

Inovent B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2015 (REVIEWED)



**Building a better
working world**

Inovest B.S.C.

Administration and contact details as at 31 March 2015

Commercial registration number

48848 obtained on 18 June 2002

Board of Directors

Khaled Saoud Al Sanousi	- Chairman
Fareed Soud Al-Fozan	- Vice-Chairman
Mohammed Ebraheem Alnughaimish	- Director
Bader Khalifa Al Adsani	- Director
Bashar Naser Al-Tuwaijri	- Director
Yousif Al Rasheed Al Bader	- Director
Othman Al Quraishi	- Director

Board Secretary

Riyadh Mahmood Mulla

Sharia'a Supervisory Board

Sheikh Dr. Murad Bou Daia	- Chairman
Sheikh Dawoud Salaman Bin Essa	- Vice-Chairman
Sheikh Dr. Khalid Shuja'a Al-Otaibi	- Member

Governance Committee members

Khaled Saoud Al Sanousi	- Member
Fareed Soud Al-Fozan	- Member
Yousif Al Rasheed Al Bader	- Member
Mohammed Ebraheem Alnughaimish	- Member

Audit Committee members

Bashar Naser Al-Tuwaijri	- Member
Bader Khalifa Al Adsani	- Member
Othman Al Quraishi	- Member

Nomination and Remuneration Committee members

Khaled Saoud Al Sanousi	- Member
Fareed Soud Al-Fozan	- Member
Yousif Al Rasheed Al Bader	- Member
Mohammed Ebraheem Alnughaimish	- Member

Risk Committee members

Bashar Naser Al-Tuwaijri	- Member
Bader Khalifa Al Adsani	- Member
Othman Al Quraishi	- Member

Inovest B.S.C.

Administration and contact details as at 31 March 2015

Registered office

20th floor, East Tower
Bahrain Financial Harbour
P.O. Box 18334
Manama
Kingdom of Bahrain
Telephone no. +973 1715 5777

Bankers

Bahrain Islamic Bank B.S.C.
Ithmaar Bank B.S.C.
Kuwait Finance House (Bahrain) B.S.C. (c)
Khaleeji Commercial Bank B.S.C.
Al Baraka Islamic Bank B.S.C. (c)

Auditors

Ernst & Young (EY)
P.O. Box 140
14th Floor, South Tower
Bahrain World Trade Center
Manama, Kingdom of Bahrain

Registrars

Fakhro Karvy Computershare W.L.L.
Al Zamil Tower, Manama Centre
P.O. Box 514
Manama
Kingdom of Bahrain

Kuwait Clearing Company S.A.K.
P.O. Box 22077
Safat 13081
State of Kuwait

**Sharia Supervisory Board Report on the Activities of Inoest BSC
For the Financial Period Ending on 31 March 2015**

In the name of Allah, the Beneficent, the Merciful, Prayers and Peace Upon the Last Apostle and Messenger, Our Prophet Mohammed, His Relatives and Companions.

The Shari'a Supervisory Board "The Board" of INOVEST B.S.C. has reviewed the Company activities and compared them with the issued Fatwas and Rulings during the Financial Period Ending on 31 March 2015 and found them compatible with them.

The Board believes that it has expressed its opinion in respect of the activities carried out by INOVEST and it is the responsibility of the management to ensure the implementation of such decisions.

A representative of the company's management explained and clarified the contents of the Financial Period Ending on 31 March 2015. The report of the Board has been prepared based on the information provided by the company.

The Board is satisfied that the activities and services carried by INOVEST are in compliance with the Glorious Islamic Sharia'a.

Praise be to Allah, Lord of the Worlds. Prayers be upon Prophet Mohammed Peace Be Upon Him, Relatives and Companions.

Shaikh Dr. Khalid Shuja'a Al-Otaibi

Chairman

Shaikh Dawoud Salman Bin Essa

Vice Chairman

Shaikh Dr. Mourad BouDaia

Member

REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF INOVEST B.S.C.

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Inovert B.S.C. (the "Company") and its subsidiaries (together the "Group") as of 31 March 2015, and the related interim consolidated statements of income, changes in owners' equity, cash flows and sources and uses of charity fund for the three-month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the accounting policies disclosed in note 2. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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 statements are not prepared, in all material respects, in accordance with the accounting policies disclosed in note 2.



14 May 2015
Manama, Kingdom of Bahrain

Inoest B.S.C.

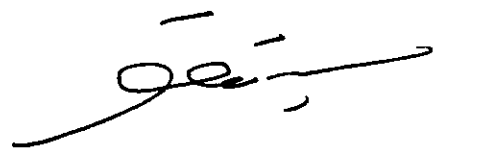
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2015 (Reviewed)

		<i>Reviewed</i> 31 March 2015 US\$ '000	<i>Audited</i> 31 December 2014 US\$ '000
ASSETS			
Cash and cash equivalents		8,380	8,515
Trade and other receivables	4	63,685	62,857
Investments	5	23,055	23,055
Investment in a joint venture and associates	6	94,422	94,531
Investment in real estate	7	65,773	65,773
Properties under development		5,457	5,585
Property, plant and equipment	8	8,100	7,807
TOTAL ASSETS		<u>268,872</u>	<u>268,123</u>
LIABILITIES AND OWNERS' EQUITY			
Liabilities			
Trade and other payables	9	72,969	69,693
Ijara and murabaha financing	10	34,447	35,983
Total liabilities		<u>107,416</u>	<u>105,676</u>
Owners' equity			
Share capital		114,604	114,604
Less: Treasury shares		(651)	(651)
		<u>113,953</u>	<u>113,953</u>
Share premium		30,760	30,760
Reserves		21,515	21,515
Accumulated losses		(4,772)	(3,781)
Total owners' equity		<u>161,456</u>	<u>162,447</u>
TOTAL LIABILITIES AND OWNERS' EQUITY		<u>268,872</u>	<u>268,123</u>



Bader Khalifa Al Adsani
Board Member



Mohammed Ebraheem Alnughaimish
Board Member and Interim CEO

The attached explanatory notes 1 to 18 form part of these interim condensed consolidated financial statements.


Inovest B.S.C.

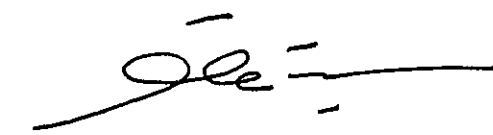
INTERIM CONSOLIDATED STATEMENT OF INCOME

For the three month period ended 31 March 2015 (Reviewed)

*

	Note	Three months ended	
		31 March	
		2015	2014
		US\$ '000	US\$ '000
OPERATING INCOME			
Income from investment in real estate	11	148	2,746
Fee for management and other services		451	634
Net income from construction contracts		793	964
Net share of loss from investment in a joint venture and associates		(109)	(6)
Other income	12	731	251
TOTAL OPERATING INCOME		2,014	4,589
OPERATING EXPENSES			
Staff costs		(1,382)	(1,658)
General and administrative expenses		(776)	(664)
Ijara and Murabaha financing costs		(741)	(703)
Property related expenses		(47)	(8)
Depreciation	8	(59)	(188)
TOTAL OPERATING EXPENSES		(3,005)	(3,221)
NET OPERATING (LOSS) / PROFIT		(991)	1,368
Write back of provision - net		-	138
(LOSS) / PROFIT FOR THE PERIOD		(991)	1,506
BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE (US cents)	13	(0.35)	0.53


 Bader Khalifa Al Adsani
 Board Member


 Mohammed Ebraheem Alnughaimish
 Board Member and Interim CEO

Inovest B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the three month period ended 31 March 2015 (Reviewed)

	Share capital US\$ '000	Treasury shares US\$ '000	Share premium US\$ '000	Reserves		(Accumulated losses) / Retained Earnings US\$ '000	Total owners' equity US\$ '000
				Statutory reserve US\$ '000	Share option reserve US\$ '000		
At 1 January 2015	114,604	(651)	30,760	21,473	42	(3,781)	162,447
Loss for the period	-	-	-	-	-	(991)	(991)
At 31 March 2015	114,604	(651)	30,760	21,473	42	(4,772)	161,456
At 1 January 2014	114,604	(651)	30,760	21,473	35	64	166,285
Profit for the period	-	-	-	-	-	1,506	1,506
Stock option charge	-	-	-	-	2	-	2
At 31 March 2014	114,604	(651)	30,760	21,473	37	1,570	167,793

The attached explanatory notes 1 to 18 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF SOURCES AND USES OF CHARITY FUND

For the three month period ended 31 March 2015 (Reviewed)

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2015</i>	<i>2014</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Sources of charity funds		
Undistributed charity funds at the beginning of the period	626	629
Contributions by the Company	-	-
Total sources of charity funds during the period	626	629
Uses of charity funds		
Contributions for charitable purposes	-	-
Total uses of funds during the period	-	-
Undistributed charity funds at end of period	626	629

Inovest B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three month period ended 31 March 2015 (Reviewed)

	Note	Three months ended	
		31 March	
		2015	2014
		US\$ '000	US\$ '000
OPERATING ACTIVITIES			
(Loss) / profit for the period		(991)	1,506
Adjustments for:			
Depreciation	8	166	246
Charge on share option plan		-	2
Net share of loss from investment in a joint venture and associates		109	6
Write back of provision - net		-	(138)
		(716)	1,622
Net changes in operating assets and liabilities:			
Trade and other receivables		(828)	(1,286)
Properties under development		128	(266)
Trade and other payables		3,276	(5,642)
Net cash from (used in) operating activities		1,860	(5,572)
INVESTING ACTIVITIES			
Net movement in Murabaha financing		-	(2,122)
Proceeds from sale of investmens		-	138
Dividends received from a joint venture and associates		-	1,194
Purchase of property, plant and equipment	8	(459)	(442)
Net cash used in investing activities		(459)	(1,232)
FINANCING ACTIVITY			
Net movement in Ijara and Murabaha financing		(1,536)	(1,257)
Cash used in financing activity		(1,536)	(1,257)
DECREASE IN CASH AND CASH EQUIVALENTS		(135)	(8,061)
Cash and cash equivalents at the beginning of the period		8,515	17,177
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		8,380	9,116

The attached explanatory notes 1 to 18 form part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

1 INCORPORATION AND ACTIVITIES

a) Incorporation

Inovest B.S.C. (the "Company") is a public shareholding company incorporated in the Kingdom of Bahrain on 18 June 2002 and operates under Commercial Registration (CR) number 48848. The Company commenced operations on 1 October 2002. Under the terms of its Memorandum and Articles of Association, the duration of the Company is 50 years, renewable for further similar periods unless terminated earlier by law or as stated in the Memorandum and Articles of Association. The address of the Company's registered office is 20th floor, East Tower, Bahrain Financial Harbour, Manama, Kingdom of Bahrain.

The Company is listed on the Bahrain Bourse and cross-listed on the Kuwait Stock Exchange.

The Company has been issued an Investment Business Firm License – Category 1 (Islamic Principles) by the Central Bank of Bahrain ("CBB"), to operate under the Islamic Sharia'a principles, and is supervised and regulated by the CBB.

b) Activities

The principal activities of the Company together with its subsidiaries (the "Group") include:

- Engaging directly in all types of investments, including direct investment and securities, and various types of investment funds.
- Establishing and managing various investment funds.
- Dealing in financial instruments in the local, regional and international markets.
- Providing information and studies related to different types of investments for others.
- Providing financial services and investment consultations to others.
- Establishing joint ventures with real estate, industrial and services companies inside or outside the Kingdom of Bahrain and committing to operate under the Islamic Sharia'a principles.
- Engaging in contracting activities.
- Engaging in the management of commercial and industrial centres and residential buildings, property leasing, development and their maintenance.
- Having interest or participating in any way with companies and other entities engaged in similar activities that may work and co-operate to achieve the Company's objectives inside and outside the Kingdom of Bahrain, and also merge its activities with the above mentioned entities and/or buy or join with them.

The number of staff employed by the Group as at 31 March 2015 was 843 (31 December 2014: 670).

The interim condensed consolidated financial statements for the three months ended 31 March 2015 were authorised for issue in accordance with a resolution of the Board of Directors dated 14 May 2015.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements of the Group for the three months ended 31 March 2015 have been prepared in accordance with the guidance given by International Accounting Standard 34 - *Interim Financial Reporting*. The interim condensed consolidated financial statements do not contain all information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2014. These interim condensed consolidated financial statements are presented in US dollars, which is the functional currency of the Group. All values are rounded to US dollar thousands unless otherwise indicated.

2.2 Statement of compliance

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2014, (except for the adoption of a new accounting standard effective as of 1 January 2015) which were prepared in accordance with the Financial Accounting Standards ("FAS") issued by Accounting and Auditing Organisation for Islamic Financial ("AAOIFI"), the Shari'a rules and principles as determined by the Shari'a Supervisory Board of the Company, the Bahrain Commercial Companies Law, Central Bank of Bahrain ("CBB") and the Financial Institutions Law and the CBB Rule Book (Volume 4). In accordance with the requirements of AAOIFI, for matters for which no AAOIFI standards exist, including interim financial reporting, the Group uses the relevant International Financial Reporting Standards ("IFRS").

2.3 New standards, interpretations and amendments adopted by the Group

During 2015, AAOFI issued a new Financial Accounting Standard (FAS 23) "Consolidation", which is effective as of 1 January 2015.

FAS 23 – Consolidation

The amendment introduced to FAS 23 is to give clarification on the way an Islamic financial institution (IFI) should determine if financial statements of an investee company, or a subsidiary, should be consolidated with its own. The amendment provides clarification that, in addition to the existing stipulations in the standard, control may also exist through rights arising from other contractual arrangement, voting rights of the Islamic financial institutions that give de facto power over an entity, potential voting rights, or a combination of these factors. In terms of voting rights, the amendment also clarifies that an Islamic financial institution shall consider only substantive voting rights in its assessment of whether the institution has power over an entity. In order to be substantive, the voting rights need to be exercisable when relevant decisions are required to be made and the holder of such rights must have the practical ability to exercise those rights. Determination of voting rights shall include current substantive voting rights and currently-exercisable voting rights.

The amendments and clarifications are effective for the annual financial periods ending on or after 31 December 2015. The transition provision requires retrospective application including restatement of previous period comparatives. The amendment had no impact on the consolidation of investments held by the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

2 ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation

The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiaries. All intercompany balances and transactions are eliminated in full on consolidation.

The following are the principle subsidiaries of the Company, which are consolidated in these interim condensed consolidated financial statements:

<i>Name of the subsidiary</i>	<i>Ownership</i>	<i>Country of incorporation</i>	<i>Year of incorporation</i>	<i>Activity</i>
<i>Held directly by the Company</i>				
Al Khaleej Development Co. B.S.C. (c)	99.98%	Kingdom of Bahrain	2009	Purchase, sale, management and development of properties
Tameer for Private Management W.L.L.	99.00%	Kingdom of Bahrain	2004	Holds the Group's shares on behalf of its employees in respect of the employees' share option plan

The following are the subsidiaries held indirectly through Al Khaleej Development Co. B.S.C. (c):

<i>Held indirectly by the Company</i>				
Bahrain Investment Wharf B.S.C. (c)	99.00%	Kingdom of Bahrain	2006	Development, maintenance, leasing and management of commercial and industrial centres, residential buildings and property
Circo Properties and Facilities Management Co. W.L.L.	99.00%	Kingdom of Bahrain	2005	Management and maintenance of properties
Tamcon Contracting Co. B.S.C. (c)	99.00%	Kingdom of Bahrain	2007	Contracting activities

The interim condensed consolidated financial statements of the subsidiaries have been consolidated as though the Company owns 100% of these subsidiaries, as the other shareholders hold their shares on behalf of and for the beneficial interest of the Company.

3 CYCLICALITY OF OPERATIONS

The interim consolidated net income for the three-month period ended 31 March 2015 may not represent a proportionate share of the annual net profit or loss due to the variability of income and operating expenses.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

4 TRADE AND OTHER RECEIVABLES

	<i>Reviewed</i>	<i>Audited</i>
	<i>31 March</i>	<i>31 December</i>
	<i>2015</i>	<i>2014</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Trade receivables	32,302	30,649
Amounts due from related parties (note 14)	34,299	33,857
Prepayments and other receivables	5,446	6,479
Rent receivable	393	393
Murabaha financing	67	67
Advance to contractors and suppliers	375	609
	<hr/> 72,882	<hr/> 72,054
Less: provision for impaired receivables	(9,197)	(9,197)
	<hr/> 63,685	<hr/> 62,857

Amounts due from related parties are unsecured, bear no profit and have no fixed repayment terms.

5 INVESTMENTS

	<i>Reviewed</i>	<i>Audited</i>
	<i>31 March</i>	<i>31 December</i>
	<i>2015</i>	<i>2014</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Equity-type instruments at fair value through equity - unquoted		
Real estate related	23,539	23,539
Others	6,892	6,892
	<hr/> 30,431	<hr/> 30,431
Less: provision for impairment	(7,376)	(7,376)
Closing balance	<hr/> 23,055	<hr/> 23,055

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

6 INVESTMENT IN A JOINT VENTURE AND ASSOCIATES

	<i>Reviewed</i> 31 March 2015 US\$ '000	<i>Audited</i> 31 December 2014 US\$ '000
At 1 January	94,531	98,245
Purchases during the period / year	-	-
Disposals during the period / year	-	(567)
Transfer from investments	-	-
Dividends received during the period / year	-	(3,979)
Net share of (loss) / income for the period / year	(109)	832
	<u>94,422</u>	<u>94,531</u>

7 INVESTMENT IN REAL ESTATE

	<i>Reviewed</i> 31 March 2015 US\$ '000	<i>Audited</i> 31 December 2014 US\$ '000
At 1 January	65,773	81,114
Disposals during the period / year	-	(15,341)
	<u>65,773</u>	<u>65,773</u>

8 PROPERTY, PLANT AND EQUIPMENT

	<i>Buildings on leasehold land US\$ '000</i>	<i>Machinery, equipment furniture and fixtures US\$ '000</i>	<i>Computer hardware and software US\$ '000</i>	<i>Motor vehicles US\$ '000</i>	<i>Capital work-in- progress US\$ '000</i>	<i>Total US\$ '000</i>
Cost						
At 1 January 2015	4,284	5,033	1,362	1,453	3,205	15,337
Additions	-	71	18	75	295	459
At 31 March 2015	<u>4,284</u>	<u>5,104</u>	<u>1,380</u>	<u>1,528</u>	<u>3,500</u>	<u>15,796</u>
Accumulated depreciation						
At 1 January 2015	727	4,416	1,260	1,127	-	7,530
Charge	43	58	15	50	-	166
At 31 March 2015	<u>770</u>	<u>4,474</u>	<u>1,275</u>	<u>1,177</u>	<u>-</u>	<u>7,696</u>
Net book amount:						
At 31 March 2015	<u>3,514</u>	<u>630</u>	<u>105</u>	<u>351</u>	<u>3,500</u>	<u>8,100</u>
At 31 December 2014	<u>3,557</u>	<u>617</u>	<u>102</u>	<u>326</u>	<u>3,205</u>	<u>7,807</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

8 PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation on property, plant and equipment charged to the interim consolidated statement of income is as follows:

	<i>Reviewed</i>	
	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2015</i>	<i>2014</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Depreciation charged to expenses	59	188
Depreciation charged to contract costs	107	58
	<u>166</u>	<u>246</u>

9 TRADE AND OTHER PAYABLES

	<i>Reviewed</i>	<i>Audited</i>
	<i>31 March</i>	<i>31 December</i>
	<i>2015</i>	<i>2014</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Lease rent payables (note 9.1)	50,105	50,105
Accruals and other payables	13,193	12,239
Trade payables (note 9.2)	6,398	5,381
Amounts due to related parties (note 9.3)	1,542	213
Retentions payable	1,419	1,359
End of service benefits	312	396
	<u>72,969</u>	<u>69,693</u>

Note 9.1

The Group's subsidiary entered into a long term lease contract with the Ministry of Industry and Commerce ("MOIC") in December 2005, effective from May 2006, for a period of 50 years.

In accordance with the terms of the agreement with the MOIC, from the date of signing the agreement, no lease rent is payable for the first two years of the lease period, from 2006 to 2007. Lease rent payable, for the lease period (from 2008-2025), has been set-off against the expenditure incurred by the Group on the reclamation of the leasehold land. Thereafter, the Group is required to pay lease rental over thirty years (from 2026 to 2056).

Note 9.2

Trade payables are generally payable within 60 to 90 days of the suppliers' invoice date.

Note 9.3

Amounts due to related parties are unsecured, bear no profit, have no fixed repayment terms and are authorised by the Group's management.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

10 IJARA AND MURABAHA FINANCING

	<i>Reviewed</i> 31 March 2015 US\$ '000	<i>Audited</i> 31 December 2014 US\$ '000
Ijara payable	795	803
Murabaha payable	33,652	35,180
Total Ijara and Murabaha financing	<u>34,447</u>	<u>35,983</u>

The Group has obtained Ijara and Murabaha financing to fund the acquisition of investments, purchase of real estate and to meet working capital requirements. These liabilities bear market rates of profit and are repayable in accordance with the repayment terms agreed with the respective banks.

The above financial facilities are secured against the following assets:

	<i>Reviewed</i> 31 March 2015 US\$ '000	<i>Audited</i> 31 December 2014 US\$ '000
Investment in real estate	59,306	38,852
Trade receivables	13,263	13,263
Investments	5,305	5,305
	<u>77,874</u>	<u>57,420</u>

11 INCOME FROM INVESTMENT IN REAL ESTATE

	<i>Reviewed</i> Three months ended 31 March	
	2015 US\$ '000	2014 US\$ '000
Reversal of excess accruals (note 11.1)	-	2,652
Realised gain on sale of investment in real estate	-	4
Rental income	148	90
	<u>148</u>	<u>2,746</u>

Note 11.1

During first quarter of 2014, the Group reversed excess accruals amounting to US\$ 2.65 million relating to completed and sold projects. A detailed exercise was undertaken by the Group to assess the likelihood of payments against these accruals. It was concluded that as the projects are completed and sold and no further material is required on these projects, the accruals of US\$ 2.65 million are no longer required.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

12 OTHER INCOME

	<i>Reviewed</i>	
	<i>Three months ended</i>	
	<i>31 March</i>	
	2015	2014
	US\$ '000	US\$ '000
Electricity and water services	713	212
Murabaha / Mudaraba profit	18	39
	731	251

13 BASIC AND DILUTED (LOSS) / INCOME EARNINGS PER SHARE

Basic and diluted earnings per share amounts are calculated by dividing net (loss) / income for the period attributable to equity holders of the parent by the weighted average number of shares outstanding during the period as follows:

	<i>Reviewed</i>	
	<i>Three months ended</i>	
	<i>31 March</i>	
	2015	2014
(Loss) / income attributable to the equity shareholders of the parent for the period - US\$ '000	(991)	1,506
Weighted average number of shares outstanding at the beginning and end of the period - in thousands	284,883	284,883
(Loss) / earnings per share - US cents	(0.35)	0.53

The Company does not have any potentially dilutive ordinary shares, hence the diluted earnings per share and basic earnings per share are identical.

14 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties comprise major shareholders, directors of the Group, entities owned or controlled, jointly controlled or significantly influenced by them and companies affiliated by virtue of shareholding in common with that of the Group and Shari'a Supervisory Board members and external auditors.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

14 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

The related party balances included in the interim condensed consolidated financial statements are as follows:

	Reviewed 31 March 2015				Total US\$ '000	Audited 31 December 2014				Total US\$ '000
	Significant Shareholders US\$ '000	Associates and joint venture US\$ '000	Key management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000		Significant Shareholders US\$ '000	Associates and joint venture US\$ '000	Key management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000	
Trade and other receivables	-	30,292	574	3,433	34,299	568	29,828	21	3,440	33,857
Trade and other payables	-	812	7	723	1,542	-	49	88	76	213

The related party transactions included in the interim condensed consolidated financial statements are as follows:

	Reviewed 31 March 2015				Total US\$ '000	Reviewed 31 March 2014				Total US\$ '000
	Significant Shareholders US\$ '000	Associates and joint venture US\$ '000	Key management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000		Significant Shareholders US\$ '000	Associates and joint venture US\$ '000	Key management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000	
Income										
Income from advisory services	-	105	-	48	153	-	111	14	59	184
Net (loss) / income from construction contracts	-	-	-	(45)	(45)	-	-	1	121	122
Net share of (loss) profit from investment in a joint venture and associates	-	(109)	-	-	(109)	-	(6)	-	-	(6)
Other income	-	76	-	-	76	-	53	-	-	53
	-	72	-	3	75	-	158	15	180	353
Expenses										
Staff costs	-	-	747	-	747	-	-	760	-	760
General and administrative expenses	-	13	-	-	13	-	19	-	-	19
	-	13	747	-	760	-	19	760	-	779

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

14 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Compensation of the key management personnel is as follows:

	<i>Reviewed</i>	
	<i>Three months ended</i>	
	<i>31 March</i>	
	2015	2014
	US\$ '000	US\$ '000
Salaries and other benefits	636	725
End of service benefits	111	35
	747	760

15 SEGMENTAL INFORMATION

Segmental information is presented in respect of the Group's business segments. A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. For management purposes, the Group is organised into four major business segments.

The accounting policies of the segments are the same as those applied in the preparation of the Group's interim condensed consolidated financial statements as set out in note 2. Transactions between segments are conducted at estimated market rates on an arm's length basis.

(a) Segment information relating to the interim consolidated statement of income is disclosed as follows:

	<i>31 March 2015</i>					
	<i>Investment and related services</i>	<i>Construction Contracts</i>	<i>Development and sale of industrial plots</i>	<i>Property and facility management services</i>	<i>Eliminations</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Net revenues from external customers	144	793	258	197	-	1,392
Inter-segment transactions	-	90	-	15	(105)	-
Share of (loss) / profit from investment in a joint venture and associates	(109)	-	-	-	-	(109)
Other income	-	18	713	-	-	731
Total revenue	35	901	971	212	(105)	2,014
Segment (loss) / profit	(2,132)	437	774	20	(90)	(991)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

15 SEGMENTAL INFORMATION (continued)

	31 March 2014					
	<i>Investment and related services</i> US\$ '000	<i>Construction Contracts</i> US\$ '000	<i>Development and sale of industrial plots</i> US\$ '000	<i>Property and facility management services</i> US\$ '000	<i>Eliminations</i> US\$ '000	<i>Total</i> US\$ '000
Net revenues from external customers	124	965	3,009	246	-	4,344
Inter-segment transactions	-	(45)	-	32	13	-
Share of (loss) / profit from investment in a joint venture and associates	(44)	-	38	-	-	(6)
Other income	-	34	217	-	-	251
Total revenue	80	954	3,264	278	13	4,589
Segment (loss) / profit	(2,186)	557	3,076	14	45	1,506

(b) Segment information relating to the interim consolidated statement of financial position as at 31 March 2015 and 31 December 2014 is disclosed as follows:

	31 March 2015					
	<i>Investment and related services</i> US\$ '000	<i>Construction Contracts</i> US\$ '000	<i>Development and sale of industrial plots</i> US\$ '000	<i>Property and facility management services</i> US\$ '000	<i>Eliminations</i> US\$ '000	<i>Total</i> US\$ '000
Segment assets	256,075	34,947	65,606	4,111	(91,867)	268,872
Segment liabilities	54,102	12,236	56,277	2,818	(18,017)	107,416

	31 December 2014					
	<i>Investment and related services</i> US\$ '000	<i>Construction Contracts</i> US\$ '000	<i>Development and sale of industrial plots</i> US\$ '000	<i>Property and facility management services</i> US\$ '000	<i>Eliminations</i> US\$ '000	<i>Total</i> US\$ '000
Segment assets	256,807	32,408	64,814	2,691	(88,597)	268,123
Segment liabilities	53,766	10,134	56,259	1,417	(15,900)	105,676

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2015 (Reviewed)

16 CONTINGENCIES AND COMMITMENTS

The Group has the following credit related commitments:

	<i>Reviewed</i> <i>31 March</i> <i>2015</i> <i>US\$ '000</i>	<i>Audited</i> <i>31 December</i> <i>2014</i> <i>US\$ '000</i>
Guarantees	<u>74,310</u>	<u>74,310</u>

The Group has the following operating lease commitments:

	<i>Reviewed</i> <i>31 March</i> <i>2015</i> <i>US\$ '000</i>	<i>Audited</i> <i>31 December</i> <i>2014</i> <i>US\$ '000</i>
Future minimum lease payments:		
Within one year	799	844
After one year but not more than five years	1,328	1,341
More than five years	-	-
Total	<u>2,127</u>	<u>2,185</u>

17 FIDUCIARY ASSETS

The assets managed on behalf of customers, to which the Group does not have any legal title are not included in the interim consolidated statement of financial position. At 31 March 2015, the carrying value of such assets is US\$ 266 million (31 December 2014: US\$ 268 million).

18 COMPARATIVE FIGURES

Certain of the prior period figures have been reclassified to conform to the presentation adopted in the current period. Such reclassification did not affect net (loss) / income, total assets, total liabilities or owners' equity of the Group as previously reported.