Interim condensed consolidated financial information and review report

National Industries Group Holding – SAK and subsidiaries

Kuwait

31 March 2008 (Unaudited)

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Review report

To the board of directors of
National Industries Group Holding – SAK
Kuwait

Report on review of interim condensed consolidated financial information

Introduction
We have reviewed the accompanying interim condensed consolidated balance sheet of National Industries Group Holding (A Kuwaiti Shareholding Company) ("the parent company") and subsidiaries (collectively the "group"), as of 31 March 2008 and the related interim condensed consolidated statements of income, changes in equity and cash flows for the three-month period then ended. The parent company's directors are responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting". 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 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, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Report on review of other legal and regulatory requirements

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 or of the articles of association of the parent company, as amended, have occurred during the period that might have had a material effect on the business of the group or on its financial position.

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Kuwait
4 May 2008

Interim condensed consolidated statement of income

	Note	Three months ended 31 March 2008 (Unaudited) KD '000	Three months ended 31 March 2007 (Unaudited) KD '000
Sales		**26,955**	28,734
Cost of sales		**(21,453)**	(23,391)
Gross profit		**5,502**	5,343
Income from investments	4	**67,061**	70,105
Share of profits of associates		**2,011**	3,450
Interest and other operating income	5	**10,768**	5,596
Distribution costs		**(1,493)**	(1,583)
General, administrative and other expenses		**(4,961)**	(4,738)
		78,888	78,173
Finance costs		**(16,965)**	(10,213)
Impairment in value of goodwill		**-**	(1,250)
Gain on foreign exchange		**10,491**	717
Profit for the period before taxation, provision for KFAS, NLST, Zakat and directors' remuneration		**72,414**	67,427
Taxation		**(77)**	(172)
Provision for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		**(622)**	(662)
Provision for National Labour Support Tax (NLST)		**(1,204)**	(1,318)
Provision for Zakat		**(487)**	-
Provision for directors' remuneration		**(50)**	(50)
Profit for the period		**69,974**	65,225
Attributable to :			
Shareholders of the parent		**61,399**	59,788
Minority interest		**8,575**	5,437
		69,974	65,225
Basic and diluted earnings per share	6	**54 Fils**	54 Fils

The notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated balance sheet

	Note	31 March 2008 (Unaudited) KD '000	31 Dec. 2007 (Audited) KD '000	31 March 2007 (Unaudited) KD '000
Assets				
Non-current assets				
Goodwill		**10,409**	10,697	12,371
Property, plant and equipment		**34,748**	34,304	32,441
Investment in associates		**239,383**	235,653	145,954
Available for sale investments	7	**910,624**	846,206	482,663
Deferred tax		**167**	132	152
Total non-current assets		**1,195,331**	1,126,992	673,581
Current assets				
Inventories		**23,619**	23,323	24,286
Accounts receivable and other assets	8	**175,544**	129,232	65,898
Murabaha and wakala investments		**18,000**	33,883	51,785
Investments at fair value through statement of income	9	**719,411**	677,267	544,923
Short-term deposits		**249,421**	187,079	182,965
Bank balances and cash		**47,203**	17,894	25,975
Total current assets		**1,233,198**	1,068,678	895,832
Total assets		**2,428,529**	2,195,670	1,569,413
Equity and liabilities				
Equity attributable to shareholders of the parent company				
Share capital	10	**117,736**	117,736	107,033
Treasury shares		**(27,156)**	(27,156)	(45,212)
Reserves	13	**302,291**	303,723	265,977
Cumulative changes in fair value		**216,507**	215,451	137,592
Retained earnings		**421,168**	359,741	320,310
Equity attributable to shareholders of the parent company		**1,030,546**	969,495	785,700
Minority interest		**232,801**	196,999	110,896
Total equity		**1,263,347**	1,166,494	896,596
Non-current liabilities				
Bonds and trust certificates		**170,699**	171,227	45,857
Long-term borrowings		**162,486**	165,190	79,245
Leasing creditors		**377**	375	34
Provisions		**9,316**	9,558	11,616
Total non-current liabilities		**342,878**	346,350	136,752
Current liabilities				
Accounts payable and other liabilities		**111,253**	74,569	55,034
Short-term borrowings	11	**681,706**	571,211	454,629
Due to banks		**29,345**	37,046	26,402
Total current liabilities		**822,304**	682,826	536,065
Total equity and liabilities		**2,428,529**	2,195,670	1,569,413

Mr. Sa'ad Mohammed Al-Sa'ad
Chairman & Managing Director

مجموعة الصناعات الوطنية (القابضة) ش.م.ك.
NI Group
National Industrial Group (Holding) (S.A.K.)

The notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to shareholders of the parent company							
	Share capital KD '000	**Treasury shares** KD '000	**Reserves (Note 13)** KD '000	**Cumulative changes in fair value** KD '000	**Retained earnings** KD '000	**Sub-Total** KD '000	**Minority interest** KD '000	**Total** KD '000
Balance at 1 January 2008	117,736	(27,156)	303,723	215,451	359,741	969,495	196,999	1,166,494
Changes in fair value of available for sale investments	-	-	-	5,383	-	5,383	(4,620)	763
Share of fair value adjustment in associates	-	-	-	(4,048)	-	(4,048)	-	(4,048)
Realised on sale of available for sale investments	-	-	-	(279)	-	(279)	-	(279)
Transfer of excess depreciation	-	-	(28)	-	28	-	-	-
Currency translation differences	-	-	(1,404)	-	-	(1,404)	(1,121)	(2,525)
Net (expense)/income recognised directly in equity	-	-	(1,432)	1,056	28	(348)	(5,741)	(6,089)
Profit for the period	-	-	-	-	61,399	61,399	8,575	69,974
Total recognised (expense)/income for the period	-	-	(1,432)	1,056	61,427	61,051	2,834	63,885
Investment made by minority shareholders of subsidiaries	-	-	-	-	-	-	49,325	49,325
Dividend paid to minority by the subsidiaries	-	-	-	-	-	-	(16,357)	(16,357)
	-	-	-	-	-	-	32,968	32,968
Balance at 31 March 2008	**117,736**	**(27,156)**	**302,291**	**216,507**	**421,168**	**1,030,546**	**232,801**	**1,263,347**

The notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to shareholders of the parent company							
	Share capital KD '000	**Treasury shares** KD '000	**Reserves (Note 13)** KD '000	**Cumulative changes in fair value** KD '000	**Retained earnings** KD '000	**Sub-Total** KD '000	**Minority interest** KD '000	**Total** KD '000
Balance at 1 January 2007	107,033	(56,378)	264,315	146,409	260,404	721,783	111,057	832,840
Changes in fair value of available for sale investments	-	-	-	19,163	-	19,163	5,406	24,569
Share of fair value adjustment in associates	-	-	-	2,716	-	2,716	-	2,716
Realised on sale of available for sale investments	-	-	-	(30,696)	-	(30,696)	-	(30,696)
Transfer of excess depreciation	-	-	(118)	-	118	-	-	-
Currency translation differences	-	-	(10)	-	-	(10)	-	(10)
Net (expense)/income recognised directly in equity	-	-	(128)	(8,817)	118	(8,827)	5,406	(3,421)
Profit for the period	-	-	-	-	59,788	59,788	5,437	65,225
Total recognised (expense)/income for the period	-	-	(128)	(8,817)	59,906	50,961	10,843	61,804
Purchase of treasury shares	-	(982)	-	-	-	(982)	-	(982)
Disposal of treasury shares	-	11,391	-	-	-	11,391	-	11,391
Profit on disposal of treasury shares	-	-	1,790	-	-	1,790	-	1,790
Issue of shares to staff by utilizing treasury shares	-	757	-	-	-	757	-	757
Investment made by minority shareholders of subsidiaries	-	-	-	-	-	-	60	60
Dividend paid to minority by the subsidiary	-	-	-	-	-	-	(11,064)	(11,064)
	-	11,166	1,790	-	-	12,956	(11,004)	1,952
Balance at 31 March 2007	107,033	(45,212)	265,977	137,592	320,310	785,700	110,896	896,596

The notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Three months ended 31 March 2008 (Unaudited) KD '000	Three months ended 31 March 2007 (Unaudited) KD '000
OPERATING ACTIVITIES		
Profit for the period before taxation, provision for KFAS, NLST, Zakat and directors' remuneration	**72,414**	67,427
Adjustments for :		
Depreciation of property, plant and equipment	**1,305**	1,185
Profit on disposal of property, plant and equipment	**(59)**	(108)
Impairment in value of goodwill	**-**	1,250
Share of profits of associates	**(2,011)**	(3,450)
Dividend income from available for sale investments	**(6,674)**	(1,377)
Income from murabaha and wakala investments	**(466)**	(914)
Profit on sale of available for sale investments	**(3,160)**	(25,913)
Net provisions released	**(242)**	(22)
Finance costs	**16,965**	10,213
Interest income	**(5,436)**	(3,880)
	72,636	44,411
Changes in operating assets and liabilities:		
Inventories	**(296)**	(326)
Accounts receivable and other assets	**(43,844)**	(1,850)
Investments at fair value through statement of income	**(42,144)**	(103,951)
Accounts payable and other liabilities	**30,093**	2,429
Cash from/(used in) operations	**16,445**	(59,287)
Taxation paid	**(101)**	(101)
KFAS contribution paid	**-**	(1,607)
National Labour Support Tax paid	**(2,054)**	(4,299)
Net cash from/(used in) operating activities	**14,290**	(65,294)

The notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows (continued)

	Note	Three months ended 31 March 2008 (Unaudited) KD '000	Three months ended 31 March 2007 (Unaudited) KD '000
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(2,545)**	(973)
Proceeds from sale of property, plant and equipment		**433**	383
Purchase of available for sale investments		**(77,527)**	(70,550)
Investment in associated companies		**(2,522)**	(5,262)
Decrease in murabaha and wakala investments maturing after three months		**12,000**	4,500
Proceeds from sale of available for sale investments		**12,861**	37,846
Dividend income received from available for sale investments		**5,300**	629
Interest income received		**4,342**	4,402
Net cash used in investing activities		**(47,658)**	(29,025)
FINANCING ACTIVITIES			
Movement in finance lease		**10**	(24)
Net decrease in long-term borrowings		**-**	(465)
Net increase in short-term borrowings		**110,495**	51,444
Dividend paid		**(61)**	(24)
Finance costs paid		**(14,419)**	(9,400)
Purchase of treasury shares		**-**	(982)
Proceed from sales of treasury shares		**-**	12,619
Increase/(decrease) in minority interest		**32,968**	(11,004)
Net cash from financing activities		**128,993**	42,164
Net increase/(decrease) in cash and cash equivalents		**95,625**	(52,155)
Translation difference		**(156)**	6
		95,469	(52,149)
Cash and cash equivalents at beginning of the period		**171,810**	255,972
Cash and cash equivalents at end of the period	12	**267,279**	203,823

The notes set out on pages 8 to 15 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

31 March 2008

1 Incorporation and Activities

National Industries Group Holding – SAK ('the parent company') was incorporated in 1961 as a Kuwaiti shareholding company in accordance with the Commercial Companies Law in the State of Kuwait and in April 2003, its status was transformed to a 'Holding Company'. The parent company along with its subsidiaries are jointly referred to as "the group". The parent company's shares are traded on the Kuwait Stock Exchange and Dubai Financial Market.

The main objectives of the parent company are as follows:

- Owning stocks and shares in Kuwaiti or non-Kuwaiti shareholding companies and shares in Kuwaiti or non-Kuwaiti limited liability companies and participating in the establishment of, lending to and managing of these companies and acting as a guarantor for these companies.
- Lending money to companies in which it owns 20% or more of the capital of the borrowing company, along with acting as guarantor on behalf of these companies.
- Owning industrial equities such as patents, industrial trade marks, royalties, or any other related rights, and franchising them to other companies or using them within or outside the State of Kuwait.
- Owning real estate and moveable property to conduct its operations within the limits as stipulated by law.
- Employing excess funds available with the company by investing them in investment and real estate portfolios managed by specialised companies.

The address of the parent company's registered office is PO Box 417, Safat 13005, State of Kuwait.

The board of directors of the parent company approved the interim condensed consolidated financial information for issue on 4 May 2008.

The annual consolidated financial statement for the year ended 31 December 2007, have not yet been approved as the parent company has not held its annual general assembly of the shareholders.

2 Significant accounting policies

Basis of presentation

The interim condensed consolidated financial information of the group has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual audited consolidated financial statements for the year ended 31 December 2007.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of the parent company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

2 Significant accounting policies (continued)

Operating results for the three months period ended 31 March 2008 are not necessarily indicative of the results that may be expected for the year ending 31 December 2008. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2007.

3 Consolidated subsidiary

During the three month period ended 31 March 2008, the parent company incorporated a subsidiary with a share capital of USD 200,000 thousand, and the details of the consolidated subsidiary is as follows:

	Country incorporation	Percentage ownership	Principal activities
Eagle Proprietary Investments Limited	UAE	100%	Investment activities

The subsidiary has not commenced operations as yet.

4 Income from investments

	Three months ended 31 March 2008 (Unaudited) KD '000	Three months ended 31 March 2007 (Unaudited) KD '000
Dividend income:		
- From investments at fair value through statement of income	**12,505**	4,510
- From available for sale investments	**6,674**	1,377
Profit on sale of available for sale investments	**3,160**	25,913
Realised gain on investments at fair value through statement of income	**6,316**	5,954
Unrealised gain on investments at fair value through statement of income	**38,406**	32,351
	67,061	70,105

5 Interest and other operating income

	Three months ended 31 March 2008 (Unaudited) KD '000	Three months ended 31 March 2007 (Unaudited) KD '000
Management and placement fees	**1,510**	72
Interest income on bank balances and short term deposits	**5,436**	3,880
Income from murabaha and wakala investments	**466**	914
Income from financing of future trade by customers	**2,703**	436
Others	**653**	294
	10,768	5,596

6 Basic and diluted earnings per share

Earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the parent by the weighted average number of shares outstanding during the period as follows:

	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
Profit for the period attributable to the shareholders of the parent company (KD '000)	**61,399**	59,788
Weighted average number of shares outstanding during the period (excluding treasury shares) - share	**1,144,838,414**	1,111,313,450
Basic & diluted earnings per share	**54 Fils**	54 Fils

7 Available for sale investments

	31 March 2008 (Unaudited) KD '000	31 Dec. 2007 (Audited) KD '000	31 March 2007 (Unaudited) KD '000
Managed funds	**222,269**	207,711	96,715
Unquoted equity participations	**185,895**	181,170	131,815
Quoted shares	**502,460**	457,325	254,133
	910,624	846,206	482,663

8 Accounts receivable and other assets

	31 March 2008 (Unaudited) KD '000	31 Dec. 2007 (Audited) KD '000	31 March 2007 (Unaudited) KD '000
Financial assets			
Trade receivables – gross	**22,663**	22,395	21,844
Less: Provision for impairment of trade receivables	**(1,411)**	(1,419)	(1,429)
Net trade receivables	**21,252**	20,976	20,415
Proceed due on sale of investments	**12,669**	2,309	175
Due from associates	**14,601**	13,732	11,288
Due from key management personnel	**313**	313	312
Advance payments to acquire investments	**5,133**	9,832	854
Due from Kuwait Clearing Company (related to future trade)	**60,338**	37,563	8,673
Due from investment brokerage companies	**7,553**	9,018	226
Interest and other accrued income	**13,655**	2,203	12,938
Other financial assets	**15,507**	8,584	11,017
	151,021	104,530	65,898
Non-financial assets			
Advance payments to acquire properties	**23,629**	23,778	-
Other assets	**894**	924	-
	24,523	24,702	-
	175,544	129,232	65,898

9 Investments at fair value through statement of income

	31 March 2008 (Unaudited) KD '000	31 Dec. 2007 (Audited) KD '000	31 March 2007 (Unaudited) KD '000
Held for trading :			
Quoted shares	**543,388**	478,765	324,328
Designated on initial recognition :			
Local funds	**138,243**	157,298	174,067
International managed portfolios and funds	**37,780**	41,204	46,528
	176,023	198,502	220,595
	719,411	677,267	544,923

Quoted shares with a fair value of KD37,663 thousand (31 December 2007: KD32,491 thousand and 31 March 2007 KD25,722 thousand) are secured against short term borrowings.

10 Share capital

As of 31 March 2008, the authorised, issued and fully paid share capital of the parent company was made up of 1,177,361,971 shares of 100 Fils each (31 December 2007: 1,177,361,971 shares and 31 March 2007: 1,070,329,064 shares).

At the extraordinary general assembly held on 27 January 2008, the shareholders of the parent company approved to increase the paid up share capital by 25% by way of an issue of shares during the year 2008, at par value of 100 Fils per share and premium of 800 Fils per share, which is not yet called as of 31 March 2008.

11 Short-term borrowings

Currency	Effective Interest/profit rates	Security	31 March 2008 (Unaudited) KD '000	31 Dec. 2007 (Audited) KD '000	31 March 2007 (Unaudited) KD '000
Conventional loans					
Kuwaiti Dinars	7.25%-8.75%	Unsecured	**286,000**	287,620	157,686
Kuwaiti Dinars	8.25%	Secured	**20,000**	20,000	20,000
US Dollars	3.17%-7.33%	Unsecured	**297,671**	240,309	253,117
Sterling	5.5%-6.42%	Unsecured	**15,780**	16,271	20,584
Euro	4.32%	Unsecured	**177**	172	326
Sterling – current portion	4%-7.5%	Secured	**-**	656	683
Euro – current portion	4.75%-5.75%	Secured	**78**	183	233
			619,706	565,211	452,629
Islamic financing arrangements					
Wakala payables	8%-8.37%	Unsecured	**12,000**	6,000	2,000
Murabaha payables	6.25%	Unsecured	**50,000**	-	-
			62,000	6,000	2,000
Total			**681,706**	571,211	454,629

12 Cash and cash equivalents

	31 March 2008 (Unaudited) KD '000	31 Dec. 2007 (Audited) KD '000	31 March 2007 (Unaudited) KD '000
Murabaha and wakala investments – maturing within three months	**-**	3,883	21,285
Short-term deposits	**249,421**	187,079	182,965
Bank balances and cash	**47,203**	17,894	25,975
Due to banks	**(29,345)**	(37,046)	(26,402)
	267,279	171,810	203,823

13 Reserves

	Share premium KD '000	Statutory reserve KD '000	General reserve KD '000	Revaluation reserve KD '000	Gain on Sale of treasury shares reserve KD '000	Foreign Currency translation reserve KD '000	Total KD '000
Balance at 31 December 2007	152,691	110,459	28,708	28	12,825	(988)	303,723
Transfer of excess depreciation	-	-	-	(28)	-	-	(28)
Currency translation differences	-	-	-	-	-	(1,404)	(1,404)
Balances at 31 March 2008	**152,691**	**110,459**	**28,708**	**-**	**12,825**	**(2,392)**	**302,291**
Balance at 31 December 2006	152,691	85,334	25,621	350	800	(481)	264,315
Transfer of excess depreciation	-	-	-	(118)	-	-	(118)
Currency translation differences	-	-	-	2	-	(12)	(10)
Profit on disposal of treasury shares	-	-	-	-	1,790	-	1,790
Balances at 31 March 2007	152,691	85,334	25,621	234	2,590	(493)	265,977

14 Segmental analysis

The group's primary format for reporting segment information is business segments and the group primarily operates in three business segments: investment, building materials and specialist engineering. The segment information are as follows:

	Investment		Building materials		Specialist engineering		Total	
	31 March 2008 KD '000	31 March 2007 KD '000	**31 March 2008 KD '000**	31 March 2007 KD '000	**31 March 2008 KD '000**	31 March 2007 KD '000	**31 March 2008 KD '000**	31 March 2007 KD '000
Segment revenue	**79,840**	79,151	**8,518**	7,502	**17,438**	20,348	**105,796**	107,001
Less:								
Income from investments							**(67,061)**	(70,105)
Share of profits of associates							**(2,011)**	(3,450)
Interest and other operating income							**(10,768)**	(5,596)
Unallocated sales							**999**	884
Sales as per the interim condensed consolidated statement of income							**26,955**	28,734
Segment profit	**76,436**	74,681	**1,873**	1,642	**604**	601	**78,913**	76,924
Finance costs							**(16,965)**	(10,213)
Unallocated income							**10,466**	716
Profit for the period before taxation, provision for KFAS, NLST, Zakat and directors' remuneration as per the interim condensed consolidated statement of income							**72,414**	67,427

15 Proposed dividend

Subject to the requisite consent of the relevant authorities and approval from the general assembly, which is scheduled to held on 5 May 2008, the board of directors of the parent company have proposed to distribute the following dividends for the year ended 31 December 2007 to the shareholders of record as of the date of the general assembly:

- Cash dividend of 75 Fils per share (2006: 70 Fils per share);
- Bonus shares of 10% (2006: 10%) of paid-up share capital.

16 Related party transactions

Related parties represent associates, directors and key management personnel of the group, and other related parties such as major shareholders and companies in which directors and key management personnel of the group are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the group's management.

Details of significant related party transactions and balances are as follows:

	31 March 2008 (Unaudited) KD '000	31 Dec. 2007 (Audited) KD '000	31 March 2007 (Unaudited) KD '000
Interim condensed consolidated balance sheet			
Due from related parties (refer note 8)	**14,914**	14,045	11,600
Due to related parties (included in accounts payable and other liabilities)			
- Due to associate company	**40,206**	6,843	-
- Due to key management personnel	**18**	3,226	616

Due to associate company includes a short term loan of KD40,000 thousand availed by the parent company with an effective interest rate of 6.5% per annum.

	Three months ended 31 March 2008 (Unaudited) KD '000	Three months ended 31 March 2007 (Unaudited) KD '000
Interim condensed consolidated statement of income		
Purchase of raw materials – from associates	**414**	1,983
Finance costs – charged by associate company	**368**	65
Compensation of key management personnel of the group		
Short term employee benefits	**976**	567
End of service benefits	**112**	33
Cost of share based payments	**120**	-
	1,208	600

17 Contingent liabilities

At 31 March 2008, the group had contingent liabilities in respect of outstanding bank guarantees amounting to KD45 thousand (31 December 2007: KD553 thousand and 31 March 2007: KD780 thousand).

18 Fiduciary assets

One of the subsidiaries of the group manages mutual funds, portfolios on behalf of related and third parties, and maintains securities in fiduciary accounts which are not reflected in the group's balance sheet. Assets under management at 31 March 2008 amounted to KD120,917 thousand (31 December 2007: KD80,768 thousand and 31 March 2007 KD16,433 thousand) of which assets managed on behalf of related parties amounted to KD21,050 thousand (31 December 2007: KD18,599 thousand and 31 March 2007 KD9,842 thousand).

19 Capital commitments

At the balance sheet date the group had commitments for the purchase of investments and the acquisition of property, plant and equipment totalling KD56,298 thousand (31 December 2007: KD61,200 thousand and 31 March 2007: KD58,835 thousand).