

**BOUBYAN PETROCHEMICAL COMPANY K.S.C.
AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

31 OCTOBER 2011

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF BOUBYAN PETROCHEMICAL COMPANY K.S.C.**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Boubyan Petrochemical Company K.S.C (the "parent company") and its Subsidiaries (the "group") as at 31 October 2011 and the related interim condensed consolidated statements of comprehensive income for the three month and six month periods then ended and the related interim condensed consolidated statements of cash flows and changes in equity for the six month period then ended. The management of the parent company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information 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

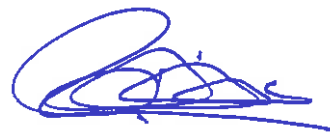
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of the parent company. We further report that, to the best of our knowledge and belief, no violations of the Commercial Companies Law of 1960, as amended, nor of the articles of association of the parent company have occurred during the six month period ended 31 October 2011 that might have had a material effect on the business of the parent company or on its financial position.



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Boubyan Petrochemical Company K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 October 2011 (Unaudited)

	Notes	3 months ended 31 October		6 months ended 31 October	
		2011 KD	2010 KD	2011 KD	2010 KD
Sales		5,172,598	5,506,580	10,999,973	12,089,853
Cost of sales		(4,337,933)	(4,391,926)	(9,094,736)	(9,730,120)
GROSS PROFIT		834,665	1,114,654	1,905,237	2,359,733
Dividend income		205,442	170,156	325,585	3,432,286
Investment income	4,5	9,412,230	8,354,785	10,091,540	9,069,002
Share of results of associates		(45,257)	46,268	2,263,103	258,475
Other income		85,596	77,751	96,266	276,303
General and administrative expenses		(1,111,673)	(1,532,994)	(1,787,760)	(2,550,950)
Finance cost		(2,223,698)	(2,611,229)	(3,880,758)	(4,561,107)
Foreign exchange (loss) gain		(227,904)	499,661	(345,614)	666,198
Profit before impairment of investments available for sale		6,929,401	6,119,052	8,667,599	8,949,940
Impairment of investments available for sale (others)	6	(2,677,865)	(4,687,460)	(3,548,295)	(5,832,057)
PROFIT BEFORE CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX "NLST" AND ZAKAT		4,251,536	1,431,592	5,119,304	3,117,883
Contribution to KFAS		(21,154)	(3,596)	(21,154)	(16,548)
Contribution to NLST		(82,805)	-	(83,716)	-
Zakat		(27,556)	(1,199)	(27,556)	(3,809)
PROFIT FOR THE PERIOD		4,120,021	1,426,797	4,986,878	3,097,526
<i>Other comprehensive income:</i>					
Realised gain on partial sale of investments available for sale (Equate)	5	(5,398,253)	-	(5,398,253)	-
Realised loss on sale of investments available for sale (others)		1,341,200	1,542,498	958,877	1,542,498
Unrealised gain (loss) on investments available for sale (others)		(721,943)	(2,394,455)	(8,492,977)	(8,772,139)
Transfer to profit for the period on impairment of investments available for sale (others)		2,677,865	4,687,460	3,548,295	5,832,057
Change in other comprehensive income of Associates		(438,775)	(173,237)	(845,908)	(312,487)
Revaluation of property, plant and equipment		(20,724)	-	(107,363)	-
Change in fair value of cash flow hedges	12	-	341,134	-	303,991
OTHER COMPREHENSIVE (LOSS) INCOME		(2,560,630)	4,003,400	(10,337,329)	(1,406,080)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		1,559,391	5,430,197	(5,350,451)	1,691,446
Profit attributable to:					
Equity holders of the parent company		4,109,241	1,469,576	4,959,714	3,128,880
Non-controlling interests		10,780	(42,779)	27,164	(31,354)
		4,120,021	1,426,797	4,986,878	3,097,526
Total comprehensive income (loss) attributable to:					
Equity holders of the parent company		1,540,418	5,472,976	(5,355,723)	1,722,800
Non-controlling interests		18,973	(42,779)	5,272	(31,354)
		1,559,391	5,430,197	(5,350,451)	1,691,446
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	3	8.50 fils	3.04 fils	10.26fils	6.47 fils

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Boubyan Petrochemical Company K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2011 (Unaudited)

		(Audited)	
	31 October	30 April	31 October
	2011	2011	2010
Notes	KD	KD	KD
ASSETS			
Bank balances and short term deposits	3,798,477	6,586,836	3,166,624
Accounts receivable and prepayments	7,957,891	8,752,321	7,983,072
Inventories	2,867,311	3,893,650	3,149,541
Investments carried at fair value through income statement	4 75,595,562	71,903,533	66,202,097
Investments available for sale (Equate)	5 129,914,634	134,000,000	130,500,000
Investments available for sale (others)	6 139,291,501	160,541,809	174,391,963
Investment in associates	21,612,606	20,195,411	21,400,683
Exchange of deposits	3,346,997	2,351,279	3,950,599
Property, plant and equipment	16,451,494	15,640,755	15,218,404
Goodwill	6,002,464	6,002,464	6,002,464
TOTAL ASSETS	406,838,937	429,868,058	431,965,447
LIABILITIES AND EQUITY			
LIABILITIES			
Term loans	75,955,510	94,584,318	123,631,308
Islamic financing payables	82,546,500	60,500,000	63,000,000
Accounts payable and accruals	7,066,829	12,230,616	8,437,534
Dividend payable	3,689,117	2,708,886	3,446,626
Total liabilities	169,257,956	170,023,820	198,515,468
EQUITY			
Share capital	48,510,000	48,510,000	48,510,000
Share premium	2,400,000	2,400,000	2,400,000
Treasury shares	8 (949,972)	(949,972)	(753,994)
Treasury shares reserve	993,574	993,574	955,200
Statutory reserve	24,255,000	24,255,000	22,189,125
Voluntary reserve	24,255,000	24,255,000	22,189,125
Revaluation reserve	5,727,893	5,813,363	5,147,180
Cumulative changes in fair value	93,570,568	103,800,535	97,229,665
Other reserves	(181,744)	(181,744)	(181,744)
Retained earnings	37,609,460	49,562,552	33,986,873
Equity attributable to equity holders of the parent company	236,189,779	258,458,308	231,671,430
Non-controlling interests	1,391,202	1,385,930	1,778,549
Total equity	237,580,981	259,844,238	233,449,979
TOTAL LIABILITIES AND EQUITY	406,838,937	429,868,058	431,965,447

Marzouq A. Alghanim
(Chairman)

Dabbous M. Al-Dabbous
(Deputy Chairman)

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Boubyan Petrochemical Company K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 October 2011 (Unaudited)

	Notes	6 months ended 31 October	
		2011 KD	2010 KD
OPERATING ACTIVITIES			
Profit for the period before KFAS, NLST and Zakat		5,119,304	3,117,883
Adjustments for:			
Finance cost		3,880,758	4,561,107
Depreciation		566,543	383,459
Employees' end of service benefits		43,250	45,156
Realised gain on partial sale of investments available for sale (Equate)	5	(5,398,253)	-
Realised loss on sale of investments available for sale (others)		958,877	1,542,498
Impairment of investment available for sale (others)	6	3,548,295	5,832,057
Other income		(96,266)	(276,303)
Share of results of associates		(2,263,103)	(258,475)
Foreign exchange loss (gain)		345,614	(666,198)
Unrealised gain on investments carried at fair value through income statement		(5,242,050)	(9,670,909)
		<u>1,462,969</u>	<u>4,610,275</u>
Working capital adjustments:			
Accounts receivable and prepayments		794,430	1,352,426
Inventories		1,026,339	625,084
Accounts payable and accruals		(5,296,213)	(2,664,574)
Net movement in investments carried at fair value through income statement		1,243,321	97,410
Taxation paid		(271,745)	-
Net cash (used in) from operating activities		<u>(1,040,899)</u>	<u>4,020,621</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(148,103)	(38,580)
Proceeds from partial sale of investments available for sale (Equate)	5	6,135,748	-
Additions to investments available for sale (others)		(5,029,176)	(310,344)
Proceeds from sale of investments available for sale (others)		13,655,885	1,114,886
Dividend received from an associate		-	317,520
Acquisition of an associate		-	(8,178,218)
Acquisition of additional interest in a subsidiary		-	(238,774)
Net cash from (used in) investing activities		<u>14,614,354</u>	<u>(7,333,510)</u>
FINANCING ACTIVITIES			
Dividends paid		(15,932,575)	(13,724,733)
Net movement in term loans		(18,437,481)	(2,628,220)
Net movement in murabaha payables		21,889,000	18,000,000
Finance cost paid		(3,880,758)	(4,564,771)
Purchase of treasury shares		-	(386,555)
Proceeds from sale of treasury shares		-	98,682
Other movement in non-controlling interests		-	(52,992)
Net cash used in financing activities		<u>(16,361,814)</u>	<u>(3,258,589)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		<u>(2,788,359)</u>	<u>(6,571,478)</u>
Cash and cash equivalents at the beginning of the period		6,586,836	9,738,102
CASH AND CASH EQUIVALENTS AT 31 OCTOBER		<u>3,798,477</u>	<u>3,166,624</u>

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Boubyan Petrochemical Company K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 October 2011 (Unaudited)

	Attributable to shareholders of the parent company										Non-controlling interests	Total equity	
	Share capital KD	Share premium KD	Treasury shares KD	Treasury shares KD	Statutory reserve KD	Voluntary reserve KD	Revaluation reserve KD	Cumulative changes in fair value KD	Other reserves KD	Retained earnings KD			Sub total KD
Balance at 1 May 2011	48,510,000	2,400,000	(949,972)	993,574	24,255,000	24,255,000	5,813,363	103,800,535	(181,744)	49,562,552	258,458,308	1,385,930	259,844,238
Profit for the period	-	-	-	-	-	-	-	-	-	4,959,714	4,959,714	27,164	4,986,878
Other comprehensive loss	-	-	-	-	-	-	(85,470)	(10,229,967)	-	-	(10,315,437)	(21,892)	(10,337,329)
Total comprehensive loss for the period	-	-	-	-	-	-	(85,470)	(10,229,967)	-	4,959,714	(5,355,723)	5,272	(5,350,451)
Dividends (note 7)	-	-	-	-	-	-	-	-	-	(16,912,806)	(16,912,806)	-	(16,912,806)
Balance at 31 October 2011	48,510,000	2,400,000	(949,972)	993,574	24,255,000	24,255,000	5,727,893	93,570,568	(181,744)	37,609,460	236,189,779	1,391,202	237,580,981

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Boubyan Petrochemical Company K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the period ended 31 October 2011 (Unaudited)

Attributable to shareholders of the parent company

	Share capital KD	Share premium KD	Treasury shares KD	Treasury shares reserve KD	Statutory reserve KD	Voluntary reserve KD	Revaluation reserve KD	Cumulative changes in fair value KD	Other reserves KD	Retained earnings KD	Sub Total KD	Non-controlling interests KD	Total equity KD
Balance at 1 May 2010	48,510,000	2,400,000	(461,841)	950,920	22,189,125	22,189,125	5,147,180	98,635,745	-	45,366,701	244,926,955	1,028,364	245,955,319
Profit for the period	-	-	-	-	-	-	-	-	-	3,128,880	3,128,880	(31,354)	3,097,526
Other comprehensive income	-	-	-	-	-	-	(1,406,080)	(1,406,080)	-	-	(1,406,080)	-	(1,406,080)
Total comprehensive income for the period	-	-	-	-	-	-	(1,406,080)	(1,406,080)	-	3,128,880	1,722,800	(31,354)	1,691,446
Purchase of treasury shares	-	-	(386,555)	-	-	-	-	-	-	-	(386,555)	-	(386,555)
Sale of treasury shares	-	-	94,402	4,280	-	-	-	-	-	-	98,682	-	98,682
Dividends (note 7)	-	-	-	-	-	-	-	-	-	(14,508,708)	(14,508,708)	-	(14,508,708)
Purchase of non-controlling interests	-	-	-	-	-	-	-	-	(181,744)	-	(181,744)	(74,574)	(256,318)
Other movement in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	856,113	856,113
Balance at 31 October 2010	48,510,000	2,400,000	(753,994)	955,200	22,189,125	22,189,125	5,147,180	97,229,665	(181,744)	33,986,873	231,671,430	1,778,549	233,449,979

During the six months ended 31 October 2011, unrealised loss on investments available for sale (others) include an amount of KD 1,276,383 (six months ended 31 October 2010: KD 240,461) in respect of foreign currency movement.

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION

At 31 October 2011 (Unaudited)

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Boubyan Petrochemical Company K.S.C. (the "parent company") and its subsidiaries (the "group") for the period ended 31 October 2011 were authorised for issue in accordance with a resolution of the directors 15 December 2011.

The parent company is a Kuwaiti Public Shareholding Company incorporated in the State of Kuwait on 12 February 1995 under the Commercial Companies Law No. 15 of 1960 and amendments thereto. The parent company is listed on the Kuwait Stock Exchange.

The parent company's main activity since inception has been direct investment in industrial projects in general and in chemical and petrochemical projects in particular.

The parent company's primary investment to date is in Equate Petrochemical Company K.S.C. (Closed) ("Equate") and The Kuwait Olefins Company K.S.C. (Closed) ("TKOC"). Equate and TKOC are both closed shareholding companies incorporated in the State of Kuwait to build and operate petrochemical plants in the Shuaiba Industrial Area of State of Kuwait.

The parent company's registered office is at Al Khaleejia Building, 5th and 6th Floor, P.O. Box 2383, 13024 Safat, Kuwait.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the group has been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting".

The interim condensed consolidated financial information does not contain all information and disclosures required for complete consolidated financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of the management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the period ended 31 October 2011 are not necessarily indicative of the results that may be expected for the financial year ending 30 April 2012. For more details, please refer to the audited consolidated financial statements for the year ended 30 April 2011.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD").

Changes in accounting policy and disclosures

The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 30 April 2011, except for the adoption of the following new and amended International Accounting Standards Board ("IASB") standards during the period:

IFRS 3: Business Combinations (Amendment) (effective 1 October 2010)

The measurement options available for non controlling interest have been amended. Only components of non controlling interest that constitute a present ownership interest that entitles their holder to a proportionate share of the entity's net assets in the event of liquidation shall be measured at either fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets. All other components are to be measured at their acquisition date fair value.

IFRS 7: Financial Instruments: Disclosures (Amendment) (effective 1 January 2011)

The amendment was intended to simplify the disclosures provided by reducing the volume of disclosures around collateral held and improving disclosures by requiring qualitative information to put the quantitative information in context.

IAS 1: Presentation of Financial Statements (Amendment) (effective 1 January 2011)

The amendment clarifies that an option to present an analysis of each component of other comprehensive income may be included either in the statement of changes in equity or in the notes to the financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION

At 31 October 2011 (Unaudited)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Changes in accounting policy and disclosures (continued)***IAS 24: Related party (Amendment) (effective 1 January 2011)*

The amendment clarifies the definitions of a related party. The new definitions emphasise a symmetrical view of related party relationships as well as clarifying in which circumstances persons and key management personnel affect related party relationships of an entity. Secondly, the amendment introduces an exemption from the general related party disclosure requirements for transactions with a government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity.

IAS 32: Financial Instruments: Presentation (Amendment) (effective 1 February 2010)

The amendment alters the definition of a financial liability in IAS 32 to enable entities to classify rights issues and certain options or warrants as equity instruments. The amendment is applicable if the rights are given pro-rata to all of the existing owners of the same class of an entity's non-derivative equity instruments, to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency.

IAS 34: Interim Financial Statements (Amendment) (effective 1 January 2011)

The amendment requires additional disclosures for fair values and changes in classification of financial assets, as well as changes to contingent assets and liabilities in interim condensed consolidated financial information.

The adoption of the above mentioned amendments did not have any impact on the financial position or performance of the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing profit for the period attributable to the shareholders of the parent company by the weighted average number of shares outstanding after adjusting for treasury shares as follows:

	<i>3 months ended 31 October</i>		<i>6 months ended 31 October</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Earnings:				
Profit attributable to equity holders of the parent company	<u>4,109,241</u>	<u>1,469,576</u>	<u>4,959,714</u>	<u>3,128,880</u>
	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>
Weighted average number of shares outstanding	<u>485,100,000</u>	<u>485,100,000</u>	<u>485,100,000</u>	<u>485,100,000</u>
Weighted average number of treasury shares	<u>(1,876,793)</u>	<u>(1,476,973)</u>	<u>(1,876,793)</u>	<u>(1,447,847)</u>
Weighted average number of shares for basic and diluted earnings per share	<u>483,223,207</u>	<u>483,623,027</u>	<u>483,223,207</u>	<u>483,652,153</u>
Basic and diluted earnings per share	<u>8.50 fils</u>	<u>3.04 fils</u>	<u>10.26 fils</u>	<u>6.47 fils</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

At 31 October 2011 (Unaudited)

4 INVESTMENTS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT*Quoted investments*

The fair value of the quoted equity investments is determined by reference to published price quotations in an active market.

Unquoted investments

The fair value of investment carried at fair value through income statement (designated), have been determined by the directors of the Parent Company using an appropriate valuation method based on the latest information available of the results and future projections. As a result of this exercise, unrealised gain of KD 5,350,000 (31 October 2010: KD 10,000,000) [included in investment income] was recognised in the interim condensed consolidated income statement.

5 INVESTMENTS AVAILABLE FOR SALE (EQUATE)

During the period ended 31 October 2011, the parent company sold a portion of its shares in Equate Petrochemicals Company K.S.C. (Closed) ("Equate") for KD 6,135,748 (USD 22,500,000) and realised a gain of KD 5,398,253 (included in investment income) in the profit for the period.

6 INVESTMENTS AVAILABLE FOR SALE (OTHERS)

Management has performed a review of investments to assess whether impairment has occurred in the value of these investments. Based on specific information, management has recorded impairment loss of KD 3,548,295 (six months ended 31 October 2010: KD 5,832,057) in the profit for the period in respect of investments available for sale (others).

At 31 October 2011, certain unquoted investments available for sale amounting to KD 5,197,220 (30 April 2011: KD 5,451,601 and 31 October 2010: KD 13,599,175) are carried at cost due to the non availability of reliable measures of their fair values. The management is not aware of any circumstances that would indicate impairment in the value of these investments as at 31 October 2011.

7 DIVIDENDS

On 25 July 2011, the shareholders at the annual general assembly of the parent company approved the consolidated financial statements for the year ended 30 April 2011 and approved a cash dividend of 35 fils per share amounting to KD 16,912,806 (cash dividend of 30 fils per share amounting to KD 14,508,708 in respect of the year ended 30 April 2010) in respect of the year ended 30 April 2011.

8 TREASURY SHARES

	<i>31 October 2011</i>	<i>(Audited) 30 April 2011</i>	<i>31 October 2010</i>
Number of treasury shares	<u>1,876,973</u>	<u>1,876,973</u>	<u>1,476,973</u>
Percentage of issued shares	<u>0.38%</u>	<u>0.38%</u>	<u>0.30%</u>
Market value (KD)	<u>1,051,105</u>	<u>1,088,644</u>	<u>797,565</u>
Cost (KD)	<u>949,972</u>	<u>949,972</u>	<u>753,994</u>

Boubyan Petrochemical Company K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

At 31 October 2011 (Unaudited)

9 SEGMENTAL INFORMATION

For management purposes, the group is organised into two major business segments. The group does not have material inter-segment transactions. The principal activities and services under these segments are as follows:

Investments
: Investing of group funds in Petrochemical (Equate Petrochemical Co and The Kuwait Olefins Company), Industrial, Utilities, Services and other related sectors in addition to managing the group's liquidity requirements.

Manufacturing and trading
: Manufacturing of goods and providing services.

Manufacturing and trading activities represent the activities of the subsidiaries, Boubyan Plastic Industries Company KSC (Closed) (formerly Boubyan Plastic Industries Company W.L.L), National Waste Management Co. K.S.C. (Closed), Olayan Arabian Packaging Company L.L.C. and Muna Noor Manufacturing and Trading Co L.L.C. whereas the investment activity represents the activities of the parent company.

	Investments		Manufacturing and Trading		Total	
	31 October 2011	31 October 2010	31 October 2011	31 October 2010	31 October 2011	31 October 2010
	KD	KD	KD	KD	KD	KD
Segment revenue (6 months)	12,680,228	12,759,763	10,999,973	12,089,853	23,680,201	24,849,616
Segment revenue (3 months)	9,572,415	8,571,209	5,172,598	5,506,580	14,745,013	14,077,789
Segment profit (6 months)	3,927,079	1,657,346	1,032,635	1,471,534	4,959,714	3,128,880
Segment profit (3 months)	3,839,179	969,851	270,062	499,725	4,109,241	1,469,576
	Investments		Manufacturing and Trading		Total	
	(Audited)		(Audited)		(Audited)	
	31 October 2011	31 October 2010	31 October 2011	31 October 2010	31 October 2011	31 October 2010
	KD	KD	KD	KD	KD	KD
Assets	378,332,263	400,607,545	28,506,674	29,260,513	406,838,937	429,868,058
Liabilities	159,424,309	159,262,920	9,833,647	10,760,900	169,257,956	170,023,820

Both segment's operations are in Kuwait and member countries of the Gulf Co-operation Council.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
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10 COMMITMENTS

	<i>31 October</i> <i>2011</i> <i>KD</i>	<i>(Audited)</i> <i>30 April</i> <i>2011</i> <i>KD</i>	<i>31 October</i> <i>2010</i> <i>KD</i>
Commitments for acquisition of investments available for sale (others)	<u>4,841,430</u>	<u>733,221</u>	<u>1,421,916</u>

The Parent Company has given corporate guarantees amounting to KD 22,060,775 to foreign Banks on behalf of its subsidiaries.

11 RELATED PARTY TRANSACTIONS

These represent transactions with related parties i.e. associated companies, major shareholders, directors and key management personnel of the parent company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the parent company's management.

Transactions with related parties included in the profit for the period are as follows:

	<i>Associates</i> <i>KD</i>	<i>Other</i> <i>related parties</i> <i>KD</i>	<i>Six months ended 31 October</i>	
			<i>2011</i> <i>KD</i>	<i>2010</i> <i>KD</i>
Sales	-	552,577	552,577	497,460
Other income	15,000	-	15,000	15,000

Compensation of key management personnel

The remuneration of key management personnel during the period was as follows:

	<i>Six months ended 31 October</i>	
	<i>2011</i> <i>KD</i>	<i>2010</i> <i>KD</i>
Short-term benefits	78,750	90,000
Employees' end of service benefits	4,528	6,346
	<u>83,278</u>	<u>96,346</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
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12 DERIVATIVE FINANCIAL INSTRUMENTS

The table below shows the fair values of the derivative financial instruments, recorded as assets or liabilities, together with their notional amounts analysed by the term to maturity. The notional amount, recorded gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the period end and are indicative of neither the market risk nor the credit risk:

	Positive fair value KD	Negative fair value KD	Notional amount KD	Notional amounts by term to maturity	
				Within one year KD	1 – 5 years KD
31 October 2011					
<i>Derivatives held for trading:</i>					
Interest rate swaps	<u>19,975</u>	<u>739,904</u>	<u>26,670,150</u>	<u>3,436,875</u>	<u>23,233,275</u>
30 April 2011					
<i>Derivatives held for trading:</i>					
Interest rate swaps	<u>41,206</u>	<u>1,250,958</u>	<u>60,957,750</u>	<u>34,311,850</u>	<u>26,645,900</u>
31 October 2010					
<i>Derivatives held for trading:</i>					
Interest rate swaps	<u>71,662</u>	<u>1,230,898</u>	<u>41,321,700</u>	<u>7,027,500</u>	<u>34,294,200</u>
31 October 2011					
<i>Derivatives held for hedging:</i>					
Interest rate swaps	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
30 April 2011					
<i>Derivatives held for hedging:</i>					
Interest rate swaps	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31 October 2010					
<i>Derivatives held for hedging:</i>					
Interest rate swaps	<u>-</u>	<u>685,476</u>	<u>30,045,475</u>	<u>1,961,175</u>	<u>28,084,300</u>