

**Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries**

**Condensed consolidated interim financial information
and independent auditors' review report for the nine month period
ended 31 March 2009**

**Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
State of Kuwait**

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Nafais Holding Company K.S.C. (Closed)
State of Kuwait

Independent auditors' report on review of condensed consolidated interim financial information

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of Nafais Holding Company K.S.C. (Closed), ("the Company") and its subsidiaries (together referred to as "the Group") as at 31 March 2009, and the related condensed consolidated interim statements of income, changes in equity and cash flows for nine month period then ended.

Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review. We did not review the interim financial information of certain associate and subsidiary whose share of net assets of the Group as at 31 March 2009, amounted to KD 28,711,324 which is 18.86 % of total assets of the Group as at 31 March 2009 and share of loss amounted to KD 2,064,011 which represents 10.44 % of total loss of the Group for the nine month period ended 31 March 2009. The interim financial information of such associate and subsidiary was reviewed by other auditors whose reports have been furnished to us, and our conclusion, insofar as it relates to the amounts included for such associate and subsidiary are based solely on the reports of other auditors.

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 and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 31 March 2009 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 2 in the condensed consolidated interim financial information which indicates that the Group incurred a loss of KD 19,771,094 for the period ended 31 March 2009 and the Group's current liabilities exceeded its current assets by KD 58,955,447 as at 31 March 2009. These conditions along with other matters referred to in Note 2 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

Report on other legal and regulatory requirements

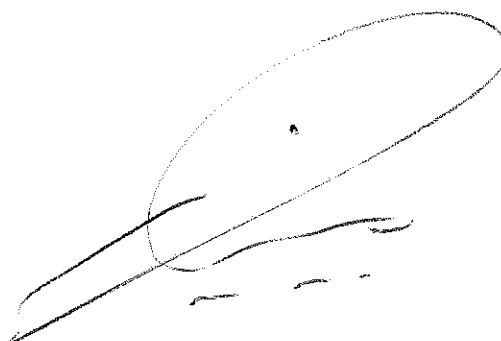
Furthermore, based on our review, the condensed consolidated interim financial information is in agreement with the books of account of the Company. We further report that nothing has come to our attention indicating any contravention during the nine month period ended 31 March 2009, of the Kuwait Commercial Companies Law of 1960, as amended, or of the Company's articles and memorandum of association, which might have materially affected the Company's activities or its consolidated financial position.



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Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
State of Kuwait

Condensed consolidated interim balance sheet (Unaudited)
as at 31 March 2009

	Note	31 March 2009 KD	30 June 2008 KD (audited)	31 March 2008 KD
Assets				
Property, plant and equipment		32,172,289	30,873,501	30,804,819
Intangible assets		30,725	33,417	34,320
Goodwill		7,896,410	14,699,740	14,699,740
Property under development		4,456,397	-	-
Investment in associates	5	42,338,504	44,269,712	44,034,162
Available for sale investments	6	15,666,035	15,222,533	18,474,524
Advances	7	27,591,185	-	-
Other assets		60,494	73,395	123,658
Total non-current assets		<u>130,212,039</u>	<u>105,172,298</u>	<u>108,171,223</u>
Inventories		737,513	860,519	750,872
Trade and other receivables		5,352,000	6,909,549	5,251,776
Due from related parties	12	13,351,577	373,766	352,120
Investments at fair value through profit or loss		-	-	17,603
Term deposits		-	4,826,798	6,000,000
Cash and cash equivalents		2,506,626	743,804	1,959,439
Total current assets		<u>21,947,716</u>	<u>13,714,436</u>	<u>14,331,810</u>
Total assets		<u>152,159,755</u>	<u>118,886,734</u>	<u>122,503,033</u>
Equity and liabilities				
Equity				
Share capital	8	62,336,968	62,336,968	62,336,968
Treasury shares	9	(694,486)	(694,486)	(694,486)
Share premium		11,979,978	11,979,978	11,979,978
Statutory reserve		612,240	612,240	547,306
Voluntary reserve		557,922	557,922	492,988
Foreign currency translation reserve		249,098	(246,957)	(184,017)
Cumulative changes in fair value		(1,581,808)	(3,546,055)	(112,265)
Accumulated losses/ retained earnings		(16,592,548)	3,206,602	2,974,938
Equity attributable to equity holders of the Company		56,867,364	74,206,212	77,341,410
Minority interest		5,838,914	5,218,570	5,289,851
Total equity		<u>62,706,278</u>	<u>79,424,782</u>	<u>82,631,261</u>
Liabilities				
Due to financial institutions	10	6,519,430	7,878,630	9,240,490
Post employment benefits		2,030,884	1,792,293	1,842,545
Total non-current liabilities		<u>8,550,314</u>	<u>9,670,923</u>	<u>11,083,035</u>
Due to related parties	12	28,777,679	10,978,142	11,176,015
Trade and other payables		10,620,852	5,042,554	5,554,309
Due to financial institutions	10	41,504,632	13,770,333	12,058,413
Total current liabilities		<u>80,903,163</u>	<u>29,791,029</u>	<u>28,788,737</u>
Total liabilities		<u>89,453,477</u>	<u>39,461,952</u>	<u>39,871,772</u>
Total equity and liabilities		<u>152,159,755</u>	<u>118,886,734</u>	<u>122,503,033</u>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

Chairman and Managing Director

Vice Chairman

Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
State of Kuwait

Condensed consolidated interim statement of income (Unaudited)
for the nine month period ended 31 March 2009

	Note	Three months ended 31 March		Nine months ended 31 March	
		2009 KD	2008 KD	2009 KD	2008 KD
Operating revenues		4,043,244	1,688,079	11,058,575	5,064,238
Operating costs		(2,755,777)	(1,198,171)	(7,095,445)	(3,549,514)
Gross profit		<u>1,287,467</u>	<u>489,908</u>	<u>3,963,130</u>	<u>1,514,724</u>
Other income		791,077	102,963	1,468,766	308,889
Gain from investments at fair value through profit or loss		-	1,283	-	3,850
Results from operating activities		<u>2,078,544</u>	<u>594,154</u>	<u>5,431,896</u>	<u>1,827,463</u>
General and administrative expenses		(1,104,024)	(329,062)	(4,175,688)	(987,186)
Impairment on available for sale investments		-	-	(5,858,257)	-
Impairment on goodwill		-	-	(6,902,991)	-
Arrangement fees		(731,287)	-	(731,287)	-
Finance costs		(2,141,772)	(69,803)	(5,710,593)	(209,409)
Operating expenses		<u>(3,977,083)</u>	<u>(398,865)</u>	<u>(23,378,816)</u>	<u>(1,196,595)</u>
Share of (loss) / profit from associates		(2,888,619)	80,899	(1,824,174)	242,696
Net (loss) / profit before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS) and National Labour Support Tax (NLST)		(4,787,158)	276,188	(19,771,094)	873,564
Contribution to KFAS		-	(1,893)	-	(5,678)
National Labour Support Tax		-	(3,235)	-	(9,704)
Net (loss) / profit for the period		<u>(4,787,158)</u>	<u>271,060</u>	<u>(19,771,094)</u>	<u>858,182</u>
(Loss) / profit attributable to:					
Equity holders of the Company		(4,851,597)	271,060	(19,799,150)	858,182
Minority interest		64,439	-	28,056	-
		<u>(4,787,158)</u>	<u>271,060</u>	<u>(19,771,094)</u>	<u>858,182</u>
(Loss) / earnings per share (fils)	11	<u>(7.81)</u>	<u>7.98</u>	<u>(31.85)</u>	<u>25.27</u>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
State of Kuwait

Condensed consolidated interim statement of changes in equity (Unaudited)
for the nine month period ended 31 March 2009

	Share capital KD	Treasury shares KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Foreign currency translation reserve KD	Cumulative changes in fair value KD	Accumulated losses/retained earnings KD	Equity attributable to equity holders of the Company KD	Minority interest KD	Total equity KD
Balance at 1 July 2007	2,247,167	(204,377)	1,232,105	547,306	492,988	-	-	2,116,756	6,431,945	-	6,431,945
Foreign currency translation	-	-	-	-	-	(184,017)	-	-	(184,017)	-	(184,017)
Change in fair value of available-for sale investments	-	-	-	-	-	-	(112,265)	-	(112,265)	-	(112,265)
Net loss recognised directly in equity	-	-	-	-	-	-	(112,265)	-	(112,265)	-	(112,265)
Net profit for the period	-	-	-	-	-	(184,017)	(112,265)	858,182	(296,282)	-	(296,282)
Total recognised income and expense for the period	-	-	-	-	-	(184,017)	(112,265)	858,182	561,900	-	561,900
Issue of share capital	60,089,801	-	-	-	-	-	-	-	60,089,801	-	60,089,801
Purchase of treasury shares	-	(490,109)	-	-	-	-	-	-	(490,109)	-	(490,109)
Increase in share premium	-	-	10,747,873	-	-	-	-	-	10,747,873	-	10,747,873
Minority interest	-	-	-	-	-	-	-	-	-	5,289,851	5,289,851
Balance at 31 March 2008	62,336,968	(694,486)	11,979,978	547,306	492,988	(184,017)	(112,265)	2,974,938	77,341,410	5,289,851	82,631,261
Balance at 1 July 2008	62,336,968	(694,486)	11,979,978	612,240	557,922	(246,957)	(3,546,055)	3,206,602	74,206,212	5,218,570	79,424,782
Foreign currency translation	-	-	-	-	-	496,055	-	-	496,055	-	496,055
Impairment loss recognised	-	-	-	-	-	-	3,256,831	-	3,256,831	-	3,256,831
Change in fair value of available for sale investments	-	-	-	-	-	-	(1,292,584)	-	(1,292,584)	(46,337)	(1,338,921)
Net profit recognised directly in equity	-	-	-	-	-	496,055	1,964,247	(19,799,150)	2,460,302	(46,337)	2,413,965
Net loss for the period	-	-	-	-	-	-	-	(19,799,150)	(19,799,150)	28,056	(19,771,094)
Total recognised income and expense for the period	-	-	-	-	-	496,055	1,964,247	(19,799,150)	(17,338,848)	(18,281)	(17,357,129)
Minority interest	-	-	-	-	-	-	-	-	-	638,625	638,625
Balance at 31 March 2009	62,336,968	(694,486)	11,979,978	612,240	557,922	249,098	(1,581,808)	(16,592,548)	56,867,364	5,838,914	62,706,278

The accompanying notes form an integral part of this condensed consolidated interim financial information

Nafais Holding Company K.S.C (Closed)
and its Subsidiaries
State of Kuwait

Condensed consolidated interim statement of cash flows (Unaudited)
for the nine month period ended 31 March 2009

	Nine months ended 31 March	
	2009 KD	2008 KD
Cash flows from operating activities		
Net (loss) / profit for the period	(19,771,094)	858,182
<i>Adjustments for:</i>		
Depreciation and amortization	648,890	311,618
Provision for doubtful debts	132,750	-
Gain on investments at fair value through profit or loss	-	(3,850)
Impairment loss on available for sale investments	5,858,257	-
Impairment loss on goodwill	6,902,991	-
Finance costs	5,710,593	209,975
Post employment benefits	321,145	172,518
Share of loss / (profit) from associate	1,824,174	(242,696)
Minority interest	(28,056)	-
Foreign currency translation reserve	496,055	(184,017)
	<u>2,095,705</u>	<u>1,121,730</u>
Working capital changes		
Decrease / (increase) in inventories	123,006	(35,252)
Decrease / (increase) in trade and other receivables	1,424,799	(799,939)
Increase in due from related parties	(12,977,811)	(192,740)
Increase in trade and other payables	5,578,298	1,117,758
<i>Cash (used in)/generated from operating activities</i>	<u>(3,756,003)</u>	<u>1,211,557</u>
Post employment benefits paid	(82,554)	(21,740)
Net cash (used in) / from operating activities	<u>(3,838,557)</u>	<u>1,189,817</u>
Cash flows from investing activities		
Advances	(27,591,185)	-
Acquisition of subsidiaries	-	(23,390,076)
Acquisition of share in associate	-	(12,391,400)
Acquisition of property under development	(4,456,397)	-
Decrease in term deposits	4,826,798	-
Acquisition of available-for-sale investments	(4,355,503)	(4,234,573)
Acquisition of property and equipments	(1,947,678)	(809,525)
Other assets	12,901	-
Net cash used in investing activities	<u>(33,511,064)</u>	<u>(40,825,574)</u>
Cash flows from financing activities		
Proceeds from issue of share capital	-	60,089,801
Share premium	-	10,747,873
Purchase of treasury shares	-	(490,109)
Minority interest	648,400	-
Borrowings from / (repayments to) financial institutions	26,375,099	(2,364,781)
Increase / (decrease) in due to related parties	17,799,537	(28,518,871)
Finance cost paid	(5,710,593)	(209,975)
Net cash from financing activities	<u>39,112,443</u>	<u>39,253,938</u>
Net increase / (decrease) in cash and cash equivalents	<u>1,762,822</u>	<u>(381,819)</u>
Cash and cash equivalents at beginning of the period	<u>743,804</u>	<u>2,341,258</u>
Cash and cash equivalents at end of the period	<u>2,506,626</u>	<u>1,959,439</u>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

**Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
State of Kuwait**

**Notes to the condensed consolidated interim financial information (Unaudited)
for the nine month period ended 31 March 2009**

1. Status and activities

Nafais Holding Company K.S.C. (Closed) ("the Company") was established in Kuwait on 31 October 1984 as a Kuwaiti Closed Shareholding Company and was listed on the Kuwait Stock Exchange on 3 May 2005.

The registered office of the Company is located at Al-Wazzan building, Trade free zone, P.O. Box 3306, Kuwait.

The objectives of the Company are:

- Owning stocks and shares in Kuwaiti and non-Kuwaiti companies and participation in the establishment of these companies and managing them;
- Lending to companies in which the Company owns shares and acting as a guarantor for these companies;
- Owning industrial equities such as patents, industrial trademarks, royalties or any other related rights and franchising them to other companies;
- Owning real estate and movable properties to conduct its operations in accordance with the law; and
- Investing surplus cash through investing in portfolios managed by fund management organizations.

The Company may also have an interest in or participate in any manner with other entities carrying out similar or complementary activities in order to achieve its objectives inside and outside of Kuwait, and to acquire or merge with those entities.

The condensed consolidated interim financial information comprises of Nafais Holding Company K.S.C. (Closed), its subsidiaries and associates (together referred to as "the Group").

The Company manages the following schools in the State of Kuwait:

- Al – Takamul International School
- Gulf English School
- Al – Mansour School
- Al – Rawad School

The Company also managed three other schools by the name of Al-Andalus Private School, Al-Tafawoq Private School and Al-Malee Bilingual School. These schools were operated from a building rented from the Ministry of Education. On 18 February 2008, the Company received a notice from Ministry of Education to vacate and deliver back the building to the Ministry by 30 June 2008. The management of the Company initiated legal action against the Ministry of Education and the matter is still in court.

Certain subsidiaries accounts included in these condensed consolidated interim financial information were based on their management accounts for the nine month period ended 31 March 2009. The total assets, liabilities and net loss of such subsidiaries included in these condensed consolidated interim financial information amounted to KD 10,699,476, KD 10,056,469 and KD 294,127 respectively.

Nafais Holding Company K.S.C. (Closed)
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Notes to the condensed consolidated interim financial information (Unaudited)
for the nine month period ended 31 March 2009

A list of subsidiaries and associates is as follows:

Name of the company	Country	Percentage of ownership		Principal activities
		31 March 2009	31 March 2008	
Subsidiaries				
Al-Mowasat Holding Company K.S.C. (Closed)	Kuwait	64.82%	-	Investment activities
Al-Tafawoq Educational Services Company W.L.L.	Kuwait	100%	100%	School operations
Al-Andulas Educational Services Company W.L.L.	Kuwait	100%	100%	School operations
Al-Malee Educational Services Company W.L.L.	Kuwait	100%	100%	School operations
Al-Rawada Holding Company	Egypt	100%	-	School operations
Al-Mouzon Real Estate Company W.L.L.	Kuwait	100%	-	Real Estate
Bronze Vision Company W.L.L.	Kuwait	100%	-	General Trading
Associates				
United Capital Bank, Sudan	Sudan	18.75%	-	Banking operations
Educational Holding Group K.S.C. (Closed)	Kuwait	32.36%	32.26%	Investing activities
Al Khat Printing Press Company W.L.L.	Kuwait	25%	-	Printing and publishing
Warba Graphics Advertising and Marketing Company W.L.L.	Kuwait	25%	-	Publicity and advertisement

Ownerships in certain subsidiaries are held by affiliates of the Company as nominees. Such affiliates have issued letters acknowledging that they hold shares on behalf and for the benefit of the Company.

The condensed consolidated interim financial information was approved for issue by the Board of Directors on 14 May 2009.

Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
State of Kuwait

Notes to the condensed consolidated interim financial information (Unaudited)
for the nine month period ended 31 March 2009

2. Fundamental accounting concept

The Group has incurred a loss of KD 19,771,094 for the nine month period ended 31 March 2009 (31 March 2008: profit of KD 858,182) and its current liabilities exceeded current assets by KD 58,955,447 as 31 March 2009 (30 June 2008: KD 16,076,593 and 31 March 2008: KD 14,456,927), the condensed consolidated interim financial information have been prepared on going concern basis.

The ability of the Group to continue as going concern is dependent on availability of the continued support from the financial institutions and the shareholders and the ability of the Group to improve profitability and cash flows. The management is in the process of negotiating the terms of the settlement of its financings with financial institutions whereby these short term facilities will be converted into medium and long term facility. The management is confident that they will be able to renegotiate the terms of its facilities as well as other facilities as contemplated at this stage.

If the Group is unable to continue its operational existence for the foreseeable future, it may be unable to discharge its liabilities in the normal course of business. Accordingly, adjustments may have to be made to reflect the situation that assets may need to be realized other than in normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the condensed consolidated interim balance sheet. In addition, the Group may have to reclassify non-current assets and liabilities as current assets and liabilities respectively. No such adjustments have been made to this condensed consolidated interim financial information.

3. Basis of preparation

a) Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard No. 34, *Interim Financial Reporting* and the Kuwait Stock Exchange instructions No. 2 of 1998.

The condensed consolidated interim financial information does not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards (IFRSs).

In the opinion of management, all adjustments considered necessary for a fair presentation have been included.

The operating results for the nine month period ended 31 March 2009 are not necessarily indicative of the results that may be expected for the year ending 30 June 2009.

The condensed consolidated interim financial information has been prepared using the same accounting policies and methods of computation as compared with the Group's latest audited financial statements for the year ended 30 June 2008 except for accounting policy set out in note 4(a).

Nafais Holding Company K.S.C. (Closed)
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Notes to the condensed consolidated interim financial information (Unaudited)
for the nine month period ended 31 March 2009

b) Judgments and estimates

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the management in applying the accounting policies were the same as those applied to financial statements for the year ended 30 June 2008.

4. Significant accounting policies

a) Property under development

Properties being constructed or developed for long term rental yields or appreciation in value are carried at cost less accumulated impairment loss. Upon completion of construction or development such properties are transferred to investment properties.

b) Goodwill

Goodwill movement during the period is as follows:

	KD
Balance as at 1 July 2008	14,699,740
Additions to goodwill	99,661
Impairment during the period	<u>(6,902,991)</u>
Balance as at 31 March 2009	<u>7,896,410</u>

During the period, the Group recognized an impairment loss on goodwill amounting to KD 6,902,991 in respect of their investment in Mowasat Holding Company K.S.C. (Closed), a subsidiary (the "Subsidiary"). The Subsidiary was acquired by the Group on 31 March 2008 for a purchase consideration of KD 22,648,850, which resulted in accounting of goodwill of KD 12,902,170. During the period, based on the current market conditions and adverse operational factors affecting the Subsidiary, management believes that there are objective evidences of impairment in value of the Subsidiary. The management computed the net recoverable value of subsidiary, determined based on the value-in-use, and determined that net recoverable value is lower than the carrying value by KD 6,902,991. The impairment loss was allocated against the goodwill.

The value-in-use was computed based on the revised cash flow projections for the Subsidiary, which was discounted using appropriate weighted average cost of capital.

Impairment loss on goodwill is not reversed in subsequent periods.

Nafais Holding Company K.S.C. (Closed)
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Notes to the condensed consolidated interim financial information (Unaudited)
for the nine month period ended 31 March 2009

5. Investment in associates

	31 March 2009 KD	30 June 2008 KD (audited)	31 March 2008 KD
Carrying value at beginning of the period	44,269,712	31,684,116	31,684,116
Cost of acquisitions	59,300	12,359,735	12,359,735
	<u>44,329,012</u>	<u>44,043,851</u>	<u>44,043,851</u>
Results of the associates	(1,990,508)	225,861	(9,689)
Carrying value at end of the period	<u>42,338,504</u>	<u>44,269,712</u>	<u>44,034,162</u>

The share of results of certain associates was based on management accounts as at and for the period ended 31 March 2009. The total net assets and the Company's share of net profit included in these condensed consolidated interim financial information relating to such associates amounted to KD 12,465,328, and KD 485,229 respectively.

The fair market value of listed associate is amounted to KD 15,294,451 as at 31 March 2009 (30 June 2008: KD 28,502,519 and 31 March 2008: KD 23,296,634).

6. Available for sale investments

	31 March 2009 KD	30 June 2008 KD (audited)	31 March 2008 KD
Quoted equity securities-local	7,011,875	6,761,945	-
Unquoted equity securities-local	8,654,160	8,460,588	18,474,524
	<u>15,666,035</u>	<u>15,222,533</u>	<u>18,474,524</u>

Unquoted equity investments are carried at cost less impairment losses since the fair value of these investments can not be reliably determined. There is no active market for these investments and there have not been any recent transactions that provide evidence of the current fair value.

During the period, the Group has recognised an impairment loss amounting to KD 5,858,257 (31 March 2008: KD Nil). An amount of KD 3,256,831 has been removed from equity and recognised in the statement of income and KD 2,601,426 has been recognised directly in the statement of income.

7. Advances

Advances includes an amount of KD 24,600,865 paid to a portfolio manager for acquisition of a stake in Rawa Real Estate Company, (under establishment), which is located in Kingdom of Saudi Arabia. At the balance sheet date, the legal formalities relating to transfer and allotment of shares were in progress. Subsequent to the period end, the shares were allotted and certificates have been issued in the name of the Company.

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8. Share capital

The Company's authorized and issued share capital amounted to KD 62,336,968 comprised of 623,369,677 shares of 100 fils each (30 June 2008: KD 62,336,968 comprised of 623,369,677 shares of 100 fils each and 31 March 2008: KD 62,336,968 comprised of 623,369,677 shares of 100 fils each).

9. Treasury shares

	31 March 2009 KD	30 June 2008 KD (audited)	31 March 2008 KD
Opening balance	694,486	204,377	204,377
Repurchase of shares	-	490,109	490,109
Closing balance	<u>694,486</u>	<u>694,486</u>	<u>694,486</u>
Market value	<u>215,488</u>	<u>654,160</u>	<u>654,160</u>

10. Due to financial institutions

This includes various Islamic modes of financings and other payables to various financial institutions. This carries interest yield ranging from 7.75% to 13.78% and carries the latest settlement date of 15 February 2017.

Facility type	Outstanding balance KD	1 to 6 months KD	6 months to 1 year KD	1 year to 3 years KD	3 to 5 years KD	Above 5 years KD
Istisna	2,293,612	205,906	155,703	1,144,284	541,905	245,814
Murabaha	20,311,839	4,443,307	15,776,191	92,341	-	-
Project financing	333,245	24,950	15,933	292,362	-	-
Wakala	8,495,231	8,495,231	-	-	-	-
Ijarah	7,073,644	73,644	7,000,000	-	-	-
Obligation under finance lease	2,295,562	655,874	1,639,688	-	-	-
Tawaroq	7,220,929	2,781,730	236,475	1,060,938	1,249,631	1,892,155
Total	<u>48,024,062</u>	<u>16,680,642</u>	<u>24,823,990</u>	<u>2,589,925</u>	<u>1,791,536</u>	<u>2,137,969</u>

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11. Loss / earnings per share

Loss / earnings per share are calculated by dividing the net (loss) / profit for the period by the weighted average number of shares outstanding during the period, as follows;

	Three months ended 31 March		Nine months ended 31 March	
	2009	2008	2009	2008
Net (loss) / profit for the period attributable to equity holders of the Company (KD)	(4,851,597)	271,060	(19,799,150)	858,182
Weighted average number of shares issued	623,369,677	35,568,632	623,369,677	35,568,632
Weighted average number of treasury shares bought back	(1,924,000)	(1,604,000)	(1,924,000)	(1,604,000)
Weighted average number of paid-up shares outstanding	621,445,677	33,964,632	621,445,677	33,964,632
(Loss) / earnings per share (fils)	(7.81)	7.98	(31.85)	25.27

12. Related party transactions

Related parties comprise the Group's significant shareholders, Board of directors, associates, key management personnel and their close family members. In the normal course of business and upon management approval, transactions have been carried out during the nine month period ended 31 March 2009.

Significant related party balances and transactions during the period are as follows:

	31 March 2009 KD	30 June 2008 KD (audited)	31 March 2008 KD
Due from related parties			
Al Andulas Holding Company, Egypt	126,097	90,011	71,808
Al Andulas Holding Company, Lebanon	-	240,232	236,973
Al Malee Educational Company, KSA	917,078	29,561	43,339
Due from shareholders	13,782	13,962	-
Others	12,294,620	-	-
Investment in associate	42,338,504	44,269,712	44,034,162
Due to related parties			
Payable on acquisition of companies	28,777,679	10,978,142	11,176,015
Transactions			
Tuition fees	3,822	-	-
Share of (loss) / profit from associate	(1,824,174)	767,280	242,696
Key Management Compensation			
Salaries	229,385	384,251	-
Bonuses and allowances	94,439	47,108	-

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These transactions are subject to the approval of the shareholders at the annual general assembly meeting.

Due from / to related parties does not bear any interest and have no fixed maturity date.

13. Segment information

The Group manages the following main business segments:

Educational service: Providing educational services through network of schools inside and outside Kuwait

Healthcare services: Managing hospitals providing healthcare services

Geographical segments

Educational services are provided through schools network in Kuwait and Egypt.

The Group has considered business segments as its primary reporting segment where geographical segment as secondary reporting segment.

Business segments

	Educational Services KD	Healthcare services KD	Consolidated KD
Nine months ended 31 March 2009			
Segment revenues	4,775,353	5,927,814	10,703,167
Segment results	<u>(20,016,486)</u>	<u>245,392</u>	<u>(19,771,094)</u>
Assets and liabilities			
Segment assets	117,016,679	35,143,076	152,159,755
Segment liabilities	<u>69,553,202</u>	<u>19,900,275</u>	<u>89,453,477</u>
Nine months ended 31 March 2008			
Segment revenue	5,604,287	15,386	5,619,673
Segment results	<u>856,712</u>	<u>1,470</u>	<u>858,182</u>
Assets and liabilities			
Segment assets	87,775,934	34,727,099	122,503,033
Segment liabilities	<u>20,181,204</u>	<u>19,690,568</u>	<u>39,871,772</u>

Geographical segments

	31 March 2009			31 March 2008		
	Kuwait KD	Egypt KD	Consolidated KD	Kuwait KD	Egypt KD	Consolidated KD
Revenue from external customers	10,430,221	272,946	10,703,167	5,619,673	-	5,619,673
Segment assets	<u>147,888,924</u>	<u>4,270,831</u>	<u>152,159,755</u>	<u>121,460,162</u>	<u>1,042,871</u>	<u>122,503,033</u>

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14. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 30 June 2008.

15. Contingent liabilities

The Group was contingently liable in respect of bank guarantees for KD Nil as of 31 March 2009 (30 June 2008: KD Nil and 31 March 2008: KD 217,504).

16. Comparative figures

Where necessary, certain comparative figures were reclassified to conform to current period financial information presentation.