

Inovent B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 SEPTEMBER 2014 (REVIEWED)

Commercial registration number

48848 obtained on 18 June 2002

Board of Directors

Samir Yaqoob Al-Nafisi	- Chairman
Fareed Soud Al-Fozan	- Vice-Chairman
Ahmed Rashed Al-Qattan	- Director
Abdul Rahman Yousif Fakhro	- Director
Mohammed Ebraheem Alnughaimish	- Director
Bader Khalifa Al Adsani	- Director
Bashar Naser Al-Tuwaijri	- Director
Abdulnasser Abdulmohsin Alsubaih	- Director
Ahmed Abbas	- Director

Board Secretary

Riyadh Mahmood Mulla

Sharia'a Supervisory Board

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

Executive Committee members

Samir Yaqoob Al-Nafisi	- Member
Ahmed Rashed Al-Qattan	- Member
Abdul Rahman Yousif Fakhro	- Member
Bashar Naser Al-Tuwaijri	- Member
Abdulnasser Abdulmohsin Alsubaih	- Member

Audit Committee members

Mohammed Ebrahim Al-Nughaimish	- Member
Fareed Soud Al-Fozan	- Member
Bader Khalifa Al Adsani	- Member
Ahmed Abbas	- Member

Nomination and Remuneration Committee members

Mohammed Ebrahim Al-Nughaimish	- Member
Abdulnasser Abdulmohsin Alsubaih	- Member
Abdul Rahman Yousif Fakhro	- Member

Risk Committee members

Bader Khalifa Al Adsani	- Member
Mohammed Ebrahim Al-Nughaimish	- Member
Fareed Soud Al-Fozan	- Member
Ahmed Abbas	- Member

Inovest B.S.C.

Administration and contact details as at 30 September 2014

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 Inovent BSC For the Financial Period Ending on 30 September 2014

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 30 September 2014 and found them compatible with them.

The Board believes that he 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 30 September 2014. The report of the Board has been prepared based on the information provided by the company.

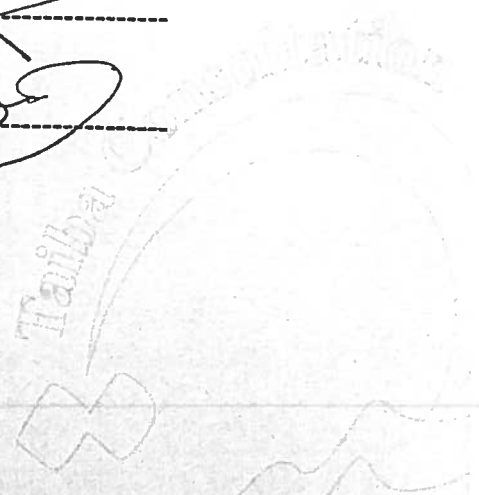
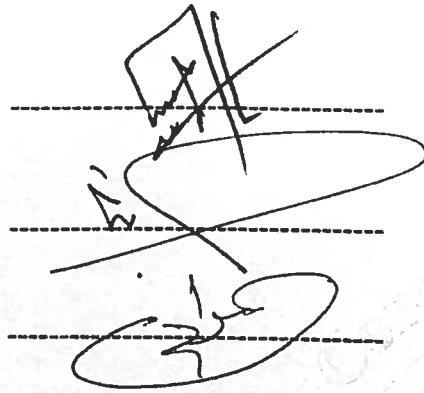
The Board is satisfied that the activities and services carried by INOVEST are in compliance with the Glorious Islamic Sharia'a.

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 Salaman Bin Essa
Vice Chairman

Shaikh Dr. Murad Bou Daia
Member





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C.R. No. 6700

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 30 September 2014, and the related interim consolidated statements of income, changes in owners' equity, cash flows and sources and uses of charity fund for the nine-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.

10 November 2014
Manama, Kingdom of Bahrain

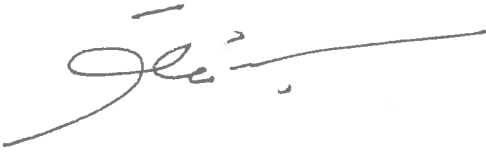
Inoest B.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2014 (Reviewed)

		<i>Reviewed</i> 30 September 2014 US\$ '000	<i>Audited</i> 31 December 2013 US\$ '000
ASSETS	<i>Note</i>		
Cash and cash equivalents		6,890	17,177
Murabaha financing		2,189	-
Trade and other receivables	4	58,487	60,430
Investments	5	23,430	23,430
Investment in a joint venture and associates	6	94,912	98,245
Investment in real estate	7	75,951	81,114
Properties under development		6,313	5,638
Property, plant and equipment	8	7,340	7,075
TOTAL ASSETS		<u>275,512</u>	<u>293,109</u>
LIABILITIES AND OWNERS' EQUITY			
Liabilities			
Trade and other payables	9	71,367	86,867
Ijara and Murabaha financing	10	37,839	39,957
Total liabilities		<u>109,206</u>	<u>126,824</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
Statutory reserve		21,473	21,473
Share option reserve		40	35
Retained earnings		80	64
Total owners' equity		<u>166,306</u>	<u>166,285</u>
TOTAL LIABILITIES AND OWNERS' EQUITY		<u>275,512</u>	<u>293,109</u>


 Fareed Soud Al-Fozan
 Vice-Chairman


 Mohammed Ebraheem Alnughaimish
 Board Member & CEO

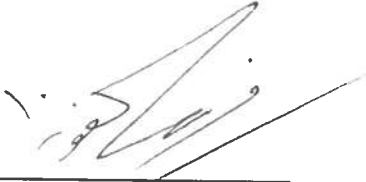
The attached explanatory notes 1 to 19 form part of these interim condensed consolidated financial statements.

Inoest B.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the nine month period ended 30 September 2014 (Reviewed)

	Note	Three months ended		Nine months ended	
		30 September		30 September	
		2014	2013	2014	2013
		US\$ '000	US\$ '000	US\$ '000	US\$ '000
OPERATING INCOME					
Income from investment in real estate	11	261	919	3,671	(244)
Income from investments		232	227	232	528
Income from advisory services		136	324	716	5,401
Net income from construction contracts		321	392	1,555	575
Net share of (loss) / income from investment in a joint venture and associates		(56)	(75)	99	(391)
Other income	12	2,238	30	3,313	1,581
TOTAL OPERATING INCOME		3,132	1,817	9,586	7,450
OPERATING EXPENSES					
Staff costs		(1,398)	(1,117)	(4,357)	(3,639)
General and administrative expenses		(565)	(709)	(2,100)	(2,029)
Ijara and Murabaha financing costs		(764)	(751)	(2,234)	(2,410)
Property related expenses		(33)	87	(134)	(100)
Depreciation	8	(175)	(180)	(553)	(558)
TOTAL OPERATING EXPENSES		(2,935)	(2,670)	(9,378)	(8,736)
NET OPERATING PROFIT / (LOSS)		197	(853)	208	(1,286)
Provision - net	13	(330)	(2,311)	(192)	(1,796)
(LOSS) / PROFIT FOR THE PERIOD		(133)	(3,164)	16	(3,082)
BASIC AND DILUTED EARNINGS PER SHARE (US cents)					
		(0.05)	(1.11)	0.01	(1.08)


Fareed Soud Al-Fozan
Vice-Chairman


Mohammed Ebraheem Alnughaimish
Board Member & CEO

The attached explanatory notes 1 to 19 form part of these interim condensed consolidated financial statements.

Inovest B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the nine month period ended 30 September 2014 (Reviewed)

	Share capital US\$ '000	Treasury shares US\$ '000	Share premium US\$ '000	Statutory reserve US\$ '000	Share option reserve US\$ '000	Retained earnings US\$ '000	Total owners' equity US\$ '000
At 1 January 2014	114,604	(651)	30,760	21,473	35	64	166,285
Profit for the period	-	-	-	-	-	16	16
Stock option charge	-	-	-	-	5	-	5
At 30 September 2014	114,604	(651)	30,760	21,473	40	80	166,306
At 1 January 2013	114,604	(651)	30,760	21,473	28	5,007	171,221
Loss for the period	-	-	-	-	-	(3,082)	(3,082)
Stock option charge	-	-	-	-	6	-	6
At 30 September 2013	114,604	(651)	30,760	21,473	34	1,925	168,145

The attached explanatory notes 1 to 19 form part of these interim condensed consolidated financial statements.

Inovent B.S.C.

INTERIM CONSOLIDATED STATEMENT OF SOURCES AND USES OF
CHARITY FUND

For the nine month period ended 30 September 2014 (Reviewed)

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Sources of charity funds				
Undistributed charity funds at the beginning of the period	629	629	629	642
Contributions by the Company	-	-	-	-
Total sources of charity funds during the period	629	629	629	642
Uses of charity funds				
Contributions for charitable purposes	3	-	3	13
Total uses of funds during the period	3	-	3	13
Undistributed charity funds at end of period	626	629	626	629

Inovest B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine month period ended 30 September 2014 (Reviewed)

	Note	Nine months ended 30 September	
		2014 US\$ '000	2013 US\$ '000
OPERATING ACTIVITIES			
Profit (loss) for the period		16	(3,082)
Adjustments for:			
Depreciation	8	730	706
Charge on share option plan		5	6
Net share of (profit) loss from investment in a joint venture and associates		(99)	391
Realised gain on sale of investment in real estate		-	(258)
Provision - net		192	1,796
		844	(441)
Net changes in operating assets and liabilities:			
Trade and other receivables		1,751	2,770
Properties under development		(675)	-
Trade and other payables		(15,500)	25,212
Net cash (used in) from operating activities		(13,580)	27,541
INVESTING ACTIVITIES			
Net movement in Murabaha financing		(2,189)	578
Purchase of investments		-	(1,138)
Proceeds from sale of investment in real estate		5,163	1,054
Purchase of investment in a joint venture and associates		-	(16,966)
Sale of shares in a joint venture and associates		567	676
Dividends received from a joint venture and associates	6	2,865	-
Purchase of property, plant and equipment	8	(995)	(177)
Net cash from (used in) investing activities		5,411	(15,973)
FINANCING ACTIVITY			
Net movement in Ijara and Murabaha financing		(2,118)	283
Cash (used in) from financing activity		(2,118)	283
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(10,287)	11,851
Cash and cash equivalents at the beginning of the period		17,177	6,109
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		6,890	17,960

The attached explanatory notes 1 to 19 form part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (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 30 September 2014 was 636 (31 December 2013: 527).

The interim condensed consolidated financial statements for the nine months ended 30 September 2014 were authorised for issue in accordance with a resolution of the Board of Directors dated 10 November 2014.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

2 ACCOUNTING POLICIES**2.1 Basis of preparation**

The interim condensed consolidated financial statements of the Group for the nine months ended 30 September 2014 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 2013. 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 2013, 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 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 2014 and 2013</i>	<i>Country of incorporation</i>	<i>Year of incorporation</i>	<i>Activity</i>
Held directly by the Company				
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):

Held indirectly by the Company				
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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

2 ACCOUNTING POLICIES (continued)**2.3 Basis of consolidation (continued)**

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 nine-month period ended 30 September 2014 may not represent a proportionate share of the annual net profit or loss due to the variability of income and operating expenses.

4 TRADE AND OTHER RECEIVABLES

	<i>Reviewed</i> 30 September 2014 <i>US\$ '000</i>	<i>Audited</i> 31 December 2013 <i>US\$ '000</i>
Trade receivables	22,335	26,779
Amounts due from related parties (note 15)	36,010	36,134
Prepayments and other receivables	4,680	1,889
Rent receivable	388	396
Advances to contractors and suppliers	454	532
	63,867	65,730
Less: provision for impaired receivables (note 13)	(5,380)	(5,300)
	58,487	60,430

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

5 INVESTMENTS

	<i>Reviewed</i> 30 September 2014 <i>US\$ '000</i>	<i>Audited</i> 31 December 2013 <i>US\$ '000</i>
Equity-type instruments at fair value through equity - unquoted		
Real estate related	23,539	24,039
Others	6,892	6,892
	30,431	30,931
Less: provision for impairment (note 13)	(7,001)	(7,501)
Closing balance	23,430	23,430

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

6 INVESTMENT IN A JOINT VENTURE AND ASSOCIATES

	<i>Reviewed</i> 30 September 2014 US\$ '000	<i>Audited</i> 31 December 2013 US\$ '000
At 1 January	98,245	90,811
Purchases during the period / year	-	16,627
Disposals during the period / year	(567)	(11,832)
Transfer from investments	-	3,938
Dividends received during the period / year	(2,865)	(398)
Net share of income / (loss)	99	(901)
	<u>94,912</u>	<u>98,245</u>

7 INVESTMENT IN REAL ESTATE

	<i>Reviewed</i> 30 September 2014 US\$ '000	<i>Audited</i> 31 December 2013 US\$ '000
At 1 January	81,114	89,598
Purchases during the period / year	-	3,599
Disposals during the period / year	(5,163)	(10,119)
Transferred to properties under development	-	(1,793)
Unrealised fair value loss on investment in real estate	-	(171)
	<u>75,951</u>	<u>81,114</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 2014	4,284	4,627	1,289	1,281	2,179	13,660
Additions	-	48	33	40	874	995
At 30 September 2014	<u>4,284</u>	<u>4,675</u>	<u>1,322</u>	<u>1,321</u>	<u>3,053</u>	<u>14,655</u>
Accumulated depreciation						
At 1 January 2014	554	3,897	1,201	933	-	6,585
Charge	123	433	43	131	-	730
At 30 September 2014	<u>677</u>	<u>4,330</u>	<u>1,244</u>	<u>1,064</u>	<u>-</u>	<u>7,315</u>
Net book amount:						
At 30 September 2014	<u>3,607</u>	<u>345</u>	<u>78</u>	<u>257</u>	<u>3,053</u>	<u>7,340</u>
At 31 December 2013	<u>3,730</u>	<u>730</u>	<u>88</u>	<u>348</u>	<u>2,179</u>	<u>7,075</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (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>Nine months ended</i> <i>30 September</i>	
	2014	2013
	US\$ '000	US\$ '000
Depreciation charged to expenses	553	558
Depreciation charged to contract costs	177	148
	730	706

9 TRADE AND OTHER PAYABLES

	<i>Reviewed</i> <i>30 September</i> 2014 US\$ '000	<i>Audited</i> <i>31 December</i> 2013 US\$ '000
Lease rent payables (note 9.1)	50,105	50,105
Accruals and other payables	13,400	17,831
Trade payables (note 9.2)	3,992	4,597
Amounts due to related parties (note 9.3)	1,362	2,196
Retentions payable	1,273	1,268
Case compensation	1,235	10,870
	71,367	86,867

Note 9.1

Lease rent payable relates to a subsidiary of the Company and is of a non-current nature.

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.

10 IJARA AND MURABAHA FINANCING

	<i>Reviewed</i> <i>30 September</i> 2014 US\$ '000	<i>Audited</i> <i>31 December</i> 2013 US\$ '000
Ijara payable	2,660	2,947
Murabaha payable	35,179	37,010
Total Ijara and Murabaha financing	37,839	39,957

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

10 IJARA AND MURABAHA FINANCING (continued)

The above financial facilities are secured against the following assets:

	<i>Reviewed</i> 30 September 2014 US\$ '000	<i>Audited</i> 31 December 2013 US\$ '000
Investment in real estate	41,382	40,090
Trade receivables	13,263	15,125
Investments	5,305	5,305
	<u>59,950</u>	<u>60,520</u>

11 INCOME FROM INVESTMENT IN REAL ESTATE

	<i>Reviewed</i> Nine months ended 30 September	
	2014 US\$ '000	2013 US\$ '000
Reversal of excess accruals (note 11.1)	2,653	-
Reversal of sales	-	(1,474)
Property related facilities income	647	578
Realised gain on sale of investment in real estate	4	337
Rental income	367	315
	<u>3,671</u>	<u>(244)</u>

Note 11.1

During the period, 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.

12 OTHER INCOME

	<i>Reviewed</i> Nine months ended 30 September	
	2014 US\$ '000	2013 US\$ '000
Electricity and water services	1,777	1,377
Discount on settlement (note 12.1)	1,427	-
Murabaha / Mudaraba profit	109	204
	<u>3,313</u>	<u>1,581</u>

Note 12.1

In the past, the Group recognised a liability for a guarantee provided to a financial institution on behalf of a project company, as the project company had defaulted on the facility. During the current period the Group settled the facility for the project company and availed a 50 cent to a dollar discount on settlement.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

13 MOVEMENT IN PROVISIONS FOR IMPAIRMENT

	<i>Reviewed nine months ended 30 September 2014</i>		
	<i>Trade and Other Receivables</i>	<i>Investments</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Provision at beginning of the period	5,300	7,501	12,801
Charged during the period	330	-	330
Written back during the period	-	(138)	(138)
Write off during the period	(250)	(362)	(612)
Provision at end of the Period	<u>5,380</u>	<u>7,001</u>	<u>12,381</u>
Notes	4	5	

	<i>Reviewed nine months ended 30 September 2013</i>		
	<i>Trade and Other Receivables</i>	<i>Investments</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Provision at beginning of the period	5,402	5,758	11,160
Charged during the period	1,289	2,497	3,786
Written back during the period	(1,990)	-	(1,990)
Provision at end of the Period	<u>4,701</u>	<u>8,255</u>	<u>12,956</u>

14 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share amounts are calculated by dividing net 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 Nine months ended 30 September</i>	
	<i>2014</i>	<i>2013</i>
Profit attributable to the equity shareholders of the parent for the period - US\$ '000	<u>16</u>	<u>(3,082)</u>
Weighted average number of shares outstanding at the beginning and end of the period - in thousands	<u>284,883</u>	<u>284,883</u>
Earnings per share - US cents	<u>0.01</u>	<u>(1.08)</u>

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

15 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 30 September 2014 (Reviewed)

15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

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

	Reviewed 30 September 2014		Audited 31 December 2013						
	Key		Key						
	Associates and joint venture US\$ '000	management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000	Significant Shareholders US\$ '000	Associates and joint venture US\$ '000	management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000	Total US\$ '000	
Trade and other receivables	-	31,396	619	3,995	-	36,010	316	5,251	36,134
Trade and other payables	-	755	11	596	186	1,362	468	1,168	2,196

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

	Reviewed 30 September 2014		Reviewed 30 September 2013						
	Key		Key						
	Significant Shareholders US\$ '000	Associates and joint venture US\$ '000	management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000	Significant Shareholders US\$ '000	Associates and joint venture US\$ '000	management personnel/ Board members/ external auditors US\$ '000	Other related parties US\$ '000	Total US\$ '000
Income									
Income from advisory services	-	487	20	169	-	371	29	4,329	4,729
Net income / (loss) from construction contracts	-	-	14	365	-	(25)	34	797	806
Other income	-	198	-	-	-	133	-	-	133
	-	685	34	534	-	479	63	5,126	5,668
Expenses									
Staff costs	-	-	1,150	-	-	-	981	-	981
General and administrative expenses	-	58	-	27	-	58	-	81	139
	-	58	1,150	27	-	58	981	81	1,120
Income / (loss) for the period	-	627	(1,116)	507	-	421	(918)	5,045	4,548

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Compensation of the key management personnel is as follows:

	<i>Reviewed</i> <i>Nine months ended</i> <i>30 September</i>	
	2014 US\$ '000	2013 US\$ '000
Salaries and other benefits	1,089	942
End of service benefits	61	39
	1,150	981

16 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>30 September 2014</i>					
	<i>Investment and related services</i> <i>US\$ '000</i>	<i>Construction Contracts</i> <i>US\$ '000</i>	<i>Development and sale of industrial plots</i> <i>US\$ '000</i>	<i>Property and facility management services</i> <i>US\$ '000</i>	<i>Eliminations</i> <i>US\$ '000</i>	<i>Total</i> <i>US\$ '000</i>
Net revenues from						
external customers	404	1,555	3,380	603	-	5,942
Inter-segment transactions	-	163	-	147	(310)	-
Income from investments	232	-	-	-	-	232
Share of (loss) / profit						
from investment in a joint						
venture and associates	78	-	21	-	-	99
Other income	1,434	85	1,792	2	-	3,313
Total revenue	2,148	1,803	5,193	752	(310)	9,586
Segment (loss) / profit	(4,681)	666	4,154	38	(161)	16

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

16 SEGMENTAL INFORMATION (continued)

	30 September 2013					
	<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	4,927	575	(440)	670	-	5,732
Inter-segment transactions	-	175	21	65	(261)	-
Income from investments	528	-	-	-	-	528
Share of (loss) / profit from investment in a joint venture and associates	(493)	-	102	-	-	(391)
Other income	147	263	1,169	2	-	1,581
Total revenue	5,109	1,013	852	737	(261)	7,450
Segment (loss) / profit	(5,409)	135	2,235	132	(175)	(3,082)

(b) Segment information relating to the interim consolidated statement of financial position as at 30 September 2014 and 31 December 2013 is disclosed as follows:

	30 September 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	265,454	30,966	68,234	3,992	(93,134)	275,512
Segment liabilities	55,808	9,056	56,538	2,599	(14,795)	109,206

	31 December 2013					
	<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	273,161	30,310	65,058	3,174	(78,594)	293,109
Segment liabilities	65,377	9,065	57,519	1,819	(6,956)	126,824

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2014 (Reviewed)

17 CONTINGENCIES AND COMMITMENTS

The Group has the following credit related commitments:

	<i>Reviewed</i> 30 September 2014 US\$ '000	<i>Audited</i> 31 December 2013 US\$ '000
Guarantees	8,793	17,992

The Group has the following operating lease commitments:

	<i>Reviewed</i> 30 September 2014 US\$ '000	<i>Audited</i> 31 December 2013 US\$ '000
Future minimum lease payments:		
Within one year	735	755
After one year but not more than five years	1,543	2,311
More than five years	50,105	50,105
Total	52,383	53,171

18 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 30 September 2014, the carrying value of such assets is US\$ 259 million (31 December 2013: US\$ 282 million).

19 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 income, total assets, total liabilities or owners' equity of the Group as previously reported.