GLOBAL INVESTMENT HOUSE K.S.C. (CLOSED)
AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 SEPTEMBER 2011 (UNAUDITED)

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

Period ended 30 September 2011 (Unaudited)

	Notes	*Three months ended 30 September*		*Nine months ended 30 September*	
		2011	*2010*	***2011***	*2010*
		KD '000	*KD '000*	***KD '000***	*KD '000*
REVENUE					
Fees and commission income	3	**3,232**	4,809	**11,575**	16,796
Interest and similar income		**580**	1,042	**1,967**	2,420
Net gain (loss) on financial assets held for trading	4	**270**	3,869	**474**	(277)
Net loss on financial assets designated at fair value through income statement	4	**(4,088)**	(10,380)	**(25,965)**	(22,233)
Net (loss) gain on sale of financial assets available for sale		**(1,167)**	35	**(1,115)**	134
Share of results of associates		**(2,281)**	(2,571)	**(9,062)**	(7,140)
Loss on disposal of associates		**(2,535)**	-	**(2,535)**	(2,350)
Net change in fair value of investment properties		**681**	-	**(3,116)**	-
Gain on disposal and liquidation of subsidiaries		-	-	-	1,034
Gain on derivative financial instruments	16	**629**	228	**1,817**	808
Foreign exchange (loss) gain		**(230)**	2,469	**2,771**	(1,336)
Other income		**552**	425	**3,303**	3,432
		(4,357)	(74)	**(19,886)**	(8,712)
EXPENSES					
Personnel expenses		**2,572**	2,676	**8,157**	8,111
Other operating expenses		**2,260**	2,298	**7,707**	10,441
Interest and similar expenses		**5,951**	5,571	**17,932**	18,417
Impairment charge on other financial assets and intangibles		**209**	1,598	**1,225**	2,128
Impairment (reversal) charge for credit losses		**(11)**	(51)	**555**	(162)
		10,981	12,092	**35,576**	38,935
LOSS FOR THE PERIOD		**(15,338)**	(12,166)	**(55,462)**	(47,647)
Loss attributable to:					
Equity holders of the Parent Company		**(15,531)**	(11,813)	**(54,224)**	(46,241)
Non-controlling interests		**193**	(353)	**(1,238)**	(1,406)
		(15,338)	(12,166)	**(55,462)**	(47,647)
BASIC AND DILUTED LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	5	**(13) fils**	(10) fils	**(44) fils**	(38) fils

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2011 (Unaudited)

	Three months ended 30 September		*Nine months ended 30 September*	
	2011	*2010*	***2011***	*2010*
	KD '000	*KD '000*	***KD '000***	*KD '000*
Loss for the period	**(15,338)**	(12,166)	**(55,462)**	(47,647)
Other comprehensive income:				
Net unrealised loss arising on financial assets available for sale	**(868)**	(2,199)	**(3,223)**	(8,881)
Transferred to interim condensed consolidated income statement on sale of financial assets available for sale	**1,167**	450	**1,115**	(134)
Transferred to interim condensed consolidated income statement on impairment of financial assets available for sale	**210**	492	**823**	749
Exchange differences on translation of foreign operations	**(358)**	(1,992)	**(3,667)**	(914)
Other comprehensive loss of associates	**(1,251)**	(1,463)	**(250)**	(1,654)
Other comprehensive loss for the period	**(1,100)**	(4,712)	**(5,202)**	(10,834)
Total comprehensive loss for the period	**(16,438)**	(16,878)	**(60,664)**	(58,481)
Attributable to:				
Equity holders of the Parent Company	**(16,029)**	(16,049)	**(58,824)**	(55,049)
Non-controlling interests	**(409)**	(829)	**(1,840)**	(3,432)
	(16,438)	(16,878)	**(60,664)**	(58,481)

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2011 (Unaudited)

	Notes	***30 September 2011 KD'000***	*(Audited) 31 December 2010 KD'000*	*30 September 2010 KD'000*
ASSETS				
Cash and cash equivalents	6	**76,082**	70,819	91,665
Financial assets held for trading		**7,995**	9,322	12,098
Financial assets designated at fair value through income statement		**115,106**	145,207	163,772
Murabaha receivables		**9,963**	12,108	12,088
Loans and advances		**14,067**	18,625	24,716
Financial assets available for sale		**36,767**	44,898	43,849
Investments in associates		**147,956**	162,551	158,378
Investment properties	7	**33,117**	21,408	22,081
Property under development	7	**25,422**	38,428	38,401
Property and equipment		**16,922**	18,221	18,893
Intangible assets		**18,028**	18,048	18,060
Other assets	8	**94,613**	115,308	125,845
Total assets		**596,038**	674,943	729,846
EQUITY AND LIABILITIES				
Equity				
Share capital		**131,243**	131,243	131,243
Share premium	9	**58,998**	230,323	230,323
Treasury shares	10	**(58,998)**	(58,998)	(58,998)
Treasury shares reserve		**1,059**	1,059	1,059
Cumulative changes in fair values		**(3,426)**	(2,894)	(3,262)
Foreign currency translation reserve		**(3,384)**	684	2,486
Accumulated losses	9	**(104,931)**	(222,032)	(195,067)
Equity attributable to equity holders of the Parent Company		**20,561**	79,385	107,784
Non-controlling interests		**27,783**	29,623	30,132
Total equity		**48,344**	109,008	137,916
Liabilities				
Short term borrowings	11	**158,933**	106,374	37,617
Medium term borrowings	11	**262,488**	339,696	442,145
Bonds		**74,859**	74,976	75,063
Other liabilities	12	**51,414**	44,889	37,105
Total liabilities		**547,694**	565,935	591,930
Total equity and liabilities		**596,038**	674,943	729,846

Maha Khaled Al-Ghunaim
Chairperson and Managing Director

Hamad Tarek Al-Homaizi
Vice Chairman and Director

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Period ended 30 September 2011 (Unaudited)

	Notes	Nine months ended 30 September 2011 KD '000	2010 KD '000
OPERATING ACTIVITIES			
Loss for the period		**(55,462)**	(47,647)
Adjustments for:			
Depreciation of property and equipment		**1,587**	2,030
Impairment charge/(reversal) for credit losses		**555**	(162)
Impairment of other financial assets and intangibles		**1,225**	2,128
Interest and similar income		**(1,967)**	(2,420)
Dividend income		**(1,306)**	(1,867)
Interest and similar expense		**17,932**	18,417
Change in fair value of investment properties		**3,116**	-
Share of results of associates		**9,062**	7,140
Loss on disposal of associates		**2,535**	2,350
Gain on disposal and liquidation of subsidiaries		**-**	(1,034)
Change in fair value of derivative financial instruments		**(1,817)**	(808)
		(24,540)	(21,873)
Changes in operating assets and liabilities:			
Financial assets held for trading		**1,327**	3,016
Financial assets designated at fair value through income statement		**34,531**	44,542
Murabaha receivables		**1,580**	-
Loans and advances		**1,360**	1,684
Financial assets available for sale		**3,995**	5,155
Other assets		**10,488**	1,763
Other liabilities		**701**	3,432
Cash flows from operations		**29,442**	37,719
Interest and similar income received		**1,883**	3,044
Dividend income received		**1,306**	1,867
Interest and similar expenses paid		**(14,981)**	(15,215)
Net cash flows from operating activities		**17,650**	27,415
INVESTING ACTIVITIES			
Purchase of investment in associates		**-**	(438)
Proceeds from capital redemption / disposal of associates		**6,035**	8,338
Dividend received from associates		**-**	52
Net cash outflows from disposal and liquidation of subsidiaries		**-**	(18,170)
Purchase of property and equipment		**-**	(718)
Purchase of investment properties		**(1,949)**	(25)
Proceeds from disposal of investment properties		**385**	-
Purchase of property under development		**(130)**	(1,082)
Net cash flows from (used in) investing activities		**4,341**	(12,043)
FINANCING ACTIVITIES			
Repayment of borrowings		**(16,728)**	(24,876)
Net cash flows used in financing activities		**(16,728)**	(24,876)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**5,263**	(9,504)
Cash and cash equivalents at 1 January		**70,819**	101,169
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	6	**76,082**	91,665

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2011 (Unaudited)

	Attributable to the equity holders of the Parent Company									
	Share capital KD'000	*Share premium KD'000*	*Treasury shares KD'000*	*Treasury shares reserve KD'000*	*Cumulative changes in fair values KD'000*	*Foreign currency translation reserve KD'000*	*Accumulated losses KD'000*	*Sub total KD'000*	*Non-controlling interests KD'000*	*Total KD'000*
At 1 January 2011	131,243	230,323	(58,998)	1,059	(2,894)	684	(222,032)	79,385	29,623	109,008
Loss for the period	-	-	-	-	-	-	(54,224)	(54,224)	(1,238)	(55,462)
Other comprehensive loss	-	-	-	-	(532)	(4,068)	-	(4,600)	(602)	(5,202)
Total comprehensive loss for the period	-	-	-	-	(532)	(4,068)	(54,224)	(58,824)	(1,840)	(60,664)
Write-off of accumulated losses (Note 9)	-	(171,325)	-	-	-	-	171,325	-	-	-
Balance at 30 September 2011	**131,243**	**58,998**	**(58,998)**	**1,059**	**(3,426)**	**(3,384)**	**(104,931)**	**20,561**	**27,783**	**48,344**

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the period ended 30 September 2011 (Unaudited)

	Attributable to the equity holders of the Parent Company									
	Share capital KD'000	*Share premium KD'000*	*Treasury shares KD'000*	*Treasury shares reserve KD'000*	*Cumulative changes in fair values KD'000*	*Foreign currency translation reserve KD'000*	*Accumulated losses KD'000*	*Sub total KD'000*	*Non-controlling interests KD'000*	*Total KD'000*
At 1 January 2010	131,243	230,323	(58,998)	1,059	4,407	3,625	(148,826)	162,833	59,945	222,778
Loss for the period	-	-	-	-	-	-	(46,241)	(46,241)	(1,406)	(47,647)
Other comprehensive loss	-	-	-	-	(7,669)	(1,139)	-	(8,808)	(2,026)	(10,834)
Total comprehensive loss for the period	-	-	-	-	(7,669)	(1,139)	(46,241)	(55,049)	(3,432)	(58,481)
Arising on disposal of subsidiaries	-	-	-	-	-	-	-	-	(26,381)	(26,381)
Balance at 30 September 2010	131,243	230,323	(58,998)	1,059	(3,262)	2,486	(195,067)	107,784	30,132	137,916

The attached notes 1 to 17 form part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

This interim condensed consolidated financial information of Global Investment House K.S.C. (Closed) (the "Parent Company") and its Subsidiaries (collectively the "Group") for the period ended 30 September 2011 was authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on ……..2011.

The Parent Company is a closed shareholding company incorporated on 16 June 1998 under the Commercial Companies Law No. 15 of 1960 and amendments thereto. The Parent Company's shares are listed on Kuwait Stock Exchange, Bahrain Stock Exchange and Dubai Financial Market. Further, the Parent Company's shares in the form of Global Depositing Receipts (GDRs) are listed on London Stock Exchange (LSE). The Parent Company is regulated by the Central Bank of Kuwait and Capital Market Authority as an investment company.

The Group is principally engaged in provision of asset management, investment banking, principal investments, real estate and brokerage activities. Its registered office is at Global Tower, Sharq, Al Shuhada St, P.O. Box 28807, Safat 13149, Kuwait.

The Group primarily operates in the Gulf Co-operation Council (GCC) and other Middle Eastern and North African (MENA) countries.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation
The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34, Interim Financial Reporting except as noted below.

The annual consolidated financial statements for the year ended 31 December 2010 were prepared in accordance with the regulations of the State of Kuwait for financial services institutions regulated by the Central Bank of Kuwait. These regulations require adoption of all International Financial Reporting Standards (IFRS) except for the IAS 39 requirement for collective impairment provision, which has been replaced by the Central Bank of Kuwait's (CBK) requirement for a minimum general provision as described below.

The impairment provision for credit facilities complies in all material respects with the specific provision requirements of the CBK and IFRS. In this respect, the CBK requires a minimum general provision of 1% on funded facilities and 0.5% on un-funded facilities for which specific provision has not been made.

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with the 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 nine months ended 30 September 2011 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2011. For more details please refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2010.

Significant Accounting Policies
The accounting policies used in preparation of this interim condensed consolidated financial information are consistent with those used in preparation of the annual consolidated financial statements for the year ended 31 December 2010, except for following revised Standards effective for annual periods beginning on or after 1 January 2011:

IAS 24 Related Party Disclosures (Amendment)
The IASB has issued an amendment to IAS 24 that clarifies the definition of related party. The new definition emphasise a symmetrical view of related party relationships as well as clarifying in which circumstances persons and key management personnel affect related party relationships of an entity. Secondly, the amendment introduces an exemption for the general related party disclosure requirements for transactions with a government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The adoption of the amendment did not have any impact on the financial position or performance of the Group.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Significant Accounting Policies (continued)

IAS 32: Financial Instruments: Presentation (Amendment)
The amendment alters the definition of a financial liability in IAS 32 to enable entities to classify rights issues and certain options or warrants as equity instruments. The amendment is applicable if the rights are given pro- rata to all of the existing owners of the same class of an entity's non-derivative equity instruments, to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency. The adoption did not have any impact on the financial position or performance of the Group.

IAS 34 Interim Financial Reporting (Revised)
Improvement to IAS 34 introduces the concept of "Significant events and transactions" and has brought in additional disclosures for changes in business and economic circumstances, transfers between levels of the fair value hierarchy used and changes in the classification of financial assets resulting from change in the purpose or use of those assets. Adoption of this improvement did not have any material impact on the financial position or performance of the Group.

3 FEES AND COMMISSION INCOME

	Three months ended 30 September		*Nine months ended 30 September*	
	2011 KD '000	*2010 KD '000*	***2011 KD '000***	*2010 KD '000*
Management fees on assets under management	**2,809**	3,531	**8,725**	12,248
Incentive fees on assets under management	**62**	3	**1,469**	47
Placement fees - managed funds	**3**	669	**176**	692
Investment banking and advisory fees	**155**	17	**248**	1,928
Brokerage	**203**	589	**957**	1,881
	3,232	4,809	**11,575**	16,796

4 NET GAIN (LOSS) ON FINANCIAL ASSETS HELD FOR TRADING AND DESIGNATED AT FAIR VALUE THROUGH INCOME STATEMENT

Three months ended 30 September:

	Held for trading		***Designated at fair value through income statement***	
	2011 KD '000	*2010 KD '000*	***2011 KD '000***	*2010 KD '000*
Realised gain (loss)	**449**	(400)	**(4,124)**	2,855
Unrealised (loss) gain	**(179)**	4,269	**36**	(13,235)
Net realised and unrealised gain (loss) recognised in interim condensed consolidated income statement	**270**	3,869	**(4,088)**	(10,380)

Nine months ended 30 September:

	Held for trading		***Designated at fair value through income statement***	
	2011 KD '000	*2010 KD '000*	***2011 KD '000***	*2010 KD '000*
Realised gain (loss)	**671**	561	**(3,994)**	(6,985)
Unrealised loss	**(197)**	(838)	**(21,971)**	(15,248)
Net realised and unrealised gain (loss) recognised in interim condensed consolidated income statement	**474**	(277)	**(25,965)**	(22,233)

5 BASIC AND DILUTED LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

Basic loss and diluted loss per share is computed by dividing the loss for the period attributable to the equity holders of the Parent Company by the weighted average number of shares outstanding during the period less treasury shares. The Parent Company has no outstanding dilutive potential shares.

The following reflects the loss and share data used in the basic and diluted loss per share computations:

	Three months ended 30 September		*Nine months ended 30 September*	
	2011	*2010*	***2011***	*2010*
Loss for the period attributable to the equity holders of the Parent Company (KD'000)	**(15,531)**	(11,813)	**(54,224)**	(46,241)
Weighted average number of ordinary shares for basic earnings per share (excluding treasury shares) (in '000)	**1,223,409**	1,223,409	**1,223,409**	1,223,409
Basic and diluted loss per share attributable to equity holders of the Parent Company	**(13) fils**	(10) fils	**(44) fils**	(38) fils

6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows include the following amounts:

	30 September 2011 KD'000	*(Audited) 31 December 2010 KD'000*	*30 September 2010 KD'000*
Bank balances and cash	**55,350**	52,377	56,334
Bank balances and cash arising on consolidation	**20,732**	18,442	35,331
	76,082	70,819	91,665

7 INVESTMENT PROPERTIES AND PROPERTY UNDER DEVELOPMENT

Investment properties include an amount of KD 13.14 million (31 December 2010: Nil and 30 September 2010: Nil) transferred from property under development during the period upon completion of the construction work and the property being ready for its intended use.

8 OTHER ASSETS

	30 September 2011 KD'000	*(Audited) 31 December 2010 KD'000*	*30 September 2010 KD'000*
Accrued income	**5,494**	10,512	11,517
Receivables for settlement on sale of securities	**4,405**	8,964	10,952
Deposit (see note below)	**68,978**	70,250	71,200
Prepayments and other receivables	**14,426**	22,219	28,078
Deferred expenses	**1,310**	3,363	4,098
	94,613	115,308	125,845

Deposit represents a non-interest bearing deposit of USD 250 million equivalent to KD 68.9 million (31 December 2010: KD 70.3 million and 30 September 2010: KD 71.2 million) with a bank in United Arab Emirates ('UAE'). The bank refused to release this deposit alleging that it represents an advance for a potential acquisition of a bond convertible into 330 million shares of the bank with a total value of AED 2,359,500,000 equivalent to KD 184.5 million. The Parent Company had filed a lawsuit against the bank for the recovery of the deposit. On 19 July 2010, the Court of First Instance in Dubai, UAE, ruled in favour of the Parent Company and ordered the bank to repay the full amount of USD 250 million with interest at the rate of 9% from 8 February 2009 until the date of payment and expenses. The court judgement also rejected the counter claim filed by the bank. The Bank had filed an appeal against the court of First Instance judgement. On 25 April 2011 the Court of Appeal passed its verdict and ordered the bank to repay the Parent Company USD 250 million deposit with interest, at the rate of 9% per annum with effect from 3 December 2008 until the date of payment plus expenses. The Bank approached the Court of Cassation and on 28 June 2011, the Court of Cassation ordered to stay the execution of the Court of Appeal judgment issued in favour of the Parent Company until the Court of Cassation makes its final judgment.

9 SHARE PREMIUM AND ACCUMULATED LOSSES

The extra-ordinary annual general meeting of the shareholders held on 28 April 2011 approved the write-off of accumulated losses of KD 171.325 million against share premium.

The annual general meeting held on 28 April 2011 approved the consolidated financial statements for the year ended 31 December 2010. The Parent Company did not declare any dividend for the year ended 31 December 2010 (2009: Nil).

10 TREASURY SHARES

The details of treasury shares are as follows:

	30 September 2011	*(Audited) 31 December 2010*	*30 September 2010*
Number of shares ('000)	**89,018**	89,018	89,018
Percentage holding	**6.78%**	6.78%	6.78%
Market value (KD'000)	**3,205**	4,629	5,430

Reserves (share premium) of the Parent Company equivalent to the cost of treasury shares have been earmarked as non-distributable.

11 INTEREST BEARING LOANS AND BORROWINGS

	30 September 2011 KD'000	*(Audited) 31 December 2010 KD'000*	*30 September 2010 KD'000*
Short term borrowings			
Bank and financial institution loans- conventional	**149,842**	98,302	32,765
Bank and financial institution facilities - Islamic	**9,091**	8,072	4,852
	158,933	106,374	37,617
Medium term borrowings			
Bank and financial institution loans- conventional	**249,994**	323,631	421,335
Bank and financial institution facilities - Islamic	**12,494**	16,065	20,810
	262,488	339,696	442,145

On 10 December 2009, the Parent Company entered into formal restructuring agreement with a group of 53 banks and financial institutions covering almost its entire debt outstanding, thereby ending the events of default that arose in December 2008. New multicurrency, conventional, Islamic and bilateral facilities aggregating to KD 485.34 million (USD 1.727 billion) were fully utilised to discharge the facilities under default. The new facilities were granted a security over substantially all of Group's non-strategic investments held by "Principal Investments and Group Treasury", "Proprietary Trading" and "Real Estate" business segments. The facilities will be repaid over three years. The mandated minimum principal repayments are:

	Principal repayment %	Cumulative principal repayment %
Year 1:	10%	10%
Year 2:	20%	30%
First half of year 3:	15%	45%
Second half of year 3:	20%	65%
End of year 3:	35%	100%

The facility has an embedded principal repayment grace mechanism and an event of default for non-payments does not occur so long as the following cumulative minimum principal repayment thresholds are met:

	Minimum Cumulative principal repayment %
12 months	7.5%
18 months	10.0%
24 months	20.0%
27 months	30.0%
33 months	45.0%

The facility became effective on 21 January 2010, when the Group met all the conditions precedent that primarily included completion of relevant documentation, obtaining satisfactory legal opinions and achieving specified thresholds for grant of security.

On 13 July 2011 the majority lenders approved an amendment to the facilities agreement to waive until 31 March 2012 a condition that might have restricted any negotiations for the rescheduling or restructuring of the Group's indebtedness.

12 OTHER LIABILITIES

	30 September 2011 KD'000	*(Audited) 31 December 2010 KD'000*	*30 September 2010 KD'000*
Payable for purchase of investment properties	**-**	-	22
Payable for property under development	**443**	1,486	2,375
Accrued interest on borrowings	**2,617**	1,525	4,476
Fair value of interest rate swaps (Note 16)	**-**	1,858	2,505
Accrued expenses, provision and other payables	**48,354**	40,020	27,727
	51,414	44,889	37,105

13 RELATED PARTY TRANSACTIONS

In the normal course of business, the Group entered into various transactions with related parties (i.e. associates, shareholders, directors and executive officers of the Parent Company) concerning financing and other related services. Prices and terms of payment are approved by the Group's management. Significant related party transactions and balances are as follows:

	Key management personnel KD'000	*Associates KD'000*	***30 September 2011 KD'000***	*(Audited) 31 December 2010 KD'000*	*30 September 2010 KD'000*
Interim condensed consolidated statement of financial position					
Loans and advances	32	97	**129**	1,658	1,685
Short term borrowing	-	-	**-**	750	4,683
Other assets	-	1,841	**1,841**	4,317	750

	Nine months ended	
	30 September 2011 KD'000	*30 September 2010 KD'000*
Transactions included in interim condensed consolidated income statement		
Interest and similar income	**58**	216
Interest and similar expense	**-**	(23)
Fee and commission income	**1,472**	1,630
Key management personnel compensation		
Short-term employee benefits	**728**	728
Termination benefits	**57**	57
	785	785

14 SEGMENTAL INFORMATION

For management purposes the Group is organised into five major business segments:

- Assets Management: Managing of GCC, MENA and international managed funds, discretionary and non-discretionary portfolio management and custody services.
- Principal investments and Group Treasury: Comprises of investing of company funds in private equity and quoted securities, equity trading in GCC, MENA and other emerging markets, lending to corporate and individual customers and managing the company's liquidity requirements.
- Investment banking and advisory: Venture capital, private placement of equities and debt, advising and managing listings, initial public offerings (IPOs), arranging conventional and Islamic debt and equity advising, advising on strategy, privatisation, mergers and reverse mergers and acquisitions.
- Brokerage: Quoted and unquoted equity and debt instruments brokerage.
- Real estate: sale and purchase of real estate and property development.

	Asset management KD '000	*Principal investments and group treasury KD '000*	*Investment banking and advisory KD '000*	*Brokerage KD '000*	*Real estate KD '000*	*Total KD '000*
Nine months ended 30 September 2011						
Segment income (loss)	**10,370**	**(31,508)**	**248**	**957**	**47**	**(19,886)**
Segment profit (loss)	**6,233**	**(57,667)**	**(1,195)**	**(762)**	**(2,071)**	**(55,462)**
Loss for the period						**(55,462)**
Nine months ended 30 September 2010						
Segment income (loss)	12,987	(26,054)	1,929	1,880	546	(8,712)
Segment profit (loss)	8,650	(55,001)	1,033	(668)	(1,661)	(47,647)
Loss for the period						(47,647)

14 SEGMENTAL INFORMATION (continued)

	Asset management KD '000	*Principal investments and group treasury KD '000*	*Investment banking and advisory KD '000*	*Brokerage KD '000*	*Real estate KD '000*	*Total KD '000*
30 September 2011						
Total segment assets	-	**484,491**	-	**31,770**	**58,539**	**574,800**
Unallocated assets	-	-	-	-	-	**21,238**
Total assets	-	**484,491**	-	**31,770**	**58,539**	**596,038**
Total segment liabilities	-	**486,214**	-	**1,114**	**48,816**	**536,144**
Unallocated liabilities	-	-	-	-	-	**11,550**
Total liabilities	-	**486,214**	-	**1,114**	**48,816**	**547,694**
Depreciation						**1,587**
30 September 2010						
Total segment assets	-	589,097	-	27,575	60,482	677,154
Unallocated assets	-	-	-	-	-	52,692
Total assets	-	589,097	-	27,575	60,482	729,846
Total segment liabilities	-	532,490	-	2,019	46,553	581,062
Unallocated liabilities	-	-	-	-	-	10,868
Total liabilities	-	532,490	-	2,019	46,553	591,930
Depreciation						2,030

15 FIDUCIARY ACCOUNTS

The Group manages portfolios on behalf of others, mutual funds, and maintains cash balances and securities in fiduciary accounts, which are not reflected in the Group's interim condensed consolidated statement of financial position.

The aggregate value of assets held in a fiduciary capacity by the Group at 30 September 2011 amounted to KD 1,098.686 million (31 December 2010: KD 1,429.342 million and 30 September 2010: KD 1,498.028 million).

16 DERIVATIVE FINANCIAL INSTRUMENTS

	30 September 2011		*(Audited) 31 December 2010*		*30 September 2010*	
	Notional amount KD'000	***Negative fair value KD'000***	*Notional amount KD'000*	*Negative fair value KD'000*	*Notional amount KD'000*	*Negative fair value KD'000*
Interest rate swaps	-	-	84,300	(1,858)	85,440	(2,505)

The interest rate swaps outstanding as of 31 December 2010 have matured during the period.

17 CONTINGENT LIABILITIES AND COMMITMENTS

The total outstanding contingent liabilities and commitments are as follows.

	30 September 2011 KD'000	*(Audited) 31 December 2010 KD'000*	*30 September 2010 KD'000*
Commitments			
Commitments to invest in private equity funds	**4,277**	4,356	4,418
Commitments for properties under development	**7,984**	8,131	13,351
Undrawn commitments to lend	**27,591**	28,100	28,480
Irrevocable and unconditional bank guarantee	**1,580**	1,267	1,284
Commitments to buy securities	**2,070**	2,070	10,614

Legal claims

Legal claims related to compensation by two individuals for a cancelled private equity acquisition transaction. The total claims amounted to KD 2.65 million (31 December 2010: KD 2.65 million and 30 September 2010: KD 2.65 million). The Parent Company has been advised by its legal advisors that it is possible, but not probable, that the action will succeed.