

**MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC
AND ITS SUBSIDIARIES
STATE OF KUWAIT**

**INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2014**

(UNAUDITED)

WITH

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC
AND ITS SUBSIDIARIES
STATE OF KUWAIT

INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2014
(UNAUDITED)
WITH
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

CONTENTS

Report on Review of Interim consolidated financial information

	<u>Pages</u>
Interim condensed consolidated statement of financial position (unaudited)	3
Interim condensed consolidated statement of profit or loss (unaudited)	4
Interim condensed consolidated statement of profit or loss and other comprehensive income (unaudited)	5
Interim condensed consolidated statement of changes in equity (unaudited)	6
Interim condensed consolidated statement of cash flows (unaudited)	7
Notes to interim consolidated financial information (unaudited)	8 – 13



AL-WAHA
AUDITING OFFICE
ALI OWAID RUKHAEYES

Member of The International Group of Accounting Firms

P.O. Box 27387 Safat
13134 - State of Kuwait
Telephone: (965) 22423415
Facsimile : (965) 22423417



RSM Albazie & Co.

Public Accountants

Kuwait Airways Building, 7th floor, Shuhada Street,
P.O. Box 2115, Safat - 13022, State of Kuwait
T +965 22961000 F +965 22412761
E mail@albazie.com W www.albazie.com

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Mubarrad Transportation Co. K.S.C. - Public and its subsidiaries
State of Kuwait

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Mubarrad Transportation Co. K.S.C. - Public (Parent Company) and its subsidiaries (the Group) as of March 31, 2014 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three-months period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim consolidated financial information in accordance with International Accounting Standard 34 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim 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 Consolidated Financial Information Performed by the Independent Auditor of the Group". A review of interim consolidated 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 consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.



AL-WAHA
AUDITING OFFICE
ALI OWAIID RUKHAEYES



RSM Albazie & Co.
Public Accountants

-2-

Report on other Legal and Regulatory Requirements

Furthermore, based on our review the interim consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law of 2012 and its subsequent amendments its executive regulations, or of the Parent Company's Articles of Association and Article of Incorporation during the period ended March 31, 2014 that might have materially affected the Group's financial position or result of its operations.

Ali Owaid Rukheyes
Licence No. 72-A
Member of the International Group
of Accounting Firms

Dr. Shuaib A. Shuaib
Licence No. 33-A
RSM Albazie & Co.

State of Kuwait
April 30, 2014

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF MARCH 31, 2014
 (All amounts are in Kuwaiti Dinars)

<u>ASSETS</u>	Note	March 31, 2014	December 31, 2013 (Audited)	March 31, 2013
Current assets:				
Cash and cash equivalent	3	1,529,271	1,274,849	1,870,561
Investment Deposit		1,500,000	1,750,000	150,000
Accounts receivable and other debit balances		1,665,568	1,190,805	2,097,945
Due from related parties	4	15,068	28,847	513,042
Right of utilization held for trading		2,750,000	2,750,000	2,750,000
Inventories		391,512	412,973	436,804
		<u>7,851,419</u>	<u>7,407,474</u>	<u>7,818,352</u>
Assets directly related to discontinued operations	5	10,975	74,262	1,384,317
Total current assets		7,862,394	7,481,736	9,202,669
Investments available for sale		2,220,020	2,421,662	2,168,696
Investment in associates	6	4,908,819	4,219,854	3,315,539
Investment property		2,871,967	2,878,879	2,477,714
Property, plant and equipment		2,680,542	2,769,500	3,062,454
Goodwill		91,005	91,005	91,005
Total assets		<u>20,634,747</u>	<u>19,862,636</u>	<u>20,318,077</u>
<u>LIABILITIES AND EQUITY</u>				
Current liabilities:				
Short term finance contracts payable	7	1,844,800	1,819,987	1,845,313
Accounts payable and other credit balances		593,519	583,037	1,096,904
Due to related parties	4	3,705	3,705	35,286
Total current liabilities		<u>2,442,024</u>	<u>2,406,729</u>	<u>2,977,503</u>
Liabilities directly related to discontinued operations	5	-	12,718	105,332
Total current liabilities		<u>2,442,024</u>	<u>2,419,447</u>	<u>3,082,835</u>
Provision for end of service indemnity		225,335	215,032	438,354
Total liabilities		<u>2,667,359</u>	<u>2,634,479</u>	<u>3,521,189</u>
Equity:				
Capital		16,369,277	16,369,277	21,687,924
Share premium		-	-	4,426,994
Statutory reserve		66,721	66,721	-
Treasury shares reserve		84,388	84,388	84,388
Cumulative change in fair value		299,082	316,612	63,609
Group's share of changes in equity of subsidiary		1,588	1,588	1,588
Group's share of changes in other comprehensive income of associates		(14,984)	(14,917)	(12,756)
Foreign currency translation adjustments		(253,037)	(238,548)	(64,824)
Retained earnings (accumulated losses)		1,343,619	572,277	(9,462,087)
Equity attributable to the Parent Company's shareholders		<u>17,896,654</u>	<u>17,157,398</u>	<u>16,724,836</u>
Non - controlling interests		70,734	70,759	72,052
Total equity		<u>17,967,388</u>	<u>17,228,157</u>	<u>16,796,888</u>
Total liabilities and equity		<u>20,634,747</u>	<u>19,862,636</u>	<u>20,318,077</u>

The accompanying notes (1) to (10) form an integral part of the interim consolidated financial information


 Chairman

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended March 31,	
		2014	2013
<u>Continuing operations</u>			
Sales		255,815	251,779
Cost of sales		(163,273)	(228,832)
Gross sales profit		92,542	22,947
Net profit (loss) from transportation, leasing and maintenance		6,882	(31,253)
Net revenues from rental of stores		34,543	25,160
Total operating profit		133,967	16,854
General and administrative expenses		(161,725)	(190,729)
Provision for doubtful debts no longer required		6,300	5,000
Depreciation		(10,565)	(13,451)
Operating loss		(32,023)	(182,326)
Gain from sale of property, plant and equipment		-	13,931
Murabaha expenses		(24,813)	(21,491)
Gain on sale of investments available for sale		29,800	-
Loss on sale of investments in subsidiaries	5-b	(656)	-
Group's share of result from associates	6	829,990	61,737
Foreign exchange (loss) gain		(332)	1,302
Income from deposit		5,413	1,528
Other revenue		8,139	43,850
Profit (loss) for the period from continuing operations		815,518	(81,469)
Loss (profit) for the period from discontinued operations	5	(9,353)	366,989
Profit for the period before contribution to Kuwait Foundation for the advancement of sciences (KFAS), contribution to Zakat and National Labor Support Tax (NLST)		806,165	285,520
Contribution to KFAS		(7,255)	-
Contribution to Zakat		(7,315)	(2,794)
Contribution to NLST		(20,254)	-
Net profit for the period		<u>771,341</u>	<u>282,726</u>
Attributable to:			
Shareholders of the Parent Company		771,342	283,554
Non - controlling interests		(1)	(828)
Net profit for the period		<u>771,341</u>	<u>282,726</u>
		<u>Fils</u>	<u>Fils</u>
Earnings per share attributable to shareholders of the parent company	8	<u>4.71</u>	<u>1.73</u>

The accompanying notes (1) to (10) form an integral part of the interim consolidated financial information

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
 INCOME (UNAUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2014
 (All amounts are in Kuwaiti Dinars)

	Note	Three months ended March 31,	
		2014	2013
Net profit for the period		771,341	282,726
Other comprehensive loss:			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Change in fair value of available for sale investments		(2,743)	50,069
Reversal from cumulative change due to sale of investments available for sale		(14,797)	-
Change in other comprehensive income of associates	6	(67)	3,081
Foreign currency translation adjustments		(14,503)	(90,244)
Other comprehensive loss for the period		(32,110)	(37,094)
Total comprehensive income for the period		739,231	245,632
Attributable to:			
Shareholders of the parent company		739,256	246,309
Non-controlling interests		(25)	(677)
Total comprehensive income for the period		739,231	245,632

The accompanying notes (1) to (10) form an integral part of the interim consolidated financial information

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014

(All amounts are in Kuwaiti Dinars)

	Equity attributable to shareholders of the parent company											
	Capital	Share premium	Statutory reserve	Treasury shares reserve	Cumulative change in fair value	Group's share of changes in equity of subsidiary	Group's share of changes in other comprehensive income of associates	Foreign currency translation adjustments	Retained earnings (accumulated losses)	Sub total	Non - controlling interests	Total equity
Balance as at December 31, 2012	21,687,924	4,426,994	-	84,388	13,540	1,588	(15,837)	25,571	(9,745,641)	16,478,527	72,729	16,551,256
Total comprehensive income (loss) for the period	-	-	-	-	50,069	-	3,081	(90,395)	283,554	246,309	(677)	245,632
Balance as at March 31, 2013	<u>21,687,924</u>	<u>4,426,994</u>	<u>-</u>	<u>84,388</u>	<u>63,609</u>	<u>1,588</u>	<u>(12,756)</u>	<u>(64,824)</u>	<u>(9,462,087)</u>	<u>16,724,836</u>	<u>72,052</u>	<u>16,796,888</u>
Balance as at December 31, 2013	16,369,277	-	66,721	84,388	316,612	1,588	(14,917)	(238,548)	572,277	17,157,398	70,759	17,228,157
Total comprehensive (loss) income for the period	-	-	-	-	(17,530)	-	(67)	(14,489)	771,342	739,256	(25)	739,231
Balance as at March 31, 2014	<u>16,369,277</u>	<u>-</u>	<u>66,721</u>	<u>84,388</u>	<u>299,082</u>	<u>1,588</u>	<u>(14,984)</u>	<u>(253,037)</u>	<u>1,343,619</u>	<u>17,896,654</u>	<u>70,734</u>	<u>17,967,388</u>

The accompanying notes (1) to (10) form an integral part of the interim consolidated financial information

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
(All amounts are in Kuwaiti Dinars)

	Three months ended March 31,	
	2014	2013
Cash flows from operating activities:		
Profit (loss) for the period from continuing operations before contribution to KFAS, Zakat and NLST	815,518	(81,469)
Loss (profit) for the period from discontinued operations before contribution to KFAS, Zakat and NLST	(9,353)	366,989
Adjustments:		
Depreciation	96,214	136,097
Provision for doubtful debts no longer required	(6,300)	(5,000)
Gain from sale of property, plant and equipment	-	(17,381)
Gain from sale of investments available for sale	(29,800)	-
Group's share of results from associates	(829,990)	(61,737)
Loss (gain) from sale of assets directly related to discontinued operations	10,009	(579,359)
Murabaha expenses	24,813	21,491
Foreign currency translation adjustments	10,252	(12,281)
Income from deposits	(5,413)	(1,528)
Provision for end of service indemnity	14,773	61,283
	<u>90,723</u>	<u>(172,895)</u>
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	(331,042)	(157,507)
Due from related parties	3,214	(32,456)
Inventory	21,461	(18,815)
Accounts payable and other credit balances	3,872	(354,612)
Change in discontinued operations	25,631	-
Cash used in operations	(186,141)	(736,285)
Payment of KFAS	(5,968)	-
Payment of Zakat	(5,052)	-
Payment of NLST	(17,194)	-
End of service indemnity paid	(4,470)	(63,187)
Net cash used in operating activities	<u>(218,825)</u>	<u>(799,472)</u>
Cash flows from investing activities:		
Net movement in investment deposits	250,000	-
Paid for purchase of property, plant and equipment	(753)	(2,969)
Paid for purchase of investment property	(10,244)	(7,337)
Proceeds from sale of assets related to discontinued operations	27,647	4,448,374
Proceeds from sale of property, plant and equipment	-	31,021
Proceeds from sale investments available for sale	213,902	-
Income from deposit received	5,413	1,528
Net cash generated from investing activities	<u>485,965</u>	<u>4,470,617</u>
Cash flows from financing activities:		
Changes related to discontinued operations	(12,718)	(2,573,160)
Net movement of finance contracts payable	24,813	(15,901)
Net movement of due to related parties	-	(109,444)
Murabaha expenses paid	(24,813)	(21,491)
Net cash used in financing activities	<u>(12,718)</u>	<u>(2,719,996)</u>
Net increase in cash and cash equivalent	254,422	951,149
Change in cash and cash equivalent directly related to discontinued operations	-	(39,706)
Cash and cash equivalent at beginning of the period	<u>1,274,849</u>	<u>959,118</u>
Cash and cash equivalent at end of the period	<u>1,529,271</u>	<u>1,870,561</u>

The accompanying notes (1) to (10) form an integral part of the interim consolidated financial information

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
(All amounts are in Kuwaiti Dinars)

1. Incorporation and activities of Parent Company

Mubarrad Transportation Company K.S.C. - Public (Parent Company) was incorporated as per Article of Association of a limited liability Company, authenticated at the Ministry of Justice - Real Estate Registration and Authentication Department – under No. 366/Volume 1 dated March 6, 1996 and amended by contracts No. 335/Volume 1 dated February 7, 2000, No. 473/ Volume 1 dated January 28, 2003, No. 3092/ Volume 1 dated July 7, 2003, and the last contract authenticated at the Ministry of Justice – Real Estate Registration and Authentication Department under No 5394 / Volume 1 dated July 14, 2004, the following amendments were made according to the last contract:

First: The legal entity of Mubarrad International Trading & Transportation Co. – Abdullatif and Jamal Mohammed Al-Fadalah and Partners – was changed from a limited liability Company to a Kuwaiti Shareholding Company - Public.

Second: Amendment of the Parent Company's name to be "Mubarrad Transportation Company - K.S.C. - Public".

The main activities of the Parent Company are:

- Transportation of goods.
- Ownership, rental and leasing of all types of transportation and loading.
- Opening garages to carry out maintenance services to the Company's various transportation machines and equipment related to the Company.
- Ownership, rental and leasing of lands and real estates required to achieve Company's objectives.
- Import, export, sale and leasing of various transportation means, heavy and light machines and equipment.
- Act as a commission agent regarding the transportation of goods , various transportation means , machines and equipment.
- Establishing, preparing and managing all kinds of warehouses of all types, including freezing or cooling, air conditioned or dry and open areas for all kinds of goods and storing all kinds of goods using depositing system under the customs supervision inside or outside the Free Zone Customs Areas and public warehouses.
- Practicing all activities of customs handling and preparing warehouses with installations and means and cranes necessary for arranging and moving goods inside and outside warehouses regions.
- Trading and taking agencies of all handling equipment and terrestrial, marine and aerial transportation means and its subsequence.
- Establishing and managing handicraft and industrial regions inside and outside Kuwait and shipping all kinds of goods and custom clearance.
- Managing computer systems related to custom procedures of Free Zones and public regions for controlling goods at the Company's warehouses or at other warehouses either governmental or private.
- Buying, selling and renting of cars and trucks as well as performing maintenance and repairs for the Company and for others, as well as for all kinds of forklifts and handling equipment, warehousing installations, representing agencies of land, marine and aerial shipping lines and companies and managing all gateways with all required mean for such workings.
- Designing, establishing, preparing renting and managing warehouses, designing, preparing, renting and managing all handicraft and industrial handicrafts and designing, establishing, preparing, renting and managing free customs regions and public warehouses, designing, establishing, renting and managing warehouses of government sector, ministries, government institutions and government companies and managing warehouses of the Company and others and clients.
- Investing available surplus funds in investment portfolios managed by specialized companies and parties.

The interim consolidated financial information was authorized for issue by the Board of Directors on April 30, 2014.

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
 (All amounts are in Kuwaiti Dinars)

2. Basis of presentation

The interim consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2013 except for the implementation of the following standards which are effective starting from January 1, 2014:

Amendments to IAS 32 offsetting financial assets and financial liabilities

The amendments to IAS 32 clarify the meaning of "currently has a legally enforceable right of set off" and "simultaneous realization and settlement". These are effective for annual periods beginning on or after January 1, 2014.

This amendment is not expected to have a material impact on the interim consolidated financial information of the group.

The interim consolidated financial information does not include all the information and notes 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 in the accompanying interim consolidated financial information. Operating results for the period ended March 31, 2014 are not necessarily indicative of the results that may be expected for the year ending December 31, 2014. For further information, refer to the consolidated financial statements and notes thereto for the year ended December 31, 2013.

3. Cash and cash equivalent

	March 31, 2014	December 31, 2013 (Audited)	March 31, 2013
Cash on hand and at banks	779,271	524,849	1,620,561
Short term bank deposit	750,000	750,000	250,000
	<u>1,529,271</u>	<u>1,274,849</u>	<u>1,870,561</u>

4. Related party disclosures

The Group has entered into various transactions with related parties, i.e. associates and other related parties. Prices and terms of payment are approved by the Group's management. Significant related party transactions and balances are as follows:

Balances included in the interim condensed consolidated statement of financial position:

	<u>Associates</u>	<u>Other related parties</u>	<u>March 31, 2014</u>	<u>December 31, 2013 (Audited)</u>	<u>March 31, 2013</u>
Due from related parties	68	15,000	15,068	28,847	513,042
Due to related parties	-	3,705	3,705	3,705	35,286

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
(All amounts are in Kuwaiti Dinars)

	Three months ended March 31, 2014	Three months ended March 31, 2013
<u>Compensation to key management personnel</u>		
Salaries and other benefits	11,250	10,577
Leave	1,600	927
Indemnity	1,067	1,067
	<u>13,917</u>	<u>12,571</u>

5. Assets and liabilities directly related to discontinued operations

A-The Board of Directors resolved to dispose of (Transportation sector in State of Kuwait.). Negotiations with several interested parties have subsequently taken place. The assets and liabilities attributable to the (Transportation sector in State of Kuwait), which are expected to be sold within twelve months, have been classified as Assets held for sale and are presented separately in the interim condensed consolidated statement of financial position. The proceeds of disposal are expected to fall behind the net carrying value of the relevant assets and liabilities and, accordingly, impairment loss has been recognized at the date of the interim condensed consolidated financial information.

B-During the period ended March 31, 2014, the Parent Company signed an agreement for selling its subsidiaries owned by 99% Mubarrad Transportation Co. W.L.L. and Mubaq Transportation Co. W.L.L. - United Arab Emirates, this transactions resulted in a loss of KD 656 as shown in the interim condensed consolidated statement of profit or loss.

Net assets directly related to discontinued operations are as follows:

	March 31, 2014	December 31, 2013 (Audited)	March 31, 2013
Cash and cash equivalents	-	192	39,706
Receivable and other debit balances	-	33,095	623,919
Due from related parties	-	-	2,478
Inventory	-	30,000	76,657
Property, plant and equipment	10,975	10,975	641,557
Total assets	<u>10,975</u>	<u>74,262</u>	<u>1,384,317</u>

Less: Liabilities directly related to discontinued operations:

Accounts payable and other credit balances	-	10,206	80,461
Provision for end of service indemnity	-	2,512	24,871
Total liabilities	<u>-</u>	<u>12,718</u>	<u>105,332</u>
Net assets	<u>10,975</u>	<u>61,544</u>	<u>1,278,985</u>

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
 (All amounts are in Kuwaiti Dinars)

The analysis of (loss) profit from discontinued operations is as follows:

	Three months ended March 31, 2014	Three months ended March 31, 2013
Revenue	-	803,759
Expenses	(9,353)	(436,770)
(Loss) profit for the period	<u>(9,353)</u>	<u>366,989</u>

(Loss) Earnings per share attributable to equity holders of the parent company had been computed for discontinued operations as follows:

	Three months ended March 31, 2014	Three months ended March 31, 2013
(Loss) Profit for the period from discontinued operations	<u>(9,353)</u>	<u>366,989</u>
Weighted average number of shares outstanding	<u>163,692,769</u>	<u>163,692,769</u>
	<u>Fils</u>	<u>Fils</u>
(Loss) Earnings per share relating to equity holders of the Parent Company from discontinued operations	<u>(0.06)</u>	<u>2.24</u>

6. Investment in associates

The movement during the period / year is as follows:

	March 31, 2014	December 31, 2013 (Audited)	March 31, 2013
Balance at the beginning of the period / year	4,219,854	3,234,666	3,234,666
Group's share of capital increase in associate	-	727,796	-
Disposals	-	(91,754)	-
Dividends	(137,421)	-	-
Group's share of result from associates	829,990	338,343	61,737
Group's share of changes in other comprehensive income of associates	(67)	920	3,081
Foreign currency translation adjustments	(3,537)	9,883	16,055
Balance at the end of the period / year	<u>4,908,819</u>	<u>4,219,854</u>	<u>3,315,539</u>

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
 (All amounts are in Kuwaiti Dinars)

7. Short term finance contracts

This item represent finance contracts installments as follows:

	March 31, 2014	December 31, 2013 (Audited)	March 31, 2013
Finance contracts installments	1,848,108	1,848,108	1,848,108
Less: Deferred finance charges	(3,308)	(28,121)	(2,795)
	<u>1,844,800</u>	<u>1,819,987</u>	<u>1,845,313</u>

The Parent Company has renewed the finance lease contract with a local bank for purchasing a right of utilization located in Shuwaikh Industrial Area Plot (D), Buildings (1/2/3), to be paid in one installment on April 30, 2014.

8. Earnings per share (Fils) attributable to shareholders of the Parent Company

There are no potential dilutive ordinary shares. The information necessary to calculate loss per share based on the weighted average number of shares outstanding during the period is as follows:

	<u>Three months ended March 31,</u>	
	<u>2014</u>	<u>2013</u>
Net profit for the period attributable to shareholders of the Parent Company	<u>771,342</u>	<u>283,554</u>
<u>Number of shares outstanding:</u>		
Number of issued shares at the beginning of the period	<u>163,692,769</u>	<u>163,692,769</u>
Weighted average number of shares outstanding	<u>163,692,769</u>	<u>163,692,769</u>
	<u>Fils</u>	<u>Fils</u>
Earnings per share attributable to shareholders of the Parent Company	<u>4.71</u>	<u>1.73</u>

9. General Assembly

The Parent Company's General assembly held on March 30, 2014 approved the consolidated financial statements for the year ended December 31, 2013 and the Board of Directors' proposal not to distribute cash dividends for the year ended December 31, 2013.

10. Segment information

The Group's activities represent mainly three segments; transportation and leasing segment, investment segment, and vehicles body manufacturing segment. For the purposes of segment information, the management classified its activities as follows:

- Transportation, leasing and maintenance segment: represent goods transport, lease and charter means of transportation and maintenance other vehicles
- Vehicles body manufacturing segment: represent vehicles' body manufacturing, importing, marketing and exporting.
- Investment segment: represent investments available for sale and investment properties.

MUBARRAD TRANSPORTATION CO. K.S.C. - PUBLIC AND ITS SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2014
(All amounts are in Kuwaiti Dinars)

A- Segment analysis by activities:

There are intra transactions between segments. These segments represent the basis which the Group present its main operations, which are as follows:

	Three months ended March 31, 2014			
	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Total
Total revenue	1,146,541	255,914	30,834	1,433,289
Total costs	(437,685)	(205,639)	(18,624)	(661,948)
Net profit for the period	708,856	50,275	12,210	771,341

	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Eliminations	Total
Segment assets	24,508,887	2,042,556	3,019,474	(8,936,170)	20,634,747
Segment liabilities	4,126,141	451,506	2,888,574	(4,798,862)	2,667,359

	Three months ended March 31, 2013			
	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Total
Total revenue	1,463,524	128,619	26,961	1,619,104
Total costs	(1,184,186)	(144,811)	(7,381)	(1,336,378)
Net profit (loss) for the period	279,338	(16,192)	19,580	282,726

	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Eliminations	Total
Segment assets	24,134,258	1,946,803	4,736,813	(10,499,797)	20,318,077
Segment liabilities	7,617,669	365,960	2,467,494	(6,929,934)	3,521,189