

**Aref Energy Holding Company K.S.C.
(Closed) and its Subsidiaries**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION**

30 SEPTEMBER 2009 (UNAUDITED)

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF
AREF ENERGY HOLDING COMPANY K.S.C. (CLOSED)**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Aref Energy Holding Company K.S.C. (Closed) ("the company") and its subsidiaries ("the group") as at 30 September 2009 and the related interim condensed consolidated income statement and interim condensed consolidated statement of comprehensive income for the three month and nine month periods then ended and the related interim condensed consolidated statements of cash flows and changes in equity for the nine month period then ended. The management of the company is responsible for the preparation of the 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 the 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 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 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 books of account of the company. We further report that, to the best of our knowledge and belief, no violations of the Commercial Companies' Law of 1960, as amended, nor of the Articles of Association of the company have occurred during the nine month period then ended 30 September 2009 that might have had a material effect on the business of the company or on its financial position.



WALEED A. AL OSAIMI
LICENCE NO. 68 A
OF ERNST & YOUNG



DR. SAUD AL HUMAIIDI
LICENCE NO. 51 A
AL-HUMAIIDI & PARTNERS
INDEPENDENT MEMBER OF BAKER
TILLY INTERNATIONAL

9 November 2009
Kuwait

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

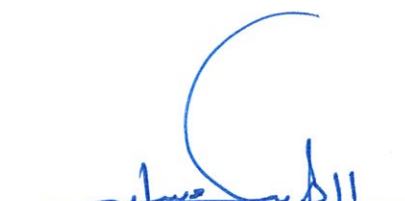
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(UNAUDITED)

At 30 September 2009

	Notes	30 September 2009 KD	(Audited) 31 December 2008 KD	30 September 2008 KD
ASSETS				
NON-CURRENT ASSETS				
Property and equipment		17,482,309	21,766,408	24,548,788
Investment property		4,793,188	5,051,446	4,504,115
Intangible assets		16,170,364	13,521,110	18,816,681
Investment in associates		5,280,349	5,674,051	8,800,099
Financial assets available for sale		3,369,037	3,404,244	3,400,934
		<u>47,095,247</u>	<u>49,417,259</u>	<u>60,070,617</u>
CURRENT ASSETS				
Inventories		4,971,832	6,580,928	8,651,954
Financial assets at fair value through income statement		32,400,000	32,400,000	34,200,000
Accounts receivable and other assets	3	26,598,695	21,879,652	18,512,785
Bank balances, deposits and cash	4	9,184,842	6,343,851	5,423,328
		<u>73,155,369</u>	<u>67,204,431</u>	<u>66,788,067</u>
TOTAL ASSETS		<u>120,250,616</u>	<u>116,621,690</u>	<u>126,858,684</u>
EQUITY AND LIABILITIES				
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital		75,000,000	75,000,000	75,000,000
Share premium		193,550	193,550	193,550
Statutory reserve		314,957	314,957	314,957
Voluntary reserve		314,957	314,957	314,957
Foreign currency translation reserve		(2,054,703)	(1,331,866)	(782,427)
(Accumulated losses) / retained earnings		(2,451,244)	(1,977,473)	8,299,421
		<u>71,317,517</u>	<u>72,514,125</u>	<u>83,340,458</u>
Non-controlling interests		11,007,420	11,847,361	12,051,386
TOTAL EQUITY		<u>82,324,937</u>	<u>84,361,486</u>	<u>95,391,844</u>
NON-CURRENT LIABILITIES				
Employees' end of service benefits		327,983	225,226	170,792
Murabaha payables	5	-	504,209	1,328,172
		<u>327,983</u>	<u>729,435</u>	<u>1,498,964</u>
CURRENT LIABILITIES				
Accounts payable and other liabilities	6	20,165,882	15,607,139	13,880,698
Murabaha payables	5	17,431,814	15,923,630	16,087,178
		<u>37,597,696</u>	<u>31,530,769</u>	<u>29,967,876</u>
TOTAL LIABILITIES		<u>37,925,679</u>	<u>32,260,204</u>	<u>31,466,840</u>
TOTAL EQUITY AND LIABILITIES		<u>120,250,616</u>	<u>116,621,690</u>	<u>126,858,684</u>



Walid K. Al-Hashash
Chairman



Tareq Al-Wazzan
Chief Executive Officer

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the period ended 30 September 2009

	Notes	Three months ended 30 September		Nine months ended 30 September	Thirteen months ended 30 September
		2009 KD	2008 KD	2009 KD	2008 KD
Continuing operations					
Contract revenue		8,227,363	16,840,619	31,793,532	28,538,891
Rental income from investment property		175,692	84,638	440,413	234,566
Share of results of associates		(67,910)	(114,096)	(311,605)	(282,646)
Unrealised (loss) / gain on financial assets at fair value through income statement		-	(2,700,000)	-	5,400,000
Foreign exchange (loss) / gain		(446,726)	(2,406)	(129,305)	275,575
Other income		34,226	142,826	126,686	296,730
Income		7,922,645	14,251,581	31,919,721	34,463,116
Contract cost		7,272,588	14,134,673	27,821,677	24,518,204
Finance cost		164,314	17,240	694,324	300,227
Amortisation of intangible assets		67,325	24,650	201,171	84,668
Staff cost		593,200	571,862	1,515,337	1,308,558
General and administration expenses		85,579	924,038	1,067,706	1,887,558
Expenses		8,183,006	15,672,463	31,300,215	28,099,215
(Loss) / profit before taxation		(260,361)	(1,420,882)	619,506	6,363,901
Taxation	7	7,952	14,569	(626,272)	(389,891)
(Loss) / profit for the period after taxation from continuing operations		(252,409)	(1,406,313)	(6,766)	5,974,010
(Loss) / gain on sale of discontinued operation	8	-	-	(25,543)	1,444,015
(Loss) / profit for the period		(252,409)	(1,406,313)	(32,309)	7,418,025
Attributable to:					
Equity holders of the company		(322,480)	(1,982,169)	(473,771)	6,635,850
Non-controlling interests		70,071	575,856	441,462	782,175
(Loss) / profit for the period		(252,409)	(1,406,313)	(32,309)	7,418,025
Basic and diluted (loss) / earnings per share attributable to equity holders of the company	9	(0.4) fils	(2.6) fils	(0.6) fils	15.6 fils
Basic and diluted (loss) / earnings per share from continuing operations attributable to equity holders of the company	9	(0.4) fils	(2.6) fils	(0.6) fils	12.2 fils

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 30 September 2009

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	<i>Thirteen months ended 30 September</i>
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
(Loss) / profit for the period	(252,409)	(1,406,313)	(32,309)	7,418,025
Foreign currency translation adjustment	(302,628)	(544,517)	(1,734,992)	(1,218,661)
Other comprehensive loss for the period	(302,628)	(544,517)	(1,734,992)	(1,218,661)
Total comprehensive (loss) / income for the period	(555,037)	(1,950,830)	(1,767,301)	6,199,364
Attributable to:				
Equity holders of the company	(525,253)	(2,337,057)	(1,196,608)	5,853,423
Non-controlling interests	(29,784)	386,227	(570,693)	345,941
Total comprehensive (loss) / income for the period	(555,037)	(1,950,830)	(1,767,301)	6,199,364

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 30 September 2009

	Notes	Nine months ended 30 September 2009 KD	Thirteen months ended 30 September 2008 KD
OPERATING ACTIVITIES			
(Loss) / profit for the period		(32,309)	7,418,025
Adjustments for:			
Rental income from investment property		(440,413)	(234,566)
Share of results of associates		311,605	282,646
Unrealised gain on financial assets at fair value through income statement		-	(5,400,000)
Amortisation of intangible assets		201,171	84,668
Depreciation		2,993,929	2,330,005
Provision for employees' end of service benefits		183,551	194,329
Finance cost		694,324	300,227
(Gain) on disposal of property and equipment		(2,784)	-
Loss/(gain) on sale of discontinued operation		25,543	(1,444,015)
		<u>3,934,617</u>	<u>3,531,319</u>
Working capital changes:			
Inventories		1,609,096	(3,722,675)
Accounts receivable and other assets		(4,719,043)	7,274,916
Accounts payable and other liabilities		4,558,743	(1,576,025)
		<u>5,383,413</u>	<u>5,507,535</u>
Cash from operating activities		<u>5,383,413</u>	<u>5,507,535</u>
End of service benefits paid		(75,629)	(189,114)
		<u>5,307,784</u>	<u>5,318,421</u>
INVESTING ACTIVITIES			
Acquisition of subsidiaries, net of cash acquired		-	(27,523,902)
Purchase of property and equipment		(807,874)	(2,438,639)
Sale of property & equipment		68,523	71,370
Rental income from investment property		440,413	234,566
Acquisition of intangible assets		(3,078,259)	(11,240,284)
Purchase of financial assets available for sale		-	(2,715,600)
Acquisition of an associate		-	(6,869,750)
Purchase of financial assets at fair value through income statement		-	(28,800,000)
Decrease / (increase) in restricted cash and cash equivalents		16,341	(360,768)
Proceeds from disposal of discontinued operation	8	242,161	7,371,647
		<u>(3,118,695)</u>	<u>(72,271,360)</u>
Net cash used in investing activities		<u>(3,118,695)</u>	<u>(72,271,360)</u>
FINANCING ACTIVITIES			
Issue of share capital		-	71,431,050
Finance cost paid		(694,324)	(300,227)
Net movement in murabaha payables		1,003,975	(1,833,549)
		<u>309,651</u>	<u>69,297,274</u>
Net cash from financing activities		<u>309,651</u>	<u>69,297,274</u>
Net increase in cash and cash equivalents		2,498,740	2,344,335
Net foreign exchange difference		358,592	(1,862,716)
Cash and cash equivalents at the beginning of the period		937,495	128,353
Cash and cash equivalents at the end of the period	4	<u>3,794,827</u>	<u>609,972</u>

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2009

	Attributable to equity holders of the company						
	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Foreign currency translation reserve KD	(Accumulated losses) / retained earnings KD	Total equity KD
Balance at 1 January 2009	75,000,000	193,550	314,957	314,957	(1,331,866)	(1,977,473)	84,361,486
(Loss) / profit for the period	-	-	-	-	-	(473,771)	(32,309)
Other comprehensive loss	-	-	-	-	(722,837)	-	(1,734,992)
Total comprehensive loss for the period	-	-	-	-	-	-	-
Discontinued operation (Note 8)	-	-	-	-	(722,837)	(473,771)	(1,196,608)
Balance at 30 September 2009	75,000,000	193,550	314,957	314,957	(2,054,703)	(2,451,244)	82,324,937
Balance at 1 September 2007	3,568,950	193,550	314,957	314,957	-	1,663,571	6,055,985
Profit for the period	-	-	-	-	-	6,635,850	7,418,025
Other comprehensive loss	-	-	-	-	(782,427)	-	(1,218,661)
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	-
Issue of share capital	71,431,050	-	-	-	(782,427)	6,635,850	6,199,364
Arising on acquisition	-	-	-	-	-	-	71,431,050
Balance at 30 September 2008	75,000,000	193,550	314,957	314,957	(782,427)	8,299,421	95,391,844

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 30 September 2009

1 ACTIVITIES

Aref Energy Holding Company K.S.C. (Closed) ("the company") is a Kuwaiti shareholding company registered in Kuwait on 1 October 1996 and is listed on the Kuwait Stock Exchange. The registered office of the company is located at P.O. Box 21909, Safat 13080, Kuwait. The company carries out its activities as per Islamic Shari'ah. The principal activities of the company and its subsidiaries (the "group") are explained in Note 12.

The company is a subsidiary of Aref Investment Group S.A.K. (the "parent company"). The parent company is a subsidiary of Kuwait Finance House (the "ultimate parent company"). Both the parent company and the ultimate parent company are listed on the Kuwait Stock Exchange.

The interim condensed consolidated financial information of the group for the period ended 30 September 2009 are approved by the board of directors on 9 November 2009.

2 BASIS OF PREPARATION

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

The articles of association of the company were amended in the Extraordinary General Assembly of the shareholders held on 15 August 2007 to change the annual financial year end of the company from 31 August to 31 December. Accordingly, the period to date comparatives for the operating results for the nine months period ended 30 September 2009 in the interim condensed consolidated financial information provided is for thirteen months period ended 30 September 2008 and the same is not comparable.

The accounting policies used in the preparation of the 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 2008.

During the period, the group has adopted the following standards effective for annual periods beginning on or after 1 January 2009.

IAS 1 Revised presentation of financial statements - Revised

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in shareholders' equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The group has elected to present two statements.

IFRS 8 Operating segments

This standard requires disclosures of information about the group's operating segments and replaces the requirement to determine primary (business) and secondary (geographic) reporting segments of the group. Adoption of this standard did not have any effect on the financial position or performance of the group. The group determined that operating segments were the same as the business segments previously identified under IAS 14 'Segment reporting'.

IAS 23 Borrowing costs - Revised

The revised standard has eliminated the previously available option to expense all borrowing costs when incurred. Instead the group will now have to capitalise borrowing costs incurred on qualifying assets. However, the revised standard has had no impact on the previously or currently reported results or financial position of the group as the transitional provisions of this Standard permit an entity to continue expensing borrowing costs relating to qualifying assets for which the commencement date for capitalisation is before the effective date.

The interim condensed consolidated financial information do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the group's annual consolidated financial statements for the year ended 31 December 2008. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the period are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2009.

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 30 September 2009

3 ACCOUNTS RECEIVABLE AND OTHER ASSETS

	30 September 2009 KD	(Audited) 31 December 2008 KD	30 September 2008 KD
Amounts due from customers under construction contracts	19,294,719	16,762,619	13,835,930
Other receivables	7,166,653	3,862,605	4,548,858
Amount due from related parties (Note 10)	137,323	1,254,428	127,997
	<u>26,598,695</u>	<u>21,879,652</u>	<u>18,512,785</u>

4 CASH AND CASH EQUIVALENTS

	30 September 2009 KD	(Audited) 31 December 2008 KD	30 September 2008 KD
Bank balances, deposits and cash	9,184,842	6,343,851	5,423,328
Less: restricted bank balances and deposits	<u>(5,390,015)</u>	<u>(5,406,356)</u>	<u>(4,813,356)</u>
Cash and cash equivalents	<u>3,794,827</u>	<u>937,495</u>	<u>609,972</u>

Restricted bank balances and deposits represent margin deposits that are held as security against letter of credit and letter of guarantees including those granted by a related party (Note 10 and 11).

5 MURABAHA PAYABLES

Murabaha payables include facilities amounting to KD 5,776,289 (31 December 2008: Nil; 30 September 2008: Nil) taken from a related party (Note 10). These facilities are secured against financial assets at fair value through income statement amounting to KD 17,720,000 (31 December 2008: Nil; 30 September 2008: Nil).

Of the murabaha payables, facilities amounting to KD 10,402,887 (31 December 2008: KD 13,273,393; 30 September 2008: KD 16,028,486) taken by a subsidiary (including murabaha taken from related parties (Note 10) are secured against plant and equipment amounting to KD 8,362,546 (31 December 2008: KD 6,692,473; 30 September 2008: KD 4,584,524) and inventories amounting to KD 4,971,832 (31 December 2008: KD 6,580,928; 30 September 2008: KD 8,651,954).

6 ACCOUNTS PAYABLE AND OTHER LIABILITIES

	30 September 2009 KD	(Audited) 31 December 2008 KD	30 September 2008 KD
Trade payable under construction contracts	14,978,133	10,002,877	8,921,166
Amount due to related parties (Note 10)	91,903	255,980	65,541
Other payables	<u>5,095,846</u>	<u>5,348,282</u>	<u>4,893,991</u>
	<u>20,165,882</u>	<u>15,607,139</u>	<u>13,880,698</u>

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 30 September 2009

7 TAXATION

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	<i>Thirteen months ended 30 September</i>
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Contribution to Kuwait Foundation for the Advancement of Sciences	-	(19,401)	-	63,232
National Labour Support Tax	-	(53,895)	-	175,644
Zakat	-	(14,209)	-	78,079
Taxation of subsidiaries	(7,952)	72,936	626,272	72,936
	<u>(7,952)</u>	<u>(14,569)</u>	<u>626,272</u>	<u>389,891</u>

8 DISCONTINUED OPERATION

During the period, the company sold one of its subsidiaries "Intelligent Drilling Services Company" (IDS) which was engaged in the business of Drilling service contracting for a total consideration of KD 242,161 realising a loss of KD 25,543.

On 1 September 2007, the company sold the education business and its related assets and liabilities with a net carrying value of KD 6,055,985 for a total consideration of KD 7,371,647 (net of cash and cash equivalents KD 128,353) realising a gain of KD 1,444,015.

9 BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Basic and diluted (loss) / earnings per share is calculated by dividing the (loss) / profit attributable to equity holders of the company for the period by the weighted average number of shares outstanding during the period, as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	<i>Thirteen months ended 30 September</i>
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
(Loss) / profit for the period attributable to equity holders of the company (KD)	<u>(322,480)</u>	<u>(1,982,169)</u>	<u>(473,771)</u>	<u>6,635,850</u>
Weighted average number of shares outstanding during the period	<u>750,000,000</u>	<u>750,000,000</u>	<u>750,000,000</u>	<u>424,018,050</u>
Basic and diluted (loss) / earnings per share	<u>(0.4) fils</u>	<u>(2.6) fils</u>	<u>(0.6) fils</u>	<u>15.6 fils</u>

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) At 30 September 2009

9 BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (continued)

Basic and diluted (loss) / earnings per share from continuing operations

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	<i>Thirteen months ended 30 September</i>
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
(Loss) / profit for the period attributable to equity holders of the company (KD)	(322,480)	(1,982,169)	(473,771)	6,635,850
Loss / (gain) on sale of discontinued operation (KD)	-	-	25,543	(1,444,015)
Profit for the period attributable to equity holders of the company from continuing operation (KD)	(322,480)	(1,982,169)	(448,228)	5,191,835
Weighted average number of shares outstanding during the period	750,000,000	750,000,000	750,000,000	424,018,050
Basic and diluted earnings per share	(0.4) fils	(2.6) fils	(0.6) fils	12.2 fils

10 RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, associates, directors and key management personnel of the group and entities controlled, jointly controlled or significantly influenced by such parties. The terms of these transactions are approved by the group's management. Transactions with related parties are as follows:

	<i>Ultimate parent/parent company KD</i>	<i>Other related parties KD</i>	<i>30 September 2009 KD</i>	<i>(Audited) 31 December 2008 KD</i>	<i>30 September 2008 KD</i>
Consolidated balance sheet					
Bank balances, deposits and cash	2,922,824	628,903	3,551,727	5,762,212	1,037,390
Accounts receivables and other assets	-	137,323	137,323	1,254,428	127,997
Murabaha payables secured against:					
-Financial assets	4,039,890	1,736,399	5,776,289	-	-
-Non-financial asset		5,241,656	5,241,656	11,016,208	5,607,635
Unsecured murabaha payables	1,252,638	-	1,252,638	1,190,875	672,217
Accounts payable and other liabilities	91,903	-	91,903	255,980	65,541

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 30 September 2009

10 RELATED PARTY TRANSACTIONS (continued)

As at 30 September 2009, the group had outstanding letter of credit and letter of guarantee facilities obtained from a related party amounting to KD 4,933,729 (31 December 2008: KD 11,704,610; 30 September 2008: 5,517,584) (Note 11).

Accounts receivables/payables from/to related parties are unsecured, free of finance charges and are receivable/payable on demand.

	<i>Nine months ended 30 September 2009 KD</i>	<i>Thirteen months ended 30 September 2008 KD</i>
Consolidated income statement		
Brokerage fees	27,700	-
Murabaha finance cost	556,151	269,440
Other transactions		
Purchase of financial assets at fair value through income statement	-	28,800,000
Acquisition of subsidiaries	-	23,875,679

Key management compensation

Remuneration paid or accrued in relation to "key management" (deemed for this purpose to comprise Directors in relation to their committee service, the Chief Executive Officer and other Senior Officers) as follows:

	<i>Nine months ended 30 September 2009 KD</i>	<i>Thirteen months ended 30 September 2008 KD</i>
Short term benefits	438,954	224,172
End of service benefits	25,096	18,288
	<u>464,050</u>	<u>242,460</u>

11 CAPITAL COMMITMENTS AND CONTINGENCIES

	<i>30 September 2009 KD</i>	<i>(Audited) 31 December 2008 KD</i>	<i>30 September 2008 KD</i>
Capital expenditure commitments			
<i>Financial assets</i>			
Financial assets available for sale	6,887,700	6,665,940	6,300,000
<i>Others</i>			
Property, plant and equipment	-	955,247	-
Intangible assets	1,760,458	1,996,793	981,456
	<u>8,648,158</u>	<u>9,617,980</u>	<u>7,281,456</u>

As at 30 September 2009, the group had contingent liabilities in respect of outstanding letters of credit and letters of guarantees amounting to KD 8,459,986 (31 December 2008: KD 11,704,610; 30 September 2008: KD 6,335,015) from which it is anticipated that no material liabilities will arise. These letters of credit and letter of guarantees are partially secured against bank balances and deposits (Note 4).

Aref Energy Holding Company K.S.C. (Closed) and its Subsidiaries

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 30 September 2009

12 SEGMENTAL INFORMATION

For management purposes, the group is organised into two operating segments based on business units as follows:

- Energy : Exploration, drilling, development and production of oil and gas, alternate and renewable sources of energy, licensing and other activities related to the energy sector;
- Others : Investment and other related services.

	Continuing operations					
	Energy			Others		
	Nine months ended 30 September 2009	Thirteen months ended 30 September 2008	Nine months ended 30 September 2009	Thirteen months ended 30 September 2008	Nine months ended 30 September 2008	Thirteen months ended 30 September 2008
	KD	KD	KD	KD	KD	KD
Revenue						
Segment revenues	31,352,622	33,931,820	567,099	531,296	31,919,721	34,463,116
Results						
Profit before taxation from continuing operations	52,407	5,832,605	567,099	531,296	619,506	6,363,901