Interim condensed consolidated financial information and review report

Noor Financial Investment Company – KPSC and Subsidiaries

Kuwait

30 September 2016 (Unaudited)

Contents

	Page
Review report	1
Interim condensed consolidated statement of profit or loss	2
Interim condensed consolidated statement of profit or loss and other comprehensive income	3
Interim condensed consolidated statement of financial poistion	4
Interim condensed consolidated statement of changes in equity	5 and 6
Interim condensed consolidated statement of cash flows	7
Notes to the interim condensed consolidated financial information	8 to 23

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Report on review of interim condensed consolidated financial information

To the board of directors of
Noor Financial Investment Company – KPSC
Kuwait

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Noor Financial Investment Company KPSC (the "Parent Company") and its subsidiaries (together "the Group") as of 30 September 2016 and the related interim condensed consolidated statement of profit or loss, profit or loss and other comprehensive income, statement of changes in equity and statements of cash flows for the nine-month period then ended. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of presentation set out in note (2). 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 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 basis of presentation set out in note (2).

Report on review of other legal and regulatory requirements
Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violation 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, as amended, have occurred during the nine-month period ended 30 September 2016 that might have had a material effect on the business or financial position of the Group.

We further report that, during the course of our review, we have not become aware of any material violations of the provisions of Law No.32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or of the provision of law no 7 of 2010 concerning the Capital Market Authority and its related regulations during the nine-months period ended 30 September 2016 that might have had a material effect on the business or financial position of the Group.

Anwar Y. Al-Qatami, F.C.C.A.
(Licence No. 50-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwiat
14 November 2016

Interim condensed consolidated statement of profit or loss

	Note	Three months ended		Nine months ended	
		30 Sep 2016 (Unaudited) KD	30 Sep 2015 (Unaudited) KD	30 Sep 2016 (Unaudited) KD	30 Sep 2015 (Unaudited) KD
Income					
Revenue from hotel operations and IT Services		**3,896,610**	4,204,971	**11,480,798**	12,226,413
Realised gain /(loss) on investments at fair value through profit or loss		**43,057**	(72,410)	**68,107**	550,960
Unrealised gain/(loss) on investments at fair value through profit or loss		**71,250**	(1,837,976)	**(1,142,930)**	(2,063,552)
Realised (loss)/gain on sale of available for sale investments		**(2,484)**	394,928	**(449,980)**	1,076,085
Dividend income		**30,633**	30,055	**1,094,554**	2,097,581
Share of results of associates		**1,587,242**	1,239,616	**5,780,820**	5,527,009
Rental Income		**345,946**	471,634	**1,286,323**	1,037,893
Realised loss on sale of investment properties	9	**(902,018)**	-	**(852,018)**	-
Management and placement fees		**10,090**	20,133	**39,840**	45,051
Total income		**5,080,326**	4,450,951	**17,305,514**	20,497,440
Cost of sales and services		**(3,279,148)**	(3,324,779)	**(9,676,458)**	(10,428,169)
General, administrative and other expenses		**(974,443)**	(908,077)	**(3,260,834)**	(3,677,384)
Operating profit		**826,735**	218,095	**4,368,222**	6,391,887
Interest and other income		**215,937**	2,227,149	**410,472**	2,477,219
Foreign exchange (loss)/ gain		**(12,043)**	125,110	**(64,308)**	124,553
Finance costs		**(1,079,798)**	(886,496)	**(3,164,859)**	(3,113,984)
Impairment in value of available for sale investments	8	**(396,734)**	(3,658,348)	**(1,568,940)**	(5,682,649)
Impairments in value of intangible assets		**-**	(2,115,225)	**-**	(2,115,225)
Impairments in value of investments in associates		**-**	(389,136)	**-**	(389,136)
Impairment in value of receivables		**-**	-	**(536,943)**	(6,347)
Loss before taxes		**(445,903)**	(4,478,851)	**(556,356)**	(2,313,682)
Reversal of/(provision for) KFAS contribution		**-**	11,133	**(223)**	-
Reversal of Zakat		**-**	11,402	**-**	-
Reversal of National Labour Support Tax		**-**	39,111	**-**	-
Loss for the period		**(445,903)**	(4,417,205)	**(556,579)**	(2,313,682)
Profit/(loss) attributable to:					
Owners of the Parent Company		**13,396**	(1,980,635)	**70,041**	59,909
Non-controlling interests		**(459,299)**	(2,436,570)	**(626,620)**	(2,373,591)
Loss for the period		**(445,903)**	(4,417,205)	**(556,579)**	(2,313,682)
BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE (FILS)	4	**0.03**	(4.92)	**0.17**	0.15

The notes set out on pages 8 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss and other comprehensive income

	Three months ended		Nine months ended	
	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD
Loss for the period	**(445,903)**	(4,417,205)	**(556,579)**	(2,313,682)
Other comprehensive income:				
Items to be reclassified to profit or loss in subsequent periods:				
Exchange differences arising from translation of foreign operations	**(71,879)**	(1,342,119)	**(452,171)**	(352,464)
Available for sale investments:				
-Net changes in fair value arising during the period	**213,145**	(5,676,837)	**(4,704,828)**	(8,993,553)
-Transferred to interim condensed consolidated statement of profit or loss on sale	**2,484**	(394,928)	**449,980**	(1,076,085)
-Transferred to interim condensed consolidated statement of profit or loss on impairment	**396,734**	3,658,348	**1,568,940**	5,682,649
Share of other comprehensive income/(loss)of associates	**708,824**	(299,300)	**965,620**	(90,550)
Total other comprehensive income/(loss) for the period	**1,249,308**	(4,054,836)	**(2,172,459)**	(4,830,003)
Total comprehensive income/(loss) for the period	**803,405**	(8,472,041)	**(2,729,038)**	(7,143,685)
Total comprehensive income/(loss) attributable to:				
Owners of the Parent Company	**1,182,947**	(5,792,394)	**(490,274)**	(3,868,304)
Non-controlling interests	**(379,542)**	(2,679,647)	**(2,238,764)**	(3,275,381)
	803,405	(8,472,041)	**(2,729,038)**	(7,143,685)

Interim condensed consolidated statement of financial position

	Note	30 Sept. 2016 (Unaudited)	31 Dec. 2015 (Audited)	30 Sept. 2015 (Unaudited)
		KD	KD	KD
Assets				
Cash and bank balances	5	**13,133,023**	7,737,506	9,236,079
Short-term deposits	5	**4,076,689**	2,613,255	3,113,254
Murabaha and wakala investments	5	**1,007,554**	1,000,000	-
Investments at fair value through profit or loss	6	**10,220,253**	11,699,191	10,888,863
Accounts receivable and other assets	7	**20,990,029**	15,266,515	16,119,324
Inventories		**956,462**	884,878	273,785
Available for sale investments	8	**34,251,987**	43,989,767	43,934,412
Investment in associates		**55,686,617**	53,076,227	51,046,513
Investment properties	9	**34,815,010**	39,755,699	38,646,304
Property and equipment		**3,902,149**	4,395,216	4,336,824
Goodwill and intangible asset		**5,361,956**	5,597,375	5,660,179
Total assets		**184,401,729**	186,015,629	183,255,537
Liabilities and equity				
Liabilities				
Due to banks	5	**2,424,978**	2,016,195	920,268
Accounts payable and other liabilities		**7,443,032**	7,568,953	9,445,809
Borrowings from banks and financial institutions	10	**108,990,979**	111,898,284	113,294,175
Provision for end of service indemnity		**679,726**	592,841	610,218
Total liabilities		**119,538,715**	122,076,273	124,270,470
Equity				
Share capital	11	**41,316,276**	41,316,276	41,316,276
Share premium		**3,410,573**	3,410,573	3,410,573
Treasury shares	12	**(3,410,573)**	(3,410,573)	(3,410,573)
Legal reserve		**1,644,912**	1,644,912	1,507,907
Voluntary reserve		**1,644,912**	1,644,912	1,507,907
Cumulative changes in fair value		**3,677,663**	3,848,484	2,407,488
Foreign currency translation reserve		**(10,197,033)**	(9,807,539)	(9,863,835)
Retained earnings		**4,136,094**	4,847,152	3,847,804
Equity attributable to the owners of the Parent Company		**42,222,824**	43,494,197	40,723,547
Non-controlling interests		**22,640,190**	20,445,159	18,261,520
Total equity		**64,863,014**	63,939,356	58,985,067
Total liabilities and equity		**184,401,729**	186,015,629	183,255,537

Fahad Sulaiman Al-Khaled
Chairman

Abdulghani M.S. Behbehani
Vice Chairman

The notes set out on pages 8 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to owners of the Parent Company										
	Share capital KD	Share premium KD	Treasury shares KD	Legal reserve KD	Voluntary reserve KD	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-total KD	Non-controlling interests KD	Total KD
Balance as at 1 January 2016	**41,316,276**	**3,410,573**	**(3,410,573)**	**1,644,912**	**1,644,912**	**3,848,484**	**(9,807,539)**	**4,847,152**	**43,494,197**	**20,445,159**	**63,939,356**
Increase in non-controlling interest of a subsidiary (note 11b)	-	-	-	-	-	-	-	(781,099)	(781,099)	5,781,099	5,000,000
Redemption of units by non-controlling interests of subsidiary	-	-	-	-	-	-	-	-	-	(7,214)	(7,214)
Dividend paid to non-controlling interests by a subsidiary	-	-	-	-	-	-	-	-	-	(1,340,090)	(1,340,090)
Transactions with owners	-	-	-	-	-	-	-	(781,099)	(781,099)	4,433,795	3,652,696
Profit/(loss) for the period	-	-	-	-	-	-	-	70,041	70,041	(626,620)	(556,579)
Total other comprehensive loss for the period	-	-	-	-	-	(170,821)	(389,494)	-	(560,315)	(1,612,144)	(2,172,459)
Total comprehensive (loss)/income for the period	-	-	-	-	-	(170,821)	(389,494)	70,041	(490,274)	(2,238,764)	(2,729,038)
Balance as at 30 September 2016	**41,316,276**	**3,410,573**	**(3,410,573)**	**1,644,912**	**1,644,912**	**3,677,663**	**(10,197,033)**	**4,136,094**	**42,222,824**	**22,640,190**	**64,863,014**

The notes set out on pages 8 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (continued)

	Equity attributable to owners of the Parent Company										
	Share capital KD	Share premium KD	Treasury shares KD	Legal reserve KD	Voluntary reserve KD	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Retained earnings KD	Sub-total KD	Non-controlling interests KD	Total KD
Balance as at 1 January 2015	41,316,276	3,410,573	(3,410,573)	1,507,907	1,507,907	6,009,404	(9,537,538)	4,495,457	45,299,413	18,379,788	63,679,201
Increase in non-controlling interest of subsidiary during the period (Note 11b)	-	-	-	-	-	-	-	(707,562)	(707,562)	5,107,562	4,400,000
Redemption of units by non-controlling interests of subsidiary	-	-	-	-	-	-	-	-	-	(18,167)	(18,167)
Redemption of share capital by non-controlling interest of subsidiary (Note 11c)	-	-	-	-	-	-	-	-	-	(1,731,882)	(1,731,882)
Dividend paid to non-controlling interests by a subsidiary	-	-	-	-	-	-	-	-	-	(200,400)	(200,400)
Transactions with owners	-	-	-	-	-	-	-	(707,562)	(707,562)	3,157,113	2,449,551
Profit/(loss) for the period	-	-	-	-	-	-	-	59,909	59,909	(2,373,591)	(2,313,682)
Total other comprehensive loss for the period	-	-	-	-	-	(3,601,916)	(326,297)	-	(3,928,213)	(901,790)	(4,830,003)
Total comprehensive (loss)/income for the period	-	-	-	-	-	(3,601,916)	(326,297)	59,909	(3,868,304)	(3,275,381)	(7,143,685)
Balance as at 30 September 2015	**41,316,276**	**3,410,573**	**(3,410,573)**	**1,507,907**	**1,507,907**	**2,407,488**	**(9,863,835)**	**3,847,804**	**40,723,547**	**18,261,520**	**58,985,067**

The notes set out on pages 8 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Note	Nine months ended 30 Sept. 2016 (Unaudited) KD	Nine months ended 30 Sept. 2015 (Unaudited) KD
OPERATING ACTIVITIES			
Loss before taxes		**(556,356)**	(2,313,682)
Adjustments:			
Realised loss/(gain) on sale of available for sale investments		**449,980**	(1,076,085)
Dividend income		**(1,094,554)**	(2,097,581)
Share of results of associates		**(5,780,820)**	(5,527,009)
Realised loss on sale of investment properties		**852,018**	-
Interest income and income from murabaha and wakala investments		**(57,289)**	(29,407)
Reversal of impairment on amount due from Ultimate Parent Company		**-**	(2,188,996)
Depreciation		**390,856**	132,654
Amortisation		**235,419**	-
Provision for end of service indemnity		**156,029**	131,981
Finance costs		**3,164,859**	3,113,984
Impairment in value of available for sale investments, receivables, investment in associates and intangible assets		**2,105,883**	8,193,357
		(133,975)	(1,660,784)
Changes in operating assets and liabilities:			
Investments at fair value through profit or loss		**1,478,938**	8,672,775
Accounts receivable and other assets		**(210,733)**	(3,277,077)
Account payable and other liabilities		**(25,556)**	2,046,988
Inventories		**(71,584)**	37,315
Cash from operation		**1,037,090**	5,819,217
KFAS, Zakat and NLST paid		**(58,783)**	(16,507)
Payment of end of service indemnity		**(69,144)**	(48,006)
Net cash from operating activities		**909,163**	5,754,704
INVESTING ACTIVITIES			
Change in short term deposits maturing after three months		**(619,818)**	(637,058)
Change in blocked deposits		**(740)**	1,404,475
(Increase)/decrease in murabaha and wakala investments		**(7,554)**	598,354
Proceeds from sale of available for sale investments		**5,409,077**	6,158,262
Purchase of available for sale investments		**(376,124)**	(878,806)
Investments in associate		**-**	(50,000)
Acquisition /improvement of investment properties		**(5,460,610)**	(3,525,503)
Proceeds from sale of investment properties		**3,350,000**	-
Net acquisition of property and equipment		**(27,807)**	(117,371)
Dividend received from other investments		**1,094,554**	2,097,581
Dividend received from associate		**3,833,432**	3,883,071
Interest income & income from murabaha and wakala investments received		**57,289**	29,407
Net cash from investing activities		**7,251,699**	8,962,412
FINANCING ACTIVITIES			
Repayments of borrowings (net)		**(2,907,305)**	(11,632,907)
Redemption of units by non-controlling interests		**(7,214)**	(18,167)
Payment to subsidiaries shareholders on account of capital reduction		**(269,903)**	(195,176)
Investment made by non-controlling interest in the capital of a subsidiary		**5,000,000**	4,400,000
Dividend paid to non-controlling interest by subsidiaries		**(1,002,735)**	(200,400)
Finance costs paid		**(3,144,095)**	(3,073,543)
Net cash used in financing activities		**(2,331,252)**	(10,720,193)
Net increase/(decrease) in cash and cash equivalents		**5,829,610**	3,996,923
Cash and cash equivalents at beginning of the period		**8,009,500**	6,245,901
Cash and cash equivalents at end of the period	5	**13,839,110**	10,242,824

The notes set out on pages 8 to 23 form an integral part of this interim consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities

Noor Financial Investment Company KPSC ("the Parent Company") was incorporated in Kuwait on 1 February 1997 and during May 2006 its shares were listed on the Kuwait Stock Exchange. The Parent Company and its subsidiaries are together referred to as "the Group". The Parent Company is regulated by the Central Bank of Kuwait and also by the Capital Market Authority (CMA), as an investment company and is a subsidiary of National Industries Group Holding KPSC ("the Ultimate Parent Company").

The principal objectives of the Parent Company are as follows:

- Invest in various economic sectors through the establishment of specialized companies or purchase of shares or stakes in those companies;
- Perform the functions of investment trustees and manage all kinds of investment portfolios for third parties;
- Facilitate in lending and borrowing transactions for commission or remuneration;
- Fund and facilitate in international trade operations;
- Conduct research, studies and other technical services related to investment operations and manage funds for third parties;
- Create and manage various investment funds according to the law;
- Perform the functions of lead manager for the bonds issued by companies and bodies;
- Prepare studies and provide financial advice related to investment for privatization projects.
- Carry out all the services and activities that help developing the financial and monetary market in the State of Kuwait;
- Trade, by selling and buying, in shares, bonds, Sukuks and other securities listed and unlisted in Kuwait stock exchange market and foreign stock exchange markets for the Company's account or the account of its clients for commission or remuneration;
- Invest in real estate, industrial and agricultural sectors of the economy in all types of investment;
- Facilitate in selling or buying financial assets and other assets for commission or remuneration;
- Provide funding operations to third parties to buy or lease fixed assets and movables through contracts.
- Provide technical services for the incorporation of companies and restructure, merge or dispose of the existing companies;
- Prepare studies and research and provide the necessary consultation in all matters relating to the objectives of the company;
- Acquire industrial property rights, patents, trade and industrial marks, literary and intellectual property right;
- Represent foreign companies the objectives of which are identical with the objectives of the company in order to market their products and services in accordance with the relevant Kuwaiti legislation;
- To act as an investment controller.

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities (continued)

The Parent Company has the right to perform the above mentioned activities inside and outside the State of Kuwait directly or through an agent. The Parent Company may have an interest or participate in any aspect with the entities performing similar works or which might assist it in the achievement of its objectives in Kuwait or abroad. The Parent Company may also purchase these entities or affiliate them therewith. Further, the Parent Company may practice works similar or complementary or necessary or related to its above mentioned objectives and may utilize its surplus funds by investing same in portfolios and funds managed by specialized companies and bodies.

The address of the Parent Company's registered office is NIG Building, Ground Floor, Shuwaikh, Kuwait (PO Box 3311, Safat 13034, State of Kuwait).

The new Companies Law No. 1 of 2016 was issued on 24 January 2016 and published in the Official Gazette on 1 February 2016 in which they have cancelled Law No. 25 of 2012 and its amendments thereto, as stipulated in article (5) thereto. The new Law will be effective retrospectively from 26 November 2012. The Executive Regulations of Law No. 1 of 2016 were issued on 12 July 2016.

The Board of Directors of the Parent Company approved this interim condensed consolidated financial information for issue on 14 November 2016.

The Parent Company's annual consolidated financial statements for the year ended 31 December 2015 were approved by the shareholders at the Annual General Meeting (AGM) held on 09 May 2016.

2 Basis of preparation and significant accounting policies

Basis of preparation and presentation

The interim condensed consolidated financial information of the Group for the nine-month period ended 30 September 2016 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

As disclosed in Note 10.1 the management of the Parent Company is actively engaged with all its lenders to restructure its loans and is confident that based on the constructive discussions held to date they will be able to achieve an acceptable debt rescheduling within a short period of time.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional and presentation currency of the Parent Company.

The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of the Parent Company's management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

Notes to the interim condensed consolidated financial information (continued)

2 Basis of preparation and significant accounting policies (continued)

The annual consolidated financial statements for the year ended 31 December 2015 were prepared in accordance with the regulations of the Government of Kuwait for financial services institutions regulated by the Central Bank of Kuwait (CBK). These regulations require adoption of all IFRS except for the IAS 39 requirements for a collective provision, which has been replaced by the Central Bank of Kuwait's requirement for a minimum general provision as described under the accounting policy for impairment of financial assets.

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2015.

Operating results for the nine-month period ended 30 September 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016. For further details, refer to the consolidated financial statements and its related disclosures for the year ended 31 December 2015.

The subsidiaries are consolidated and share of results of associates are recorded based on the management accounts for the period ended 30 September 2016.

3 Significant accounting policies

The interim condensed consolidated financial information have been prepared in accordance with the accounting policies adopted in the Group's most recent annual consolidated financial statements for the year ended 31 December 2015. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group has adopted new accounting pronouncements which have become effective for the first time in 2016, non of which had any signficiant impact on the Group's results or financial position. These are:

Standard or Interpretation	*Effective for annual periods beginning*
IFRS 11 Accounting for Acquisitions of Interests in Joint Operations - Amendments	1 January 2016
IAS 1 'Disclosure Initiative - Amendments	1 January 2016
IAS 16 and IAS 41 Agriculture: Bearer Plants - Amendments	1 January 2016
IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments	1 January 2016
IAS 27 Equity Method in Separate Financial Statements - Amendments	1 January 2016
IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception - Amendments	1 January 2016
Annual Improvements to IFRSs 2012–2014 Cycle	1 January 2016

Notes to the interim condensed consolidated financial information (continued)

4 Basic & diluted earnings/(loss) per share

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

	Three months ended		Nine months ended	
	30 Sept. 2016 (Unaudited)	30 Sept. 2015 (Unaudited)	30 Sept. 2016 (Unaudited)	30 Sept. 2015 (Unaudited)
Profit/(loss) for the period attributable to the owners of the Parent Company (KD)	**13,396**	(1,980,635)	**70,041**	59,909
Weighted average number of shares outstanding during the period	**413,162,761**	413,162,761	**413,162,761**	413,162,761
Less: Weighted average number of treasury shares outstanding during the period	**(10,359,065)**	(10,359,065)	**(10,359,065)**	(10,359,065)
	402,803,696	402,803,696	**402,803,696**	402,803,696
Basic and diluted earnings/(loss) per share (Fils)	**0.03**	(4.92)	**0.17**	0.15

5 Cash and cash equivalents and murabaha and wakala investments

a. Cash and cash equivalents for the purpose of the interim condensed consolidated statement of cash flows are made up as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Cash and bank balances	**13,133,023**	7,737,506	9,236,079
Short term deposits	**4,076,689**	2,613,255	3,113,254
	17,209,712	10,350,761	12,349,333
Less: Due to banks	**(2,424,978)**	(2,016,195)	(920,268)
Less: Blocked balances	**(325,806)**	(325,066)	(325,066)
Less: Short term deposits maturing after three months	**(619,818)**	-	(861,175)
Cash and cash equivalents as per statement of cash flows	**13,839,110**	8,009,500	10,242,824

Cash and bank balances include call accounts which earn interests. The short term deposits mature within three to six months from the reporting date and are placed with local banks.

Due to banks represent bank overdraft facilities utilised by subsidiary and are secured by short term deposit of KD993,316 (31 December 2015: KD970,545 and 30 September 2015: KD970,545).

Cash and cash equivalents include bank balances of KD1,266,109 (31 December 2015: KD1,193,334 and 30 September 2015: KD2,772,700) which are designated for the purpose of payment on account of capital reduction and dividend payments to non controlling interest of two subsidiaries.

Notes to the interim condensed consolidated financial information (continued)

5 Cash and cash equivalents and murabaha and wakala investments (contiued)

b. Murabaha and wakala investments

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Placed with local islamic banks	**1,007,554**	1,000,000	-
Due from a local Islamic investment company	**14,324,160**	14,324,160	14,324,160
Less: Provision for impairment in value	**(14,324,160)**	(14,324,160)	(14,324,160)
	-	-	-
	1,007,554	1,000,000	-

No profit was recognised on impaired wakala investments during the current period (31 December 2015: KD Nil and 30 September 2015: KD Nil)

Wakala investments of KD14,324,160 (31 December 2015: KD14,324,160 and 30 September 2015: KD14,324,160) placed with a local Islamic investment company matured in the last quarter of 2008. The investee company defaulted on settlement of these balances on the maturity date. However revised maturity dates were stipulated by the court. The investee company again defaulted the payment of 2nd , 3rd and 4th instalments due in June 2014, 2015 and 2016 respectively. Full provision is made for receivable in accordance with the Central Bank of Kuwait provisioning rules.

During the previous years, the Group assumed the financial and legal obligations on wakala investments of KD9,968,250 (in violation of the Commercial Companies Law of 1960) that the Group had placed with the above investment company in a fiduciary capacity under a wakala agreement with certain related parties, despite having no such obligation under the wakala agreement. The Group has initiated legal proceedings against the parties to recover the amount including profits thereon. During the year 2014, the Court of Appeal has ordered the related parties to pay KD8,285,000 with 7% of profit thereon to the Group which had been overturned by the Court of Cassation in favor of the related party during the year 2015. The legal proceeding relating to the remaining amount of KD1,683,250 is still in process.

6 Investments at fair value through profit or loss

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Held for trading:			
Quoted shares	**8,766,912**	9,334,848	9,470,609
- Local	**4,741,996**	5,265,476	5,395,789
- Foreign	**4,024,916**	4,069,372	4,074,820
Designated on initial recognition:			
-Unquoted foreign shares	**1,453,341**	2,364,343	1,418,254
	10,220,253	11,699,191	10,888,863

Quoted shares with a fair value of KD924,668 (31 December 2015: KD1,131,470 and 30 September 2015: KD1,302,441) are secured against bank loans (refer note 10).

Notes to the interim condensed consolidated financial information (continued)

7 Accounts receivable and other assets

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Financial assets:			
Accounts receivable	**4,071,929**	4,352,489	4,333,053
Due from the Ultimate Parent Company	**2,045**	3,784	46,200
Due from other related parties	**1,928,093**	1,101,764	1,076,427
Due from investment brokerage companies	**1,820,172**	1,698,255	2,257,401
Due from future trade customers	**3,773,729**	4,845,544	4,398,681
Due on sale of local investment property (note 9)	**7,079,792**	-	-
Due on sale of foreign investment properties (a)	**-**	972,085	986,387
Accrued income	**1,189,737**	937,446	1,498,893
Other financial assets	**718,440**	1,111,222	1,252,070
	20,583,937	15,022,589	15,849,112
Non-financial assets			
Other assets	**406,092**	243,926	270,212
	20,990,029	15,266,515	16,119,324

a) The consideration due on sale of the Group's investment property in the Kingdom of Saudi Arabia amounting to KD12,404,655 (sold during 2011) was due in instalments. In settlement of the consideration due as of 31 December 2015, Noor UK Holding Company Limited (a subsidiary of the Parent Company in United Kindom) received an investment property located in London valued at GBP 2Mn (equivalent to KD880,511) during the three month period ended 30 June 2016. The difference between the consideration received in the form of property and the due balance as at 31 December 2015 amounting to KD91,574 has been treated as impairment in value of receivable and has been recognised during the nine months perioded ended 30 September 2016.

8 Available for sale investments

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Quoted shares	**10,053,808**	13,926,441	15,975,946
- Local	**7,380,353**	12,013,402	13,965,592
- Foreign	**2,673,455**	1,913,039	2,010,354
Unquoted shares	**19,617,960**	23,372,486	20,459,118
- Local	**7,964,939**	7,886,209	9,544,698
- Foreign	**11,653,021**	15,486,277	10,914,420
Foreign funds	**4,580,219**	6,690,840	7,499,348
	34,251,987	43,989,767	43,934,412

a) Available for sale investments include investments in unquoted shares and foreign funds whose fair values cannot be reliably determined and as a result investments with a carrying value of KD2,835,639 (31 December 2015: KD2,835,639 and 30 September 2015: KD1,643,215) are carried at cost or cost less impairment. The Group's management is not aware of any circumstance that would indicate impairment/ further impairment in value of these investments.

Notes to the interim condensed consolidated financial information (continued)

8 Available for sale investments (contiued)

b) Quoted shares with a fair value of KD 4,460,564(31 December 2015: KD8,783,999 and 30 September 2015: KD10,724,889) and unquoted shares with a fair value of KD6,600,000 (31 December 2015: KD6,600,000 and 30 September 2015: KD8,300,000) are secured against bank loans (refer note 10).

c) During the period, the Group recognised an impairment loss of KD427,570 (31 December 2015: KD2,797,488 and 30 September 2015: KD1,988,671) for certain local and foreign quoted shares, as the market value of these shares declined significantly below their cost. Further the Group also recognised an impairment loss of KD1,183,822 (31 December 2015: KD5,455,335 and 30 September 2015: KD3,693,978) against certain unquoted shares, local and foreign funds based on independent valuations, estimate and the net asset values reported by the investment managers at the reporting date.

9 Investment properties

The movement of investment properties is as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Fair value as at beginning of the period/year	**39,755,699**	32,840,512	32,840,512
Acquisition of properties	**3,006,666**	1,905,599	3,525,502
Addition due to settlement of receivable (note 7 a)	**880,511**	-	-
Developments and construction costs	**2,453,944**	1,769,789	-
Reclassification from property & equipment	**-**	2,280,290	2,280,290
Disposals	**(11,281,810)**	-	-
Changes in fair value	**-**	959,509	-
	34,815,010	39,755,699	38,646,304

Investment properties comprise land and buildings in the following countries:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Kuwait	**32,885,074**	39,325,000	38,218,555
Outside Kuwait	**1,929,936**	430,699	427,749
	34,815,010	39,755,699	38,646,304

Investments properties amounting to KD9,535,000 (31 December 2015: KD9,535,000 and 30 September 2015: KD9,432,000) and KD5,410,000 (31 December 2015: KD13,188,000 and 30 September 2015: KD14,052,971) are secured against bank loans and Ijara Financing facilities respectively (refer note 10).

The above investment properties include jointly controlled investment properties with a carrying value of KD11,223,407 (31 December 2015: KD8,852,000 and 30 September 2015: KD7,656,111) which are partly financed from Ijara financing arrangement.

During the period, the Group disposed investment properties with a carrying value of KD11,281,810 for a consideration of KD10,429,792 resulting in a loss of KD852,018. At the reporting date the Group has received KD3,350,000 out of the total considerarion due and the balance of KD7,079,792 is shown under accounts receivable and other assets, which has been received subsequent to the reporting date.

During the period/year, borrowing cost of KD81,695 (31 December 2015: KD263,003 and 30 September 2015: KD50,487) has been capitalised to investment properties under development.

Notes to the interim condensed consolidated financial information (continued)

10 Borrowings from banks and financial institutions

	Effective interest/ profit rate p.a %	Security	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Short term					
Ijara financing - Kuwaiti Dinnar	4.5	Secured	**6,075,075**	4,325,000	4,325,000
Loan Payable - Kuwaiti Dinnar	4.5	Secured	**1,080,000**	1,080,000	1,080,000
Murabaha and Tawaruq payables	4.5		**-**	-	906,907
			7,155,075	5,405,000	6,311,907
Long term					
Loans payable – Kuwaiti Dinar	3.75-4.00	Secured	**69,193,625**	73,508,000	73,845,500
Wakala payable – Kuwaiti Dinar	3.75	Secured	**27,500,000**	27,500,000	27,500,000
Ijara financing - Kuwaiti Dinnar	4.5-5.0	Secured	**5,142,279**	5,485,284	5,636,768
			101,835,904	106,493,284	106,982,268
Total			**108,990,979**	111,898,284	113,294,175

10.1 During 2011 and 2012, the Parent Company restructured its financing arrangements with some local banks and accordingly loans amounting to KD154,710,000 (out of which KD58,016,375 has been paid till reporting date) were converted into secured long term facilities. As per loan restructuring agreements, these loans are required to be 100% secured. As of 30 September 2016, 31 December 2015 and 30 September 2015, these are partly secured (notes 6,8 and 9) and the identification and securitization of the required balance is still in process.

The third instalment of the loan of KD38,677,500 fell due in 2014 and 2015 and the lenders agreed for payment of 50% of that amount within four months from the original due date. KD15,024,500 was paid in 2015 and the balance KD4,314,250 was settled during the 1st quarter of 2016.

The process of rescheduling the Parent Company's loans amounting to KD96,693,625 as of the reporting date comprising of the remaining 50% (KD19,338,750) of the third instalment and KD77,354,875 for the final instalment is ongoing.

The Parent Company had submitted a debt rescheduling plan to all its lenders and had, also requested from all of the lenders to extend the standstill as the restructuring is still in process and to continue negotiations to reach an acceptable debt rescheduling solution. The lenders have confirmed that they will continue to negotiate the terms and conditions of the restructuring to bring it to a successful closure. Accordingly, the Parent Company's management expects to finalize the debt rescheduling within the next few months.

10.2 Ijara financing contracts amounting to KD11,217,354 (31 December 2015: KD9,810,284 and 30 September 2015: KD11,041,768) are secured by investments properties (Note 9).

10.3 Long term loans and wakala amounting to KD 96,693,625 (31 December 2015: KD101,008,000 and 30 September 2015: KD101,345,500) are secured by investment at fair value through profit or loss (note 6), available for sale investments (note 8) and investment properties (note 9) and against shares of two unlisted subsidiaries of the Parent Company.

Notes to the interim condensed consolidated financial information (continued)

10 Borrowings from banks and financial institutions (continued)

10.4. The above loans are due as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Short term Ijara Financing	6,075,075	4,325,000	4,325,000
Short term loans	1,080,000	1,080,000	1,080,000
Short term Murabaha and Tawaruq payable	-	-	906,907
Long term loans and Wakala payable			
- Current portion due within one year	51,434,250	5,689,375	6,026,875
- Due after more than one year	45,259,375	95,318,625	95,318,625
Long term ijara financing			
- Current portion due within one year	4,133,463	861,283	863,755
- Due after more than one year	1,008,816	4,624,001	4,773,013
	108,990,979	111,898,284	113,294,175

11 Share capital and non-controlling interests

a) The authorised, issued and paid up share capital of the Parent Company comprise of 413,162,761 shares of 100 Fils each (31 December 2015: 413,162,761 and 30 September 2015: 413,162,761 of 100 Fils each), fully paid in cash.

b) During the period, one of the subsidiaries of the Group (Noor Al-Salhiya Real Estate Company KSCC) increased its share capital from KD15,000,000 to KD20,000,000 (50,000,000 shares with a par value of 100 fils per each share)(during the nine-month priod ended 30 September 2015 from KD11,000,000 to KD15,000,0000). The Parent Company did not subscribe for this increase and consequently the Parent Company's shareholding in this subsidiary diluted from 73.32% to 54.99% (30 September 2015: from 100% to 73.32%). The proportionate carrying value of net assets on the date of dilution amounting to KD5,781,099 (30 September 2015: KD5,107,562) relating to non-controlling interests has been transferred to non-controlling interest in the interim condensed consolidated statement of changes in equity. Consequently the difference between cash proceeds received and non- controlling interests share of net assets on the date of dilution amounting to KD781,099 (30 September 2015: KD707,562) has been recognized as a dilution loss in the interim condensed consolidated statement of changes in equity as of 30 September 2016.

c) On 1st September 2015, the shareholders of one of the subsidiaries of the Group, (Kuwaiti Indian Holding Company - KSCC) decided to further decrease its share capital by KD4,000,000 out of which KD1,732,882 pertains to non-controlling interests. After completing its necessary formalities an amount of KD1,926,071 including prior capital reductions (31 December 2015: KD1,726,223 and 30 September 2015: KD4,088,696) has been paid to non-controlling interests and the balance amount is shown under accounts payable and other liabilities.

d) Furthermore an amount of KD873,326 (31 December 2015: KD943,381 and 30 September 2015: KD904,653) is due to non- controlling interest for decrease in the share capital of another subsidiary (Noor Telecommunication Company KSCC) during 2012 and is included under accounts payable and other liabilities.

Notes to the interim condensed consolidated financial information (continued)

12 Treasury shares

The Group holds treasury shares as follows:

	30 Sept. 2016 (Unaudited)	31 Dec. 2015 (Audited)	30 Sept. 2015 (Unaudited)
Number of shares	**10,359,065**	10,359,065	10,359,065
Percentage of issued shares	**2.51%**	2.51%	2.51%
Market value (KD)	**409,183**	481,697	642,262
Cost (KD)	**3,410,573**	3,410,573	3,410,573

Reserves equivalent to the cost of treasury shares held are not distributable. The treasury shares are not held as collateral against any financial liability.

13 Segment analysis

The Group activities are concentrated in four main segments: investments, real estate, IT services and Hotel operations. These segments are regularly reviewed by the Chief Operating Decision Maker (CODM) for resource allocation and performance assessment. In addition, the segments results, assets and liabilities are reported based on the geographical location in which the Group operates in. Segment results include revenue and expense directly attributable to each reporting segment as the Group does not have any inter segment charges. Segment assets comprise those operating assets that are directly attributable to the segment.

Notes to the interim condensed consolidated financial information (continued)

13 Segment analysis (continued)

Segmental information for the period ended 30 September 2016 and 30 September 2015 are as follows:

	Investments		Real Estate		IT services		Hotel operations		Total	
	30 Sept. 2016 KD	30 Sept. 2015 KD	30 Sept. 2016 KD	30 Sept. 2015 KD	30 Sept. 2016 KD	30 Sept. 2015 KD	30 Sept. 2016 KD	30 Sept. 2015 KD	30 Sept. 2016 KD	30 Sept. 2015 KD
Revenue from hotel operations and IT services	-	-	-	-	9,535,768	10,584,177	1,945,030	1,642,236	11,480,798	12,226,413
Investments related income (realised, unrealised and dividend income)	(430,249)	1,661,074	-	-	-	-	-	-	(430,249)	1,661,074
Rental income	-	-	1,286,323	1,037,893	-	-	-	-	1,286,323	1,037,893
Management and placement fee	39,840	45,051	-	-	-	-	-	-	39,840	45,051
Realised loss on investment property	-	-	(852,018)	-	-	-	-	-	(852,018)	-
Share of results of associates	5,684,752	5,396,155	96,068	130,854	-	-	-	-	5,780,820	5,527,009
Segment income	5,294,343	7,102,280	530,373	1,168,747	9,535,768	10,584,177	1,945,030	1,642,236	17,305,514	20,497,440
Cost of sales and services	-	-	-	-	(8,243,663)	(8,812,953)	(1,432,795)	(1,615,216)	(9,676,458)	(10,428,169)
General and administrative expenses	(1,174,687)	(1,369,487)	(515,161)	(267,625)	(1,235,514)	(1,922,758)	(335,472)	(117,514)	(3,260,834)	(3,677,384)
Operating profit or loss	4,119,656	5,732,793	15,212	901,122	56,591	(151,534)	176,763	(90,494)	4,368,222	6,391,887
Interest income, other income and foreign exchange gain	346,164	2,551,904	-	-	-	49,868	-	-	346,164	2,601,772
Impairments	(1,568,939)	(5,688,996)	(162,909)	-	(374,035)	(2,504,361)	-	-	(2,105,883)	(8,193,357)
Finance cost	(2,937,320)	(2,921,822)	(192,325)	(120,487)	(35,214)	(71,675)	-	-	(3,164,859)	(3,113,984)
Segment (loss) /profit before taxes	(40,439)	(326,121)	(340,022)	780,635	(352,658)	(2,677,702)	176,763	(90,494)	(556,356)	(2,313,682)

	30 Sept. 2016 (Unaudited)			31 December 2015 (Audited)			30 Sept. 2015 (Unaudited)		
	Assets KD	Liablities KD	Net assets KD	Assets KD	Liablities KD	Net assets KD	Assets KD	Liablities KD	Net assets KD
Investment	119,687,311	(98,034,455)	21,652,856	120,165,380	(101,686,161)	18,479,219	117,452,254	(104,181,766)	13,270,488
Real Estate	47,006,882	(13,111,510)	33,895,372	48,413,160	(11,169,371)	37,243,789	47,386,905	(11,169,192)	36,217,713
IT services	13,750,909	(7,635,713)	6,115,196	13,431,256	(8,558,722)	4,872,534	14,140,222	(7,951,721)	6,188,501
Hotel operation	3,956,627	(757,037)	3,199,590	4,005,833	(662,019)	3,343,814	4,276,156	(967,791)	3,308,365
Total	184,401,729	(119,538,715)	64,863,014	186,015,629	(122,076,273)	63,939,356	183,255,537	(124,270,470)	58,985,067

Notes to the interim condensed consolidated financial information (continued)

14 Related party transactions

Related parties represent the Ultimate Parent Company, associates, directors and key management personnel of the Group, and other related parties such as subsidiaries of the Ultimate Parent Company (fellow subsidiaries), major shareholders and companies in which directors and key management personnel of the Group are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Group's management.

Details of significant related party transactions and balances are as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Interim condensed consolidated statement of financial position			
Due from related parties and the Ultimate Parent Company			
- Due from Ultimate Parent Company (note 7)	**2,045**	3,784	46,200
- Due from associates (note 7)	**-**	166,730	178,631
- Due from other related parties (note 7)	**1,928,093**	935,034	897,796
- Accrued management fees	**675,426**	680,063	678,312
Due to related parties			
- Due to associates	**5,453**	-	-
- Due to other related parties	**458,866**	62,000	2,000
Transactions with related parties			
Transfer of investments at fair value through profit or loss	**-**	2,200,042	2,200,042
Purchase of investment properties	**2,356,667**	-	-
Participation of capital increase in a subsidiary by related parties	**3,350,000**	-	-
Development and construction costs	**1,912,686**	1,257,586	607,495
Investments in related parties			
- Investments at fair value through profit or loss	**865,431**	926,163	1,108,359
- Available for sale investments	**4,533,153**	5,591,016	6,124,073

	Three months ended		Nine months ended	
	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD	30 Sept. 2016 (Unaudited) KD	30 Sept. 2015 (Unaudited) KD
Interim condensed consolidated statement of profit or loss				
Management and placement fees				
- earned from Ultimate Parent Company	**109**	150	**335**	460
- earned from other related parties	**228**	252	**912**	1,091
- Dividend income	**-**	-	**261,615**	313,938
Reversal of provision for impairment on receivable fron Ultimate Parent Company	**-**	2,188,996	**-**	2,188,996
Compensation of key management personnel of the Group				
Short term employee benefits	**89,858**	18,632	**288,591**	93,717
End of service benefits	**2,223**	1,203	**7,703**	3,628
	92,081	19,835	**296,294**	97,345

Notes to the interim condensed consolidated financial information (continued)

15 Summary of financial assets and liabilities by category and fair value measurement

15.1 Categories of financial assets and liabilities

The carrying amounts of the Group's financial assets and liabilities as stated in the interim condensed consolidated statement of financial position may also be categorized as follows:

	30 Sept. 2016 (Unaudited) KD	31 Dec. 2015 (Audited) KD	30 Sept. 2015 (Unaudited) KD
Loans and receivables(at amortised cost):			
• Cash and bank balances	**13,133,023**	7,737,506	9,236,079
• Short term deposits	**4,076,689**	2,613,255	3,113,254
• Murabaha and wakala investments	**1,007,554**	1,000,000	-
• Accounts receivable and other assets (note 7)	**20,583,937**	15,022,589	15,849,112
	38,801,203	26,373,350	28,198,445
Investments at fair value through profit or loss: (note 6)			
• - Held for trading	**8,766,912**	9,334,848	9,470,609
• - Designated on initial recognition	**1,453,341**	2,364,343	1,418,254
	10,220,253	11,699,191	10,888,863
Available for sale investments (note 8)			
• At fair value	**31,416,348**	41,154,128	42,291,197
• At cost / cost less impairment (refer note 8(a))	**2,835,639**	2,835,639	1,643,215
	34,251,987	43,989,767	43,934,412
Total financial assets	**83,273,443**	82,062,308	83,021,720
Financial liabilities (at amortised costs) :			
• Due to banks	**2,424,978**	2,016,195	920,268
• Accounts payable and other liabilities	**7,443,032**	7,568,953	9,445,809
• Borrowings from banks and financial institutions (note 10)	**108,990,979**	111,898,284	113,294,175
	118,858,989	121,483,432	123,660,252

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. The Group measures financial instruments such as investments at fair value though profit or loss and available for sale investments (excluding certain available for sale investments which are carried at cost/cost less impairment) at fair value. In the opinion of the Group's management, except and certain long term borrowing (Note 10) the carrying amounts of financial assets and liabilities which are carried of amortised cost are approximate to their fair values.

Notes to the interim condensed consolidated financial information (continued)

15 Summary of financial assets and liabilities by category (continued)

15.2 Fair value hierarchy for financial instruments measured at fair value

The following table presents the financial assets which are measured at fair value in the interim condensed consolidated statement of financial position in accordance with the fair value hierarchy.

This hierarchy groups financial assets and liabilities into nine levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

30 September 2016	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
Financial assets at fair value:				
Investments at fair value through profit or loss				
-Quoted shares	8,766,912	-	-	8,766,912
-Unquoted shares	-	-	1,453,341	1,453,341
Available for sale investments				
-Quoted shares	8,904,907	1,148,901	-	10,053,808
-Unquoted shares	-	4,157,518	14,268,018	18,425,536
-Foreign funds	-	2,937,004	-	2,937,004
Total assets	17,671,819	8,243,423	15,721,359	41,636,601

31 December 2015	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
Financial assets at fair value:				
Investments at fair value through profit or loss				
-Quoted shares	9,334,848	-	-	9,334,848
-Unquoted shares	-	2,364,343	-	2,364,343
Available for sale investments				
-Quoted shares	13,064,544	861,897	-	13,926,441
-Unquoted shares	-	14,268,132	7,911,930	22,180,062
-Foreign funds	-	5,047,625	-	5,047,625
Total assets	22,399,392	22,541,997	7,911,930	52,853,319

Notes to the interim condensed consolidated financial information (continued)

15 Summary of financial assets and liabilities by category (continued)

15.2 Fair value hierarchy for financial instruments measured at fair value (continued)

30 September 2015	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
Financial assets at fair value:				
Investments at fair value through profit or loss				
- Quoted shares	9,470,609	-	-	9,470,609
- Unquoted shares*	-	1,418,254	-	1,418,254
Available for sale investments				
- Quoted shares	14,750,913	1,225,033	-	15,975,946
- Unquoted shares*	-	9,696,292	10,762,826	20,459,118
- Foreign funds	-	5,856,133	-	5,856,133
Total assets	24,221,522	18,195,712	10,762,826	53,180,060

* The methods and valuation techniques used for the purpose of measuring fair values, are unchanged compared to the previous reporting period, except for certain unquoted Investments at fair value through profit or loss and Available for sale investments that have been fair valued based on valuation techniques as the Group's management believes that such valuations are more representative of the fair values of such investments based on the information available to the management. Accordingly Investments at fair value through profit or loss and Available for sale investments with a carrying value of KD1,453,341 and KD6,274,534 have been included from level 2 to 3 as of 30 September 2016 respectively.

16 Contingent liabilities and Capital commitments

Contingent liabilities

On 1 December 2011, the Parent Company's Jordanian subsidiary, Noor Jordanian Kuwaiti Financial Investment Company Limited ("the Seller") disposed of its entire equity interest in one of its Jordanian subsidiary (Noor Jordan Kuwait Transport Company JSCC) to nine individual buyers ("the Buyers"). Subsequent to the transfer of shares and control to the Buyers, they have filed a case against the seller claiming misrepresentation in valuing the subsidiary assets at JD4,500,000 (KD1,923,867). The subsidiary's management and legal advisor believe that the favorable decision of the court is probable; hence, no provision for any effects that may result has been made in the interim condensed consolidated financial information.

In addition to the above, the Parent Company had contigent liblities with respect to outstanding legal cases amounting to KD265,397 and the Parent Company's management and legal adviser believe that the case can be successfully resisted. No provision for any effects that may result has been made in the interim condensed consolidated financial infromation.

Guarantees and capital commitments

At the reporting date, the Group had capital commitments of KD1,770,354 (31 December 2015: KD1,791,430 and 30 September 2015: KD1,840,538) towards purchase of investments and guarantees amounting to KD7,524,494 (31 December 2015: KD7,296,552 and 30 September 2015: KD7,260,849).

Notes to the interim condensed consolidated financial information (continued)

17 Fiduciary assets

The Group manages mutual funds and portfolios on behalf of its Ultimate Parent Company, other related parties and outsiders, and maintains securities in fiduciary accounts which are not reflected in the Group's interim condensed consolidated statements of financial position. Assets under management at 30 September 2016 amounted to KD45,876,253 (31 December 2015: KD54,230,073 and 30 September 2015: KD55,466,354) of which assets managed on behalf of its Ultimate Parent Company and other related parties amounted to KD43,475,038 (31 December 2015: KD52,230,986 and 30 September 2015: KD52,824,729).

18 Distributions and directors' remuneration

The shareholders at their Annual General Meeting held on 9 May 2016 approved not to make any distributions for the year ended 31 December 2015 (2014: Nil).

The shareholders of the Parent Company at the Annual General Meeting held on 9 May 2016, approved to distribute a total amount of KD30,000 as remuneration to the Board of Directors for the year ended 31 December 2015, which is in excess of the amount stipulated in the Companies Law. Consequently, this has been recorded as an expense under the general, administrative and other expenses during the 2nd quarter of 2016.

19 Comparative information

Certain comparative amounts for the previous period have been reclassified to be consistent with the presentation for the current period. Such classification did not affect previously reported results, total assets or equity.