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KUWAIT COMMERCIAL MARKETS COMPLEX COMPANY - K.S.C.
AND ITS SUBSIDIARIES
STATE OF KUWAIT

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

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KUWAIT COMMERCIAL MARKETS COMPLEX COMPANY - K.S.C.
AND ITS SUBSIDIARIES
STATE OF KUWAIT

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 (UNAUDITED)

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Report on review of interim condensed consolidated financial information

The Board of Directors
Kuwait Commercial Markets Complex Company - K.S.C.
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Commercial Markets Complex Company - K.S.C. (the Parent Company) and its subsidiaries (the Group) as of September 30, 2009 and the related interim condensed consolidated statements of income, comprehensive 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 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 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, in all material respects, in accordance with International Accounting Standard No. 34 "Interim Financial Reporting".

Report on other legal and regulatory requirements

Furthermore, 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 period ended September 30, 2009 that might have had a material effect on the business of the Group or on its financial position.

Bader A. Al-Wazzan
Licence No. 62-A
Bader & Co. Pricewaterhouse Coopers

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

State of Kuwait
November 11, 2009

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AL MARKETS COMPLEX COMPANY - K.S.C. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT SEPTEMBER 30, 2009
(All amounts are in Kuwaiti Dinars)

	Note	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
ASSETS				
Non-current assets:				
Properties, equipments and assets under- construction		**1,246,249**	1,387,150	1,789,530
Investment in unconsolidated subsidiaries		**332,601**	268,945	288,937
Investment in associates	3	**27,994,981**	22,234,635	20,873,427
Joint ventures		**2,161,420**	2,318,197	3,484,245
Investment properties		**9,713,162**	9,506,300	9,443,650
Investments available for sale	4	**37,977,947**	38,528,332	43,022,234
		79,426,360	74,243,559	78,902,023
Current assets:				
Lands and properties held for trading	5	**95,872,926**	83,138,736	87,165,060
Accounts receivable and other debit balances	6	**18,670,170**	30,391,637	41,926,316
Investments at fair value through income statement	7	**3,630,200**	3,025,158	5,639,902
Cash and cash equivalent		**640,024**	2,431,128	18,962,152
		118,813,320	118,986,659	153,693,430
Total assets		**198,239,680**	193,230,218	232,595,453
EQUITY AND LIABILITIES				
Equity attributable to shareholders of the Parent Company:				
Share capital	8	**26,633,240**	24,212,036	24,212,036
Share premium		**15,676,534**	15,676,534	15,676,534
Treasury shares	9	**(3,741,749)**	(3,538,075)	(3,507,180)
Treasury shares reserve		**950,644**	950,644	950,644
Statutory reserve		**3,980,397**	3,980,397	3,207,366
Voluntary reserve		**3,980,397**	3,980,397	3,207,366
Foreign currency translation adjustment		**1,025,356**	(464,159)	(78,649)
Share of other comprehensive income of associates		**-**	-	93,116
Cumulative changes in fair value		**4,415,051**	3,951,768	6,486,982
Retained earnings		**11,762,675**	13,499,616	26,206,952
		64,682,545	62,249,158	76,455,167
Non-controlling interests		**195,345**	222,255	228,323
Total equity		**64,877,890**	62,471,413	76,683,490
Non-current liabilities:				
Sokouk		**8,454,961**	8,130,767	7,808,005
Credit facilities – non current portion	11	**67,978,497**	12,769,089	12,840,842
Provision for end of service indemnity		**324,952**	302,134	294,368
		76,758,410	21,201,990	20,943,215
Current liabilities:				
Credit facilities – current portion	11	**46,189,292**	94,447,919	117,819,446
Accounts payable and other credit balances	12	**10,414,088**	15,108,896	17,149,302
		56,603,380	109,556,815	134,968,748
Total equity and liabilities		**198,239,680**	193,230,218	232,595,453

The accompanying notes (1) to (22) form an integral part of the interim condensed consolidated financial information

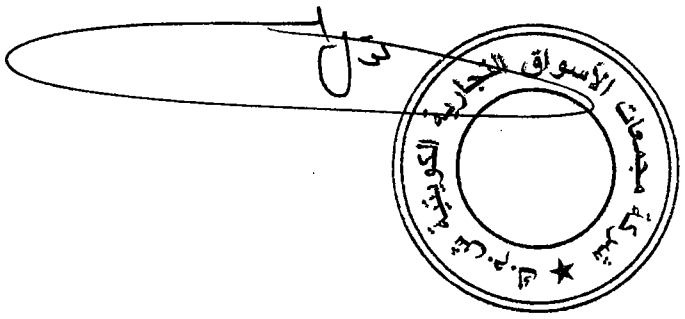
Tawfiq Ahmed Al Jarrah
Chairman & Managing Director

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

	Note	Three months ended September 30		Nine months ended September 30	
		2009	2008	2009	2008
Operating revenue		539,073	439,638	1,506,043	1,345,043
Operating cost		(143,978)	(218,267)	(638,683)	(685,880)
Gross profit		395,095	221,371	867,360	659,163
Group's share of results from associates	3	4,664,417	-	4,665,733	193,356
Gain on sale of investment in associate		-	-	-	1,875,000
Group's share from results of joint ventures		-	-	-	999,577
Loss on sale of share in joint ventures		-	-	-	(38,876)
Gain on sale of investment properties		-	-	-	221,831
Gain on sale of land and properties held for trading		284,110	7,225,004	3,780,679	19,681,389
Net (loss) gain from investments available for sale	13	(394,193)	208,289	(509,368)	2,393,419
Net (loss) gain from investments at fair value through income statement	14	(158,198)	(21,940)	(569,119)	143,591
Other income	15	60,920	392,001	462,554	1,367,679
General and administrative expenses		(263,082)	(451,501)	(962,102)	(1,828,254)
Other expenses		(44,433)	(32,292)	(103,069)	(434,440)
Gain (Loss) foreign currency exchange		43,511	(38,274)	(1,106,758)	486,377
Finance charges		(1,887,528)	(2,528,293)	(5,838,076)	(6,362,685)
Profit for the period before Contribution to Kuwait Foundation for Advancement of Science, National Labor Support Tax and Zakat		2,700,619	4,974,365	687,834	19,357,127
Contribution to Kuwait Foundation for Advancement of Science (KFAS)		(5,924)	(48,130)	(5,924)	(174,371)
National Labor Support Tax		(17,939)	(126,002)	(17,939)	(449,776)
Zakat		(6,618)	(50,701)	(6,618)	(180,786)
Net profit for the period		2,670,138	4,749,532	657,353	18,552,194
Attributable to:					
Shareholders of the Parent Company		2,682,041	4,745,251	684,263	18,603,067
Non-controlling interests		(11,903)	4,281	(26,910)	(50,873)
		2,670,138	4,749,532	657,353	18,552,194
Basic earnings per share –fils	16	10.60	20.08	2.70	80.34
Diluted earnings per share – fils	16	10.58	19.70	2.67	78.69

The accompanying notes (1) to (22) form an integral part of the interim condensed consolidated financial information



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

	Three months ended September 30		Nine months ended September 30	
	2009	2008	**2009**	2008
Net profit for the period	**2,670,138**	4,749,532	**657,353**	18,552,194
Other comprehensive income (loss):				
Foreign currency translation adjustment	**(22,956)**	9,786	**1,489,515**	(78,649)
Share of other comprehensive income of associates	**-**	-	**-**	93,116
Investments available for sale	**266,663**	(6,250,099)	**463,283**	(6,871,572)
Other comprehensive income (loss) for the period	**243,707**	(6,240,313)	**1,952,798**	(6,857,105)
Total comprehensive income (loss) for the period	**2,913,845**	(1,490,781)	**2,610,151**	11,695,089
Attributable to:				
Shareholders of the Parent Company	**2,925,748**	(1,495,062)	**2,637,061**	11,745,962
Non-controlling interests	**(11,903)**	4,281	**(26,910)**	(50,873)
Total comprehensive income (loss) for the period	**2,913,845**	(1,490,781)	**2,610,151**	11,695,089

The accompanying notes (1) to (22) form an integral part of the interim condensed consolidated financial information

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KUWAIT COMMERCIAL MARKETS COMPLEX COMPANY - K.S.C. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009
(All amounts are in Kuwaiti Dinars)

	Equity attributable to Parent Company's shareholders												
	Share capital	Share premium	Treasury shares	Treasury share reserve	Statutory reserve	Voluntary reserve	Foreign currency translation adjustment	Share of other comprehensive income of associates	Cumulative changes in fair value	Retained earnings	Total	Non - controlling interest	Total equity
Balance at December 31, 2008	24,212,036	15,676,534	(3,538,075)	950,644	3,980,397	3,980,397	(464,159)	-	3,951,768	13,499,616	62,249,158	222,255	62,471,413
Purchase of treasury shares	-	-	(203,674)	-	-	-	-	-	-	-	(203,674)	-	(203,674)
Distribution of bonus shares (Note 10)	2,421,204	-	-	-	-	-	-	-	-	(2,421,204)	-	-	-
Total comprehensive income (loss) for the period	-	-	-	-	-	-	1,489,515	-	463,283	684,263	2,637,061	(26,910)	2,610,151
Balance at September 30, 2009	**26,633,240**	**15,676,534**	**(3,741,749)**	**950,644**	**3,980,397**	**3,980,397**	**1,025,356**	-	**4,415,051**	**11,762,675**	64,682,545	**195,345**	**64,877,890**
Balance at December 31, 2007	18,184,281	7,257,885	(2,395,334)	949,311	3,207,366	3,207,366	-	-	13,358,554	15,156,015	58,925,444	299,987	59,225,431
Capital increase	4,209,326	8,418,649	-	-	-	-	-	-	-	-	12,627,975	-	12,627,975
Effect of sale of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(20,791)	(20,791)
Purchase of treasury shares	-	-	(725,635)	-	-	-	-	-	-	-	(725,635)	-	(725,635)
Received treasury shares from investment portfolio	-	-	(392,147)	-	-	-	-	-	-	392,147	-	-	-
Sale of treasury shares	-	-	5,936	1,333	-	-	-	-	-	-	7,269	-	7,269
Distribution of bonus shares (Note 10)	1,818,429	-	-	-	-	-	-	-	-	(1,818,429)	-	-	-
Cash dividends (Note 10)	-	-	-	-	-	-	-	-	-	(6,125,848)	(6,125,848)	-	(6,125,848)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(78,649)	93,116	(6,871,572)	18,603,067	11,745,962	(50,873)	11,695,089
Balance at September 30, 2008	24,212,036	15,676,534	(3,507,180)	950,644	3,207,366	3,207,366	(78,649)	93,116	6,486,982	26,206,952	76,455,167	228,323	76,683,490

The accompanying notes (1) to (22) form an integral part of the interim condensed consolidated financial information

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CIAL MARKETS COMPLEX COMPANY - K.S.C. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED).
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009
(All amounts are in Kuwaiti Dinars)

	Nine months ended September 30,	
	2009	2008
Cash flows from operating activities:		
Profit for the period before Contribution to Kuwait Foundation for Advancement of Science, National Labor Support Tax and Zakat	687,834	19,357,127
Adjustments:		
Gain on sale of investment properties	-	(221,831)
Depreciation	1,093,837	488,601
Gain on sale of properties, equipments and assets under construction	-	(541,436)
Gain on sale of a subsidiary	-	(4,834)
Group's share of results from unconsolidated subsidiaries	(63,656)	-
Group's share of results from associates	(4,665,733)	(193,356)
Gain on sale investment in associate	-	(1,875,000)
Group's share from results of joint ventures	-	(999,577)
Loss from sale of share in joint ventures	-	38,876
Net loss (gain) from investments available for sale	509,368	(2,393,419)
Gain on sale of land and property held for trading	(3,780,679)	(19,681,389)
Net loss (gain) from investments at fair value through income statement	569,119	(143,591)
Finance charges	5,838,076	6,362,685
Provision for end of service indemnity	26,572	78,534
	214,738	271,390
Change in operating assets and liabilities:		
Lands and properties held for trading	(7,581,275)	(31,733,427)
Accounts receivable and other debit balances	11,995,523	(17,316,465)
Investments at fair value through income statement	(1,375,130)	(2,503,473)
Accounts payable and other credit balances	(4,193,566)	4,412,382
Cash used in operations	(939,710)	(46,869,593)
End of service indemnity paid	(3,754)	-
Net cash used in operating activities	(943,464)	(46,869,593)
Cash flows from investing activities:		
Purchase of property, equipment and assets under-construction	(618,496)	(208,131)
Proceeds from sale of property, equipment and assets under-construction	-	724,984
Net cash at a subsidiary on disposal	-	(56,940)
Payment for investment in associates	(1,345,334)	(1,131,239)
Proceeds from sale of investment in associate	250,721	5,000,000
Payment for investment in joint ventures	-	(1,845,900)
Proceeds from joint ventures	-	396,627
Purchase of investments properties	(541,302)	(2,991,200)
Proceeds from sale of investments properties	-	512,754
Purchase of investments available for sale	(235,336)	(4,504,885)
Proceeds from sale of investments available for sale	633,181	3,889,869
Cash dividends received	126,207	1,704,699
Net cash (used in) generated from investing activities	(1,730,359)	1,490,638
Cash flows from financing activities:		
Proceeds for capital increase	-	12,627,975
Paid for Purchase of treasury shares	-	(725,635)
Proceeds from sale of treasury shares	-	7,269
Net movement on credit facilities	6,950,781	60,652,853
Finance charges paid	(5,999,900)	(6,220,385)
Dividends paid to shareholders	(68,162)	(5,772,436)
Net cash generated from financing activities	882,719	60,569,641
Net (decrease) increase in cash and cash equivalent	(1,791,104)	15,190,686
Cash and cash equivalent at beginning of the period	2,431,128	3,771,466
Cash and cash equivalent at end of the period	640,024	18,962,152

The accompanying notes (1) to (22) form an integral part of the interim condensed consolidated financial information

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1. Parent Company's incorporation and objectives

Kuwait Commercial Markets Complex Company - K.S.C. (Parent Company) was incorporated by virtue of the Amiri Decree issued on February 9, 1982. The main objectives of the Parent Company are:

- Ownership, management, rental and lease of commercial centers such as commercial complexes, supermarkets, industrial and commercial showrooms and any other complementary services such as restaurants, coffee shops and entertainment centers.
- Wholesale and retail trading in consumer products.
- Organization and management of duty-free markets.
- Investing the available excess funds through portfolios managed by specialized companies and parties. Also, the Company may have interests with or join entities that have similar operations or that may assist the Company in achieving its objectives in or outside Kuwait. The Company may acquire such entities or be affiliated with them.

The interim condensed consolidated financial information include the financial information of Kuwait Commercial Markets Complex Company – K.S.C. (the Parent Company) and the following subsidiaries (together the Group):

Name of the subsidiary	Percentage of ownership %			
	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008	
Al Modon Aloula Real Estate Company – W.L.L.	75	75	75	Out of which 1% by virtue of letter of renunciation
Al-Shuwaikh United Real Estate Company – K.S.C. (Closed)	100	100	100	Out of which 1% by virtue of letter of renunciation
Masqat and Kuwait Co. – W.L.L	100	100	100	Out of which 1% by virtue of letter of renunciation
Shuwaikh National Holding Co. - K.S.C. (Holding)	58	58	58	-
Al Jabriya Al Fareda Real Estate Development Company – W.L.L. – Saudi Arabia	100	100	100	Out of which 5% by virtue of letter of renunciation
Kuwait Commercial Markets Complex Company – S.C.(Private) – Jordon	100	100	100	-

The subsidiaries are operating in real estate activities.

The Group has accounted for its share of results from subsidiaries based on management accounts prepared by the management of the subsidiaries as of the date of interim condensed consolidated financial information. The total assets of such subsidiaries was amounted to KD 28,189,778 as of September 30, 2009 and net losses for the nine months ended September 30, 2009 was amounted to KD 46,118.

The address of the Parent Company is: P.O. Box 23541 Safat, Postal code 13096 – State of Kuwait.

The interim condensed consolidated financial information were authorized for issuance by the Parent Company's Board of Directors on November 11, 2009.

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2. Basis of presentation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. 34 "Interim Financial Reporting." The accounting policies used in the preparation of the interim condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2008 except for the changes due to implementation of certain amendments to the following International Financial Reporting Standards:

IAS 1 "Presentation of Financial Statements" (Revised)

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

IFRS 8 "Operating Segments"

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

IAS 23 "Borrowing Cost" (Revised)

Effective January 1, 2009, the Group has applied IAS 23 (Revised), which requires an entity to capitalize borrowing costs attributable to the acquisition, construction or production of a qualifying asset as a part of the cost of that asset and removing an option of expensing these borrowing costs in the interim condensed consolidated statement of income.

The interim condensed 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 September 30, 2009 are not necessarily indicative of the results that may be expected for the year ending December 31, 2009. For further information, refer to the consolidated financial statements and notes thereto for the year ended December 31, 2008.

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3. Investment in associates

The movement of investment in associates for the period / year was as follows:

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Balance at the beginning of the period / year	**22,234,635**	21,486,966	21,486,966
Incorporation and call for capital increase from associates	**1,293,750**	-	2,672,236
Sale of associate for related parties	**-**	-	(3,125,000)
Additions	**51,584**	2,250,735	-
Disposals	**(250,721)**	(3,200,000)	-
Group's share of result from associates	**4,665,733**	479,368	193,356
Group's share of cumulative changes from associates	**-**	-	93,116
Transfer from accounts receivable and other debit balances	**-**	1,157,448	-
Cash dividends	**-**	(69,626)	-
Transfer from unconsolidated subsidiaries and joint ventures	**-**	528,229	-
Unrealized loss from transactions between the group and associates	**-**	(398,485)	(447,247)
Balance at the end of the period / year	**27,994,981**	22,234,635	20,873,427

Investment in associates represents investments in companies which are not listed and hence fair value of their investments are not available.

The Group has accounted for its share of results from associates based on audited financial statements as of date of interim condensed consolidated financial information.

During the period ended September 30, 2009 the Group recognized its share of results from Al Makam Tower Real Estate Company – W.L.L (associate) which amounted to KD 4,664,417. Where the associate sold its share in the utilization right of Al Makam Tower Project – Maka which resulted in gain amounted to KD 14,606,330 to the associate.

4. Investments available for sale

The movement of investments available for sale during the period / year was as follows:

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Balance at the beginning of the period / year	**38,528,332**	48,424,078	48,424,078
Additions	**235,336**	4,505,316	4,504,885
Disposals	**(624,902)**	(3,872,057)	(3,035,157)
Change in fair value	**523,941**	(9,100,000)	(6,871,572)
Impairment losses (Note 13)	**(684,760)**	(1,429,005)	-
Balance at the end of the period / year	**37,977,947**	38,528,332	43,022,234

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This item include certain quoted shares at fair value amounted to KD 10,820,730 (December 31, 2008 - KD 11,386,379, September 30, 2008 - KD 10,178,515) pledged as collateral for sokouk and credit facilities (Note 11).

Unquoted investments available for sale includes amount of KD 1,489,878 (December 31, 2008 - KD 1,701,672, September 30, 2008 - KD 1,734,518) represent investments managed by a related parties.

It was not possible to reliably measure the fair value of unquoted investments due to non - availability of a reliable method that could be used to determine the fair value of such investments. Accordingly, they were stated at their cost less impairment losses.

5. Lands and properties held for trading

The movement of land and properties held for trading during the period / year was as follows:

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Balance at the beginning of the period / year	**83,138,736**	22,429,376	22,429,376
Additions	**18,907,262**	116,320,549	92,405,798
Disposals	**(6,173,072)**	(64,344,447)	(40,990,982)
Impairment losses	**-**	(4,587,610)	-
Transfer from accounts receivable and other debit balances	**-**	13,320,868	13,320,868
Balance at the end of the period / year	**95,872,926**	83,138,736	87,165,060

Land and properties held for trading included an amount of KD 38,637,302 (December 31, 2008 - KD 28,299,974, September 30, 2008 - KD 32,565,790) representing lands and properties pledged as collateral for credit facilities (Note 11).

Land and properties held for trading included an amount of KD 36,996,271 (December 31, 2008 – KD 39,044,679, September 30, 2008 – KD 41,859,131) representing lands and properties registered in the name of related parties and there is assignment letter from them that the ownership of that lands and properties are in favor of group.

6. Accounts receivable and other debit balances

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Trade receivables	**10,069,960**	16,634,712	26,560,306
Provision for doubtful debts	**(628,928)**	(1,541,588)	(66,047)
	9,441,032	15,093,124	26,494,259
Due from related parties (Note 18)	**4,566,488**	10,181,224	10,996,533
Advance payments for purchase of investments	**-**	669,965	669,965
Advance payments for purchase of properties	**3,838,408**	3,804,697	3,138,439
Staff receivables	**47,020**	75,737	48,130
Prepaid expenses	**693,682**	443,375	348,856
Other debit balances	**83,540**	123,515	230,134
	18,670,170	30,391,637	41,926,316

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Accounts receivable include an amount of KD 7,175,900 as of September 30, 2009 representing amount due from sale of land and properties held for trading after eliminating the deferred income amounting to KD 1,719,015 where the realized profit had been recognized at percentage of amount paid to total sales price and this resulted in gain on sale amounting to KD 3,392,653.

During the period ended September 30, 2009, some of lands held for trading amounted to KD 4,377,961 which have been sold before to some customers was returned to the Group, which resulted in reversal of provision for doubtful debts amounting to KD 912,660. Note that there was no revenue recognition related to these sold transactions in the prior years.

7. Investments at fair value through income statement

All investments at fair value through income statement are quoted and included in investment portfolios managed by others. Certain portfolios at fair value amounting to KD 611,339 (December 31, 2008 – KD 765,196, September 30, 2008 – KD 1,175,113) are managed by related party (Note 18).

Certain portfolio assets at fair value amounting to KD 464,960 (December 31, 2008 – KD 673,578, September 30, 2008 – KD 976,508) are pledged as collateral for credit facilities granted to the Group (Note 11).

8. Share capital

The Parent Company's authorized capital consists of 276,332,396 shares (December 31, 2008 - 252,120,360 shares, September 30, 2008 - 252,120,360 shares) of 100 fils each.

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Authorized capital	**27,633,240**	25,212,036	25,212,036
Non paid capital	**(1,000,000)**	(1,000,000)	(1,000,000)
Paid-up capital	**26,633,240**	24,212,036	24,212,036

The Shareholders' General Assembly held in May 14, 2009 has approved the following:

1) Increase the Parent Company's capital from KD 25,212,036 to KD 27,633,239 as follows:

   a) Approved to decrease the Parent Company's capital form KD 25,212,036 to KD 24,212,036 by amounting KD 1,000,000 which equal to 10,000,000 shares (represent employee stock option which have not yet been subscribed).

   b) Approved to distribute a bonus share of 10 shares for every 100 shares for the year ended December 31, 2008 amounting KD 2,421,203 equal to 24,212,036 shares, for the shareholders registered in the Parent Company's register at the General Assembly date and after the approval of the competent authorities.

   c) Increase the Parent Company's capital from KD 26,633,239 to KD 27,633,239 by amounting KD 1,000,000 distributed on 10,000,000 shares (dedicated as employee stock option to the Group's talented employees at a selling price 150 fils (par value of 100 fils and share premium 50 fils each).

2) Amendment of Article No. 6 of the Article of Association and Article No. 5 of the memorandum of association to be as follows:

   The Parent Company's share capital was determined by amounting KD 27,633,239 distributed on 276,332,396 shares of 100 fils each.

   The authentication in the Commercial Register for the above amendments is under process.

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9. Treasury shares

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Number of shares	**13,372,328**	11,091,971	10,981,971
Percentage of issued shares (%)	**5.02%**	4.40%	4.36%
Market value	**2,513,998**	2,883,912	3,678,960
Cost	**3,741,749**	3,538,075	3,507,180

10. Dividends

The shareholders' General Assembly meeting held on May 14, 2009 approved 10 bonus shares for every 100 shares for the year ended December 31, 2008.

The Shareholders' General Assembly held in April 24, 2008 had approved cash dividends of 35 fils per share and 10 bonus shares for every 100 shares for the year ended December 31, 2007.

11. Credit facilities

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Non-current portion:			
Loans	**49,675,630**	5,345,302	5,470,062
Islamic financing tools	**18,302,867**	7,423,787	7,370,780
	67,978,497	12,769,089	12,840,842
Current portion:			
Loans	**9,733,937**	58,466,602	69,104,915
Islamic financing tools	**29,868,020**	31,030,285	44,238,317
Revolving loans	**2,000,000**	2,000,000	2,000,000
Overdrafts	**4,587,335**	2,951,032	2,476,214
	46,189,292	94,447,919	117,819,446
Total credit facilities	**114,167,789**	107,217,008	130,660,288

Some of credit facilities are guaranteed by the collateral of certain Parent Company's assets (Notes 4, 5, 7).

All credit facilities granted carry floating interest rates. The weighted average annual effective interest rates are as follows:

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Loans at floating interest rate	**5.72%**	7.06%	7.75%
Credit facilities and overdrafts	**7.01%**	7.87%	7.91%

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12. Accounts payable and other credit balances

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Trade payables	**4,681,403**	10,153,758	315,205
Due to related parties (Note 18)	**2,334,603**	1,322,056	2,274,839
Dividend payable to shareholders	**769,926**	838,088	850,014
Due to National Labor Support Tax	**759,573**	771,598	1,158,151
Accrued expenses	**733,019**	148,481	953,291
Accrued finance charges	**210,779**	372,603	-
Due to Kuwait Foundation for the Advancement of Sciences (KFAS)	**201,502**	207,822	315,659
Deposits from others	**187,756**	201,398	-
Accrued staff leave	**180,927**	168,002	159,939
Due to Zakat	**71,556**	64,938	180,150
Payable for subscription in capital increase	**-**	-	929,901
Payable for purchase of land and properties held for trading	**-**	730,410	9,000,582
Unearned revenues	**-**	-	762,572
Other credit balances	**283,044**	129,742	248,999
	10,414,088	15,108,896	17,149,302

13. Net (loss) gain from investments available for sale

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	**2009**	2008
Cash dividend	**10,653**	60,687	**106,455**	1,538,707
Impairment losses (Note 4)	**(450,000)**	-	**(684,760)**	-
Realized gain on sale of investments	**45,154**	147,602	**68,937**	854,712
	(394,193)	208,289	**(509,368)**	2,393,419

14. Net (loss) gain from investments at fair value through income statement

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	**2009**	2008
Unrealized (loss) gain from changes in fair value	**(232,817)**	72,179	**(642,895)**	93,621
Gain (loss) on sale of investments	**81,242**	(67,161)	**76,482**	(83,115)
Cash dividend	**-**	412	**19,751**	165,991
Portfolio management fees and commission	**(6,623)**	(27,370)	**(22,457)**	(32,906)
	(158,198)	(21,940)	**(569,119)**	143,591

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15. Other income

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	**2009**	2008
Management fees	**17,400**	-	**201,200**	-
Commissions	**27,000**	289,400	**120,864**	536,480
Gain on sale of properties, equipments and assets under construction	**-**	-	**-**	541,436
Gain on sale investment in associate	**-**	-	**-**	4,834
Others	**16,520**	102,601	**140,490**	284,929
	60,920	392,001	**462,554**	1,367,679

The management fees represent the Parent Company's fees from the management of Al Makam Tower Real Estate Co. – W.L.L "associate" by amounting KD 5,000 per month, and Dar Al Madina Real Estate Co. – W.L.L "associate" by amounting KD 5,000 per month, the revenue has been recognized after elimination the Parent Company's share in associates pursuant to agreement contract between the Parent Company and these two associates.

16. Earnings per share

The information necessary to calculate the basic earning per share based on the weighted average number of shares outstanding during the year is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	**2009**	2008
Net profit for the period attributable to equity holders of the Parent Company	**2,682,041**	4,745,251	**684,263**	18,603,067
Weighted average number of outstanding shares	**252,960,056**	236,289,253	**253,736,539**	231,561,540
Basic earning per share – fils	**10.60**	20.08	**2.70**	80.34

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume allotment of all dilutive potential ordinary shares. The Parent Company's dilutive potential ordinary shares arise out of share options. A calculation is done to determine the number of shares that could have been acquired at fair value by exercising the rights (determined as the average annual market share price of the Parent Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	**2009**	2008
Net profit for the period attributable to equity holders of the Parent Company	**2,682,041**	4,745,251	**684,263**	18,603,067
Number of outstanding shares:				
Weighted average number of outstanding shares	**252,960,056**	236,289,253	**253,736,539**	231,561,540
Adjustment for share options	**566,987**	4,564,167	**2,474,149**	4,851,259
Diluted weighted average of outstanding share	**253,527,043**	240,853,420	**256,210,688**	236,412,799
Diluted earnings per share - fils	**10.58**	19.70	**2.67**	78.69

According to the requirements of International Accounting Standard 33 "Earnings Per Share" basic and diluted earnings per share for the period of three and nine months ended September 30, 2008 had been restated due to the effect of the bonus shares, as well as right issue for capital increase.

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17. Segment information

The Group has two principal business segments:

- Real estate segment.
- Investments segment.

The main segment information of the Group is as follows:

a - For the period ended September 30, 2009:

	Real estate segment	Investments segment	Unallocated items	Total
Operating revenue	1,506,043	-	-	**1,506,043**
Operating cost	(638,683)	-	-	**(638,683)**
Gross profit	867,360	-	-	**867,360**
Group's share of results from associates	-	4,665,733	-	**4,665,733**
Gain on sale of lands and properties held for trading	3,780,679	-	-	**3,780,679**
Net loss from investments available for sale	-	(509,368)	-	**(509,368)**
Net loss from investments at fair value through income statement	-	(569,119)	-	**(569,119)**
Other income	-	-	462,554	**462,554**
General and administrative expenses	-	-	(962,102)	**(962,102)**
Other expenses	-	-	(103,069)	**(103,069)**
Foreign currency exchange loss	-	-	(1,106,758)	**(1,106,758)**
Finance charges	-	-	(5,838,076)	**(5,838,076)**
Operating profit	4,648,039	3,587,246	(7,547,451)	**687,834**
Assets	95,872,926	81,810,311	20,556,443	**198,239,680**
Liabilities	-	-	133,361,790	**133,361,790**

b - For the period ended September 30, 2008:

	Real estate segment	Investments segment	Unallocated items	Total
Operating revenue	1,345,043	-	-	1,345,043
Operating cost	(685,880)	-	-	(685,880)
Gross profit	659,163	-	-	659,163
Group's share of results from associates	-	193,356	-	193,356
Gain on sale investment in associate	-	1,875,000	-	1,875,000
Group's share from results of joint ventures	-	999,577	-	999,577
Loss from sale of share in joint ventures	-	(38,876)	-	(38,876)
Gain on sale of investment properties	-	221,831	-	221,831
Gain on sale of land and properties held for trading	19,681,389	-	-	19,681,389
Gain from investments available for sale	-	2,393,419	-	2,393,419
Net gain from investments at fair value through income statement	-	143,591	-	143,591
Other income	-	-	1,367,679	1,367,679
General and administrative expenses	-	-	(1,828,254)	(1,828,254)
Other expenses	-	-	(434,440)	(434,440)
Foreign currency exchange gain	-	-	486,377	486,377
Finance charges	-	-	(6,362,685)	(6,362,685)
Operating profit	20,340,552	5,787,898	(6,771,323)	19,357,127
Assets	87,165,060	82,752,395	62,677,998	232,595,453
Liabilities	-	-	155,911,963	155,911,963

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18. Related parties disclosures

In the ordinary course of business, the Group conducts transactions with related parties under the management's approval, the transactions with related parties are presented as follows:

a. **Interim condensed consolidated financial position**	**September 30, 2009**	December 31, 2008 (Audited)	September 30, 2008
Accounts receivable and other debit balances (Note 6)	**4,566,488**	10,181,224	10,996,533
Investments available for sale	**11,792,360**	11,699,106	14,853,286
Investments at fair value through income statement (Note 7)	**611,339**	765,196	1,175,113
Accounts payable and other credit balances (Note 12)	**2,334,603**	1,322,056	2,274,839
Cumulative changes in fair value	**4,204,885**	3,166,065	5,291,239

b. **Interim condensed consolidated statement of income**	Nine months ended September 30, **2009**	2008
(Loss) gain from investments at fair value through income statement	**(564,949)**	278,180
Gain from investments available for sale	**68,937**	1,290,188
Gain on sale investment in associate	**-**	1,875,000

c. **Compensations to key management personnel**	Nine months ended September 30, **2009**	2008
Short - term benefits	**354,330**	375,480
Termination benefits	**19,533**	22,704
Post employment benefits	**13,320**	11,028
	387,183	409,212

The Parent Company has guaranteed credit facilities granted to a related party from local finance establishment with amount of KD 8,618,058 (December 31, 2008 – KD 11,380,000, September 30, 2008 – KD 11,380,000) (Note 19). The related party transactions are subject to approval of shareholders' General Assembly.

19. Contingent liabilities

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Letters of guarantee	**2,881,774**	2,670,462	4,169,660
Guarantee of credit facilities granted to a related party (Note 18)	**8,618,058**	11,380,000	11,380,000
	11,499,832	14,050,462	15,549,660

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20. Capital commitments

	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
Lands and properties held for trading	**20,211,824**	20,026,494	20,017,726
Investments available for sale	**1,619,563**	1,865,250	1,155,258
Investments in associates	**878,500**	1,143,500	826,489
Projects under construction	**-**	-	210,000
	22,709,887	23,035,244	22,209,473

21. Employees' stock plan option

According to the decree of the shareholders General Assembly meeting held on 14 May 2009, the Parent Company's capital has been increased by issuing 10,000,000 shares dedicated to the Group's talented employees for the implementation of employees' stock option plan. The Parent Company is in the process of setting terms of the program identifying the method of issuing the shares and the duration of the program and the assignment terms for the entitled employees (Note 8),

22. Comparative figures

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