

**Kuwait Real Estate Investment Consortium K.S.C.C.
State of Kuwait**

**Consolidated financial statements and independent auditor's report
31 December 2003**

Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait

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**KPMG Al Nisf & Partners
Public Accountants**

P. O. Box 25578
Safat 13116
Kuwait

Al Shaheed Tower, 4th Floor
Khaled Ben Al-Waleed Street
Sharq, Kuwait

Tel +965 - 24 26 999
Fax +965 - 24 01 666
E-mail: mail@kpmg.com.kw
www.kpmg.com.kw

**The Shareholders
Kuwait Real Estate Investment Consortium - K.S.C.C.
State of Kuwait**

Independent auditor's report

We have audited the accompanying consolidated balance sheet of Kuwait Real Estate Investment Consortium K.S.C.C. ("the company"), and its subsidiary ("together referred to as "the Group") as at 31 December 2003, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the year then ended.

Respective responsibilities of management and auditor

These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Basis of opinion

We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2003 and of the results of its operations and its cash flows for the year then ended, in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

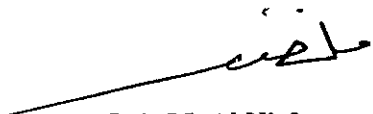


Other regulatory matters

We further report that we have obtained all the information and explanations that we required for the purpose of our audit and the consolidated financial statements include the information required by the Kuwait Commercial Companies Law of 1960, as amended, and the company's articles and memorandum of association. In our opinion, proper books of account have been kept by the Group, an inventory count was carried out in accordance with recognized procedures and the accounting information given in the board of directors' report agrees with the books of account. We have not become aware of any contravention, during the year ended 31 December 2003, of the Kuwait Commercial Companies Law of 1960, as amended, or the Company's articles or memorandum of association during the financial year that would materially affect the Group's activities or its financial position.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 20 of the financial statements.



Qais M. Al Nisf
Licence No. 38 "A"
Of KPMG Al Nisf & Partners
Member firm of KPMG International


Kuwait: 31 March 2004

Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait


Consolidated balance sheet
As at 31 December 2003

	Note	2003 (KD 000)	2002 (KD 000)
Assets			
Cash and cash equivalents	3	2,709	3,294
Land and real estates held for trading	4	10	18
Investments available for sale	5	4,890	3,243
Receivables and other debit balances	6	105	79
Due from related parties	7	985	881
Investment property	8	13,491	13,162
Investments held to maturity	9	28	38
Investment in unconsolidated subsidiary	10	148	191
Investment in associates	11	894	929
Fixed assets		41	50
Total assets		<u>23,301</u>	<u>21,885</u>
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	12	10,000	10,000
Statutory reserve	13	2,287	2,082
Voluntary reserve	14	2,287	2,082
Foreign exchange translation reserve		(500)	(274)
Retained earnings		7,101	6,415
Total shareholders' equity		<u>21,175</u>	<u>20,305</u>
Payables and other credit balances	15	2,126	1,580
Total liabilities		<u>2,126</u>	<u>1,580</u>
Total shareholders' equity and liabilities		<u>23,301</u>	<u>21,885</u>

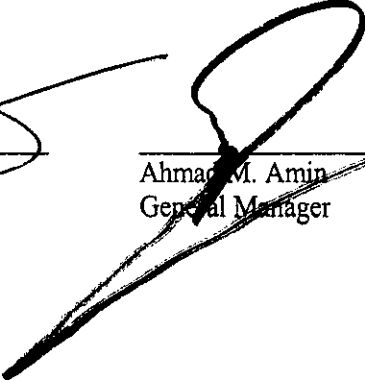
The accompanying notes form an integral part of these consolidated financial statements.



Sheikh/ Mohammad J. Al-Sabah
Chairman and Managing Director



Mousa M. Abouolayan
Deputy Chairman



Ahmad M. Amin
General Manager

**Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait**

**Consolidated statement of income
for the year ended 31 December 2003**

	Note	2003 (KD 000)	2002 (KD 000)
Revenue			
Portfolio and fund management fees	7	2,310	2,021
Net rental income		927	837
Gain from sale of land and real estates held for trading		8	19
Income from investments available for sale		619	15
Interest income		71	117
Income from associates		200	154
Gain from sale of investment in associates	16	-	56
Write back of provisions	17	30	152
Profit/(loss) from foreign currency evaluation		11	(37)
Other income		157	57
Total revenue		4,333	3,391
Expenses and other charges			
General and administrative		299	252
Staff costs	18	1,984	1,558
Depreciation		317	319
Impairment of investments available for sale		-	111
Impairment (write back of impairment) on investment property		79	(317)
Contribution to KFAS		18	13
Directors' remuneration	20	40	40
Total expenses and other charges		2,737	1,976
Net profit before extraordinary item		1,596	1,415
Extra ordinary item	19	400	-
Net profit for the year		1,996	1,415

The accompanying notes form an integral part of these consolidated financial statements.

**Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait**

**Consolidated statement of changes in shareholders' equity
for the year ended 31 December 2003**

	Share capital (KD 000)	Statutory reserve (KD 000)	Voluntary reserve (KD 000)	Foreign exchange translation reserve (KD 000)	Retained earnings (KD 000)	Total (KD 000)
Balance at 31 December 2001	10,000	1,935	1,935	(195)	5,894	19,569
Dividends for year 2001	-	-	-	-	(600)	(600)
Net profit for the year	-	-	-	-	1,415	1,415
Changes in foreign currency transferred to income statement (Note 16)	-	-	-	(59)	-	(59)
Change in foreign currency of subsidiary and associated companies	-	-	-	(20)	-	(20)
Transfer to statutory reserve	-	147	-	-	(147)	-
Transfer to voluntary reserve	-	-	147	-	(147)	-
Balance at 31 December 2002	10,000	2,082	2,082	(274)	6,415	20,305
Dividends for year 2002	-	-	-	-	(900)	(900)
Net profit for the year	-	-	-	-	1,996	1,996
Change in foreign currency of subsidiary and associated companies	-	-	-	(226)	-	(226)
Transfer to statutory reserve	-	205	-	-	(205)	-
Transfer to voluntary reserve	-	-	205	-	(205)	-
Balance at 31 December 2003	10,000	2,287	2,287	(500)	7,101	21,175

The accompanying notes form an integral part of these consolidated financial statements.

**Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait**

**Consolidated statement of cash flows
for the year ended 31 December 2003**

	Note	2003 (KD 000)	2002 (KD 000)
Cash flows from operating activities			
Net profit for the year		1,996	1,415
Adjustments:			
Gain from sale of land and real estates held for trading		(8)	(19)
Income from investments available for sale		(619)	(15)
Interest income		(71)	(117)
Income from associates		(200)	(154)
Gain from sale of investment in associates		-	(56)
Income from investments held to maturity		(3)	(3)
Depreciation		317	319
Write back of provisions		(30)	(152)
Gain from sale of fixed assets		(1)	(6)
Impairment/(write back of impairment) on investment property		79	(317)
Changes on foreign currency		18	2
Impairment of investments available for sale		-	111
Contribution to KFAS		18	13
Directors' remuneration		40	40
Operating profit before changes in operating assets and liabilities		1,536	1,061
Receivables and other debit balances		(26)	12
Due from related parties		(104)	94
Payables and other credit balances		508	(59)
Net cash from operating activities		1,914	1,108
Cash flows from investing activities			
Purchase of fixed assets		(24)	(18)
Purchase of investments available for sale		(1,470)	(1,320)
Purchase of investment property		(694)	(987)
Proceeds from sale of investments available for sale		449	523
Proceeds from sale of land and real estates held for trading		12	547
Proceeds from sale of fixed assets		2	6
Dividends received from associated companies		52	65
Proceeds from sale of investment in associates		-	496
Interest received		59	120
Dividends received from investments available for sale		15	-
Net cash used in investing activities		(1,599)	(568)
Cash flows from financing activities			
Dividends paid		(900)	(600)
Net cash used in financing activities		(900)	(600)
Decrease in cash and cash equivalents		(585)	(60)
Cash and cash equivalents at beginning of the year		3,294	3,354
Cash and cash equivalents at end of the year	3	2,709	3,294

The accompanying notes form an integral part of these financial statements.

1. Incorporation and activities

Kuwait Real Estate Investment Consortium ("the Company") is a Kuwaiti shareholding company (Closed) incorporated on 26 October 1975 and is a subsidiary company of Kuwait Investment Authority. The company is engaged in carrying out real estate transactions, investments in securities and property and investment portfolios management activities inside and outside Kuwait.

The company's principle location is: Al-Sharq, Ahmad Al-Jaber Street, P.O. Box 23411, Safat 13095, Kuwait.

The consolidated financial statements were authorized for issue by the Board of Directors on 22 February 2004. The shareholders of the company have the power to amend these financial statements at the annual general assembly meeting (see Note 20).

2. Significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards promulgated by the International Accounting Standards Board ("IASB"), interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the requirements of the Kuwait Commercial Companies Law of 1960, as amended, the Ministerial Resolution No. 18 of 1990 and the Company's memorandum and articles of association.

b) Basis of preparation

The financial statements are presented in Kuwaiti Dinars.

The financial statements are prepared on a fair value basis for financial assets and liabilities held for trading and available-for-sale assets, except those for which a reliable measure of fair value is not available. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost.

The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

c) Basis of consolidation

(i) Subsidiaries

Subsidiaries are those enterprises controlled by the company. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The subsidiary Company's subsidiary is Kuwait Distinguish Real Estate Group, W.L.L. with a capital of KD 20,000 and is fully owned by the Company. Certain shares in respect of the above subsidiary are registered in the name of other parties who are holding these shares as nominee holder on account of and for the benefit of the Company.

Subsidiary company that is not material to the financial statements of the Group (see Note 10) is not consolidated and is accounted for based on the equity method.

(ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

d) *Investments*

Investments with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured initially at cost, including transaction costs and subsequently measured at amortized cost less impairment losses (see accounting policy j).

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in prices are classified as trading investments and are included in current assets. Trading investments are measured initially at cost, including transaction costs and subsequently stated at fair value with any resultant gain or loss recognized in the consolidated statement of income. During the year the Group did not hold any investments in this category.

Investments which are not held-to-maturity or trading, are classified as available-for-sale. Unlisted equity securities classified as available-for-sale investments and whose fair value cannot be reliably determined are initially measured at cost, including transaction costs and subsequently carried at cost less impairment losses. Other available for sale investments are initially measured at cost, including transaction costs and subsequently stated at fair value with any unrealized gain or loss recognized directly in the consolidated statement of income.

The fair value of available-for-sale investments is determined based on their quoted bid price. If a quoted market price is not available, the fair value of the investment is estimated using generally accepted valuation methods such as discounted cash flow techniques or net asset value or market price of similar investments.

Investments available-for-sale are recognised/ derecognised on the trade date i.e., on the date the Group commits to purchase/sell the investments. Investments held to maturity are recognised/derecognised on the settlement date i.e., on the date they are transferred to/by the Group.

e) Receivables

Receivables and other debit balances are stated at their cost less impairment losses (see accounting policy j).

f) Land and real estates held for trading

Land and real estates acquired for trading are stated at cost. Cost of land and real estates is determined on an individual basis and represents the fair value of payment including transaction cost.

Land and real estates held for trading are included in current assets and valued at the lower of cost and recoverable amount on an individual basis. Recoverable amount is the selling price less the selling expenses. Any profit or loss resulting from sale of land and properties held for trading is included in the consolidated statement of income.

g) Investment property

Investment property, other than land, is carried at cost less accumulated depreciation and any accumulated impairment losses (see accounting policy j) and are depreciated over 25 years. Land is carried at cost less any accumulated impairment losses (see accounting policy j).

Land and real estate under development is recognized at cost in addition to development expenses. When development process is completed, the land and real estate is classified either as investment property or land and properties held for trading or as fixed assets according to the intention of the management for the future use of these properties.

h) Investment in associates

Investment in associates are equity accounted. Associates are those enterprises in which the Group has significant influence over financial, operating and administrative policies but not control.

i) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses (see accounting policy j). Depreciation is accounted for on a straight-line basis over the estimated useful lives of fixed assets.

j) Impairment

Fixed assets, receivables, investment in associates and unconsolidated subsidiary, investment property and investments are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Fixed assets, investment property and investment in associates and unconsolidated subsidiary

An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. The impairment losses are recognized in the consolidated statement of income.

The recoverable amount of assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate cash flows largely independent of those from other assets, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Receivables and held-to-maturity investments

The recoverable amount of receivables is calculated as the total amount of expected collections. The receivables are of a short duration and therefore the expected future cash collections are not discounted.

The recoverable amount of investments held to maturity is calculated as the present value of the expected future cash flows, discounted at the instrument's original effective interest rate.

k) Provision for employees' indemnity

Provision is made for amounts payable to employees under the Kuwaiti Labour Law and employment contracts. This liability, which is unfunded, represents the amount payable to each employee as a result of involuntary termination on the balance sheet date.

l) Payables

Payables and other credit balances are stated at their cost.

m) Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

n) Revenue recognition

Revenue from management fees is recognised as it accrues based on rates specified in the portfolio management agreements. Interest income is recognised as it accrues, taking into account the effective yield of the asset or an applicable interest rate. Rental income is recognized on straight-line basis over the term of the lease. Dividend income is recognised when the right to receive payment is established.

o) Foreign currencies

Foreign currency transactions are recorded in Kuwaiti Dinars at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Kuwaiti Dinars at the rate of exchange prevailing on the balance sheet date. Resulting gains or losses on exchange are recorded as part of the results for the year.

Non-monetary assets and liabilities denominated in foreign currency, which are stated at historical cost or amortised cost are recorded at the exchange rate ruling at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Kuwaiti Dinars at the foreign exchange rates ruling at the dates that the values were determined.

Net assets of the associated companies are translated at the exchange rates prevailing at the date of the balance sheet. Revenue and expenses are translated at the average exchange rates prevailing at the date of the transaction. Exchange differences from the translation are included in shareholders' equity as the foreign exchange translation reserve.

3. Cash and cash equivalents

	2003 (KD 000)	2002 (KD 000)
Term deposits and call accounts	2,615	3,230
Cash on hand and at banks	94	64
	<u>2,709</u>	<u>3,294</u>

The effective interest rate on term deposits range between 2.25% and 3.25% maximum as at 31 December 2003 (1.25% to 3.75% as at 31 December 2002).

4. Land and real estates held for trading

	2003 (KD 000)	2002 (KD 000)
Land and real estates outside Kuwait	2,846	2,854
Provision for impairment	(2,836)	(2,836)
	<u>10</u>	<u>18</u>

Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait

Notes to the consolidated financial statements
31 December 2003

5. Investments available for sale

	2003 (KD 000)	2002 (KD 000)
Investment in local securities	163	150
Investment in foreign securities and bonds	3,611	3,616
Investment in local funds	3,906	2,289
	<u>7,680</u>	<u>6,055</u>
Provision for impairment	(2,790)	(2,812)
	<u>4,890</u>	<u>3,243</u>

The Group could not reliably determine the fair value of unlisted investments amounting KD 3,873 thousands as at 31 December 2003 (KD 3,866 thousand as at 31 December 2002). These investments were stated at cost less impairment since there is no active market for these investments and there have not been any recent transactions that provide evidence of the current fair value.

6. Receivables and other debit balances

	2003 (KD 000)	2002 (KD 000)
Trade receivables	614	651
Accrued rent	82	63
Deposit and others	126	124
	<u>822</u>	<u>838</u>
Provision for impairment	(717)	(759)
	<u>105</u>	<u>79</u>

7. Due from related parties

Major related party transactions are with a major shareholder of Kuwait Real Estate Investment Consortium and fund manage by the company. The prices and settlement terms related to these transactions are approved by the Group's management.

	2003 (KD 000)	2002 (KD 000)
<u>Revenue</u>		
Principle shareholder's portfolio management fees	2,206	2,021
First Real Estate Group's portfolio management fees	104	-
	<u>2,310</u>	<u>2,021</u>

Notes to the consolidated financial statements
31 December 2003

Balances due from related parties as at 31 December are as follows:

	2003 (KD 000)	2002 (KD 000)
Public Authority for Investment	949	881
First Real Estate Group's portfolio	36	-
	<u>985</u>	<u>881</u>

8. Investment property

	2003 (KD 000)	2002 (KD 000)
Properties	18,110	17,416
Accumulated depreciation	(3,442)	(3,156)
Impairment	(1,177)	(1,098)
	<u>13,491</u>	<u>13,162</u>

The fair value of investment property was KD 14,933 thousand at 31 December 2003 (KD 14,000 thousand at 31 December 2002).

9. Investments held to maturity

This represents investment in foreign housing bonds with variable yield ranges between 8.5% to 9.5% as at 31 December 2003 (8.5% to 9% as at 31 December 2002).

10. Investment in unconsolidated subsidiary

This represents 91.7% investment in Loans and Investments Co. (LINC) – Tunis.

11. Investment in associates

	Country of incorporation	Ownership %	2003 (KD 000)	2002 (KD 000)
Arab Brick Company – Egyptian shareholding company	Egypt	50%	144	258
Arab Ceramic Company – Egyptian shareholding company	Egypt	24.4%	657	639
Financial Economic Development Co. – Egyptian shareholding company	Egypt	23.8%	1	1
International projects analysis and control system company	Bahrain	20%	92	31
			<u>894</u>	<u>929</u>

Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait

Notes to the consolidated financial statements
31 December 2003

12. Share capital

The Company's share capital comprises of 100 million shares (2002: 100 million shares) authorized, issued and paid-up shares of 100 fils each.

13. Statutory reserve

In accordance with the Commercial Companies Law of 1960 as amended and Company's Articles of Association, 10% of the net profit for the year, before contribution to the Kuwait Foundation for the Advancement of Sciences (KFAS) is required to be transferred to the statutory reserve. The Company may resolve to discontinue such annual transfer when the reserve balance totals 50% of the paid up share capital. Distribution of the statutory reserve is limited to the amount required to enable the payment of dividend of 5% of paid up share capital to be made in years when profits are not sufficient for the payment of a dividend of that amount.

14. Voluntary reserve

In accordance with Company's Articles of Association 10% of the net profit for the year before contribution to KFAS is required to be transferred to the voluntary reserve.

15. Payables and other credit balances

	2003 (KD 000)	2002 (KD 000)
Payables	145	67
Received in advance from customers	76	70
Staff accruals	556	451
Provision for claims	423	106
Other provisions	120	229
Contribution to KFAS	18	13
Directors' remuneration	40	40
Accrued expenses	79	37
Employees' end of service indemnity	669	567
	<u>2,126</u>	<u>1,580</u>

16. Gain from sale of investment in associates

	2003 (KD 000)	2002 (KD 000)
Loss from sale	-	(3)
Profit from foreign currency exchange transferred to statement of income	-	59
	<u>-</u>	<u>56</u>

Notes to the consolidated financial statements
31 December 2003

17. Write back of provisions	2003 (KD 000)	2002 (KD 000)
Provision for claims	-	125
Other	30	27
	30	152
18. Staff costs	2003 (KD 000)	2002 (KD 000)
Salaries and wages	988	980
Employees' end of service indemnity	106	113
Accrued leaves	124	129
Accrued bonus	240	180
Social securities and other staff benefits	181	156
Claim	345	-
	1,984	1,558

19. Extraordinary item

This represents amount received by the Group as final settlement for its claim filed with the United Nations Compensation Committee through the Public Authority for Assessment of Compensation for damages resulting from the Iraqi invasion of Kuwait in 1990.

20. Proposed dividend and directors' remuneration

The board of directors has proposed a dividend of 12% for the year ended 31 December 2003 (9% as at 31 December 2002), and a directors' remuneration amounting KD 60 thousands for the year ended 31 December 2003 (KD 40 thousands as at 31 December 2002).

Subsequently, on 31 March 2004 the annual general assembly for shareholders amended the board of directors' proposals and approved dividends of 15% and amended the directors' remuneration to KD 40 thousands.

21. Assets ownership

Certain assets included in these financial statements are not yet registered in the name of the Group. The procedures to complete the formal registration are still in process in the relevant countries.

22. Contingent liabilities

The Group has contingent liabilities at the balance sheet date in respect of bank guarantees amounting KD 66 thousand (2002: KD 138 thousand).

23. Fiduciary assets

Assets managed for third parties or held in a fiduciary capacity are not treated as assets or liabilities of the Group and accordingly are not included in these consolidated financial statements. As at the balance sheet date the total amount of fiduciary assets was KD 181,641 thousand (KD 180,295 thousand as at 31 December 2002).

Notes to the consolidated financial statements
31 December 2003

24. Financial instruments

The Group in the normal course of business, uses various types of financial instruments. Information on financial risks and fair value of these financial instruments is set out below.

a) Interest rate risk

The Group is exposed to interest rate risk in respect of cash and cash equivalents.

b) Credit risk

The Group is exposed to credit risk in respect of losses that would have to be recognized if counterparties fail to perform as contracted.

The Group's exposure to credit risk is primarily in respect of cash and cash equivalents, receivables, due from related parties, and held to maturity investments. As at the balance sheet date, the Company's maximum exposure to credit risk is equal to the carrying amount of the above assets disclosed in the balance sheet.

c) Foreign currency risk

The Group incurs foreign currency risk on sales, purchases of certain investments that are denominated in a currency other than Kuwaiti Dinars. The currency giving rise to this risk is primarily Egyptian Pound and US Dollars. As at the balance sheet date the Group had the following net exposure denominated in foreign currencies:

	2003 (KD 000)	2002 (KD 000)
Egyptian Pound	2,377	2,603
US Dollar	2,136	3,257

d) Fair value of financial assets and liabilities

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

The estimated fair value of financial assets and liabilities that are not carried at fair value (cash and cash equivalents, receivables, due from related parties, held to maturity investments, payables and other credit balances) at the balance sheet date are not materially different from their carrying values.

Kuwait Real Estate Investment Consortium K.S.C.C.
Kuwait

Notes to the consolidated financial statements
31 December 2003

25. Maturity analysis of assets and liabilities

The Group's maturity profile set out below is based on the remaining period at the balance sheet date or the contractual maturity date. In case of financial instruments that do not have a contractual maturity, the maturity is based on management's estimate of time period in which the asset will be collected or disposed and the liability settled.

(KD 000)	Less than one month	1-3 months	3-12 months	More than one year	Total
At 31 December 2003					
Assets					
Cash and cash equivalents	2,709	-	-	-	2,709
Land and properties held for trading	-	-	10	-	10
Investments available for sale	-	-	1,071	3,819	4,890
Receivables and other debit balances	-	44	33	28	105
Due from related parties	-	965	20	-	985
Investment property	-	-	-	13,491	13,491
Investments held to maturity	-	-	-	28	28
Investment in unconsolidated subsidiary	-	-	-	148	148
Investment in associates	-	-	-	894	894
Fixed assets	-	-	-	41	41
	<u>2,709</u>	<u>1,009</u>	<u>1,134</u>	<u>18,449</u>	<u>23,301</u>
Liabilities					
Payables and other credit balances	<u>18</u>	<u>275</u>	<u>325</u>	<u>1,508</u>	<u>2,126</u>
At 31 December 2002					
Assets					
Cash and cash equivalents	3,294	-	-	-	3,294
Land and properties held for trading	-	-	18	-	18
Investments available for sale	-	413	1,054	1,776	3,243
Receivables and other debit balances	-	33	25	21	79
Due from related parties	814	22	45	-	881
Investment property	-	-	300	12,862	13,162
Investments held to maturity	-	-	-	38	38
Investment in unconsolidated subsidiary	-	-	-	191	191
Investment in associates	-	-	-	929	929
Fixed assets	-	-	-	50	50
	<u>4,108</u>	<u>468</u>	<u>1,442</u>	<u>15,867</u>	<u>21,885</u>
Liabilities					
Payables and other credit balances	<u>14</u>	<u>170</u>	<u>256</u>	<u>1,140</u>	<u>1,580</u>

26. Segment information

Segment information is presented in respect of the Group's business and geographical segments. The primarily format, business segments is based on the Group's management and internal reporting structure.

Primary segment information

Financial information about business segment are set out below:

	Investment management		Real estate management		Total	
	2003 (KD 000)	2002 (KD 000)	2003 (KD 000)	2002 (KD 000)	2003 (KD 000)	2002 (KD 000)
Segment revenue	3,093	2,287	1,238	1,455	4,331	3,742
Segment result	1,302	841	350	624	1,652	1,465
Unallocated revenue					402	3
Unallocated expenses					(58)	(53)
Net profit					1,996	1,415

Geographical Segments

On presenting the information based on the geographical segments, segment revenue is based on the geographical location of the customers. Segment assets and liabilities are based on the geographical location of the assets and liabilities.

	Kuwait		Middle East (except Kuwait)		Total	
	2003 (KD 000)	2002 (KD 000)	2003 (KD 000)	2002 (KD 000)	2003 (KD 000)	2002 (KD 000)
Total revenue	4,320	3,302	13	443	4,333	3,745
Total assets	18,718	16,939	4,583	4,946	23,301	21,885
Total liabilities	2,035	1,187	91	393	2,126	1,580

27. Comparative figures

Where necessary, comparative figures have been reclassified to conform with the presentation in the current year.