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ACICO INDUSTRIES CO. – K.S.C. (CLOSED)
AND ITS SUBSIDIARIES
STATE OF KUWAIT

INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2009
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

ACICO INDUSTRIES CO. – K.S.C. (CLOSED)
AND ITS SUBSIDIARIES
STATE OF KUWAIT

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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
ACICO Industries Co. - K.S.C. (Closed)
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of ACICO Industries Co. - K.S.C. (Closed) (the parent company) and subsidiaries (the group) as of September 30, 2009 and the related interim condensed consolidated statements of income, statement of comprehensive income, changes in equity and cash flows for the nine month period then ended. Management is responsible for the preparation and presentation of this interim consolidated financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

We did not review the interim consolidated financial information of the subsidiaries, Ghassan Ahmed Sauod Al-Khaled and Co. – W.L.L and ACICO for Construction K.S.C. (Closed) whose total assets and revenue constitute 7.12% and 57.96% of the respective consolidated totals. The financial information of the above mentioned subsidiaries were reviewed by other auditors, whose unqualified reports were provided to us and, our conclusion in so far as it relates to the amounts included in the interim consolidated financial information related to these subsidiaries, is based solely on the reports of other auditor.

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 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 and the reports of other auditor, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on other Legal and Regulatory Requirements

Furthermore, the interim consolidated financial information is in agreement with the books of account of the Parent Company and to the best of our knowledge and belief, there were no contraventions during the period ended September 30, 2009 of either the Commercial Companies Law or the parent Company's Articles of Association, which might have materially affected the Group's financial position or results of its operations.

Abdul Rahman Al-Qaoud & Partners
Public Accountants
Licence No. 25-A
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Al-Bazie & Co.
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State of Kuwait
November 4, 2009

ACICO INDUSTRIES CO. - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF SEPTEMBER 30, 2009
(All amounts are in Kuwaiti Dinars)

ASSETS	Note	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Cash and cash equivalents	3	1,806,911	469,610	1,139,754
Accounts receivable and other debit balances		8,640,120	9,695,243	11,174,892
Gross amount due from customers for contract work		1,626,466	4,439,530	4,132,381
Due from related parties	4	4,166,508	4,071,551	2,686,850
Inventories		6,050,592	6,758,793	5,138,678
Lands under development		164,420	164,420	164,420
Investments available for sale		3,035,520	3,035,520	5,311,802
Investment in associates	5	15,205,538	13,283,638	9,187,959
Investment properties	6	45,347,640	49,047,640	34,089,301
Projects under construction	7	93,681,198	69,781,267	76,289,594
Right of utilization of leasehold		737,428	780,520	794,884
Fixed assets		28,851,674	29,780,193	27,132,983
Goodwill		2,250,506	2,250,506	2,250,506
Assets related to discontinued operations	2	-	9,250,439	11,197,160
Total assets		211,564,521	202,808,870	190,691,164
LIABILITIES AND EQUITY				
Liabilities:				
Loans and due to banks	8	108,321,369	99,870,730	83,115,653
Accounts payable and other credit balances		11,832,811	13,489,725	10,700,854
Due to related parties	4	10,824,009	6,157,060	13,554,289
Dividends payable to shareholders		831,955	489,372	1,037,106
Provision for staff indemnity		999,868	878,169	972,088
Liabilities related to discontinued operations	2	-	7,180,187	4,539,336
Total liabilities		132,810,012	128,065,243	113,919,326
Equity:				
Share capital		21,491,268	20,467,874	20,467,874
Share premium		24,426,446	24,426,446	24,426,446
Statutory reserve		7,683,349	7,683,349	7,001,050
Treasury shares	9	(432,774)	(731,539)	(436,130)
Treasury shares reserve		2,589,875	2,583,763	2,583,763
Cumulative changes in fair value		(71,143)	(71,143)	9,197
Foreign currency translation adjustments		(2,384,219)	(2,648,533)	(3,229,697)
Effect of change in equity of an associate		(259,149)	(259,149)	-
Retained earnings		23,523,118	19,767,020	22,169,113
Total equity attributable to parent company's shareholders		76,566,771	71,218,088	72,991,616
Non-controlling interests		2,187,738	3,525,539	3,780,222
Total equity		78,754,509	74,743,627	76,771,838
Total liabilities and equity		211,564,521	202,808,870	190,691,164

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information

Ghassan Al-Khaled
Vice Chairman

ACICO INDUSTRIES CO. - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009
(All amounts are in Kuwaiti Dinars)

	Note	For the three months ended September 30		For the nine months ended September 30	
		2009	2008	2009	2008
Continuing operations:					
Operating income	14	11,048,658	7,154,726	41,017,491	22,251,067
Operating costs		(9,040,117)	(5,963,330)	(33,608,942)	(19,056,382)
Gross profit from operations	14	2,008,541	1,191,396	7,408,549	3,194,685
General and administrative expenses		(694,829)	(908,577)	(2,303,045)	(2,260,765)
Selling expenses		(447,831)	(203,114)	(1,639,526)	(910,376)
Depreciation and amortization		(100,248)	(89,985)	(321,477)	(340,062)
Income from operations		765,633	(10,280)	3,144,501	(316,518)
Rental income		607,962	959,599	3,511,262	1,468,948
Investment income		-	605,000	-	638,676
Interest income		-	(1,157)	5,460	534,167
Gain (loss) from sale of investment properties	6	-	7,915	(450,000)	523,973
Gain on sale of investment in a consolidated subsidiary	2	-	-	51,286	1,400,000
Group's share of result from associates		-	-	-	315,000
Finance charges		(349,492)	(842,391)	(1,254,839)	(2,513,920)
Provision for doubtful debts		-	-	(15,000)	(10,000)
Other income (loss)	10	502,510	(43,572)	861,861	1,450,197
Profit for the period from continuing operations		1,526,613	675,114	5,854,531	3,490,523
Profit for the period from discontinued operations	2	-	1,495,565	-	5,735,477
Profit for the period before contribution to Kuwait Foundation for the Advancement of Science and National Labor Support Tax and contribution to Zakat		1,526,613	2,170,679	5,854,531	9,226,000
Contribution to Kuwait Foundation for the Advancement of Sciences		(8,494)	(18,666)	(42,273)	(74,533)
National Labor Support Tax		(42,852)	(51,851)	(154,791)	(215,786)
Contribution to Zakat		(19,692)	(21,696)	(61,944)	(90,692)
Net profit for the period		1,455,575	2,078,466	5,595,523	8,844,989
Attributable to:					
Parent company's shareholders		1,587,528	1,981,810	5,798,697	8,250,416
Non-controlling interests		(131,953)	96,656	(203,174)	594,573
Net profit for the period		1,455,575	2,078,466	5,595,523	8,844,989
		Fils	Fils	Fils	Fils
Earnings per share attributable to parent company's shareholders from continuing operations and discontinued operations	11	7.42	9.26	27.12	38.55

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information

ACICO INDUSTRIES CO. - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009
(All amounts are in Kuwaiti Dinars)

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	2009	2008
Net profit for the period	1,455,575	2,078,466	5,595,523	8,844,989
Other comprehensive income:				
Foreign currency translation adjustments	(470,242)	1,884,822	277,774	(838,859)
Other comprehensive (loss) income for the period	(470,242)	1,884,822	277,774	(838,859)
Total comprehensive income for the period	985,333	3,963,288	5,873,297	8,006,130
Attributable to:				
Shareholders of the parent company	1,367,046	3,958,700	6,063,011	7,577,249
Non-controlling interests	(381,713)	4,588	(189,714)	428,881
Total comprehensive income for the period	985,333	3,963,288	5,873,297	8,006,130

The accompanying notes from (1) to (15) form an integral part of the interim consolidated financial information.

ACICO INDUSTRIES CO. - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009
(All amounts are in Kuwaiti Dinars)

	Attributable to parent company's shareholders											
	Share capital	Share premium	Statutory reserve	Treasury shares	Treasury shares reserve	Cumulative changes in fair value	Foreign currency translation adjustments	Effect of change in equity of an associate	Retained earnings	Total equity	Non - controlling Interests	Total equity
Balance as at December 31, 2008	20,467,874	24,426,446	7,583,349	(731,539)	2,583,763	(71,143)	(2,648,533)	(259,149)	19,767,020	71,216,088	3,525,539	74,743,627
Total comprehensive income for the period	-	-	-	-	-	-	264,314	-	5,798,697	6,063,011	(189,714)	5,873,297
Bonus shares – 5% (Note 12)	1,023,394	-	-	-	-	-	-	-	(1,023,394)	-	-	-
Cash dividends – 5% (Note 12)	-	-	-	-	-	-	-	-	(1,019,205)	(1,019,205)	-	(1,019,205)
Sale of treasury shares	-	-	-	298,765	6,112	-	-	-	-	304,877	-	304,877
Effect of sale of a subsidiary resulting in an associate	-	-	-	-	-	-	-	-	-	-	(1,596,801)	(1,596,801)
Effect of sale of a portion of an investment in a subsidiary	-	-	-	-	-	-	-	-	-	-	448,714	448,714
Balance as at September 30, 2009	**21,491,268**	**24,426,446**	**7,683,349**	**(432,774)**	**2,589,875**	**(71,143)**	**(2,384,219)**	**(259,149)**	**23,523,118**	**76,566,771**	**2,187,738**	**78,754,509**
Balance as at December 31, 2007	19,493,213	24,426,446	7,001,050	(416,881)	2,583,763	9,197	(2,556,530)	-	25,570,512	76,111,770	190,504	76,302,274
Total comprehensive income for the period	-	-	-	-	-	-	(673,167)	-	8,250,416	7,577,249	428,881	8,006,130
Bonus shares – 5% (Note 12)	974,661	-	-	-	-	-	-	-	(974,661)	-	-	-
Cash dividends – 55% (Note 12)	-	-	-	-	-	-	-	-	(10,677,154)	(10,677,154)	-	(10,677,154)
Cash dividends (subsidiary)	-	-	-	-	-	-	-	-	-	-	(544,958)	(544,958)
Purchase of treasury shares	-	-	-	(20,249)	-	-	-	-	-	(20,249)	-	(20,249)
Effect of consolidation of a subsidiary	-	-	-	-	-	-	-	-	-	-	3,705,795	3,705,795
Balance as at September 30, 2008	20,467,874	24,426,446	7,001,050	(436,130)	2,583,763	9,197	(3,229,697)	-	22,169,113	72,991,616	3,780,222	76,771,838

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information

	For the nine months ended September 30,	
	2009	2008
Cash flows from operating activities		
Profit for the period from continuing operations	5,854,531	3,490,523
Profit for the period from discontinued operations	-	5,735,477
Adjustments:		
Depreciation and Amortization	1,608,992	1,608,999
Gain on sale of available for sale investment	-	(505,000)
Share of results from associates	-	(315,000)
Finance charges	1,254,839	2,529,292
Loss (gain) from sale investment properties	450,000	(523,973)
Dividend income	-	(133,676)
Gain on sale of fixed assets	(32,454)	(447,562)
Rental income	(3,511,262)	(1,468,948)
Interest income	(5,460)	(534,167)
Provision for staff indemnity	215,019	228,993
Provision for doubtful debts	15,000	10,000
Foreign currency translation adjustments	233,552	(723,451)
Operating income before working capital changes	6,082,757	8,951,507
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	1,040,122	(9,089,635)
Gross amount due from customers for contract work	2,813,064	2,464,759
Due from related parties	(94,957)	(70,778)
Inventories	708,201	(1,488,542)
Accounts payable and other credit balances	(3,729,866)	277,614
Due to related parties	5,700,894	14,728,456
Payment for staff indemnity	(93,320)	(87,715)
Paid for Kuwait Foundation for the Advancement of Science	-	(125,221)
Board of Directors remuneration	-	(63,000)
Net cash generated from operating activities	12,426,895	15,497,445
Cash flows from investing activities		
Dividend income received	-	133,676
Interest income received	5,460	534,167
Rental income received	3,511,262	1,468,948
Paid for purchase of investments available for sale	-	(100,000)
Proceeds from sale of investment available for sale	-	1,350,000
Proceeds from sale of fixed assets	132,831	-
Paid for investment properties	-	637,959
Proceeds from sale investment properties	3,250,000	(11,567)
Paid for purchase of fixed assets	(737,759)	(5,462,361)
Paid for projects under construction	(24,075,443)	(22,456,031)
Net cash used in investing activities	(17,913,649)	(23,905,209)

	For the nine months ended September 30,	
	2009	2008
Cash flows from financing activities		
Net proceeds from (payment for) loans and due to banks	8,450,639	(11,990,298)
Finance charges paid	(1,254,839)	(2,529,292)
Purchase of treasury shares	-	(20,249)
Proceeds form sale treasury shares	304,877	-
Cash dividends paid	(676,622)	(9,993,728)
Capital increase (subsidiary)	-	3,705,795
Cash dividends paid (subsidiary)	-	(544,958)
Net cash generated from (used in) financing activities	6,824,055	(21,372,730)
Net increase (decrease) in cash and cash equivalents	1,337,301	(29,780,494)
Cash and cash equivalents at beginning of the period	613,557	31,364,480
Cash and cash equivalents of a subsidiary previously consolidated (Note 2)	(143,947)	(444,232)
Cash and cash equivalents at end of the period (Note 3)	1,806,911	1,139,754

The accompanying notes (1) to (15) form an integral part of the interim consolidated financial information.

1. Incorporation and activities

ACICO Industries Co. - K.S.C. (Closed) was incorporated and authenticated at the Ministry of Justice – Real Estate Registration and Authentication Department under Ref. No. 16540 on June 23, 1990 and registered on Commercial register under Ref. No. 41903 dated July 17, 1991.

The main objectives of the Company include the establishment of a factory for the production of all types and sizes of aerated concrete and non-concrete and all its construction requirements, import and export of all building materials. The Company is considered the sole agent in the Middle East for manufacturing 'Hebil' international products. The Company's objectives also include owning, buying and selling real estate, land and land for development for the benefit of the Company either inside or outside Kuwait, dealing in industrial companies' shares and bonds relating to the main objective of the Company either inside or outside Kuwait, preparing and submitting the studies and consultancy and also organizing the industrial exhibition for the Company's projects.

The Company may have interests or participate in any aspect in other firms conducting similar activities or which may assist the Company in achieving its objectives in Kuwait or abroad. The Company may also acquire such firms or participate in their equity.

The address of the Parent Company is Sharq – Ahmed Al-Jaber Street – Raed Center, 5th floor, P.O. Box 24079, Safat, 13101 - State of Kuwait.

The interim consolidated financial information was authorized for issue by the Board of Directors on November 4, 2009.

2. Basis of presentation:

The interim consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2008 except for the changes due to implementation of certain amendments to the following International Financial Reporting Standards:

IAS 1 "Presentation of Financial Statements" (Revised)
Effective January 1, 2009, the Group has applied IAS 1 (Revised), which has impacted the presentation of financial statements to enhance the usefulness of the information presented. The revised Standard has introduced a number of terminology changes (including revised titles for the condensed financial statements) and has resulted in a number of changes in presentation and disclosure. The revised IAS 1 has introduced a new statement of comprehensive income, wherein all changes in equity arising from transactions other than with owners in their capacity as owners should be presented. Accordingly only changes in equity arising from transactions with owners in their capacity as owners are permitted to be presented in the statement of changes in equity.

IFRS 8 "Operating Segments"
Effective January 1, 2009, the Group has applied IFRS 8, which requires disclosure of information to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. Accordingly, operating segments should be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

IAS 23 "Borrowing Cost" (Revised)

Effective January 1, 2009, the Group has applied IAS 23 (Revised), which requires an entity to capitalize borrowing costs attributable to the acquisition, construction or production of a qualifying asset as a part of the cost of that asset and removing an option of expensing these borrowing costs in the consolidated statement of income. This amendment is not expected to have any impact on the interim consolidated financial information

The interim consolidated financial information does not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the period ended September 30, 2009 are not necessarily indicative of the results that may be expected for the year ending December 31, 2009. For further information, refer to the consolidated financial statements and notes thereto for the year ended December 31, 2008.

The interim consolidated financial information includes the financial information of ACICO Industries K.S.C. (closed) and the following subsidiaries:

		Percentage of ownership		
Name of Subsidiary	Country of incorporation	**September 30, 2009**	December 31, 2008 (Audited)	September 30, 2008
Ghassan Ahmed Saoud Al-Khaled & Partners W.L.L.	Kuwait	**75%**	75%	75%
ACICO International Contracting L.L.C.	UAE	-	75%	75%
ACICO Arabia for General Trading and Contracting W.L.L.	Kuwait	**60%**	60%	60%
ACICO for Construction K.S.C. (Closed)	Kuwait	**75%**	100%	100%

Effective January 1, 2009 the Parent company sold 30% of its investment in ACICO International Contracting L.L.C for an amount of KD 707,274 at its carrying value to a related party; as a result of the sale the parent Co's interest decreased from 75% to 45%. Therefore, the investment was classified as an investment in an associate. As a result the financial information for the period ended September 30, 2009 does not include the financial information related for the above mentioned entity that were included in the year ended December 31, 2008 and the period ended September 30, 2008, that was as follows:

Interim condensed consolidated statement of financial Position:

	December 31, 2008 (Audited)	September 30, 2008
Assets:		
Cash and cash equivalents	143,947	444,232
Accounts receivable and other debit balances	4,166,095	9,505,682
Gross amount due from customers for contract work	3,819,793	-
Due from related parties	5,141	-
Fixed assets	1,115,463	1,247,246
	9,250,439	11,197,160
Liabilities:		
Loans and due to banks	2,344,052	1,831,543
Accounts payable and other credit balances	4,275,467	2,351,160
Due to related parties	329,502	317,901
Provision for staff indemnity	231,166	38,732
	7,180,187	4,539,336

Interim condensed consolidated Statement of Income:

	For the three months ended September 30, 2008	For the nine months ended September 30, 2008
Operating income	10,920,013	28,053,450
Operating cost	(9,285,250)	(22,009,803)
General and administrative expenses	(124,721)	(296,371)
Depreciation and amortization	(19,248)	(43,888)
Finance charges	(5,181)	(15,372)
Other income	9,952	47,461
Profit from discontinued operations	1,495,565	5,735,477
Earnings per share (EPS) from discontinued operations	6.99	26.80

During the period ended September 30, 2009 the parent company sold 25% of its investment in ACICO for Construction K.S.C. (Closed) to a related party for an amount of KD 487,782 resulting in a gain of KD 51,286 and decreased the percentage of ownership to 75%.

3. Cash and cash equivalents

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Cash on hand and at banks	**1,806,911**	459,295	988,963
Time deposits	**-**	10,315	150,791
	1,806,911	469,610	1,139,754

4. Related party transactions

Related parties represent the Group's major shareholders, associates, subsidiaries, unconsolidated subsidiaries, members of the Board of Directors, parties related to them and senior management. There were certain transactions conducted with related parties and were included in the interim consolidated financial information as follows:

Interim condensed consolidated statement of financial position	Associates	Other related parties	**September 30, 2009**	December 31, 2008 (Audited)	September 30, 2008
Due from related parties	1,988,212	2,178,296	**4,166,508**	4,071,551	2,686,850
Due to related parties	3,877,963	6,946,046	**10,824,009**	6,157,060	13,554,289

			For the nine months ended	
Interim condensed consolidated statement of income	Associates	Other related parties	**September 30, 2009**	September 30, 2008
Operating income	204,693	-	**204,693**	-
Operating cost	173,989	-	**173,989**	-
Group's share of results from associates	-	-	**-**	315,000
Gain on sale of investment property	-	-	**-**	523,973
Gain on sale of a share of investment in a consolidated subsidiary	-	51,286	**51,286**	1,400,000
Investment income	-	-	**-**	505,000
Other income	325,000	-	**325,000**	-

	For the nine months ended September 30,	
Compensation to key management personnel:	**2009**	2008
Short term benefits	**105,678**	105,678
Termination benefits	**18,000**	9,000
	123,678	114,678

5. Investment in associates

Name of the associate company	Country of incorporation	Percentage of holding	**September 30, 2009**	December 31, 2008 (Audited)	September 30, 2008
ACICO Saudi Arabia – W.L.L.	Saudi Arabia	45%	**226,257**	226,257	375,209
ACICO Qatar – W.L.L.	Qatar	49%	**3,131,546**	2,176,034	406,631
Al-Masaken International for Real Estate Development - K.S.C. (Closed)	Kuwait	35%	**8,448,972**	8,448,972	8,406,119
Al-Masaken Arabian Holding - K.S.C.H.	Kuwait	11.81%	**2,432,375**	2,432,375	-
ACICO International Contracting L.L.C.	U.A.E	45%	**966,388**	-	-
			15,205,538	13,283,638	9,187,959

The movement of the investment in associates during the period was as follows:

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Balance at the beginning of the period / year	**13,283,638**	8,872,959	8,872,959
Additions	**780,000**	-	-
Transferred from investment in subsidiary (Note 2)	**966,388**	-	-
Transfer from investment available for sale	**-**	2,362,500	-
Transfer from projects under construction	**175,512**	1,848,590	-
Group's share of result from associate	**-**	436,292	315,000
Group's share from cumulative change in fair value for associate company	**-**	(259,149)	-
Other movement	**-**	22,446	-
Balance at the end of the period / year	**15,205,538**	13,283,638	9,187,959

6. Investment properties

During the period, the parent company sold an investment property amounting to KD 3,700,000 resulting in a loss amounting to KD 450,000.

7. Projects under construction

The movement of projects under construction during the period was as follows:

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Balance at the beginning of the period / year	**69,781,267**	59,315,822	59,315,822
Additions	**21,832,537**	31,382,328	22,456,031
Finance charges capitalized	**2,242,906**	2,765,078	-
Transfer to investment properties	**-**	(14,829,256)	-
Transfer to investment in associate	**(175,512)**	(1,848,590)	-
Transfer to fixed assets	**-**	(6,855,577)	(5,336,319)
Transfer to inventories	**-**	(148,538)	(145,940)
Balance at the end of the period / year	**93,681,198**	69,781,267	76,289,594

Projects under construction represent different projects in the GCC countries.

8. Loans and due to banks

During the period ended September 30, 2009 the parent company obtained new loans from local and foreign banks for an amount of KD 13,635,002 guaranteed by promissory notes and projects under construction carrying an interest rate ranging from 1% to 2.5% per annum over the Central Bank of Kuwait discount rate, and Dubai Inter Bank Rate (DIBOR). The Parent Company also settled loans for an amount of KD 6,907,801.

9. Treasury shares

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Number of shares	**837,349**	1,471,286	827,062
Percentage of issued shares	**0.39%**	0.72%	0.40%
Market value (KD)	**372,620**	684,148	612,026
Cost (KD)	**432,774**	731,539	436,130

10. Other income (loss)

	For the three months ended September 30		For the nine months ended September 30	
	2009	2008	**2009**	2008
Supervision income	**195,000**	-	**325,000**	-
Gain on sale of fixed assets	**-**	-	**32,454**	447,562
Foreign exchange gain (loss)	**8,826**	(68,787)	**54,953**	890,156
Other income	**298,684**	25,215	**449,454**	112,479
	502,510	(43,572)	**861,861**	1,450,197

11. Earnings per share attributable to parent company's shareholders

There are no potential dilutive ordinary shares. The information necessary to calculate earnings per share based on the weighted average number of shares outstanding during the period is as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2009	2008	**2009**	2008
Net profit for the period attributable to parent company's shareholders	**1,587,528**	1,981,810	**5,798,697**	8,250,416
Number of shares outstanding				
	Shares	Shares	**Shares**	Shares
Weighted average number of issued shares	**204,678,738**	204,678,738	**204,678,738**	204,678,738
Bonus shares	**10,233,940**	10,233,940	**10,233,940**	10,233,940
Weighted average number of treasury shares	**(879,216)**	(911,516)	**(1,088,207)**	(893,700
Weighted average number of shares outstanding	**214,033,462**	214,001,162	**213,824,471**	214,018,978
	Fils	Fils	**Fils**	Fils
Earnings per share attributable to parent company's shareholders From continuing and discontinuing operations	**7.42**	9.26	**27.12**	38.55

Earnings per share attributable to parent company's shareholders for the three months ended September 30, 2008 and nine months ended September 30, 2008 were 9.72 and 40.48 before retroactive adjustment relating to the issue of bonus shares (Note 12).

12. Cash dividend and bonus shares

The shareholders' general assembly meeting held on June 4, 2009 approved the distribution of cash dividend of 5 fils per share and 5 bonus shares for every 100 shares held (5%) for the year ended December 31, 2008.

The shareholders' general assembly meeting held on May 8, 2008 approved the distribution of cash dividend of 55 fils per share (55%) and 5 bonus shares for every 100 shares held (5%) for the year ended December 31, 2007.

13. Contingent liabilities

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Letters of guarantee	**9,790,382**	1,698,587	13,497,197
Letters of credit	**636,745**	2,017,779	4,066,890
	10,427,127	3,716,366	17,564,087

14. Segment information

	September 30, 2009					
	Industry	Real estates and hotels	Contracting	Total	Inter segment transactions	Total
Operating income	27,476,895	2,991,255	14,435,791	44,903,941	(3,886,450)	41,017,491
Segment gross profit	8,377,161	2,991,255	(968,612)	10,399,804	(2,991,255)	7,408,549
Total assets	47,255,941	166,588,954	4,781,654	218,626,549	(7,062,028)	211,564,521
Total liabilities	39,621,665	84,289,405	4,549,778	128,460,848	4,349,164	132,810,012

	September 30, 2008					
	Industry	Real estates and hotels	Contracting	Total	Inter segment transactions	Total
Operating income	13,952,631	-	27,873,560	41,826,191	(19,575,124)	22,251,067
Segment gross profit	6,408,716	-	622,270	7,030,986	(3,836,301)	3,194,685
Total assets	181,474,372	923,717	37,915,360	220,313,449	(29,622,285)	190,691,164
Total liabilities	96,274,780	914,520	26,145,060	123,334,360	(9,415,034)	113,919,326

15. Comparative figures

Certain of the prior period amounts have been reclassified to conform with the current period presentation.