

Interim condensed consolidated financial information and review report  
YIACO Medical Company – KSC (Closed) and Subsidiaries  
Kuwait  
30 September 2012 (Unaudited)

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## Report on review of interim condensed consolidated financial information

To the board of directors of  
YLACO Medical Company - KSC (Closed)  
Kuwait

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of YLACO Medical Company – KSC (Closed) (the “Parent Company”) and its subsidiaries (together the “Group”) as of 30 September 2012 and the related interim condensed consolidated statement of income, and interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and the related interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the nine-month period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 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 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 34, “Interim Financial Reporting”.

### 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 violations of the Commercial Companies Law of 1960, or of the articles of association of the Parent Company, as amended, have occurred during the nine-month period ended 30 September 2012 that might have had a material effect on the business or financial position of the Parent Company.

Abdullatif M. Al-Aiban (CPA)  
(Licence No. 94-A)  
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

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## Interim condensed consolidated statement of income

	Three months ended		Nine months ended	
	30 Sept. 2012 KD	30 Sept. 2011 KD	30 Sept. 2012 KD	30 Sept. 2011 KD
<b>Revenue</b>				
Sales	23,175,157	23,117,567	70,895,708	68,059,758
Cost of sales	(18,765,503)	(18,332,827)	(54,632,059)	(53,214,326)
<b>Gross profit</b>	<b>4,409,654</b>	<b>4,784,740</b>	<b>16,263,649</b>	<b>14,845,432</b>
Other operating income	88,770	87,837	347,678	353,730
Distribution costs	(937,853)	(915,790)	(3,053,773)	(2,666,426)
Administrative expenses	(2,906,690)	(2,775,287)	(9,177,641)	(8,263,430)
Allowance for bad and doubtful debts	(110,937)	(295,317)	(228,439)	(437,552)
<b>Profit from operating activities</b>	<b>542,944</b>	<b>886,183</b>	<b>4,151,474</b>	<b>3,831,754</b>
Dividend income	-	6,875	-	20,625
Gain/(loss) on disposal of property, plant and equipment	46	24	(51)	(31,558)
Share of results of associate	162,637	359,695	632,485	599,588
Net (loss)/gain on investments carried at fair value through statement of income	(23,100)	5,500	(29,700)	142,056
Finance costs	(229,104)	(165,962)	(609,589)	(460,848)
<b>Profit for the period before income tax</b>	<b>453,423</b>	<b>1,092,315</b>	<b>4,144,619</b>	<b>4,101,617</b>
Income tax for overseas subsidiaries	(5,390)	(10,042)	(44,317)	(30,246)
<b>Profit before directors' remuneration, contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat</b>	<b>448,033</b>	<b>1,082,273</b>	<b>4,100,302</b>	<b>4,071,371</b>
Directors' remuneration	(8,750)	(5,250)	(26,250)	(15,750)
Provision for contribution to KFAS	(2,543)	(9,740)	(30,414)	(36,642)
Provision for NLST	(17,003)	(27,013)	(117,931)	(114,172)
Provision for Zakat	(5,175)	(13,265)	(40,848)	(45,669)
<b>Profit for the period</b>	<b>414,562</b>	<b>1,027,005</b>	<b>3,884,859</b>	<b>3,859,138</b>
<b>Attributable to:</b>				
Equity holders of the parent company	412,248	1,021,289	3,866,597	3,847,331
Non-controlling interests	2,314	5,716	18,262	11,807
	414,562	1,027,005	3,884,859	3,859,138
<b>Basic and diluted earnings per share attributable to the equity holders of the parent company</b>	<b>5</b>	<b>2.50 Fils</b>	<b>6.19 Fils</b>	<b>23.43 Fils</b>
			<b>23.32 Fils</b>	


## Interim condensed consolidated statement of comprehensive income

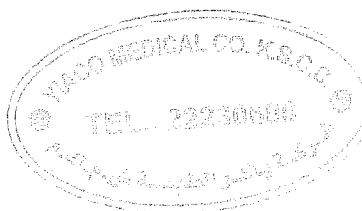
	Three months ended		Nine months ended	
	30 Sept. 2012 (Unaudited) KD	30 Sept. 2011 (Unaudited) KD	30 Sept. 2012 (Unaudited) KD	30 Sept. 2011 (Unaudited) KD
Profit for the period	414,562	1,027,005	3,884,859	3,859,138
<b>Other comprehensive income/(loss):</b>				
Exchange differences arising on translation of foreign operations	2,268	(14,906)	5,843	(91,567)
Other comprehensive income/(loss) for the period	2,268	(14,906)	5,843	(91,567)
Total comprehensive income for the period	416,830	1,012,099	3,890,702	3,767,571
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the parent company	414,408	1,028,050	3,872,149	3,787,120
Non-controlling interests	2,422	(15,951)	18,553	(19,549)
	416,830	1,012,099	3,890,702	3,767,571

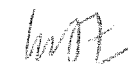
The notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.

## Interim condensed consolidated statement of financial position

	Notes	30 Sept. 2012 (Unaudited) KD	31 Dec. 2011 (Audited) KD	30 Sept. 2011 (Unaudited) KD
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		8,201,547	9,070,827	7,722,668
Inventory assigned to customers		22,426	26,419	51,233
Intangible assets		1,133,821	1,231,063	1,151,314
Investment in associate		7,240,242	6,880,769	6,677,724
Investments at fair value through statement of income		1,104,400	1,134,100	1,161,600
Available for sale investment		78,120	78,120	117,600
		<b>17,780,556</b>	<b>18,421,318</b>	<b>16,882,139</b>
<b>Current assets</b>				
Inventories		23,453,503	24,152,640	18,843,891
Accounts receivable and prepayments	6	32,032,250	25,524,536	28,101,258
Cash and cash equivalents		8,097,306	5,477,754	5,885,618
		<b>63,583,059</b>	<b>55,154,930</b>	<b>52,830,767</b>
<b>Total assets</b>		<b>81,363,615</b>	<b>73,576,248</b>	<b>69,712,906</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		16,500,000	16,500,000	16,500,000
Statutory reserve		3,187,576	3,187,576	2,655,918
Voluntary reserve		120,622	120,622	120,622
General reserve		637,472	637,472	637,472
Foreign currency translation reserve		20,124	14,572	8,342
Retained earnings		10,622,221	9,230,624	8,576,076
<b>Equity attributable to equity holders of the parent company</b>		<b>31,088,015</b>	<b>29,690,866</b>	<b>28,498,430</b>
Non-controlling interests		195,606	177,053	178,728
<b>Total equity</b>		<b>31,283,621</b>	<b>29,867,919</b>	<b>28,677,158</b>
<b>Non-current liabilities</b>				
Murabaha payable	7	131,908	195,503	215,774
Employees' end of service benefits		1,919,105	1,665,345	1,527,834
		<b>2,051,013</b>	<b>1,860,848</b>	<b>1,743,608</b>
<b>Current liabilities</b>				
Accounts payable and accruals		22,945,116	24,769,038	22,215,426
Murabaha payable	7	25,083,865	17,078,443	17,076,714
		<b>48,028,981</b>	<b>41,847,481</b>	<b>39,292,140</b>
<b>Total liabilities</b>		<b>50,079,994</b>	<b>43,708,329</b>	<b>41,035,748</b>
<b>Total equity and liabilities</b>		<b>81,363,615</b>	<b>73,576,248</b>	<b>69,712,906</b>

  
 Dr. Hamed A. Hamadah  
 Chairman & Managing Director



  
 Mr. Walid Abu Zaid  
 Chief Financial Officer

The notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.

## Interim condensed consolidated statement of changes in equity

	Attributable to equity holders of the parent company						Non- controlling interests	Total equity	
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	General reserve KD	Foreign currency				Total KD
					translation reserve KD	Retained earnings KD			
<b>Balance at 1 January 2012 (Audited)</b>	16,500,000	3,187,576	120,622	637,472	14,572	9,230,624	177,053	29,867,919	
Profit for the period	-	-	-	-	-	3,866,597	18,262	3,884,859	
Other comprehensive income	-	-	-	-	5,552	-	291	5,843	
Total comprehensive income for the period	-	-	-	-	5,552	3,866,597	18,553	3,890,702	
Dividend paid (note 8)	-	-	-	-	-	(2,475,000)	-	(2,475,000)	
<b>Balance at 30 September 2012 (Unaudited)</b>	<b>16,500,000</b>	<b>3,187,576</b>	<b>120,622</b>	<b>637,472</b>	<b>20,124</b>	<b>10,622,221</b>	<b>195,606</b>	<b>31,283,621</b>	
<b>Balance as at 1 January 2011 (Audited)</b>	16,500,000	2,655,918	120,622	637,472	68,553	6,378,745	198,277	26,559,587	
Profit for the period	-	-	-	-	-	3,847,331	11,807	3,859,138	
Other comprehensive loss	-	-	-	-	(60,211)	-	(31,356)	(91,567)	
Total comprehensive (loss)/income for the period	-	-	-	-	(60,211)	3,847,331	(19,549)	3,767,571	
Dividend paid (note 8)	-	-	-	-	-	(1,650,000)	-	(1,650,000)	
<b>Balance at 30 September 2011 (Unaudited)</b>	<b>16,500,000</b>	<b>2,655,918</b>	<b>120,622</b>	<b>637,472</b>	<b>8,342</b>	<b>8,576,076</b>	<b>178,728</b>	<b>28,677,158</b>	

The notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.

## Interim condensed consolidated statement of cash flows

	Nine months ended 30 Sept. 2012 (Unaudited) KD	Nine months ended 30 Sept. 2011 (Unaudited) KD
<b>OPERATING ACTIVITIES</b>		
Profit for the period	3,884,859	3,859,138
Adjustments for:		
Depreciation and amortisation	1,603,876	1,267,480
Share of results of associate	(632,425)	(599,588)
Provision for employees' end of service benefits	351,791	370,881
Dividend income	-	(20,625)
Finance costs	609,589	460,848
Loss on disposal of property, plant and equipment	51	31,558
Income tax for overseas subsidiaries	44,317	30,246
Net loss/(gain) on investments at fair value through statement of income	29,700	(142,056)
Write-off of inventory assigned to customers	-	59,302
Provision for slow moving and expired items	153,019	359,858
Allowance for bad and doubtful debts	228,439	437,552
	<b>6,273,156</b>	<b>6,114,594</b>
Working capital changes :		
Inventories	546,118	764,473
Accounts receivable and prepayments	(6,736,153)	(5,233,334)
Accounts payable and accruals	(1,909,728)	(853,408)
Cash (used in)/from operations	(1,826,607)	792,325
Income tax paid	(44,317)	(30,246)
Employees' end of service benefits paid	(98,031)	(118,293)
<b>Net cash (used in)/from operating activities</b>	<b>(1,968,955)</b>	<b>643,786</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(633,558)	(1,497,124)
Proceeds from disposal of property, plant and equipment	93,273	54,322
Proceeds from sale of investments carried at fair value through statement of income	-	572,456
Dividend received from associate	273,012	136,506
Dividend income received	-	20,625
Addition to investment in associate	-	(222,995)
Payment for key money	(97,100)	-
Net movement in inventory assigned to customers	3,993	9,454
<b>Net cash used in investing activities</b>	<b>(360,380)</b>	<b>(926,756)</b>
<b>FINANCING ACTIVITIES</b>		
Finance cost paid	(523,783)	(452,059)
Net drawdown of murabaha payable	7,941,827	1,096,785
Dividend paid	(2,475,000)	(1,650,000)
<b>Net cash from/(used in) financing activities</b>	<b>4,943,044</b>	<b>(1,005,274)</b>
Effect of foreign currency translation	5,843	(91,567)
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>2,619,552</b>	<b>(1,379,811)</b>
Cash and cash equivalents at the beginning of the period	5,477,754	7,265,429
<b>Cash and cash equivalents at the end of the period</b>	<b>8,097,306</b>	<b>5,885,618</b>

The notes set out on pages 7 to 13 form an integral part of this interim condensed consolidated financial information.



## Notes to the interim condensed consolidated financial information

### 1 Incorporation and activities

YIACO Medical Company – KSC (Closed) (the ‘parent company’) was incorporated on 15 January 1969 in Kuwait and its shares are listed on the Kuwait Stock Exchange. The group comprises of parent company and its subsidiaries and operates mainly in Kuwait and Egypt. The group’s principal activities are the import and sale of medical, chemical and dental products and equipment.

In all cases the parent company is governed in all its activities by Islamic Shariaa.

The address of the parent company’s registered office is P.O. Box 435, Safat 13005, State of Kuwait.

The interim condensed consolidated financial information of the group for the nine months ended 30 September 2012 were authorized for issue in accordance with a resolution of the Board of Directors on 12 November 2012.

### 2 Basis of preparation

The interim condensed consolidated financial information of the group has been prepared in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’. The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements of the group for the year ended 31 December 2011 except for adoption of relevant new standards, amendments to certain standards and interpretations discussed below.

The interim condensed consolidated financial information has been presented in Kuwaiti Dinars which is the functional currency of the parent company.

This 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 management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

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.

Operating results for the nine month period ended 30 September 2012 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2012. For further details, refer to the consolidated financial statements and its disclosures for the year ended 31 December 2011.

## Notes to the interim condensed consolidated financial information (continued)

### 2 Basis of presentation (continued)

#### Adoption of new IASB Standards and amendments during the period

The group has adopted the following amended IFRS during the period:

##### *IFRS 7 Financial Instruments: Disclosures- amendment*

The amendments to IFRS 7 Financial Instruments: Disclosures resulted as a part of comprehensive review of off financial position activities. The amendments allows users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitisations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also required additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The adoption of this amendment did not have any significant impact on the financial position or performance of the group.

#### IASB Standards issued but not yet effective

At the date of authorisation of this interim condensed consolidated financial information, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the group.

Management anticipates that all of the relevant pronouncements will be adopted in the group's accounting policies for the first period beginning after the effective date of the pronouncement. Management is yet to determine impact of these pronouncements in the consolidated financial statements. Information on new standards, amendments and interpretations that are expected to be relevant to the group's financial statements is provided below.

<i>Standard or Interpretation</i>	<i>Effective for annual periods beginning</i>
IAS 1 Presentation of Financial Statements – amendment	1 July 2012
IAS 27 Consolidated and Separate Financial Statements - Revised as IAS 27 Separate Financial Statements	1 January 2013
IAS 28 Investments in Associates - Revised as IAS 28 Investments – Associates and Joint Venture	1 January 2013
IFRS 9 Financial Instruments: Classification and Measurement	1 January 2015
IFRS 10 Consolidated Financial Statements	1 January 2013
IFRS 12 Disclosure of Interest in Other Entities	1 January 2013
IFRS 13 Fair Value Measurement	1 January 2013

##### *IAS 1 Presentation of Financial Statements- amendment*

The amendment to IAS 1 requires entities to group other comprehensive income items presented in the interim condensed consolidated statement of comprehensive income based on those:

- a) Potentially reclassifiable to consolidated statement of income in a subsequent period, and
- b) That will not be reclassified to interim condensed consolidated statement of income subsequently.

The group will change the current presentation of the interim condensed consolidated statement of comprehensive income when the amendment becomes effective.

##### *IAS 27 Consolidated and Separate Financial statements – Revised as IAS 27 Separate Financial Statements*

As a result of the consequential amendments, IAS 27 now deals with separate financial statements.

## Notes to the interim condensed consolidated financial information (continued)

### 2 Basis of presentation (continued)

#### IASB Standards issued but not yet effective (continued)

##### *IAS 28 Investments in Associates – Revised as IAS 28 Investments in Associates and Joint Ventures*

As a result of the consequential amendments, IAS 28 brings investments in joint ventures into its scope. However, the equity accounting methodology under IAS 28 remains unchanged.

##### *IFRS 9 Financial Instruments*

The IASB aims to replace IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety, with the replacement standard to be effective for annual periods beginning 1 January 2015. IFRS 9 is the first part of Phase 1 of this project. The main phases are:

- Phase 1: Classification and Measurement
- Phase 2: Impairment methodology
- Phase 3: Hedge accounting

In addition, a separate project is dealing with derecognition.

Although earlier application of this standard is permitted, the Technical Committee of the Ministry of Commerce and Industry of Kuwait decided on 30 December 2009, to postpone this early application till further notice, due to the non-completion of the remaining stages of the standard.

##### *IFRS 10 Consolidated Financial Statements*

IFRS 10 supersedes IAS 27 Consolidated and Separate Financial Statements. It revised the definition of control together with accompanying guidance to identify an interest in subsidiary. However, the requirements and procedures of consolidation and the accounting for any non-controlling interests and changes in control remain the same.

##### *IFRS 12 Disclosure of Interests in Other Entities*

IFRS 12 is designed to complement the other new standards. It sets out consistent disclosure requirements for subsidiaries, joint ventures and associates, as well as unconsolidated structured entities. The disclosure requirements are extensive and will result in significant amounts of new disclosures for some companies. Structured entities were previously referred to in SIC 12 as special purpose entities. The disclosures required by IFRS 12 aim to provide transparency about the risks a company is exposed to through its interests in structured entities.

##### *IFRS 13 Fair Value Measurement*

IFRS 13 does not affect which items to be fair valued, but clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. The adoption of this standard is not expected to have a significant impact on the financial position and performance of the group.

### 3 Judgement and estimates

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 consolidated financial statements as at and for the year ended 31 December 2011.

## Notes to the interim condensed consolidated financial information (continued)

### 4 Liquidation of a subsidiary

During the period, the parent company liquidated Universal Industrial Medical Company - E.S.C incorporated in Egypt, a subsidiary in which it previously had 100% ownership. The group recognised a profit of KD3,698 on liquidation which is included in other operating income.

### 5 Basic and diluted earnings per share attributable to the equity holders of the parent company

Basic and diluted earnings per share are calculated by dividing the profit for the period attributable to the equity holders of the parent company by the weighted average number of shares outstanding during the period.

	Three months ended		Nine months ended	
	30 Sept. 2012 (Unaudited)	30 Sept. 2011 (Unaudited)	30 Sept. 2012 (Unaudited)	30 Sept. 2011 (Unaudited)
Profit for the period attributable to equity holders of the parent company (KD)	412,248	1,021,289	3,866,597	3,847,331
Weighted average number of shares outstanding during the period	165,000,000	165,000,000	165,000,000	165,000,000
Basic and diluted earnings per share attributable to the equity holders of the parent company	2.50 Fils	6.19 Fils	23.43 Fils	23.32 Fils

### 6 Accounts receivable and prepayments

	30 Sept. 2012 (Unaudited) KD	31 Dec. 2011 (Audited) KD	30 Sept. 2011 (Unaudited) KD
Trade accounts receivable	28,098,542	21,926,682	23,908,214
Amounts due from associate	526,120	492,323	697,874
Other receivables	209,709	214,297	488,975
Reimbursable expenses	2,237,171	1,894,811	2,273,998
Advance to suppliers	592,508	445,630	543,921
Prepaid expenses	310,370	517,664	149,921
Staff receivables	57,830	33,129	38,355
	32,032,250	25,524,536	28,101,258

### 7 Murabaha payable

Murabaha payable represents the value of commodities purchased on a deferred settlement basis and carries effective profit payable rates ranging from 4.0% to 9.5% (31 December 2011: 4.5% to 9.5% and 30 September 2011: 4.5% to 9.5%). The murabaha are payable on different dates ending 31 May 2015 and are secured against property, plant and equipment with net book value of KD873,743 (31 December 2011: KD858,208 and 30 September 2011: KD714,462) and against investment in an associate. Amounts payable within the next twelve months are shown as current liabilities.

## Notes to the interim condensed consolidated financial information (continued)

### 8 Cash dividends

The annual general assembly (AGM) of the shareholders held on 16 April 2012 approved the consolidated financial statements for the year ended 31 December 2011.

The AGM also approved distribution of cash dividend of 15 fils (31 December 2010: 10 fils) per share of paid up share capital to the shareholders registered in the parent company's records as at the date of the general assembly for the year 2011. The dividend amounting to KD2,475,000 for the year ended 31 December 2011 (31 December 2010: KD1,650,000) has been paid following the approval.

### 9 Contingent liabilities

At 30 September 2012 the group had contingent liabilities in respect of outstanding letters of guarantees arising in the ordinary course of business amounting to KD15,366,687 (31 December 2011: KD14,140,025 and 30 September 2011: KD13,223,215).

### 10 Related party transactions

Related party transactions are transactions with certain related parties (associate, directors and executive officers of the parent company and their related concerns) entered into by the group in the ordinary course of business and they appear as follows:

	30 Sept. 2012 (Unaudited) KD	31 Dec. 2011 (Audited) KD	30 Sept. 2011 (Unaudited) KD	
<b>Included in the interim condensed consolidated statement of financial position:</b>				
Amounts due from associate (included in accounts receivables and prepayments)	526,120	492,323	697,874	
Amounts due to related parties (included in accounts payable and accruals)	14,092	6,782	-	
<hr/>				
	<b>Three months ended</b>		<b>Nine months ended</b>	
	30 Sept. 2012 (Unaudited) KD	30 Sept. 2011 (Unaudited) KD	30 Sept. 2012 (Unaudited) KD	30 Sept. 2011 (Unaudited) KD
<b>Transactions included in the interim condensed consolidated statement of income:</b>				
Write-off of inventory assigned to customers (associate)	-	-	-	50,407
<b>Compensation of key management</b>				
Directors fees	8,750	5,250	26,250	15,750
Management fees	36,139	87,288	330,976	329,154
Salaries and short term benefits	76,358	80,948	230,698	235,809
Employees' end of service benefits	4,847	4,354	12,857	18,547
	126,094	177,840	600,781	599,260

## Notes to the interim condensed consolidated financial information (continued)

### 11 Segmental information

The group's primary basis of segment reporting is by business segments, which consist of medical and related activities and investments.

Management monitors the opening results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. However, group financing (including finance costs and finance income) and income taxes are managed on a group basis and are not allocated to operating segments.

The revenues and profits generated by the group from business segments are summarised as follows:

	Medical and related activities KD	Investments KD	Total KD
<b>Nine months ended 30 September 2012 (Unaudited)</b>			
Segment revenue	70,895,708	602,785	71,498,493
Segment results	3,497,517	602,785	4,100,302
Unallocated expenses (directors' remuneration, KFAS, NLST and Zakat)			(215,443)
Profit for the period			3,884,859
<b>Three months ended 30 September 2012 (Unaudited)</b>			
Segment revenue	23,175,157	139,537	23,314,694
Segment results	308,496	139,537	448,033
Unallocated expenses (directors' remuneration, KFAS, NLST and Zakat)			(33,471)
Profit for the period			414,562
<b>At 30 September 2012 (Unaudited)</b>			
Total assets	72,940,853	8,422,762	81,363,615
Total liabilities	50,079,994	-	50,079,994
<b>Nine months ended 30 September 2011 (Unaudited)</b>			
Segment revenue	68,059,758	762,269	68,822,027
Segment results	3,309,102	762,269	4,071,371
Unallocated expenses (directors' remuneration, KFAS, NLST and Zakat)			(212,233)
Profit for the period			3,859,138
<b>Three months ended 30 September 2011 (Unaudited)</b>			
Segment revenue	23,117,567	372,070	23,489,637
Segment results	710,203	372,070	1,082,273
Unallocated expenses (directors' remuneration, KFAS, NLST and Zakat)			(55,268)
Profit for the period			1,027,005
<b>At 30 September 2011 (Unaudited)</b>			
Total assets	61,755,982	7,956,924	69,712,906
Total liabilities	41,035,748	-	41,035,748

## Notes to the interim condensed consolidated financial information (continued)

### 12 Financial risk management

All aspects of the group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements for the year ended 31 December 2011.