

Interim condensed consolidated financial information and review report
Injazzat Real Estate Development Company – KSC (Closed)
and Subsidiaries

Kuwait

30 September 2008 (Unaudited)

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Review report

To the directors of
Injazzat Real Estate Development Company – KSC (Closed)
Kuwait

Report on review of interim condensed consolidated financial information

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of Injazzat Real Estate Development Company – KSC (Closed) (the “parent company”) and subsidiaries (collectively the “group”) as at 30 September 2008 and the related interim condensed consolidated statements of income for the three month and nine month periods then ended, and the related interim condensed consolidated statements of changes in equity and cash flows for the nine month period then ended. The directors of the parent company are responsible for the preparation and presentation of the interim condensed consolidated financial information in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on the 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 International Accounting Standard 34, “Interim Financial Reporting”.

Report on review of other legal and regulatory requirements

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, no violations of the Commercial Companies Law of 1960, or of the articles of association of the parent company, as amended, have occurred during the nine month period ended 30 September 2008 that might have had a material effect on the business of the group or on its financial position.

Abdullatif M. Al-Aiban (CPA)
(Licence No. 94-A)
of Grant Thornton – Anwar Al-Qatami & Co.

Waleed A. Al Osaimi
(Licence No. 68-A)
of Ernst & Young

Kuwait
19 October 2008

Interim condensed consolidated statement of income

	Note	Three months ended		Nine months ended	
		30 Sept. 2008 (Unaudited) KD	30 Sept. 2007 (Unaudited) KD	30 Sept. 2008 (Unaudited) KD	30 Sept. 2007 (Unaudited) KD
Income					
Rental income		820,291	324,935	2,237,471	516,045
Unrealised loss from investments at fair value through statement of income		-	(229,800)	-	(141,188)
Realised loss from investments at fair value through statement of income	5	(165,076)	-	(427,378)	-
Distribution income from available for sale investments		119,795	104,785	840,234	381,434
Income from sale of investment properties	7	2,944,615	2,054,467	9,137,161	7,036,045
Change in fair value of investment properties	7	(873,024)	837,486	6,181,295	7,808,476
Management and placement fees		1,556,715	185,121	3,676,408	351,297
Share of (loss)/profit of associates		(5,625)	-	51,362	-
Other income		248,507	199,083	708,277	850,678
Foreign exchange (loss)/gain		(213,623)	1,235,292	987,368	1,270,409
Impairment of available for sale investments	6	-	-	(1,466,506)	-
		4,432,575	4,711,369	21,925,692	18,073,196
Expenses					
Real estate operating costs		54,749	26,642	180,523	94,367
Staff costs		356,333	419,798	1,388,089	760,828
Depreciation		49,377	-	143,753	-
General and administrative expenses		84,443	66,298	311,719	240,659
Consultancy and professional fees		95,660	27,087	171,761	53,678
Finance costs		1,537,719	1,449,114	4,584,778	2,736,284
		2,178,281	1,988,939	6,780,623	3,885,816
Profit before provision for contribution to KFAS, Zakat and NLST		2,254,294	2,722,430	15,145,069	14,187,380
Provision for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		(20,239)	(24,502)	(136,093)	(127,687)
Provision for Zakat		(22,481)	-	(172,153)	-
Provision for National Labour Support Tax (NLST)		(56,376)	(68,061)	(379,078)	(354,686)
Profit for the period		2,155,198	2,629,867	14,457,745	13,705,007
Attributable to:					
Shareholders of the parent company		2,155,938	2,629,869	14,475,795	13,705,060
Minority interest		(740)	(2)	(18,050)	(53)
		2,155,198	2,629,867	14,457,745	13,705,007
BASIC & DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY					
	3	6.2 Fils	8.1 Fils	43 Fils	41.5 Fils

The notes set out on pages 7 to 12 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated balance sheet

	Note	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD
Assets				
Cash and cash equivalents	13	6,362,277	14,704,585	19,521,349
Accounts receivable and other assets	4	15,803,937	9,720,618	6,488,526
Investments at fair value through statement of income	5	-	2,452,255	2,699,708
Available for sale investments	6	28,002,508	22,841,856	21,439,058
Investment properties	7	120,043,793	102,411,392	93,809,190
Investment in associates	8	32,189,033	12,854,284	3,300,838
Property and equipment		1,933,364	2,035,750	2,144,057
Total assets		204,334,912	167,020,740	149,402,726
Liabilities and equity				
Liabilities				
Due to banks		-	463,483	157,990
Accounts payable and other liabilities	9	19,757,926	20,768,421	11,389,062
Ijara sukuk payable		16,002,000	16,404,000	16,779,000
Bank loans	11	80,986,123	60,535,165	55,819,275
Total liabilities		116,746,049	98,171,069	84,145,327
Equity attributable to shareholders of the parent company				
Share capital	12	34,564,860	30,056,400	30,056,400
Treasury shares		(102,117)	(4,734,000)	(4,663,456)
Share premium		2,869,130	2,869,130	2,869,130
Statutory reserve		5,591,024	5,591,024	3,873,656
Voluntary reserve		2,795,512	2,795,512	1,936,828
Gain on sale of treasury shares reserve		4,508,361	875,250	821,033
Foreign currency translation reserve		(1,080,905)	(642,594)	(353,934)
Cumulative changes in fair value		2,954,557	2,341,878	1,163,389
Retained earnings		30,477,285	24,767,865	24,569,963
		82,577,707	63,920,465	60,273,009
Minority interest		5,011,156	4,929,206	4,984,390
Total equity		87,588,863	68,849,671	65,257,399
Total liabilities and equity		204,334,912	167,020,740	149,402,726

Hamad Abdulaziz Al-Shaya
Chairman

Mohammad Ibrahim Al-Farhan
Managing Director

The notes set out on pages 7 to 12 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (Unaudited)

	Equity attributable to shareholders of the parent company											Total KD
	Share capital KD	Treasury shares KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Gain on sale of treasury shares reserve KD	Foreign currency translation reserve KD	Cumulative changes in fair value KD	Retained earnings KD	Sub-total KD	Minority interest KD	
Balance at 1 January 2008	30,056,400	(4,734,000)	2,869,130	5,591,024	2,795,512	875,250	(642,594)	2,341,878	24,767,865	63,920,465	4,929,206	68,849,671
Change in fair value of available for sale investments	-	-	-	-	-	-	-	612,679	-	612,679	-	612,679
Foreign currency translation adjustments	-	-	-	-	-	-	(438,311)	-	-	(438,311)	-	(438,311)
Total (expense)/income recognised directly in equity	-	-	-	-	-	-	(438,311)	612,679	-	174,368	-	174,368
Profit/(loss) for the period	-	-	-	-	-	-	-	-	14,475,795	14,475,795	(18,050)	14,457,745
Total recognised (expense)/income for the period	-	-	-	-	-	-	(438,311)	612,679	14,475,795	14,650,163	(18,050)	14,632,113
Issue of bonus shares (Note 18)	4,508,460	-	-	-	-	-	-	-	(4,508,460)	-	-	-
Cash dividend (Note 18)	-	-	-	-	-	-	-	-	(4,257,915)	(4,257,915)	-	(4,257,915)
Purchase of treasury shares	-	(1,588,591)	-	-	-	-	-	-	-	(1,588,591)	-	(1,588,591)
Sale of treasury shares	-	6,220,474	-	-	-	3,633,111	-	-	-	9,853,585	-	9,853,585
On acquisition of a new subsidiary	-	-	-	-	-	-	-	-	-	-	100,000	100,000
Balance at 30 September 2008	34,564,860	(102,117)	2,869,130	5,591,024	2,795,512	4,508,361	(1,080,905)	2,954,557	30,477,285	82,577,707	5,011,156	87,588,863

The notes set out on pages 7 to 12 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued) (Unaudited)

	Equity attributable to shareholders of the parent company											Total KD
	Share capital KD	Treasury shares KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Gain on sale of treasury shares reserve KD	Foreign currency translation reserve KD	Cumulative changes in fair value KD	Retained earnings KD	Sub-total KD	Minority interest KD	
Balance at 1 January 2007	27,324,000	(943,605)	2,869,130	3,873,656	1,936,828	261,468	(2,023)	672,875	17,639,543	53,631,872	4,984,443	58,616,315
Change in fair value of available for sale investments	-	-	-	-	-	-	-	490,514	-	490,514	-	490,514
Foreign currency translation adjustments	-	-	-	-	-	-	(351,911)	-	-	(351,911)	-	(351,911)
Total (expense)/income recognised directly in equity	-	-	-	-	-	-	(351,911)	490,514	-	138,603	-	138,603
Profit/(loss) for the period	-	-	-	-	-	-	-	-	13,705,060	13,705,060	(53)	13,705,007
Total recognised (expense)/income for the period	-	-	-	-	-	-	(351,911)	490,514	13,705,060	13,843,663	(53)	13,843,610
Issue of bonus shares	2,732,400	-	-	-	-	-	-	-	(2,732,400)	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	(4,042,240)	(4,042,240)	-	(4,042,240)
Purchase of treasury shares	-	(6,406,075)	-	-	-	-	-	-	-	(6,406,075)	-	(6,406,075)
Sale of treasury shares	-	2,686,224	-	-	-	559,565	-	-	-	3,245,789	-	3,245,789
Balance at 30 September 2007	30,056,400	(4,663,456)	2,869,130	3,873,656	1,936,828	821,033	(353,934)	1,163,389	24,569,963	60,273,009	4,984,390	65,257,399

The notes set out on pages 7 to 12 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Nine months ended 30 Sept. 2008 (Unaudited) KD	Nine months ended 30 Sept. 2007 (Unaudited) KD
OPERATING ACTIVITIES			
Profit before provision for contribution to KFAS, Zakat and NLST		15,145,069	14,187,380
Adjustments for:			
Depreciation		143,753	68,640
Unrealised loss on investments at fair value through statement of income		-	141,188
Realised loss on sale of investment at fair value through statement of income		427,378	-
Distribution income from available for sale investments		(840,234)	(381,434)
Income from sale of investment properties		(9,137,161)	(7,036,045)
Change in fair value of investment properties		(6,181,295)	(7,808,476)
Share of profit of associates		(51,362)	-
Foreign exchange gain on non operating assets and liabilities		(929,745)	(1,232,114)
Provision for impairment of available for sale investment		1,466,506	-
Interest income		(708,277)	(413,116)
Finance costs		4,584,778	2,736,284
		3,919,410	262,307
Changes in operating assets and liabilities:			
Accounts receivable and other assets		(1,880,636)	9,313,983
Accounts payable and other liabilities		(8,576,181)	(1,383,462)
Cash (used in)/from operations		(6,537,407)	8,192,828
National Labour Support tax paid		(429,342)	-
Board of directors' remuneration paid		(100,000)	-
Net cash (used in)/from operating activities		(7,066,749)	8,192,828
INVESTING ACTIVITIES			
Additions to property and equipment		(41,367)	(243,652)
Additions to investments at fair value through statement of income		-	(1,455,950)
Proceeds from redemption of investments at fair value through statement of income		1,941,731	-
Additions to available for sale investments		(6,014,479)	(7,019,104)
Proceeds from redemption of available for sale investments		-	496,890
Additions to investment properties		(11,943,175)	(34,025,234)
Proceeds from sale of investment properties		12,279,054	10,122,586
Additions to investment in associates		(19,283,387)	-
Distribution income received from available for sale investments		840,234	381,434
Interest income received		683,281	413,116
Net cash (used in)/from investing activities		(21,538,108)	(31,329,914)
FINANCING ACTIVITIES			
Dividend paid		(4,225,950)	(4,042,240)
Purchase of treasury shares		(1,588,591)	(6,406,075)
Proceeds from sale of treasury shares		9,853,585	3,245,789
Murabaha obtained		6,000,000	-
Murabaha settlement		(6,000,000)	-
Issue of Ijara Sukuk		-	17,289,000
Loans obtained		27,978,703	30,699,970
Loans repaid		(7,000,000)	(2,000,000)
Finance costs paid		(4,391,715)	(2,319,794)
Change in minority		100,000	-
Net cash from financing activities		20,726,032	36,466,650
Net (decrease)/increase in cash and cash equivalents		(7,878,825)	13,329,564
Cash and cash equivalents at beginning of the period		14,241,102	6,033,795
Cash and cash equivalents at end of the period	13	6,362,277	19,363,359

The notes set out on pages 7 to 12 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

30 September 2008

1 Incorporation and Activities

Injazzat Real Estate Development Company – KSC (Closed) (the parent company) was established in August 1998 and listed on the Kuwait Stock Exchange on 17 June 2002. The parent company and its subsidiaries (collectively “the group”) are engaged in various types of real estate investment activities.

The address of the parent company’s registered office is PO Box 970, Safat 1, State of Kuwait.

The board of directors of the parent company approved the interim condensed consolidated financial information for issue on 19 October 2008.

2 Significant accounting policies

Basis of presentation

The interim condensed consolidated financial information of the group has been prepared in accordance with International Financial Reporting Standard 34 “Interim Financial Reporting”.

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in preparation of annual consolidated financial statements for the year ended 31 December 2007, except for the new accounting policy adopted in respect of “murabaha payable”, discussed below.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of the parent company’s management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the three months and nine months period ended 30 September 2008 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2008. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2007.

Murabaha payable

Murabaha payable represents amounts payable on a deferred settlement basis. Murabaha payable is stated at the gross amount of the payable, net of deferred profit payable. Profit payable is expensed on a time apportionment basis taking account of the profit rate attributable and the balance outstanding.

3 Basic and diluted earnings per share

Earnings per share is calculated by dividing the profit for the period attributable to shareholders of the parent company by the weighted average number of shares outstanding during the period as follows:

	Three months ended		Nine months ended	
	30 Sept. 2008 (Unaudited)	30 Sept. 2007 (Unaudited)	30 Sept. 2008 (Unaudited)	30 Sept. 2007 (Unaudited)
Profit for the period attributable to the shareholders of the parent company (KD)	2,155,938	2,629,869	14,475,795	13,705,060
Weighted average number of shares outstanding during the period (excluding treasury shares)	345,570,122	323,590,743	336,670,254	330,266,761
Basic and diluted earnings per share	6.2 Fils	8.1 Fils	43 Fils	41.5 Fils

The weighted average number of shares outstanding for the three and nine month periods ended 30 September 2007 have been restated due to the issue of 15% bonus shares during the period ended 30 September 2008.

4 Accounts receivable and other assets

	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD
Financial assets			
Payments towards share subscription	1,375,731	-	-
Due from related parties	3,589,239	129,500	74,230
Due on sale of investment property	4,094,542	3,816,362	4,924,186
Other financial assets	527,696	1,530,724	1,141,402
	9,587,208	5,476,586	6,139,818
Non-financial assets			
Payments towards property purchases	4,865,326	3,403,928	348,708
Advances to contractors	866,617	562,798	
Prepayment and other assets	484,786	277,306	
	6,216,729	4,244,032	348,708
	15,803,937	9,720,618	6,488,526

5 Investments at fair value through statement of income

During the three months period ended 30 September 2008, the group disposed of its investments at fair value through statement of income for a consideration of KD2,030,333 realising a loss of KD427,378. The realised loss includes an amount of KD 262,302 which represents the unrealised loss booked during the six month ended 30 June 2008 on fair valuation of the disposed investments, which during the three month ended 30 September 2008 has been transferred from unrealized losses to realized losses.

6 Available for sale investments

During the period ended 30 September 2008, the parent company took an impairment provision of KD1,466,506 against certain investments in the US real estate market. The provision is based on judgemental estimate, made by management based on information available to it, pending receipt of a formal valuation from the investment manager.

7 Investment properties

During the three months period ended 31 March 2008, the group disposed of foreign investment properties for a consideration of KD2,987,061 resulting in a realised gain of KD1,647,192.

During the three months period ended 31 March 2008, the parent company completed development of an existing foreign investment property and subsequently leased it out. In accordance with its stated accounting policy, the parent company's management revalued the property based on a valuation provided by an independent professional valuer and recorded a revaluation gain of KD2,463,396.

During the three month period ended 30 June 2008, the group disposed of a portion of foreign investment properties for a consideration of KD7,151,701 resulting in a realised gain of KD4,545,354, and revalued the remaining portion based on the transaction price which resulted in an unrealised gain of KD4,590,923.

During the three months ended 30 September 2008, the group sold its share of jointly controlled investment properties to a related party (significant shareholders) for a consideration of KD4,819,623 resulting in a realised gain of KD2,944,615. The realised gain includes an amount of KD2,238,939, which represents the unrealised gain booked during the three month ended 30 June 2008 on revaluation of these disposed properties, which has been transferred from change in fair value of investment properties to gain on sale investments properties during the three month ended 30 September 2008. Further, in accordance with its stated accounting policy, the group's management revalued the remaining portion of the foreign properties based on a valuation provided by an independent professional valuer and recorded a revaluation gain of KD1,365,915.

In addition during the period ended 30 September 2008 the group purchased certain foreign properties at a cost of KD14,781,028.

The group's investment properties are located as follows:

	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD
Kuwait	66,205,776	64,726,590	62,940,246
Other GCC countries	53,838,017	37,684,802	30,868,944
	120,043,793	102,411,392	93,809,190

8 Investment in associates

During the six month period ended 30 September 2008, the parent company made a payment of KD19,407,331 towards a capital call from an associate.

9 Accounts payable and other liabilities

	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD
Financial liabilities			
Accounts payable	3,962,685	2,605,350	3,073,852
Due on purchase of investment properties	6,744,366	3,088,451	5,281,570
Accrued expenses	1,864,752	2,262,508	3,033,640
Due to associate company	-	9,165,503	-
Due to other related parties	913,883	-	-
Other liabilities	6,272,240	3,646,609	-
	19,757,926	20,768,421	11,389,062

Included within "due on purchase of investment properties" is an amount of KD3,107,531 (31 December 2007: KD1,715,806 and 30 September 2007: KD3,305,332) which is due after more than one year.

10 Murabaha payable

During the three month period ended 30 June 2008, the parent company obtained finance amounting to KD6,000,000 under a murabaha arrangement from a local Islamic financial institution. The murabaha which carried an effective profit rate of 9.125 % per annum was fully settled during the three month period ended 30 September 2008.

11 Bank loans

	Effective interest rate	Security	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD
Local banks – Kuwaiti Dinar	CBK discount rate + 1.25%	Unsecured	12,000,000	12,000,000	-
Local banks – Kuwaiti Dinar	CBK discount rate + 1.25% - 2.25%	Unsecured	42,000,000	27,000,000	29,000,000
Local banks – U.S. Dollars	LIBOR + 1.4% - 2.25%	Unsecured	26,986,123	21,535,165	26,819,275
			80,986,123	60,535,165	55,819,275

The loans are due for repayment as follows:

	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD
Within one year	39,495,679	11,000,000	18,403,181
One to five years	41,490,444	49,535,165	37,416,094
	80,986,123	60,535,165	55,819,275

12 Share capital

The general assembly meeting of the shareholders of the parent company held on 20 February 2008 approved an increase in the authorised and paid up share capital from KD30,056,400 to KD34,564,860 by way of issuance of 15% bonus shares amounting to KD4,508,460.

At 30 September 2008, the authorised, issued and paid up capital of the parent company comprised 345,648,600 shares of 100 fils each (2007: 300,564,000 shares).

13 Cash and cash equivalents

	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD
Cash and bank balances	3,563,146	869,163	9,512,604
Short term deposits	2,799,131	9,176,147	-
Investment in money market fund managed by a local financial institution	-	4,659,275	10,008,745
Cash and cash equivalents per balance sheet	6,362,277	14,704,585	19,521,349
Less: Due to banks	-	(463,483)	(157,990)
Cash and cash equivalent for the purpose of cash flow statement	6,362,277	14,241,102	19,363,359

14 Segmental analysis

The group primarily operates in one business segment: real estate investments. Although management of the group is based primarily on business segments, the group operates in two geographical segments: Domestic and International. The geographical analysis of segment information is as follows:

	Domestic		International		Total	
	30 Sept. 2008 (Unaudited) KD	30 Sept. 2007 (Unaudited) KD	30 Sept. 2008 (Unaudited) KD	30 Sept. 2007 (Unaudited) KD	30 Sept. 2008 (Unaudited) KD	30 Sept. 2007 (Unaudited) KD
Three months ended						
Income	223,826	3,158,998	4,208,749	1,552,371	4,432,575	4,711,369
(Loss)/profit before provision for contribution to KFAS, Zakat and NLST	(1,870,080)	1,170,112	4,124,374	1,552,318	2,254,294	2,722,430
Nine months ended						
Income	2,455,228	6,523,186	19,470,464	11,550,010	21,925,692	18,073,196
(Loss)/profit before provision for contribution to KFAS, Zakat and NLST	(4,223,323)	2,638,121	19,368,392	11,549,259	15,145,069	14,187,380

15 Related party transactions

Related parties represent associates, directors and key management personnel of the group, and other related parties such as 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.

Details of significant related party transactions and balances are as follows:

	30 Sept. 2008 (Unaudited) KD	31 Dec. 2007 (Audited) KD	30 Sept. 2007 (Unaudited) KD	
Consolidated balance sheet:				
Due from other related parties (refer Note 4)	3,589,239	129,500	74,230	
Due to associate company	-	9,165,503	-	
Due to other related parties (refer Note 9)	913,883	-	-	
	Three months ended 30 Sept. 2008 (Unaudited) KD	30 Sept. 2007 (Unaudited) KD	Nine months ended 30 Sept. 2008 (Unaudited) KD	30 Sept. 2007 (Unaudited) KD
Consolidated statement of income				
Income from sale of investment properties	2,944,615	-	3,920,458	-
Management and placement fees	1,473,498	-	3,418,444	-
Compensation of key management personnel of the group				
Short-term benefits	123,547	20,774	282,377	214,021
Employees' end of service benefits	6,188	4,331	15,563	13,581

16 Capital commitments and contingent liabilities

At the balance sheet date the group had capital commitments of KD6,824,604 in respect of available for sale investments, investment in associates and investment properties (31 December 2007 : KD15,035,480 and 30 September 2007 : KD16,284,692).

At the balance sheet date, the group had contingent liabilities in respect of outstanding bank guarantees amounting to KD900,000 (31 December 2007: KD600,000 and 30 September 2007 : KD1,800,000).

17 Fiduciary assets

Fiduciary assets comprise investments managed on behalf of clients amounting to KD164,647 (31 December 2007: KD172,235 and 30 September 2007: KD170,473).

18 Dividend distribution

Following approval of the annual general assembly of the shareholders on 20 February 2008 the parent company distributed a cash dividend of 15 Fils (2006: 15 Fils) per share amounting to KD4,257,915 and issued 15% bonus shares amounting to KD4,508,460 for the year ended 31 December 2007 (2006: KD2,732,400).