Kuwait Cement Company K.S.C
and its subsidiaries
State of Kuwait

Interim condensed consolidated financial information (unaudited)
and the review report for the three months ended 31 March 2012

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State of Kuwait

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Kuwait Cement Company K.S.C
State of Kuwait

Independent report on review of interim condensed consolidated financial information to the board of directors

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Cement Company K.S.C. ("The Parent Company") and its subsidiaries (together referred to as "the Group") as at 31 March 2012, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended. The Parent Company's management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 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 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 "Interim Financial Reporting".

Report on other Legal and Regulatory Requirement
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts of the Parent Company. We further report that nothing have come to our attention indicating any contravention during the three months period ended 31 March 2012, of the Commercial Companies' Law of 1960, as amended, or the Parent Company's articles of association, which might have materially affected the Group's activities or its financial position.

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BDO Al Nisf & Partners

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Kuwait: 9 May 2012

Kuwait Cement Company K.S.C
and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of financial position (unaudited)
As at 31 March 2012

	Note	31 March 2012	31 December 2011 (audited)	31 March 2011
		KD	KD	KD
Assets				
Non-current assets				
Property, plant and equipment	3	119,184,213	110,895,225	92,834,453
Intangible assets		898,495	911,327	946,428
Investment properties		973,168	984,946	1,020,289
Investments in associates	4	15,229,142	14,702,575	15,282,833
Available for sale investments	5	72,917,106	74,552,146	76,179,341
		209,202,124	202,046,219	186,263,344
Current assets				
Inventories	6	18,073,399	18,205,156	22,124,982
Trade and other receivables	7	15,135,878	13,721,990	11,247,258
Investments at fair value through profit or loss	8	9,249,648	8,773,203	11,537,278
Cash and cash equivalents	9	12,736,903	16,211,148	17,902,128
		55,195,828	56,911,497	62,811,646
Total assets		264,397,952	258,957,716	249,074,990
Equity and liabilities				
Equity				
Share capital	10	63,765,554	63,765,554	60,729,099
Share premium		5,154,935	5,154,935	5,154,935
Treasury shares	11	(13,487,906)	(13,487,906)	(12,978,814)
Gain from sale of treasury shares		445,592	445,592	445,592
Statutory reserve		35,962,809	35,962,809	34,466,326
Voluntary reserve		31,000,320	31,000,320	29,503,837
General reserve		18,930,128	18,930,128	18,930,128
Change of fair value reserve		(12,566,533)	(11,405,280)	(10,164,697)
Group's share in associates' reserves		(764,521)	(801,758)	(705,407)
Retained earnings		23,143,142	18,015,924	20,549,761
Total equity		151,583,520	147,580,318	145,930,760
Liabilities				
Non-current liabilities				
Loans and bank facilities	12	61,650,566	61,894,886	61,051,948
Provision for employees' end of service indemnity		1,732,461	1,710,936	1,664,420
		63,383,027	63,605,822	62,716,368
Current liabilities				
Loans and bank facilities	12	26,919,777	29,832,974	27,745,550
Trade and other payables	13	22,511,628	17,938,602	12,682,312
		49,431,405	47,771,576	40,427,862
Total equity and liabilities		264,397,952	258,957,716	249,074,990

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed consolidated financial information.

Rashed Abdulaziz Al-Rashed
Chairman and Managing Director

Sulaiman Khalid Al-Ghunaim
Vice Chairman

Kuwait Cement Company K.S.C
and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of income (unaudited)
For the three month period ended 31 March 2012

	Note	For the three month period ended 31 March 2012 KD	2011 KD
Sales		18,849,959	13,496,382
Cost of sales	14	(13,773,399)	(6,326,014)
Gross profit		5,076,560	7,170,368
Other operating income	15	221,085	259,235
Selling, general and administrative expenses		(795,446)	(813,717)
Operating Profit		4,502,199	6,615,886
Financing charges		(38,310)	(776,580)
Interest income		22,060	38,732
Net gain/(loss) from investments	16	379,069	(718,967)
Group's share of associates' business results		489,330	(30,289)
Net profit before deductions		5,354,348	5,128,782
Contribution to Kuwait Foundation for the Advancement of Sciences		(46,501)	(51,288)
National Labor Support tax		(113,712)	(116,521)
Zakat		(31,917)	(46,609)
Board of directors' remuneration		(35,000)	(35,000)
Net profit for the period		5,127,218	4,879,364
Earnings per share (fils)	17	8.30	7.89

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed consolidated financial information.

Kuwait Cement Company K.S.C
and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of comprehensive income (unaudited)
For the three month period ended 31 March 2012

	For the three month period ended 31 March	
	2012	**2011**
	KD	KD
Net profit for the period	5,127,218	4,879,364
Other comprehensive (expenses)/income for the period		
Net unrealized losses from available for sale investments	(1,542,583)	(16,904,120)
Transferred to statement of income from sale of available for sale investments	-	5,700
Impairment in value of available for sale investments	381,330	1,199,472
Group's share in associates' reserves	37,237	(19,522)
Total other comprehensive expenses	(1,124,016)	(15,718,470)
Total comprehensive income/(expense) for the period	4,003,202	(10,839,106)

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed consolidated financial information.

Kuwait Cement Company K.S.C
and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of changes in equity (unaudited)
For the three month period ended 31 March 2012

	Share capital	Share premium	Treasury shares	Gain from sale of treasury shares	Statutory reserves	Voluntary reserve	General reserve	Change of fair value reserve	Group's share in associates' reserves	Retained earnings	Total equity
	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD	KD
Balance at 1 January 2011	60,729,099	5,154,935	(12,978,814)	445,592	34,466,326	29,503,837	18,930,128	5,534,251	(685,885)	15,670,397	156,769,866
Net profit for the year	-	-	-	-	-	-	-	-	-	4,879,364	4,879,364
Total other comprehensive expenses	-	-	-	-	-	-	-	(15,698,948)	(19,522)	-	(15,718,470)
Total other comprehensive income for the period	-	-	-	-	-	-	-	(15,698,948)	(19,522)	4,879,364	(10,839,106)
Balance at 31 March 2011	60,729,099	5,154,935	(12,978,814)	445,592	34,466,326	29,503,837	18,930,128	(10,164,697)	(705,407)	20,549,761	145,930,760
Balance at 1 January 2012	63,765,554	5,154,935	(13,487,906)	445,592	35,962,809	31,000,320	18,930,128	(11,405,280)	(801,758)	18,015,924	147,580,318
Net profit for the year	-	-	-	-	-	-	-	-	-	5,127,218	5,127,218
Total other comprehensive (expenses)/income	-	-	-	-	-	-	-	(1,161,253)	37,237	-	(1,124,016)
Total other comprehensive income for the period	-	-	-	-	-	-	-	(1,161,253)	37,237	5,127,218	4,003,202
Balance at 31 March 2012	63,765,554	5,154,935	(13,487,906)	445,592	35,962,809	31,000,320	18,930,128	(12,566,533)	(764,521)	23,143,142	151,583,520

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed consolidated financial information.

Kuwait Cement Company K.S.C
and its subsidiaries
State of Kuwait

Interim condensed consolidated statement of cash flows (unaudited)
For the three month period ended 31 March 2012

	Note	For the three month period ended 31 March 2012 KD	2011 KD
Cash flows form operating activities			
Net profit for the period		5,127,218	4,879,364
Adjustments:			
Depreciation and amortization		507,943	441,476
Provision for doubtful debts		413	-
Financing charges		38,310	776,580
Interest income		(22,060)	(38,732)
Net (profits) / losses from investments		(379,069)	718,967
Group's share of associates' business results		(489,330)	30,289
Provision for employees' end of service indemnity		21,525	22,539
Net operating profit before working capital changes		4,804,950	6,830,483
Inventories		131,757	2,324,273
Trade and other receivables		(1,414,301)	(1,615,952)
Investments at fair value through profit or loss		(3,859)	8,712
Trade and other payables		831,361	(3,644,962)
Net cash generated by operating activities		4,349,908	3,902,554
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,333,111)	(2,448,094)
Purchase of intangible assets		-	(957,522)
Purchase of available for sale investments		(116,407)	(206,183)
Proceeds on sale of available for sale investments		188,138	165,563
Dividends received		308,539	592,050
Interest income received		22,060	38,732
Net cash used in investing activities		(3,930,781)	(2,815,454)
Cash flows from financing activity			
Dividend paid		(2,410)	-
Loans and bank facilities		(3,157,517)	4,518,663
Finance charges paid		(733,445)	(873,617)
Net cash (used in)/generated from financing activities		(3,893,372)	3,645,046
Net (decrease) /increase in cash and cash equivalents		(3,474,245)	4,732,146
Cash and cash equivalents at beginning of the period		16,211,148	13,169,982
Cash and cash equivalents at end of the period	9	12,736,903	17,902,128

The accompanying notes on pages 6 to 14 form an integral part of this interim condensed consolidated financial information.

1. Incorporation and activities

Kuwait Cement Company KSC "Parent Company" is a Kuwaiti Shareholding Company incorporated as per the Amiri Decree issued on 5 November 1968. The Parent company's shares were listed on the Kuwait Stock Exchange on 29 September 1984. The main objectives of the Group are producing various kinds of cement products, trading in all cement products, materials and machines which are related to the operation. Moreover, manufacturing and selling prefabricated concrete and import of all raw materials of concrete manufacturing and the utilization of the surplus available in the financial and real estate portfolios managed by specialized companies.

The Parent company is located in Kuwait, its head office is at Al - Sharq, Al Sawaber area, Shuhada Street, Cement House, P.O. Box 20581, Safat 13066, State of Kuwait.

The interim condensed consolidated financial information includes the financial statements of the Parent Company and its subsidiaries (together referred to as "the Group").

Company Name	Legal entity	Activity	Country of incorporation	Ownership percentage %
Shuwaikh Cement Company	K.S.C.C	Industrial	Kuwait	99.250
Amwaj Real Estate Company	K.S.C.C	Real Estate	Kuwait	96.000
Kuwait Cement Ready Mix Company	K.S.C.C	Industrial	Kuwait	99.844

The parent company used the financial information prepared by the subsidiary's management to prepare this interim condensed consolidated financial information for the period ended 31 March 2012. The total assets of subsidiaries amounted to KD 13,464,391 as at 31 March 2012 (31 December 2011: KD 13,241,011 and 31 March 2011: KD 11,066,409) and total net profits amounted to KD 59,742 for the period then ended (31 March 2011: KD 81,995).

The accompanying interim condensed consolidated financial information was authorized for issue by Parent Company's board of director's on 9 May 2012.

2. Significant accounting policies

Basis of preparation

The interim condensed consolidated financial information has been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting.

The interim condensed consolidated financial information does not include all the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. The operating results for the three month period ended 31 March 2012 are not necessarily indicative of the results that may be expected for the year ending 31 December 2012. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2011.

2. Significant accounting policies (continued)

Basis of preparation (continued)

The accounting policies, discussed below, used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2011.

The revisions to IFRSs, effective as of 1 January 2012 will have no material impact on the group's consolidated financial position or its performance.

3. Property, plant and equipment

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Net carrying value at beginning of period / year	110,895,225	89,995,827	89,995,827
Additions and transfers	8,785,167	22,635,688	3,266,564
Foreign currency translation differences	(12,846)	(2,860)	(9,336)
Depreciation for the period / year	(483,333)	(1,733,430)	(418,602)
Net carrying value at end of period/year	119,184,213	110,895,225	92,834,453

During 2008, the Group signed a contract with some suppliers and contractors to construct a new kiln. The total value of the contracts signed for constructing and completing works amounted to KD 94,411,432 till 31 March 2012, and the total executed amounted to KD 77,324,627 till 31 March 2012. All property, plant and equipment are built on leased state-owned land by lease contracts for 5 years ending 2014.

During 2009 and 2011, the Group has signed an agreement with a foreign supplier for the purchase of spare parts, equipment, and plant for the new factory totaling KD 32,289,520 (equivalent to Euro 87,268,972) as of 31 March 2012 (31 December 2011: KD 31,048,336). It has been agreed to pay this amount using a deferred letter of credit due within a year. The value of the deferred letter of credits was included within payable and other credit balances. An amount of KD 27,169 has been matured from these credits during the period and has been settled. The unpaid part of this transaction was eliminated when preparing the interim condensed consolidated statement of cash flows as it is a non-cash transaction.

4. Investments in associates

	Country of incorporation	Ownership percentage	Book value		
			31 March 2012	31 December 2011 (audited)	31 March 2011
		%	KD	KD	KD
Kuwait Rocks Co K.S.C.C.	Kuwait	30.00	455,941	463,924	674,949
Marine Contracting and Services Co. K.S.C.C	Kuwait	33.38	14,773,201	14,238,651	14,607,884
			15,229,142	14,702,575	15,282,833

4. Investments in associates (continued)

The following is the movement of investment in associate's balances:

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Balance at beginning of the period/year	14,702,575	15,332,644	15,332,644
Group's share of associates results	489,330	(184,402)	(30,289)
Group's share in associates' reserves	37,237	(115,873)	(19,522)
Cash dividends received	-	(329,794)	-
Balance at end of the period/year	15,229,142	14,702,575	15,282,833

The Group's share in results of associate companies are recorded based on the audited financial statements for the year ended 31 December 2011.

The investment in Constructions and Marine Services K.S.C.C includes goodwill of KD 493,168 as of 31 March 2012 (KD 493,168 as at 31 December 2011 and 31 March 2011).

5. Available for sale investments

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Quoted shares	64,794,654	66,393,270	67,545,460
Unquoted shares	4,800,007	4,702,167	4,844,372
Foreign funds	3,322,445	3,456,709	3,789,509
	72,917,106	74,552,146	76,179,341

The quoted investments include investments of KD 27,170,361 as at 31 March 2012 in the shares of National Industries Company K.S.C. which is one of the major shareholders in the Group (31 December 2012: KD 30,554,824 and 31 March 2011: KD 28,895,710).

Unquoted investments were stated at cost since their fair values could not be reliably determined and there have not been active markets for such investments. The available information for these investments did not indicate the existence of any impairment in value.

Available for sale investments include investments amounting to KD 2,254,981 as at 31 March 2012 (31 December 2011: KD 3,456,709, and 31 March 2011: KD 3,605,883) value based on recent available valuation reports from investment managers during the period as no reports were available for these investments as at the date of the financial information.

Impairment of certain available for sale investments was recognized at KD 381,330 as at 31 March 2012 (31 March 2011: KD 1,199,472) as a result of the significant decrease of their value. This impairment was recognized in the interim condensed consolidated statement of income for the current period.

6. Inventories

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Raw materials	17,421,887	17,675,890	21,645,719
Finished goods	554,446	529,266	447,150
Letter of credit for purchase of inventory	97,066	-	32,113
	18,073,399	18,205,156	22,124,982

7. Trade and other receivables

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Amounts under collection at banks	2,549,611	2,048,836	1,292,856
Receivables against unconditional bank guarantees	3,588,234	3,672,659	3,596,470
Ministry of Commerce – difference from subsidizing cement to the public	2,185,576	1,944,773	2,089,096
Related parties (note 19)	2,174,437	1,778,452	1,405,037
Other trade receivables	5,653,689	5,386,136	3,903,585
Total trade receivables	16,151,547	14,830,856	12,287,044
Other debtors	388,866	369,334	448,344
	16,540,413	15,200,190	12,735,388
Provision for doubtful debts	(1,875,146)	(1,874,733)	(2,702,282)
	14,665,267	13,325,457	10,033,106
Prepaid expenses	459,685	238,247	652,316
Notes receivable	10,926	158,286	561,836
	15,135,878	13,721,990	11,247,258

8. Investments at fair value through profit or loss

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Local quoted investments	1,805,899	1,816,396	3,910,145
Foreign investments	7,443,749	6,956,807	7,627,133
	9,249,648	8,773,203	11,537,278

Foreign investments as at 31 March 2012 include investments amounting to KD 7,340,986 (31 December 2011: Nil, and 31 March 2011: KD 7,333,875) that are priced based on recent available reports from investment managers during the period.

9. Cash and cash equivalents

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Cash in hand & at banks	1,987,538	4,260,702	2,626,602
Cash at investment portfolios	2,921,034	5,460,697	1,630,061
Deposits placed with banks	7,443,916	6,468,026	13,411,219
Cheques under collection	384,415	21,723	234,246
	12,736,903	16,211,148	17,902,128

The average interest rate on bank deposits was 2% as at 31 March 2012 (31 December 2011: 2.5%, and 31 March 2011: 3.25%). These deposits mature within three months from the date of deposit.

10. Share capital

The company's issued and fully paid capital is KD 63,765,554 distributed into 637,655,540 shares, each of a nominal value of 100 fils.

On 17 April 2011, the Extra Ordinary General Assembly has decided to increase capital by 15% with a nominal value of 100 fils per share and share premium of 225 fils per share. The approval of the concerned authorities is not obtained till date.

11. Treasury shares

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Number of shares - share	20,170,729	20,170,729	18,181,647
Percentage of issued shares (%)	3.16	3.16	2.99
Market value (KD)	9,076,828	9,278,535	10,908,988

12. Loans and bank facilities

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Current portion			
Bank facilities	505,207	3,418,404	224,482
Loans	26,414,570	26,414,570	27,521,068
	26,919,777	29,832,974	27,745,550
Non-current portion			
Loans	61,650,566	61,894,886	61,051,948
Total loans and bank facilities	88,570,343	91,727,860	88,797,498

12. Loans and bank facilities (continued)

The average effective interest rate on loans and bank facilities was 4% as at 31 March 2012 (31 December 2011: 4.25% and 31 March 2011: 4.5%).

Certain loans are guaranteed by the whole commercial establishments of the factory and its extensions with book value amounting to KD 20,352,496 as at 31 March 2012 (31 December 2011: KD 20,694,699, and 31 March 2011: KD 21,844,432). The loans are also guaranteed by available for sale investments amounting to KD 1,887,100 as at 31 March 2012 (31 December 2011: KD 2,129,250, and 31 March 2011: KD 2,087,500).

One of the main loans' covenants is that the Group will not distribute dividends if the ratio of current assets to current liabilities decreases less than (1:1.5) and not to pledge movable and non-movable funds to others before obtaining written approval from the bank. The loans' covenant also state that the ratio of net debts to operating profit not be more than (1:6) and the ratio of operating profit to interests not be less than (1:2) and the ratio of net debts to equity increases not be more than (1:0.8) and the ratio of liabilities to equity not be more than (1:1.3).

13. Trade and other payables

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Suppliers	6,122,002	4,620,152	3,407,481
Deferred documentary credits for purchase of plant	9,422,969	6,159,403	2,264,758
Accrued expenses and interests	2,671,561	2,371,029	2,743,585
Clients - advance payments	607,272	573,301	554,095
Contribution to Kuwait Foundation for the Advancement of Sciences	194,318	149,168	182,506
National Labor Support tax	434,609	320,897	116,521
Zakat	121,987	91,801	46,609
Dividends payable	463,159	465,569	430,168
Notes payable	93,212	94,208	167,692
Others	2,380,539	3,093,074	2,768,897
	22,511,628	17,938,602	12,682,312

14. Cost of sales

	For the three month period ended 31 March	
	2012	2011
	KD	KD
Raw material	10,932,241	4,148,477
Change in finished goods	(25,179)	69,409
Salaries and benefits	642,258	517,894
Lease rentals	9,053	257,575
Supplies and maintenance	563,806	484,841
Others	1,651,220	847,818
	13,773,399	6,326,014

15. Other operating income

	For the three month period ended 31 March	
	2012	2011
	KD	KD
Net income from investment properties	1,407	22,095
Income from exchange differences	17,134	81,472
Other income	202,544	155,668
	221,085	259,235

16. Net gain/(loss) from investments

	For the three month period ended 31 March	
	2012	2011
	KD	KD
Investments at fair value trough profit or loss:		
Unrealized gain/ (loss)	472,586	(20,076)
Cash dividends	-	98,747
	472,586	78,671
Available for sale investments:		
Impairment	(381,330)	(1,199,472)
Realized gains/(loss)	11,849	(25,221)
Cash dividends	308,539	493,303
Portfolio management fees	(32,575)	(66,248)
	(93,517)	(797,638)
	379,069	(718,967)

17. Earnings per share

Earnings per share are calculated by dividing the net profit for the period by the weighted average of the number of the existing ordinary shares determined based on number of existing shares of issued capital during the period, taking into account treasury shares. The calculation of earnings per share is as follows:

	For the three month period ended 31 March	
	2012	2011
	KD	KD
Net profit for the period	5,127,218	4,879,364
Weighted average number of outstanding shares during the period (shares)	617,484,811	618,564,809
Earnings per share (fils)	8.30	7.89

18. Dividends

The general assembly of shareholders held on 6 May 2012 approved the consolidated financial statements for the year ended 31 December 2011 and also approved the following:

Distributing cash dividends at 15 fils per share after deducting treasury shares (2010: 10 fils) and non-distribution of bonus shares for the year 2011 (2010: 5%).

19. 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, and subsidiaries in which the Parent company has representatives in their board. In the normal course of business, and by approval of the Group's management, transactions were done with such related parties during the period ended 31 March 2012. Balances and transactions between the Parent Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

Following is a summary of significant related party transactions:

	For the three month period ended 31 March	
	2012	2011
	KD	KD
Consolidated statement of income:		
Sales	1,384,454	1,105,955
Key management benefits		
Executive committees fees	30,000	30,000
Salaries and other benefits	171,900	171,900

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Consolidated statement of financial position:			
Receivables and other debit balances (Note 7)	2,174,437	1,778,452	1,405,037
Payables and other credit balances	785,894	676,552	-
Provision for employees' end of service indemnity	483,045	482,596	504,475

20. Capital liabilities and commitments

	31 March 2012	31 December 2011 (audited)	31 March 2011
	KD	KD	KD
Contingent liabilities			
Letters of guarantee	248,847	248,847	248,847
Capital commitments			
Letters of credit	11,985,783	11,575,381	13,853,025
Uncalled subscription relating to available for sale investments	183,431	183,431	183,431
Uncalled subscription relating to investments in funds	369,948	369,948	369,948
Contracts for importing raw materials	14,024,473	7,693,775	3,373,836
Projects under construction	17,086,805	23,524,485	40,015,631

21. Segment financial information

The primary segments information as follows:

Operating segments

The Group has determined the following two major business segments for internal reporting purposes:

- Manufacturing Sector which includes production and sale
- Investment Sector

Financial information about business segments for the period ended 31 March is as follows:

	2012			2011		
	Manufacturing Sector	Investment Sector	Total	Manufacturing Sector	Investment sector	Total
	KD	KD	KD	KD	KD	KD
Sector revenues / (expenses)	19,052,504	869,806	19,922,310	13,652,050	(727,161)	12,924,889
Total profit / (loss) of sectors	4,500,792	869,806	5,370,598	6,593,791	(727,161)	5,866,630
Segments assets	163,107,854	101,290,098	264,397,952	143,425,188	105,649,802	249,074,990
Adjustments						
Total segments profit			5,370,598			5,866,630
Financing charges			(38,310)			(776,580)
Interest income			22,060			38,732
Total segments profit before deductions			5,354,348			5,128,782