International Investment Group Company
K.S.C. (Closed)
And its subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information
For the nine months period ended 30 September 2008
with Review Report
(Unaudited)

PRICEWATERHOUSECOOPERS

BDO

International Investment Group Company K.S.C. (Closed)
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Contents

	Pages
Review Report	
Interim Condensed Consolidated Balance Sheet (Unaudited)	1
Interim Condensed Consolidated Statement of Income (Unaudited)	2
Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)	3
Interim Condensed Consolidated Statement of Cash Flows (Unaudited)	4
Notes to the Interim Condensed Consolidated Financial Information (Unaudited)	5 - 11

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International Investment Group K.S.C. (Closed)
State of Kuwait

Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of International Investment Group K.S.C. (Closed) "Parent Company" and its subsidiaries (collectively referred to as "the Group") as of 30 September 2008 and the related interim condensed consolidated statements of income, changes in equity and cash flows for the nine months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of preparation set out in Note (2). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared fairly, in all material respects, in accordance with the basis of preparation set out in Note (2).

Emphasis of Matter

Without qualifying our conclusion mentioned above, we draw attention to notes (12,13) to this interim condensed consolidated financial information, where the Parent Company has sold during the current period investments and rendered consulting services to related parties, resulting to a realized profit of KD 7,820,273 (KD 7,954,349 during 2007) and receivables due in accordance with the agreement terms.

Report on Review of other Legal and Regulatory Requirements

Further, based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that to the best of our knowledge and belief, no violations of the Commercial Companies Law of 1960, as amended, or of the Articles of Association of the Parent Company have occurred during the nine months period ended 30 September 2008 that might have had a material affect on the business of the Group or on its consolidated financial position.

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 32 of 1968 as amended, concerning currency, the Central Bank of Kuwait and the Organization of Banking Business and its related regulations during the nine months period ended 30 September 2008.

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Kuwait
16 November 2008

International Investment Group Company K.S.C. (Closed)
and its subsidiaries

Interim Condensed Consolidated Balance Sheet as at 30 September 2008
(All amounts are in Kuwaiti Dinars)

	Note	30 September 2008	31 December 2007 (Audited)	30 September 2007
Assets				
Cash and cash equivalents		181,788	2,248,366	1,990,668
Murabahat and Wakalat investments	4	43,490,261	37,812,633	29,313,087
Mudarabat investments		596,780	606,698	598,037
Investments at fair value through profit or loss		32,801	4,372,252	7,033,106
Receivables and other debit balances	5	22,399,344	17,588,414	21,709,950
Available for sale Investments	6	14,259,917	15,364,378	15,809,144
Investment in associates	7	99,690,051	95,144,319	89,684,859
Investment in unconsolidated subsidiaries		-	-	6,310,951
Property and equipment		151,926	124,634	47,515
Intangible assets		220,000	220,000	-
Total assets		181,022,868	173,481,694	172,497,317
Liabilities and Equity				
Liabilities				
Payables and other credit balances	8	19,774,250	14,970,848	14,009,269
Islamic debt instruments	9	62,980,070	65,753,763	69,763,581
Employees' end of service indemnity		553,110	272,242	257,808
Total liabilities		83,307,430	80,996,853	84,030,658
Equity				
Share capital	10	45,670,350	36,536,280	36,536,280
Share premium		4,327,600	4,327,600	4,327,600
Treasury shares	11	(7,224,008)	(9,311,773)	(9,300,060)
Statutory reserve		7,571,867	7,571,867	5,415,169
Voluntary reserve		4,574,999	4,574,999	2,418,301
Convertible Sukuk		1,838,232	1,838,232	1,838,232
Change in fair value reserve		9,545,968	11,727,568	12,217,400
Company's share in associate's reserves		415,568	244,207	244,207
Gain on sale of treasury shares		1,507,863	2,062,904	2,062,904
Retained earnings		29,486,999	32,912,957	32,706,626
Total equity		97,715,438	92,484,841	88,466,659
Total liabilities and equity		181,022,868	173,481,694	172,497,317

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Dr. Abdul Aziz B. Al Jenaai
Vice Chairman & Managing Director

Faisal Al-Basiri
Chairman

Interim Condensed Consolidated Statement of Income for the period ended 30 September 2008

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 30 September		Nine months ended 30 September	
		2008	2007	2008	2007
Revenues					
Investments income	12	2,284	1,372,763	4,224,642	9,452,791
Group's share in associates' results	7.1	1,650,302	2,331,312	5,923,460	7,767,592
(Losses)/ gains from sale of shares in associates	7.4	(1,142,076)	346,860	(2,814,397)	4,270,130
Gain from sale of investments in a subsidiary		-	-	-	266,815
Management, consulting and subscription fees	13	129,677	328,632	6,112,347	1,696,132
Foreign currency exchange		(329,408)	1,337,117	1,336,243	1,329,582
Other income		6,677	689,862	27,340	697,362
		317,456	6,406,546	14,809,635	25,480,404
Expenses and other charges					
Finance costs		958,743	1,343,932	3,927,486	3,166,457
General and administrative expenses		225,152	249,306	670,603	523,820
Staff Cost		258,173	236,991	817,598	3,632,896
Claims provision		-	-	-	766,004
Provision for doubtful debts		35,944	235,000	69,484	441,457
Kuwait Foundation for Advancement of Science share "KFAS"		(27,428)	15,759	27,560	74,872
National Labour Support Tax		(82,348)	50,250	73,206	229,554
Zakat		(32,539)	-	31,460	-
		1,335,697	2,131,238	5,617,397	8,835,060
Net (loss)/ profit for the period		(1,018,241)	4,275,308	9,192,238	16,645,344
Basic (losses)/ earnings per share (fils)	14	(2.34)	9.89	21.23	38.94

The accompanying notes form an integral part of this interim condensed consolidated financial information.

International Investment Group Company K.S.C. (Closed)
and its subsidiaries
Kuwait

Interim Condensed Consolidated Statement of Changes in Equity for the period ended 30 September 2008

(All amounts are in Kuwaiti Dinars)

	Share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Convertible Sukuk	Change in fair value reserve	Company share in associate's reserve	Gain on sale of treasury shares	Retained earnings	Total equity
Balance as of December 2006	31,818,800	-	(7,074,614)	5,415,169	2,418,301	-	21,534,898	244,207	2,330,651	25,732,991	82,420,403
Change in fair value of investments	-	-	-	-	-	-	(273,298)	-	-	-	(273,298)
Transfer to income statement from sale of available for sale investments	-	-	-	-	-	-	(9,044,200)	-	-	-	(9,044,200)
Net profit recognized directly in equity	-	-	-	-	-	-	(9,317,498)	-	-	-	(9,317,498)
Net profit for the period	-	-	-	-	-	-	-	-	-	16,645,344	16,645,344
Total profit recognized during the period	-	-	-	-	-	-	(9,317,498)	-	-	16,645,344	7,327,846
Cash dividends (note 16)	-	-	-	-	-	-	-	-	-	(6,350,229)	(6,350,229)
Bonus shares dividends (note 16)	3,321,480	-	-	-	-	-	-	-	-	(3,321,480)	-
Issuance of shares as per ESOP	1,396,000	1,633,320	-	-	-	-	-	-	-	-	3,029,320
Cost of shares as per ESOP	-	2,694,280	-	-	-	-	-	-	-	-	2,694,280
Convertible Sukuk	-	-	-	-	-	1,838,232	-	-	-	-	1,838,232
Purchase of treasury share	-	-	(7,776,189)	-	-	-	-	-	-	-	(7,776,189)
Sale of treasury share	-	-	5,550,743	-	-	-	-	-	(267,747)	-	5,282,996
Balance as of 30 September 2007	36,536,280	4,327,600	(9,300,060)	5,415,169	2,418,301	1,838,232	12,217,400	244,207	2,062,904	32,706,626	88,466,659
Balance as of 31 December 2007	36,536,280	4,327,600	(9,311,773)	7,571,867	4,574,999	1,838,232	11,727,568	244,207	2,062,904	32,912,957	92,484,841
Group's share from associate reserve	-	-	-	-	-	-	-	171,361	-	-	171,361
Transfer to income statement from sale of available for sale investments	-	-	-	-	-	-	(2,181,600)	-	-	-	(2,181,600)
Net profit recognized directly in equity	-	-	-	-	-	-	(2,181,600)	171,361	-	-	(2,010,239)
Net profit for the period	-	-	-	-	-	-	-	-	-	9,192,238	9,192,238
Total profit recognized during the period	-	-	-	-	-	-	(2,181,600)	171,361	-	9,192,238	7,181,999
Cash dividends (Note 16)	-	-	-	-	-	-	-	-	-	(3,484,126)	(3,484,126)
Bonus shares (Note 16)	9,134,070	-	-	-	-	-	-	-	-	(9,134,070)	-
Purchase of treasury share	-	-	(6,292)	-	-	-	-	-	-	-	(6,292)
Sale of treasury share	-	-	2,094,057	-	-	-	-	-	(555,041)	-	1,539,016
Balance as of 30 September 2008	45,670,350	4,327,600	(7,224,008)	7,571,867	4,574,999	1,838,232	9,545,968	415,568	1,507,863	29,486,999	97,715,483

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Cash Flows for the period ended 30 September 2008
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Note	Nine months ended 30 September 2008	2007
Cash flows from operating activities			
Net profit for the period		9,192,238	16,645,344
Adjustments:			
Depreciation and amortisation		21,138	8,455
Investments income	12	(4,224,642)	(9,452,791)
Group's share in associates' results		(5,923,460)	(7,767,592)
Gain form sale of investments in associates		2,814,397	(4,270,130)
(Loss)/ gain from sale of shares in a subsidiary		-	(266,815)
Finance costs		3,832,417	3,166,457
Cost of Employees Stock Option Plan		-	2,694,280
Claims provision		-	766,004
Provision for doubtful debts		69,484	441,457
Employees' end of service indemnity		280,868	50,311
Operating profit before changes in operating assets and liabilities		6,062,440	2,014,980
Investments at fair value through profit or loss		1,112,768	(4,773,885)
Receivables and other debit balances		(2,224,930)	(4,151,572)
Payables and other credit balances		3,434,367	(17,456,711)
Net cash generated from/ (used in) operating activities		8,384,645	(24,367,188)
Cash flows from investing activities			
Mudaraba investments		3,900	3,195,545
Paid for purchase of shares in associates		(31,183,022)	(64,839,386)
Proceeds from sale of shares in associates		29,648,856	58,464,009
Paid for Murabaha and Wakala investment		(3,239,194)	(11,242,078)
Proceed from sale of available for sale investments		4,149,800	2,030,189
Paid for purchase of available for sale investments		(3,015,087)	(357,002)
Paid for purchase of property and equipment		(48,430)	(29,030)
Murabaha income and dividends received		420,431	114,344
Net cash used in investing activities		(3,262,746)	(12,663,409)
Cash flows from financing activities			
Net Islamic debt instruments		(2,773,693)	32,437,142
Finance costs paid		(3,644,166)	(1,876,931)
Cash dividends paid		(2,303,342)	(4,607,100)
Proceed from capital and share premium		-	3,029,320
Purchase of treasury shares		(6,292)	(7,776,189)
Sale of treasury shares		1,539,016	5,282,996
Net cash (used in)/ generated from in financing activities		(7,188,477)	26,489,238
Net change in cash and cash equivalents		(2,066,578)	(10,541,359)
Cash and cash equivalents at beginning of period		2,248,366	12,532,027
Cash and cash equivalents at end of period		181,788	1,990,668

The accompanying notes form an integral part of this interim condensed financial information.

1. Incorporation of the Company

International Investment Group Company is a closed Kuwaiti Shareholding Company established in 1987, and registered as an investment company in the Central Bank of Kuwait. The shares of the Company are listed in the Kuwait Stock Exchange since 23 November 1997.

The Company's office is domiciled at Kuwait Stock Exchange Building – fifth floor, P.O. Box 29448 Safat, 13155 - State of Kuwait.

The principal activities of the Group are investments, managing financial portfolios and investments funds for other, real estate activities and general trading. The activities of the company are carrying out in accordance with Nobel Islamic Shariaa principles.

The interim condensed consolidated financial information was approved for issue by the Board of Directors on 16 November 2008.

2. Basis of preparation

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. (34), "Interim Financial Reporting".

The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements in accordance with International Financial Reporting Standards as adopted for use by the Government of Kuwait for financial institutions regulated by the Central Bank of Kuwait.

In the opinion of the management, all necessary adjustments including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation.

The operating results for the period ended 30 September 2008 are not necessarily indicative of the results that may be expected for the year ending 31 December 2008. For further information, refer to the financial statements and its related notes for the year ended 31 December 2007.

The interim condensed consolidated financial information were prepared in accordance with the same accounting policies and methods of computation followed in the latest annual financial statements which were prepared in accordance with the International Financial Reporting Standards as adopted in the State of Kuwait except for :-

2.1 Effect of amendments to IAS (39) and IFRS 7 issued on October 2008 which permit the reclassification of some financial instruments in rare circumstances.

3. Liquidity risk

Liquidity risk is managed by retaining enough balance of cash and high liquid financial instruments as well as by finding resources to make available liquidity needs of the Group.

The Group diversifies sources of funding and manages the assets, also taking into consideration the liquidity needs, as well as to maintain adequate balance of cash and cash equivalents, equivalents and trading securities.

The contractual maturities of assets and liabilities have been determined on the basis of the remaining period at the balance sheet date to the contractual maturity dates. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The maturity profile of the assets and liabilities at the period end are based on contractual repayment arrangements or in the case of available for sale investments and investment in associates and subsidiaries on management's estimate of the exit dates from such investments.

The following is a maturity analysis of the group financial liabilities as at 30 September 2008:

	During 3 months	From 3 months to 1 year	From 1 year to 5 years
Liabilities			
Payable and other credit balance	-	12,213,387	7,560,863
Islamic debt instruments	-	26,850,350	50,025,960
Employee's end of service indemnity	-	-	553,110

The following is a maturity analysis of the financial liabilities as at 31 December 2007:

	During 3 months	From 3 months to 1 year	From 1 year to 5 years
Liabilities			
Payable and other credit balance	125,323	2,044,039	12,801,486
Islamic debt instruments	-	14,102,030	74,610,800
Employee's end of service indemnity	-	-	272,242

The following is a maturity analysis of the financial liabilities as at 30 September 2008:

	During 3 months	From 3 months to 1 year	From 1 year to 5 years
Liabilities			
Payable and other credit balance	-	6,448,406	7,560,863
Islamic debt instruments	-	32,053,046	57,434,175
Employee's end of service indemnity	-	-	257,808

4. Murabaha and Wakala investments

This balance represents in contracts of investments in Murabaha and Wakhala due within one year. The effective rate of return is 7% as of 30 September 2008 (7.3% as of 31 December 2007, 7% as of 30 September 2007).

5. Receivables and other debit balances

	30 September 2008	31 December 2007 (Audited)	30 September 2007
Margin deposit for letter of guarantee*	5,752,026	6,082,026	6,306,237
Due from related parties	11,980,046	9,828,529	6,839,328
Paid under acquisition of subsidiaries	700,000	700,000	-
Trade receivables (Net)	453,806	453,515	8,084,127
Accrued revenue	3,401,044	393,650	389,702
Prepaid expenses	57,365	98,676	54,787
Other debit balances	55,057	32,018	35,769
	22,399,344	17,588,414	21,709,950

* This amount represents amounts blocked at one of the local banks against letter of guarantee issued to third party.

6. Available for sale investments

	30 September 2008	31 December 2007 (Audited)	30 September 2007
Investments in quoted shares	1,431,540	-	-
Investments in unquoted shares	12,041,646	14,577,647	15,019,272
Investments in funds	786,731	786,731	789,872
	14,259,917	15,364,378	15,809,144

6.1 Investments in unquoted shares include KD 655,841 as of 30 September 2008 (KD 560,777 as of 31 December 2007 and KD 807,350 as of 30 September 2007) carried at cost less impairment losses.

6.2 During the period, the Group reclassified some of its quoted investments from trading investments class to available for sale investments as allowed by the amendments made to IAS 39 "Financial Instruments". The reclassification has been done with effect from 1 July 2008 at book value of KD 2,965,087. The unrealised gains for the reclassified sales recognised in statement of income during the six month ended 30 June 2008 amounted KD 16,445. The Group recorded impairment losses of KD 764,208 during the three months ended 30 September 2008 in the income statement for the reclassified investments.

6.3 Investments in unquoted shares include investments with an amount of KD 11,385,805, the fair value of these shares are determined based on the multiplier Market Index of the investments sector for the listed companies in Bahrain Stock Exchange as of 30 September 2008 and the available information related to these investments for the period ended 30 June 2008. There is no indication on the impairment in value of these investments as at 30 September 2008.

7. Investments in associates

7.1 The Group has recorded its share of results from Grand Real Estate Project Company, Gulf Petroleum Investment Company and Osoul Finance & Lease Company based on unaudited financial information for the period ended 30 June 2008, also the Group recorded its share from other companies based on management accounts.

7.2 Investment in associate include goodwill of KD 26,459,202 as of 30 September 2008 (KD 15,779,274 as of 31 December 2007).

7.3 During the period, the Company purchased additional 3% of Osoul Leasing & Finance Company's capital. The Company currently is in the process of allocating the purchase price over the fair value of identifiable assets and liabilities of the acquired company at the acquisition date in order to calculate the goodwill.

7.4 During the current period, the Company traded on a percentage of 1 to 4% of its interest in some associate companies resulted in losses of KD 2,814,397 have been recorded in the income statement.

7.5 Investment in associate include investments of KD 51,790,340 that are pledged in portfolio managed by local company against Islamic Sukuk as of 30 September 2008.

7.6 Unrealised gain of KD 1,311,773 resulted from sale of securities (note 12) and consultation fees (note 13) rendered to the associates companies are eliminated to the extent of the Group's share in those companies.

7.7 The following is a summary of the Parent Company's shares in associates:-

	Ownership %	30 September 2008	Ownership %	31 December 2007	Ownership %	30 September 2007
Ajal Holding Company K.S.C.C	34.90	25,653,237	34.90	26,078,329	34.90	28,206,395
Grand Real Estate Project Company - K.S.C.C	17.96	21,628,268	15.80	20,487,234	17.31	22,300,273
Gulf Petroleum Investment Company - K.S.C.C	26.91	20,297,233	26.74	19,212,176	32.29	16,579,413
Osoul Investment Company - K.S.C.C	30.92	20,671,360	27.39	18,903,341	27.26	18,794,758
Ajal Finance & Investment Company - K.S.C.C	46.67	6,527,709	46.67	5,952,093	-	-
Marrafee' Al Emdad international Projects Company - K.S.C.C	45	3,235,169	45.00	3,348,928	45	2,480,310
Management Services Group Company - W.L.L	60	650,000	60.00	650,000	55	650,000
Oscar for General Trading and Constructions - W.L.L.	35.10	1,027,075	35.10	512,218	35.10	673,710
		99,690,051		95,144,319		89,684,859

8. Payables and other credit balances

	30 September 2008	31 December 2007 (Audited)	30 September 2007
Due to related parties	4,721,266	808,632	250,306
Claims provision	5,555,577	5,555,577	5,555,577
Investment funds payable	2,005,286	2,005,286	2,005,286
Dividends payable	5,338,120	4,157,336	4,231,924
Accrued expense	775,436	1,099,065	714,520
Others	1,378,565	1,344,952	1,251,656
	19,774,250	14,970,848	14,009,269

9. Islamic debt instruments

	30 September 2008	31 December 2007 (Audited)	30 September 2007
Convertible Islamic Sukuk	51,880,187	52,574,296	53,583,605
Wakala contracts	7,464,072	7,091,805	9,295,995
Mudarba contracts	3,635,811	6,087,662	6,171,481
Murabaha contracts	-	-	712,500
	62,980,070	65,753,763	69,763,581

The average effective yield rate is 8% as of 30 September 2008 (8% as of 31 December 2007). The Islamic debt instruments secured against investments at fair value through profit or loss of KD 1,310,750 September 2008 and investments in associates of KD 51,790,340 as of 30 September 2008.

The movement over Sukuk is as follows:

	31 December 2007	Movement of the period	30 September 2008
Proceed from convertible Sukuk issue	57,607,500	-	57,607,500
Less: issuance cost	(1,450,548)	-	(1,450,548)
Net proceed from issue of convertible Sukuk	56,156,952	-	56,156,952
Recognized in equity	(1,838,232)	-	(1,838,232)
Book value of liabilities at inception	54,318,720	-	54,318,720
Finance cost allocated to the income statement	2,378,338	3,115,691	5,494,029
Finance cost paid	(1,310,222)	(2,718,650)	(4,028,872)
Foreign currencies	(2,812,540)	(1,091,150)	(3,903,690)
Net book value for Sukuk as of 30 September 2008	52,574,296	(694,109)	51,880,187.

10. Share capital

On 21 may 2008, the General Assembly for the Shareholders approved the capital increase by issuance of bonus shares of KD 9,134,070 by 91,340,700 shares accordingly the issued and paid up capital become KD 45,670,350 distributed over 456,703,500 shares as of 30 September 2008 (KD 36,536,280 as at 31 December and 30 September 2007).

11. Treasury shares

	30 September 2008	31 December 2007 (Audited)	30 September 2007
Number of treasury shares (share)	21,197,732	21,820,186	21,790,186
Percentage to share capital (%)	3.71	5.97	5.96
Market value (KD)	3,010,078	6,655,157	8,498,173

12. Investments income

	Three months ended 30 September		Nine months ended 30 September	
	2008	2007	2008	2007
Gain from sale of investments at fair value through profit or loss	-	649,759	267,543	289,673
Change in fair value of investments at fair value through profit or loss	(3,587)	(315,848)	(16,050)	(565,232)
(Loss)/ gain from sale of available for sale investments	(97,715)	-	1,815,026	8,324,241
Impairment losses of available for sale investments (Note 6)	(764,208)	-	(764,208)	(360,124)
Dividends income	-	9,306	420,431	114,344
Murabaha income	867,794	1,029,546	2,501,900	1,649,889
	2,284	1,372,763	4,224,642	9,452,791

During the period, unquoted shares of KD 2,586,000 has been sold to related party due within one year (Note 15), resulting a realized profit of KD 1,912,741. These shares are pledged in favor of the group to guarantee the payment. This transaction has been eliminated from the investing and operating activities in the cash flow statement as it is non cash transaction.

13. Management, consulting and subscription fees

- During the period, the Group has marketed securities owned to related party for a commission. According to the contract term and in the extent of the securities quantities which have been marketed, the Group is entitled to a Commission of KD 1,860,000 recorded as accrued income, due from related parties (Note 15).
- During the period, the Group has signed consulting agreement with one of its related party against fees amounting to KD 1,233,906 due during one year. The due amount has been recorded as due from related parties (Note 15).
- During the period, the Group has completed the first phase from a consultation contract signed with a related party and is attributable to 50% from the fees amounted to KD 2,813,626. The Group posted the due from related parties (Note 15).
- All transaction were excluded from the statement of cash flows as it is non – cash transactions.

14. (Losses)/ earnings per share

- Basic (losses)/ earning per share:

Basic (losses)/ earnings per share are calculated by dividing net (loss)/ profit for the period by the weighted average number of outstanding shares during the period as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2008	2007	2008	2007
Net (loss)/ profit for the period	(1,018,241)	4,275,308	9,192,238	16,645,344
Weighted average number of issued and outstanding shares (share)	435,505,768	432,154,464	433,053,140	427,511,757
Basic (losses)/ earnings per share (fils)	(2.34)	9.89	21.23	38.94

The Earnings per share for the comparative figures has been adjusted taking into consideration the bonus shares which have been approved by the shareholders in their General assembly meeting dated 21 May 2008.

15. Related parties' transactions

Related parties are the Parent Company shareholders who have representation in the board of directors, members of the board of directors, senior management, associates. In the normal course of business, subject to the Company's management approval, there were transactions with related parties during the period ended 30 September 2008. The related parties significant transactions and outstanding balances were as follows:

	Nine month ended 30 September	
	2008	2007
Transactions		
Management and consulting and subscription fees	5,907,532	1,696,132
Cash dividends	420,431	12,000
Gain from sale of available for sale investments	1,912,741	7,964,117
Murabaha income	2,501,900	1,222,529
Gain from sale of a subsidiary	-	266,815
Finance cost	521,326	962,827
Top management benefits	293,000	194,400

Balances		
Murabaha receivables	43,519,178	29,306,060
Investment in Mudarabat	596,780	598,037
Investment at fair value through profit or loss	-	6,184,880
Available for sale investments	13,351,792	14,951,019
Due from related parties	11,980,046	6,839,328
Accrued revenue	3,401,044	-
Due to related parties	3,868,844	250,306
Mudarabat and wakalat payable	9,097,383	13,381,065
Investment fund payables	2,005,286	2,005,286
Portfolios managed on behalf related parties	143,604,837	145,677,500

All related parties transactions are subject to the approval of the general assembly of the shareholders.

16. Dividends

The General Assembly Meeting held on 21 May 2008 approved the financial statement of the Parent Company for the year ending in 31 December 2007 and approved a cash dividends of 10% which is 10 fils per share and bonus shares of 25% of the paid up capital for the year ended 31 December 2007 (20% cash dividends and 10% bonus shares – 2006).

17. Geographical distribution of assets and liabilities

	Assets			Liabilities		
	30 September 2008	31 December 2007 (Audited)	30 September 2007	30 September 2008	31 December 2007 (Audited)	30 September 2007
Kuwait	156,501,626	158,245,847	141,259,332	26,151,136	20,376,020	24,201,960
Other GCC	24,521,242	15,235,847	31,237,985	57,156,294	60,620,833	6,291,504
Other	-	-	-	-	-	53,537,194
	181,022,868	173,481,694	172,497,317	83,307,430	80,996,853	84,030,658

18. Contingent liabilities

As at the date of balance sheet, there are letters of guarantee amounted to KD 5,752,026 as of 30 September 2008 (KD 5,753,024 as of 31 December 2007 and KD 6,156,497 as of 30 September 2007).

The Group has contingent liabilities for legal cases in courts under different judicial stages a full provision has been formed against those verdicts issued.

19. Off balance sheet items

The Group manages portfolios on behalf of others, which are not included in the balance sheet of the Company. The total net value of the managed assets on behalf of others amounted to KD 149,728,665 as of 30 September 2008 (KD 210,905,142 as of 31 December 2007 and KD 145,677,500 as of 30 September 2007).

20. Comparative figures

Certain comparative figures have been reclassified to conform with the current presentation of the interim condensed financial information as of 30 September 2008.