

March 31, 2012
Dubai Financial Market
United Arab Emirates
 Fax: 971-4-331-5148
Securities and Commodities Authority
United Arab Emirates
 Fax: 971-2-627-4600

Financial Results for full year ending 31st December 2011

Please be informed that the board of directors has met on Thursday the 29th of March 2012 and approved the financial results for the year ending 31/12/2011 according to the following:

1. Year End Results:

	Year Ending 31/12/2011 (Current Period)	Year Ending 31/12/2010 (Previous Period)
Net Profit (KD)	27,043,000	25,108,000
Earning per Share (fils)	26.94	24.92
Total Current Assets (KD)	506,115,000	604,991,000
Total Assets (KD)	1,402,423,000	1,494,598,000
Total Current Liabilities (KD)	425,695,000	458,060,000
Total Liabilities (KD)	503,331,000	572,731,000
Total Shareholders' Equity (KD)	899,092,000	921,867,000

- Total Revenue from related parties reached 1,019,000 Kuwaiti Dinar
- Total Expenses with related parties reached 92,000 Kuwaiti Dinar

2. Proposed Distribution

The Board of Directors has proposed the below distribution for the year ending 31.12/ 2011, knowing that this recommendation is subject to the approval of the Annual General Assembly and other competent authorities.

Cash Dividends	30 % of the par value	30 Fils per share
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3. Source of distribution

Annual and retained earnings

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

Basis of Qualified Opinion

As further discussed in Note 29 (d) to the consolidated financial statements, 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 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 Opinion

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2011 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to:

- (i) Note 2 to the consolidated financial statements 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 lawsuit.. Prolonged suspension will have a material impact on the Group's government related business. The Group is engaged in settlement discussions with the US Department of Justice. The ultimate outcome of the matters set out above cannot presently be determined, and therefore no provision has been made in the consolidated financial statements; and
- (ii) Notes 31(a) and 31(b) to the consolidated financial statements which describe the contingencies relating to the investigation into the freight forwarding business and termination of lease agreements.

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

Best Regards



Tarek Sultan

Chairman and Managing Director

