

**KUWAIT INVESTMENT COMPANY S.A.K.
AND ITS SUBSIDIARIES**



**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
AND REVIEW REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2010**

Interim condensed consolidated statement of financial position (Unaudited)
 At 30 June 2010

	30 June 2010	(Audited) 31 December 2009	30 June 2009
	KD	KD	KD
Assets			
Cash - current and call accounts	5,839,319	10,767,065	5,799,387
Placements	13,800,000	17,309,324	9,523,734
Loans and advances	14,500,958	16,491,852	25,481,997
Available for sale investments	214,038,339	215,531,489	244,899,754
Investments in associates	4,308,556	3,302,266	3,286,100
Investment properties	2,469,630	2,407,138	2,230,590
Other assets	8,429,197	9,204,362	6,187,782
Total assets	263,385,999	275,013,496	297,409,344
Liabilities and equity			
Liabilities			
Call and notice accounts	2,636,081	2,479,471	2,714,011
Deposits from banks	63,222,678	74,639,503	53,029,242
Customers' deposits	68,446,427	63,540,451	85,893,830
Accrued interest payable	692,951	697,618	503,729
Dividends payable	513,242	529,506	533,126
Accruals and other liabilities	6,738,119	19,406,139	15,257,775
Total liabilities	142,249,498	161,292,688	157,931,713
Equity			
Share capital	55,125,000	55,125,000	55,125,000
Treasury shares	(587,845)	(587,845)	(587,845)
Statutory reserve	24,930,185	24,930,185	24,930,185
General reserve	24,930,185	24,930,185	24,930,185
(Accumulated losses) / retained earnings	(8,088,650)	(13,401,619)	4,275,516
Fair value reserve	15,654,901	16,592,675	25,944,881
Foreign currency translation reserve	65,338	37,096	38,805
Equity attributable to Owners of the Parent Company	112,029,114	107,625,677	134,656,727
Non-controlling interests	9,107,387	6,095,131	4,820,904
Total equity	121,136,501	113,720,808	139,477,631
Total liabilities and equity	263,385,999	275,013,496	297,409,344

Interim condensed consolidated statement of income (Unaudited)

Period ended 30 June 2010

	Three months ended 30 June		Six months ended 30 June	
	2010	2009	2010	2009
	KD	KD	KD	KD
Income				
Interest income	575,437	665,240	1,083,774	1,551,801
Dividend and other investment income	597,483	1,123,833	2,929,241	5,786,907
Commissions	1,728,159	2,034,961	3,552,416	3,585,423
Income from property rental and management services (net)	820,690	615,980	2,154,851	1,952,323
Realised gain from investments at fair value through statement of income	-	-	30,010	-
Unrealized loss from investments at fair value through statement of income	(12,760)	-	-	-
(Loss) / profit on sale of available for sale investments	(90,578)	551,232	3,945	533,123
Impairment loss on available for sale investments	(1,192,440)	(627,497)	(1,240,379)	(1,872,047)
Foreign exchange gain /(loss)	31,745	(396,664)	39,623	1,398,645
Reversal of/ (allowance for) credit losses	14,446	6,755	(126,889)	(2,110,096)
Share of results of an associate	22,844	139,502	(54,558)	142,802
Total income	2,495,026	4,113,342	8,372,034	10,968,881
Expenses and charges				
Interest expense	(627,076)	(997,347)	(1,347,607)	(2,368,191)
General and administrative expenses	(2,468,137)	(1,672,828)	(4,377,893)	(3,877,407)
Depreciation and amortization	(115,491)	(131,557)	(231,125)	(403,053)
Total expenses and charges	(3,210,704)	(2,801,732)	(5,956,625)	(6,648,651)
Operating (loss) / profit	(715,678)	1,311,610	2,415,409	4,320,230
Other (expenses) / income	(3,497)	94,614	6,327,913	189,012
(Loss) / profit before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat	(719,175)	1,406,224	8,743,322	4,509,242
Contribution to KFAS	56,177	(12,468)	-	(38,726)
NLST	19,601	(33,805)	(135,141)	(100,041)
Zakat	7,840	(19,547)	(34,857)	(25,591)
(Loss) / profit for the period	(635,557)	1,340,404	8,573,324	4,344,884
Attributable to :				
Owners of the Parent Company	(675,356)	1,319,492	5,312,969	4,138,485
Non-controlling interests	39,799	20,912	3,260,355	206,399
	(635,557)	1,340,404	8,573,324	4,344,884
(Loss) / earnings per share (Basic and diluted) (fils)	(1.23)	2.40	9.68	7.54

Interim condensed consolidated statement of comprehensive income (Unaudited)

Period ended 30 June 2010

	Three months ended 30 June		Six months ended 30 June	
	2010	2009	2010	2009
	KD	KD	KD	KD
(Loss) / profit for the period	<u>(635,557)</u>	<u>1,340,404</u>	<u>8,573,324</u>	<u>4,344,884</u>
Other comprehensive income:				
Foreign currency translation differences	14,147	17,653	28,242	80,939
Unrealized (loss) / gain on available for sale investments	(6,688,648)	11,086,548	(2,180,608)	2,150,254
Impairment loss on available for sale investments	<u>1,192,440</u>	<u>627,497</u>	<u>1,240,379</u>	<u>1,872,047</u>
Other comprehensive (loss) / income	<u>(5,482,061)</u>	<u>11,731,698</u>	<u>(911,987)</u>	<u>4,103,240</u>
Total comprehensive (loss) / income for the period	<u><u>(6,117,618)</u></u>	<u><u>13,072,102</u></u>	<u><u>7,661,337</u></u>	<u><u>8,448,124</u></u>
Total comprehensive (loss) / income attributable to:				
Owners of the Parent Company	(6,113,483)	12,800,760	4,403,437	8,239,578
Non-controlling interests	<u>(4,135)</u>	<u>271,342</u>	<u>3,257,900</u>	<u>208,546</u>
	<u><u>(6,117,618)</u></u>	<u><u>13,072,102</u></u>	<u><u>7,661,337</u></u>	<u><u>8,448,124</u></u>