

**Kuwait National Cinema Company K.P.S.C.  
And its subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information  
and Review Report  
Nine months ended 30 September 2016  
(Unaudited)**

**Kuwait National Cinema Company K.P.S.C.  
And its Subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Financial Information  
and Review Report  
Nine months ended 30 September 2016  
(Unaudited)**

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**Kuwait National Cinema Company K.P.S.C  
State of Kuwait**

**Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors**

*Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait National Cinema Company - K.P.S.C "the Parent Company" and its subsidiaries "together referred to as the Group" as at 30 September 2016 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine-month period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No. (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 Financial Information Performed by the Independent Auditor of the Entity".

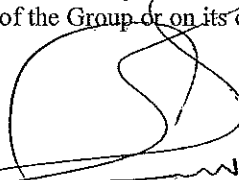
A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with 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 No. (34) "Interim Financial Reporting".

**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 the Parent Company. To the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its executive regulations, or of the Parent Company's Memorandum and Articles of Association, as amended, have occurred during the nine-month period ended 30 September 2016 that might have had a material effect on the business of the Group or on its consolidated financial position.



**Bader A. Al-Wazzan**  
License No. 62A  
Deloitte & Touche  
Al Wazzan & Co.



**Rabea Saad Al Muhanna**  
License No. 152A  
Horwath Al Muhanna & Co.  
Kuwait

Kuwait, 8 November 2016

Kuwait National Cinema Company K.P.S.C.  
And its Subsidiaries  
State of Kuwait

Interim Condensed Consolidated Statement of Financial Position as at 30 September 2016  
(Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	30 September 2016	31 December 2015 (Audited)	30 September 2015
<b>ASSETS</b>				
<b>Non- current assets</b>				
Property, plant and equipment	4	15,747,131	15,183,282	15,055,406
Intangible assets		644,281	495,049	187,668
Investments in associates	5	35,104,609	34,593,907	33,430,568
Available for sale investments	6	23,137,393	25,156,257	21,874,607
		<u>74,633,414</u>	<u>75,428,495</u>	<u>70,548,249</u>
<b>Current assets</b>				
Inventories		223,987	255,084	244,936
Trade and other receivables	7	1,700,043	1,161,836	1,368,781
Cash on hand, banks and portfolios	8	20,460,105	19,074,891	18,201,960
		<u>22,384,135</u>	<u>20,491,811</u>	<u>19,815,677</u>
<b>Total assets</b>		<u>97,017,549</u>	<u>95,920,306</u>	<u>90,363,926</u>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		10,106,250	10,106,250	10,106,250
Treasury shares	9	(6,576,091)	(6,467,849)	(6,168,864)
Statutory reserve		5,053,125	5,053,125	5,053,125
General reserve		10,438,959	10,438,959	9,414,038
Other reserves	10	18,402,132	20,051,658	16,496,152
Retained earnings		29,414,720	26,915,449	26,192,933
Equity attributable to shareholders of the parent company		<u>66,839,095</u>	<u>66,097,592</u>	<u>61,093,634</u>
Non-controlling interest		29,210	27,873	24,026
		<u>66,868,305</u>	<u>66,125,465</u>	<u>61,117,660</u>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Post employment benefits		1,431,883	1,208,834	1,189,632
<b>Current liabilities</b>				
Trade and other payables		9,158,321	9,027,002	8,446,752
Loans and bank facilities	11	19,559,040	19,559,005	19,609,882
		<u>28,717,361</u>	<u>28,586,007</u>	<u>28,056,634</u>
<b>Total liabilities</b>		<u>30,149,244</u>	<u>29,794,841</u>	<u>29,246,266</u>
<b>Total equity and liabilities</b>		<u>97,017,549</u>	<u>95,920,306</u>	<u>90,363,926</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Abdul Wahab Marzouq Al-Marzouq  
Chairman

Ahmed Abdul Aziz Al Sarawi  
Vice Chairman

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**Kuwait National Cinema Company K.P.S.C.**  
**And its Subsidiaries**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Income for the nine months ended 30 September 2016**  
**(Unaudited)**

*(All amounts are in Kuwaiti Dinars)*

	Note	Three months ended 30 September		Nine months ended 30 September	
		2016	2015	2016	2015
Operating revenues		6,122,132	5,315,402	14,342,582	15,620,311
Operating costs		(4,993,895)	(4,193,688)	(11,578,952)	(11,864,328)
Gross profit		1,128,237	1,121,714	2,763,630	3,755,983
Other operating income		2,277,891	1,941,324	5,653,072	5,572,579
General and administrative expenses		(624,446)	(498,349)	(1,809,899)	(1,514,674)
Other operating expenses		(827,279)	(541,917)	(1,761,545)	(1,597,371)
Net profit / (loss) of financial investments		10,476	(758,635)	940,656	(420,674)
Group's share in an associate's result	5	868,489	1,090,610	2,555,047	3,119,488
Finance costs		(184,885)	(177,956)	(554,310)	(528,256)
<b>Net profit before deductions</b>		<b>2,648,483</b>	<b>2,176,791</b>	<b>7,786,651</b>	<b>8,387,075</b>
Contribution to Kuwait Foundation for the Advancement of Sciences		(17,769)	(9,791)	(50,520)	(44,304)
National Labor Support Tax		(58,334)	(54,366)	(193,117)	(206,285)
Zakat		(13,823)	(9,749)	(49,602)	(44,347)
<b>Net profit for the period</b>		<b>2,558,557</b>	<b>2,102,885</b>	<b>7,493,412</b>	<b>8,092,139</b>
<b>Distributed as follows:</b>					
Shareholders of Parent Company		2,557,957	2,102,079	7,492,075	8,085,857
Non-controlling interest		600	806	1,337	6,282
		<u>2,558,557</u>	<u>2,102,885</u>	<u>7,493,412</u>	<u>8,092,139</u>
Earnings per share (fils)	12	<u>27.15</u>	<u>22.21</u>	<u>79.50</u>	<u>84.92</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Kuwait National Cinema Company K.P.S.C.  
And its Subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Statement of Comprehensive Income for the nine months ended 30 September 2016  
(Unaudited)**

*(All amounts are in Kuwaiti Dinars)*

	Three months ended 30 September		Nine months ended 30 September	
	2016	2015	2016	2015
Net profit for the period	2,558,557	2,102,885	7,493,412	8,092,139
<b>Other comprehensive income items:</b>				
<i>Items can be classified later into statement of income:</i>				
Change in fair value of available for sale investments	178,397	(219,719)	(1,389,750)	(988,910)
Transferred to statement of income from sale of available for sale investments	(9,793)	-	(9,793)	(180,005)
Group's share in associates' reserves	(1,164,324)	(18,639)	(244,346)	(251,913)
Exchange differences on translation of a subsidiary	(19)	(1,403)	(6,253)	(3,247)
Total other comprehensive income items	(995,739)	(239,761)	(1,650,142)	(1,424,075)
<b>Total comprehensive income for the period</b>	<b>1,562,818</b>	<b>1,863,124</b>	<b>5,843,270</b>	<b>6,668,064</b>
<b>Distributed as follows:</b>				
Company's shareholders of the parent Company	1,562,218	1,862,318	5,841,933	6,661,782
Non-controlling interest	600	806	1,337	6,282
	<b>1,562,818</b>	<b>1,863,124</b>	<b>5,843,270</b>	<b>6,668,064</b>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Kuwait National Cinema Company K.P.S.C  
And its Subsidiaries  
State of Kuwait

Interim Condensed Consolidated Statement of Changes in Equity for the nine months ended 30 September 2016  
(Unaudited)

(All amounts are in Kuwaiti Dinars)

	Equity attributable to shareholders of the Parent Company							Non-controlling Interest	Total
	Share capital	Treasury shares	Statutory reserve	General reserve	Other reserves (Note 10)	Retained earnings	Total		
Balance as at 1 January 2015	10,106,250	(2,029,453)	5,053,125	9,414,038	17,920,227	22,938,906	63,403,093	17,744	63,420,837
Net profit for the period	-	-	-	-	-	8,085,857	8,085,857	6,282	8,092,139
Total comprehensive income for the period	-	-	-	-	(1,424,075)	-	(1,424,075)	-	(1,424,075)
Purchase of treasury shares	-	(4,139,411)	-	-	-	-	(4,139,411)	-	(4,139,411)
Cash dividends	-	-	-	-	-	(4,831,830)	(4,831,830)	-	(4,831,830)
Balance as at 30 September 2015	10,106,250	(6,168,864)	5,053,125	9,414,038	16,496,152	26,192,933	61,093,634	24,026	61,117,660
Balance as at 1 January 2016	10,106,250	(6,467,849)	5,053,125	10,438,959	20,051,658	26,915,449	66,097,592	27,873	66,125,465
Net profit for the period	-	-	-	-	-	7,492,075	7,492,075	1,337	7,493,412
Total comprehensive income for the period	-	-	-	-	(1,650,142)	-	(1,650,142)	-	(1,650,142)
Movement of treasury shares	-	(108,242)	-	-	616	-	(107,626)	-	(107,626)
Cash dividends (note 13)	-	-	-	-	-	(4,992,804)	(4,992,804)	-	(4,992,804)
Balance as at 30 September 2016	10,106,250	(6,576,091)	5,053,125	10,438,959	18,402,132	29,414,720	66,839,095	29,210	66,868,305

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Kuwait National Cinema Company K.P.S.C  
And its Subsidiaries  
State of Kuwait**

**Interim Condensed Consolidated Statement of Cash flows for the nine months ended 30 September 2016  
(Unaudited)**

*(All amounts are in Kuwaiti Dinars)*

	<b>Nine months ended 30 September</b>	
	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities</b>		
Net profit for the period	7,493,412	8,092,139
Adjustments for:		
Depreciation and amortization	1,248,944	1,859,308
(Gains) / loss from financial investment	(940,656)	420,674
Group's share in associate's results	(2,555,047)	(3,119,488)
Impairment in receivable and other debit balances	-	40,825
Post-employment benefits	276,299	130,541
Finance costs	554,310	528,256
Operating profit before changes in operating assets and liabilities	6,077,262	7,952,255
Inventories	31,097	(11,570)
Trade and other receivables	(538,207)	1,677,270
Trade and other payables	101,967	416,210
Cash generated from operating activities	5,672,119	10,034,165
Post-employment benefits paid	(53,250)	(107,600)
Net cash generated from operating activities	5,618,869	9,926,565
<b>Cash flows from investment activities</b>		
Paid for purchase of property, plant and equipment and intangible assets	(2,019,543)	(2,250,910)
Paid for purchase of available for sale investments	(77,638)	340,172
Proceeds from sale of available for sale investments	658,248	-
Dividends received	2,779,366	923,094
Net cash generated from / ( used in) investing activities	1,340,433	(987,644)
<b>Cash flows from financing activities</b>		
Paid for purchase of treasury shares	(107,626)	(4,139,411)
Loans and bank facilities	-	7,394,065
Finance costs paid	(537,683)	(501,915)
Dividends paid	(4,928,779)	(4,729,337)
Net cash used in financing activities	(5,574,088)	(1,976,598)
Net change in cash and cash equivalents	1,385,214	6,962,323
Cash and cash equivalents at the beginning of the period	19,064,891	11,229,637
Cash and cash equivalents at the end of the period (Note 8)	20,450,105	18,191,960

The accompanying notes form an integral part of this interim condensed consolidated financial information.



**Kuwait National Cinema Company K.P.S.C**  
**And its Subsidiaries**  
**State of Kuwait**

**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2016**  
**(Unaudited)**

*(All amounts are in Kuwaiti Dinars unless otherwise stated)*

**1. Company's incorporations**

Kuwait National Cinema Company K.P.S.C. "The Parent Company" is a Kuwaiti Public Shareholding Company registered and incorporated in Kuwait on 5 October 1954 and is licensed to engage in all activities relating to the cinema industry, entertainment, and cultural events.

The Parent Company is listed on the Kuwait Stock Exchange.

The registered office of the Company is located at Al-Zahara area, 360 Mall, fourth floor, P.O. Box 502 Safat, 13006 Safat, Kuwait.

These Consolidated financial statements include the financial statements of the Parent Company and its Subsidiaries "together referred to as the Group".

	Incorporation country	Activity	Ownership percentage (%) 2016	Ownership percentage (%) 2015
International Film Distribution Company K.S.C.C.	Kuwait	Publishing and film distribution	99.25	99.25
Al Kout Film Production and Distribution Company S.A.E.	Egypt	Production and film distribution	100	100

Financial information for subsidiaries was prepared by management. Subsidiaries's total assets amounted to KD 5,210,122 as at 30 September 2016 (KD 5,154,090 at 31 December 2015, KD 4,393,570 as at 30 September 2015) and net profit of KD 206,722 for the nine months ended 30 September 2016 (KD 830,926 for the nine months ended 30 September 2015).

On 1 February 2016, the new Companies Law No.1 of 2016 was published in the Official Gazette and is effective from 26 November 2012. According to the new law, the Companies law No. 25 of 2012 and its amendments have been cancelled. On 12 July 2016, the executive regulations of law no. 1 of 2016 were issued and published in Al Kuwait Al Youm Gazette on 17 July 2016 and therefore cancelled the executive regulations of Companies Law No. 25 of 2012. All companies are required to comply with provisions of the law within six months from the date of the executive regulations enforcement

The interim condensed consolidated financial information for the nine months ended 30 September 2016 was authorized for issuance by the Board of Directors on 8 November 2016.

**2. Significant accounting policies**

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. (34), "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements in accordance with International Financial Reporting.

In the management's opinion, all necessary adjustments (including recurring accruals) have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 30 September 2016 are not necessarily indicative of the results that maybe expected for the year ending 31 December 2016. For further information, refer to the consolidated financial statements and its related notes for the year ended 31 December 2015.

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2015, except for the adoption of the new and amended IFRS that have become effective and those which are applicable to the Group as follows:

- *Amendments to IAS 19 Defined Benefit Plans: Employee Contributions*
- *Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations*
- *Amendments to IAS 16 & IAS 38 Clarification of Acceptable Methods of Depreciation & Amortisation*
- *Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants*

The adoption of these amendments did not have any significant or material impact on the interim condensed consolidated financial information of the Group.

**Kuwait National Cinema Company K.P.S.C**  
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**State of Kuwait**

**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2016**  
**(Unaudited)**  
*(All amounts are in Kuwaiti Dinars unless otherwise stated)*

**3. Fair value estimation**

The fair values of financial assets and financial liabilities are determined as follows:

Level one: Quoted prices in active markets for identical assets or liabilities.

Level two: Quoted prices in an active market for similar instruments. Quoted prices for identical assets or liabilities in market that are not active. Inputs other than quoted prices that are observable for assets and liabilities.

Level three: Evaluation methods that are not based on observable market data.

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis:**

	Fair value as at			Date of valuation	Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30/9/2016	31/12/2015	30/09/2015					
Quoted Shares	21,042,212	22,354,323	19,062,326	30 September	Level 1	Last bid price	NA	NA
Local Investment Funds	13,630	38,565	48,915	30 September	Level 2	Net book value	NA	NA

The fair values of other financial assets and financial liabilities which are not measured at fair value on ongoing basis equal approximately their carrying values.

**4. Property, plant and equipment**

Property, plant and equipment movement represented as follows:

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Net carrying value at the beginning of the period / year	15,183,282	14,540,324	14,540,324
Additions during the period / year	1,062,577	2,109,773	1,471,578
Net disposals during the period / year	-	(8,564)	-
Depreciation of the period / year	(498,728)	(1,458,251)	(956,496)
Net carrying value at the end of the period / year	15,747,131	15,183,282	15,055,406

**5. Investments in an associate**

This represents the Group's investment in Tamdeen Shopping Centres K.S.C. (Closed) at 30% its activities represents in real estate.

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Balance as at the beginning of the period/ year	34,593,907	32,362,993	32,362,993
Group's share in an associate's results	2,555,047	3,758,611	3,119,488
Group's share from an associate's fair value change reserve	(218,855)	165,870	(336,675)
Group's share from an associate's foreign currency reserve	(25,490)	106,433	84,762
Dividends	(1,800,000)	(1,800,000)	(1,800,000)
Balance at the end of the period/ year	35,104,609	34,593,907	33,430,568

**Kuwait National Cinema Company K.P.S.C**  
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**State of Kuwait**

**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2016**  
**(Unaudited)**

*(All amounts are in Kuwaiti Dinars unless otherwise stated)*

**6. Investments available for sale**

The balance of available for sale investments represents the following:

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Quoted shares	21,042,212	22,354,323	19,062,326
Unquoted shares	2,081,551	2,763,369	2,763,366
Investment funds	13,630	38,565	48,915
	<u>23,137,393</u>	<u>25,156,257</u>	<u>21,874,607</u>

- Fair value is determined based on valuation techniques disclosed in (note 3).
- Unquoted investments are carried at cost since its fair value cannot be reliably measured. The Group's management believes that there are no indications of impairment for these investments.

**7. Trade and other receivables**

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Trade receivables	457,349	407,009	487,663
Due from related parties	805,569	617,329	581,244
	1,262,918	1,024,338	1,068,907
Provision of impairment	(503,028)	(503,028)	(503,028)
	759,890	521,310	565,879
Prepaid expenses	374,361	50,337	220,007
Refundable deposits	413,405	412,805	407,805
Staff receivables	132,387	155,891	155,090
Other receivables	20,000	21,493	20,000
	<u>1,700,043</u>	<u>1,161,836</u>	<u>1,368,781</u>

**8. Cash, current accounts and deposits**

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Cash on hand	164,805	53,237	65,241
Banks current accounts	17,873,064	18,111,469	16,978,559
Time deposit	10,496	10,387	10,367
Cash in investment portfolios	2,411,740	899,798	1,147,793
Cash on hand, banks and portfolios	20,460,105	19,074,891	18,201,960
Less: deposits pledged more than three months	(10,000)	(10,000)	(10,000)
Cash and cash equivalents	<u>20,450,105</u>	<u>19,064,891</u>	<u>18,191,960</u>

**9. Treasury shares**

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Number of treasury shares (share)	6,859,922	6,750,852	6,434,357
Percentage to issued shares (%)	6.79	6.68	6.38
Market value	6,311,128	6,143,275	6,434,357

The Parent Company commits to retain reserves and retained earnings equivalent to the treasury shares throughout the period, in which they are held by the Parent Company, pursuant to the relevant instructions of the relevant regulatory authorities.

**Kuwait National Cinema Company K.P.S.C**  
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**State of Kuwait**

**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2016**  
**(Unaudited)**  
*(All amounts are in Kuwaiti Dinars unless otherwise stated)*

**10. Other reserves**

	Land revaluation reserve	Change in fair value reserve	Currency translation reserve	Treasury shares reserve	Total
Balance at 1 January 2015	8,524,134	9,124,079	249,110	22,904	17,920,227
Total other comprehensive / income items	-	(1,505,589)	81,514	-	(1,424,075)
Balance at 30 September 2015	<u>8,524,134</u>	<u>7,618,490</u>	<u>330,624</u>	<u>22,904</u>	<u>16,496,152</u>
Balance at 1 January 2016	8,524,134	11,151,746	352,874	22,904	20,051,658
Total other comprehensive loss items	-	(1,618,399)	(31,743)	-	(1,650,142)
Purchase of treasury shares	-	-	-	616	616
Balance at 30 September 2016	<u>8,524,134</u>	<u>9,533,347</u>	<u>321,131</u>	<u>23,520</u>	<u>18,402,132</u>

**11. Loans and bank facilities**

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Short term loans	19,550,000	19,550,000	19,550,000
Banks - overdraft	9,040	9,005	59,882
	<u>19,559,040</u>	<u>19,559,005</u>	<u>19,609,882</u>

- Loans and bank facilities granted to the Group from local banks are pledged against promissory notes
- The weighted effective interest rate on loans and bank facilities is 3.66% as at 30 September 2016 (3.55% as at 31 December 2015 and 3.61% as at 30 September 2015).

**12. Earnings per share**

Basic and diluted earnings per share are computed by dividing profit during the period by the weighted average number of ordinary shares outstanding during the period as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2016	2015	2016	2015
Net profit for the period for shareholders of the parent company	2,557,957	2,102,079	7,492,075	8,085,857
Weighted average number of outstanding shares (share)	<u>94,202,496</u>	<u>94,638,492</u>	<u>94,235,826</u>	<u>95,215,935</u>
Earnings per share (fils)	<u>27.15</u>	<u>22.21</u>	<u>79.50</u>	<u>84.92</u>

**13. Dividends**

On 5 April 2016, the General Assembly of the Parent Company's shareholders approved the consolidated financial statements for the year ended 31 December 2015, also approved cash dividends of 53 fils per share from the profits for the year 2015 (cash dividends of 51 fils from the profits for the year 2014).

**Kuwait National Cinema Company K.P.S.C**  
**And its Subsidiaries**  
**State of Kuwait**

**Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2016**  
**(Unaudited)**

*(All amounts are in Kuwaiti Dinars unless otherwise stated)*

**14. Segments information**

The main objective of the Group is to engage in all activities relating to the cinema industry, entertainment, and culture events. In addition, the Group invests its available excess funds through investment portfolios.

The following is the Group's segment information which consists with the internal reporting presented to management:

- Cinema division: which represents all activities related to cinema shows.
- Concession division: which represents all activities related to concessions supplemented to theaters.
- Investments division: which represents investments in shares, funds and real estate investments.

The following schedule presents the information about revenues, profit, and assets for each division:

	Division activity as at 30 September 2016				
	Cinema division	Concession division	Investment division	Unallocated items	Total
Net revenues	14,342,582	4,415,917	3,495,703	1,237,155	23,491,357
Costs	(11,578,952)	(1,761,545)	-	(2,657,448)	(15,997,945)
Segment's profit	2,763,630	2,654,372	3,495,703	(1,420,293)	7,493,412
Assets	14,021,711	212,248	58,645,938	24,137,652	97,017,549

	Division activity as at 30 September 2015				
	Cinema division	Concession division	Investment division	Unallocated items	Total
Net revenues	15,620,311	4,503,765	2,698,814	1,068,814	23,891,704
Costs	(11,864,328)	(1,597,371)	-	(2,337,866)	(15,799,565)
Segment's profit	3,755,983	2,906,394	2,698,814	(1,269,052)	8,092,139
Assets	13,493,451	158,856	55,597,401	21,114,218	90,363,926

**15. Contingent liabilities**

Letters of Guarantee were contingently liable for a third party with an amount of KD 167,220 as at 30 September 2016 (KD 167,220 as at 31 December 2015, KD 167,220 as at 30 September 2015).

**16. Related parties transactions**

Related parties represent the shareholders who have representatives in the Boards of Directors, members of the Boards of Directors, Senior Management and the companies, which are controlled by the major shareholders. Those transactions were conducted in the ordinary course of business and with the usual terms and conditions. Transactions with related parties are subject to the approval of the General Assembly of Shareholders. The following is the volume and nature of those transactions during the period:

	30 September 2016	30 September 2015
Salaries and remuneration	177,975	146,300
Leave and post-employment benefits	34,198	27,232

The balances resulting from those transactions are as follows:

	30 September 2016	31 December 2015 (Audited)	30 September 2015
Due from related parties	805,569	617,329	581,244
Due to related parties	28,228	36,801	66,141

All transactions are subject to the approval of the shareholders in the General Assembly meeting.