

**AL MAZAYA HOLDING COMPANY K.S.C.
AND ITS SUBSIDIARIES**



**INTERIM CONSOLIDATED FINANCIAL
INFORMATION AND INDEPENDENT AUDITORS' REVIEW
REPORT FOR THE PERIOD FROM 1 JANUARY
TO 31 MARCH 2012
(UNAUDITED)**

AL MAZAYA HOLDING COMPANY K.S.C. AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED FINANCIAL INFORMATION AND INDEPENDENT
AUDITORS' REVIEW REPORT (UNAUDITED)
For the period from 1 January to 31 March 2012



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Independent Auditors' Report on Review of Consolidated Interim Financial Information

The Board of Directors

Al Mazaya Holding Company K.S.C. (Closed) and its subsidiaries

Introduction

We have reviewed the accompanying consolidated condensed statement of financial position of Al Mazaya Holding Company K.S.C. (Closed) ("the Parent Company") and its subsidiaries (together referred to as "the Group") at 31 March 2012 and the related consolidated condensed statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended. Management is responsible for the preparation and fair presentation of this consolidated interim financial information in accordance with International Financial Reporting Standard, IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of Review

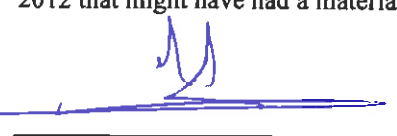
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated interim financial information consists of making inquiries, primarily of persons responsible 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.

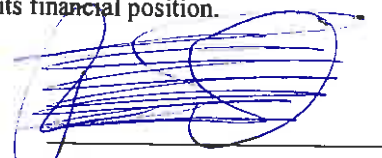
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the consolidated interim financial information is in agreement with the books of account of the Parent Company and to the extent of information made available to us, nothing has come to our attention that causes us to believe that there are contraventions of the Commercial Companies Law of 1960, as amended, or of the Articles of Association of the Parent Company during the three-month period ended 31 March 2012 that might have had a material effect on the business of the Group or on its financial position.


Jassim Ahmad Al-Fahad
License No. 53-A


Ali Owaid Rukheyes
License No.72-A

14 May 2012

CONSOLIDATED CONDENSED STATEMENT OF FINANCIAL POSITION
(UNAUDITED)

At 31 March 2012

	Notes	31 March 2012 KD	(Audited) 31 December 2011 KD	31 March 2011 (Restated) KD
ASSETS				
Current assets				
Cash and cash equivalents	6	20,040,803	23,542,732	16,106,020
Accounts receivable and other debit balances	7	17,654,395	20,576,478	16,806,215
Murabaha receivable		-	-	2,609,309
Properties held for trading		105,705,444	107,372,223	115,341,442
		<u>143,400,642</u>	<u>151,491,433</u>	<u>150,862,986</u>
Non-current assets				
Available for sale investments	8	14,835,475	16,334,617	18,470,588
Investment in associates	9	13,404,973	13,568,654	13,258,399
Investment in joint ventures		3,448,831	3,221,917	10,986,750
Investment properties	10	74,452,909	73,856,672	117,182,126
Property and equipment		160,743	129,703	243,658
Goodwill		3,091,732	3,091,732	3,091,732
		<u>109,394,663</u>	<u>110,203,295</u>	<u>163,233,253</u>
Total assets		<u>252,795,305</u>	<u>261,694,728</u>	<u>314,096,239</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Current liabilities				
Accounts payable and other credit balances	11	28,322,955	36,251,242	43,017,187
Advances from customers		78,988,644	80,451,988	78,566,137
Bank overdraft		2,875,334	2,971,842	5,175,744
Current portion of long term loan		4,500,000	4,500,000	4,500,000
Wakala and Murabaha payables		8,500,000	8,500,000	8,500,000
Deferred consideration on acquisition of properties		3,813,487	3,866,170	29,884,979
		<u>127,000,420</u>	<u>136,541,242</u>	<u>169,644,047</u>
Non current liabilities				
Term loan		38,000,000	38,000,000	36,000,000
Provision for end of service indemnity		296,135	286,890	266,992
		<u>38,296,135</u>	<u>38,286,890</u>	<u>36,266,992</u>
Total liabilities		<u>165,296,555</u>	<u>174,828,132</u>	<u>205,911,039</u>
Equity				
Share capital		64,931,977	64,931,977	64,931,977
Share premium		79,760,732	79,760,732	79,760,732
Other reserves	12	15,989,497	15,989,497	15,989,497
Fair value reserve		249,355	327,700	(485,685)
Foreign currency translation reserve		218,875	463,648	557,183
Accumulated losses		(57,154,904)	(58,105,339)	(43,231,061)
		<u>103,995,532</u>	<u>103,368,215</u>	<u>117,522,643</u>
Treasury shares	13	(21,788,181)	(21,788,181)	(18,113,786)
Equity attributable to shareholders of the Parent Company		<u>82,207,351</u>	<u>81,580,034</u>	<u>99,408,857</u>
Non-controlling interests		5,291,399	5,286,562	8,776,343
Total equity		<u>87,498,750</u>	<u>86,866,596</u>	<u>108,185,200</u>
Total liabilities and equity		<u>252,795,305</u>	<u>261,694,728</u>	<u>314,096,239</u>

The accompanying notes set out on pages 7 to 14 form an integral part of this interim consolidated financial information.

Rasheed Y. Al-Nafisi – Chairman

CONSOLIDATED CONDENSED STATEMENT OF INCOME
 (UNAUDITED)

For the period from 1 January to 31 March 2012

	Notes	31 March 2012 KD	31 March 2011 KD
INCOME			
Revenue from sale of properties held for trading		6,745,997	-
Rental income		580,735	322,005
Management fees, commission and consultancy income		178,172	579,357
		<u>7,504,904</u>	<u>901,362</u>
Cost of sale of properties held for trading		(4,745,673)	-
Direct operating expenses on investment properties		(233,593)	(170,072)
Cost of management fees and consultancy services		(43,819)	(31,035)
		<u>(5,023,085)</u>	<u>(201,107)</u>
Gross profit		<u>2,481,819</u>	<u>700,255</u>
Marketing expenses		(29,792)	(30,100)
Group's share of results from associates	9	7,574	(5,404)
Group's share of results from joint ventures		215,184	(14,667)
Operating profit		<u>2,674,785</u>	<u>650,084</u>
General and administrative expenses		(614,455)	(584,977)
Professional services fees		(74,481)	(157,073)
Depreciation		(27,549)	(77,595)
Foreign currency exchange differences		(31,816)	164,801
Net investment loss	14	(32,154)	(48,166)
Interest income		40,221	65,000
Other expenses		(82,136)	(21,441)
Finance cost		(851,876)	(918,732)
		<u>(1,674,246)</u>	<u>(1,578,183)</u>
Profit/ (loss) for the period before contribution to Kuwait Foundation for Advancement of Sciences ("KFAS"), National Labor Support Tax ("NLST") and Zakat		<u>1,000,539</u>	<u>(928,099)</u>
Contribution to KFAS		(10,005)	-
NLST		(25,013)	-
Zakat		(10,005)	-
Profit / (loss) for the period		<u>955,516</u>	<u>(928,099)</u>
Attributable to:			
Equity holders of the Parent Company		<u>950,435</u>	<u>(967,940)</u>
Non-controlling interests		5,081	39,841
Profit / (loss) for the period		<u>955,516</u>	<u>(928,099)</u>
Earnings / (loss) per share attributable to equity holders of the Parent Company	15	<u>1.63</u>	<u>(1.67)</u>

The accompanying notes set out on pages 7 to 14 form an integral part of this interim consolidated financial information.

CONSOLIDATED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
 (UNAUDITED)

For the period from 1 January to 31 March 2012

	31 March 2012	31 March 2011 (Restated)
	KD	KD
Profit / (loss) for the period	955,516	(928,099)
Other comprehensive income:		
Foreign currency translation adjustments	(244,773)	(424,242)
Change in fair value of available for sale investments	(78,589)	(492,648)
Other comprehensive loss for the period	(323,362)	(916,890)
Total comprehensive income / (loss) for the period	<u>632,154</u>	<u>(1,844,989)</u>
Attributable to:		
Equity holders of the Parent Company	627,317	(1,675,497)
Non-controlling interests	4,837	(169,492)
	<u>632,154</u>	<u>(1,844,989)</u>

The accompanying notes set out on pages 7 to 14 form an integral part of this interim consolidated financial information.

CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)

For the period from 1 January to 31 March 2012

	Share capital KD	Share premium KD	Other reserves KD	Fair value reserve KD	Foreign currency translation reserve KD	Accumulated losses KD	Treasury shares KD	Attributable to equity holders of the Parent Company KD	Non-controlling interests KD	Total equity KD
Balance as at 1 January 2011	49,947,675	75,714,971	15,989,497	(202,370)	981,425	(11,320,941)	(18,113,786)	112,996,471	7,926,429	120,922,900
Effect of restatement (note 5)	-	-	-	-	-	(30,942,180)	-	(30,942,180)	-	(30,942,180)
Balance as at 1 January 2011 as restated	49,947,675	75,714,971	15,989,497	(202,370)	981,425	(42,263,121)	(18,113,786)	82,054,291	7,926,429	89,980,720
Issuance of share capital	14,984,302	4,045,761	-	-	-	-	-	19,030,063	-	19,030,063
Net movement in non-controlling interests	-	-	-	-	-	-	-	-	1,019,406	1,019,406
Total comprehensive loss for the period	-	-	-	(283,315)	(424,242)	(967,940)	-	(1,675,497)	(169,492)	(1,844,989)
Balance as at 31 March 2011	<u>64,931,977</u>	<u>79,760,732</u>	<u>15,989,497</u>	<u>(485,685)</u>	<u>557,183</u>	<u>(43,231,061)</u>	<u>(18,113,786)</u>	<u>99,408,857</u>	<u>8,776,343</u>	<u>108,185,200</u>
Balance as at 1 January 2012	64,931,977	79,760,732	15,989,497	327,700	463,648	(58,105,339)	(21,788,181)	81,580,034	5,286,562	86,866,596
Total comprehensive (loss)/ income for the period	-	-	-	(78,345)	(244,773)	950,435	-	627,317	4,837	632,154
Balance as at 31 March 2012	<u>64,931,977</u>	<u>79,760,732</u>	<u>15,989,497</u>	<u>249,355</u>	<u>218,875</u>	<u>(57,154,904)</u>	<u>(21,788,181)</u>	<u>82,207,351</u>	<u>5,291,399</u>	<u>87,498,750</u>

The accompanying notes set out on pages 7 to 14 form an integral part of this interim consolidated financial information.

AL MAZAYA HOLDING COMPANY K.S.C. AND ITS SUBSIDIARIES
**CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
(UNAUDITED)**

For the period from 1 January to 31 March 2012

	Notes	Three-month period ended	
		31 March 2012	31 March 2011
		KD	KD
OPERATING ACTIVITIES			
Profit / (loss) for the period		955,516	(928,099)
Adjustments for:			
Realized gain on disposal of available for sale investments	14	(33,205)	(21,315)
Impairment losses on available for sale investments	14	53,162	74,981
Group's share of results from associates	9	(7,574)	5,404
Group's share of results from joint ventures		(215,184)	14,667
Depreciation		27,549	77,595
Foreign currency exchange differences		31,816	(164,801)
Interest income		(40,221)	(65,000)
Finance cost		851,876	918,732
		<u>1,623,735</u>	<u>(87,836)</u>
Movements in working capital			
Accounts receivable and other debit balances	7	2,922,083	(6,956,030)
Properties held for trading		1,701,569	(1,831,227)
Accounts payable and other credit balances	11	(8,118,282)	1,592,563
Advances from customers		(1,463,344)	-
Deferred consideration on acquisition of properties		-	(185,052)
End of service indemnity		9,245	-
Net cash used in operating activities		<u>(3,324,994)</u>	<u>(7,467,582)</u>
INVESTING ACTIVITIES			
Decrease in restricted cash	6	1,288,699	254,831
Purchase of available for sale investments		(1,909,973)	(503,423)
Purchase of investment properties	10	(603,500)	-
Proceeds from disposal of available for sale investments		3,303,290	97,262
Interest income received		40,221	65,000
Dividends received		-	5,500
Purchase of property and equipment		(58,589)	(8,588)
Net cash generated by / (used in) investing activities		<u>2,060,148</u>	<u>(89,418)</u>
FINANCING ACTIVITIES			
Bank overdraft		(96,508)	204,624
Term loan		-	(1,500,000)
Issuance of share capital		-	4,729,266
Finance cost paid		(851,876)	-
Net cash (used in) / generated by financing activities		<u>(948,384)</u>	<u>3,433,890</u>
Net decrease in cash and cash equivalents		<u>(2,213,230)</u>	<u>(4,123,110)</u>
Cash and cash equivalents at the beginning of the period		14,928,314	8,484,245
Cash and cash equivalents at the end of the period	6	<u>12,715,084</u>	<u>4,361,135</u>

The accompanying notes set out on pages 7 to 14 form an integral part of this interim consolidated financial information.

AL MAZAYA HOLDING COMPANY K.S.C. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the period from 1 January to 31 March 2012

1. FORMATION AND PRINCIPAL ACTIVITIES

Al Mazaya Holding Company - K.S.C. (Holding) was incorporated on 7 November 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, Fahed Al Salem Street, P.O. Box 3546, Safat 13036, Kuwait.

This interim consolidated financial information was approved for issue by the Board of Directors on 14 May 2012.

The interim consolidated financial information include the financial information of Al Mazaya Holding Company K.S.C. ("the Parent Company") and the following subsidiaries (together referred to as "the Group"):

Subsidiaries	Country of incorporation	Percentage of ownership (%)		
		31 March 2012	(Audited) 31 December 2011	31 March 2011
Al Mazaya Real Estate Development Company – K.S.C. (Closed)	Kuwait	100	100	100
Al Mazaya Real Estate FZ/LLC	U.A.E	100	100	100
Al Dana Real Estate Limited	U.A.E	100	100	100
Al Rayhan Real Estate Limited	U.A.E	100	100	100
Advantage General Trading Co. W.L.L.	U.A.E	100	100	100
Spectrum FZ / LLC	U.A.E	100	100	100
Mazaya Investments (DIFC) Limited	U.A.E	-	-	100
Al Mazaya Al Khalijia General Trading and Contracting – Khalid S. Esbaitah and Partners – W.L.L.	Kuwait	100	100	100
Al Mazaya Arabian Real Estate Company, Khalid S. Esbaitah and Partners W.L.L.	Kuwait	100	100	100
Al Mazaya International Projects Management Company, Khalid S. Esbaitah and Partners W.L.L.	Kuwait	100	100	100
Mazaya Lebanon Company - S.A.L.				
(Holding) and its subsidiary:	Lebanon	100	100	100
Mazaya Lamartien – S.A.L.	Lebanon	100	100	100
Seven Zones Real Estate Company K.S.C. (Closed)	Kuwait	100	100	100
First Dubai Real Estate Development Company - K.S.C. (Closed)	Kuwait	92.23	92.23	92.23
Future International Project Management – W.L.L.	Kuwait	85	85	85
Waterfront Real Estate Company K.S.C. (Closed)	Kuwait	86.43	86.43	86.43
Mezzan Combined For General Trading - W.L.L. Company	Kuwait	100	100	100
United Circle General Contracting and Building Company W.L.L.	Kuwait	92.23	92.23	92.23

2. BASIS OF PREPARATION

This interim consolidated financial information has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting". This interim consolidated financial information does not contain all information and disclosures required for complete set of financial statements prepared in accordance with the International Financial Reporting Standards.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. Operating results for the three-month period are not necessarily indicative of the results that may be expected for the year ending 31 December 2012. For further information, refer to the annual audited financial statements included in the Group's annual report for the year ended 31 December 2011.

INTERIM CONSOLIDATED FINANCIAL INFORMATION
(UNAUDITED)

For the period from 1 January to 31 March 2012

2. BASIS OF PREPARATION

This interim consolidated financial information has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting". This interim consolidated financial information does not contain all information and disclosures required for complete set of financial statements prepared in accordance with the International Financial Reporting Standards.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. Operating results for the three-month period are not necessarily indicative of the results that may be expected for the year ending 31 December 2012. For further information, refer to the annual audited financial statements included in the Group's annual report for the year ended 31 December 2011.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of this interim consolidated financial information are consistent with those used in the most recent annual audited financial statements for the year ended 31 December 2011.

4. JUDGEMENTS AND ESTIMATES

The preparation of interim consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the most recent annual audited financial statements for the year ended 31 December 2011.

5. RESTATEMENT

During 2011, Group's management discovered that the method of calculating the income based on percentage of completion method from certain properties under development, classified as held for trading, was incorrect. This was based on certain items specified in the contracts for the sale of these properties and laws governing real estate in the jurisdiction where the Group builds and sells these properties. These regulations indicate that the transfer of risks and rewards associated with ownership of properties will not happen until project completion.

Consequently, the Group reassessed the revenues recognised based on percentage of completion method instead of completed contract basis for the years 2008 to 2010 in compliance with IAS 18, in order to make the revenue recognition consistent with the transfer of risk and rewards to the buyer. The comparative figures in these financial statements have been restated as follows:

	31 March 2011 (restated)	31 March 2011 (as reported previously)
	KD	KD
Consolidated condensed statement of financial position		
Properties held for trading	115,341,442	140,911,357
Investment in joint ventures	10,986,750	11,458,151
Advances from customers	78,566,137	70,956,767
Accumulated losses	(43,231,061)	(9,577,751)
Equity attributable to shareholders of the Parent Company	99,408,857	133,059,542

The restatement did not have any impact on the profit or earnings per share reported during the period ended 31 March 2011.

AL MAZAYA HOLDING COMPANY K.S.C. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the period from 1 January to 31 March 2012

6. CASH AND CASH EQUIVALENTS

	31 March 2012	(Audited) 31 December 2011	31 March 2011
	KD	KD	KD
Cash on hand and at banks	7,027,727	16,652,549	14,543,157
Short term bank deposits	11,930,192	5,476,413	1,503,272
Cash in investment portfolios	1,082,884	1,413,770	59,591
	20,040,803	23,542,732	16,106,020
Restricted bank balances	(7,325,719)	(8,614,418)	(11,744,885)
Cash and cash equivalents	12,715,084	14,928,314	4,361,135

The average effective interest rate on short term bank deposits was 1.25% (31 December 2011: 1.4% and 31 March 2011: 1.75%) per annum. These deposits have an average maturity of 78 days (31 December 2011: 66 days and 31 March 2011: 51 days).

7. ACCOUNTS RECEIVABLE AND OTHE DEBIT BALANCES

	31 March 2012	(Audited) 31 December 2011	31 March 2011
	KD	KD	KD
Trade receivables	20,735,934	23,080,193	8,256,247
Advance payments	1,209,871	1,188,496	2,969,589
Advance for investments	975,827	975,827	-
Due from related parties	4,102,596	4,796,836	4,157,825
Staff receivables	22,253	8,410	13,857
Other receivables	739,424	976,393	2,368,151
	27,785,905	31,026,155	17,765,669
Allowance for doubtful debts	(10,131,510)	(10,449,677)	(959,454)
	17,654,395	20,576,478	16,806,215

8. AVAILABLE FOR SALE INVESTMENTS

	31 March 2012	(Audited) 31 December 2011	31 March 2011
	KD	KD	KD
Quoted:			
Equity securities	2,050,961	1,980,122	2,352,928
Unquoted:			
Equity securities	4,580,180	4,580,179	4,419,702
Funds & Portfolios	8,204,334	9,774,316	11,697,958
	14,835,475	16,334,617	18,470,588

Available for sale investments with a fair value of KD 3,418,862 (31 December 2011: KD 3,398,445, 31 March 2011: 13,340,787) are pledged against term loans.

Available for sale investments amounting to KD 702,883 (31 December 2011: 702,883, 31 March 2011: KD Nil) are carried at cost since the fair value could not be reliably determined.

Impairment loss on available for sale investments of KD 53,162 (31 December 2011: KD 455,904, 31 March 2011: KD 74,981) has been recognized in the consolidated condensed statement of income.

AL MAZAYA HOLDING COMPANY K.S.C. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the period from 1 January to 31 March 2012

9. INVESTMENT IN ASSOCIATES

Summarised financial information in respect of the Group's associates is set out below:

Group's share of associates' statement of financial position:	31 March	(Audited) 31 December	31 March
	2012	2011	2011
	KD	KD	KD
Total assets	131,394,649	136,528,866	142,165,063
Total liabilities	(8,621,467)	(11,605,986)	(13,024,367)
Net assets	122,773,182	124,922,880	129,140,696
Group's share of net assets	13,404,973	13,568,654	13,258,399

The associates' statement of income is summarised as follows:

	Three-month period ended	
	31 March 2012	31 March 2011
	KD	KD
Total revenue	1,329,618	(313,489)
Total profit / (loss) for the period	539,177	(720,588)
Group's share of results from associates	7,574	(5,404)

10. INVESTMENT PROPERTIES

	31 March	(Audited) 31 December	31 March
	2012	2011	2011
	KD	KD	KD
Balance at the beginning of the period/year	73,856,672	116,921,489	116,921,489
Additions	603,500	-	-
Transferred from properties held for trading	-	801,770	278,582
Adjustments	-	(32,538,709)	-
Changes in fair value	-	(11,239,341)	-
Foreign currency translation adjustments	(7,263)	(88,537)	(17,945)
Balance at the end of the period/year	74,452,909	73,856,672	117,182,126

11. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES

	31 March	(Audited) 31 December	31 March
	2012	2011	2011
	KD	KD	KD
Trade payables	15,371,023	17,863,481	25,426,672
Amounts due to related parties	4,874,618	6,365,991	8,183,744
Retentions payable	4,401,546	7,577,199	5,283,750
Accrued development costs	2,227,813	2,255,185	2,820,064
Dividends payable	196,728	656,214	722,064
Other payables and accrued expenses	1,251,227	1,533,172	580,893
	28,322,955	36,251,242	43,017,187

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12. OTHER RESERVES

	Statutory reserve	Voluntary reserve	Effect of changes in subsidiary's equity	Effect of changes in subsidiary's treasury shares	Total
	KD	KD	KD	KD	KD
Balance as at 31 March 2012	<u>9,646,725</u>	<u>6,711,805</u>	<u>88,612</u>	<u>(457,645)</u>	<u>15,989,497</u>
Balance as at 31 December 2011	<u>9,646,725</u>	<u>6,711,805</u>	<u>88,612</u>	<u>(457,645)</u>	<u>15,989,497</u>
Balance as at 31 March 2011	<u>9,646,725</u>	<u>6,711,805</u>	<u>88,612</u>	<u>(457,645)</u>	<u>15,989,497</u>

13. TREASURY SHARES

	31 March 2012	(Audited) 31 December 2011	31 March 2011
Number of shares (shares)	64,802,113	64,802,113	35,869,869
Percentage of issued shares (%)	9.98	9.98	5.52
Market value (Kuwaiti Dinars)	5,119,367	4,017,731	3,658,727
Cost (Kuwaiti Dinars)	21,788,181	21,788,181	18,113,786

14. NET INVESTMENT LOSS

	Three-month period ended 31 March	
	2012	2011
	KD	KD
Realized gain on disposal of available for sale investments	33,205	21,315
Impairment losses on available for sale investments	(53,162)	(74,981)
Dividend income	-	5,500
Portfolio management fees	(12,197)	-
	<u>(32,154)</u>	<u>(48,166)</u>

15. EARNINGS/ (LOSS) PER SHARE

	Three-month period ended 31 March	
	2012	2011
	KD	KD
Profit / (loss) for the period attributable to equity holders of the Parent Company	<u>950,435</u>	<u>(967,940)</u>
	Shares	Shares
Weighted average number of issued and fully paid-up shares	649,319,770	616,096,355
Less: weighted average number of treasury shares	(64,802,113)	(35,869,869)
Weighted average number of shares outstanding	<u>584,517,657</u>	<u>580,226,486</u>
Earnings / (loss) per share attributable to equity holders of the Parent Company -Fils	<u>1.63</u>	<u>(1.67)</u>

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16. 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.

	Three-month period ended 31 March 2012					Three-month period ended 31 March 2011				
	Kuwait	UAE	KSA	Others	Total	Kuwait	UAE	KSA	Others	Total
	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD
Segment income	(3,150)	2,508,241	67,867	101,827	2,674,785	(34,778)	554,906	65,277	64,679	650,084
Segment (loss) / profit	(1,337,902)	2,119,643	67,867	101,827	951,435	(1,305,528)	245,487	65,277	66,665	(928,099)
At 31 March 2012										
Kuwait										
KD										
Total segment assets	69,346,323				163,183,953		7,494,000		12,771,029	252,795,305
Total segment liabilities	70,535,652				94,758,384		-		2,519	165,296,555
At 30 December 2011										
Kuwait										
KD										
Total segment assets	75,164,379				166,936,240		7,493,999		12,100,110	261,694,728
Total segment liabilities	71,904,178				102,921,435		-		2,519	174,828,132
At 31 March 2011										
Kuwait										
KD										
Total segment assets	72,298,035				215,042,720		6,364,996		20,390,488	314,096,239
Total segment liabilities	89,852,076				116,057,625		-		1,338	205,911,039

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17. RELATED PARTY BALANCES AND TRANSACTIONS

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	Other related parties	31 March 2012	(Audited) 31 December 2011	31 March 2011
	KD	KD	KD	KD	KD
a) Balances included in the consolidated condensed statement of financial position:					
Cash and cash equivalents	31,514	-	31,514	375,523	370
Accounts receivable and other debit balances	865,122	3,237,474	4,102,596	4,796,836	4,157,825
Accounts payable and other credit balances	385,151	4,489,467	4,874,618	6,365,991	8,183,744
b) Transactions included in the consolidated condensed statement of income:					
Management fees, commission and consultancy income					
Rental income					
c) Key management compensation:					
Salaries and other short term benefits					
Terminal benefits					

Three-month period ended	
31 March	31 March
2012	2011
KD	KD

51,364	70,083
66,435	-
81,764	58,064
14,956	3,498
96,720	61,562

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18. CAPITAL COMMITMENTS

	31 March 2012	(Audited) 31 December 2011	31 March 2011
	KD	KD	KD
Letters of guarantee	-	-	-
Capital commitments	24,685,466	27,650,062	33,815,384
	<u>24,685,466</u>	<u>27,650,062</u>	<u>33,815,384</u>

19. GENERAL ASSEMBLY

At the date of issuance of this interim consolidated financial information, the Shareholders' Annual General Meeting (AGM) for the year ended 31 December 2011 had not been held. Changes to this interim consolidated financial information could be required in the instance of amendment required by the AGM to the consolidated financial statement of the Group for the year ended 31 December 2011.