

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

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2016
(UNAUDITED)**

**WITH
REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

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

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(UNAUDITED)
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Report on review of interim condensed consolidated financial information

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REPORT ON REVIEW OF INTERIM CONDENSED 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) (The Parent Company) and its subsidiaries (the Group) as at September 30, 2016 and the related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income, changes in equity and cash flows for the nine months period then ended. 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'. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

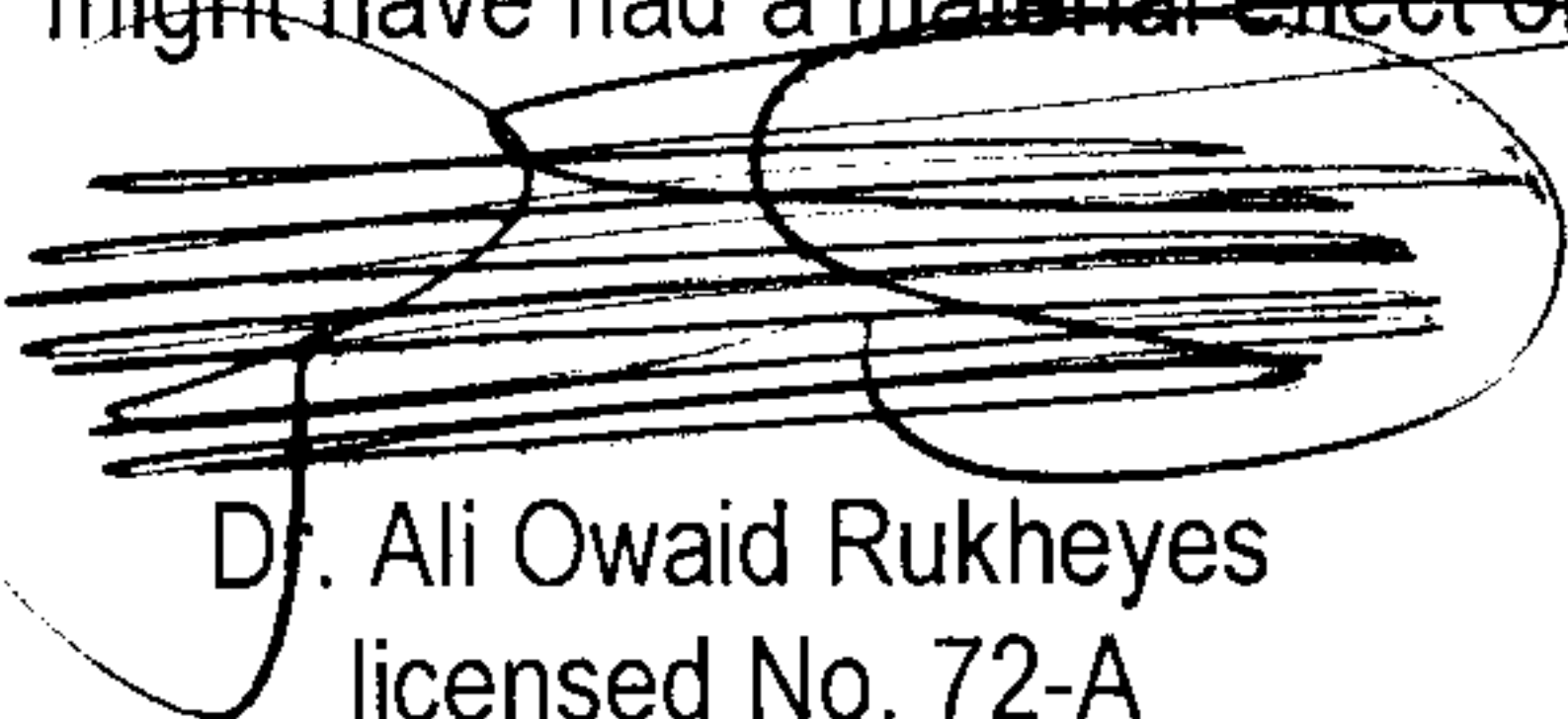
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim condensed consolidated Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial information consists of making inquiries, 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

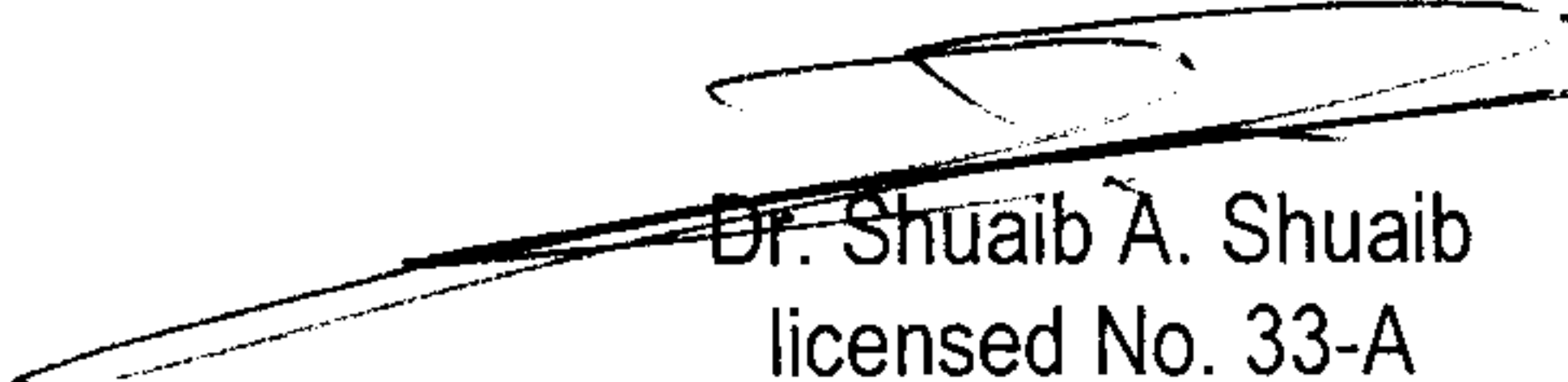
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.

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 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 No. 1 of 2016 and its Executive Regulations or of the Parent Company's Memorandum of Incorporation and Articles of Association during the nine months period ended September 30, 2016, that might have had a material effect on the Parent Company's financial position or results of its operation.


Dr. Ali Owaid Rukheyas
licensed No. 72-A

Member of Nexia International – (England)
AL Waha Auditing Office


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

State of Kuwait
November 8, 2016

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF SEPTEMBER 30, 2016
(All amounts are in Kuwaiti Dinars)

<u>ASSETS</u>	<u>Note</u>	<u>September 30, 2016</u>	<u>December 31, 2015 (Audited)</u>	<u>September 30, 2015</u>
Current assets:				
Cash and cash equivalent	3	1,254,739	2,288,158	5,654,306
Investment deposits	4	1,650,000	1,005,734	1,005,734
Accounts receivable and other debit balances		741,870	875,665	1,314,081
Due from a related party	5	-	-	15,000
Inventories		739,606	503,903	538,642
Total current assets		4,386,215	4,673,460	8,527,763
Non-current assets:				
Financial assets available for sale		1,387,417	1,400,755	1,788,460
Investment in associates	6	6,934,898	6,453,830	6,285,761
Investment properties		10,076,460	10,689,150	5,750,000
Property, plant and equipment		1,634,599	1,668,873	2,317,531
Goodwill		91,005	91,005	91,005
Total non-current assets		20,124,379	20,303,613	16,232,757
Total assets		24,510,594	24,977,073	24,760,520
<u>LIABILITIES AND EQUITY</u>				
Current liabilities:				
Finance lease payables	7	1,908,977	1,915,814	1,608,834
Accounts payable and other credit balances		1,177,481	971,658	1,275,418
Due to a related party	5	700	700	5,251
Total current liabilities		3,087,158	2,888,172	2,889,503
Non-current liabilities:				
Finance lease payables	7	1,185,057	1,617,419	-
Provision for end of service indemnity		294,842	298,240	286,770
Total non-current liabilities		1,479,899	1,915,659	286,770
Total liabilities		4,567,057	4,803,831	3,176,273
Equity:				
Share capital		16,369,277	16,369,277	16,369,277
Statutory reserve		448,224	448,224	255,640
Treasury shares reserve		84,388	84,388	84,388
Cumulative changes in fair value		15,194	1,567	(25,406)
Effect of changes in ownership interest of a subsidiary		1,588	1,588	1,588
Effect of changes in other comprehensive income of associates		116,709	11,106	7,829
Foreign currency translation reserve		(212,628)	235,905	209,634
Retained earnings		3,060,995	2,965,769	4,604,038
Equity attributable to shareholders' of the Parent Company		19,883,747	20,117,824	21,506,988
Non - controlling interests		59,790	55,418	77,259
Total equity		19,943,537	20,173,242	21,584,247
Total liabilities and equity		24,510,594	24,977,073	24,760,520

The accompanying notes from (1) to (11) form an integral part of the interim condensed consolidated financial information.

Abdullah Mohammed Al - Shatti
Chairman

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2016
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2016	2015	2016	2015
Continuing operations					
Sales		302,077	307,789	797,566	1,083,323
Cost of sales		(199,064)	(224,566)	(577,919)	(860,796)
Gross profit		103,013	83,223	219,647	222,527
Revenues from transportation, leasing and maintenance		189,115	275,463	559,049	802,201
Cost of transportation, leasing and maintenance		(128,658)	(205,883)	(380,531)	(656,219)
Gross profit		60,457	69,580	178,518	145,982
Rental income		259,505	208,800	772,202	540,770
Rental costs		(51,286)	(47,574)	(154,920)	(142,670)
Gross profit		208,219	161,226	617,282	398,100
Total gross profit		371,689	314,029	1,015,447	766,609
General and administrative expenses		(145,459)	(174,797)	(464,658)	(624,414)
Provision no longer required		1,341	11,650	1,341	55,750
Depreciation		(9,737)	(9,310)	(29,203)	(29,345)
Operating profit		217,834	141,572	522,927	168,600
Gain on sale of property, plant and equipment		-	7,405	118	11,959
Investment income		-	-	-	2,686,704
Impairment loss of financial assets available for sale		(26,923)	-	(26,923)	-
Share of results from associates	6	195,737	161,859	600,276	562,468
Finance charges		(58,636)	(21,662)	(175,066)	(69,647)
Foreign exchange (loss) gain		(164)	(93,684)	1,211	(92,201)
Interest income		5,655	74,366	21,739	129,452
Other income		1,866	1,576	2,713	24,728
Profit for the period from continuing operations before discontinued operations and contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST) and Zakat		335,369	271,432	946,995	3,422,063
Discontinued operations:					
Loss for the period from discontinued operations		-	-	-	(26,559)
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labor Support Tax (NLST) and Zakat		335,369	271,432	946,995	3,395,504
Contribution to KFAS		(2,060)	(1,421)	(4,355)	(26,410)
Contribution to NLST		(8,540)	(6,735)	(23,444)	(83,198)
Contribution to Zakat		(249)	(754)	(1,024)	(27,143)
Net profit for the period		324,520	262,522	918,172	3,258,753
Attributable to:					
Shareholders of the Parent Company		322,869	260,764	913,690	3,254,949
Non - controlling interests		1,651	1,758	4,482	3,804
Net profit for the period		324,520	262,522	918,172	3,258,753
Earnings per share attributable to Shareholders of the Parent Company:		Fils	Fils	Fils	Fils
From continued operations:					
Basic earnings per share	8	1.97	1.59	5.58	19.88
From discontinued operations:					
Basic loss per share	8	-	-	-	(0.16)
Total basic earnings per share		1.97	1.59	5.58	19.72

The accompanying notes from (1) to (11) form an integral part of the interim condensed 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 SEPTEMBER 30, 2016
(All amounts are in Kuwaiti Dinars)

	Note	Three months ended		Nine months ended	
		September 30, 2016	2015	September 30, 2016	2015
Net profit for the period		324,520	262,522	918,172	3,258,753
Other comprehensive income:					
<u>Items that may be reclassified subsequently to consolidated statements of profit or loss:</u>					
Change in fair value of financial assets available for sale		22,026	(5,987)	13,584	(247,766)
Reversal of exchange differences on translating foreign operations due to sale of investment in subsidiary		-	-	-	315,522
Exchange differences on translating foreign operations		9,111	1,985	(448,600)	96,884
Share of other comprehensive (loss) income from associates	6	(549)	(1,169)	105,603	11,374
Other comprehensive income (loss) for the period		30,588	(5,171)	(329,413)	176,014
Total comprehensive income for the period		355,108	257,351	588,759	3,434,767
Attributable to:					
Shareholders of the Parent Company		353,477	255,597	584,387	3,430,678
Non-controlling interests		1,631	1,754	4,372	4,089
		355,108	257,351	588,759	3,434,767

The accompanying notes from (1) to (11) form an integral part of the interim condensed 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 SEPTEMBER 30, 2016

(All amounts are in Kuwaiti Dinars)

	Equity attributable to shareholders of the Parent Company										
	Share capital	Statutory reserve	Treasury shares reserve	Cumulative changes in fair value	Effect of changes in ownership interest of a subsidiary	Effect of changes in other comprehensive income of associates	Foreign currency translation reserve	Retained earnings	Sub-total	Non – controlling interests	Total equity
Balance as at December 31, 2015	16,369,277	448,224	84,388	1,567	1,588	11,106	235,905	2,965,769	20,117,824	55,418	20,173,242
Total comprehensive income (loss) for the period	-	-	-	13,627	-	105,603	(448,533)	913,690	584,387	4,372	588,759
Cash dividend – Note (9)	-	-	-	-	-	-	-	(818,464)	(818,464)	-	(818,464)
Balance as at September 30, 2016	16,369,277	448,224	84,388	15,194	1,588	116,709	(212,628)	3,060,995	19,883,747	59,790	19,943,537
Balance as at December 31, 2014	16,369,277	255,640	84,388	222,348	1,588	(3,545)	(202,475)	2,167,553	18,894,774	73,170	18,967,944
Total comprehensive (loss) income for the period	-	-	-	(247,754)	-	11,374	412,109	3,254,949	3,430,678	4,089	3,434,767
Cash dividend – Note (9)	-	-	-	-	-	-	-	(818,464)	(818,464)	-	(818,464)
Balance as at September 30, 2015	16,369,277	255,640	84,388	(25,406)	1,588	7,829	209,634	4,604,038	21,506,988	77,259	21,584,247

The accompanying notes from (1) to (11) form an integral part of the interim condensed 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 SEPTEMBER 30, 2016
(All amounts are in Kuwaiti Dinars)

	Nine months ended September 30,	
	2016	2015
Cash flows from operating activities:		
Profit for the period from continuing operations before contribution to KFAS, NLST and Zakat	946,995	3,422,063
Loss for the period from discontinued operations before contribution to KFAS, NLST and Zakat	-	(26,559)
Adjustments for:		
Depreciation	45,401	206,555
Provision no longer required	(1,341)	(55,750)
Gain on sale of property, plant and equipment	(118)	(11,959)
Investment income	-	(2,686,704)
Impairment loss of financial assets available for sale	26,923	-
Share of results from associates	(600,276)	(562,468)
Finance charges	175,066	69,647
Interest income	(21,739)	(129,452)
Provision for end of service indemnity	38,964	48,005
	<u>609,875</u>	<u>273,378</u>
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	135,136	97,383
Due from related party	13,779	(15,000)
Inventories	(235,703)	(98,741)
Accounts payable and other credit balances	(577,715)	(508,769)
Changes related to discontinued operations	-	3,700
Cash flows used in operations	(54,628)	(248,049)
Payment for end of service indemnity	(42,362)	(14,831)
Payment of KFAS	-	(12,488)
Payment of NLST	(45,534)	(52,316)
Payment of Zakat	(18,215)	(15,186)
Net cash flows used in operating activities	<u>(160,739)</u>	<u>(342,870)</u>
Cash flows from investing activities:		
Net decrease in investment deposits	(644,266)	(1,005,734)
Changes related to discontinued operations	-	(129,809)
Paid for additions on investment properties	(27,160)	-
Paid for additions on property, plant and equipment	(11,129)	(83,976)
Proceeds from sale of investment in subsidiary	-	3,329,760
Proceeds from sale of property, plant and equipment	120	13,625
Proceeds from sale of financial assets available for sale	-	2,717,171
Cash dividends received from associate	200,224	296,264
Interest income received	21,739	129,452
Net cash flows (used in) generated from investing activities	<u>(460,472)</u>	<u>5,266,753</u>
Cash flows from financing activities:		
Paid to finance lease payables	(439,199)	(275,378)
Net movement in due to related party	(850)	1,546
Finance charges paid	(175,066)	-
Net cash flows used in financing activities	<u>(615,115)</u>	<u>(273,832)</u>
Foreign currencies translation adjustments	<u>202,907</u>	<u>31</u>
Net (decrease) increase in cash and cash equivalent	<u>(1,033,419)</u>	<u>4,650,082</u>
Cash and cash equivalent at beginning of the period	<u>2,288,158</u>	<u>1,004,224</u>
Cash and cash equivalent at end of the period	<u><u>1,254,739</u></u>	<u><u>5,654,306</u></u>

The accompanying notes from (1) to (11) form an integral part of the interim condensed 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 SEPTEMBER 30, 2016
 (All amounts are in Kuwaiti Dinars)

1. Incorporation and activities of Parent Company

Mubarrad Transportation Company – K.S.C. (Public) “the Parent Company” is a Kuwaiti (public) shareholding company registered in Kuwait and was incorporated based on Articles 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 its subsequent amendments, the latest of which was 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 Parent Company is registered in commercial register under Ref. No: 64715 dated October 10, 2004.

The parent company is listed in Kuwait stock exchange.

The new Companies Law No. 1 of 2016 was issued on January 24, 2016 and it was published in the Official Gazette on February 1, 2016, which replaced the Companies Law No 25 of 2012 and its amendments. According to Article No. 5, the new Law will be effective retrospectively from November 26, 2012. The new Executive Regulations of Law No. 1 of 2016 was issued on July 12, 2016 and was published in the Official Gazette on July 17, 2016 which cancelled the Executive Regulations of Law No. 25 of 2012. The adoption of the new Companies Law is not expected to have any effect on the reporting entity.

The interim condensed consolidated financial information was authorized for issue by the Board of Directors of the Parent Company on November 8, 2016.

2. Basis of presentation

The interim condensed 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 condensed consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the fiscal year ended December 31, 2015.

The amendments to International financial reporting standards which are effective for annual periods beginning January 1, 2016 do not have an impact on the Group’s accounting policies, financial position or financial performance.

3. Cash and cash equivalent

	September 30, 2016	December 31, 2015 (Audited)	September 30, 2015
Cash on hand and at banks	1,156,888	1,032,261	1,095,897
Short term bank deposits	97,851	1,255,897	4,558,214
Cash at investment portfolio	-	-	195
	1,254,739	2,288,158	5,654,306

The effective interest rate on short term bank deposits is 8.25% (December 31, 2015: 0.875%, September 30, 2015: from 0.875% to 8.25%) per annum, those deposits have an average maturity of 90 days (December 31, 2015: 90 days, September 30, 2015: 90 days).

4. Investment deposits

The effective interest rate on investment deposit is 2.25% per annum (December 31, 2015: 1.15%, September 30, 2015: 1.15%), those deposits have an average maturity of 182 days from date of deposit with related parties i.e. major shareholders in the normal course of its business (December 31, 2015: 182 days, September 30, 2015: 182 days).

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
SEPTEMBER 30, 2016
(All amounts are in Kuwaiti Dinars)

5. Related party disclosures

The Group has entered into various transactions with shareholders. 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:

	Major Shareholders	September 30, 2016	December 31, 2015 (Audited)	September 30, 2015
Investment properties managed by others	2,450,000	2,450,000	2,450,000	2,500,000
Due from related party	-	-	-	15,000
Due to related party	(700)	(700)	(700)	(5,251)

Compensation to key management personnel

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Short term benefits	15,463	15,463	45,482	44,595
Termination benefits	1,309	1,309	3,898	3,884
	16,772	16,772	49,380	48,479

6. Investment in associates

The investment in associates consists of the following:

Name of the associates	Country of incorporation	Principal activities	Percentage of ownership	September 30, 2016	December 31, 2015 (Audited)	September 30, 2015
a- Oman Integral Logistics Co. - O.S.C.C.	Sultanate of Oman	Logistic services	50%	3,644,673	3,372,080	3,314,270
b- Inshaa Holding Co. - K.S.C. (Holding)	State of Kuwait	Industrial activity	25.03%	3,290,225	3,081,750	2,971,491
				6,934,898	6,453,830	6,285,761

The movement during the period / year is as follows:

	September 30, 2016	December 31, 2015 (Audited)	September 30, 2015
Balance at the beginning of the period / year	6,453,830	5,911,330	5,911,330
Group's share of results from associates	600,276	712,053	562,468
Cash dividends received from associates	(200,224)	(296,264)	(296,264)
Group's share of associates' other comprehensive income	105,603	14,651	11,374
Foreign currencies translation adjustments	(24,587)	112,060	96,853
Balance at the end of the period / year	6,934,898	6,453,830	6,285,761

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
 NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
 SEPTEMBER 30, 2016
 (All amounts are in Kuwaiti Dinars)

7. Finance lease payables

This item represent finance lease payables as follows:

	September 30, 2016	December 31, 2015 (Audited)	September 30, 2015
Gross amount of finance lease payables	3,449,889	4,013,860	1,659,380
Less: Unamortized future finance charges	(355,855)	(480,627)	(50,546)
Present value of finance lease payables	3,094,034	3,533,233	1,608,834

Represented by:

	September 30, 2016	December 31, 2015 (Audited)	September 30, 2015
Current portion	1,908,977	1,915,814	1,608,834
Non-current portion	1,185,057	1,617,419	-
	3,094,034	3,533,233	1,608,834

The Parent Company renewed a lease agreement with a bargain purchase option with a local bank, to finance the purchase of a right of utilization of an industrial plot, located at third Shuwaikh Industrial Area, Block (D), Plot No. (165), for a single rental annual payment due on April 30, 2017 with a bargain purchase option upon the complete settlement of the contractual payment. The leased assets are pledged to the bank as a guarantee for the settlement of contractual payments.

The subsidiary company Takatof Real Estate Co. E.S.C. entered into a finance lease agreement with a foreign financial institution to finance the purchase of land and the administrative building constructed thereon, the land is located at New Cairo City – Block No. 211, Second Sector, Arab Republic of Egypt, for quarterly lease payments, the latest is due on November 15, 2020 with a bargain purchase option after completing all contractual payments. The leased assets are pledged in favor of the institution as a guarantee for the settlement of contractual rental payments.

8. Earnings per share attributable to shareholders of the parent company

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

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Net profit for the period attributable to Shareholders of the Parent Company from continuing operations	322,869	260,764	913,690	3,254,949
	Share	Share	Share	Share
Weighted average number of shares outstanding	163,692,769	163,692,769	163,692,769	163,692,769
	Fils	Fils	Fils	Fils
Earnings per share attributable to Shareholders of the Parent Company from continuing operations	1.97	1.59	5.58	19.88

MUBARRAD TRANSPORTATION CO. K.S.C. (PUBLIC) AND ITS SUBSIDIARIES
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
SEPTEMBER 30, 2016
(All amounts are in Kuwaiti Dinars)

Loss per share attributable to shareholders of Parent Company from discontinued operations is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Net profit for the period attributable to Shareholders of the Parent Company from discontinued operations	-	-	-	(26,559)
	Share	Share	Share	Share
Weighted average number of shares outstanding	163,692,769	163,692,769	163,692,769	163,692,769
	Fils	Fils	Fils	Fils
Loss per share attributable to Shareholders of the Parent Company from discontinued operations	-	-	-	(0.16)

9. Shareholders' Annual Ordinary General Assembly

The Shareholders' Annual Ordinary General Assembly of the Parent Company held on March 24, 2016 approved the consolidated financial statements for the fiscal year ended December 31, 2015 and the distribution of cash dividends of 5 fils per share for the fiscal year ended December 31, 2015, equivalent to a total amount of KD 818,464.

The Shareholders' Annual Ordinary General Assembly held on March 31, 2015 approved the consolidated financial statements for the fiscal year ended December 31, 2014 and the distribution of cash dividends of 5 fils per share for the fiscal year ended December 31, 2014, equivalent to a total amount of KD 818,464.

10. Segments information

For management purposes, the following activities were classified as operating activity segments as follows:

<u>Operating activity</u>	<u>Description</u>
Transportation, leasing and maintenance segment	Represents goods transport, lease and charter means of transportation and maintenance of other vehicles
Vehicles body manufacturing segment	Represents vehicles' body manufacturing, importing, marketing and exporting.
Investment segment	Represents investments available for sale and investment properties.

Information related to each reportable operating segment is set out below:

	Nine months ended September 30, 2016			
	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Total
Total revenues	668,436	798,543	1,289,236	2,756,215
Total costs	(444,313)	(725,609)	(668,121)	(1,838,043)
Net profit for the period	224,123	72,934	621,115	918,172

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	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Eliminations	Total
Total segment assets	2,750,024	2,242,373	28,239,936	(8,721,739)	24,510,594
Total segment liabilities	197,086	528,413	5,973,980	(2,132,422)	4,567,057

Nine months ended September 30, 2015

	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Total
Total revenues	911,020	1,143,793	3,842,542	5,897,355
Total costs	(720,761)	(1,010,256)	(907,585)	(2,638,602)
Net profit for the period	190,259	133,537	2,934,957	3,258,753

	Transportation, leasing and maintenance segment	Vehicles body manufacturing segment	Investment segment	Eliminations	Total
Total segment assets	3,597,189	2,098,097	25,391,553	(6,326,319)	24,760,520
Total segment liabilities	172,000	483,576	4,521,919	(2,001,222)	3,176,273

Information related to geographical locations is set out below:

Nine months ended September 30, 2016

	Kuwait & GCC Countries	Africa	Total segments	Adjustments and eliminations	Consolidated segments
Revenues	2,933,628	340,497	3,274,125	(517,910)	2,756,215
Segment assets	28,412,015	4,820,308	33,232,323	(8,721,729)	24,510,594

Nine months ended September 30, 2015

	Kuwait & GCC Countries	Africa	Total segments	Adjustments and eliminations	Consolidated segments
Revenues	6,217,335	9,573	6,226,908	(329,553)	5,897,355
Segment assets	30,964,190	122,649	31,086,839	(6,326,319)	24,760,520

11. Fair value measurement

The Group measures financial assets such as financial assets available for sale and non-financial assets such as investment properties at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows an analysis of captions recorded at fair value by level of the fair value hierarchy:

September 30, 2016	Level 1	Level 2	Level 3	Total
Financial assets available for sale	44,373	1,102,043	-	1,146,416
Investment properties	-	7,626,460	2,450,000	10,076,460
Total	44,373	8,728,503	2,450,000	11,222,876

December 31, 2015 (Audited)	Level 1	Level 2	Level 3	Total
Financial assets available for sale	57,711	1,102,043	-	1,159,754
Investment properties	-	8,239,150	2,450,000	10,689,150
Total	57,711	9,341,193	2,450,000	11,848,904

September 30, 2015	Level 1	Level 2	Level 3	Total
Financial assets available for sale	69,054	1,400,406	-	1,469,460
Investment properties	-	3,250,000	2,500,000	5,750,000
Total	69,054	4,650,406	2,500,000	7,219,460

During the period ended September 30, 2016, there were no transfers between different levels of fair value measurement.