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Interim condensed consolidated financial information and review report
Tamdeen Real Estate Company – KSC (Closed)
and its Subsidiaries
Kuwait
30 June 2011 (Unaudited)

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Tamdeen Real Estate Company – KSC (Closed)

and its Subsidiaries

Kuwait

30 June 2011 (Unaudited)

Contents

	Page
Report on review of interim condensed consolidated financial information	1
Interim condensed consolidated statement of income	2
Interim condensed consolidated statement of comprehensive income	3
Interim condensed consolidated statement of financial position	4
Interim condensed consolidated statement of changes in equity	5 and 6
Interim condensed consolidated statement of cash flows	7
Notes to the interim condensed consolidated financial information	8 to 16



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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 2011 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 Commercial Companies Law of 1960, or of the articles of association of the Company, as amended, have occurred during the six-month period ended 30 June 2011 that might have had a material effect on the business or financial position of the Company.

Abdullatif M. Al-Aiban (CPA)
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Kuwait
10 August 2011

Interim condensed consolidated statement of income

	Notes	Three months ended		Six months ended	
		30 June 2011 (Unaudited)	30 June 2010 (Unaudited)	30 June 2011 (Unaudited)	30 June 2010 (Unaudited)
		KD'000	KD'000	KD'000	KD'000
Income					
Operational income		2,474	4,736	4,866	9,289
Operational expenses		(1,162)	(1,371)	(1,947)	(3,153)
Net operational income		1,312	3,365	2,919	6,136
Other operational income		393	174	615	314
Fees from management of real estate and investment portfolios		4	13	11	22
Profit from sale of investments in lands and real estate held for trading	11	1,161	-	1,453	212
Profit from sale of a land from the projects in progress		-	-	-	147
Net income from investments	3	565	1,251	3,638	5,778
Share of profit in associated companies	6	1,075	1,098	1,792	1,845
Foreign currency exchange (loss)/gain		(58)	20	(99)	21
Other income		140	716	428	974
		4,592	6,637	10,757	15,449
Expenses and other charges					
Staff costs		474	873	1,112	1,671
General and administrative expenses		668	673	1,472	1,658
Finance costs		1,753	2,949	3,581	5,836
		2,895	4,495	6,165	9,165
Profit for the period before contribution to KFAS, Zakat provision and provision for NLST		1,697	2,142	4,592	6,284
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		-	-	-	-
Zakat provision		(3)	(8)	(4)	(8)
Provision for National Labour Support Tax (NLST)		(30)	(35)	(47)	(46)
Profit for the period		1,664	2,099	4,541	6,230
Attributable to :					
Owners of the parent company		1,375	1,610	3,094	3,669
Non-controlling interests		289	489	1,447	2,561
		1,664	2,099	4,541	6,230
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY	4	3.7 Fils	4.3 Fils	8.3 Fils	9.9 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

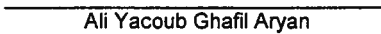
	Three months ended		Six months ended	
	30 June 2011 (Unaudited) KD'000	30 June 2010 (Unaudited) KD'000	30 June 2011 (Unaudited) KD'000	30 June 2010 (Unaudited) KD'000
Profit for the period	1,664	2,099	4,541	6,230
Other comprehensive income:				
Exchange differences arising on translation of foreign operations	(240)	148	(292)	(94)
Available for sale investments:				
- Net change in fair value during the period	1,731	(3,954)	325	14,945
- Transferred to interim condensed consolidated statement of income on impairment in value	(573)	-	(602)	-
- Transferred to interim condensed consolidated statement of income on sale	(1,094)	(1,227)	(1,094)	(2,663)
Total other comprehensive (loss)/income	(176)	(5,033)	(1,663)	12,188
Total comprehensive income/(loss) for the period	1,488	(2,934)	2,878	18,418
Attributable to:				
Owners of the parent company	1,199	(3,423)	1,431	15,857
Non-controlling interests	289	489	1,447	2,561
	1,488	(2,934)	2,878	18,418

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	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Assets				
Non-current assets				
Available for sale investments	5	99,693	104,759	102,044
Investments in associated companies	6	76,151	74,528	56,257
Investments in unconsolidated subsidiary company	7	540	540	540
Investment properties	8	48,725	48,725	140,991
Projects in progress	9	4,456	4,014	67,247
Property, plant and equipment		2,020	651	4,295
		231,585	233,217	371,374
Current assets				
Cash and bank balances		4,299	4,808	8,452
Short-term deposits		5,647	7,593	9,968
Investments at fair value through profit or loss		806	812	738
Accounts receivable and other debit balances	10	23,025	17,092	25,156
Investments in lands and real estate held for trading	11	16,846	41,007	52,283
		50,623	71,312	96,597
Total assets		282,208	304,529	467,971
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		(199)	93	584
Retained earnings		13,142	13,755	13,753
Cumulative changes in fair value		24,018	25,389	19,113
Equity attributable to the owners of the parent company		102,195	104,593	97,852
Non-controlling interests		49,564	50,125	126,482
Total equity		151,759	154,718	224,334
Liabilities				
Non-current liabilities				
Term loans	12	50,500	67,000	130,150
Refundable rental deposits		1,145	1,185	4,400
Provision for end of service indemnity		493	473	697
		52,138	68,658	135,247
Current liabilities				
Bank facilities	13	12,674	15,168	14,118
Accounts payable and other credit balances		10,637	10,985	18,664
Current portion of term loans	12	55,000	55,000	75,608
		78,311	81,153	108,390
Total liabilities		130,449	149,811	243,637
Total equity and liabilities		282,208	304,529	467,971


 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.

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	-	-	-	-	-	-	-	-	-	-	(2,008)	(2,008)
Net change in treasury shares	-	-	(122)	-	-	-	-	-	-	(122)	-	(122)
Cash dividends (Note 16)	-	-	-	-	-	-	-	(3,707)	-	(3,707)	-	(3,707)
Transactions with the owners	-	-	(122)	-	-	-	-	(3,707)	-	(3,829)	(2,008)	(5,837)
Profit for the period	-	-	-	-	-	-	-	3,094	-	3,094	1,447	4,541
<i>Other comprehensive income:</i>												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	(292)	-	-	(292)	-	(292)
Available for sale investments:												
- Net change in fair value during the period	-	-	-	-	-	-	-	-	325	325	-	325
- Transferred to interim condensed consolidated statement of income on impairment in value	-	-	-	-	-	-	-	-	(602)	(602)	-	(602)
- Transferred to interim condensed consolidated statement of income on sale	-	-	-	-	-	-	-	-	(1,094)	(1,094)	-	(1,094)
Total comprehensive (loss)/ income for the period	-	-	-	-	-	-	(292)	3,094	(1,371)	1,431	1,447	2,878
Balance as at 30 June 2011	37,312	11,132	(645)	739	7,649	9,047	(199)	13,142	24,018	102,195	49,564	151,759

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	-	-	-	-	-	-	-	-	-	-	9,457	9,457
Net change in treasury shares	-	-	(322)	-	-	-	-	-	-	(322)	-	(322)
Net change in reserve of profit on sale of treasury shares	-	-	-	7	-	-	-	-	-	7	-	7
Cash dividends (Note 16)	-	-	-	-	-	-	-	(3,713)	-	(3,713)	-	(3,713)
Transactions with the owners	-	-	(322)	7	-	-	-	(3,713)	-	(4,028)	9,457	5,429
Profit for the period	-	-	-	-	-	-	-	3,669	-	3,669	2,561	6,230
Other comprehensive income:												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	(94)	-	-	(94)	-	(94)
Available for sale investments:												
- Net change in fair value during the period	-	-	-	-	-	-	-	-	14,945	14,945	-	14,945
- Transferred to interim condensed consolidated statement of income on sale	-	-	-	-	-	-	-	-	(2,663)	(2,663)	-	(2,663)
Total comprehensive (loss)/ income for the period	-	-	-	-	-	-	(94)	3,669	12,282	15,857	2,561	18,418
Balance as at 30 June 2010	37,312	11,132	(523)	739	7,172	8,570	584	13,753	19,113	97,852	126,482	224,334

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

	Note	Six months ended 30 June 2011 (Unaudited) KD'000	Six months ended 30 June 2010 (Unaudited) KD'000
OPERATING ACTIVITIES			
Profit for the period attributable to the owners of the parent company		3,094	3,669
Adjustments:			
Depreciation		140	220
Provision for end of service indemnity		81	160
Profit from sale of investments in lands and real estate held for trading		(1,453)	(212)
Profit from sale of a land from the projects in progress		-	(147)
Unrealised loss/(income) from investments at fair value through profit or loss		6	(162)
Net profit from sale of available for sale investments		(1,174)	(2,663)
Net profit from sale of investments at fair value through profit or loss		-	(261)
Impairment in value of available for sale investments		602	-
Dividends income		(3,023)	(2,572)
Interest income		(49)	(120)
Share of profit in associated companies		(1,792)	(1,845)
Reversal of provisions no longer required		-	(497)
Finance costs		3,581	5,836
		13	1,406
Changes in operating assets and liabilities:			
Accounts receivable and other debit balances		11,507	3,894
Accounts payable and other credit balances		779	(2,207)
Refundable rental deposits		(40)	227
End of service indemnity paid		(61)	(33)
Net cash from operating activities		12,198	3,287
INVESTING ACTIVITIES			
Net purchase of available for sale investments		(256)	(12,582)
Proceeds from sale of available for sale investments		3,620	9,371
Investments in unconsolidated subsidiary companies		-	(900)
Proceeds from sale of investments in lands and real estate held for trading		6,440	1,909
Purchase of investments in lands and real estate held for trading		-	(1)
Investment properties		-	(1,190)
Projects in progress		(435)	(4,421)
Proceeds from sale of projects in progress		-	1,448
Proceeds from sale of investments at fair value through profit or loss		-	680
Net purchase of property, plant and equipment		(424)	(133)
Dividends income received		3,023	2,572
Interest income received		49	120
Net cash from/(used in) investing activities		12,017	(3,127)
FINANCING ACTIVITIES			
Cash dividends		(3,172)	(3,713)
Change in non-controlling interests		363	12,167
Change in bank facilities		(2,494)	(3,171)
Change in term loans		(16,500)	4,404
Change in foreign currency translation reserve		(292)	(94)
Net change in treasury shares		(122)	(315)
Finance costs paid		(4,453)	(5,836)
Net cash (used in)/from financing activities		(26,670)	3,442
Net (decrease)/increase in cash and cash equivalents		(2,455)	3,602
Cash and cash equivalents at beginning of the period		12,401	13,760
Adjusted as a result of consolidation of previously unconsolidated subsidiary company		-	1,058
Cash and cash equivalents at end of the period	14	9,946	18,420

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

30 June 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 six - month period ended 30 June 2011 was authorised for issue by the parent company's board of directors on 10 August 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 six - months period ended 30 June 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 six months period ended 30 June 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 %		
			30 June 2011 (Unaudited)	31 Dec. 2010 (Audited)	30 June 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
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	-

* 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		Six months ended	
	30 June 2011 (Unaudited) KD'000	30 June 2010 (Unaudited) KD'000	30 June 2011 (Unaudited) KD'000	30 June 2010 (Unaudited) KD'000
Net profit from sale of available for sale investments	1,129	1,227	1,174	2,663
Net profit from sale of investments at fair value through profit or loss	-	214	-	261
Unrealised (loss)/income from investments at fair value through profit or loss	-	(287)	(6)	162
Impairment in value of available for sale investment	(573)	-	(602)	-
Dividends income	-	20	3,023	2,572
Interest income	9	77	49	120
	565	1,251	3,638	5,778

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

	Three months ended		Six months ended	
	30 June 2011 (Unaudited)	30 June 2010 (Unaudited)	30 June 2011 (Unaudited)	30 June 2010 (Unaudited)
Profit for the period attributable to the owners of the parent company (KD'000)	1,375	1,610	3,094	3,669
Weighted average number of outstanding shares (excluding treasury shares) (in thousand)	371,107	371,252	370,910	371,730
Earnings per share attributable to the owners of the parent company	3.7 Fils	4.3 Fils	8.3 Fils	9.9 Fils

5 Available for sale investments

	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Local managed portfolios and funds	4,696	4,171	5,337
Participations in unquoted local companies shares	5,412	5,517	5,517
Participations in capital of companies located outside Kuwait	89,585	95,071	91,190
	99,693	104,759	102,044

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 KD83,411 thousand (KD84,237 thousand at 31 December 2010 and KD77,273 thousand including investments for a previously subsidiary company, presently associated, at 30 June 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 %		
		30 June 2011 (Unaudited)	31 Dec. 2010 (Audited)	30 June 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 Company – 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)

	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Assets	132,776	131,782	79,019
Liabilities	(56,625)	(57,254)	(22,762)
Net assets	76,151	74,528	56,257
Profit for the period/year	1,792	2,746	1,845

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 KD140,991 thousand including an investment property for a previously subsidiary company, presently associated, at 30 June 2010) mortgaged for local banks against term loans (Note 12) and bank facilities (Note 13).

9 Projects in progress

	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Cost			
At beginning of period/year	4,130	80,703	80,703
Additions	485	343	4,421
Transferred to investment properties	-	-	(15,182)
Transferred to property, plant and equipment	-	-	(1,278)
Disposals	(36)	-	(1,301)
Disposed as a result of loss of control of a subsidiary company and non consolidation	-	(76,916)	-
At end of period/year	4,579	4,130	67,363
Impairment in value			
At beginning of period/year	116	307	307
Charge for the period/year	7	-	-
Relating to disposals	-	(191)	(191)
At end of period/year	123	116	116
Net book value			
At end of period/year	4,456	4,014	67,247

10 Accounts receivable and other debit balances

	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Receivable from tenants	2,004	1,700	1,836
Staff receivable	97	117	169
Prepaid expenses	378	328	492
Due from related parties (Note 11)	10,951	14,867	5,126
Accrued income	56	32	30
Paid for the acquisition of property, plant and equipment	-	-	13,108
Due from sale of investments in lands and real estate held for trading (Note 11)	8,988	-	-
Other debit balances	1,964	1,382	5,578
	24,438	18,426	26,339
Provision for doubtful debts	(1,413)	(1,334)	(1,183)
	23,025	17,092	25,156

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 KD25,614 thousand (KD1,909 thousand at 30 June 2010), and these sale transactions have resulted in a net profit of KD1,453 thousand (net profit of KD212 thousand at 30 June 2010). Included in these transactions, a part of these real estate plots was sold to foreign parties at the amount of KD10,390 thousand, and the due balance from this amount was included in "Due from sale of investments in lands and real estate held for trading" (Note 10), and the amount of KD8,784 thousand, which was included in "Due from related parties" (Note 10).

12 Term loans

The loans are due for repayment as follows:

	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Within one year – current portion	55,000	55,000	75,608
From one to five years	50,500	67,000	130,150
	105,500	122,000	205,758

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 30 June 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 KD83,411 thousand (KD84,237 thousand at 31 December 2010 and KD77,273 thousand including investments for a previously subsidiary company, presently associated, at 30 June 2010) (Note 5) and mortgage of investment properties with fair value of KD48,725 thousand (KD48,725 thousand at 31 December 2010 and KD140,991 thousand including an investment property for a previously subsidiary company, presently associated, at 30 June 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:

	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Cash and bank balances	4,299	4,808	8,452
Short-term deposits	5,647	7,593	9,968
	9,946	12,401	18,420

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 30 June 2011 (Unaudited)			
Gross income	3,534	7,223	10,757
(Loss)/profit for the period attributable to the owners of the parent company	(499)	3,593	3,094
Total assets	81,098	201,110	282,208
Total liabilities	(77,350)	(53,099)	(130,449)
Non-controlling interests	-	(49,564)	(49,564)
Net assets employed	3,748	98,447	102,195
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 30 June 2010 (Unaudited)			
Gross income	6,790	8,659	15,449
(Loss)/profit for the period attributable to the owners of the parent company			
	(2,728)	6,397	3,669
Total assets	280,934	187,037	467,971
Total liabilities	(182,246)	(61,391)	(243,637)
Non-controlling interests	(84,264)	(42,218)	(126,482)
Net assets employed	14,424	83,428	97,852

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:

	30 June 2011 (Unaudited) KD'000	31 Dec. 2010 (Audited) KD'000	30 June 2010 (Unaudited) KD'000
Interim condensed consolidated statement of financial position			
Accounts receivable and other debit balances	10,951	14,867	5,126
Accounts payable and other credit balances	609	820	4,551
Investments in lands and real estate held for trading	2,607	-	-
Cash at investment portfolios	-	20	910
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	1,407	218	-
Net profit from sale of available for sale investments	-	-	36
Management fees income and consultancies	212	158	47
Rent revenue	-	-	891
Other income	-	263	-
General and administrative expenses (top management salaries and remunerations)	226	536	354
Operational expenses	235	454	-
Contra accounts - off interim condensed consolidated statement of financial position items			
Net book value of customers' portfolios (major shareholders)	39,410	52,384	61,784

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 KD2,022 thousand (KD5,025 thousand at 31 December 2010 and KD4,919 thousand at 30 June 2010). One of the subsidiary companies had contingent liabilities of KD Nil (KD Nil at 31 December 2010 and KD11,652 thousand at 30 June 2010).