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**Shuaiba Industrial Company K.S.C. (Closed) and its Subsidiary
State of Kuwait**

**Interim condensed consolidated financial information (Unaudited)
and Independent auditors' review report for the six month period ended 30
June 2012**

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Interim condensed consolidated financial information (Unaudited)
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**Shuaiba Industrial Company K.S.C. (Closed) and its Subsidiary
Kuwait**

Interim condensed consolidated financial information (Unaudited)

For the six month period ended 30 June 2012

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Independent auditors' report on review of interim condensed consolidated financial information

To the Board of Directors' of Shuaiba Industrial Company K.S.C. (Closed)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Shuaiba Industrial Company K.S.C. (Closed) ("the Parent Company") and its subsidiary (together referred to as "the Group") as at 30 June 2012, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six month period then ended. The Parent Company's management is responsible for preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review


We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditors 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 the IAS 34.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the accounting records of the Parent Company. We further report that nothing has come to our attention indicating any contravention during the six month period ended 30 June 2012, of the Kuwait Commercial Companies Law of 1960, as amended, or of the Parent Company's articles of association, that would materially affect the Group's activities or its financial position.



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Member firm of B.K.R. International


Kuwait: 7 August 2012

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

**Interim condensed consolidated statement of financial position (Unaudited)
As at 30 June 2012**

	Notes	30 June 2012 KD	(Audited) 31 December 2011 KD	30 June 2011 KD
ASSETS				
Non-current assets				
Property, plant and equipment	3	9,030,987	8,837,528	8,516,668
Investment in associate	4	2,149,905	2,121,623	1,883,812
Available for sale investments	5	208,230	217,366	252,815
		<u>11,389,122</u>	<u>11,176,517</u>	<u>10,653,295</u>
Current assets				
Inventories		2,694,688	2,514,423	3,145,274
Trade receivables		1,642,591	1,770,341	1,621,915
Other receivables		122,847	121,366	179,651
Due from related parties	13	-	978	8,902
Investments at fair value through statement of income	6	635,863	456,056	475,240
Cash and cash equivalents	7	1,397,718	1,667,733	1,380,265
		<u>6,493,707</u>	<u>6,530,897</u>	<u>6,811,247</u>
Total assets		<u>17,882,829</u>	<u>17,707,414</u>	<u>17,464,542</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	8	6,137,405	5,845,147	5,845,147
Share premium		2,294,444	2,294,444	2,294,444
Statutory reserve		1,398,098	1,398,098	1,292,574
Voluntary reserve		1,307,090	1,307,090	1,201,566
Treasury shares	9	(253,265)	(253,265)	(253,265)
Treasury shares reserve		404,979	404,979	404,979
Fair value reserve		(52,199)	(125,871)	(99,510)
Foreign currency translation reserve		(36,788)	(43,699)	(68,916)
Retained earnings		3,962,507	3,586,535	3,290,859
Total equity		<u>15,162,271</u>	<u>14,413,458</u>	<u>13,907,878</u>
Non-current liabilities				
Term loans	10	803,272	323,370	207,941
Provision for staff indemnity		315,274	296,868	277,952
		<u>1,118,546</u>	<u>620,238</u>	<u>485,893</u>
Current liabilities				
Trade and other payables		709,060	1,183,018	1,722,218
Current portion of term loans	10	233,293	191,032	170,000
Notes payable	11	659,659	1,299,668	1,178,553
		<u>1,602,012</u>	<u>2,673,718</u>	<u>3,070,771</u>
Total liabilities		<u>2,720,558</u>	<u>3,293,956</u>	<u>3,556,664</u>
Total equity and liabilities		<u>17,882,829</u>	<u>17,707,414</u>	<u>17,464,542</u>

The accompanying notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.


Chairman of the Board of Directors

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

Interim condensed consolidated statement of income (Unaudited)
For the six month period ended 30 June 2012

	Notes	Three months ended 30 June		Six months ended 30 June	
		2012 KD	2011 KD	2012 KD	2011 KD
Sales		2,360,178	2,582,016	4,965,202	4,793,557
Cost of sales		(1,711,610)	(2,080,894)	(3,771,060)	(3,889,013)
Gross profit		<u>648,568</u>	<u>501,122</u>	<u>1,194,142</u>	<u>904,544</u>
Unrealised (loss) / gain on investments at fair value through statement of income		(84,992)	53,484	(41,672)	10,128
Profit / (loss) on sale of investments at fair value through statement of income		(15,955)	14,510	(16,067)	11,862
Loss on sale of available for sale investments		-	(153,206)	-	(153,206)
Impairment loss on available sale for investment		(82,800)	-	(82,800)	-
Share of results of associate	4	132,744	110,195	198,485	188,002
Foreign exchange gain / (loss)		10,894	(5,379)	8,916	18,774
Profit on disposal of property, plant and equipment		-	6,244	-	6,381
Investment income		1,500	4,650	1,500	4,650
Other income / (loss)		15,656	(10,038)	30,239	14,674
General and administrative expenses		(119,568)	(119,164)	(264,385)	(228,558)
Selling and distribution expenses		(143,309)	(115,270)	(319,692)	(232,549)
Finance costs		(4,037)	(14,326)	(9,543)	(21,635)
Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		<u>358,701</u>	<u>272,822</u>	<u>699,123</u>	<u>523,067</u>
Contribution to KFAS		(3,228)	(2,456)	(6,292)	(4,708)
NLST		(8,931)	(6,704)	(17,441)	(12,960)
Zakat		(3,652)	(2,912)	(7,160)	(5,503)
Directors remuneration		-	-	-	(3,750)
Profit for the period		<u><u>342,890</u></u>	<u><u>260,750</u></u>	<u><u>668,230</u></u>	<u><u>496,146</u></u>
Basic and diluted earnings per share (fils)	12	<u>5.71</u>	<u>4.56</u>	<u>11.13</u>	<u>8.68</u>

The accompanying notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

Interim condensed consolidated statement of comprehensive income (Unaudited)
For the six month period ended 30 June 2012

	Three months ended 30 June		Six months ended 30 June	
	2012 KD	2011 KD	2012 KD	2011 KD
Profit for the period	342,890	260,750	668,230	496,146
Other comprehensive income:				
Exchange differences arising on translation of associates	23,796	(16,194)	6,911	(39,329)
Change in fair value of available for sale investments	(21,003)	25,898	(9,128)	770
Transfer to consolidated statement of income on impairment of available for sale investments	82,800	-	82,800	-
Other comprehensive income / (loss) for the period	<u>85,593</u>	<u>9,704</u>	<u>80,583</u>	<u>(38,559)</u>
Total comprehensive income for the period	<u>428,483</u>	<u>270,454</u>	<u>748,813</u>	<u>457,587</u>

The accompanying notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait

Interim condensed consolidated statement of changes in equity (Unaudited)
For the six month period ended 30 June 2012

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Treasury shares reserve KD	Fair value reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Total equity KD
Balance at 1 January 2011	5,566,807	2,294,444	1,292,574	1,201,566	(253,265)	404,979	(100,280)	(29,587)	3,617,380	13,994,618
Exchange differences on translation of associates	-	-	-	-	-	-	-	(39,329)	-	(39,329)
Net change in fair value of available for sale investments	-	-	-	-	-	-	770	-	-	770
Other comprehensive income	-	-	-	-	-	-	770	(39,329)	-	(38,559)
Profit for the period	-	-	-	-	-	-	-	-	496,146	496,146
Total comprehensive income for the period	-	-	-	-	-	-	-	-	496,146	496,146
Issue of bonus shares	278,340	-	-	-	-	-	770	(39,329)	496,146	457,587
Dividends paid	-	-	-	-	-	-	-	-	(278,340)	-
Balance at 30 June 2011	<u>5,845,147</u>	<u>2,294,444</u>	<u>1,292,574</u>	<u>1,201,566</u>	<u>(253,265)</u>	<u>404,979</u>	<u>(99,510)</u>	<u>(68,916)</u>	<u>3,290,859</u>	<u>13,907,878</u>
Balance at 1 January 2012	5,845,147	2,294,444	1,398,098	1,307,090	(253,265)	404,979	(125,871)	(43,699)	3,586,535	14,413,458
Exchange differences on translation of associates	-	-	-	-	-	-	-	6,911	-	6,911
Net change in fair value of available for sale investments	-	-	-	-	-	-	73,672	-	-	73,672
Other comprehensive income	-	-	-	-	-	-	73,672	6,911	-	80,583
Profit for the period	-	-	-	-	-	-	-	-	668,230	668,230
Total comprehensive income for the period	-	-	-	-	-	-	-	-	668,230	668,230
Issue of bonus shares	292,258	-	-	-	-	-	-	6,911	668,230	748,813
Balance at 30 June 2012	<u>6,137,405</u>	<u>2,294,444</u>	<u>1,398,098</u>	<u>1,307,090</u>	<u>(253,265)</u>	<u>404,979</u>	<u>(52,199)</u>	<u>(36,788)</u>	<u>3,962,507</u>	<u>15,162,271</u>

Transfer to statutory and voluntary reserve is made at the end of each financial year.

The accompanying notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

Interim condensed consolidated statement of cash flows (Unaudited)
For the six month period ended 30 June 2012

	Note	Six months ended 30 June	
		2012	2011
		KD	KD
Operating activities			
Profit for the period		668,230	496,146
Adjustments for:			
Depreciation		151,106	134,136
Finance costs		9,543	21,635
Provision for staff indemnity		20,251	40,848
Share of results of associate		(198,485)	(188,002)
Unrealised loss / (gain) on investments at fair value through statement of income		41,672	(10,128)
Loss on sale of available for sale investments		-	153,206
Impairment loss on available for sale investment		82,800	-
Profit on disposal of property, plant & equipments		-	(6,381)
		<u>775,117</u>	<u>641,460</u>
Movements in working capital:			
Inventories		(180,265)	110,646
Trade receivables		127,750	(383,114)
Other receivables		(1,481)	356,211
Due from related parties		978	1,345
Trade and other payables		(482,577)	1,146,008
Notes payable		(640,009)	39,802
Cash (used in) / generated from operations		<u>(400,487)</u>	<u>1,912,358</u>
Staff indemnity paid		(1,845)	(8,970)
Net cash (used in) / from operating activities		<u>(402,332)</u>	<u>1,903,388</u>
Investing activities			
Net movement in investments at fair value through statement of income		(221,479)	(121,551)
Purchase of property, plant and equipment		(344,565)	(2,675,364)
Divestment of unconsolidated subsidiary		-	160,158
Net movement in available for sale investments		9,136	220,654
Proceeds from disposal of property, plant and equipment		-	10,140
Dividend received from associate		177,115	-
Net cash used in investing activities		<u>(379,793)</u>	<u>(2,405,963)</u>
Financing activities			
Dividend paid		-	(544,327)
Receipt of term loan		552,163	267,941
Repayment of term loan		(30,000)	(110,000)
Finance costs paid		(10,053)	(21,532)
Net cash from / (used in) financing activities		<u>512,110</u>	<u>(407,918)</u>
Net decrease in cash and cash equivalents		<u>(270,015)</u>	<u>(910,493)</u>
Cash and cash equivalents at beginning of the period		1,667,733	2,290,758
Cash and cash equivalents at end of the period	7	<u>1,397,718</u>	<u>1,380,265</u>

The accompanying notes on pages 7 to 14 form an integral part of this interim condensed consolidated financial information.

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

Notes to the consolidated financial statements
For the six month period ended 30 June 2012

1. GENERAL INFORMATION

Shuaiba Paper Products Company K.S.C. (Closed) ("the Parent Company") is a Kuwaiti Shareholding Company established in 1978. At the extraordinary general assembly meeting held on 29 May 2007, the shareholders approved the change of the name of the Company to Shuaiba Industrial Company K.S.C. (Closed). The Parent Company's shares are listed on the Kuwait Stock Exchange.

The Parent Company is engaged in the manufacture and sale of paper products. At the annual general assembly held on 29 March 2009, the shareholders approved the Group to conduct its activities in accordance with Islamic Sharia Principles.

The consolidation financial information includes the Parent Company and its wholly own subsidiary – Advance Technologies (International Agencies) Company W.L.L

The Parent Company is a subsidiary of Al Safwa Group Holding Company K.S.C.C.

The Parent Company is domiciled in Kuwait and the address of its principal place of business is Plot No. 150, Street No. 30, Block No.3, Subhan, State of Kuwait.

The interim condensed consolidated financial information of the Group for the six-month period ended 30 June 2012 were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company on 7 August 2012.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information have been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting, accordingly, they do not include all information and footnotes required of complete financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), and should be read in conjunction with the annual audited consolidated financial statements of the Group as at and for the year ended 31 December 2011.

In the opinion of management all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the six-month period ended 30 June 2012 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2012.

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

Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait

Notes to the consolidated financial statements
For the six month period ended 30 June 2012

3. PROPERTY, PLANT AND EQUIPMENT

Cost	Leasehold	Buildings	Machinery	Furniture and	Motor	Capital work	Total
	land	KD	KD	fixtures	vehicles	in progress	KD
KD	KD	KD	KD	KD	KD	KD	KD
Balance at 31 December 2011	555,000	2,050,831	5,016,668	558,912	221,793	3,052,242	11,455,446
Additions during the period	-	-	-	-	-	344,565	344,565
Transfers	-	-	-	-	8,325	(8325)	-
Balance at 30 June 2012	555,000	2,050,831	5,016,668	558,912	230,118	3,388,482	11,800,011
Accumulated depreciation							
Balance at 31 December 2011	-	607,754	1,372,167	453,652	184,345	-	2,617,918
Charge for the period	-	41,485	84,331	18,653	6,637	-	151,106
Balance at 30 June 2012	-	649,239	1,456,498	472,305	190,982	-	2,769,024
Carrying amount							
As at 30 June 2012	555,000	1,401,592	3,560,170	86,607	39,136	3,388,482	9,030,987
As at 31 December 2011	555,000	1,443,077	3,644,501	105,260	37,448	3,052,242	8,837,528
As at 30 June 2011	555,000	1,485,089	3,068,341	68,894	44,930	3,294,414	8,516,668
Annual depreciation rates							
	-	3.33%	3.33%	20%	20%	-	-

The Group's certain property, plant and equipment have been assigned as security for the term loan facility granted to the Group (see note 10).

The buildings are constructed on the leasehold land from the government of Kuwait.

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

**Interim condensed consolidated statement of cash flows (Unaudited)
For the six month period ended 30 June 2012**

4. INVESTMENT IN ASSOCIATE

Name of associate	Country of incorporation	Ownership interest		Carrying value		
		30 June		30 June 2012	(Audited)	
		2012	2011		31 December 2011	30 June 2011
		%	%	KD	KD	KD
Yanbu Saudi Kuwaiti Paper Products Company ("YSKPPC")	Saudi Arabia	40	40	2,149,905	2,121,623	1,883,812

Summarised financial information in respect of the Group's associate is set out below:

	30 June 2012	(Audited) 31 December 2011	30 June 2011
	KD	KD	KD
Associate's financial position:			
Total assets	6,754,716	6,680,196	6,720,248
Total liabilities	1,379,954	1,376,138	2,010,718
Net assets	5,374,762	5,304,058	4,709,530
Group share of net assets of associate	2,149,905	2,121,623	1,883,812
Associate's revenue and results:			
Total revenue	4,169,272	7,437,571	3,220,673
Total profits	496,214	1,001,490	470,006
Share of results of associate	198,485	400,596	188,002

5. AVAILABLE FOR SALE INVESTMENTS

	30 June 2012	(Audited) 31 December 2011	30 June 2011
	KD	KD	KD
Quoted securities	156,387	165,523	191,907
Unquoted securities	51,843	51,843	60,908
	208,230	217,366	252,815

Unquoted securities amounting to KD 51,843 (31 December 2011: KD 51,843 and 30 June 2011: KD 60,908) are carried at cost since their fair values could not be measured reliably. The management is not aware of any impairment of these investments. Available for sale investments are managed by a portfolio manager, under a portfolio management agreement.

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)
For the six month period ended 30 June 2012**

6. INVESTMENTS AT FAIR VALUE THROUGH STATEMENT OF INCOME

	30 June 2012	(Audited) 31 December 2011	30 June 2011
	KD	KD	KD
Trading:			
Local quoted securities	441,363	228,556	227,240
Local unquoted securities	92,000	108,000	108,000
Local funds	102,500	119,500	140,000
	<u>635,863</u>	<u>456,056</u>	<u>475,240</u>

Investments at fair value through statement of income are managed by a portfolio manager, under a portfolio management agreement.

7. CASH AND CASH EQUIVALENTS

	30 June 2012	(Audited) 31 December 2011	30 June 2011
	KD	KD	KD
Cash and bank balances	1,052,968	1,104,272	451,560
Time deposits	318,166	549,478	919,474
Cash balance with portfolio manager	26,584	13,983	9,231
	<u>1,397,718</u>	<u>1,667,733</u>	<u>1,380,265</u>

The Group's time deposits with banks yield an average rate of 0.55% to 1.125% (31 December 2011: 1% to 1.125 % and 30 June 2011: 0.5% to 1.5%) per annum and mature within three months from the date of deposit.

8. SHARE CAPITAL

The share capital consists of 61,374,050 (31 December 2011 and 30 June 2011: 58,451,474) authorized, issued and fully paid up shares of 100 fils each.

9. TREASURY SHARES

	30 June 2012	(Audited) 31 December 2011	30 June 2011
Number of shares	1,361,956	1,297,101	1,297,101
Percentage of issued shares	2.22%	2.22%	2.22%
Market value (KD)	245,152	233,478	238,667
Cost (KD)	<u>253,265</u>	<u>253,265</u>	<u>253,265</u>

Reserves of the group equivalent to the cost of treasury shares have been earmarked as non-distributable.

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)
For the six month period ended 30 June 2012**

10. TERM LOANS

	30 June 2012	(Audited) 31 December 2011	30 June 2011
	KD	KD	KD
Current portion	233,293	191,032	170,000
Non-current portion	803,272	323,370	207,941
	<u>1,036,565</u>	<u>514,402</u>	<u>377,941</u>

Term loans from local banks carry finance cost at 3.5% (31 December 2011 and 30 June 2011: 3.5%) per annum.

Certain property, plant and equipment are pledged as collateral against the term loans obtained from a local bank.

11. NOTES PAYABLE

Notes payable represent promissory notes issued by local banks which mature within three months from the issue date and bear an average finance cost 5.75% (31 December 2011: 5.75% and 30 June 2011: 4.5% to 5.5%) per annum and are unsecured.

12. BASIC AND DILUTED EARNINGS PER SHARE

	Three months ended 30 June		Six months ended 30 June	
	2012	2011	2012	2011
Basic and diluted earnings per share is calculated as follows:				
Profit for the period (KD)	342,890	260,750	668,230	496,146
Number of shares outstanding:				
Weighted average number of paid up shares	61,374,050	58,451,474	61,374,050	58,451,474
Weighted average number of treasury shares	(1,361,956)	(1,297,101)	(1,361,956)	(1,297,101)
Weighted average number of outstanding shares	60,012,094	57,154,373	60,012,094	57,154,373
Earnings per share (fils)	<u>5.71</u>	<u>4.56</u>	<u>11.13</u>	<u>8.68</u>

13. RELATED PARTY TRANSACTIONS

Related parties represent subsidiaries, associated companies, major shareholders, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management. Transactions with related parties are as follows:

Notes to the interim condensed consolidated financial information (Unaudited)
For the six month period ended 30 June 2012

13. RELATED PARTY TRANSACTIONS (continued)

	30 June 2012 KD	(Audited) 31 December 2011 KD	30 June 2011 KD
Balances:			
a) Due from related parties:			
• Other related parties	-	978	8,902
	<u>-</u>	<u>978</u>	<u>8,902</u>
		Six months ended 30 June	
		2012	2011
		KD	KD
Transactions:			
b) Key management compensation			
• Salaries and other short-term benefits		20,400	20,400
• Terminal benefits		2,942	2,942
		<u>2,942</u>	<u>2,942</u>

14. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by operating segments for the period:

	Three months ended 30 June			
	2012 KD	2011 KD	2012 KD	2011 KD
	Revenue		Segment result	
Industrial Packaging Division	1,376,547	1,346,569	396,057	263,615
Commercial Packaging Division	713,182	678,045	216,604	188,566
Flexible Packaging Division	226,013	276,943	29,559	27,311
Trading Division	44,436	280,459	6,348	21,630
	<u>2,360,178</u>	<u>2,582,016</u>	648,568	501,122
Unrealized (loss) / gain on investments at fair value through statement of income			(84,992)	53,484
Profit on sale of investments at fair value through statement of income			(15,955)	14,510
Loss on sale of available for sale investments			-	(153,206)
Impairment loss on sale of available for sale investments			(82,800)	-
Share of results of associate			132,744	110,195
Foreign exchange gain / (loss)			10,894	(5,379)
Profit on disposal of property, plant and equipment			-	6,244
Investment income			1,500	4,650
Other income / (loss)			15,656	(10,038)
General and administrative expenses			(119,568)	(119,164)
Selling and distribution expenses			(143,309)	(115,270)
Finance costs			(4,037)	(14,326)
KFAS			(3,228)	(2,456)
NLST			(8,931)	(6,704)
Zakat			(3,652)	(2,912)
Profit for the period			<u>342,890</u>	<u>260,750</u>

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

Notes to the interim condensed consolidated financial information (Unaudited)
For the six month period ended 30 June 2012

14. SEGMENT INFORMATION (continued)

	Six months ended 30 June			
	2012	2011	2012	2011
	KD	KD	KD	KD
	Revenue		Segment result	
Industrial Packaging Division	2,873,237	2,580,676	706,061	486,495
Commercial Packaging Division	1,412,594	1,319,048	401,844	346,894
Flexible Packaging Division	469,439	477,926	62,586	30,622
Trading Division	209,932	415,907	23,651	40,533
	<u>4,965,202</u>	<u>4,793,557</u>	1,194,142	904,544
Unrealized (loss) / gain on investments at fair value through statement of income			(41,672)	10,128
(Loss) / profit on sale of investments at fair value through statement of income			(16,067)	11,862
Loss on sale of available for sale investments			-	(153,206)
Impairment loss on sale of available for sale investments			(82,800)	-
Share of results of associates			198,485	188,002
Foreign exchange gain			8,916	18,774
Profit on disposal of property, plant and equipment			-	6,381
Investment income			1,500	4,650
Other income			30,239	14,674
General and administrative expenses			(264,385)	(228,558)
Selling and distribution expenses			(319,692)	(232,549)
Finance costs			(9,543)	(21,635)
KFAS			(6,292)	(4,708)
NLST			(17,441)	(12,960)
Zakat			(7,160)	(5,503)
Directors remuneration			-	(3,750)
Profit for the period			<u>668,230</u>	<u>496,146</u>

The following is an analysis of the Group's revenue by geographical area for the period:

	Three months ended 30 June		Six months ended 30 June	
	2012	2011	2012	2011
	KD	KD	KD	KD
	Revenue		Revenue	
Kuwait	1,055,174	1,422,429	2,328,230	2,632,294
GCC	859,660	977,803	1,710,869	1,711,981
Asia	369,486	81,061	523,465	149,307
Africa	75,858	100,723	402,638	299,975
	<u>2,360,178</u>	<u>2,582,016</u>	<u>4,965,202</u>	<u>4,793,557</u>

**Shuaiba Industrial Company K.S.C. (Closed) and its subsidiary
Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)
For the six month period ended 30 June 2012**

15. COMMITMENTS AND CONTINGENT LIABILITIES

	30 June 2012	(Audited) 31 December 2011	30 June 2011
	KD	KD	KD
Contingent liabilities			
Capital commitments	-	67,420	473,705
Letters of credit	770,472	905,200	676,870
Letters of guarantee	119,850	169,530	167,113
Operating lease commitments			

The minimum operating lease commitments under non-cancelable operating leases are as follows:

	30 June 2012	(Audited) 31 December 2011	30 June 2011
	KD	KD	KD
Not later than one year	5,000	5,000	5,000
Later than one year but not later than five years	10,000	10,000	10,000

16. ANNUAL GENERAL ASSEMBLY MEETING

The Annual General Assembly held on 17 April 2012, approved the annual audited consolidated financial statements of the Group for the year ended 31 December 2011 and approved a cash dividend nil (2010: 10 fils per share) and bonus share of 5% equivalent to 5 shares for each 100 shares (2010: 5 shares for each 100 shares) to the shareholders of record as of the date of the Annual General Assembly.