

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

Kuwait

30 September 2010 (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 financial position of Injazzat Real Estate Development Company – KSC (Closed) (the “Parent Company”) and subsidiaries (collectively the “Group”) as at 30 September 2010 and the related interim condensed consolidated statements of income and comprehensive income for the three month and nine month period then ended, and the related interim condensed consolidated statement of changes in equity and cash flows for the nine month period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 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

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 2010 that might have had a material effect on the business of the Group or on its financial position.

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Kuwait
25 October 2010

Interim condensed consolidated statement of income

	Note	Three months ended		Nine months ended	
		30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD
Income					
Rental income		588,050	860,423	1,746,860	2,468,857
Income from available for sale investments		(24,866)	766,671	581,591	4,553,111
Profit from sale of investment property	5a	-	51,934	16,491	51,934
Change in fair value of investment properties	5	529,200	-	1,876,700	-
Management fees		36,362	40,693	437,907	282,901
Share of results of associates		(173,945)	(80,144)	(632,478)	695,830
Other income		190,571	242,488	845,855	814,141
Foreign currency exchange gain/(loss)		873,466	16,116	192,057	(1,127,526)
		2,018,838	1,898,181	5,064,983	7,739,248
Expenses and other charges					
Real estate operating costs		157,482	117,079	322,014	216,768
Staff costs		195,031	205,082	624,894	618,696
Depreciation		46,276	50,034	141,117	150,637
General and administrative expenses		40,873	24,810	139,222	223,093
Consultancy and professional fees		20,494	37,428	74,399	83,746
Finance costs		1,149,901	1,226,292	3,348,662	3,499,345
		1,610,057	1,660,725	4,650,308	4,792,285
Profit before KFAS, Zakat and NLST		408,781	237,456	414,675	2,946,963
Provision for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		(3,483)	(2,221)	(3,574)	(28,174)
Provision for Zakat		(5,805)	(2,335)	(5,984)	(33,865)
Provision for National Labour Support Tax (NLST)		(9,674)	(5,953)	(9,928)	(73,842)
Profit for the period		389,819	226,947	395,189	2,811,082
Attributable to:					
Owners of the Parent Company		368,005	227,613	377,623	2,817,816
Non-Controlling interests		21,814	(666)	17,566	(6,734)
		389,819	226,947	395,189	2,811,082
BASIC & DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY					
	3	1.08 Fils	0.66 Fils	1.11 Fils	8.15 Fils

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 comprehensive income

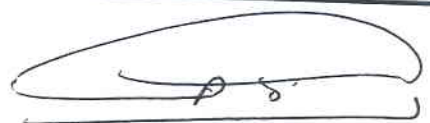
	Three months ended		Nine months ended	
	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD
Profit for the period	389,819	226,947	395,189	2,811,082
Other comprehensive income/(loss):				
Net movement in cumulative change in fair value	226,732	(110,942)	21,553	(2,533,270)
Realised on sale of available for sale investments	-	(319,099)	-	(319,099)
Exchange differences arising on translation of foreign operations	(638,799)	(30,929)	(267,398)	1,187,276
Other comprehensive loss for the period	(412,067)	(460,970)	(245,845)	(1,665,093) ✓
Total comprehensive (loss)/income for the period	(22,248)	(234,023)	149,344	1,145,989
Attributable to:				
Owners of the Parent Company	(44,062)	(233,357)	131,778	1,152,723
Non- Controlling interests	21,814	(666)	17,566	(6,734)
	(22,248)	(234,023)	149,344	1,145,989

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

Interim condensed consolidated financial position

	Note	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Assets				
Cash and cash equivalents	10	10,180,926	16,316,287	17,569,817
Accounts receivable and other assets		7,092,810	6,342,361	8,884,736
Available for sale investments	4	16,921,901	16,754,445	22,449,892
Investment properties	5	108,857,418	110,494,405	127,667,872
Investment in associates	5a	23,558,386	19,077,339	14,926,949
Property and equipment		1,292,925	1,711,999	1,757,810
Total assets		167,904,366	170,696,836	193,257,076
Liabilities and equity				
Liabilities				
Due to banks		-	488,766	-
Accounts payable and other liabilities	6	6,992,801	9,132,742	10,110,677
Ijara sukuk payable	7	17,088,000	17,232,000	17,220,000
Murabaha payable	8	4,000,000	-	-
Bank loans	9	79,608,115	83,560,422	83,040,185
Total liabilities		107,688,916	110,413,930	110,370,862
Equity				
Equity attributable to owners of the parent company				
Share capital		34,564,860	34,564,860	34,564,860
Treasury shares		(776,752)	(559,894)	(50,650)
Share premium		2,869,130	2,869,130	2,869,130
Statutory reserve		7,209,059	7,209,059	7,209,059
Voluntary reserve		3,604,530	3,604,530	3,604,530
Gain on sale of treasury shares reserve		4,511,312	4,511,254	4,510,714
Foreign currency translation reserve		737,688	1,005,086	995,894
Cumulative changes in fair value		1,360,789	1,339,236	991,326
Retained earnings		440,051	62,428	23,076,909
Non- controlling interests		54,520,667	54,605,689	77,771,772
Total equity		5,694,783	5,677,217	5,114,442
Total liabilities and equity		167,904,366	170,696,836	193,257,076


Mohammed Abdul Latif Alshaya
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

	Equity attributable to owners of the Parent Company											
	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 change in fair value KD	Retained earnings KD	Sub-total KD	Non-controlling interests KD	Total KD
Balance at 1 January 2010	34,564,860	(559,894)	2,869,130	7,209,059	3,604,530	4,511,254	1,005,086	1,339,236	62,428	54,605,689	5,677,217	60,282,906
Purchase of treasury shares	-	(285,148)	-	-	-	-	-	-	-	(285,148)	-	(285,148)
Disposal of treasury shares	-	68,290	-	-	-	58	-	-	-	68,348	-	68,348
Transactions with owners	-	(216,858)	-	-	-	58	-	-	-	(216,800)	-	(216,800)
Profit for the period	-	-	-	-	-	-	-	-	377,623	377,623	17,566	395,189
Other comprehensive (loss)/income for the period	-	-	-	-	-	-	(267,398)	21,553	-	(245,845)	-	(245,845)
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	(267,398)	21,553	377,623	131,778	17,566	149,344
Balance at 30 September 2010	34,564,860	(776,752)	2,869,130	7,209,059	3,604,530	4,511,312	737,688	1,360,789	440,051	54,520,667	5,694,783	60,215,450
Balance at 1 January 2009	34,564,860	-	2,869,130	7,209,059	3,604,530	4,505,130	(191,382)	3,843,695	28,900,308	85,305,330	5,109,437	90,414,767
Cash dividend	-	-	-	-	-	-	-	-	(8,641,215)	(8,641,215)	-	(8,641,215)
Purchase of treasury shares	-	(152,204)	-	-	-	-	-	-	-	(152,204)	-	(152,204)
Sale of treasury shares	-	101,554	-	-	-	5,584	-	-	-	107,138	-	107,138
Transactions with owners	-	(50,650)	-	-	-	5,584	-	-	(8,641,215)	(8,686,281)	-	(8,686,281)
Profit for the period	-	-	-	-	-	-	-	-	2,817,816	2,817,816	(6,734)	2,811,082
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	1,187,276	(2,852,369)	-	(1,665,093)	-	(1,665,093)
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	1,187,276	(2,852,369)	2,817,816	1,152,723	(6,734)	1,145,989
Non-controlling interest arising on acquisition of new subsidiary	-	-	-	-	-	-	-	-	-	-	11,739	11,739
Balance at 30 September 2009	34,564,860	(50,650)	2,869,130	7,209,059	3,604,530	4,510,714	995,894	991,326	23,076,909	77,771,772	5,114,442	82,886,214

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. 2010 (Unaudited) KD	Nine months ended 30 Sept. 2009 (Unaudited) KD
OPERATING ACTIVITIES			
Profit before KFAS, Zakat and NLST		414,675	2,946,963
Adjustments for:			
Depreciation		141,116	150,637
Income from available for sale investments		(581,592)	(4,553,111)
Profit from sale of investment property		(16,491)	(51,934)
Change in fair value of investment properties		(1,876,700)	-
Share of results of associates		632,478	(695,830)
Foreign currency exchange (gain)/loss on non operating liabilities		(346,307)	1,716,623
Interest income		(467,553)	(678,875)
Finance costs		3,348,662	3,499,345
		1,248,288	2,333,818
Changes in operating assets and liabilities:			
Accounts receivable and other assets		(23,303)	703,091
Accounts payable and other liabilities		(2,626,202)	(3,282,849)
Cash used in operations		(1,401,217)	(245,940)
Board of directors' remuneration paid		-	(100,000)
Net cash used in operating activities		(1,401,217)	(345,940)
INVESTING ACTIVITIES			
Net additions to property and equipment		(26,500)	(19,178)
Additions to available for sale investments		(578,944)	(815,005)
Proceeds from redemption of available for sale investments		-	4,019,599
Additions to investment properties		(583,626)	(2,540,634)
Proceeds from sale of investment properties		-	832,934
Investment in associates		(816,420)	(694,613)
Distribution income received from available for sale investments		369,673	4,234,012
Capital repayment received from investment in associate		-	1,851,885
Interest income received		467,553	678,875
Net cash (used in)/from investing activities		(1,168,264)	7,547,875
FINANCING ACTIVITIES			
Dividend paid		-	(8,641,215)
Purchase of treasury shares		(285,148)	(152,204)
Sale of treasury shares		68,348	107,138
Bank loans obtained		1,000,000	-
Bank loans repaid		(750,000)	-
Finance costs paid		(3,110,314)	(3,839,674)
Change in non-controlling interests		-	11,739
Net cash used in financing activities		(3,077,114)	(12,514,216)
Net decrease in cash and cash equivalents		(5,646,595)	(5,312,281)
Cash and cash equivalents at beginning of the period		15,827,521	22,882,098
Cash and cash equivalents at end of the period	10	10,180,926	17,569,817

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 2010

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 primarily engaged in real estate development and investment activities.

The address of the Parent Company’s registered office is PO Box 970, Safat 13010, State of Kuwait.

The Board of Directors of the Parent Company approved the interim condensed consolidated financial information for issue on 25 October 2010.

The annual consolidated financial statements for the year ended 31 December 2009 were approved by the Board of Directors on 25 March 2010 and it was approved by the shareholders at the Annual General Meeting held on 29 April 2010.

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 2009 except for adoption of new and revised International Financial Reporting Standards and the accounting policy for murabaha payables discussed below:

Adoption of new and revised International Financial Reporting Standards

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

- IFRS 3 Business Combinations (Revised 2008)
- IAS 27 Consolidated and Separate Financial Statements (Revised 2008)
- IAS 28 Investments in Associates (Revised 2008)
- IFRIC 17 Distribution of Non Cash Assets to Owners

2 Significant accounting policies (continued)

- 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 January 2010. 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 was 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 profit or loss. These changes will be applicable for future acquisitions and disposals.

- IFRIC 17 Distribution 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 owners. This interpretation will be applicable for future non-cash distributions made to the owners.

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 this allowed 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).

The interim condensed consolidated financial information does not include all information and disclosures required for complete consolidated 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.

2 Significant accounting policies (continued)

Operating results for the nine months period ended 30 September 2010 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2010. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2009.

Murabaha payable

Murabaha payable represents financing taken under a murabaha arrangement. 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 owners 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. 2010 (Unaudited)	30 Sept. 2009 (Unaudited)	30 Sept. 2010 (Unaudited)	30 Sept. 2009 (Unaudited)
Profit for the period attributable to owners of the Parent Company (KD)	368,005	227,613	377,623	2,817,816
Weighted average number of shares outstanding during the period (excluding treasury shares)	340,244,252	345,460,122	341,301,054	345,581,787
Basic and diluted earnings per share	1.08 Fils	0.66 Fils	1.11 Fils	8.15 Fils

4 Available for sale investments

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Real estate funds	892,545	892,545	1,166,229
Special purposes real estate entities	5,078,170	4,632,706	9,552,544
Investments in unquoted real estate entities	9,312,262	9,552,280	9,972,687
Debt financing	1,638,924	1,676,914	1,758,432
	16,921,901	16,754,445	22,449,892

Available for sale investments include investments in real estate development projects and portfolios through specialised real estate investment managers. Due to the nature of these investments, the unpredictability of their cash flows and the absence of an active market for these investments, fair value is not reliably measurable. As a result, such investments are carried at cost less impairment, if any and the carrying amount of such investments amounted to KD5,769,988 (31 December 2009: KD5,390,580 and 30 September 2009: KD10,433,550).

5 Investment properties

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Opening carrying value	110,494,405	125,232,295	125,232,295
Additions during the period/year	583,626	5,796,335	4,119,568
Transferred from property and equipment during the period	304,458	-	-
Disposals during the period/year (a)	(4,280,614)	(781,000)	(781,000)
Reversal on termination of a purchase contract	-	(1,578,934)	(1,578,934)
Change in fair value	1,876,700	(18,885,647)	-
Foreign currency translation adjustment arising on consolidation	(121,157)	711,356	675,943
Ending carrying value	108,857,418	110,494,405	127,667,872

- a. During the period, the Group disposed one of its foreign properties to a foreign associate for a net consideration of KD4,297,105, realising a gain of KD16,491. The associate will develop this property for future rental and/or sale and the sales consideration due to the group has been considered as part of the group's investment in this associate and included in "investment in associates".

6 Accounts payable and other liabilities

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Financial liabilities			
Accounts payable	1,940,274	1,974,665	2,827,628
Due on purchase of investment properties	2,414,968	4,328,043	4,527,706
Accrued expenses	863,459	687,246	853,090
Due to other related parties (refer note 12)	656,541	603,270	339,833
Rent received in advance	72,846	434,400	777,925
Other liabilities	1,044,713	1,105,118	784,495
	6,992,801	9,132,742	10,110,677

Included within "due on purchase of investment properties" is an amount of KD626,166 (31 December 2009: KD1,804,708 and 30 September 2009: KD2,434,073) which is due after more than one year.

7 Ijara Sukuk payable

On 25 July 2007 the parent company issued 5-year trust certificates (Ijara Sukuk) amounting to US Dollars 60,000,000 at par through a special purpose vehicle. The certificate holders are entitled to a quarterly profit distribution at 3-months LIBOR plus 1.25% per annum. The carrying value of these certificates as at the reporting date was equivalent to KD17,088,000 (31 December 2009: KD17,232,000 and 30 September 2009: KD17,220,000). As at 31 December 2009 and 30 September 2010, the Parent Company has not complied with certain covenants stipulated in the initial sukuk agreement. The Parent Company's management is currently renegotiating the terms and conditions of the sukuk agreement with the lead manager representing the sukuk holders (primarily local banks).

8 Murabaha payable

During the 3 months period ended 30 September 2010, three short term loans amounting to KD4,000,000, classified under bank loans as at 30 June 2010 and 31 December 2009, were converted to short term murabaha payables which carry profits rates of 5% per annum.

9 Bank loans

	Security	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Local banks – Kuwaiti Dinar	Unsecured	53,450,000	54,500,000	54,000,000
Local banks – U.S. Dollars	Unsecured	26,158,115	29,060,422	29,040,185
		79,608,115	83,560,422	83,040,185

The loans are due for repayment as follows:

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Within one year	68,108,115	27,820,132	60,900,185
One to five years	11,500,000	55,740,290	22,140,000
	79,608,115	83,560,422	83,040,185

10 Cash and cash equivalents

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Cash and bank balances	2,406,201	3,728,995	1,912,376
Short term deposits	7,774,725	12,587,292	15,657,441
Cash and cash equivalents per statement of financial position	10,180,926	16,316,287	17,569,817
Less: Due to banks	-	(488,766)	-
Cash and cash equivalent for the purpose of cash flow statement	10,180,926	15,827,521	17,569,817

11 Segmental analysis

The Group activities are concentrated in real estate investments and geographically the Group activities are concentrated in two main segments: Domestic and International (Kingdom of Bahrain, United Arab Emirates, Saudi Arabia, Qatar, Europe and USA). The following is the segments information, which conforms with the internal reporting presented to management:

	Domestic		International		Total	
	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD
Three months ended						
Income	348,227	501,314	1,670,611	1,396,867	2,018,838	1,898,181
(Loss)/profit before KFAS, Zakat and NLST	(1,200,683)	(1,151,033)	1,609,464	1,388,489	408,781	237,456
Nine months ended						
Income	857,271	2,068,126	4,207,712	5,671,122	5,064,983	7,739,248
(Loss)/profit before KFAS, Zakat and NLST	(3,657,279)	(2,688,533)	4,071,954	5,635,496	414,675	2,946,963
Total asset	80,491,942	90,730,879	87,412,424	102,526,197	167,904,366	193,257,076

12 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. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD	
Balances included in interim condensed consolidated financial position:				
Due from associate company (included in accounts receivable and other assets)	776,487	733,326	2,067,548	
Due from other related parties (included in accounts receivable and other assets)	162,464	58,616	652,743	
Due to other related parties (refer note 6)	656,541	603,270	339,833	
	Three months ended		Nine months ended	
	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD	30 Sept. 2010 (Unaudited) KD	30 Sept. 2009 (Unaudited) KD
Transactions included in the condensed consolidated statement of income:				
Profit from sale of investment properties (refer note 5a)	-	-	16,491	-
Management fees	12,000	8,000	36,000	154,605
Compensation of key management personnel of the Group				
Short-term benefits	86,048	84,801	258,144	262,598
Employees' end of service benefits	5,375	5,375	16,125	16,367
	91,423	90,176	274,269	278,965

13 Capital commitments

At the financial position date the Group had capital commitments of KD2,580,402 in respect of investment properties (31 December 2009: KD1,631,051 and 30 September 2009 : KD2,231,555).

14 Fiduciary assets

Fiduciary assets comprise investments managed on behalf of clients amounting to KD191,963 (31 December 2009: KD176,272 and 30 September 2009: KD179,240).