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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 March 31, 2011 and the related interim condensed consolidated 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 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 March 31, 2011 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.

Abdul Rahman Al-Qaoud & Partners
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Dr. Shuaib A. Shuaib
RSM Albazie & Co.
Licence No. 33-A

State of Kuwait
May 12, 2011

ACICO INDUSTRIES CO. - K.S.C. (CLOSED) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF MARCH 31, 2011
(All amounts are in Kuwaiti Dinars)

ASSETS	Note	March 31, 2011	December 31, 2010 (Audited)	March 31, 2010
Cash and cash equivalents		**2,716,662**	2,437,639	7,651,388
Accounts receivable and other debit balances		**7,763,636**	8,591,743	6,086,318
Gross amount due from customers for contract work		**132,921**	33,978	212,034
Due from related parties	3	**5,736,069**	4,564,661	6,943,388
Inventories		**5,451,268**	5,993,340	5,382,611
Lands under development		**-**	-	164,420
Investments available for sale		**2,551,862**	2,551,862	2,842,674
Investment in associates		**12,985,245**	13,039,429	13,379,436
Investment properties		**170,054,549**	169,914,248	152,365,493
Right of utilization of leasehold		**574,455**	588,819	708,700
Fixed assets		**31,520,756**	31,781,630	31,761,297
Goodwill		**1,500,000**	1,500,000	2,000,000
Total assets		**240,987,423**	240,997,349	229,497,759
LIABILITIES AND EQUITY				
Liabilities:				
Loans and due to banks	4	**138,929,525**	137,304,185	128,941,667
Accounts payable and other credit balances		**11,487,956**	11,720,482	9,127,034
Gross amount due to customers for contract work		**1,235,207**	1,625,447	825,403
Due to related parties	3	**4,107,133**	5,822,112	5,008,665
Dividends payable to shareholders		**1,327,015**	1,338,860	607,147
Provision for end of service indemnity		**1,029,112**	990,276	1,035,694
Total liabilities		**158,115,948**	158,801,362	145,545,610
Equity:				
Share capital		**22,565,831**	22,565,831	21,491,268
Share premium		**24,426,446**	24,426,446	24,426,446
Statutory reserve		**8,468,516**	8,468,516	8,076,099
Treasury shares	5	**(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		**(566,923)**	(504,215)	(71,183)
Effect of change in equity of an associate		**(289,530)**	(289,530)	(398,797)
Retained earnings		**21,980,433**	21,267,405	23,899,019
Total equity attributable to parent company's shareholders		**78,670,731**	78,020,411	79,508,810
Non controlling interests		**4,200,744**	4,175,576	4,443,339
Total equity		**82,871,475**	82,195,987	83,952,149
Total liabilities and equity		**240,987,423**	240,997,349	229,497,759

The accompanying notes (1) to (9) form an integral part of the interim consolidated financial information

Ghassan Al - Khaled
Vice Chairman