim condensed consolidated statement of income on sale	-	(1,436)
Total other comprehensive (loss)/income	(1,487)	17,221
Total comprehensive income for the period	1,390	21,352
Attributable to:		
Owners of the parent company	232	19,280
Non-controlling interests	1,158	2,072
	1,390	21,352

The notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Assets				
Non-current assets				
Available for sale investments	5	102,803	104,759	117,394
Investments in associated companies	6	74,900	74,528	53,918
Investments in unconsolidated subsidiary company	7	540	540	-
Investment properties	8	48,725	48,725	139,996
Projects in progress	9	4,138	4,014	64,984
Property, plant and equipment		630	651	4,371
		231,736	233,217	380,663
Current assets				
Cash and bank balances		10,110	4,808	14,916
Short-term deposits		3,723	7,593	1,220
Investments at fair value through profit or loss		807	812	1,396
Accounts receivable and other debit balances	10	37,560	17,092	31,908
Investments in lands and real estate held for trading	11	20,898	41,007	52,284
		73,098	71,312	101,724
Total assets		304,834	304,529	482,387
Equity and liabilities				
Equity				
Share capital		37,312	37,312	37,312
Share premium		11,132	11,132	11,132
Treasury shares		(645)	(523)	(523)
Reserve of profit on sale of treasury shares		739	739	739
Legal reserve		7,649	7,649	7,172
Voluntary reserve		9,047	9,047	8,570
Foreign currency translation reserve		41	93	436
Retained earnings		15,474	13,755	15,856
Cumulative changes in fair value		23,954	25,389	24,294
Equity attributable to the owners of the parent company		104,703	104,593	104,988
Non-controlling interests		50,204	50,125	131,869
Total equity		154,907	154,718	236,857
Liabilities				
Non-current liabilities				
Term loans	12	67,000	67,000	150,847
Refundable rental deposits		1,168	1,185	4,383
Provision for end of service indemnity		478	473	637
		68,646	68,658	155,867
Current liabilities				
Bank facilities	13	16,615	15,168	18,753
Accounts payable and other credit balances		9,666	10,985	21,489
Current portion of term loans	12	55,000	55,000	49,421
		81,281	81,153	89,663
Total liabilities		149,927	149,811	245,530
Total equity and liabilities		304,834	304,529	482,387


Mohammed Jassim Al Marzouq
Chairman and CEO


Ali Yacoub Ghafil Aryan
Vice-Chairman

The notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

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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 2011	37,312	11,132	(523)	739	7,649	9,047	93	13,755	25,389	104,593	50,125	154,718
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,079)	(1,079)
Net change in treasury shares	-	-	(122)	-	-	-	-	-	-	(122)	-	(122)
Transactions with the owners	-	-	(122)	-	-	-	-	-	-	(122)	(1,079)	(1,201)
Profit for the period	-	-	-	-	-	-	-	1,719	-	1,719	1,158	2,877
Other comprehensive income:												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	(52)	-	-	(52)	-	(52)
Available for sale investments:												
- Net change in fair value during the period	-	-	-	-	-	-	-	-	(1,406)	(1,406)	-	(1,406)
- Transferred to interim condensed consolidated statement of income on impairment in value	-	-	-	-	-	-	-	-	(29)	(29)	-	(29)
Total comprehensive (loss)/ income for the period	-	-	-	-	-	-	(52)	1,719	(1,435)	232	1,158	1,390
Balance as at 31 March 2011	37,312	11,132	(645)	739	7,649	9,047	41	15,474	23,954	104,703	50,204	154,907

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 2010	37,312	11,132	(201)	732	7,172	8,570	678	13,797	6,831	86,023	114,464	200,487
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	15,333	15,333
Net change in treasury shares	-	-	(322)	-	-	-	-	-	-	(322)	-	(322)
Net change in reserve of profit on sale of treasury shares	-	-	-	7	-	-	-	-	-	7	-	7
Transactions with the owners	-	-	(322)	7	-	-	-	-	-	(315)	15,333	15,018
Profit for the period	-	-	-	-	-	-	-	2,059	-	2,059	2,072	4,131
Other comprehensive income:												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	(242)	-	-	(242)	-	(242)
Available for sale investments:												
- Net change in fair value during the period	-	-	-	-	-	-	-	-	18,899	18,899	-	18,899
- Transferred to interim condensed consolidated statement of income on sale	-	-	-	-	-	-	-	-	(1,436)	(1,436)	-	(1,436)
Total comprehensive (loss)/ income for the period	-	-	-	-	-	-	(242)	2,059	17,463	19,280	2,072	21,352
Balance as at 31 March 2010	37,312	11,132	(523)	739	7,172	8,570	436	15,856	24,294	104,988	131,869	236,857

The notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Three months ended 31 March 2011 (Unaudited)	Three months ended 31 March 2010 (Unaudited)
Note	KD'000	KD'000
OPERATING ACTIVITIES		
Profit for the period attributable to the owners of the parent company	1,719	2,059
Adjustments:		
Depreciation	48	117
Provision for end of service indemnity	21	71
Profit from sale of investments in lands and real estate held for trading	(292)	(311)
Profit from sale of a land from the projects in progress	-	(48)
Unrealised loss/(profit) from investments at fair value through profit or loss	6	(449)
Net profit from sale of investments at fair value through profit or loss	-	(47)
Net profit from sale of available for sale investments	(45)	(1,436)
Impairment in value of available for sale investments	29	-
Dividends income	(3,023)	(2,552)
Interest income	(40)	(43)
Share of profit in associated companies	(717)	(747)
Finance costs	1,828	2,887
	(466)	(499)
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	(360)	(2,860)
Accounts payable and other credit balances	(150)	316
Refundable rental deposits	(17)	210
End of service indemnity paid	(17)	(4)
Net cash used in operating activities	(1,010)	(2,837)
INVESTING ACTIVITIES		
Net purchase of available for sale investments	(256)	(16,610)
Proceeds from sale of available for sale investments	225	3,244
Investments in unconsolidated subsidiary company	-	(50)
Purchase of investments in lands and real estate held for trading	-	(1)
Proceeds from sale of investments in lands and real estate held for trading	-	1,907
Investment properties	-	(195)
Projects in progress	(124)	(2,349)
Proceeds from sale of projects in progress	-	1,447
Net purchase of investments at fair value through profit or loss	-	(263)
Proceeds from sale of investments at fair value through profit or loss	-	358
Net purchase of property, plant and equipment	(28)	(105)
Dividends income received	3,023	2,552
Interest income received	40	43
Net cash from/(used in) investing activities	2,880	(10,022)
FINANCING ACTIVITIES		
Change in non-controlling interests	1,031	17,244
Change in bank facilities	1,447	1,464
Change in term loans	-	(1,086)
Change in foreign currency translation reserve	(52)	(242)
Net change in treasury shares	(122)	(315)
Finance costs paid	(2,742)	(2,887)
Net cash (used in)/from financing activities	(438)	14,178
Net increase in cash and cash equivalents	1,432	1,319
Cash and cash equivalents at beginning of the period	12,401	13,760
Adjusted as a result of consolidation of a previously unconsolidated subsidiary company	-	1,057
Cash and cash equivalents at end of the period	14	13,833

The notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

31 March 2011 (Unaudited)

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. Its shares 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.

The address of the parent company's registered office is PO Box 21816, Safat 13079, State of Kuwait.

The interim condensed consolidated financial information for the three-month period ended 31 March 2011 was authorised for issue by the parent company's board of directors on 11 May 2011.

2 Basis of presentation

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 annual financial statements for the year ended 31 December 2010.

This interim condensed consolidated financial information does not include all information and disclosures required for the preparation of consolidated financial statements 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 have been included.

Operating results for the three-months period ended 31 March 2011 are not necessarily indicative of the results that may be expected for the year ending 31 December 2011. For further details, refer to the group's consolidated financial statements and its related disclosures for the year ended 31 December 2010.

2 Basis of presentation (continued)

Adoption of amendments to standards and interpretations

The following amendments to certain standards and interpretations relevant to the operations of the group have been adopted by the group in the current period:

<i>Standard or Interpretation</i>	<i>Effective for annual periods beginning</i>
Annual Improvements 2010	1 July 2010 and 1 January 2011
IAS 24 Related Party Disclosures – amendment	1 January 2011

Annual Improvements 2010

The IASB issued in May 2010 Improvements to IFRS. Most of these improvements became effective in annual periods beginning on or after 1 July 2010 and 1 January 2011. The 2010 Improvements amended certain provisions of IFRS 3, clarify presentation of the reconciliation of each of the components of other comprehensive income and clarify certain disclosure requirements for financial instruments. The adoption did not have any impact on the financial position or performance of the group.

IAS 24 Related Party Disclosures (Revised)

The amended standard clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised standard introduces a partial exemption of disclosure requirements for government related entities. The adoption did not have any impact on the financial position or performance of the group.

The following revised standards and interpretations have been issued but not yet effective and have not been adopted by the group in the current period:

<i>Standard or Interpretation</i>	<i>Effective for annual periods beginning</i>
IFRS 7 Financial Instruments: Disclosures - amendment	1 July 2011
IFRS 9 Financial Instruments: Classification and Measurement	1 January 2013
IAS 12 Income Taxes - amendment	1 January 2012

IFRS 7 Financial Instruments: Disclosures

The amendments to IFRS 7 Financial Instruments: Disclosures resulted as a part of comprehensive review of off financial position activities. The amendments will allow users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitisations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The adoption of this amendment is not expected to have any significant impact on the financial position or performance of the group.

IFRS 9 Financial Instruments: Classification and Measurement

The IASB aims to replace IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety by the end of 2010, with the replacement standard to be effective for annual periods beginning 1 January 2013. IFRS 9 is the first part of Phase 1 of this project. 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.

Although earlier application of this standard is permitted, the Technical Committee of the Ministry of Commerce and Industry in the State of Kuwait decided on 30 December 2009, to postpone this early application till further notice, due to the non-completion of the remaining stages of the standard.

2 Basis of presentation (continued)

Adoption of amendments to standards and interpretations (continued)

IAS 12 Income Taxes

The amendment to IAS 12 provides a practical solution to the issues arising in measurement of deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a presumption that recovery of the carrying amount will, normally be, through sale. As a result of the amendments, SIC-21 Income Taxes—Recovery of Revalued Non-Depreciable Assets would no longer apply to investment properties carried at fair value. The amendment is not relevant to the operations of the group.

Basis of consolidation

The interim condensed consolidated financial information includes the financial information of the parent company and its subsidiaries for the three months period ended 31 March 2011. All material balances and transactions between the parent company and its subsidiaries are eliminated upon consolidation.

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

Name of the subsidiary company	Country of incorporation	Activity	Direct and indirect ownership percentage %		
			31 March 2011 (Unaudited)	31 Dec. 2010 (Audited)	31 March 2010 (Unaudited)
Tamdeen Investment Company – KSC (Closed)	Kuwait	Investment	51.37	51.37	51.37
Tamdeen Shopping Centers Company – KSC (Closed) *	Kuwait	Real estate	-	-	30.00
Manshar Real Estate Company – KSC (Closed)	Kuwait	Real estate	75.685	75.685	75.685
Tamdeen Housing Company – KSC (Closed)	Kuwait	Real estate	45.41	45.41	51.41

* Effective from 1 October 2010, the parent company has been disengaged as a controlling company over the activities of Tamdeen Shopping Centers Company and which is stated in the management contract dated 30 September 2005. As from that date, the performance results of that company have been recorded as an associate by using the equity method.

3 Net income from investments

	Three months ended 31 March 2011 (Unaudited) KD'000	Three months ended 31 March 2010 (Unaudited) KD'000
Net profit from sale of investments at fair value through profit or loss	-	47
Net profit from sale of available for sale investments	45	1,436
Impairment in value of available for sale investments	(29)	-
Unrealised (loss)/profit from investments at fair value through profit or loss	(6)	449
Dividends income	3,023	2,552
Interest income	40	43
	3,073	4,527

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

	Three months ended 31 March 2011 (Unaudited)	Three months ended 31 March 2010 (Unaudited)
Profit for the period attributable to the owners of the parent company (KD'000)	1,719	2,059
Weighted average of the outstanding number of shares (excluding treasury shares) (in thousand)	371,107	372,212
Earnings per share attributable to the owners of the parent company	4.6 Fils	5.5 Fils

5 Available for sale investments

	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Local managed portfolios and funds	4,144	4,171	7,760
Participations in unquoted local companies shares	5,412	5,517	5,477
Participations in capital of companies located outside Kuwait	93,247	95,071	104,157
	102,803	104,759	117,394

The item of participations in capital of companies located outside Kuwait includes the investments of one of the consolidated subsidiary companies [Tamdeen Investment Co. – KSC (Closed)] and which are represented in quoted investments in foreign financial markets. These participations include investments with a total fair value of KD82,485 thousand (KD84,237 thousand at 31 December 2010 and KD83,239 thousand at 31 March 2010) mortgaged against term loans (Note 12) and bank facilities (Note 13).

6 Investments in associated companies

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

Name of the company	Place of incorporation	Direct and indirect ownership percentage %		
		31 March 2011 (Unaudited)	31 Dec. 2010 (Audited)	31 March 2010 (Unaudited)
Ajmal Holding Company - BSC	Bahrain	29	29	29
Barwat Al-Doha Real Estate Co. – WLL	Qatar	-	-	11
Tamdeen Holding Co. – KSC (Holding Closed)	Kuwait	43	43	43
Fucom for Central Markets – KSC (Closed)	Kuwait	25	25	33
Beyoo Leasing & Financing Co. – KSC (Closed)	Kuwait	21	21	21
Tamdeen Shopping Centers Development Co. – KSC (Closed)	Kuwait	30	30	-
Tamdeen Franchises Holding Company – KSC (Holding Closed)	Kuwait	30	30	30
Tamdeen Resorts Company – WLL	Kuwait	25	25	25

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

6 Investments in associated companies (continued)

	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Assets	136,533	131,782	77,644
Liabilities	(61,633)	(57,254)	(23,726)
Net assets	74,900	74,528	53,918
Profit for the period/year	717	2,746	747

7 Investments in unconsolidated subsidiary company

During 2010, the group has completed the establishment of Al Maysam Trading Company – WLL of share capital amounting to KD one million, and the group's share in this company is 54%. The financial statements of this Kuwaiti subsidiary company have not been consolidated during the current period since it did not start its activity yet.

8 Investment properties

The investment properties are represented in a local property of the subsidiary company [Manshar Real Estate Company – KSC (Closed)] with fair value of KD48,725 thousand (KD48,725 thousand at 31 December 2010 and KD139,996 thousand including an investment property for a previously subsidiary company, presently associated, at 31 March 2010) mortgaged for local banks against term loans (Note 12) and bank facilities (Note 13).

9 Projects in progress

	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Cost			
At beginning of period/year	4,130	80,703	80,703
Additions	124	343	2,349
Transferred to investment properties	-	-	(15,182)
Transferred to property, plant and equipment	-	-	(1,278)
Disposals	-	-	(1,301)
Disposed as a result of loss of control of a subsidiary company and non consolidation	-	(76,916)	-
At end of period/year	4,254	4,130	65,291
Impairment in value			
At beginning of period/year	116	307	307
Relating to disposals	-	(191)	-
At end of period/year	116	116	307
Net book value			
At end of period/year	4,138	4,014	64,984

10 Accounts receivable and other debit balances

	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Receivable from tenants	1,948	1,700	1,286
Staff receivable	131	117	241
Prepaid expenses	575	328	532
Due from related parties (Note 11)	26,371	14,867	5,609
Accrued income	15	32	2,571
Paid for the acquisition of property, plant and equipment	-	-	13,075
Due from sale of investments in lands and real estate held for trading (Note 11)	8,769	-	-
Other debit balances	1,194	1,382	9,695
	39,003	18,426	33,009
Provision for doubtful debts	(1,443)	(1,334)	(1,101)
	37,560	17,092	31,908

11 Investments in lands and real estate held for trading

During the period, the group has sold some of the real estate plots, which the group has invested in for a trading purpose, at a sale value of KD20,401 thousand (KD1,907 thousand at 31 March 2010), and these sale transactions have resulted in a net profit of KD292 thousand (net profit of KD311 thousand at 31 March 2010). Included in these transactions, a part of these real estate plots was sold to foreign parties at the amount of KD8,769 thousand, which was included in "Due from sale of investments in lands and real estate held for trading" (Note 10), and the amount of KD11,632 thousand, which was included in "Due from related parties" (Note 10).

12 Term loans

The loans are due for repayment as follows:

	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Within one year – current portion	55,000	55,000	49,421
From one to five years	67,000	67,000	150,847
	122,000	122,000	200,268

All of the term loans are granted for the parent company and its subsidiaries by local banks. These loans are denominated in Kuwaiti Dinars with annual interest rate ranging between 2% to 3% (2% to 3% at 31 December 2010 and 1% to 2.5% at 31 March 2010) 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 subsidiary companies are against the mortgage of shares included in investments with a fair value of KD82,485 thousand (KD84,237 thousand at 31 December 2010 and KD83,239 thousand at 31 March 2010) (Note 5) and mortgage of investment properties with fair value of KD48,725 thousand (KD48,725 thousand at 31 December 2010 and KD139,996 thousand including an investment property for a previously subsidiary company, presently associated, at 31 March 2010) (Note 8).

13 Bank facilities

The bank facilities represent the balances of overdraft facilities which are granted to the parent company and its subsidiaries by local banks to finance the working capital and the real estate activities. They are repayable on demand with annual floating interest rate which is equal to the current interest rate in the market. The bank facilities are granted against the mortgage of investment properties (Note 8), and available for sale investments (Note 5).

14 Cash and cash equivalents

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

	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Cash and bank balances	10,110	4,808	14,916
Short-term deposits (mature within three months)	3,723	7,593	1,220
	13,833	12,401	16,136

15 Segmental analysis

The trading activities of the parent company and its subsidiaries are principally carried out within the State of Kuwait. With the exception of some participations in capital of companies located outside Kuwait (Note 5), all of the group's assets and liabilities are located in Kuwait.

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

	Real estate KD'000	Investment KD'000	Total KD'000
Period ended at 31 March 2011 (Unaudited)			
Gross income	1,829	4,336	6,165
(Loss)/profit for the period attributable to the owners of the parent company	(259)	1,978	1,719
Total assets	95,910	208,924	304,834
Total liabilities	(91,467)	(58,460)	(149,927)
Non-controlling interests	-	(50,204)	(50,204)
Net assets employed	4,443	100,260	104,703
Year ended at 31 December 2010 (Audited)			
Gross income	14,242	14,489	28,731
(Loss)/profit for the year attributable to the owners of the parent company	(1,391)	6,016	4,625
Total assets	95,733	208,796	304,529
Total liabilities	(91,410)	(58,401)	(149,811)
Non-controlling interests	-	(50,125)	(50,125)
Net assets employed	4,323	100,270	104,593

15 Segmental analysis (continued)

	Real estate KD'000	Investment KD'000	Total KD'000
Period ended at 31 March 2010 (Unaudited)			
Gross income	2,977	5,835	8,812
(Loss)/profit for the period attributable to the owners of the parent company	(2,265)	4,324	2,059
Total assets	308,528	173,859	482,387
Total liabilities	(182,048)	(63,482)	(245,530)
Non-controlling interests	(84,248)	(47,621)	(131,869)
Net assets employed	42,232	62,756	104,988

16 Dividends

On 2 May 2011, the general assembly of shareholders approved the cash dividends of 10% or 10 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 2010 (cash dividends of 10% or 10 Kuwaiti Fils per share from the paid-up share capital to the shareholders for the year ended 31 December 2009).

17 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:

	31 March 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	31 March 2010 (Unaudited) KD'000
Interim condensed consolidated statement of financial position			
Accounts receivable and other debit balances	26,371	14,867	5,609
Accounts payable and other credit balances	730	820	5,320
Cash at investment portfolios	47	20	1,713
Interim condensed consolidated statement of income			
Profit from sale of shares in associated companies	-	3,329	-
Profit from sale of investments in lands and real estate held for trading	292	218	-
Net profit from sale of available for sale investments	-	-	82
Management fees income and consultancies	134	158	20
Other income	-	263	-
General and administrative expenses (top management salaries and remunerations)	126	536	104
Operational expenses	110	454	-
Contra accounts - off interim condensed consolidated statement of financial position items			
Net book value of customers' portfolios (major shareholders)	39,626	52,384	61,039

18 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 submitted in favour of third parties of KD5,025 thousand (KD5,025 thousand at 31 December 2010 and KD4,919 thousand at 31 March 2010). One of the subsidiary companies had contingent liabilities of KD Nil (KD Nil at 31 December 2010 and KD11,568 thousand at 31 March 2010).