

Interim condensed consolidated financial information and review report
**Gulf Cable and Electrical Industries Company – KSC and Subsidiary
Kuwait**

30 September 2010 (Unaudited)

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Review report

To the board of directors of
Gulf Cable and Electrical Industries Company – KSC
Kuwait

Report on review of interim condensed consolidated financial information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Gulf Cable and Electrical Industries Company (A Kuwaiti Shareholding Company) (the parent company) and its subsidiary (the group) as of 30 September 2010 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine-month period then ended. The parent company's management 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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Interim condensed consolidated statement of income

	Notes	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
Sales		25,857,452	14,852,936	64,769,574	51,247,595
Cost of sales		(21,214,754)	(11,669,846)	(52,905,548)	(42,455,819)
Gross profit		4,642,698	3,183,090	11,864,026	8,791,776
Other income					
Dividend income		120,000	-	23,572,745	6,679,481
Investment income		912	16,990	96,316	285,804
Realised gain on disposal/sale of available for sale investments		-	242,893	1,289	183,838
Impairment in value of available for sale investments	4	-	-	(3,048,294)	(1,675,887)
Interest income		8,684	7,410	24,808	69,816
Other revenue		87	13,013	219	79,716
(Loss)/gain on foreign exchange		(8,171)	110,156	277,077	1,216,941
		4,764,210	3,573,552	32,788,186	15,631,485
Expenses					
Administrative expenses		(1,026,688)	(580,608)	(3,097,156)	(1,708,929)
Commercial expenses		(618,397)	(484,263)	(1,859,645)	(1,320,095)
Reversal of /(charge for) provision for obsolete stock		21,656	(16,658)	13,559	(55,288)
Interest expense		(1,054,465)	(1,082,731)	(3,324,102)	(3,253,157)
Profit before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST), Zakat and Directors' remuneration		2,086,316	1,409,292	24,520,842	9,294,016
Contribution to KFAS		(20,853)	(14,034)	(245,345)	(93,109)
NLST		(45,591)	(34,634)	(45,591)	(100,987)
Zakat		(14,236)	(13,854)	(14,236)	(31,395)
Directors' remuneration		(77,500)	(77,500)	(232,500)	(232,500)
Profit for the period		1,928,136	1,269,270	23,983,170	8,836,025
Attributable to:					
Owners of the parent		1,927,112	1,263,345	23,996,847	8,852,910
Non-controlling interests		1,024	5,925	(13,677)	(16,885)
Profit for the period		1,928,136	1,269,270	23,983,170	8,836,025
Basic and diluted earnings per share attributable to the owners of the parent	3	9 Fils	6 Fils	114 Fils	42 Fils

The notes set out on pages 8 to 13 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	1,928,136	1,269,270	23,983,170	8,836,025
Other comprehensive income:				
Exchange differences arising on translation of foreign operations	(110,472)	(7,855)	(42,451)	205,174
Available for sale investments:				
- Net gain arising during the period	36,385,967	19,583,493	50,246,632	59,363,681
- Transferred to interim condensed consolidated statement of income on sale	-	(242,893)	936	(183,838)
- Transferred to interim condensed consolidated statement of income on impairment	-	-	3,048,294	1,675,887
Total other comprehensive income	36,275,495	19,332,745	53,253,411	61,060,904
Total comprehensive income for the period	38,203,631	20,602,015	77,236,581	69,896,929
Total comprehensive income attributable to:				
Owners of the parent	38,208,683	20,596,522	77,252,593	69,902,529
Non-controlling interests	(5,052)	5,493	(16,012)	(5,600)
	38,203,631	20,602,015	77,236,581	69,896,929

The notes set out on pages 8 to 13 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Assets				
Non-current assets				
Property, plant and equipment		15,078,099	15,919,728	16,318,477
Available for sale investments	4	232,395,973	178,452,125	230,397,277
		247,474,072	194,371,853	246,715,754
Current assets				
Inventories	5	36,643,420	34,247,874	33,721,227
Trade accounts receivable		33,238,425	21,086,760	19,069,262
Other receivables and prepayments		1,152,193	1,268,467	1,415,473
Fixed deposits		401,135	387,550	387,300
Cash and bank balances		5,410,854	5,591,362	2,345,711
		76,846,027	62,582,013	56,938,973
Total assets		324,320,099	256,953,866	303,654,727
Equity and liabilities				
Equity attributable to the owners of the parent				
Share capital		20,993,131	20,993,131	20,993,131
Share premium		29,160,075	29,160,075	29,160,075
Legal reserve		15,371,779	15,371,779	14,257,443
Voluntary reserve		15,371,779	15,371,779	14,257,443
General reserve		16,788,145	16,788,145	16,788,145
Fair value reserve		98,122,302	44,826,440	95,931,283
Foreign currency translation reserve		(128,882)	(88,766)	(100,050)
Retained earnings		28,285,685	14,785,404	15,343,384
		223,964,014	157,207,987	206,630,854
Non-controlling interests		272,758	288,770	299,712
		224,236,772	157,496,757	206,930,566
Non-current liabilities				
Provision for staff indemnity		1,440,355	1,323,976	1,294,432
Long term loans	6	5,670,048	10,564,252	10,857,081
		7,110,403	11,888,228	12,151,513
Current liabilities				
Trade accounts payable		1,294,257	1,650,059	1,607,343
Other payables and accruals		9,466,188	9,238,370	7,095,708
Current portion of long term loans	6	5,075,881	5,131,944	5,128,384
Short term loans	6	77,000,000	71,500,000	68,000,000
Due to banks		136,598	48,508	2,741,213
		92,972,924	87,568,881	84,572,648
Total liabilities		100,083,327	99,457,109	96,724,161
Total equity and liabilities		324,320,099	256,953,866	303,654,727

Bader Naser Al-Khorafi
Chairman and Managing Director



The notes set out on pages 8 to 13 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (Unaudited)

	Attributable to the owners of the parent									Non- controlling interests	Total
	Share capital KD	Share premium KD	Legal reserve KD	Voluntary reserve KD	General reserve KD	Fair value reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-total KD	KD	KD
Balance at 1 January 2010	20,993,131	29,160,075	15,371,779	15,371,779	16,788,145	44,826,440	(88,766)	14,785,404	157,207,987	288,770	157,496,757
Payment of cash dividends (Note 8)	-	-	-	-	-	-	-	(10,496,566)	(10,496,566)	-	(10,496,566)
Transaction with owners	-	-	-	-	-	-	-	(10,496,566)	(10,496,566)	-	(10,496,566)
Profit/(loss) for the period	-	-	-	-	-	-	-	23,996,847	23,996,847	(13,677)	23,983,170
Other comprehensive income:											
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	(40,116)	-	(40,116)	(2,335)	(42,451)
Available for sale investments:											
- Net gain arising during the period	-	-	-	-	-	50,246,632	-	-	50,246,632	-	50,246,632
- Transferred to interim condensed consolidated statement of income on sale	-	-	-	-	-	936	-	-	936	-	936
- Transferred to interim condensed consolidated statement of income on impairment	-	-	-	-	-	3,048,294	-	-	3,048,294	-	3,048,294
Total comprehensive income/(loss) for the period	-	-	-	-	-	53,295,862	(40,116)	23,996,847	77,252,593	(16,012)	77,236,581
Balance at 30 September 2010	20,993,131	29,160,075	15,371,779	15,371,779	16,788,145	98,122,302	(128,882)	28,285,685	223,964,014	272,758	224,236,772

The notes set out on pages 8 to 13 form an integral part of this interim condensed consolidated financial information.

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

	Attributable to the owners of the parent									Non-controlling interests	Total
	Share capital KD	Share premium KD	Legal reserve KD	Voluntary reserve KD	General reserve KD	Fair value reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-total KD	KD	KD
Balance at 1 January 2009	20,993,131	29,160,075	14,257,443	14,257,443	16,788,145	35,075,553	(293,939)	21,185,666	151,423,517	305,312	151,728,829
Payment of cash dividends	-	-	-	-	-	-	-	(14,695,192)	(14,695,192)	-	(14,695,192)
Transaction with owners	-	-	-	-	-	-	-	(14,695,192)	(14,695,192)	-	(14,695,192)
Profit/(loss) for the period	-	-	-	-	-	-	-	8,852,910	8,852,910	(16,885)	8,836,025
Other comprehensive income:											
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	193,889	-	193,889	11,285	205,174
Available for sale investments:											
- Net gain arising during the period	-	-	-	-	-	59,363,681	-	-	59,363,681	-	59,363,681
- Transferred to interim condensed consolidated statement of income on sale	-	-	-	-	-	(183,838)	-	-	(183,838)	-	(183,838)
-Transferred to interim condensed consolidated statement of income on impairment	-	-	-	-	-	1,675,887	-	-	1,675,887	-	1,675,887
Total comprehensive income/(loss) for the period	-	-	-	-	-	60,855,730	193,889	8,852,910	69,902,529	(5,600)	69,896,929
Balance at 30 September 2009	20,993,131	29,160,075	14,257,443	14,257,443	16,788,145	95,931,283	(100,050)	15,343,384	206,630,854	299,712	206,930,566

The notes set out on pages 8 to 13 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 for the period		23,983,170	8,836,025
Adjustments:			
Depreciation		1,349,546	1,067,870
Provision for staff indemnity		147,970	141,661
Interest expense		3,324,102	3,253,157
Interest income		(24,808)	(69,816)
Dividend income		(23,572,745)	(6,679,481)
Investment income		(96,316)	(285,804)
Realised gain on disposal/sale of available for sale investments		(1,289)	(183,838)
Impairment in value of available for sale investment		3,048,294	1,675,887
Foreign exchange (gain)/loss on non-operating liabilities		(98,893)	752,486
		8,059,031	8,508,147
Changes in operating assets and liabilities:			
Inventories		(2,395,546)	15,034,722
Trade accounts receivable		(12,151,665)	18,281,770
Other receivables and prepayments		119,149	3,501,780
Trade accounts payable		(355,802)	518,084
Other payables and accruals		121,660	183,743
Staff indemnity paid		(31,591)	(76,694)
Net cash (used in)/ from operating activities		(6,634,764)	45,951,552
INVESTING ACTIVITIES			
Fixed deposit maturing after three months		(401,135)	(200,875)
Capital expenditure		(581,529)	(2,059,430)
Net book value of property, plant and equipment disposed		-	4,064
Purchase of available for sale investments		(4,120,401)	(43,158,908)
Proceeds from redemption/sale of available for sale investments		425,410	571,083
Dividend income received		23,572,745	6,679,481
Investment income received		96,316	285,804
Interest received		21,933	65,338
Net cash from/(used in) investing activities		19,013,339	(37,813,443)
FINANCING ACTIVITIES			
Payment of dividends		(10,485,022)	(13,645,765)
Proceeds from term loans		19,500,000	37,000,000
Payment of term loans		(18,851,374)	(28,042,622)
Interest paid		(3,229,488)	(3,161,349)
Net cash used in financing activities		(13,065,884)	(7,849,736)
(Decrease)/increase in cash and cash equivalents		(687,309)	288,373
Foreign currency adjustment		31,161	(150,550)
Cash and cash equivalents at beginning of the period	7	5,930,404	(533,325)
Cash and cash equivalents at end of the period	7	5,274,256	(395,502)

The notes set out on pages 8 to 13 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information 30 September 2010 (Unaudited)

1 Incorporation and activities

Gulf Cable and Electrical Industries Company – KSC (“the parent company”) is a registered Kuwaiti shareholding company, which was established on 15 March 1975. Its shares are listed on the Kuwait Stock Exchange.

The address of the parent company’s registered office is PO Box 1196, Safat 13012, State of Kuwait.

The group comprises the parent company and its subsidiary Gulf Cable and Multi Industries Company – JSC, Jordan. The principal activities of the group are the manufacture and supply of cables and related products and the holding of investments

This interim condensed consolidated financial information for the nine-month period ended 30 September 2010 was authorised for issue by the parent company’s board of directors on 8 November 2010.

2 Significant accounting policies

Basis of preparation

The 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 the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements of the group for the year ended 31 December 2009 except for adoption of new and revised standards and interpretations discussed below.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional currency of the parent company.

This 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 management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Operating results for the nine month 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 disclosures for the year ended 31 December 2009.

2 Significant accounting policies (continued)

Adoption of revised and new standards and interpretations

The following new and revised standards and interpretations have been adopted by the group in the current period:

<i>Standard or Interpretation</i>	<i>Effective for annual periods beginning</i>
IFRS 3 Business Combinations (Revised 2009)	1 July 2009
IAS 27 Consolidated and Separate Financial Statements (Revised 2008)	1 July 2009
Amendment to IAS 39 Financial Instruments: Recognition and Measurement	1 July 2009

IFRS 3 Business Combinations (Revised) (effective from 1 July 2009)

The standard is applicable for business combinations occurring in reporting periods beginning on or after 1 July 2009 and has been applied prospectively in accordance with the transitional provisions. The new standard introduces changes to the accounting requirements for business combinations, but still requires use of the purchase method, and did not have any effect on the group's interim condensed consolidated financial information for the period.

IAS 27 Consolidated and Separate Financial Statements (Revised) (effective from 1 July 2009)

The revised standard introduces changes to the accounting requirements for the loss of control of a subsidiary and for changes in the group's interest in subsidiaries. These changes have been applied prospectively in accordance with the transitional provisions and did not have any effect on the group's interim condensed consolidated financial information for the period.

Amendment to IAS 39 Financial Instruments: Recognition and Measurement (effective from 1 July 2009)

The amendment to the standard clarifies two issues relating to hedge accounting i.e. 1) identifying inflations as a hedge risk or portion, and 2) hedging with options. This revision is not relevant to the operations of the group.

The IASB issued *Improvements for International Financial Reporting Standards 2009* to the following standards which have been adopted by the group that largely clarify the required accounting treatment where previous practice had varied some of which are substantive but have not resulted in any significant changes in the group's accounting policies.

<i>Standard</i>	<i>Effective for annual periods beginning</i>
IFRS 2 Share Based Payment	1 July 2009
IFRS 3 Business combinations (Revised 2008)	1 January 2010
IFRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2009 and 1 January 2010
IAS 1 Presentation of Financial Statements	1 January 2010
IAS 7 Statement of Cash Flows	1 January 2010
IAS 17 Leases	1 January 2010
IAS 36 Impairment of Assets	1 January 2010
IAS 38 Intangible Assets	1 July 2009
IAS 39 Financial Instruments: Recognition and Measurement	1 January 2010

The following revised standards and interpretations have been issued but not yet effective and have not been adopted by the group in the current period:

<i>Standard or Interpretation</i>	<i>Effective for annual periods beginning</i>
IFRS 9 Financial Instruments: Classification and Measurement	1 January 2013
IAS 24 Related Party Disclosures	1 January 2011
IAS 32 Financial Instruments: Presentation	1 February 2010

5 Inventories

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Raw materials	8,185,679	10,911,290	6,081,880
Finished goods	13,088,751	10,866,634	12,011,128
Work-in-progress	7,324,018	8,771,874	7,473,631
Spare parts	1,471,600	1,420,432	1,370,725
	30,070,048	31,970,230	26,937,364
Provision for obsolete stock	(273,545)	(287,104)	(290,311)
	29,796,503	31,683,126	26,647,053
Goods in transit and prepaid letters of credit	6,846,917	2,564,748	7,074,174
	36,643,420	34,247,874	33,721,227

6 Term loans

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Long term loans:			
- USD 12,500,000 facility	1,782,500	2,102,553	2,401,250
- USD 55,000,000 facility	8,963,429	13,593,643	13,584,215
	10,745,929	15,696,196	15,985,465
Instalments due within next twelve months	(5,075,881)	(5,131,944)	(5,128,384)
Instalments due after next twelve months	5,670,048	10,564,252	10,857,081
Short term loans			
- Kuwait Dinar	77,000,000	71,500,000	68,000,000

Long term loan facility amounting to US\$12,500,000 was obtained from a regional bank. The loan is unsecured and carries interest of 1.25% above 6 months LIBOR. The loan is repayable in twelve semi-annual instalments of US\$1,041,667 ending on 1 May 2013.

Long term loan facility amounting to US\$55,000,000 was obtained from a regional bank. The loan is unsecured and carries interest of 1.5% above 6 months LIBOR. The loan is repayable in seven semi annual instalments of US\$7,857,143 ending on 1 March 2012.

Short term loans outstanding at 30 September 2010 were obtained from local banks. The loans are unsecured and carry effective interest of 2.5% above Central Bank of Kuwait discount rate (31 December 2009: 2.5% and 30 September 2009: 1.25% and 1.5%) per annum. The loans are repayable within twelve months of the period end.

7 Cash and cash equivalents

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Fixed deposits maturing within three months	-	387,550	-
Cash and bank balances	5,410,854	5,591,362	2,345,711
Due to banks	(136,598)	(48,508)	(2,741,213)
	5,274,256	5,930,404	(395,502)

2 Significant accounting policies (continued)

IFRS 9 Financial Instruments (effective from 1 January 2013 earlier application is permitted)

The IASB aims to replace IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety by the end of 2010, with the replacement standard to be effective for annual periods beginning 1 January 2013. IFRS 9 is the first part of Phase 1 of this project. The main phases are:

- Phase 1: Classification and Measurement
- Phase 2: Impairment methodology
- Phase 3: Hedge accounting

In addition, a separate project is dealing with derecognition.

Although earlier application of this standard is permitted, the Technical Committee of the Ministry of Commerce and Industry of Kuwait decided on 30 December 2009, to postpone this early application till further notice, due to the non-completion of the remaining stages of the standard.

IAS 24 Related Party Disclosures

The amendments to the standard revise the definition of related party as well as modified exemptions for state-controlled entities. The adoption of this amendment is not expected to have a significant impact on the group's financial statements.

IAS 32 Financial Instruments: Presentation

The amendment to the standard clarifies classification right issues in foreign currency. The adoption of this amendment is not expected to have a significant impact on the group's financial statements.

3 Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the profit for the period attributable to the owners of the parent by the weighted average number of shares as follows:

	Three months ended (Unaudited)		Nine months ended (Unaudited)	
	30 Sept. 2010	30 Sept. 2009	30 Sept. 2010	30 Sept. 2009
Profit for the period attributable to the owners of the parent (KD)	1,927,112	1,263,345	23,996,847	8,852,910
Weighted average number of shares outstanding	209,931,310	209,931,310	209,931,310	209,931,310
Basic and diluted earnings per share	9 Fils	6 Fils	114 Fils	42 Fils

4 Available for sale investments

	30 Sept. 2010 (Unaudited) KD	31 Dec. 2009 (Audited) KD	30 Sept. 2009 (Unaudited) KD
Managed portfolios	199,994,803	145,641,750	191,371,993
Quoted shares	22,394,496	21,406,007	26,479,407
Quoted funds	2,357,391	2,081,025	2,538,198
Unquoted shares	6,327,513	7,561,833	8,285,133
Unquoted funds	1,321,770	1,761,510	1,722,546
	232,395,973	178,452,125	230,397,277

The group recognised impairment loss of KD3,048,294 (30 September 2009: KD1,675,887) in respect of certain available for sale investments.

8 General assembly of shareholders

The cash dividend of 50 Fils per share amounting to KD10,496,566 for the year ended 31 December 2009 was approved by the general assembly of the shareholders held on 5 April 2010 and paid following that approval.

9 Segmental information

The group's reportable segments are cable manufacture and investment. The information relating to these segments are as follows.

	Cable manufacture (Unaudited) KD	Investment (Unaudited) KD	Total (Unaudited) KD
Three months ended 30 September 2010			
Revenue/(loss)	25,857,452	(12,853)	25,844,599
Segment profit /(loss)	3,120,279	(1,033,963)	2,086,316
Unallocated expenses			(158,180)
Profit for the period			1,928,136
Nine months ended 30 September 2010			
Revenue	64,769,574	20,581,826	85,351,400
Segment profit	7,047,556	17,473,286	24,520,842
Unallocated expenses			(537,672)
Profit for the period			23,983,170
Impairment in value of available for sale investments	-	3,048,294	3,048,294
Total assets	91,522,991	232,797,108	324,320,099
Three months ended 30 September 2009			
Revenue	14,852,936	271,560	15,124,496
Segment profit/(loss)	2,024,958	(615,666)	1,409,292
Unallocated expenses			(140,022)
Profit for the period			1,269,270
Nine months ended 30 September 2009			
Revenue	51,247,595	5,556,906	56,804,501
Segment profit	6,857,183	2,436,833	9,294,016
Unallocated expenses			(457,991)
Profit for the period			8,836,025
Impairment in value of available for sale investments	-	1,675,887	1,675,887
Total assets	72,870,150	230,784,577	303,654,727

10 Related party transactions

These represent transactions with certain related parties (directors and executive officers of the parent company and their related concerns) entered into by the group in the ordinary course of business.

	Three months ended (Unaudited)		Nine months ended (Unaudited)	
	30 Sept. 2010 KD	30 Sept. 2009 KD	30 Sept. 2010 KD	30 Sept. 2009 KD
Amounts included in interim condensed consolidated statement of income				
Sales	1,355,113	244,287	1,938,755	950,030
Industrial expenses	<u>45</u>	<u>9,498</u>	<u>23,691</u>	<u>33,851</u>
Key management compensation:				
Salaries and other short term benefits	297,858	114,370	893,576	346,076
Terminal benefits	-	919	899	20,638
	<u>297,858</u>	<u>115,289</u>	<u>894,475</u>	<u>366,714</u>

11 Capital commitments

At the period end, the group was committed to purchase investments amounting to KD1,000,000 (31 December 2009: KD1,000,000 and 30 September 2009: KD1,000,000) and to purchase new machinery and equipment amounting to KD296,200 (31 December 2009: KD476,146 and 30 September 2009: KD542,871).

12 Contingent liabilities

Contingent liabilities at the period end in respect of outstanding letters of guarantee amounted to KD6,553,399 (31 December 2009: KD6,728,829. and 30 September 2009: KD6,353,824).