

**Kuwait Cement Company  
And its subsidiaries  
Kuwaiti Shareholding Company  
State of Kuwait**

**Interim Condensed Consolidated Financial Information (Unaudited)  
and Review Report For the six months ended 30 June 2008**

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**Kuwait Cement Company – K.S.C**  
State of Kuwait

**Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors**

***Introduction***

We have reviewed the accompanying interim condensed consolidated balance sheet of the Kuwait Cement Company K.S.C. (Closed) ("the Parent Company") and its subsidiaries (together referred to as "the Group") as of 30 June 2008 and the related condensed consolidated statements of income, changes in equity and cash flows for the six months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". 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 the International Standard on Review Engagements 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity".


A review of interim condensed consolidated financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than 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: "Interim Financial Reporting".

***Report on Review of Other Legal and Regulatory Requirements***

Furthermore, based on our review, the interim condensed consolidated financial information agree with the books of the Parent Company and to the extent of information made available to us, nothing has come to our attention that causes us to believe that there are contraventions for the Commercial Companies Law of year 1960, as amended or the Parent Company's Articles and memorandum Association during the six months period ended 30 June 2008 that might have a material effect on the Group's activities or its consolidated financial position.

  
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**Kuwait Cement Company  
And its subsidiaries  
Kuwaiti Shareholding Company  
State of Kuwait**

**Interim Condensed consolidated balance sheet as at 30 June 2008**


**(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Note	30 June 2008	31 December 2007 (Audited)	30 June 2007
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	11,562,261	8,429,771	16,270,777
Investment properties		1,169,455	1,212,657	1,255,830
Investments in associates	4	15,076,808	10,731,827	9,104,957
Available for sale investments	5	193,481,097	197,555,022	162,260,962
<b>Total non-current assets</b>		<u>221,289,621</u>	<u>217,929,277</u>	<u>188,892,526</u>
<b>Current assets</b>				
Inventories		18,834,317	13,668,964	13,116,448
Properties held for trading		389,004	393,870	294,234
Receivables and other debit balances		10,877,117	9,900,266	9,506,135
Investments at fair value through profit or loss	6	110,876,046	106,089,575	104,035,158
Cash and cash equivalents		14,855,590	17,142,805	14,754,831
<b>Total current assets</b>		<u>155,832,074</u>	<u>147,195,480</u>	<u>141,706,806</u>
<b>Total Assets</b>		<u>377,121,695</u>	<u>365,124,757</u>	<u>330,599,332</u>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	7	55,083,083	47,898,333	47,898,333
Share premium		5,154,935	5,154,935	5,154,935
Treasury shares	8	(12,848,047)	(10,289,246)	(10,289,246)
Gain from sale of treasury shares		443,289	105,616	105,617
Statutory reserve		31,251,240	31,251,240	25,580,580
Voluntary reserve		26,288,751	26,288,751	20,618,091
General reserve		18,930,128	18,930,128	18,930,128
Change in fair value reserve		128,412,930	137,739,425	107,959,162
Retained earnings		45,348,969	45,631,380	42,565,341
		<u>298,065,278</u>	<u>302,710,562</u>	<u>258,522,941</u>
<b>Non-current liabilities</b>				
Loans and bank facilities	9	7,200,000	11,200,000	10,300,000
Provision for end of service indemnity		1,436,117	1,290,948	970,319
<b>Total non-current liabilities</b>		<u>8,636,117</u>	<u>12,490,948</u>	<u>11,270,319</u>
<b>Current liabilities</b>				
Loans and bank facilities	9	61,213,986	40,749,586	52,147,907
Payables and other credit balances		9,206,314	9,173,661	8,658,165
<b>Total current liabilities</b>		<u>70,420,300</u>	<u>49,923,247</u>	<u>60,806,072</u>
<b>Total equity and liabilities</b>		<u>377,121,695</u>	<u>365,124,757</u>	<u>330,599,332</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

**Rashid Abdul Aziz Al Rashid**  
Chairman and Managing Director

  
**Sulaiman Khalid Al-Ghunaim**  
Vice Chairman

**Kuwait Cement Company  
And its subsidiaries  
Kuwaiti Shareholding Company  
State of Kuwait**

**Interim Condensed Consolidated Statement of Income for the six months ended 30 June 2008**

(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended 30 June		Six months ended 30 June	
		2008	2007	2008	2007
Sales		21,617,222	21,875,795	43,281,157	42,001,061
Cost of Sales		(17,651,794)	(13,746,418)	(30,619,610)	(25,416,553)
Gross profit		3,965,428	8,129,377	12,661,547	16,584,508
Other revenue		926,799	193,961	1,853,654	208,683
Selling, general and administrative expenses		(460,995)	(629,256)	(1,656,323)	(1,232,622)
Operating revenue		4,431,232	7,694,082	12,858,878	15,560,569
Finance cost		(863,581)	(1,027,848)	(1,554,516)	(1,907,203)
Interest income		300,467	26,947	520,496	116,002
Gains from investments at fair value through profit or loss	10	10,243,248	21,231,320	16,496,149	27,934,303
Impairment of property, plant and equipment		-	(8,842,734)	-	(8,842,734)
Net income from investment properties		16,623	848	20,867	14,942
Group's share in associates' results		310,239	269,031	357,558	521,736
Gain from available for sale investments	11	7,883,454	6,188,285	9,818,429	8,271,151
<b>Net profit before deductions</b>		<b>22,321,682</b>	<b>25,539,931</b>	<b>38,517,861</b>	<b>41,668,766</b>
Contribution to Kuwaiti Foundation for Advancement of Sciences		(241,274)	(266,839)	(385,882)	(407,320)
National Labour Support Tax		(358,185)	(436,323)	(667,776)	(795,436)
Zakat expenses		(111,791)	-	(262,510)	-
Board of Directors' remuneration		(35,000)	(35,000)	(70,000)	(70,000)
<b>Net profit for the period</b>		<b>21,575,432</b>	<b>24,801,769</b>	<b>37,131,693</b>	<b>40,396,010</b>
Earnings per share (fils)	12	40.35	46.28	69.37	75.32

The accompanying notes form an integral part of these interim condensed consolidated financial information.

**Kuwait Cement Company  
And its subsidiaries  
Kuwaiti Shareholding Company  
State of Kuwait**

**Interim Condensed consolidated statement of changes in equity for the six months ended 30 June 2008  
(Unaudited)**

(All amounts are in Kuwaiti Dinars)

	Share capital	Shares premium	Treasury shares	Gain from sale of treasury shares	Statutory reserve	Voluntary reserve	General reserve	Change in fair value reserve	Retained earnings	Total
<b>Balance as at 1 January 2007</b>	43,543,940	5,154,935	(6,749,329)	80,353	25,580,580	20,618,091	18,930,128	83,354,101	31,949,923	222,462,722
Net unrealized gain from available for sale investments	-	-	-	-	-	-	-	24,605,061	-	24,605,061
Net profit recognized directly in equity	-	-	-	-	-	-	-	24,605,061	40,396,010	40,396,010
Net profit for the period	-	-	-	-	-	-	-	24,605,061	40,396,010	65,001,071
Total profits recognized during the period	-	-	-	-	-	-	-	-	(25,426,199)	(25,426,199)
Cash dividends (Note 13)	4,354,393	-	(3,606,047)	-	-	-	-	-	(4,354,393)	(3,606,047)
Bonus shares (Note 13)	-	-	66,130	25,264	-	-	-	-	-	91,394
Purchase of treasury shares	-	-	(10,289,246)	105,617	25,580,580	20,618,091	18,930,128	107,959,162	42,565,341	258,522,941
Sale of treasury shares	47,898,333	5,154,935	(10,289,246)	105,616	31,251,240	26,288,751	18,930,128	137,739,425	45,631,380	302,710,562
<b>Balance as at 30 June 2007</b>	47,898,333	5,154,935	(10,289,246)	105,616	31,251,240	26,288,751	18,930,128	137,739,425	45,631,380	302,710,562
<b>Balance as at 1 January 2008</b>	-	-	-	-	-	-	-	(517,575)	-	(517,575)
Transfer to income statement resulting from sale of available for sale investments	-	-	-	-	-	-	-	(8,808,920)	-	(8,808,920)
Net unrealized losses on available for sale investments	-	-	-	-	-	-	-	(9,326,495)	-	(9,326,495)
Net loss recognized directly in equity	-	-	-	-	-	-	-	-	37,131,693	37,131,693
Net profit for the period	-	-	-	-	-	-	-	-	-	-
Total (losses)/ profits recognized during the period	-	-	-	-	-	-	-	(9,326,495)	37,131,693	27,805,198
Cash dividends (Note 13)	7,184,750	-	(2,970,973)	-	-	-	-	-	(30,229,354)	(30,229,354)
Bonus shares (Note 13)	-	-	412,172	337,673	-	-	-	-	(7,184,750)	(2,970,973)
Purchase of treasury shares	-	-	(12,848,047)	443,289	31,251,240	26,288,751	18,930,128	128,412,930	45,348,969	298,065,278
Sale of treasury shares	55,083,083	5,154,935	(12,848,047)	443,289	31,251,240	26,288,751	18,930,128	128,412,930	45,348,969	298,065,278
<b>Balance as at 30 June 2008</b>	55,083,083	5,154,935	(12,848,047)	443,289	31,251,240	26,288,751	18,930,128	128,412,930	45,348,969	298,065,278

The accompanying notes form an integral part of these interim condensed consolidated financial information.

**Kuwait Cement Company  
And its subsidiaries  
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**Interim Condensed consolidated statement of cash flows (Unaudited)  
For the six months ended 30 June 2008  
(All amounts are in Kuwaiti Dinar)**

	<b>Six months ended 30 June</b>	
	<b>2008</b>	<b>2007</b>
<b>Cash flows from operating activities</b>		
Net profit for the period	37,131,693	40,396,010
Adjustments:		
Depreciation and amortization	2,367,077	2,254,844
Impairment of property, plant and equipment	=	8,842,734
Interest income	(520,496)	(116,002)
Gains from investments at fair value through profit or loss	(16,496,149)	(27,934,303)
Gain from available for sale investments	(9,818,429)	(8,271,151)
Finance cost	1,554,516	1,907,203
Group's share of associates' results	(357,558)	(521,736)
Provision for employees' end of service indemnity	145,169	(293,784)
Net operating profit before working capital changes	14,005,823	16,263,815
Inventories	(5,165,353)	1,090,472
Properties held for trading	4,866	49,873
Receivables and other debit balances	(976,851)	(328,635)
Investments at fair value through profit or loss	9,863,667	1,758,162
Payables and other credit balances	(104,619)	461,354
Net cash generated from operating activities	<u>17,627,533</u>	<u>19,295,041</u>
<b>Cash flows from investing activities</b>		
Subscription in capital increase of associate company	(4,497,189)	-
Paid for purchase of available for sale investments	(5,405,895)	(6,830,280)
Proceeds from sale of available for sale investments	1,045,564	7,697,128
Paid for purchase of property, plant and equipment	(5,456,365)	(1,461,313)
Dividend received	11,281,967	10,381,636
Interest income received	520,496	116,002
Net cash (used in)/ generated from investing activities	<u>(2,511,422)</u>	<u>9,903,173</u>
<b>Cash flows from financing activities</b>		
Net proceeds from loans and bank facilities	16,464,400	7,723,337
Dividends paid	(30,092,082)	(25,209,448)
Purchase of treasury shares	(2,970,973)	(3,606,047)
Proceeds from sale of treasury shares	749,845	91,394
Finance cost paid	(1,554,516)	(1,801,019)
Net cash used in financing activities	<u>(17,403,326)</u>	<u>(22,801,783)</u>
Net change in cash and cash equivalents	(2,287,215)	6,396,431
Cash and cash equivalents at the beginning of the period	17,142,805	8,358,400
<b>Cash and cash equivalents at end of the period</b>	<u>14,855,590</u>	<u>14,754,831</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

**Notes to the interim condensed consolidated interim financial information**

**For the six months ended 30 June 2008**

**(Unaudited)**

(All amounts are in Kuwaiti Dinar unless otherwise stated)

**1. Incorporation and activities**

Kuwait Cement Company K.S.C. ("the Parent Company") is a Kuwaiti Shareholding Company incorporated as per the Amiri Decree issued on 5 November 1968. The Parent Company had been listed in Kuwait Stock Exchange on 29 September 1984. The main objectives of the Parent Company are Producing all kinds of cement, trading in all products, materials and machines which are related to operation and utilize the surplus available in the financial and real estate portfolios managed by specialized companies.

The Parent Company is domiciled in Kuwait and its principal address is: Al Sharq, Al Sawaber area, Shuhada Street, P.O. Box 20581, Safat 13066, State of Kuwait.

The interim condensed consolidated financial information includes the financial information of the Parent Company and the following subsidiaries, together referred to as "the Group".

<u>Company's name</u>	<u>Ownership percentage</u>
Shuwaikh Cement Company (K.S.C.C)	100%
Amwaj International Real Estate Company (K.S.C.C)	100%

The Parent Company used financial information prepared by the subsidiaries' managements in preparing the interim condensed consolidated financial information for the period ended 30 June 2008. The subsidiary's assets amounted to KD 6,185,539 as of 30 June 2008 and net profit amounted to KD 14,999 for the period then ended.

The interim condensed consolidated financial information was authorized for issuance by the Board of Directors on 27 July 2008.

**2. Basis of presentation of interim condensed consolidated financial information**

The interim condensed consolidated financial information are prepared in accordance with International Accounting Standard No. (34), "Interim Financial Reporting".

The same accounting policies are followed as those followed in the financial statements for the year ended 31 December 2007. The interim condensed consolidated financial information do not include all of the information and disclosures required for complete financial statements prepared in accordance with International Financial Reporting Standards. For further information, refer to the consolidated financial information and notes thereto included in the Group's financial statements for the six months ended 30 June 2008. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The operating results for the six months period ended 30 June 2008 are not necessarily indicative of the results that may be expected for the year ended 31 December 2008. Any additional information required, return back to the consolidated financial informations notes included in the Group's financial information for the year ended 31 December 2007

**3. Property, plant and equipment**

	<b>30 June 2008</b>	<b>31 December 2007 (Audited)</b>	<b>30 June 2007</b>
Net carrying amount at beginning of period/ year	8,429,771	25,863,871	25,863,871
Additions	5,456,365	8,666,790	1,461,313
Foreign currency translation of financial statements	-	(94,687)	-
Closing project in progress	-	(5,764,871)	-
Depreciation for the period/ year	(2,323,875)	(6,977,231)	(2,211,673)
Impairment	-	(13,264,101)	(8,842,734)
Net carrying amount at end of period/ year	<u>11,562,261</u>	<u>8,429,771</u>	<u>16,270,777</u>



**Notes to the interim condensed consolidated interim financial information  
For the six months ended 30 June 2008  
(Unaudited)**

(All amounts are in Kuwaiti Dinar unless otherwise stated)

During the period, the Group signed a contract with a supplier to deliver the equipments of the new project. An amount of KD 4,687,631 was paid as advance payment from the project.

**4. Investment in associates**

	<b>Ownership percentage</b>	<b>30 June 2008</b>	<b>31 December 2007 (Audited)</b>	<b>30 June 2007</b>
Kuwait Rocks Company (K.S.C.C.)	30.00%	1,574,354	1,585,337	1,040,308
Construction and Marine Services Company (K.S.C.)	33.37%	13,502,454	9,146,490	8,064,649
		<u>15,076,808</u>	<u>10,731,827</u>	<u>9,104,957</u>

The following show the movement of the investments balances for the associates during the period/ year:

	<b>30 June 2008</b>	<b>31 December 2007 (Audited)</b>	<b>30 June 2007</b>
Balance as at the beginning of the period/ year	10,731,827	9,564,955	9,564,955
Additions during the year	4,497,189	-	-
Group's share from associate results	357,558	2,152,876	521,736
Dividends received	(509,766)	(986,004)	(981,734)
Balance as at the end of the period/ year	<u>15,076,808</u>	<u>10,731,827</u>	<u>9,104,957</u>

The Group's share in associate Company's results are recorded according to the unaudited financial information for the period ended 31 March 2008.

The additions during the period represent in the subscription in the capital increase of Construction and Marine Services Company (K.S.C.).

The investment balance in Constructions and Marine Services includes goodwill fame amounted to KD 493,168 as at 30 June 2008 (KD 493,168 as at 31 December 2007).

**5. Available for sale investments**

	<b>30 June 2008</b>	<b>31 December 2007 (Audited)</b>	<b>30 June 2007</b>
Quoted local securities	185,703,239	186,214,596	152,415,871
Unquoted local securities	7,777,858	11,340,426	9,845,091
	<u>193,481,097</u>	<u>197,555,022</u>	<u>162,260,962</u>

The local quoted investments includes investments amounted to KD 151,045,461 as of 30 June 2008 in the capital shares of National Industries Company K.S.C. one of the major shareholders of the Group (KD 162,125,920 as of 31 December 2007 and KD 132,826,055 as of 30 June 2007).

Unquoted local shares were stated at cost less impairment losses since their fair values can not be reliably determined and there have not been active markets for such investments. The information available for these investments does not indicate to an existence of an impairment.

Notes to the interim condensed consolidated interim financial information  
For the six months ended 30 June 2008  
(Unaudited)  
(All amounts are in Kuwaiti Dinar unless otherwise stated)

6. Investments at fair value through profit or loss

	30 June 2008	31 December 2007 (Audited)	30 June 2007
Local investments	95,274,961	89,508,803	85,304,228
Foreign investments	15,601,085	16,580,772	18,730,930
	<u>110,876,046</u>	<u>106,089,575</u>	<u>104,035,158</u>

Foreign investments includes 5,917,785 as of 30 June 2008 (KD 4,074,819 as of 31 December 2007 and KD 5,374,021 as of 30 June 2007) was valued based on recent available reports from investment managers as there is no reports available for these investments as of 30 June 2008.

7. Share capital

At 16 April 2008, the ordinary General Assembly approved to distribute bonus shares of 15% from the share capital. Accordingly, the issued and paid up share capital consists of KD 55,083,083 distributed on 550,830,830 shares as of 30 June 2008 (KD 47,898,333 distributed over 478,983,330 shares as of 31 December 2007 and 30 June 2007 with a nominal value of 100 fils per share).

Commercial Registry was amended by the increase on 3 July 2008.

8. Treasury shares

	30 June 2008	31 December 2007 (Audited)	30 June 2007
Number of shares - share	16,323,791	12,836,340	12,836,340
Percentage of issued shares (%)	2.96	2.68	2.68
Market value	23,179,783	17,714,149	17,457,422

9. Loans and bank facilities

	30 June 2008	31 December 2007 (Audited)	30 June 2007
<b>Current portion</b>			
Bank facilities	4,486,379	3,429,188	267,822
Loans	50,033,762	37,320,398	41,815,200
Murabaha payable	6,693,845	-	10,064,885
	<u>61,213,986</u>	<u>40,749,586</u>	<u>52,147,907</u>
<b>Non-current portion</b>			
Loans	7,200,000	11,200,000	10,300,000
Total loans and bank facilities	<u>68,413,986</u>	<u>51,949,586</u>	<u>62,447,907</u>

The maturity analysis of loans and bank facilities at the interim condensed consolidated balance sheet date is as follows:

	30 June 2008	31 December 2007 (Audited)	30 June 2007
Less than one year	61,213,986	40,749,586	52,147,907
From one year to three years	5,600,000	7,400,000	8,700,000
Over three years	1,600,000	3,800,000	1,600,000
	<u>68,413,986</u>	<u>51,949,586</u>	<u>62,447,907</u>

**Notes to the interim condensed consolidated interim financial information**

**For the six months ended 30 June 2008**

**(Unaudited)**

(All amounts are in Kuwaiti Dinar unless otherwise stated)

The average effective interest rate on loans and bank facilities was 3.9% as of 30 June 2008 (3.9% as of 31 December 2007 and 5.8% as of 30 June 2007).

Certain loans are secured by the whole official location and extensions of the factory which the book value amounted to KD 10,357,541 as of 30 June 2008 (KD 4,421,367 as of 31 December 2007 and KD 11,032,939 as of 30 June 2007). The loan terms prevent the Groups from distributing profits in case the ratio of current assets to current liabilities decreases below (1-1.5). Also, the terms does not allowed for the Group to pledge any movable or unmovable assets to any other party without prior written consent from the bank is obtained.

**10. Gains from investments at fair value through profit or loss**

	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Realized gain	181,546	1,602,593	986,959	4,670,889
Unrealized gain	9,282,304	18,263,699	13,663,179	18,982,297
Cash dividends	779,398	1,365,028	1,846,011	4,281,117
	<u>10,243,248</u>	<u>21,231,320</u>	<u>16,496,149</u>	<u>27,934,303</u>

The unrealized gain include gain from change in fair value resulted from the evaluation of right issue in some of Company's quoted shares amounted to KD 12,582,882 during the period ended 30 June 2008.

**11. Gain from available for sale investments**

	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Realized gain	24,582	1,372,511	892,239	3,152,366
Cash dividends	7,858,872	4,815,774	8,926,190	5,118,785
	<u>7,883,454</u>	<u>6,188,285</u>	<u>9,818,429</u>	<u>8,271,151</u>

**12. Earnings per share**

Earnings per share are computed on the basis of net profit for the period by the weighted average number of shares outstanding during the period as follows:

	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Net profit for the period	<u>21,575,432</u>	<u>24,801,769</u>	<u>37,131,693</u>	<u>40,396,010</u>
Weighted average number of outstanding shares during the period (share)	<u>534,674,539</u>	<u>535,907,049</u>	<u>535,238,082</u>	<u>536,357,153</u>
Earnings per share (fils)	<u>40.35</u>	<u>46.28</u>	<u>69.37</u>	<u>75.32</u>

Bonus shares approved in the General Assembly for shareholders held on 16 April 2008 has been taken into consideration for recalculation of earnings per share for the comparative period.

**13. Dividends**

On 16 April 2008, the General Assembly of shareholders approved the financial statements for the year ended 31 December 2007, and approved cash dividends for the year 2007 by 65 fils per share after deducting treasury shares (60 fils - 2006) in addition to bonus shares for the year 2007 for 15% from the share capital (10% - 2006).

**Notes to the interim condensed consolidated interim financial information  
For the six months ended 30 June 2008  
(Unaudited)  
(All amounts are in Kuwaiti Dinar unless otherwise stated)**

**14. Related party transactions**

Related parties comprise of the Group's shareholders who are members in the board of directors, board of directors, key management personnel, associates and subsidiaries in which the Parent Company has representatives in their board of directors. In the ordinary course of business, all significant related party transactions carried out during the period ended 30 June 2008 are at terms approved by the Group's management. The related party transactions carried out during the period represent sales by amount of KD 2,749,580 (KD 2,630,210 during the period ended 30 June 2007).

The transactions with related parties are subject to approval of the shareholders at the general assembly.

There are no interest charged or received on amounts due from/to related parties and they do not have fixed repayment terms.

**15. Segment financial information**

The primary segments information as follows:

Business segments

The Group has identified the following two major business segments for internal reporting objectives:

- Manufacturing Sector
- Investment Sector

Financial information about business segments for the period ended 30 June is as follows:

	2008			2007		
	Manufacturing Sector	Investment Sector	Total	Manufacturing Sector	Investment Sector	Total
Segments revenues	43,281,157	26,693,003	69,974,160	42,001,061	36,742,132	78,743,193
Segments expenses	(30,619,610)	-	(30,619,610)	(25,416,553)	-	(25,416,553)
Unallocated income	-	-	2,374,150	-	-	324,685
Unallocated expenses	-	-	(4,597,007)	-	-	(13,255,315)
Net profit			<u>37,131,693</u>			<u>40,396,010</u>
Segments assets			<u>377,121,695</u>			<u>330,559,332</u>
Segments liabilities			<u>79,056,417</u>			<u>72,076,391</u>

**16. Capital liabilities and commitments**

	30 June 2008	31 December 2007 (Audited)	30 June 2007
<b>Contingent liabilities</b>			
Letters of credit	27,975,534	4,436,467	3,891,339
Letters of guarantee	248,847	248,847	248,847
<b>Capital commitments</b>			
Uncalled subscription relating to available for sale investments	183,431	183,431	183,431
Uncalled subscription relating to investments in funds	394,601	1,725,221	1,381,553
Contracts for importing raw materials	21,314,921	8,825,700	19,665,833
Projects in process	8,002,846	2,030,321	1,767,325

**17. Comparative figures**

Where necessary, comparative figures are reclassified to conform with current presentation of condensed consolidated interim financial information/statements.