Kuwait Commercial Markets Complex Company – KSC
And its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information
For the six months ended 30 June 2011
With Review Report
(Unaudited)

Kuwait Commercial Markets Complex Company – KSC
And its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information
For the six months ended 30 June 2011
(Unaudited)

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Kuwait Commercial Markets Complex Company – KSC
State of Kuwait

Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Commercial Markets Complex Company – KSC (the Parent Company) and its subsidiaries, (together referred to as "the Group") as of 30 June 2011 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No. 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

Except as explained in the following paragraph, 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.

Basis for Qualified Conclusion

As disclosed in note (6) to this interim condensed consolidated financial information, the information relating to the net realizable values of land and real estate held for trading was not available at the date of the interim condensed consolidated financial information. Had we obtain such information, matters might have come to our attention indicating that adjustments might be necessary to the interim condensed consolidated financial information.

Qualified conclusion

Except for the adjustments to the interim condensed consolidated financial information, that we might have become aware of had it not been the situation described in the Basis for Qualified Conclusion above, 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".

Deloitte.

RSM Albazie & Co.
Public Accountants

Kuwait Commercial Markets Complex Company – KSC
State of Kuwait

Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors (Continued)

Report on Review of Other Legal and Regulatory Requirements

Furthermore, 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, we have not become aware of any violations of the Commercial Companies Law of 1960, as amended, or of the Parent Company's Articles of Association during the six-month period ended 30 June 2011 that might have had a material effect on the business of the Group or on its consolidated financial position.

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Kuwait
13 September 2011

Kuwait Commercial Markets Complex Company – KSC
And its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Statement of Financial Position as of 30 June 2011
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Note	30 June 2011	31 December 2010 (Audited)	30 June 2010
Assets				
Non-current assets				
Property, equipment and assets under construction		983,119	1,090,840	1,196,755
Goodwill		163,391	163,391	163,391
Investment in unconsolidated subsidiaries		42,764	42,764	440,910
Investment in associates	3	12,204,592	20,753,311	22,884,470
Joint ventures		1,814,528	1,814,528	1,914,198
Investment properties	4	29,227,912	24,394,916	21,280,803
Investments available for sale	5	31,775,307	32,732,281	33,483,589
		76,211,613	80,992,031	81,364,116
Current assets				
Land and real estate held for trading	6	96,588,248	96,883,026	96,050,756
Trade and other receivables	7	9,641,945	13,241,431	17,531,176
Investments at fair value through profit or loss		2,467,038	3,018,123	2,588,742
Cash and cash equivalents		2,444,344	2,751,643	2,762,756
		111,141,575	115,894,223	118,933,430
Total assets		187,353,188	196,886,254	200,297,546
Equity and liabilities				
Equity				
Equity attributable to shareholders of the Parent Company:				
Share capital		26,633,240	26,633,240	26,633,240
Share premium		15,676,534	15,676,534	15,676,534
Treasury shares	8	(3,686,680)	(3,686,680)	(3,686,680)
Treasury shares reserve		923,011	923,011	923,011
Statutory reserve		3,980,397	3,980,397	3,980,397
Voluntary reserve		3,980,397	3,980,397	3,980,397
Foreign currency translation reserve		355,992	699,412	1,287,922
Change in fair value reserve		433,425	728,400	1,044,724
(Accumulated losses)/ retained earnings		(1,155,739)	1,570,552	3,674,655
		47,140,577	50,505,263	53,514,200
Non-controlling interest		1,418,717	1,435,115	1,495,030
		48,559,294	51,940,378	55,009,230
Non-current liabilities				
Sukuk		-	-	8,638,155
Credit facilities – non-current portion	9	55,856,954	66,982,473	55,713,330
Employee's end of service indemnity		379,098	364,606	348,226
		56,236,052	67,347,079	64,699,711
Current liabilities				
Sukuk		6,155,962	6,258,181	-
Credit facilities – current portion	9	61,589,039	51,848,602	65,807,308
Trade and other payables	10	14,812,841	19,492,014	14,781,297
		82,557,842	77,598,797	80,588,605
Total liabilities		138,793,894	144,945,876	145,288,316
Total equity and liabilities		187,353,188	196,886,254	200,297,546

The accompanying notes form an integral part of the interim condensed consolidated financial information

Tawfiq Ahmed Al Jarrah
Chairman & Managing Director

Ali Mohammed Al-Kuliab
Vice Chairman

Kuwait Commercial Markets Complex Company – KSC
And its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Statement of Income for the six months ended 30 June 2011
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 30 June		Six months ended 30 June	
		2011	2010	2011	2010
Operating revenues		437,413	499,568	934,279	1,004,269
Operating costs		(213,722)	(176,445)	(418,110)	(460,909)
Gross profit		223,691	323,123	516,169	543,360
Group's share from associates' results	3	-	(18,312)	(86,542)	149,273
Impairment in associates	3	(1,364,671)	-	(1,364,671)	-
Net gain on sale of land and real estate held for trading		1,719,015	324,488	1,697,015	324,488
Net investment losses	11	(53,856)	(354,992)	(313,557)	(123,995)
Other income		46,239	39,803	74,692	114,439
General and administrative expenses		(250,710)	(340,784)	(551,954)	(592,748)
Other expenses		(26,953)	(24,408)	(47,250)	(35,863)
foreign exchange differences		295,616	(278,247)	680,042	(543,706)
Finance charges		(1,611,520)	(1,740,280)	(3,346,633)	(3,522,749)
Net loss for the period		(1,023,149)	(2,069,609)	(2,742,689)	(3,687,501)
Attributable to:					
Shareholders of the Parent Company		(1,036,967)	(2,040,431)	(2,726,291)	(3,649,950)
Non-controlling interests		13,818	(29,178)	(16,398)	(37,551)
		(1,023,149)	(2,069,609)	(2,742,689)	(3,687,501)
Losses per share for shareholders of the Parent Company - fils	12	(4.10)	(8.06)	(10.77)	(14.42)

The accompanying notes form an integral part of the interim condensed consolidated financial information

Kuwait Commercial Markets Complex Company – KSC
And its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Statement of Comprehensive Income for the six months ended 30 June 2011
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Three months ended 30 June		Six months ended 30 June	
	2011	**2010**	**2011**	**2010**
Net loss for the period	(1,023,149)	(2,069,609)	(2,742,689)	(3,687,501)
Other comprehensive income:				
Foreign currency translation reserve	(156,063)	147,424	(343,420)	253,264
Change in fair value reserve	(7,108)	(1,321,835)	(294,975)	(2,231,085)
Other comprehensive losses for the period	(163,171)	(1,174,411)	(638,395)	(1,977,821)
Total comprehensive losses for the period	(1,186,320)	(3,244,020)	(3,381,084)	(5,665,322)
Attributable to:				
Shareholders of the Parent Company	(1,200,138)	(3,214,842)	(3,364,686)	(5,627,771)
Non-controlling interests	13,818	(29,178)	(16,398)	(37,551)
Total comprehensive losses for the period	(1,186,320)	(3,244,020)	(3,381,084)	(5,665,322)

The accompanying notes form an integral part of the interim condensed consolidated financial information

nterim Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2011
Unaudited)
All amounts are in Kuwaiti Dinars)

	Equity attributable to the Shareholders of the Parent Company										Non-controlling interest	Total
	Share capital	Share premium	Treasury shares	Treasury shares reserve	Statutory reserve	Voluntary Reserve	Foreign currency translation reserve	Change in fair value reserve	Retained earnings/ (accumulated losses)	Total		
e at 1 January 2010	26,633,240	15,676,534	(3,741,749)	950,644	3,980,397	3,980,397	1,034,658	3,275,809	7,324,605	59,114,535	185,725	59,300,260
treasury shares	-	-	55,069	(27,633)	-	-	-	-	-	27,436	-	27,436
n consolidation of a ary	-	-	-	-	-	-	-	-	-	-	1,346,856	1,346,856
mprehensive income / s) for the period	-	-	-	-	-	-	253,264	(2,231,085)	(3,649,950)	(5,627,771)	(37,551)	(5,665,322)
e at 30 June 2010	26,633,240	15,676,534	(3,686,680)	923,011	3,980,397	3,980,397	1,287,922	1,044,724	3,674,655	53,514,200	1,495,030	55,009,230
e at 1 January 2011	26,633,240	15,676,534	(3,686,680)	923,011	3,980,397	3,980,397	699,412	728,400	1,570,552	50,505,263	1,435,115	51,940,378
mprehensive losses for iod	-	-	-	-	-	-	(343,420)	(294,975)	(2,726,291)	(3,364,686)	(16,398)	(3,381,084)
e at 30 June 2011	26,633,240	15,676,534	(3,686,680)	923,011	3,980,397	3,980,397	355,992	433,425	(1,155,739)	47,140,577	1,418,717	48,559,294

The accompanying notes form an integral part of the interim condensed consolidated financial information

Kuwait Commercial Markets Complex Company – KSC
And its Subsidiaries
State of Kuwait

Interim Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2011
(Unaudited)
(All amounts are in Kuwaiti Dinars)

	Note	Six months ended 30 June	
		2011	2010
Cash flows from operating activities:			
Net loss for the period		(2,742,689)	(3,687,501)
Adjustments for:			
Depreciation		330,791	331,878
Group's share from associates' results		86,542	(149,273)
Net gain on sale of land and real estate held for trading		(1,697,015)	(324,488)
Net investment losses		313,557	123,995
Impairment in associates		1,364,671	-
Finance charges		3,346,633	3,522,749
Provision for end of service indemnity		14,492	13,198
Operating profit/ (losses) before change in operating assets and liabilities		1,016,982	(169,442)
Land and real estate held for trading		272,778	(434,714)
Trade and other receivables		1,078,082	3,813,790
Investments at fair value through profit or loss		(13,518)	(42,900)
Trade and other payables		(5,283,302)	1,106,179
Net cash (used in)/ generated from operating activities		(2,928,978)	4,272,913
Cash flows from investing activities:			
Paid for purchase of property, equipment and assets under-construction		(110)	(14,902)
Cash generated from acquisition of a subsidiary		-	359,891
Cash dividends received from an associate		7,097,506	33,645
Paid for purchase of investment properties		(5,055,956)	(3,042,456)
Paid for purchase of investment available for sale		(224,325)	(46,034)
Proceeds from sale of investments available for sale		899,461	312,400
Cash dividends received		251,900	149,151
Net cash generated from/ (used in) investing activities		2,968,476	(2,248,305)
Cash flows from financing activities:			
Proceeds from sale of treasury shares		-	27,436
Net movement on credit facilities		2,373,768	1,823,819
Finance charges paid		(2,717,416)	(3,862,144)
Cash dividends paid to shareholders		(3,149)	(10,411)
Net cash used in financing activities		(346,797)	(2,021,300)
Net (decrease) / increase in cash and cash equivalents		(307,299)	3,308
Cash and cash equivalents at the beginning of the period		2,751,643	2,759,448
Cash and cash equivalents at the end of the period		2,444,344	2,762,756

The accompanying notes form an integral part of the interim condensed consolidated financial information

Notes to Interim Condensed Consolidated Financial Information for the six months ended 30 June 2011 (Unaudited)
(All amounts are in Kuwaiti Dinars unless otherwise stated)

1. Incorporation of the Parent Company

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

- Ownership, management, renting and leasing of commercial centres such as commercial complexes, supermarkets, industrial and commercial showrooms and any other complementary services such as restaurants, coffee shops and entertainment centres.
- 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 Parent Company may have interests with or join any entities that have similar operations or that may assist the Parent Company in achieving its objectives in or outside the State of Kuwait. The Parent Company may acquire such entities or be affiliated with them.

The Parent Company is listed in Kuwait Stock Exchange and Dubai Financial Market.

The interim condensed consolidated financial information includes the financial information of Kuwait Commercial Markets Complex Company – K.S.C. (the Parent Company) and its subsidiaries (together referred to as "the Group"):

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

On 31 May 2011, the General Assembly Meeting has been held and approved the consolidated financial statements for year ended 31 December 2010 and approved not to distribute dividends.

The interim condensed consolidated financial information has been authorized for issue by the Board of Directors on 13 September 2011.

2. Basis of preparation

The interim condensed consolidated financial information has been prepared in accordance with the International Accounting Standard No. 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 annual financial statements for the year ended 31 December 2010 except for the amendments to standards as noted below which are applicable for the Group from 1 January 2011.

IAS 24 Related party disclosures (Revised)

The amended standard clarified the definition of a related party and laid down additional requirement for disclosure of outstanding commitments to related parties. The adoption of the amendment did not have any impact on the financial position or performance of the Group, but gave rise to additional disclosures in the interim condensed consolidated financial information.

IAS 34 Interim Financial Reporting (Revised)

The amended standard provided clarification about significant events and transactions to be disclosed in the interim financial report and clarifies how to apply this principle in respect of financial instruments and their fair values. The adoption of the amendment did not have any impact on the financial position or performance of the Group.

The interim condensed consolidated financial information does not include all the information and notes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The operating results for the six-months period ended 30 June 2011 are not necessarily indicative of the results that may be expected for the year ending 31 December 2011. For further information, it is possible to refer to the consolidated financial statements and notes thereto for the year ended 31 December 2010.

3. Investments in associates

The movement on the item of investments in associates during the period / year is as follows:

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Balance at the beginning of the period / year	20,753,311	24,941,008	24,941,008
Additions	-	3,300	-
Effect on consolidation of a subsidiary	-	(2,172,166)	-
Group's share from associates' results	(86,542)	(1,925,838)	149,273
Cash dividends received	(7,097,506)	(33,645)	(33,645)
Impairment in associates	(1,364,671)	-	-
Transfer to subsidiaries	-	-	(2,172,166)
Transfer to trade and other receivables	-	(59,348)	-
Balance at the end of the period / year	12,204,592	20,753,311	22,884,470

Investments in associates represent investments in unlisted companies; accordingly their fair values are not available.

The Group's share in associates' results is recorded based on the most recent management accounts prepared by the management of these associates.

4. Investments properties

The movement of investments properties during the period / year was as follows:

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Cost:			
Balance at the beginning of the period / year	29,355,633	14,188,898	14,188,898
Additions	5,055,956	6,428,737	11,829,662
Effect on consolidation of a subsidiary	-	8,737,998	-
Balance at the end of the period / year	34,411,589	29,355,633	26,018,560
Accumulated depreciation:			
Balance at the beginning of the period / year	4,960,717	4,514,797	4,514,797
Depreciation for the period / year	222,960	445,920	222,960
Balance at the end of the period / year	5,183,677	4,960,717	4,737,757
Net book value	29,227,912	24,394,916	21,280,803

Investment properties are classified as follows:

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Leased investment properties	3,207,171	3,430,131	9,628,970
Projects in progress	26,020,741	20,964,785	11,651,833
	29,227,912	24,394,916	21,280,803

This item includes investment properties with net book value of KD 3,207,171 (KD 3,430,132 as of 31 December 2010, KD 3,653,094 as of 30 June 2010) whose revenues are pledged as collateral for Sukuk.

This item includes investment properties with net book value of KD 4,018,379 (KD 3,984,628 as of 31 December 2010, KD 3,853,762 as of 30 June 2010) pledged as collateral for credit facilities (note 9).

Based on the Group's management estimates, the fair value of the leased investment properties has amounted to KD 3,900,270 as of 30 June 2011 (KD 4,123,231 as of 31 December 2010, KD 4,743,104 as of 30 June 2010).

5. Investments available for sale

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

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Balance at the beginning of the period / year	32,732,281	36,052,648	36,052,648
Additions	224,325	251,604	46,034
Disposals	(795,639)	(486,266)	(292,684)
Change in fair value	(282,843)	(2,581,313)	(2,272,409)
Impairment losses (note 11)	(102,817)	(504,392)	(50,000)
Balance at the end of the period / year	31,775,307	32,732,281	33,483,589

This item includes certain quoted shares at fair value amounted to KD 6,666,225 (KD 6,929,366 as of 31 December 2010, KD 7,280,220 as of 30 June 2010) pledged as collateral for Sukuk and credit facilities (note 9).

Unquoted investments available for sale include an amount of KD 864,373 (KD 1,433,853 as of 31 December 2010, KD 1,462,243 as of 30 June 2010) managed by related parties

It was not possible to measure the fair value of unquoted investments as there is no reliable method that could be used to determine their fair value. Accordingly, these investments were stated at their cost less impairment losses.

6. Land and real estate held for trading

6.1 Land and real estate held for trading include an amount of KD 46,184,049 (KD 46,085,824 as of 31 December 2010, KD 44,978,655 as of 30 June 2010) represents land and real estate pledged as collateral for credit facilities (note 9).

6.2 Land and real estate held for trading include an amount of KD 38,286,011 (KD 38,286,011 as of 31 December 2010, KD 38,381,267 as of 30 June 2010) represents land and real estate registered in the name of related parties and there are letters of assignments from them by the ownership of these land and real estate in favour of the Parent Company.

6.3 Land and real estate held for trading include an amount of KD 53,536,445 as of 30 June 2011 are located outside the State of Kuwait in countries currently experiencing political events, which can have a tangible impact on the net realizable values for those land and real estate, because of these events, the necessary information to determine the net realizable values of those land and real estate are not available to the Group's management as of the interim condensed consolidated financial information date as of 30 June 2011.

7. Trade and other receivables

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Trade receivables	2,292,433	5,662,819	6,999,451
Provision for doubtful debts	(717,514)	(730,029)	(715,418)
	1,574,919	4,932,790	6,284,033
Due from related parties (note 14)	5,251,551	5,547,244	6,808,387
Advance payments for purchase of properties	2,333,066	2,343,066	3,863,409
Staff receivables	23,824	23,504	33,810
Refundable deposits	62,080	-	-
Prepaid expenses	376,595	61,083	7,200
Other debit balances	19,910	333,744	534,337
	9,641,945	13,241,431	17,531,176

8. Treasury shares

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Number of shares	13,150,328	13,150,328	13,150,328
Percentage of issued shares (%)	4.94%	4.94%	4.94%
Market value	1,078,327	1,683,242	1,656,941
Cost	3,686,680	3,686,680	3,686,680

9. Credit facilities

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Non-current portion			
Loans	50,742,314	59,940,396	44,435,603
Islamic finance instruments	5,114,640	7,042,077	11,277,727
	55,856,954	66,982,473	55,713,330
Current portion			
Loans	20,323,707	12,898,490	24,788,461
Islamic financial instruments	37,654,305	36,132,940	33,483,216
Revolving loans	-	-	2,000,000
Overdrafts facilities	3,611,027	2,817,172	5,535,631
	61,589,039	51,848,602	65,807,308
Total credit facilities	117,445,993	118,831,075	121,520,638

Certain credit facilities amounted to KD 43,867,648 as of 30 June 2011 (KD 45,396,735 as of 31 December 2010, KD 44,341,810 as of 30 June 2010) are secured by a collateral of certain Parent Company's assets (note 4, 5 & 6).

All credit facilities granted to the Group carry floating interest rates. The average effective interest rate is as follows:

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Loans at variable interest rate	5.72%	5.72%	5.22%
Credit facilities and overdrafts	6.82%	6.82%	7.01%

10. Trade and other payables

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Trade payables	4,050,825	4,400,344	4,675,296
Advance payment from customers	6,786,626	5,196,081	3,506,196
Due to related parties (note 14)	1,083,786	6,968,642	3,560,920
Dividend payable to shareholders	710,099	744,446	752,829
National Labour Support Tax (NLST)	488,061	741,598	678,213
Accrued finance charges	750,333	475,006	573,964
Accrued expenses	228,431	291,152	339,577
Accrued staff leave	218,205	204,354	208,755
Kuwait Foundation for the Advancement of Sciences (KFAS)	191,035	196,964	196,035
Deposits from others	197,584	198,104	193,015
Zakat	64,938	64,938	64,938
Other payables	42,918	10,385	31,559
	14,812,841	19,492,014	14,781,297

11. Net investment losses

11.1 Investments available for sale

	Three months ended 30 June		Six months ended 30 June	
	2011	2010	2011	2010
Cash dividends	95,814	5,175	95,813	9,509
Impairment losses (note 5)	(102,817)	(50,000)	(102,817)	(50,000)
Gain / (loss) from sale	75,736	18,744	115,954	(21,608)
	68,733	(26,081)	108,950	(62,099)

11.2 Investments at fair value through profit or loss

	Three months ended 30 June		Six months ended 30 June	
	2011	2010	2011	2010
Changes in fair value	(271,369)	(461,523)	(564,603)	(199,138)
Gain on sale	-	-	-	4,645
Cash dividends	151,715	136,107	156,088	139,642
Portfolio management fees and commission	(2,935)	(3,495)	(13,992)	(7,045)
	(122,589)	(328,911)	(422,507)	(61,896)
Net investment losses	(53,856)	(354,992)	(313,557)	(123,995)

12. Losses per share for the shareholders of the Parent Company

The necessary information to calculate losses per share attributable to the shareholders of the Parent Company during the period is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2011	2010	2011	2010
Net loss for the period for the shareholders of the Parent Company	(1,036,967)	(2,040,431)	(2,726,291)	(3,649,950)
Weighted average number of outstanding (shares)	253,182,068	253,182,068	253,182,068	253,167,350
Losses per share – (fils)	(4.10)	(8.06)	(10.77)	(14.42)

13. 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 30 June 2011

	Real estate segment	Investments segment	Unallocated Items	Total
Operating revenue	934,279	-	-	934,279
Operating cost	(418,110)	-	-	(418,110)
Gross profit	516,169	-	-	516,169
Group's share of associates' results	-	(86,542)	-	(86,542)
Impairment in associates	-	(1,364,671)	-	(1,364,671)
Gain on sale of land and real estate held for trading	-	1,697,015	-	1,697,015
Net investment losses	-	(313,557)	-	(313,557)
Other income	-	-	74,692	74,692
General and administrative expenses	-	-	(551,954)	(551,954)
Other expenses	-	-	(47,250)	(47,250)
Foreign currency exchange loss	-	-	680,042	680,042
Finance charges	-	-	(3,346,633)	(3,346,633)
Operating profit/ (loss)	516,169	(67,755)	(3,191,103)	(2,742,689)
Assets				187,353,188
Liabilities	-	-	138,793,894	138,793,894

B - For the period ended 30 June 2010

	Real estate segment	Investments segment	Unallocated items	Total
Operating revenue	1,004,269	-	-	1,004,269
Operating cost	(460,909)	-	-	(460,909)
Gross profit	543,360	-	-	543,360
Group's share of associates' results	-	149,273	-	149,273
Gain on sale of land and real estate held for trading	324,488	-	-	324,488
Net investment losses	-	(123,995)	-	(123,995)
Other income	-	-	114,439	114,439
General and administrative expenses	-	-	(592,748)	(592,748)
Other expenses	-	-	(35,863)	(35,863)
Foreign currency exchange loss	-	-	(543,706)	(543,706)
Finance charges	-	-	(3,522,749)	(3,522,749)
Operating profit/ (loss)	867,848	25,278	(4,580,627)	(3,687,501)
Assets	105,679,726	61,311,909	33,305,911	200,297,546
Liabilities	-	-	145,288,316	145,288,316

14. Related parties

In the ordinary course of business, the Group conducts transactions with related parties under the management's approval. The transactions with related parties as well as balances resulted from these transactions are as follows:

a. Interim condensed consolidated statement of financial position

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Trade and other receivables (note 7)	5,251,551	5,547,244	6,808,387
Investments available for sale	7,172,005	7,455,111	7,879,170
Investments at fair value through profit or loss	30,490	13,764	64,263
Trade and other payables (note 10)	1,083,786	6,968,642	3,560,920
Accumulated change in fair value	328,459	445,190	869,249

b. Interim condensed consolidated statement of income

	Six months ended 30 June	
	2011	2010
Losses of investments at fair value through profit or loss	(19,314)	(92,057)

c. Compensations to key management personnel

	Six months ended 30 June	
	2011	2010
Short - term benefits	178,740	174,690
Termination benefits	13,022	12,429
Post employment benefits	6,468	5,910
	198,230	193,029

The Parent Company had guaranteed credit facilities granted to a related party from a local financial institution with an amount of KD 500,000 (KD 8,497,961 as of 31 December 2010, KD 8,497,961 as of 30 June 2010) (note 15). The transactions with related parties are subject to approval of Shareholders' General Assembly.

15. Contingent liabilities

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Letters of guarantee	2,866,424	2,877,574	2,877,574
Guarantee of credit facilities granted to a related party (note 14)	500,000	8,497,961	8,497,961
	3,366,424	11,375,535	11,375,535

16. Capital commitments

	30 June 2011	31 December 2010 (Audited)	30 June 2010
Land and real estate for trading	169,600	169,600	4,590,161
Investments available for sale	383,199	430,221	679,787
Investment properties - projects in progress	12,017,634	17,039,844	20,348,167
	12,570,433	17,639,665	25,618,115