

Noor Financial Investment Company K.S.C. (Closed) and Subsidiaries
Kuwait

Independent Auditors' Review Report
and
Interim Condensed Consolidated Financial Information (Unaudited)

From 1 January 2010 to 31 March 2010

Contents

	Page
Independent Auditors' Review Report	1
Interim Condensed Consolidated Statement of Income (unaudited)	2
Interim Condensed Consolidated Statement of Comprehensive Income (unaudited)	3
Interim Condensed Consolidated Statement of Financial Position (unaudited)	4
Interim Condensed Consolidated Statement of Changes in Equity (unaudited)	5 - 6
Interim Condensed Consolidated Statement of Cash Flows (unaudited)	7
Notes to the Interim condensed consolidated financial information (unaudited)	8 - 14

Noor Financial Investment Company KSC (Closed) Kuwait

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS

Report on Review of Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Noor Financial Investment Company K.S.C. (Closed) ("the Parent Company") and its subsidiaries ("the Group") as at 31 March 2010 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 condensed consolidated financial information in accordance with the basis of preparation set out in Note 2. Our responsibility is to express a conclusion on this interim condensed 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 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.

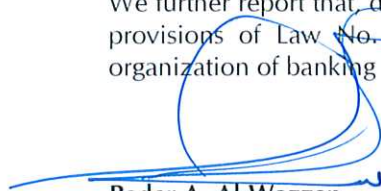
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared in all material respects, in accordance with the basis of presentation set out in Note 2.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts of the Parent Company. We further report that, to the best of our knowledge and belief, no violation of the Commercial Companies' Law of 1960, or of the Parent Company's Articles of Association, as amended, have occurred during the three month period ended 31 March 2010 that might have had a material effect on the business of the Group or on its financial position.

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business, and its related regulations, during the three month period ended 31 March 2010.



Bader A. Al-Wazzan
Licence No. 62A
Deloitte & Touche
Al-Fahad, Al-Wazzan & Co.

Kuwait
16 May 2010



Abdullatif M. Al-Aiban (CPA)
License No. 94A
Grant Thornton - Al-Qatami
Al-Aiban & Partners

Interim Condensed Consolidated Statement of Income - three months ended 31 March 2010 (Unaudited)

	Note	Kuwaiti Dinars	
		2010	2009
Income			
Realised gain/ (loss) on investments at fair value through profit or loss		352,677	(612,363)
Unrealised gain/ (loss) on investments at fair value through profit or loss	4	2,938,529	(3,318,496)
Realised gain/ (loss) on sale of available for sale investments		78,528	(290,358)
Dividend income		981,568	1,482,773
Management and placement fees		437,226	1,274,230
Interest and other income	5	322,047	1,111,951
Income from financing future trade by customers		55,544	26,787
Share of profit/ (loss) of associates		229,793	(840,144)
Foreign exchange loss		(137,143)	(1,298,401)
		<u>5,258,769</u>	<u>(2,464,021)</u>
Expenses and other charges			
General, administrative and other expenses		2,247,289	1,528,652
Finance costs		2,353,414	2,703,817
Impairment in value of investments		-	10,161,944
		<u>4,600,703</u>	<u>14,394,413</u>
Profit/ (loss) for the period		<u>658,066</u>	<u>(16,858,434)</u>
Attributable to:			
Owners of the Parent Company		694,646	(16,624,193)
Non-controlling interests		(36,580)	(234,241)
		<u>658,066</u>	<u>(16,858,434)</u>
Basic and diluted earnings/ (loss) per share (Fils)	6	<u>1</u>	<u>(23)</u>

The attached notes on pages 8 to 14 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Comprehensive Income – three months ended 31 March 2010
(Unaudited)


	Kuwaiti Dinars	
	2010	2009
Profit/ (loss) for the period	658,066	(16,858,434)
Other comprehensive income		
Exchange differences arising on translation of foreign operations	558,406	1,109,157
<i>Available for sale investments:</i>		
- Net changes in fair value arising during the period	7,385,004	(9,072,903)
- Transferred to consolidated statement of income on sale	(174,346)	262,003
- Transferred to consolidated statement of income on impairment	-	9,661,944
Share of other comprehensive income of associates	2,017,848	(254,348)
Total other comprehensive income for the period	9,786,912	1,705,853
Total comprehensive income for the period	10,444,978	(15,152,581)
Total comprehensive income attributable to:		
Owners of the Parent Company	10,481,558	(14,918,340)
Non-controlling interests	(36,580)	(234,241)
	10,444,978	(15,152,581)

The attached notes on pages 8 to 14 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Financial Position as at 31 March 2010 (Unaudited)

		Kuwaiti Dinars		
		31 March 2010 (Unaudited)	31 December 2009 (Audited)	31 March 2009 (Unaudited)
	Note			
ASSETS				
Cash and bank balances	7	11,352,626	6,784,866	7,277,519
Short term deposits	7	6,295,225	10,782,923	20,120,856
Wakala investments	7	1,311,636	2,700,671	11,507,752
Investments at fair value through profit or loss	8	43,490,073	40,695,963	35,018,929
Accounts receivable and other assets	9	66,772,415	63,514,718	53,708,241
Available for sale investments	10	80,595,381	77,383,089	100,941,272
Investment in associates		65,686,880	62,882,307	51,069,315
Investment properties		21,398,576	21,398,576	22,644,788
Equipment		4,214,985	4,401,790	576,170
Total assets		301,117,797	290,544,903	302,864,842
LIABILITIES AND EQUITY				
Liabilities				
Due to banks	7	3,495,668	4,399,134	8,181,458
Accounts payable and other liabilities		4,694,829	3,653,654	4,547,177
Short term borrowings	11	181,033,596	181,065,360	182,659,012
Provision for end of service indemnity		270,306	248,335	160,179
Total liabilities		189,494,399	189,366,483	195,547,826
Equity				
Share capital		75,000,000	75,000,000	75,000,000
Share premium		41,728,788	41,728,788	125,000,000
Treasury shares		(5,873,287)	(5,873,287)	(5,873,287)
Gain on sale of treasury shares		109,397	109,397	109,397
Legal reserve		-	-	6,699,281
Voluntary reserve		-	-	5,943,481
Cumulative changes in fair value		14,691,545	5,463,039	(2,054,936)
Foreign currency translation reserve		(4,801,694)	(5,360,100)	(3,771,118)
Accumulated losses		(26,897,137)	(27,591,783)	(112,538,167)
Total equity attributable to the owners of the Parent Company		93,957,612	83,476,054	88,514,651
Non-controlling interests		17,665,786	17,702,366	18,802,365
		111,623,398	101,178,420	107,317,016
Total liabilities and equity		301,117,797	290,544,903	302,864,842

The attached notes on pages 8 to 14 form an integral part of this interim condensed consolidated financial information.


Hussam Fawzi Al Kharafi
Chairman


Naser A. Al-Marri
Deputy Chairman & Managing Director

Noor Financial Investment Company K.S.C. (Closed) and Subsidiaries
Kuwait

Interim Condensed Consolidated Statement of Changes in Equity - three months ended 31 March 2010 (Unaudited)

	Kuwaiti Dinars											
	Attributable to owners of the Parent Company										Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Gain on sale of treasury shares	Legal reserve	Voluntary Reserve	Cumulative changes in fair value	Foreign currency translation reserve	(Accumulated losses)/ retained earnings	Total		
Balance as at 1 January 2010	75,000,000	41,728,788	(5,873,287)	109,397	-	-	5,463,039	(5,360,100)	(27,591,783)	83,476,054	17,702,366	101,178,420
Profit for the period	-	-	-	-	-	-	-	-	694,646	694,646	(36,580)	658,066
Total other comprehensive income for the period	-	-	-	-	-	-	9,228,506	558,406	-	9,786,912	-	9,786,912
Total comprehensive income for the period	-	-	-	-	-	-	9,228,506	558,406	694,646	10,481,558	(36,580)	10,444,978
Balance as at 31 March 2010	75,000,000	41,728,788	(5,873,287)	109,397	-	-	14,691,545	(4,801,694)	(26,897,137)	93,957,612	17,665,786	111,623,398

The attached notes on pages 8 to 14 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Changes in Equity - three months ended 31 March 2010 (Unaudited)

The attached notes on pages 8 to 14 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Cash Flows - three months ended 31 March 2010 (Unaudited)

	Kuwaiti Dinars	
	2010	2009
Operating activities		
Profit/ (loss) for the period	658,066	(16,858,434)
<i>Adjustments:</i>		
Realised (gain)/ loss on sale of available for sale investments	(78,528)	290,358
Dividend income	(981,568)	(1,482,773)
Share of (profit)/ loss of associates	(229,793)	840,144
Interest income	(114,404)	(141,571)
Depreciation	342,659	87,149
Provision for end of service indemnity	21,971	23,557
Finance costs	2,353,414	2,703,817
Impairment in value of investments	-	10,161,944
	<u>1,971,817</u>	<u>(4,375,809)</u>
<i>Changes in operating assets and liabilities:</i>		
Investments at fair value through profit or loss	(2,794,110)	4,038,491
Accounts receivable and other assets	(3,290,097)	307,286
Accounts payable and other liabilities	972,702	(381,717)
Net cash used in operating activities	<u>(3,139,688)</u>	<u>(411,749)</u>
Investing activities		
(Increase)/ decrease in blocked deposits	(2,850,000)	460,000
Proceeds from/ (placement of) wakala investments	1,389,035	(6,208,251)
Acquisition of available for sale investments	-	(688,829)
Proceeds from sale of available for sale investments	4,078,371	694,756
Dividends received	988,686	1,476,510
Purchase of equipment	(155,855)	(176,240)
Interest income received	139,685	147,248
Net cash from/ (used in) investing activities	<u>3,589,922</u>	<u>(4,294,806)</u>
Financing activities		
(Repayment of)/ proceeds from borrowings	(160,000)	1,535,000
Increase in non-controlling interests on consolidation of subsidiary	-	653,257
Purchase of treasury shares	-	(39,081)
Dividends paid	-	(30,500)
Finance costs paid	(2,156,706)	(2,145,599)
Net cash used in financing activities	<u>(2,316,706)</u>	<u>(26,923)</u>
<i>Decrease in cash and cash equivalents</i>	<u>(1,866,472)</u>	<u>(4,733,478)</u>
Cash and cash equivalents at the beginning of period	<u>12,008,655</u>	<u>23,910,395</u>
Cash and cash equivalents at the end of period (Note 7)	<u><u>10,142,183</u></u>	<u><u>19,176,917</u></u>

The attached notes on pages 8 to 14 form an integral part of this interim condensed consolidated financial information.

1. Incorporation and activities

Noor Financial Investment Company KSC (Closed) ("the Parent Company") was incorporated in Kuwait on 1 February 1997 and during May 2006 its shares were listed on the Kuwait Stock Exchange. The Parent Company and its subsidiaries are together referred to as "the Group". The Parent Company is regulated by the Central Bank of Kuwait as an investment company and is a subsidiary of National Industries Group Holding SAK ("Ultimate Parent Company").

The principal objectives of the Parent Company are as follows:

- Investment in various economic sectors through participating in establishing specialized companies or purchasing securities or shares in those companies;
- Act as investment trustees and manage different investment portfolios for others;
- Act as intermediary in borrowing operations in return for commission;

The Parent Company also has the right to participate and subscribe, in any way with other firms which operate in the same field or those which would assist in achieving its objectives in Kuwait and abroad and to purchase those firms or participate in their equity.

The Parent Company's registered office is at 10th and 11th Floor, Mohammed Abdul Mohsin Al-Kharafi Complex, Building 6, Block – 14, Qibla, Kuwait (PO Box 3311, Safat 13034, State of Kuwait).

The Parent Company's Board of Directors approved and authorised this interim consolidated financial information for issue on 16 May 2010.

The annual consolidated financial statements of the Parent Company for the year ended 31 December 2009 were approved by the Board of Directors on 31 March 2010 and are subject to the approval of shareholders of the Parent Company in the forth coming Annual General Meeting (AGM) scheduled to be held on 20 May 2010.

2. Basis of presentation and significant accounting policies

2.1 Basis of presentation

This interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting. The accounting policies used in preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2009, except for adoption of new and revised standards and interpretations discussed below.

The annual consolidated financial statements for the year ended 31 December 2009 were prepared in accordance with the regulations of the Government of Kuwait for financial services institutions regulated by the Central Bank of Kuwait. These regulations require adoption of all International Financial Reporting Standards (IFRS) except for the IAS 39 requirements for a collective provision, which has been replaced by the Central Bank of Kuwait's requirement for a minimum general provision as described under the accounting policy for impairment of financial assets.

Adoption of new and revised International Financial Reporting Standards

During the period, the Group adopted the following new standards, revisions and amendments to International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2010.

IFRS 3 Business Combinations (Revised 2008)
IAS 27 Consolidated and Separate Financial Statements (Revised 2008)
IAS 28 Investments in Associates (Revised 2008) and
IFRIC17 Distribution of Non Cash Assets to Owners

IFRS 3 Business Combinations (Revised 2008) and IAS 27 Consolidated and Separate Financial Statements (Revised 2008)

IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after 1 July 2009. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

IAS 27 (Revised) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well.

The changes by IFRS 3 (Revised) and IAS 27 (Revised) will affect future acquisitions or loss of control of subsidiaries and transactions with non-controlling interests. The change in accounting policy is applied prospectively.

IAS 28 Investments in Associates (Revised 2008)

The revised standard introduces changes to the accounting requirements for the loss of significant influence of an associate and for changes in the Group's interest in associates. Consequently, when significant influence is lost, the investor measures any investment retained in the former associate at fair value, with any consequential gain or loss recognized in the consolidated statement of income.

IFRIC 17 Distributions of Non-Cash Assets to Owners

The Interpretation provides guidance on the appropriate accounting treatment when an entity distributes assets other than cash as dividends to its shareholders. This interpretation will be applicable for future non-cash distributions made to the shareholders.

Other amendments to standards have been made and certain new standards and interpretations have been issued but they are not expected to have a material impact on the Group's consolidated financial information.

Following revised standards have been issued but not yet effective and have not been adopted by the Group in the current period:

IFRS 9 Financial Instruments (effective from 1 January 2013)

Although early application of this standard is permitted, the Technical Committee of the Ministry of Commerce and Industry of Kuwait decided during December 2009, to postpone its early application until further notice.

IAS 24 (Revised) "Related party disclosures" (effective for annual periods beginning from 1 January 2011).

IAS 32 Financial Instruments: Presentation (effective for annual period beginning from 1 February 2010).

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (effective for annual period beginning 1 July 2010).

This interim condensed consolidated financial information does not contain all the information and disclosures required for complete consolidated financial statements prepared in accordance with IFRS. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2010. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2009.

The subsidiaries are consolidated based on management accounts for the period.

Notes to the Interim Condensed Consolidated Financial Information - 31 March 2010 (Unaudited)

3. **Subsidiary**

During the current quarter, the Parent Company incorporated the following subsidiary which is consolidated:

	Country of incorporation	Percentage ownership	Principal activity
Noor Capital Market KSCC	Kuwait	100%	Online trading in equities and foreign exchange

4. **Unrealised gain/ (loss) on investments at fair value through profit or loss**

This represents difference between closing market value and carrying value at the beginning of the period or cost for investments acquired during the period.

Local funds are valued on the basis of their net asset value.

5. **Interest and other income**

	Kuwaiti Dinars	
	Three months ended	
	31 March	
	2010	2009
	(Unaudited)	(Unaudited)
Interest income	114,404	141,571
Realised gain on dealing in foreign currencies	-	694,389
Other income	207,643	275,991
	<u>322,047</u>	<u>1,111,951</u>

6. **Basic and diluted earnings/ (loss) per share**

Earnings/ (loss) per share is calculated by dividing the profit/ (loss) attributable to the shareholders of the Parent Company for the period by the weighted average number of shares outstanding during the period as follows:

	Kuwaiti Dinars	
	Three months ended	
	31 March	
	2010	2009
	(Unaudited)	(Unaudited)
Profit/ (loss) for the period (KD)	694,646	(16,624,193)
Weighted average number of shares (shares)	750,000,000	750,000,000
Less: Weighted average number of treasury shares (shares)	(15,609,211)	(15,349,711)
	<u>734,390,789</u>	<u>734,650,289</u>
Basic and diluted earnings/ (loss) per share (Fils)	<u>1</u>	<u>(23)</u>

7. **Cash and cash equivalents and wakala investments**

a. *Cash and cash equivalents*

	Kuwaiti Dinars		
	31 March	31 December	31 March
	2010	2009	2009
	(Unaudited)	(Audited)	(Unaudited)
Cash and bank balances	11,352,626	6,784,866	7,277,519
Short term deposits	6,295,225	10,782,923	20,120,856
Due to banks	(3,495,668)	(4,399,134)	(8,181,458)
	<u>14,152,183</u>	<u>13,168,655</u>	<u>19,216,917</u>
Less: Blocked balances	(4,010,000)	(1,160,000)	(40,000)
Cash and cash equivalents as per cash flow statement	<u>10,142,183</u>	<u>12,008,655</u>	<u>19,176,917</u>

Notes to the Interim Condensed Consolidated Financial Information - 31 March 2010 (Unaudited)

b. Wakala investments

	Kuwaiti Dinars		
	31 March 2010 (Unaudited)	31 December 2009 (Audited)	31 March 2009 (Unaudited)
Placed with a local Islamic investment company	9,968,250	9,968,250	9,968,250
Less : provision for impairment in value	(9,968,250)	(9,968,250)	(2,985,498)
	-	-	6,982,752
Placed with a local Islamic bank	1,311,636	2,700,671	4,525,000
	<u>1,311,636</u>	<u>2,700,671</u>	<u>11,507,752</u>

No profit was recognised on impaired wakala investments during the current period.

8. Investments at fair value through profit or loss

	Kuwaiti Dinars		
	31 March 2010 (Unaudited)	31 December 2009 (Audited)	31 March 2009 (Unaudited)
Held for trading			
Quoted shares	40,243,158	40,206,550	29,922,722
Designated on initial recognition:			
Local funds	3,246,915	489,413	5,096,207
	<u>43,490,073</u>	<u>40,695,963</u>	<u>35,018,929</u>

Quoted shares with a fair value of KD 17,618,806 (31 December 2009: KD 16,769,583 and 31 March 2009: KD 4,873,210) are secured against bank loans (Note 11).

9. Accounts receivable and other assets

	Kuwaiti Dinars		
	31 March 2010 (Unaudited)	31 December 2009 (Audited)	31 March 2009 (Unaudited)
<i>Financial assets</i>			
Due from Ultimate Parent Company	18,638,161	18,254,415	5,618,712
Due from an associate	10,117	-	3,900,399
Due from other related parties	435,422	340,567	3,072,894
Due from Kuwait Clearing Company	1,235,694	2,071,881	-
Due from Kuwait Clearing Company (future trade)	1,017,150	1,060,843	228,236
Due from investment brokerage companies	2,399,977	2,759,916	2,474,979
Due from sale of investments – related parties	25,005,500	25,005,500	27,526,579
Accrued income	3,849,692	2,943,092	2,718,403
Advance payments to acquire investments	11,955,997	8,755,801	4,552,183
Other financial assets	1,648,618	1,653,494	2,475,582
	<u>66,196,328</u>	<u>62,845,509</u>	<u>52,567,967</u>
<i>Non financial assets</i>			
Advance payments to acquire properties	-	-	880,515
Other assets	576,087	669,209	259,759
	<u>576,087</u>	<u>669,209</u>	<u>1,140,274</u>
	<u>66,772,415</u>	<u>63,514,718</u>	<u>53,708,241</u>

Advance payments to acquire investments include KD 4,048,439 invested by the Parent Company during the current quarter in a local real estate fund which is under incorporation. The Parent Company is the fund manager of this local real estate fund.

Notes to the Interim Condensed Consolidated Financial Information - 31 March 2010 (Unaudited)

10. Available for sale investments

	Kuwaiti Dinars		
	31 March 2010 (Unaudited)	31 December 2009 (Audited)	31 March 2009 (Unaudited)
Quoted shares	63,400,329	56,411,589	58,053,898
Unquoted shares	13,742,489	15,330,241	16,843,057
Funds:			
Local	-	2,194,180	11,981,831
Foreign	3,452,563	3,447,079	14,062,486
	<u>80,595,381</u>	<u>77,383,089</u>	<u>100,941,272</u>

- Available for sale investments include a number of investments in unquoted shares, local and foreign funds where their fair values cannot be reliably determined and as a result investments with a carrying value of KD 2,830,632 (31 December 2009: KD 4,418,384 and 31 March 2009: KD 20,732,679) are carried at cost. The Group's management is not aware of any circumstance that would indicate impairment in value of these investments.
- Quoted shares with a fair value of KD 15,745,698 (31 December 2009: KD 13,931,168 and 31 March 2009: 15,847,576) are secured against bank loans (refer note 11).
- Certain quoted and unquoted shares are held in the name of the Ultimate Parent Company with letters of assignment in the Parent Company's favour.

11. Short term borrowings

	Effective interest/ profit rate per annum %	Security	Kuwaiti Dinars		
			31 March 2010 (Unaudited)	31 December 2009 (Audited)	31 March 2009 (Unaudited)
Loans from local banks and financial institutions					
Loans payable - KD	5.00 – 6.25	Unsecured	59,500,000	59,500,000	60,200,000
Loans payable - KD	5.00 – 6.25	Secured	23,540,000	23,700,000	20,000,000
Loans payable - USD	4.33 – 5.71	Unsecured	28,920,000	28,720,000	29,170,000
Wakala payable – KD	3.00 – 8.00	Unsecured	63,715,850	63,715,850	73,289,012
Loans payable – JD	3.90 -5.90	Secured	5,357,746	5,429,510	-
			<u>181,033,596</u>	<u>181,065,360</u>	<u>182,659,012</u>

Loans amounting to KD 23,540,000 (31 December 2009: 23,700,000, 31 March 2009: KD 20,000,000) are secured by investments (Note: 8 and 10) and KD 5,357,746 (31 December 2009: KD 5,429,510 and 31 March 2009: KD Nil) are secured by equipment of Noor Jordan Kuwait Transport Company JSCC.

All borrowings are repayable within one year.

12. Segment analysis

The Group is organized into segments that engage in business activities which earns revenue and incurs expenses. These segments are regularly reviewed by the Chief Operating Decision Maker (CODM) for resource allocation and performance assessment. For the purposes of segment reporting the management has grouped the business units into the following operating segments:

- Domestic & GCC investments - Comprising of investment activities in the State of Kuwait and GCC
- International investments - Comprising of investment activities outside the GCC and Kuwait

Notes to the Interim Condensed Consolidated Financial Information - 31 March 2010 (Unaudited)

Segment results include operating revenue and expenses directly attributable to a segment. Net operating income includes operating revenue directly attributable to a segment. Segment results include revenue and expense directly attributable to each reporting segment as the Group does not have any inter segment charges. Segment assets comprise those operating assets that are directly attributable to the segment.

Segmental information for the periods ended 31 March 2010 and 31 March 2009 are as follows:

31 March 2010

	Kuwaiti Dinars		
	Domestic & GCC	International	Total
Income	4,052,202	1,206,567	5,258,769
Profit for the period	464,813	193,253	658,066
Share of (loss)/ profit of associates	(430,050)	659,843	229,793
Total assets	224,981,567	76,136,230	301,117,797
Total liabilities	182,943,751	6,550,648	189,494,399
Net assets	42,037,816	69,585,582	111,623,398

31 March 2009

	Kuwaiti Dinars		
	Domestic & GCC	International	Total
Income/ (loss)	(820,881)	(1,643,140)	(2,464,021)
Loss for the period	(14,594,966)	(2,263,468)	(16,858,434)
Impairment in the value of investments	(9,559,690)	(602,254)	(10,161,944)
Share of loss of associates	(724,791)	(115,353)	(840,144)
Total assets	231,258,788	71,606,054	302,864,842
Total liabilities	193,265,083	2,282,743	195,547,826
Net assets	37,993,705	69,323,311	107,317,016

13. Related party transactions

Related parties represent the Ultimate Parent Company, associates, directors and key management personnel of the Group, and other related parties such as subsidiaries of the Ultimate Parent Company, major shareholders and companies in which directors and key management personnel of the Group are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Group's management.

Significant related party transactions and balances included in this consolidated financial information are as follows:

	Kuwaiti Dinars		
	31 March 2010 (Unaudited)	31 December 2009 (Audited)	31 March 2009 (Unaudited)
Condensed consolidated statement of financial position			
Due from Ultimate Parent Company and other related parties included in accounts receivable and other assets (note: 9)	44,089,200	43,600,482	40,118,584
Due to related parties included in accounts payable and other liabilities	6,866	28,241	2,712
Short term borrowings	19,715,850	19,715,850	-

Notes to the Interim Condensed Consolidated Financial Information - 31 March 2010 (Unaudited)

	Kuwaiti Dinars	
	Three months ended	
	31 March	
	2010	2009
	(Unaudited)	(Unaudited)
Condensed consolidated statement of income		
<i>Management and placement fees</i>		
- earned from Ultimate Parent Company	146,428	209,476
- earned from other related parties	112,450	370,464
Finance cost	170,150	-
<i>Key management compensation</i>		
Short term employee benefits	26,325	26,325
End of service indemnity	1,222	1,222
	<u>27,547</u>	<u>27,547</u>

14. Capital commitments

At the balance sheet date, the Group had capital commitments of KD 168,075 towards available for sale investments (31 December 2009: KD 166,912 and 31 March 2009: KD 169,528).

15. Fiduciary assets

The Group manages mutual funds and portfolios on behalf of its Ultimate Parent Company, other related parties and outsiders, and maintains securities in fiduciary accounts which are not reflected in the Parent Company's consolidated statement of financial position. Assets under management at 31 March 2010 amounted to KD 337,270,527 (31 December 2009: KD 338,757,236 and 31 March 2009: KD 358,287,822) of which assets managed on behalf of its Ultimate Parent Company and other related parties amounted to KD 290,482,554 (31 December 2009: KD 338,757,236 and 31 March 2009: KD 301,104,779).