

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

**Condensed consolidated interim financial information and
independent auditors' review report for the three months period
ended 30 September 2009**

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

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KPMG Safi Al-Mutawa & Partners
Rakan Tower, 18th Floor
Fahad Al-Salem Street
P.O.Box 24, Safat 13001
Kuwait
Telephone : + 965 2247 5090
Fax : + 965 2249 2704

بوبيان المحاسبين
BOUBYAN Auditing Office
محاسبون قانونيون - مستشارون ماليون

Boubyan Auditing Office
P.O.Box 17445, Khaldiya 72455
Kuwait
Telephone : + 965 2249 4040
Fax : + 965 2249 6565

The Board of Directors
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 financial position of Nafais Holding Company K.S.C. (Closed) ("the Company"), and its subsidiaries (together referred to as "the Group") as at 30 September 2009, and the related condensed consolidated interim statements of income, comprehensive income, changes in equity and cash flows for three month period then ended.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review. We did not review the interim financial information of certain subsidiaries, whose total assets of KD 38,654,329 amounted to 29% of total assets of the Group as at 30 September 2009 and whose total revenues of KD 3,582,311 amounted to 80 % of total revenues of the Group for the three month period ended 30 September 2009. We also did not review the interim financial information of an associate, of which the Group's share of net assets of KD 16,173,161 amounted to 12% of total assets of the Group as at 30 September 2009 and of which the Group's share of loss of KD 166,096 amounted to 4 % of total revenues of the Group for the three month period ended 30 September 2009. The interim financial information of these subsidiaries and associate were reviewed by other auditors whose reports have been furnished to us, and our conclusion, insofar as it relates to the amounts included for these subsidiaries and associate 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 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Emphasis of Matter

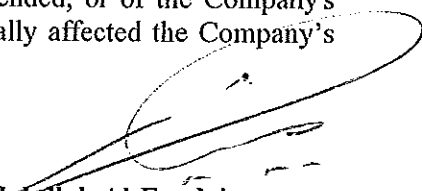
Without qualifying our conclusion, we draw attention to Note 2 to the condensed consolidated interim financial information, where material uncertainty about the Group's ability to continue as going concern has been summarized.

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 three month period ended 30 September 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.



Safi A. Al-Mutawa
License No 138 "A"
of KPMG Safi Al-Mutawa & Partners
Member firm of KPMG International



Yahia Abdullah Al-Foudri
License No 83 "A"
Of Boubyan Auditing Office

Kuwait: 15 November 2009

Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
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Condensed consolidated interim financial position (Unaudited)
as at 30 September 2009

	Note	30 September 2009 KD	30 June 2009 KD (audited)	30 September 2008 KD
Assets				
Property, plant and equipment		34,264,088	33,971,958	35,415,561
Intangible assets		28,920	29,823	32,515
Goodwill	5	12,010,455	12,010,455	7,896,410
Investment property	6	4,631,517	-	-
Property under development		-	4,646,198	-
Investment in associates	7	63,770,460	68,140,571	45,941,645
Available for sale investments	8	8,572,087	8,214,234	14,766,527
Other assets		114,652	110,497	73,053
Total non-current assets		<u>123,392,179</u>	<u>127,123,736</u>	<u>104,125,711</u>
Inventories		808,234	850,795	835,274
Trade and other receivables		2,381,376	3,819,213	12,834,382
Due from related parties	13	4,687,175	6,052,930	818,584
Cash and cash equivalents		2,563,076	1,637,002	1,915,534
Total current assets		<u>10,439,861</u>	<u>12,359,940</u>	<u>16,403,774</u>
Total assets		<u>133,832,040</u>	<u>139,483,676</u>	<u>120,529,485</u>
Equity and liabilities				
Equity				
Share capital	9	62,336,968	62,336,968	62,336,968
Treasury shares	10	(1,221,334)	(1,221,334)	(694,486)
Share premium		11,979,978	11,979,978	11,979,978
Statutory reserve		612,240	612,240	612,240
Voluntary reserve		557,922	557,922	557,922
Foreign currency translation reserve		42,477	82,607	(252,492)
Cumulative changes in fair value		(393,769)	(836,536)	120,120
Accumulated losses		(25,955,671)	(23,543,552)	(8,594,829)
Equity attributable to shareholders of the Parent Company		47,958,811	49,968,293	66,065,421
Non-controlling interest		5,856,053	5,875,841	5,012,899
Total equity		<u>53,814,864</u>	<u>55,844,134</u>	<u>71,078,320</u>
Liabilities				
Islamic financing	11	10,513,407	18,717,660	6,110,881
Post employment benefits		2,216,741	2,110,727	1,945,335
Due to related party		-	11,910,540	-
Total non-current liabilities		<u>12,730,148</u>	<u>32,738,927</u>	<u>8,056,216</u>
Islamic financing	11	35,224,656	29,400,826	14,433,662
Due to related parties	13	24,930,866	13,685,759	17,115,756
Trade and other payables		7,131,506	7,814,030	9,845,531
Total current liabilities		<u>67,287,028</u>	<u>50,900,615</u>	<u>41,394,949</u>
Total liabilities		<u>80,017,176</u>	<u>83,639,542</u>	<u>49,451,165</u>
Total equity and liabilities		<u>133,832,040</u>	<u>139,483,676</u>	<u>120,529,485</u>

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



Chairman and Managing Director

Nafais Holding Company K.S.C. (Closed)
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Condensed consolidated interim statement of income (Unaudited)
for the three months period ended 30 September 2009

	Note	Three months ended 30 September	
		2009 KD	2008 KD
Operating revenues		6,111,351	4,436,346
Operating costs		(4,057,698)	(2,799,737)
Gross profit		<u>2,053,653</u>	<u>1,636,609</u>
Other income		203,976	503,683
General and administrative expenses		(1,856,997)	(2,437,367)
Loss on sale of investment in an associate		(206,642)	-
Impairment of available for sale investments		-	(5,858,257)
Impairment of goodwill		-	(6,902,991)
Results from operating activities		<u>193,990</u>	<u>(13,058,323)</u>
Finance costs		(1,007,340)	(1,044,994)
Share of (loss) / profit from associates		(1,637,611)	2,027,892
Net loss for the period		<u>(2,450,961)</u>	<u>(12,075,425)</u>
Net loss attributable to:			
Shareholders of the Parent Company		(2,412,119)	(11,801,431)
Non-controlling interest		(38,842)	(273,994)
		<u>(2,450,961)</u>	<u>(12,075,425)</u>
Loss per share (fils)	12	<u>(3.91)</u>	<u>(18.97)</u>

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

Nafais Holding Company K.S.C. (Closed)
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Condensed consolidated interim statement of comprehensive income (Unaudited)
for the three months period ended 30 September 2009

	Three months ended 30 September	
	2009 KD	2008 KD
Net loss for the period	(2,450,961)	(12,075,425)
<i>Other comprehensive income</i>		
Foreign currency translation differences for foreign operations	(21,076)	(5,535)
Cumulative changes in fair value	442,767	477,667
Impairment of available for sale investments	-	3,256,831
Other comprehensive income for the period	<u>421,691</u>	<u>3,728,963</u>
Total comprehensive loss for the period	<u>(2,029,270)</u>	<u>(8,346,462)</u>
Attributable to:		
Shareholders of the Parent company	(2,009,482)	(8,140,791)
Non-controlling interest	(19,788)	(205,671)
Total comprehensive loss for the period	<u>(2,029,270)</u>	<u>(8,346,462)</u>

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

Nafais Holding Company K.S.C. (Closed)
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Condensed consolidated interim statement of changes in equity (Unaudited)
for the three months period ended 30 September 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	Retained earnings / (Accumulated losses) KD	Equity attributable to shareholders of the Parent Company KD	Non-controlling interest KD	Total equity KD
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
Total comprehensive income for the period											
Net loss for the period	-	-	-	-	-	-	-	(11,801,431)	(11,801,431)	(273,994)	(12,075,425)
Other comprehensive income	-	-	-	-	-	(5,535)	3,256,831	-	(5,535)	-	(5,535)
Foreign currency translation	-	-	-	-	-	-	-	-	3,256,831	-	3,256,831
Impairment loss recognised	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of available for sale investments	-	-	-	-	-	-	409,344	-	409,344	68,323	477,667
Total other comprehensive (loss) / income	-	-	-	-	-	(5,535)	3,666,175	-	3,660,640	68,323	3,728,963
Total comprehensive (loss) / income for the period											
Balance at 30 September 2008	62,336,968	(694,486)	11,979,978	612,240	557,922	(252,492)	120,120	(8,594,829)	(8,140,791)	(205,671)	(8,346,462)
Balance at 1 July 2009	62,336,968	(1,221,334)	11,979,978	612,240	557,922	82,607	(836,536)	(23,543,552)	49,968,293	5,875,841	55,844,134
Total comprehensive income for the period											
Net loss for the period	-	-	-	-	-	-	-	(2,412,119)	(2,412,119)	(38,842)	(2,450,961)
Other comprehensive income	-	-	-	-	-	(40,130)	-	-	(40,130)	19,054	(21,076)
Foreign currency translation	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of available for sale investments	-	-	-	-	-	-	442,767	-	442,767	-	442,767
Total other comprehensive (loss) / income	-	-	-	-	-	(40,130)	442,767	-	402,637	19,054	421,691
Total comprehensive (loss) / income for the period											
Balance at 30 September 2009	62,336,968	(1,221,334)	11,979,978	612,240	557,922	42,477	(393,769)	(25,955,671)	(2,009,482)	(19,788)	(2,029,270)
	62,336,968	(1,221,334)	11,979,978	612,240	557,922	42,477	(393,769)	(25,955,671)	47,958,811	5,856,053	53,814,864

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

**Nafais Holding Company K.S.C. (Closed)
and its Subsidiaries
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**Condensed consolidated interim statement of cash flows (Unaudited)
for the three months period ended 30 September 2009**

	Three months ended 30 September	
	2009 KD	2008 KD
Cash flows from operating activities		
Net loss for the period	(2,450,961)	(12,075,425)
<i>Adjustments for:</i>		
Depreciation	953,390	301,257
Amortization of intangible assets	903	-
Provision for doubtful debts	-	64,033
Impairment of available for sale investments	-	5,858,257
Impairment of goodwill	-	6,902,991
Finance costs	1,007,340	1,044,994
Post employment benefits	161,094	155,172
Share of loss / (profit) from associates	1,637,611	(2,027,892)
Foreign currency translation reserve	28,142	5,535
	<u>1,337,519</u>	<u>228,922</u>
Decrease in inventories	42,561	25,245
Decrease / (increase) in trade and other receivables	1,437,837	(5,924,833)
Change in related parties	982,532	659,170
(Decrease) / increase in trade and other payables	<u>(682,524)</u>	<u>4,802,977</u>
Cash from / (used in) operating activities	3,117,925	(208,519)
Post employment benefits paid	<u>(55,080)</u>	<u>(2,130)</u>
<i>Net cash from / (used in) operating activities</i>	<u>3,062,845</u>	<u>(210,649)</u>
Cash flows from investing activities		
Disposal of available for sale investments	-	482,127
Term deposits	-	4,826,798
Change in investment property	14,681	-
Increase in other assets	(4,155)	-
Acquisition of property, plant and equipment	<u>(1,245,520)</u>	<u>(4,843,317)</u>
<i>Net cash (used in) / from investing activities</i>	<u>(1,234,994)</u>	<u>465,608</u>
Cash flows from financing activities		
Islamic financing borrowings	120,000	1,687,771
Islamic financing repayments	(423,396)	-
Non-controlling interest	19,054	273,994
Finance costs paid	<u>(617,435)</u>	<u>(1,044,994)</u>
<i>Net cash (used in) / from financing activities</i>	<u>(901,777)</u>	<u>916,771</u>
Net increase in cash and cash equivalents	926,074	1,171,730
Cash and cash equivalents at beginning of the period	<u>1,637,002</u>	<u>743,804</u>
Cash and cash equivalents at end of the period	<u>2,563,076</u>	<u>1,915,534</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
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**Notes to the condensed consolidated interim financial information (Unaudited)
for the three months period ended 30 September 2009**

1. Status and activities

Nafais Holding Company K.S.C. (Closed) ("the Parent 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, Free Trade 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 new companies making investments therein 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 or using them;
- Owning real estate and movable properties to conduct its operation;
- 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 Company manages the following schools in the State of Kuwait:

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

The condensed consolidated interim financial information comprise of Nafais Holding Company K.S.C. (Closed), its subsidiaries and associates (together referred to as "the Group"). A list of significant directly and indirectly owned subsidiaries and associates is as follows:

Name of the company	Country	Percentage of ownership 30 September		Principal activities
		2009	2008	
Subsidiaries				
Al-Mowasat Holding Company K.S.C. (Closed)	Kuwait	64.82%	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

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**Notes to the condensed consolidated interim financial information (Unaudited)
for the three months period ended 30 September 2009**

Al-Rawada Educational Services Company W.L.L.	Egypt	100%	100%	School operations
Bronze Vision Company W.L.L.	Kuwait	100%	-	General trading and contracting
Al-Mouzon Real Estate Company W.L.L.	Kuwait	100%	100%	Real estate activities
Kids Garden Company L.L.C.	KSA	75%	-	School operations
Associates				
United Capital Bank P.L.C.	Sudan	18.75%	18.75%	Banking operations
Educational Holding Group K.S.C. (Closed)	Kuwait	32.26%	32.26%	Investing activities
Al Khat Printing Press Company W.L.L.	Kuwait	25%	25%	Printing and publishing
Warba Group GCC Company W.L.L.	Kuwait	25%	25%	Publicity and advertisements
Athman Investment Company K.S.C. (Closed)	Kuwait	39.67%	-	Investment activities
Rawa Real Estate Company S.J.S.C (Closed)	KSA	27.44%	-	Real estate activities
Mazaya Medical Company W.L.L.	Kuwait	37.5%	-	Dormant

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 annual general assembly meeting of the shareholders has not yet been held by the Company and it will be held on 16 November 2009; therefore the opening balances in the interim financial information are not approved by the shareholders.

The condensed consolidated interim financial information were approved for issue by the Board of Directors on 15 November 2009.

Notes to the condensed consolidated interim financial information (Unaudited)
for the three months period ended 30 September 2009

2. Fundamental accounting principle

Although the Group has incurred a loss of KD 2,450,961 for the three month period ended 30 September 2009 (30 September 2008: loss of KD 12,075,425) and its current liabilities exceeded current assets by KD 56,847,167 as at 30 September 2009 (30 June 2009: KD 38,540,675 and 30 September 2008: KD 24,991,175), the condensed consolidated interim financial information have been prepared on a going concern basis.

The ability of the Group to continue as a going concern is dependent on the availability of continued support from the financial institutions and 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 short term facilities with financial institutions whereby these short term facilities will be converted into medium and long term facilities. The management is confident that they will be able to renegotiate the terms of these facilities.

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 financial position. 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 three months ended 30 September 2009 are not necessarily indicative of the results that may be expected for the period ending 31 December 2010.

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 consolidated financial statements for the year ended 30 June 2009, except described in note 4.

Notes to the condensed consolidated interim financial information (Unaudited)
for the three months period ended 30 September 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 and 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 consolidated financial statements for the year ended 30 June 2009.

4. Significant accounting policies

a) Presentation of financial statements

The Group applies revised IAS 1 *Presentation of Financial Statements* (2007), which became effective as of 1 July 2009. As a result, the Group presents in the condensed consolidated interim statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the condensed consolidated interim statement of comprehensive income. This presentation has been applied in this condensed consolidated interim financial information as of and for the three months period ended 30 September 2009.

Comparative information has been re-presented to be in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on loss per share.

b) Determination and presentation of operating segments

As of 1 July 2009, the Group determines and presents operating segments based on the information that internally is provided to the Executive Committee, who is the Group's operating decision maker. This change is due to the adoption of IFRS 8 *Operating Segments*. Previously operating segments were determined and presented in accordance with IAS 14 *Segment Reporting*.

Comparative segment information has been re-presented in conformity with the transitional requirements of IFRS 8. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on loss per share.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are viewed regularly by the Executive Committee to make decision about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to Executive Committee include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Parent Company), and the Parent Company's expenses, assets and liabilities.

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Notes to the condensed consolidated interim financial information (Unaudited)
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c) Reclassification to investment property

During the period, the Group has adopted amendments in IAS 40 *Investment Property*. The amendment requires property under construction or development for future use as an investment property, to be classified as investment property.

Since the Group follows 'fair value model' property under construction or development should be fair valued at each reporting date. If fair value cannot be reliably determined, property under construction or development will be measured at cost until such time as fair value can be determined or construction is complete.

As a result of this amendment, the Group has reclassified property under development as at 30 June 2009 to investment property with effect from 1 July 2009.

5. Goodwill

Goodwill movement for the period is as follows,

	30 September 2009 KD	30 June 2009 KD (audited)	30 September 2008 KD
Opening balance	12,010,455	14,699,740	-
Additions to goodwill	-	4,213,706	14,799,401
Impairment during the period / year	-	(6,902,991)	(6,902,991)
Closing balance	<u>12,010,455</u>	<u>12,010,455</u>	<u>7,896,410</u>

6. Investment property

Investment property represents land in Sudan which is being developed to operate medical / hospital services. The amount includes the cost of land and all direct cost attributable to the design and construction of the property including capitalized borrowing costs.

7. Investment in associates

The Group's share of loss in equity accounted investees for the period ended 30 September 2009 was KD 1,637,611 (30 September 2008: profit of KD 2,027,892).

	30 September 2009 KD	30 June 2009 KD (audited)	30 September 2008 KD
Carrying value at beginning of the period / year	68,140,571	44,269,712	44,269,712
Cost of acquisition	2,857,500	32,381,913	-
Disposals	(5,606,642)	-	-
Total	<u>65,391,429</u>	<u>76,651,625</u>	<u>44,269,712</u>
Group's share of results of associates	(1,620,969)	(2,620,443)	1,671,933
Impairment of investment in associate	-	(5,890,611)	-
Carrying value at end of the period/year	<u>63,770,460</u>	<u>68,140,571</u>	<u>45,941,645</u>

**Nafais Holding Company K.S.C. (Closed)
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**Notes to the condensed consolidated interim financial information (Unaudited)
for the three months period ended 30 September 2009**

During the period, the Group disposed off some shares of one of its associate to settle part of its Islamic borrowings from financial institutions.

Fair market value of the quoted associates at 30 September 2009 was KD 16,697,980 (30 June 2009: KD 31,124,202 and 30 September 2008: KD 18,991,470).

8. Available for sale investments

	30 September 2009 KD	30 June 2009 KD (audited)	30 September 2008 KD
Quoted equity securities-local	6,565,787	6,207,934	6,047,366
Unquoted equity securities-local	2,006,300	2,006,300	8,719,161
	<u>8,572,087</u>	<u>8,214,234</u>	<u>14,766,527</u>

Unquoted 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.

9. 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 2009: KD 62,336,968 comprised of 623,369,677 shares of 100 fils each and 30 September 2008: KD 62,336,968 comprised of 623,369,677 shares of 100 fils each).

10. Treasury shares

	30 September 2009 KD	30 June 2009 KD	30 September 2008 KD
Number of owned shares (share)	6,628,000	6,628,000	1,924,000
Percentage to issued shares	1.06%	1.06%	0.31%
Cost	1,221,334	1,221,334	694,486
Market value	742,336	676,056	-

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11. Islamic financing

	30 September 2009 KD	30 June 2009 KD (audited)	30 September 2008 KD
Murabaha payables	13,421,446	12,182,947	748,832
Projects financing	331,047	331,047	869,159
Istisna	1,833,205	2,271,547	1,297,643
Interest bearing loan	-	-	7,871,401
Wakala	14,538,439	18,351,479	-
Obligations under finance lease	1,934,888	1,948,968	2,409,120
Tawaroq	13,679,038	13,032,498	7,348,388
	<u>45,738,063</u>	<u>48,118,486</u>	<u>20,544,543</u>
Current portion	35,224,656	29,400,826	14,433,662
Non-current portion	<u>10,513,407</u>	<u>18,717,660</u>	<u>6,110,881</u>
	<u>45,738,063</u>	<u>48,118,486</u>	<u>20,544,543</u>
Effective rate of return	10.63%	10.63%	9.85%

The maturity profile of Islamic financings as at 30 September 2009 was as follows:

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
Murabaha payables	13,421,446	11,343,803	26,836	2,040,594	10,213	-
Project financing	331,047	27,942	24,950	162,254	115,901	-
Istisna	1,833,205	145,584	142,045	875,135	390,729	279,712
Wakala	14,538,439	9,841,048	2,536,384	2,161,007	-	-
Obligation under finance lease	1,934,888	1,934,888	-	-	-	-
Tawaroq	<u>13,679,038</u>	<u>8,751,364</u>	<u>449,812</u>	<u>1,491,083</u>	<u>1,296,723</u>	<u>1,690,056</u>
Total	<u>45,738,063</u>	<u>32,044,629</u>	<u>3,180,027</u>	<u>6,730,073</u>	<u>1,813,566</u>	<u>1,969,768</u>

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The effective yield of profit on Islamic financings as at 30 September 2009 was as follows:

Financing	Effective yield		Collateral	
	30 September 2009	30 June 2009	30 September 2009	30 June 2009
Murabaha payables	7.5% -13.27%	9% - 13.27%	Unsecured	Unsecured
Projects financing	8.5%	8.5%	Land and building on owned land	Land and building on owned land
Istisna	9.5%	9.5%	Land and building on owned land	Land and building on owned land
Wakala	6.75%-13.5%	8% - 13.5%	Shares of listed companies held by the Group	Shares of listed companies held by the Group
Obligations under finance lease	9.33%	9.33%	Building on owned land	Building on owned land
Tawaroq	6.75% - 8%	7.75% - 8%	Building and shares of listed companies held by the Group	Unsecured

12. Loss per share

Loss per share is calculated by dividing the net loss for the period by the weighted average number of shares outstanding during the period, as follows:

	Three months ended 30 September	
	2009	2008
Net loss attributable to shareholders of the Parent Company (KD)	(2,412,119)	(11,801,431)
Weighted average number of shares issued	623,369,677	623,369,677
Weighted average number of treasury shares	(6,628,000)	(1,204,000)
Net weighted average number of shares issued	616,741,677	622,165,677
Loss per share (fils)	(3.91)	(18.97)

13. Related parties transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Related parties include significant shareholders, subsidiary companies, associates, directors and executive officers of the Parent Company, close members of their families and companies of which they are the principal owners or which they are able to exercise significant influence.

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Related party balances reflected in the financial information do not bear any interest. There are no agreed repayment terms, except as disclosed below in respect of certain balances. Accordingly these balances are treated as recoverable / payable on demand.

Due to related parties include KD 11,910,540 an amount payable in respect of acquisition of a subsidiary. This amount is payable in July 2010.

Significant related party transactions other than the one disclosed elsewhere in this condensed consolidated financial information are as follows:

	30 September 2009 KD	30 June 2009 KD	30 September 2008 KD
Transactions			
Tuition fees	-	3,822	-
Share of (loss) / profit from associates	(1,637,611)	(3,012,580)	2,027,892
Key management compensation			
Short term employee benefits	52,275	355,923	96,063
Post employment benefits	34,723	56,629	11,778

14. Operating segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different types of services and are managed separately because they require different business and marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

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

Healthcare services: Managing hospitals providing healthcare services

	Educational services KD	Healthcare services KD	Reconciliation KD	Consolidated KD
Three months period ended 30 September 2009				
Segment revenues	<u>2,590,145</u>	<u>3,521,206</u>	<u>-</u>	<u>6,111,351</u>
Reportable segment loss	<u>(1,938,704)</u>	<u>(62,113)</u>	<u>(450,144)</u>	<u>(2,450,961)</u>
Reportable segment assets	<u>91,490,841</u>	<u>41,715,280</u>	<u>625,919</u>	<u>133,832,040</u>

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**Three months period ended
30 September 2008**

Segment revenues	<u>2,309,312</u>	<u>2,127,034</u>	<u>-</u>	<u>4,436,346</u>
Reportable segment loss	<u>(3,804,634)</u>	<u>(7,681,826)</u>	<u>(588,965)</u>	<u>(12,075,425)</u>
Reportable segment assets	<u>84,106,938</u>	<u>35,884,122</u>	<u>538,425</u>	<u>120,529,485</u>

15. 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 2009.