

15th May, 2012

Dubai Financial Market

United Arab Emirates

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Securities and Commodities Authority

United Arab Emirates

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Financial Result for the First Quarter ending 31/03/2012

Please be informed that the board of directors have met on the 15th of May 2012 and approved the financial results for period ending 31/3/2012 according to the following:

1. Current Period:

	3 months ending 31/3/2012	3 months ending 31/3/2011
Net Profit (Loss) (KD)	7,083,000	7,704,000
Earning per Share (fils)	7.06	7.65
Total Current Assets (KD)	513,763,000	596,319,000
Total Assets(KD)	1,410,191,000	1,484,757,000
Total Current Liabilities(KD)	424,368,000	477,783,000
Total Liabilities(KD)	498,304,000	560,844,000
Total Equity attributed to holders of the parent company(KD)	900,489,000	918,885,000
Total Shareholders' Equity(KD)	911,887,000	923,913,000

- Total Revenue from related parties reached 1,063,000 Kuwaiti Dinar
- Total Expenses with related parties reached 226,000 Kuwaiti Dinar

2. Details of the Qualification and Emphasis of Matter expressed in the auditors report

Basis of Qualified Opinion

As further discussed in Note 12(c) to the interim condensed consolidated financial information, during the year ended 31 December 2006, a performance guarantee amounting to KD 10.1 million was called by a counterparty in relation to non performance of obligations under a contract operated by a subsidiary of the Parent Company and encashed during the year ended 31 December 2007. The amount was not expensed in the consolidated financial statements in respect of the year ended 31 December 2006, which in our opinion, is not in accordance with International Financial Reporting Standards. We have qualified our audit opinions and review conclusions in this regard on the consolidated financial statements since 31 December 2006. In 2009, the expert department of the Ministry of Justice issued a report on this matter which stated that the verdict should be issued in favour of the subsidiary in respect of most of the issues arising from the case. Pending final court ruling on this matter, in our opinion, other current assets should be decreased by KD 10.1 million and retained earnings attributable to the equity holders of the Parent Company should be decreased by KD 6.1 million and non-controlling interests should be decreased by KD 4.0 million.

Qualified Conclusion

Based on our review, except for the effect of the matter described in the preceding paragraph, 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 IAS 34.

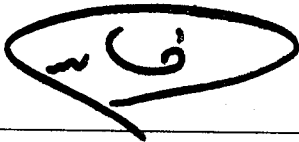
Emphasis of Matter

We draw attention to:

- (i) Note 2 to the interim condensed consolidated financial information which describes that the Parent Company was indicted by a federal grand jury in the United States of America ("US") on multiple counts of False Claims Act Violations. Furthermore, the United States Department of Justice also joined a civil qui tam lawsuit against the Parent Company under the False Claims Act. The indictment also includes certain subsidiaries of the Parent Company which were included in the indictment by the United States Department of Justice. The Department of Justice is claiming substantial damages for alleged violations in both the criminal and civil proceedings. The Group Companies (including the Parent Company) are suspended from bidding for new contracts with the US Government pending the outcome of the cases. The Group is also engaged in settlement discussions with the US Department of Justice. The ultimate outcome of these matters cannot presently be determined, and therefore no provision has been made in the interim condensed consolidated financial information; and
- (ii) Notes 12(a) and 12(b) to the interim condensed consolidated financial information which describe the contingencies relating to the investigation into the freight forwarding business and termination of lease agreements.

Our conclusion is not further qualified in respect of the matters set out above.

Best Regards



Tarek Abdul Aziz Sultan Al Essa
Chairman and Managing Director

