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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
ACICO Industries Co. - K.S.C. (Closed)
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of ACICO Industries Co. - K.S.C. (Closed) (the parent company) and subsidiaries (the group) as of September 30, 2010 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine months period then ended. Management is responsible for the preparation and presentation of this interim consolidated financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on other Legal and Regulatory Requirements

Furthermore, the interim consolidated financial information is in agreement with the books of account of the Parent Company and to the best of our knowledge and belief, there were no contraventions during the period ended September 30, 2010 of either the Commercial Companies Law or the parent Company's Articles of Association, which might have materially affected the Group's financial position or results of its operations.

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State of Kuwait
November 11, 2010

ACICO INDUSTRIES CO. - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF SEPTEMBER 30, 2010
(All amounts are in Kuwaiti Dinars)

ASSETS	Note	September 30, 2010	December 31, 2009 (Audited)	September 30, 2009
Cash and cash equivalents	3	4,037,171	3,769,551	1,806,911
Accounts receivable and other debit balances		6,514,083	6,752,522	8,640,120
Gross amount due from customers for contract work		24,728	157,501	1,626,466
Due from related parties	4	6,591,881	6,183,143	4,166,508
Inventories		6,231,689	5,356,544	6,050,592
Lands under development		-	164,420	164,420
Investments available for sale		2,882,674	2,842,674	3,035,520
Investment in associates	5	13,361,150	13,366,597	15,205,538
Investment properties	6	159,986,680	142,539,795	139,028,838
Right of utilization of leasehold		649,256	723,065	737,428
Fixed assets		34,482,465	32,029,476	28,851,674
Goodwill		2,000,000	2,000,000	2,250,506
Total assets		236,761,777	215,885,288	211,564,521
LIABILITIES AND EQUITY				
Liabilities:				
Loans and due to banks	7	133,357,554	117,115,998	108,321,369
Accounts payable and other credit balances	8	9,002,896	11,654,366	11,832,811
Gross amount due to customers for contract work		1,406,345	326,208	-
Due to related parties	4	6,449,439	4,028,029	10,824,009
Dividends payable to shareholders		1,339,052	807,356	831,955
Provision for end of service indemnity		1,032,971	1,007,312	999,868
Total liabilities		152,588,257	134,939,269	132,810,012
Equity:				
Share capital	9	22,565,830	21,491,268	21,491,268
Share premium		24,426,446	24,426,446	24,426,446
Statutory reserve		8,076,099	8,076,099	7,683,349
Treasury shares	10	(432,774)	(432,774)	(432,774)
Treasury shares reserve		2,589,875	2,589,875	2,589,875
Cumulative changes in fair value		(71,143)	(71,143)	(71,143)
Foreign currency translation adjustments		(140,846)	(105,351)	(2,384,219)
Effect of change in equity of an associate		(400,953)	(398,797)	(259,149)
Retained earnings		23,374,692	21,090,037	23,523,118
Total equity attributable to parent company's shareholders		79,987,226	76,665,660	76,566,771
Non-controlling interests		4,186,294	4,280,359	2,187,738
Total equity		84,173,520	80,946,019	78,754,509
Total liabilities and equity		236,761,777	215,885,288	211,564,521

The accompanying notes (1) to (16) form an integral part of the interim consolidated financial information

Ghassan Al – Khaled
Vice Chairman