

KUWAIT INVESTMENT COMPANY S.A.K. AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEET**

For the year ended 31 December 2008

| | 2008 | 2007 |
|---|--------------------|--------------------|
| | KD | KD |
| ASSETS | | |
| Cash - current and call accounts | 4,187,673 | 15,173,112 |
| Placements | 9,731,621 | 29,719,609 |
| Investments at fair value through statement of income | - | 131,677,260 |
| Loans and advances | 28,198,276 | 34,914,926 |
| Available for sale investments | 243,972,156 | 138,526,739 |
| Investment in associates | 3,191,883 | 3,375,926 |
| Investment property | 2,312,547 | 3,085,870 |
| Other assets | 8,419,995 | 16,217,838 |
| Total assets | <u>300,014,151</u> | <u>372,691,280</u> |
| LIABILITIES AND EQUITY | | |
| Liabilities | | |
| Call and notice accounts | 3,317,501 | 1,809,674 |
| Deposits from banks | 55,633,080 | 105,255,219 |
| Deposits from others | 91,828,472 | 37,523,876 |
| Accrued interest payable | 1,705,364 | 1,087,946 |
| Dividend payable | 576,316 | 628,397 |
| Accruals and other liabilities | 15,635,793 | 27,532,566 |
| Total liabilities | <u>168,696,526</u> | <u>173,837,678</u> |
| Equity | | |
| Share capital | 55,125,000 | 52,500,000 |
| Treasury shares | (587,845) | (1,675) |
| Statutory reserve | 24,930,185 | 24,930,185 |
| General reserve | 24,930,185 | 24,930,185 |
| Retained earnings | 137,031 | 63,225,821 |
| Fair value reserve | 21,924,727 | 28,524,291 |
| Foreign currency translation reserve | (42,134) | (112,291) |
| Equity attributable to equity holders of the Parent Company | 126,417,149 | 193,996,516 |
| Minority interest | 4,900,476 | 4,857,086 |
| Total equity | <u>131,317,625</u> | <u>198,853,602</u> |
| Total liabilities and equity | <u>300,014,151</u> | <u>372,691,280</u> |

CONSOLIDATED STATEMENT OF INCOME

| | 2008 | 2007 |
|--|---------------------|---------------------|
| | KD | KD |
| Income / (loss) | | |
| Interest income | 5,172,723 | 5,172,928 |
| Dividend and other investment income | 12,699,179 | 10,721,750 |
| Commissions | 6,942,339 | 19,233,659 |
| Income from property rental and exhibitions (net) | 3,970,730 | 3,722,972 |
| Realised gain from sale of investments at fair value through statement of income | 2,318,752 | 10,817,534 |
| Unrealised (loss) / gain from investments at fair value through statement of income | (3,957,829) | 9,218,994 |
| Gain on sale of available for sale investments | 160,334 | 7,042,650 |
| Gain on sale of investment property | 615,247 | - |
| Impairment loss on available for sale investments | (40,406,683) | - |
| Foreign exchange (loss) / gain | (467,028) | 1,128,428 |
| Allowance for credit losses | (13,262,264) | (141,954) |
| Share of results of unconsolidated subsidiaries and associates | 278,043 | 1,002,126 |
| Total (loss) / income | (25,936,457) | 67,919,087 |
| Expenses and charges | | |
| Interest expense | (7,049,109) | (8,681,276) |
| General and administrative expenses | (7,499,429) | (10,820,810) |
| Depreciation and amortisation | (1,116,281) | (1,133,378) |
| Total expenses and charges | (15,664,819) | (20,635,464) |
| (Loss) / profit from operations | (41,601,276) | 47,283,623 |
| Other income | 95,818 | 189,947 |
| (Loss) / profit for the year before contribution to Kuwait Foundation for the Advancement of Sciences (“KFAS”), National Labour Support Tax (“NLST”), Zakat and Directors’ remuneration | (41,505,458) | 47,473,570 |
| Contribution to KFAS | - | (419,037) |
| NLST | - | (1,117,503) |
| Zakat | - | (28,453) |
| Directors’ remuneration | - | (120,000) |
| (Loss) / profit for the year | (41,505,458) | 45,788,577 |
| Attributable to: | | |
| Equity holders of the Parent Company | (42,089,003) | 44,874,727 |
| Minority interest | 583,545 | 913,850 |
| | (41,505,458) | 45,788,577 |
| (Loss) / earnings per share (fils) | (76.43) | 81.41 |