

**AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING)
AND ITS SUBSIDIARIES
STATE OF KUWAIT
INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2010
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION**

INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2010
(UNAUDITED)
WITH REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

CONTENTS

Report on review of interim consolidated financial information

Pages

Interim condensed consolidated statement of financial position (Unaudited)	2
Interim condensed consolidated statement of income (Unaudited)	3
Interim condensed consolidated statement of comprehensive income (Unaudited)	4
Interim condensed consolidated statement of changes in equity (Unaudited)	5
Interim condensed consolidated statement of cash flows (Unaudited)	6
Notes to the interim consolidated financial information (Unaudited)	7 - 15



REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors

Al Mazaya Holding Company K.S.C. (Holding)
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Mazaya Holding Company K.S.C. (Holding) (the Parent Company) and its subsidiaries (the Group) as of March 31, 2010 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended. The Parent Company's 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.

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, 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 Parent Company's books of account. 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 period ended March 31, 2010 that might have had a material effect on the business of the Group or on its financial position.

Ali Owaid Rukhayes
Licence No. 72 - A
Member of the International Group
of Accounting Firms

[Signature]

Dr. Shuaib A. Shuaib
Licence No. 33 - A
Albazie & Co.
Member of RSM International

[Signature]

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF MARCH 31, 2010

(All amounts are in Kuwaiti Dinars)

ASSETS		Note	March 31, 2010	December 31, 2009	March 31, 2009
Cash and cash equivalents		3	38,586,502	28,180,304	36,673,700
Accounts receivable and other debit balances		4	19,090,180	31,531,428	32,793,586
Murabaha receivable			2,998,456	3,223,456	4,323,456
Properties held for trading		5	133,398,458	126,122,141	166,048,393
Investments available for sale			24,116,423	24,713,492	23,775,572
Investment in associates			9,781,547	10,414,824	2,405,889
Investment in an unconsolidated subsidiary			-	-	268,400
Investment in joint ventures			11,618,302	11,790,446	12,069,644
Investment properties		6	101,402,719	100,232,287	57,468,752
Fixed assets			23,720,767	22,796,458	11,111,939
Leasehold land			1,602,303	1,620,248	1,675,080
Goodwill			3,091,732	3,091,732	3,257,125
Total assets			<u>369,407,389</u>	<u>363,716,816</u>	<u>351,871,536</u>
LIABILITIES AND EQUITY					
Liabilities:					
Bank overdraft			5,006,582	5,073,936	4,738,629
Accounts payable and other credit balances		7	108,037,836	107,223,322	102,426,621
Term loans			44,970,000	44,970,000	44,970,000
Wakala and Murabaha payables			8,500,000	8,500,000	5,000,000
Deferred consideration on acquisition of properties			31,435,610	31,464,443	28,833,640
Provision for end of service indemnity			282,785	283,952	228,798
Total liabilities			<u>198,232,813</u>	<u>197,515,653</u>	<u>186,197,688</u>
Equity:					
Share capital			49,947,675	49,947,675	45,406,980
Share premium			75,714,971	75,714,971	75,714,971
Statutory reserve			9,466,725	9,466,725	9,131,420
Voluntary reserve			6,711,805	9,646,725	9,131,420
Treasury shares reserve		8	-	701,077	1,561,889
Cumulative changes in fair value		8	-	56,055	78,715
Asset revaluation surplus		8	83,394	519,366	519,366
Foreign currency translation adjustments		8	1,991,797	1,478,702	2,698,601
Effect of changes in subsidiary's treasury shares			(457,645)	(457,645)	(457,645)
Effect of changes in subsidiary's equity			(156,410)	(156,410)	(156,410)
Effect of changes in associates' equity			(39,222)	-	-
Retained earnings			2,120,507	4,220,515	9,689,593
Treasury shares		9	146,082,963	151,317,756	153,318,900
Equity attributable to equity holders of the Parent			<u>(17,354,505)</u>	<u>(27,189,284)</u>	<u>(28,396,237)</u>
Company			128,728,458	124,128,472	124,922,663
Non-controlling interests			42,446,118	42,072,691	40,751,185
Total equity			<u>171,174,576</u>	<u>166,201,163</u>	<u>165,673,848</u>
Total liabilities and equity			<u>369,407,389</u>	<u>363,716,816</u>	<u>351,871,536</u>

The accompanying notes (1) to (19) form an integral part of the interim consolidated financial information

Rashid Y. Al-Nafisi
Chairman

Khalid S. Esbailah
Vice Chairman and Managing Director

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2010
 (All amounts are in Kuwaiti Dinars)

Notes	2010	2009	Three months ended March 31,
Gross profit	2,223,226	8,839,139	2009
Management fees, commission and consultancy income	215,861	129,586	-
Rental income	48,710	-	100,524
Net investment income	2,156,408	-	(11,316)
Loss on partial disposal of a subsidiary	-	-	(546,743)
Group's share of results from associates	(203,030)	(37,539)	(81,336)
Group's share of results from joint ventures	(78,061)	(81,336)	(1,119,197)
Administrative expenses	(871,409)	(30,636)	(90,248)
Expenses related to equity settled share based payments	-	(100,569)	(8,620)
Depreciation and amortization	-	(8,991)	(479,259)
Expenses on completed projects	(100,569)	(5,103)	182,185
Foreign currency exchange loss	(5,103)	154,000	(652,571)
Other income	187,014	-	-
Interest income	154,000	-	-
Finance charges	(638,113)	-	-
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences, National Labor Support Tax and contribution to Zakat	2,533,200	7,667,778	2,533,200
Contribution to Kuwait Foundation for the Advancement of Sciences	-	(2,169)	(3,720)
National Labor Support Tax	-	(129,659)	-
Contribution to Zakat	-	(3,720)	-
Net profit for the period	2,533,200	7,532,230	2,533,200
Attributable to:			
Equity holders of the Parent Company	2,120,507	5,050,826	2,120,507
Non-controlling interests	412,693	2,481,404	412,693
Net profit for the period	2,533,200	7,532,230	2,533,200
Earnings per share attributable to the equity holders of the Parent Company	4.56	11.07	4.56
	Fils	Fils	Fils

The accompanying notes (1) to (19) form an integral part of the interim consolidated financial information

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2010

(All amounts are in Kuwaiti Dinars)

Three months ended March 31,	2010	2009	
Net profit for the period	<u>2,533,200</u>	<u>7,532,230</u>	
Other comprehensive income:			
Foreign currency translation adjustments	504,839	3,506,143	
Investments available for sale	50,049	10,148	
Assets revaluation surplus	-	(103,873)	
Other comprehensive income for the period	<u>554,888</u>	<u>3,412,418</u>	
Total comprehensive income for the period	<u>3,088,088</u>	<u>10,944,648</u>	
Attributable to:			
Equity holders of the Parent Company	2,660,941	8,463,244	
Non-controlling interests	<u>427,147</u>	<u>2,481,404</u>	
Total comprehensive income for the period	<u>3,088,088</u>	<u>10,944,648</u>	

The accompanying notes (1) to (19) form an integral part of the interim consolidated financial information

(All amounts are in Kuwaiti Dinars)

The accompanying notes (1) to (19) form an integral part of the interim consolidated financial information

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2010
 (All amounts are in Kuwaiti Dinars)

Three months ended March 31,	2010	2009
Cash flows from operating activities:		
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences, National Labor Support Tax and contribution to Zakat	2,533,200	7,667,778
Adjustments for:		
Net investment income	(2,156,408)	(100,524)
Loss on partial disposal of a subsidiary	-	11,316
Group's share of results from associates	546,743	37,539
Group's share of results from joint ventures	203,030	30,636
Expenses related to equity settled share based payments	100,569	90,248
Depreciation and amortization	5,103	31,452
Foreign currency exchange loss	(187,014)	(182,185)
Interest income	638,113	652,571
Finance charges	1,683,336	8,238,831
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	14,869,470	(5,781,558)
Properties held for trading	(6,680,555)	-
Investment properties	(1,012,709)	(896,125)
Accounts payable and other credit balances	48,864	(4,538,842)
Deferred consideration on acquisition of properties	(168,191)	(6,477,631)
Cash generated from (used in) operating activities	8,740,215	(9,455,225)
End of service indemnity paid	(5,286)	(16,305)
Net cash generated from (used in) operating activities	8,734,929	(9,471,630)
Cash flows from investing activities:		
Proceeds from sale of investments at fair value through income statement	-	1,258
Paid for purchase of investments available for sale	(2,036,626)	(11,031,134)
Proceeds from sale of investments available for sale	2,400,249	11,633,723
Murabaha receivable	225,000	-
Dividends income received	43,320	-
Interest income received	67,992	200,557
Proceeds from partial disposal of a subsidiary	-	89,376
Paid against increase in equity holding of subsidiaries	-	(30,206)
Net movement in investment in joint ventures	-	(72,351)
Fixed assets	(1,006,933)	(845,865)
Net cash used in investing activities	(306,998)	(54,642)
Cash flows from financing activities:		
Net movement in bank overdraft	-	(355,114)
Paid for purchase of treasury shares	-	(346,790)
Cash dividends paid	-	(1,043)
Finance charges paid	-	(313,246)
Net movement in Wakala and Murabaha payables	-	(1,070,000)
Proceeds from sale of treasury shares	1,978,267	-
Net movement in non-controlling interests	-	(256,514)
Net movement in equity of a subsidiary	-	(214,178)
Net cash generated from (used in) financing activities	1,978,267	(2,556,885)
Net increase (decrease) in cash and cash equivalents	10,406,198	(12,083,157)
Cash and cash equivalents at the beginning of the period	28,180,304	48,756,857
Cash and cash equivalents at the end of the period (Note 3)	38,586,502	36,673,700

The accompanying notes (1) to (19) form an integral part of the interim consolidated financial information

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2010
 (All amounts are in Kuwaiti Dinars)

1. Incorporation and activities

Al Mazaya Holding Company - K.S.C. (Holding) was incorporated on November 7, 1998 under the Commercial Companies Law No. 15 of 1960 and amendments thereto.

The Parent Company is engaged in investment in local and foreign companies, real estate properties and consultancy services. The registered Head Office of the Parent Company is at Salhiya complex, Fayed Al Salem Street, P.O. Box 3546, Safat 13036, Kuwait.

These interim consolidated financial information were approved for issue by the Board of Directors on May 5, 2010.

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, 2009.

The interim consolidated financial information do 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 March 31, 2010 are not necessarily indicative of the results that may be expected for the year ending December 31, 2010. For further information, refer to the consolidated financial statements and notes thereto for the year ended December 31, 2009.

The interim financial information of United Circle - W.L.L. have been consolidated in the interim consolidated financial information as of March 31, 2010, while the comparative figures for the year ended December 31, 2009 and the period ended March 31, 2009 do not include such information, as the Group's investment in this subsidiary had been previously classified as other debit balances.

Interim condensed consolidated statement of financial position:

Cash and cash equivalents
Amount
 129,954

Interim condensed consolidated statement of income:
 Management fees, commission and consultancy income
 Administrative expenses

79,954
 3,018

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2010
 (All amounts are in Kuwaiti Dinars)

The interim consolidated financial information include the financial information of Al Mazaya Holding Company - K.S.C. (Holding) (the Parent Company) and the following subsidiaries:

Percentage of ownership			
December 31, 2009 (Audited)	March 31, 2010	Country of incorporation	Subsidiaries
100	100	Kuwait	Al Mazaya Real Estate Development Company - K.S.C. (Closed)
100	100	U.A.E	Al Mazaya Real Estate FZ/LLC and its subsidiaries:
100	100	U.A.E	Al Dana Real Estate Limited
100	100	U.A.E	Al Rayhan Real Estate Limited
100	100	U.A.E	Advantage General Trading Co. W.L.L.
100	100	U.A.E	Spectrum FZ / LLC
100	100	U.A.E	Mazaya Investments (DIFC) Limited
-	100	U.A.E	Al Mazaya Al Khailia for General Trading and Contracting - Khalid S. Esbailah and Partners - W.L.L.
100	100	Kuwait	Al Mazaya Arabian Real Estate Company - Khalid S. Esbailah and Partners - W.L.L.
100	100	Kuwait	Al Mazaya International for Projects Management
100	100	Kuwait	Company - Khalid S. Esbailah and Partners - W.L.L.
100	100	Kuwait	Mazaya Lebanon Company - S.A.L. (Holding) and its subsidiary:
100	100	Lebanon	Mazaya Lamartien - S.A.L.
100	100	Lebanon	Seven Zones Real Estate Company K.S.C. (Closed)
100	100	Kuwait	First Dubai Real Estate Development Company - K.S.C. (Closed) and its subsidiary:
66.81	63.98	Kuwait	Future International Project Management - W.L.L. and its subsidiary:
85	85	Kuwait	Waterfront Real Estate Company K.S.C. (Closed)
91.97	91.97	Kuwait	United Circle - W.L.L.

3. Cash and cash equivalents

March 31, 2010	December 31, 2009 (Audited)	March 31, 2009
Cash on hand and at banks	17,562,773	28,268,938
Short term bank deposits	17,121,428	8,403,782
Cash in investment portfolios (Note 14)	3,902,301	980
	<u>38,586,502</u>	<u>36,673,700</u>
	28,180,304	28,268,938
	236,628	980

The average effective interest rate on short term bank deposits was 1.9% (December 31, 2009 - 2% and March 31, 2009 - 3.9%) per annum. These deposits have an average maturity of 42 days (December 31, 2009 - 30 days and March 31, 2009 - 74 days).

Cash on hand and at banks include an amount of KD 15,888,741 (December 31, 2009 - KD 18,140,492 and March 31, 2009 - KD 28,044,190) representing restricted cash to be used only against construction work.

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

MARCH 31, 2010

(All amounts are in Kuwaiti Dinars)

4.	Accounts receivable and other debit balances				
	Trade receivable	3,781,398	March 31,	2010	(Audited)
	Advance payments	9,748,446	March 31,	2009	December 31,
	Advances for capital subscription	-			
	Due from related parties (Note 14)	4,516,000			
	Staff receivables	52,822			
	Other receivables	1,792,403			
	Provision for doubtful accounts	19,891,069			
		(800,889)			
		19,090,180			
	Properties held for trading				
5.					
	Balance at the beginning of the period / year	126,122,141	March 31,	2010	December 31,
	Additions	13,515,005			
	Disposals (Note 10)	(6,834,488)			
	Transferred to investment properties (Note 6)	-			
	Foreign currency translation adjustments	595,800			
	Balance at the end of the period / year	133,398,458			
6.	Investment properties				
	Balance at the beginning of the period / year	100,232,287	March 31,	2010	December 31,
	Additions	1,012,709			
	Transferred from properties held for trading (Note 5)	-			
	Changes in fair value	-			
	Foreign currency translation adjustments	157,723			
	Balance at the beginning of the period / year	101,402,719			
7.	Accounts payable and other credit balances				
	Trade payables	17,691,362	March 31,	2010	December 31,
	Advances received from customers	66,381,784			
	Amounts due to related parties (Note 14)	8,114,010			
	Retentions payable	8,488,313			
	Accrued development costs	126,560			
	Dividends payable	747,868			
	Other payables and accrued expenses	6,487,939			
		108,037,836			
		107,223,322			
		102,426,621			

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2010
(All amounts are in Kuwaiti Dinars)

8. Other equity balances

	Reserves	Treasury shares reserve	Cumulative changes in fair value	Asset revaluation surplus	Foreign currency translation adjustments	Total
Balance as at December 31, 2009	19,293,450	701,077	56,055	519,366	1,478,702	22,048,650
Sale of treasury shares	(2,934,920)	(701,077)	-	-	-	(3,635,997)
Total comprehensive income for the period	-	-	27,339	-	513,095	540,434
Balance as at March 31, 2010	16,358,530	-	83,394	519,366	1,991,797	18,953,087
Balance as at December 31, 2008	18,262,840	1,561,889	68,567	623,239	(807,542)	19,708,993
Total comprehensive income (loss) for the period	-	-	10,148	(103,873)	3,506,143	3,412,418
Balance as at March 31, 2009	18,262,840	1,561,889	78,715	519,366	2,698,601	23,121,411

10. Gross profit

Number of shares (shares)	32,289,869	March 31, 2010	49,189,869	(Audited) 2009	March 31, 2009
Percentage of issued shares (%)	6.51%		9.85%		9.86%
Market value (Kuwaiti Dinar)	4,520,582		5,997,864		6,625,539
Cost (Kuwaiti Dinar)	17,354,505		27,189,284		28,396,237
Treasury shares include 23,008,000 (December 31, 2009 – 39,908,000, March 31, 2009 – 39,908,000) shares with a cost of KD 13,389,263 (December 31, 2009 – KD 23,226,456, March 31, 2009 – KD 23,226,456) at market value of KD 3,221,120 recorded in the books of a subsidiary – First Dubai Real Estate Development K.S.C. (Closed).					

11. Net investment income

Revenue from sale of properties held for trading	9,057,714	2010	22,454,177	2009
Cost of sale of properties held for trading (Note 5)	(6,834,488)		(13,615,038)	
Gross profit	2,223,226		8,839,139	
Realized gain on sale of investments available for sale	2,113,088	2010	100,524	2009
Dividend income	43,320		-	
	2,156,408		100,524	

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2010
(All amounts are in Kuwaiti Dinars)

12. Contribution to Kuwait Foundation for the Advancement of Sciences, National Labor Support Tax and Contribution to Zakat

During 2009, the group has reversed certain provisions out of which part was utilized and deducted from the profit before contribution to Kuwait Foundation for the Advancement of Sciences, National Labor Support Tax and Zakat for the year 2009 in order to reduce the 2009 taxable profit to zero balance and accordingly there was no profit in which contribution to Kuwait Foundation for the Advancement of Sciences, National Labor Support Tax and contribution to Zakat could be calculated for year 2009.

As for the unutilized and deductible portion of the reversed provisions mentioned above, the group deducted part of it during the three months ended March 31, 2010 in order to reduce the March 2010 taxable profit to zero balance and accordingly there was no profit in which contribution to Kuwait Foundation for the Advancement of Sciences, National Labor Support Tax and contribution to Zakat could be calculated.

13. Earnings per share

Earnings per share is computed by dividing net profit for the period attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the period.

Three months ended March 31,			
2010	2009	Net profit for the period attributable to equity holders of the Parent Company	
2,120,507	5,050,826		
Shares	Shares	Weighted average number of issued and fully paid-up shares	
499,476,780	499,476,780	Less: weighted average number of treasury shares	
(34,056,536)	(43,300,487)	Weighted average number of shares outstanding	
465,420,244	456,176,293		
Fils	Fils	Earnings per share attributable to equity holders of the Parent Company	
4.56	11.07		

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2010

(All amounts are in Kuwaiti Dinars)

14. Related parties' disclosures

The Group has entered into various transactions with related parties, i.e. shareholders, key management personnel and other related parties in the normal course of its business concerning financing and other related services. Prices and terms of payment are approved by the Group's management. Significant related parties' balances and transactions are as follows:

	Major shareholders	Joint ventures	Other related parties	March 31, 2010	December 31, 2009 (Audited)	March 31, 2009
Balances included in the interim condensed consolidated statement of financial position:						
Cash and cash equivalents (Note 3)	3,902,301	-	-	3,902,301	236,628	980
Accounts receivable and other debit balances (Note 4)	1,766,023	2,449,226	300,751	4,516,000	5,365,299	6,422,057
Accounts payable and other credit balances (Note 7)	1,632,396	5,947,182	534,432	8,114,010	10,482,183	9,524,301
Transactions included in the interim condensed consolidated statement of income:						
Management fees, commission and consultancy income	9,406	9,996	39,005	58,407	547,986	132,132
Key management compensation:						
Salaries and other short term benefits				76,653	158,651	
Terminal benefits				3,701	5,928	
				<u>80,354</u>	<u>164,579</u>	

The related parties' balances represent the amounts being collected or paid on behalf of the Group by / for its related parties, which are related to operational activities.

15. General Assembly

The Board of directors proposed not to distribute any cash dividends or bonus shares for the year ended December 31, 2009. This proposal is subject to the shareholders' Annual General Assembly.

The Shareholders' Annual General Assembly for the year ended December 31, 2009 has not been held until the date of preparation of the interim consolidated financial information. Accordingly, the consolidated financial statements for the year ended December 31, 2009 have not yet been approved. The interim consolidated financial information for the period ended March 31, 2010 do not include any adjustments, which might have been required, had the Shareholders' Annual General Assembly approved the consolidated financial statements for the year ended December 31, 2009.

The Shareholders' Annual General Assembly held on May 17, 2009 approved the distribution of 10 bonus shares for every 100 shares for the year ended December 31, 2008.

16. Fiduciary accounts

The Group manages projects on behalf of others, and maintains cash balances and notes receivable in fiduciary accounts, which are not reflected in the interim consolidated financial information. Assets under management at March 31, 2010, amounted to KD 10,151,828 (December 31, 2009 – KD 12,060,967 and March 31, 2009 – KD 68,920,295).

AL MAZAYA HOLDING COMPANY K.S.C. (HOLDING) AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
MARCH 31, 2010

(All amounts are in Kuwaiti Dinars)

17. Segment information

For management purposes, the Group is divided into three geographical segments that are: State of Kuwait, United Arab Emirates (UAE), Kingdom of Saudi Arabia (KSA) and others, where the Group performs its main activities in the real estate segment. There is no income generating transactions between the Group's segments.

	March 31, 2010					March 31, 2009				
	Kuwait	UAE	KSA	Others	Total	Kuwait	UAE	KSA	Others	Total
Gross profit	-	319,157	1,904,069	-	2,223,226	21,253	8,817,886	-	-	8,839,139
Management fees, commission & consultancy income	111,014	65,835	3,280	35,732	215,861	38,255	3,749	32,931	54,651	129,586
Rental income	-	48,710	-	-	48,710	-	-	-	-	-
Investment income	2,113,088	-	-	43,320	2,156,408	100,524	-	-	-	100,524
Loss on partial disposal of a subsidiary	-	-	-	-	-	(11,316)	-	-	-	(11,316)
Group's share of results from associates	-	-	-	(546,743)	(546,743)	-	-	-	-	-
Group's share of results from joint ventures	(3,923)	(199,107)	-	-	(203,030)	(5,965)	(31,573)	-	-	(37,539)
Marketing expenses	(52,079)	(25,982)	-	-	(78,061)	(63,289)	(18,047)	-	-	(81,336)
Administration expenses	(795,138)	(76,271)	-	-	(871,409)	(822,259)	(296,938)	-	-	(1,119,197)
Expenses related to equity settled share based payments	-	-	-	-	-	(30,636)	-	-	-	(30,636)
Depreciation and amortization	(44,209)	(38,415)	-	(17,945)	(100,569)	(57,857)	(32,391)	-	-	(90,248)
Expenses on closed projects	(8,991)	-	-	-	(8,991)	(8,620)	-	-	-	(8,620)
Foreign currency exchange gain (loss)	6,439	(11,542)	-	-	(5,103)	(31,582)	130	-	-	(31,452)
Other revenue (cost)	24,134	(51,216)	181,082	-	154,000	369,035	110,224	-	-	479,259
Interest income	7,888	67,126	-	112,000	187,014	108,983	73,202	-	-	182,185
Finance cost	(623,175)	(14,939)	-	-	(638,113)	(652,571)	-	-	-	(652,571)
Contribution to Kuwait Foundation for the Advancement of Sciences	-	-	-	-	-	(2,169)	-	-	-	(2,169)
National Labor Support Tax	-	-	-	-	-	(129,659)	-	-	-	(129,659)
Contribution to Zakat	-	-	-	-	-	(3,720)	-	-	-	(3,720)
Net profit (loss) for the period	735,048	83,357	2,089,431	(373,636)	2,533,200	(1,181,594)	8,626,242	32,931	54,651	7,532,230
Total segment assets	165,193,486	193,867,847	9,380,400	965,656	369,407,389	59,144,871	272,357,557	4,032,879	16,336,229	351,871,536
Total segment liabilities	46,440,666	150,731,782	-	1,060,365	198,232,813	68,953,750	117,232,306	-	11,632	186,197,688

18. Capital commitments and contingent liabilities

	March 31, 2010	December 31, 2009 (Audited)	March 31, 2009
Letters of guarantee	23,663,115	22,876,000	37,430,000
Capital commitments	95,344,429	103,054,154	87,506,742
	<u>119,007,544</u>	<u>125,930,154</u>	<u>124,936,742</u>

The capital commitments balance represents the estimated and the remaining amounts of contracts and projects to be executed in the future. The estimated revenue related to these contracts and projects are KD 107,430,834 as of March 31, 2010.

19. Comparative figures

Certain prior year / period figures have been reclassified to conform with the current period presentation.