AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 SEPTEMBER 2015 (UNAUDITED)

EY
Building a better working world

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P.

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Agility Public Warehousing Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively, the "Group") as at 30 September 2015 and the related interim condensed consolidated statement of income and interim condensed consolidated statement of comprehensive income for the three months and nine months periods then ended and the interim condensed consolidated statement of cash flows and interim condensed consolidated statement of changes in equity for the nine months period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard IAS 34: Interim Financial Reporting ("IAS 34"). 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.

Basis for Qualified Conclusion
As further discussed in Note 4 to the interim condensed consolidated financial information, the Parent Company's investment in Korek Telecom ("Korek") is carried at KD 108,570 thousand in the interim condensed consolidated statement of financial position as at 30 September 2015. We were unable to obtain sufficient appropriate audit evidence about the fair value of the investment in Korek Telecom as at 30 September 2015 due to the nature and significant uncertainty around the value of the investment. Consequently, we were unable to determine whether any adjustments to the carrying value of Korek was necessary.

Qualified Conclusion
Based on our review, except for the possible effect of the matter described in the Basis for Qualified Conclusion paragraph, 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 IAS 34.

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Emphasis of Matter
We draw attention to:

(i) Note 2 to the interim condensed consolidated financial information which describes that the Parent Company was indicted by a federal grand jury in the United States of America ("US") on multiple counts of False Claims Act Violations. Furthermore, the United States Department of Justice also joined a civil qui tam lawsuit against the Parent Company under the False Claims Act. The Department of Justice is claiming substantial damages for alleged violations in both the criminal and civil proceedings. The Group Companies (including the Parent Company) are suspended from bidding for new contracts with the US Government pending the outcome of the cases. The ultimate outcome of these matters cannot presently be determined, and therefore no provision has been made in the interim condensed consolidated financial information; and

(ii) Notes 9(a) and 9(b) to the interim condensed consolidated financial information which describe the contingencies relating to investigations into the freight forwarding business and litigations with the General Administration of Customs for Kuwait.

Our conclusion is not further qualified in respect of the matters set out above.

Report on Other Legal and Regulatory Requirements
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No 25 of 2012, as amended and its executive regulations, nor of the Parent Company's Memorandum of Incorporation and Articles of Association have occurred during the nine months period ended 30 September 2015 that might have had a material effect on the business of the Parent Company or on its financial position.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2015 (Unaudited)

	Notes	***30 September 2015 KD 000's***	*(Audited) 31 December 2014 KD 000's*	*30 September 2014 KD 000's*
ASSETS				
Non-current assets				
Property, plant and equipment		**178,290**	175,739	167,632
Projects in progress		**39,005**	27,441	33,876
Investment properties		**237,628**	237,189	214,705
Intangible assets		**34,998**	33,699	34,449
Goodwill		**243,419**	246,890	246,819
Investment in associates		**38,490**	37,182	36,217
Financial assets at fair value through profit or loss	4	**108,606**	105,184	103,374
Financial assets available for sale		**32,682**	23,927	23,726
Other non-current assets		**40,789**	36,952	35,723
Loan to an associate	4	**30,242**	29,289	28,785
Total non-current assets		**984,149**	953,492	925,306
Current assets				
Inventories		**16,739**	19,695	16,835
Trade receivables		**259,212**	270,602	264,924
Other current assets		**89,020**	74,976	97,298
Bank balances and cash	5	**98,595**	133,597	125,840
Total current assets		**463,566**	498,870	504,897
TOTAL ASSETS		**1,447,715**	1,452,362	1,430,203
EQUITY AND LIABILITIES				
EQUITY				
Share capital	11	**121,185**	115,414	115,414
Share premium		**152,650**	152,650	152,650
Statutory reserve		**57,707**	57,707	54,959
Treasury shares	6	**(45,288)**	(45,038)	(45,038)
Treasury shares reserve		**44,366**	44,366	44,366
Foreign currency translation reserve		**(17,860)**	(16,934)	(19,208)
Hedging reserve		**(18,168)**	(20,463)	(18,856)
Investment revaluation reserve		**203**	197	80
Other reserves		**(28,458)**	(29,248)	(23,684)
Retained earnings		**625,381**	630,419	619,474
Equity attributable to equity holders of the Parent Company		**891,718**	889,070	880,157
Non-controlling interests		**23,312**	22,041	19,618
Total equity		**915,030**	911,111	899,775
LIABILITIES				
Non-current liabilities				
Interest bearing loans		**26,782**	26,204	33,691
Provision for employees' end of service benefits		**38,641**	36,938	32,509
Other non-current liabilities		**16,904**	30,069	29,494
Total non-current liabilities		**82,327**	93,211	95,694
Current liabilities				
Interest bearing loans		**47,235**	47,117	391,022
Trade and other payables		**394,938**	392,865	34,638
Dividends payable		**8,185**	8,058	9,074
Total current liabilities		**450,358**	448,040	434,734
Total liabilities		**532,685**	541,251	530,428
TOTAL EQUITY AND LIABILITIES		**1,447,715**	1,452,362	1,430,203

Tarek Abdul Aziz Sultan
Vice Chairperson and CEO

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the period ended 30 September 2015 (Unaudited)

		Three months ended 30 September		*Nine months ended 30 September*	
	Notes	***2015 KD 000's***	*2014 KD 000's*	***2015 KD 000's***	*2014 KD 000's*
Revenues					
Logistics and freight forwarding revenues		**305,769**	307,515	**884,816**	903,524
Rental revenues		**12,885**	11,457	**36,786**	33,980
Other services		**16,370**	18,118	**59,946**	55,557
Total revenues		**335,024**	337,090	**981,548**	993,061
Cost of revenues		**(233,479)**	(240,751)	**(682,664)**	(705,763)
Net revenues		**101,545**	96,339	**298,884**	287,298
General and administrative expenses		**(28,256)**	(27,182)	**(86,159)**	(78,708)
Salaries and employee benefits		**(47,889)**	(46,116)	**(142,244)**	(140,618)
Share of results of associates		**923**	626	**2,539**	1,336
Unrealised gain on financial assets at fair value through profit or loss		**-**	-	**-**	925
Miscellaneous (expenses) income		**(1,963)**	1,837	**258**	2,901
Profit before interest, taxation, depreciation, amortisation and Director's remuneration (EBITDA)		**24,359**	25,504	**73,278**	73,134
Depreciation		**(5,873)**	(6,413)	**(19,168)**	(18,850)
Amortisation		**(947)**	(902)	**(2,767)**	(2,707)
Profit before interest, taxation and Directors' remuneration (EBIT)		**17,540**	18,189	**51,343**	51,577
Interest income		**1,074**	1,220	**3,430**	3,661
Finance costs		**(1,730)**	(1,895)	**(4,884)**	(4,972)
Profit before taxation and Directors' remuneration		**16,884**	17,514	**49,889**	50,266
Taxation	7	**(1,946)**	(2,760)	**(6,601)**	(7,763)
Directors' remuneration		**(35)**	(98)	**(105)**	(181)
PROFIT FOR THE PERIOD		**14,903**	14,656	**43,183**	42,322
Attributable to:					
Equity holders of the Parent Company		**13,697**	13,042	**39,073**	37,144
Non-controlling interests		**1,206**	1,614	**4,110**	5,178
		14,903	14,656	**43,183**	42,322
BASIC AND DILUTED EARNINGS PER SHARE – attributable to equity holders of the Parent Company (fils)	8	**11.91**	11.34	**33.97**	32.28

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2015 (Unaudited)

	Three months ended 30 September		*Nine months ended 30 September*	
	2015 KD 000's	*2014 KD 000's*	***2015 KD 000's***	*2014 KD 000's*
Profit for the period	**14,903**	14,656	**43,183**	42,322
Other comprehensive (loss) income:				
Items to be reclassified to interim condensed consolidated statement of income in subsequent periods:				
- Foreign currency translation adjustments	**(11,344)**	5,532	**1,569**	8,147
- Net gain (loss) on hedge of net investments	**9**	(320)	**(515)**	(292)
- Net (loss) gain on cash flow hedges	**-**	(254)	**2,810**	(1,474)
-Net changes in fair value of financial assets available for sale	**-**	-	**6**	-
Other comprehensive (loss) income	**(11,335)**	4,958	**3,870**	6,381
Total comprehensive income for the period	**3,568**	19,614	**47,053**	48,703
Attributable to:				
Equity holders of the Parent Company	**2,650**	17,530	**40,448**	43,240
Non-controlling interests	**918**	2,084	**6,605**	5,463
	3,568	19,614	**47,053**	48,703

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2015 (Unaudited)

	Note	*Nine months ended 30 September* 2015 KD 000's	2014 KD 000's
OPERATING ACTIVITIES			
Profit before taxation and Directors' remuneration		**49,889**	50,266
Adjustments for:			
Provision for impairment of trade receivables		**3,232**	1,893
Provision for employees' end of service benefits		**7,289**	7,208
Foreign currency exchange (gain) loss		**(1,519)**	237
Share of results of associates		**(2,539)**	(1,336)
Unrealised gain on financial assets at fair value through profit or loss		**-**	(925)
Miscellaneous income		**(258)**	(2,901)
Depreciation		**19,168**	18,850
Amortisation		**2,767**	2,707
Interest income		**(3,430)**	(3,661)
Finance costs		**4,884**	4,972
Operating profit before changes in working capital		**79,483**	77,310
Inventories		**3,065**	(1,496)
Trade receivables		**1,748**	(11,231)
Other current assets		**(10,323)**	(16,522)
Trade and other payables		**1,227**	6,991
Cash from operations		**75,200**	55,052
Taxation paid		**(5,597)**	(5,344)
Employees' end of service benefits paid		**(5,889)**	(6,557)
Directors remuneration paid		**(149)**	(140)
Net cash flows from operating activities		**63,565**	43,011
INVESTING ACTIVITIES			
Net movement in financial assets available for sale		**(1,396)**	(946)
Additions to property, plant and equipment		**(18,427)**	(13,616)
Advance paid for purchase of property, plant and equipment		**(5,552)**	-
Net movement in other non-current assets		**1,880**	7,534
Additions to projects in progress		**(11,261)**	(8,775)
Additions to investment properties		**(439)**	(1,062)
Additions to intangible assets		**(2,587)**	(111)
Acquisition of investment in an associate		**-**	(4,800)
Acquisition of additional interest in subsidiaries		**(1,763)**	(1,937)
Advance paid for acquiring an investment		**(6,360)**	(500)
Dividends received from an associate		**1,242**	1,110
Interest income received		**1,412**	2,729
Net movement in deposits with original maturities exceeding three months		**18,480**	24,463
Net cash flows (used in) from investing activities		**(24,771)**	4,089
FINANCING ACTIVITIES			
Purchase of treasury shares		**(250)**	-
Net movement in interest bearing loans		**(10,474)**	(2,668)
Finance cost paid		**(4,560)**	(4,612)
Dividends paid to equity holders of the Parent Company		**(37,582)**	(40,825)
Dividends paid to non-controlling interests		**(2,792)**	(2,207)
Net cash flows used in financing activities		**(55,658)**	(50,312)
Net foreign exchange differences		**343**	779
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(16,521)**	(2,433)
Cash and cash equivalents at 1 January		**96,988**	87,546
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	5	**80,467**	85,113

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

Agility Public Warehousing Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2015 (Unaudited)

	Attributable to equity holders of the Parent Company												
	Share capital KD 000's	*Share premium KD 000's*	*Statutory reserve KD 000's*	*Treasury shares KD 000's*	*Treasury shares reserve KD 000's*	*Foreign currency translation reserve KD 000's*	*Hedging reserve KD 000's*	*Investment revaluation reserve KD 000's*	*Other reserves KD 000's*	*Retained earnings KD 000's*	*Sub total KD 000's*	*Non-controlling interests KD 000's*	*Total equity KD 000's*
As at 1 January 2015	115,414	152,650	57,707	(45,038)	44,366	(16,934)	(20,463)	197	(29,248)	630,419	889,070	22,041	911,111
Profit for the period	-	-	-	-	-	-	-	-	-	39,073	39,073	4,110	43,183
Other comprehensive (loss) income	-	-	-	-	-	(926)	2,295	6	-	-	1,375	2,495	3,870
Total comprehensive (loss) income for the period	-	-	-	-	-	(926)	2,295	6	-	39,073	40,448	6,605	47,053
Dividends (Note 11)	-	-	-	-	-	-	-	-	-	(38,340)	(38,340)	-	(38,340)
Issue of bonus shares (Note 11)	5,771	-	-	-	-	-	-	-	-	(5,771)	-	-	-
Purchase of treasury shares	-	-	-	(250)	-	-	-	-	-	-	(250)	-	(250)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(3,184)	(3,184)
Acquisition of additional interest in subsidiaries	-	-	-	-	-	-	-	-	790	-	790	(2,150)	(1,360)
As at 30 September 2015	**121,185**	**152,650**	**57,707**	**(45,288)**	**44,366**	**(17,860)**	**(18,168)**	**203**	**(28,458)**	**625,381**	**891,718**	**23,312**	**915,030**
As at 1 January 2014	109,918	152,650	54,959	(45,038)	44,366	(27,070)	(17,090)	80	(24,818)	629,569	877,526	19,109	896,635
Profit for the period	-	-	-	-	-	-	-	-	-	37,144	37,144	5,178	42,322
Other comprehensive income (loss)	-	-	-	-	-	7,862	(1,766)	-	-	-	6,096	285	6,381
Total comprehensive income (loss) for the period						7,862	(1,766)			37,144	43,240	5,463	48,703
Dividends (Note 11)	-	-	-	-	-	-	-	-	-	(41,743)	(41,743)	-	(41,743)
Issue of bonus shares (Note 11)	5,496	-	-	-	-	-	-	-	-	(5,496)	-	-	-
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(2,798)	(2,798)
Acquisition of additional interest in subsidiaries	-	-	-	-	-	-	-	-	1,134	-	1,134	(2,156)	(1,022)
As at 30 September 2014	115,414	152,650	54,959	(45,038)	44,366	(19,208)	(18,856)	80	(23,684)	619,474	880,157	19,618	899,775

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

Agility Public Warehousing Company K.S.C.P. (the "Parent Company") is a Kuwaiti shareholding company incorporated in 1979, and listed on Kuwait Stock Exchange and Dubai Stock Exchange. The address of the Parent Company's Head office is Sulaibia, beside Land Customs Clearing Area, P.O. Box 25418, Safat 13115, Kuwait. The Group operates under the brand name of "Agility".

The interim condensed consolidated financial information of the Parent Company and its subsidiaries (collectively, the "Group") was authorised for issue by the Board of Directors on 9 November 2015.

The main objectives of the Parent Company are as follows:

- Construction, management and renting of all types of warehouses.
- Warehousing goods under customs' supervision inside and outside customs areas.
- Investing the surplus funds in investment portfolios.
- Participating in, acquiring or taking over companies of similar activities or those that would facilitate in achieving the Parent Company's objectives inside or outside Kuwait.
- All types of transportation, distribution, handling and customs clearance for goods.
- Customs consulting, customs automation, modernisation and decision support.

2 SUBSISTENCE PRIME VENDOR AND OTHER CONTRACTS - US INVESTIGATION

In 2007, the Parent Company was served with an administrative subpoena and, subsequently, in March 2008, with a grand jury subpoena, by the US Government in connection with an investigation into certain aspects of the Subsistence Prime Vendor ("SPV") Contract which expired in December 2010. In addition, some employees of the Group were served with civil investigative demands. The Parent Company cooperated with this investigation and produced numerous records in response to this request.

In November 2009, the Parent Company was indicted by a federal grand jury in United States on multiple counts of False Claims Act violations. Furthermore, The United States Department of Justice also joined the civil qui tam lawsuit against the Parent Company under the US False Claims Act. The Department of Justice is claiming substantial damages for alleged violations in both the criminal and civil proceedings. The Parent Company pled not guilty to the indictment. Between February and November 2012, both parties filed various motions and opposition briefs which are pending before the court for ruling. The Parent Company's filings included motions to dismiss the indictment on various grounds and a motion to transfer venue to another judicial district.

As a result of this indictment, the Group companies (including the Parent Company) are suspended from bidding for new contracts with the US Government pending the outcome of the cases. However, the suspension did not affect continued performance of the existing contracts.

A judgment was issued by the higher Court of Appeal in the State of Kuwait on January 30, 2014 annulling the notices of service of process made upon the request of the competent American authorities at the Court of North Georgia in the United States, and determining such notices to be void *ab initio*. The judgment further enjoined the Undersecretary in the Kuwait Ministry of Justice and others from serving the Parent Company, its employees and their dependents with any legal document related to the ongoing litigation at the Court of North Georgia in the United States. The above judgment is procedural in nature, and does not have any impact on the financial information of the Parent Company. As required by applicable law, the Parent Company has made disclosure of the foregoing judgment to the Kuwait Stock Exchange and the Kuwait Capital Markets Authority. The impact of this judgment leads to the same results that have been disclosed in the notes to previous financial statements of the Group.

Furthermore, in 2009, in relation to a cost reimbursable contract, the U.S. Defense Contract Audit Agency (DCAA) determined that reimbursement requests for certain costs incurred by the Parent Company were not proper, and demanded repayment of approximately KD 23 million from the Parent Company. In 2011, the US Government collected KD 4.7 million from this amount by offsetting payments due on the Group's other US Government contracts.

In November 2010, the Parent Company filed a Notice of Appeal in respect of the matter to the U.S. Armed Services Board of Contract Appeals (ASBCA). On December 10, 2014, the ASBCA ruled that it did not have subject-matter jurisdiction to review the appeal by the Parent Company.

2 SUBSISTENCE PRIME VENDOR AND OTHER CONTRACTS - US INVESTIGATION (continued)

On April 8, 2015, the Parent Company appealed the ASBCA ruling to the U.S. Court of Appeals for the Federal Circuit. As part of the same contract, the Parent Company asserted a KD 13 million claim for non-reimbursed costs. This claim was denied by the ASBCA and consolidated with the above referenced Government claim for KD 23 million. Both claims are therefore on appeal to the U.S. Court of Appeals for the Federal Circuit. The Parent Company also filed a separate complaint at the U.S. Court of Federal Claims on 7 April 2015 on a different jurisdictional basis seeking the KD 13 million affirmative claim, the KD 4.7 million which was offset by the U.S. Government as aforementioned, and a determination that the KD 23 million demanded by the US Government is invalid. This case is currently stayed pending resolution of the appeal in the U.S. Court of Appeals for the Federal Circuit.

Despite inherent uncertainty surrounding these cases, no provision is recorded by the management in the interim condensed consolidated financial information. The Parent Company (after consulting the external legal counsel) is not able to comment on the likely outcome of the cases.

3 SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all of the information and disclosures required for complete financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2014. In the opinion of management, all adjustments considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2015.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD").

Changes in accounting policies and disclosures

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2014, except for the adoption of the amendments and annual improvements to IFRSs, relevant to the Group which are effective for annual reporting period starting from 1 July 2014 and did not result in any material impact on the accounting policies, financial position or performance of the Group.

Standards issued but not yet effective
The following IASB Standards relevant to the Group have been issued but are not yet mandatory are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective:

IFRS 9: Financial Instruments
The IASB issued IFRS 9 - Financial Instruments in its final form in July 2014 and is effective for annual periods beginning on or after 1 January 2018 with a permission to early adopt. IFRS 9 sets out the requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non- financial assets. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The adoption of this standard will have an effect on the classification and measurement of Group's financial assets but is not expected to have a significant impact on the classification and measurement of financial liabilities. The Group is in the process of quantifying the impact of this standard on the Group's consolidated financial statements, when adopted.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards issued but not yet effective (continued)
IFRS 15: Revenue from Contracts with customers
IFRS 15 was issued by IASB on 28 May 2014 is effective for annual periods beginning on or after 1 January 2018. IFRS 15 supersedes IAS 11 Construction contracts and IAS 18 Revenue along with related IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31 from the effective date. This new standard would remove inconsistencies and weaknesses in previous revenue requirements, provide a more robust framework for addressing revenue issues and improve comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets. The Group is in the process of evaluating the effect of IFRS 15 on the Group and do not expect any significant impact on adoption of this standard.

The Group has not early adopted any IASB standards, International Financial Reporting Interpretations Committee ("IFRIC") interpretations or amendments that have been issued but not yet effective. Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2015 did not have any material impact on the accounting policies, financial position or performance of the Group.

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2015 KD 000's	*(Audited) 31 December 2014 KD 000's*	*30 September 2014 KD 000's*
Investment in an associate – outside Kuwait	**108,570**	105,148	103,338
Quoted equity securities:			
- In Kuwait	**36**	36	36
	108,606	105,184	103,374

The Group (through its wholly owned subsidiary, a Venture Capital Organisation) owns 23.7% indirect interest in Korek Telecom L.L.C. ("Korek Telecom"). The investment in Korek Telecom is classified as investment in an associate as the Group exercises significant influence over Korek Telecom. As this associate is held as part of Venture Capital Organization's investment portfolio, it is carried in the interim condensed consolidated statement of financial position at fair value. This treatment is permitted by IAS 28 "Investment in Associates" which allows investments held by Venture Capital Organisations to be accounted for at fair value through profit or loss in accordance with IAS 39, with changes in fair value recognised in the interim condensed consolidated income statement in the period of change. The Group's management was unable to determine the fair value of this investment as at 30 September 2015 and 31 December 2014 due to certain inherent uncertainties and accordingly the investment is carried at its fair value as at 31 December 2013 of USD 359 million equivalent to KD 108,570 thousand (31 December 2014: KD 105,148 thousand).

The Group has also provided an interest bearing loan to Korek Telecom which amounts to KD 30,242 thousand at 30 September 2015 (31 December 2014: KD 29,289 thousand and 30 September 2014: KD 28,785 thousand) (Note 10).

5 BANK BALANCES AND CASH

	30 September 2015 KD 000's	*(Audited) 31 December 2014 KD 000's*	*30 September 2014 KD 000's*
Cash at banks and in hand	**70,620**	76,709	65,170
Short term deposits	**9,847**	20,279	19,943
Cash and cash equivalents	**80,467**	96,988	85,113
Deposits with original maturities exceeding three months	**18,128**	36,609	40,727
	98,595	133,597	125,840

Included in bank balances and cash are balances amounting to KD 24,365 thousand (31 December 2014: KD 48,368 thousand and 30 September 2014: KD 51,222 thousand) held by banks in Kuwait whereas the balance of KD 74,230 thousand (31 December 2014: KD 85,229 thousand and 30 September 2014: KD 74,618 thousand) are held by foreign banks situated outside Kuwait.

Short term deposits (with original maturities up to three months) are placed for varying periods of one day to three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short term deposit rates. Term deposits (deposits with original maturities exceeding three months) earn interest ranging from 1.5% to 1.63% per annum (31 December 2014: 1% to 2% per annum and 30 September 2014: 0.5% to 5.5% per annum).

6 TREASURY SHARES

	30 September 2015	*(Audited) 31 December 2014*	*30 September 2014*
Number of treasury shares	**61,638,142**	58,377,670	58,377,670
Percentage of issued shares	**5.09%**	5.06%	5.06%
Market value in KD 000's	**34,517**	43,199	51,956

7 TAXATION

	Three months ended 30 September		*Nine months ended 30 September*	
	2015 KD 000's	*2014 KD 000's*	**2015 KD 000's**	*2014 KD 000's*
National labour support tax (NLST)	**(384)**	(341)	**(1,073)**	(972)
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)	**(153)**	(137)	**(429)**	(389)
Zakat	**(153)**	(137)	**(429)**	(389)
Taxation on overseas subsidiaries	**(1,256)**	(2,145)	**(4,670)**	(6,013)
	(1,946)	(2,760)	**(6,601)**	(7,763)

8 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share amounts are calculated by dividing profit for the period attributable to equity holders of the Parent Company by the weighted average number of outstanding shares during the period as follows:

	Three months ended 30 Sep		*Nine months ended 30 Sep*	
	2015	*2014*	***2015***	*2014*
	KD 000's	*KD 000's (Restated)**	***KD 000's***	*KD 000's (Restated)**
Profit for the period attributable to equity holders of the Parent Company	**13,697**	13,042	**39,073**	37,144
	Shares	*Shares*	***Shares***	*Shares*
Weighted average number of paid up shares	**1,211,844,344**	1,211,844,344	**1,211,844,344**	1,211,844,344
Weighted average number of treasury shares	**(61,638,142)**	(61,302,142)	**(61,459,106)**	(61,302,142)
Weighted average number of outstanding shares	**1,150,206,202**	1,150,542,202	**1,150,385,238**	1,150,542,202
Basic and diluted earnings per share – attributable to equity holders of the Parent Company (fils)	**11.91**	11.34	**33.97**	32.28

As there are no outstanding dilutive instruments, outstanding basic and diluted earnings per share are identical.

* Basic and diluted earnings per share for the comparative period presented have been restated to reflect the issue of bonus shares (Note 11).

9 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group has contingent liabilities and capital commitments at the reporting date as follows:

	30 September 2015	*(Audited) 31 December 2014*	*30 September 2014*
	KD 000's	*KD 000's*	*KD 000's*
Letters of guarantee	**105,822**	113,042	109,255
Operating lease commitments	**36,995**	32,564	33,048
Capital commitments	**6,556**	4,155	4,080
	149,373	149,761	146,383

Included in letters of guarantee are bank guarantees of KD 31,405 thousand (31 December 2014: KD 31,405 thousand and 30 September 2014: KD 31,405 thousand), provided by a bank on behalf of the subsidiary, Global Clearing House Systems K.S.C. (Closed), to the General Administration of Customs in the State of Kuwait. These guarantees are issued by the bank on a non-recourse basis to the Group.

9 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS (continued)

Legal claims

(a) Freight forwarding business - investigation
On 26 November 2009, the Italian Competition Authority (ICA) opened an investigation into the activities of some 20 freight forwarding companies including Agility's subsidiary in Italy. The ICA issued its final decision on 15 September 2011, imposing a total fine of approximately KD 55,000 (Euro 139,000) on Agility. This decision is being appealed by other third parties before the court which is yet to pronounce its decision.

In August 2010, the Brazilian competition authority ("CADE") opened an investigation into the activities of the freight forwarding industry which included the Parent Company. The investigation is currently ongoing. The Brazilian competition authority purported to serve a notice on the Parent Company through its Brazilian subsidiary. The Parent Company has to date rejected the validity of service of the notice. However, CADE stated in public announcement that it considers the notice to the Parent Company duly served. The Parent Company filed proceedings before the Brazilian court on 18 February 2014 requesting that the service of process be declared null. The Court issued a ruling rejecting this request and the Parent Company appealed against this ruling on 2 June 2015.

As at 30 September 2015, due to inherent uncertainty surrounding these investigations, the Group's management (after consulting the external legal counsel) is not able to comment on the likely outcome of the investigations and in view of the difficulty in quantifying any additional potential liabilities in this regard, no provision is recorded in the accompanying interim condensed consolidated financial information.

(b) Guarantee encashment
A resolution was issued by the General Administration of Customs for Kuwait ("GAC") to cash a portion, amounting to KD 10,092 thousand of the bank guarantee submitted by Global Clearing House Systems K.S.C. (Closed) (the "Company"), a subsidiary of the Parent Company, in favour of GAC in relation to performance of a contract. Pursuant to this resolution, GAC called the above guarantee during the year ended 31 December 2007.

The Company appealed the above resolution at the Court of First Instance and the latter issued its judgment in favour of the Company and ordered GAC to pay an amount of KD 58,927 thousand as compensation against the non-performance of its obligations under the contract, and KD 9,138 thousand towards refunding of the guarantee encashed earlier, together with an interest of 7% per annum on these amounts to be calculated from the date the judgment becomes final.

The Company appealed the judgment before the Court of Appeal requesting an increase in compensation. GAC also filed an appeal No. 1955 / 2014 administrative 4 before the Court of Appeal. On 13 September 2015, the Court of Appeal pronounced its judgement affirming the decision of the Court of First Instance. Both the Company and GAC appealed against this ruling before the Kuwait Court of Cassation which is yet to pronounce its judgement.

The Company also filed a claim against GAC and requested, under one of its demands, the Court of Appeal to prohibit GAC from encashing the remaining bank guarantees offered by the Company. The Court of Appeal issued its judgment in favour of the Company in blocking the encashment of the bank guarantees in the possession of GAC

In addition to the above, there are legal disputes between the Company and GAC. Both the parties have filed various claims currently pending in the courts. The Group's in-house counsel believes that these matters will not have a material adverse effect on the Company's financial statements.

9 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS (continued)

(c) KGL Litigation

During the year ended 31 December 2012, the Parent Company and certain of its subsidiaries were named as defendants in civil lawsuits filed by Kuwait and Gulf Link Transport Company ("KGL") and its affiliates in three separate jurisdictions in the United States for certain alleged defamation and interference with KGL's contracts with the US Government by an alleged former employee of the Parent Company. The Parent Company filed motions to dismiss the complaints and KGL also filed amended complaints. As a result, the Court in two of the jurisdictions granted the Parent Company's motion to dismiss the complaint. The ultimate outcome of the litigation in the other jurisdiction is uncertain at this time.

In addition to the above, the Group is involved in various incidental claims and legal proceedings matters. The in-house legal counsel of the Group believes that these matters will not have a material adverse effect on the accompanying interim condensed consolidated financial information.

10 RELATED PARTIES TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Group, and entities which they control or over which they exert significant influence. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions and balances with related parties are as follows:

	Major shareholders KD 000's	*Other related parties KD 000's*	*Nine months ended 30 September* ***2015 Total KD 000's***	*Nine months ended 30 September 2014 Total KD 000's*
Interim condensed consolidated statement of income				
Revenues	-	688	**688**	740
General and administrative expenses	(50)	(26)	**(76)**	(95)
Interest income	-	2,559	**2,559**	2,408
Finance costs	-	(538)	**(538)**	(721)
Miscellaneous income	2,000	-	**2,000**	-

	Major shareholders KD 000's	*Other related parties KD 000's*	***30 September 2015 Total KD 000's***	*(Audited) 31 December 2014 Total KD 000's*	*30 September 2014 Total KD 000's*
Interim condensed consolidated statement of financial position					
Financial assets available for sale	7,085	-	**7,085**	-	-
Advance to related parties	7,476	-	**7,476**	6,055	5,500
Amounts due from related parties	-	54	**54**	47	80
Loan to an associate (Note 4)	-	30,242	**30,242**	29,289	28,785
Amounts due to related parties	270	5,217	**5,487**	16,556	16,019

Advance to related parties amounting to KD 7,476 thousand (31 December 2014: KD 6,055 thousand and 30 September 2014: KD 5,500 thousand) represents amounts paid to acquire investments.

Amounts due from/to related parties have arisen as a result of transactions made in the ordinary course of the business and are interest free.

10 RELATED PARTIES TRANSACTIONS (continued)

A portion of amounts due to related parties carry an interest of 6.5 % per annum (31 December 2014: 6.5 % per annum and 30 September 2014: 6.5% per annum).

Compensation of key management personnel	*Nine months ended 30 September*	
	2015	*2014*
	KD 000's	*KD 000's*
Short-term benefits	**1,212**	1,065

11 DIVIDEND AND BONUS SHARES

On 27 May 2015, the shareholders at the annual general assembly of the Parent Company, approved the consolidated financial statements for the year ended 31 December 2014 and approved a cash dividend of 35 fils per share (2013: 40 fils per share) and bonus shares at 5% (equivalent to 5 shares per 100 shares held) (2013: 5%).

The issue of bonus shares resulted in an increase in the issued and paid up share capital by 57,706,880 shares from 1,154,137,464 shares as at 31 December 2014 to 1,211,844,344 shares as at 30 September 2015.

12 OPERATING SEGMENT INFORMATION

For management reporting purposes, the Group is organised into business units based on their products and services produced and has two reportable operating segments as follows:

Logistics and Related Services:
The Logistics and Related Services segment provides a comprehensive logistics offering to its clients, including freight forwarding, transportation, contract logistics, project logistics and fairs and events logistics.

Infrastructure:
The Infrastructure segment provides other services which include industrial real-estate, facility management and airplane ground handling and cleaning services, customs consulting, private equity and waste recycling.

12 OPERATING SEGMENT INFORMATION (continued)

Nine months ended 30 September 2015	*Logistics and related services KD 000's*	*Infrastructure KD 000's*	*Adjustments and eliminations KD 000's*	***Total KD 000's***
Revenues				
External customers	**755,326**	**226,222**	**-**	**981,548**
Inter-segment	**224**	**5,712**	**(5,936)**	**-**
Total revenues	**755,550**	**231,934**	**(5,936)**	**981,548**
Results				
Profit before interest, taxation, depreciation, amortisation and Directors' remuneration (EBITDA)	**18,716**	**50,323**	**4,239**	**73,278**
Depreciation				**(19,168)**
Amortisation				**(2,767)**
Profit before interest, taxation and Directors' remuneration (EBIT)				**51,343**
Interest income				**3,430**
Finance costs				**(4,884)**
Profit before taxation and Directors' remuneration				**49,889**
Taxation and Directors' remuneration				**(6,706)**
Profit for the period				**43,183**

Nine months ended 30 September 2014				
Revenues				
External customers	791,608	201,453	-	993,061
Inter-segment	282	4,884	(5,166)	-
Total revenues	791,890	206,337	(5,166)	993,061
Results				
Profit before interest, taxation, depreciation, amortisation and Directors' remuneration (EBITDA)	16,812	51,112	5,210	73,134
Depreciation				(18,850)
Amortisation				(2,707)
Profit before interest, taxation and Directors' remuneration (EBIT)				51,577
Interest income				3,661
Finance costs				(4,972)
Profit before taxation and Directors' remuneration				50,266
Taxation and Directors' remuneration				(7,944)
Profit for the period				42,322

Inter-segment transactions and balances are eliminated upon consolidation and reflected in the "adjustments and eliminations" column. The Group's financing (including interest income and finance costs) and taxation is managed on a Group basis and are not allocated to operating segments.

13 FAIR VALUES OF FINANCIAL INSTRUMENTS

As at the reporting date, fair value of the Group's financial assets [with the exception of certain financial assets available for sale carried at cost amounting to KD 22,239 thousand (31 December 2014: KD 20,277 thousand and 30 September 2014: KD 20,286 thousand)] and financial liabilities were not materially different from their carrying values.

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: quoted (unadjusted) prices in an active market for identical assets and liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1 *KD'000*	*Level 2* *KD'000*	*Level 3* *KD'000*	*Total fair value* *KD'000*
30 September 2015				
Financial assets at fair value through profit or loss:				
Investment in an associate	-	-	**108,570**	**108,570**
Quoted equity securities	**36**	-	-	**36**
	36	-	**108,570**	**108,606**
Financial assets available for sale:				
Unquoted equity securities	-	-	**10,443**	**10,443**
Derivative:				
Forward foreign exchange contracts – US Dollars	-	**(30)**	-	**(30)**
	36	**(30)**	**119,013**	**119,019**
31 December 2014 (Audited)				
Financial assets at fair value through profit or loss:				
Investment in an associate	-	-	105,148	105,148
Quoted equity securities	36	-	-	36
	36	-	105,148	105,184
Financial assets available for sale:				
Unquoted equity securities	-	-	3,650	3,650
Derivative:				
Forward foreign exchange contracts – US Dollars	-	25	-	25
	36	25	108,798	108,859

13 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

	Level 1 *KD'000*	*Level 2* *KD'000*	*Level 3* *KD'000*	*Total fair value* *KD'000*
30 September 2014				
Financial assets at fair value through profit or loss:				
Investment in an associate	-	-	103,338	103,338
Quoted equity securities	36	-	-	36
	36	-	103,338	103,374
Financial assets available for sale:				
Unquoted equity securities	-	-	3,440	3,440
	36	-	106,778	106,814

The movement in the level 3 financial instruments balance primarily relates to foreign currency translation adjustments for investment in associate and for unquoted equity securities relates to purchase of investment. Further, no transfers between the fair value hierarchies during the period.

There was no material movement in the level 3 financial instruments balance and no transfers between the fair value hierarchies during the period.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis.

Financial assets at fair value through profit or loss:
The Group's management was unable to determine the fair value of the investment in an associate as at 30 September 2015 and 31 December 2014 due to certain inherent uncertainties and accordingly the investment is carried at its fair value as at 31 December 2013 (Note 4).

Financial assets available for sale:
Fair values of financial assets available for sale are measured based on their latest net asset values provided by the respective fund managers.