

**KUWAIT PROJECTS COMPANY HOLDING
K.S.C.P. AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION**

30 SEPTEMBER 2016 (UNAUDITED)



Building a better
working world

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KUWAIT PROJECTS COMPANY HOLDING K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Projects Company Holding K.S.C.P. (the "Parent Company") and its subsidiaries (collectively the "Group") as at 30 September 2016, and the related interim condensed consolidated income statement and interim condensed consolidated statement of comprehensive income for three months and nine months periods then ended, and the related interim condensed consolidated cash flow statement and interim condensed consolidated statement of changes in equity for the nine months 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 ("IAS 34"). 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 IAS 34.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, and its executive regulations, or of the articles of association and memorandum of incorporation of the Parent Company during the nine months period ended 30 September 2016 that might have had a material effect on the business of the Parent Company or on its financial position.

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26 October 2016
Kuwait

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries
INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
For the period ended 30 September 2016

	<i>Notes</i>	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
		<i>2016</i> <i>KD 000's</i>	<i>(Restated)*</i> <i>2015</i> <i>KD 000's</i>	<i>2016</i> <i>KD 000's</i>	<i>(Restated)*</i> <i>2015</i> <i>KD 000's</i>
Income:					
Interest income		92,069	76,091	280,482	233,888
Investment income (loss)	9	5,451	(1,401)	16,818	16,946
Fee and commission income		17,638	11,483	43,500	38,993
Share of results of associates		6,962	927	27,181	13,464
Share of results of a media joint venture	4	(410)	3,122	303	7,586
Digital satellite network services income		3,347	5,851	12,618	18,621
Hospitality and real estate income		19,059	17,602	55,216	48,030
Manufacturing and distribution income		8,861	13,061	23,555	30,041
Other income		3,535	8,423	14,224	16,957
Foreign exchange gain		2,669	12,630	13,452	26,881
Income		159,181	147,789	487,349	451,407
Expenses:					
Interest expense		60,790	44,463	179,613	134,148
Digital satellite network services expense		2,605	3,667	9,829	11,479
Hospitality and real estate expenses		12,703	9,637	33,625	26,591
Manufacturing and distribution expense		7,970	12,388	20,562	27,581
General and administrative expenses		38,894	38,293	120,517	119,798
Depreciation and amortisation		6,202	5,888	18,334	17,603
Expenses		129,164	114,336	382,480	337,200
Operating profit before provisions		30,017	33,453	104,869	114,207
Provision for credit losses		(6,321)	(7,998)	(20,301)	(26,649)
Provision for impairment of investments		(204)	(755)	(3,567)	(1,919)
Profit before taxation		23,492	24,700	81,001	85,639
Taxation		(3,726)	(2,062)	(11,833)	(8,857)
Profit for the period		19,766	22,638	69,168	76,782
Attributable to:					
Equity holders of the Parent Company		12,012	11,786	40,020	36,933
Non controlling interest		7,754	10,852	29,148	39,849
		19,766	22,638	69,168	76,782
		<i>Fils</i>	<i>Fils</i>	<i>Fils</i>	<i>Fils</i>
EARNINGS PER SHARE:					
Basic - attributable to the equity holders of the Parent Company	10	6.32	6.09	24.62	22.11
Diluted - attributable to the equity holders of the Parent Company	10	6.32	6.06	24.62	22.02

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 30 September 2015 and reflect adjustments made as detailed in Note 4.

The attached notes 1 to 16 form part of these interim condensed consolidated financial information.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2016

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2016</i>	<i>(Restated)*</i>	<i>2016</i>	<i>(Restated)*</i>
	<i>KD 000's</i>	<i>2015</i>	<i>KD 000's</i>	<i>2015</i>
		<i>KD 000's</i>		<i>KD 000's</i>
Profit for the period	19,766	22,638	69,168	76,782
<i>Other comprehensive income</i>				
<i>Items that are or may be reclassified to interim condensed consolidated income statement in subsequent periods:</i>				
Financial assets available for sale:				
- Net fair value gain	3,122	501	429	447
- Net transfer to interim condensed consolidated income statement	(596)	(897)	2,231	468
Change in fair value of cashflow hedge	1,591	2	(6,072)	(11)
Foreign currency translation adjustment	(8,497)	(15,086)	(13,548)	(26,036)
Share of other comprehensive income / (loss) from associates and joint venture	142	638	(6,286)	(2,905)
Other comprehensive loss for the period	(4,238)	(14,842)	(23,246)	(28,037)
Total comprehensive income for the period	15,528	7,796	45,922	48,745
Attributable to:				
Equity holders of the Parent Company	9,747	3,336	23,447	18,142
Non controlling interest	5,781	4,460	22,475	30,603
	15,528	7,796	45,922	48,745

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 30 September 2015 and reflect adjustments made as detailed in Note 4.

The attached notes 1 to 16 form part of these interim condensed consolidated financial information.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the period ended 30 September 2016

	Notes	<i>Nine months ended</i>	
		<i>30 September</i>	
		2016	<i>(Restated)*</i>
		KD 000's	2015
			KD 000's
OPERATING ACTIVITIES			
Profit before taxation		81,001	85,639
<i>Adjustments to reconcile profit before taxation to net cash flows:</i>			
Interest income		(280,482)	(233,888)
Investment income	9	(16,818)	(16,946)
Share of results of associates		(27,181)	(13,464)
Share of results of a media joint venture		(303)	(7,586)
Interest expense		179,613	134,148
Depreciation and amortisation		18,334	17,603
Provision for credit losses		20,301	26,649
Provision for impairment of investments		3,567	1,919
Foreign exchange (income) loss on loans payable and medium term notes		(588)	8,213
Provision for employee stock option plan		(391)	(197)
		(22,947)	2,090
Changes in operating assets and liabilities:			
Deposits with original maturities exceeding three months		(5,203)	(7,101)
Treasury bills and bonds		8,535	(18,695)
Loans and advances		(347,416)	(198,347)
Financial assets at fair value through profit or loss		(3,739)	5,888
Financial assets available for sale		20,251	(32,975)
Other assets		(30,912)	(41,256)
Properties held for trading		(2,161)	(2,098)
Due to banks and other financial institutions		(36,187)	165,090
Deposits from customers		117,595	(56,965)
Other liabilities		(13,825)	(4,934)
Dividends received		4,931	5,494
Interest received		280,419	240,757
Interest paid		(178,358)	(143,936)
Taxation paid		(12,866)	(14,290)
Net cash used in operating activities		(221,883)	(101,278)
INVESTING ACTIVITIES			
Purchase of investment properties		(13,900)	(14,304)
Proceeds from (purchase of) financial assets held to maturity, net		6,679	(12,872)
Acquisition of investment in associates, net		(2,733)	(3,518)
Proceeds from sale of subsidiaries		12,933	-
Proceeds from sale of preference shares of a media joint venture		17,566	-
Redemption of capital from a media joint venture		-	18,271
Dividends from associates		7,500	7,596
Net cash from (used in) investing activities		28,045	(4,827)

The attached notes 1 to 16 form part of these interim condensed consolidated financial information.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT
(UNAUDITED)

For the period ended 30 September 2016

	<i>Notes</i>	<i>Nine months ended</i>	
		<i>30 September</i>	
		2016	<i>(Restated)*</i>
		KD 000's	2015
			KD 000's
FINANCING ACTIVITIES			
Proceed from loans payable, net		23,173	128,097
Proceeds from medium term notes		295,251	-
Repayment of bonds, net		(7,118)	-
Purchase of treasury shares		(13,094)	(28,836)
Proceeds from sale of treasury shares		10,734	22,400
Dividends paid to equity holders of the Parent Company		(33,877)	(36,149)
Dividends paid to non controlling interest		(19,306)	(18,192)
Interest payment on perpetual capital securities		(10,952)	(10,923)
Proceeds from issue of perpetual capital securities		2,415	-
Movement in non controlling interest		(3,068)	(35,801)
Net cash from financing activities		<u>244,158</u>	<u>20,596</u>
Net foreign exchange difference		<u>(9,206)</u>	<u>(17,395)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		41,114	(102,904)
Cash and cash equivalents at 1 January		<u>1,584,616</u>	<u>1,512,628</u>
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	3	<u>1,625,730</u>	<u>1,409,724</u>

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 30 September 2015 and reflect adjustments made as detailed in Notes 4.

The attached notes 1 to 16 form part of these interim condensed consolidated financial information.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2016

	<i>Attributable to equity holders of the Parent Company</i>													
	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Statutory reserve</i>	<i>Voluntary reserve</i>	<i>Cumulative changes in fair values</i>	<i>Foreign currency translation reserve</i>	<i>ESOP reserve</i>	<i>Other reserve</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Perpetual capital securities</i>	<i>Non controlling interest</i>	<i>Total equity</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
As at 31 December 2015 (<i>as previously reported</i>)	147,357	3,111	(84,876)	106,821	106,546	2,198	(32,760)	1,361	(4,114)	262,377	508,021	144,025	608,100	1,260,146
Effect of restatement (note 4)	-	-	-	-	-	-	-	-	-	(4,248)	(4,248)	-	-	(4,248)
As at 1 January 2016 (restated)	147,357	3,111	(84,876)	106,821	106,546	2,198	(32,760)	1,361	(4,114)	258,129	503,773	144,025	608,100	1,255,898
Profit for the period	-	-	-	-	-	-	-	-	-	40,020	40,020	-	29,148	69,168
Other comprehensive loss	-	-	-	-	-	(7,290)	(9,283)	-	-	-	(16,573)	-	(6,673)	(23,246)
Total comprehensive (loss) income	-	-	-	-	-	(7,290)	(9,283)	-	-	40,020	23,447	-	22,475	45,922
Dividends for 2015 at 25 fils per share (note 8)	-	-	-	-	-	-	-	-	-	(33,810)	(33,810)	-	-	(33,810)
Purchase of treasury shares	-	-	(13,094)	-	-	-	-	-	-	-	(13,094)	-	-	(13,094)
Sale of treasury shares	-	-	11,300	-	-	-	-	-	-	(566)	10,734	-	-	10,734
Employees' share based payment	-	-	-	-	-	-	-	147	-	(538)	(391)	-	-	(391)
Dividends paid to non controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(19,306)	(19,306)
Issuance of perpetual capital securities (Note 8)	-	-	-	-	-	-	-	-	-	-	-	2,415	-	2,415
Interest payment on perpetual capital securities	-	-	-	-	-	-	-	-	-	(7,084)	(7,084)	-	(3,868)	(10,952)
Ownership changes in subsidiaries	-	-	-	-	-	-	-	-	1,048	-	1,048	-	(3,607)	(2,559)
As at 30 September 2016	147,357	3,111	(86,670)	106,821	106,546	(5,092)	(42,043)	1,508	(3,066)	256,151	484,623	146,440	603,794	1,234,857

The attached notes 1 to 16 form part of these interim condensed consolidated financial information.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (continued)

For the period ended 30 September 2016

	Attributable to equity holders of the Parent Company											Perpetual capital securities KD 000's	Non controlling interest KD 000's	Total equity KD 000's
	Share capital KD 000's	Share premium KD 000's	Treasury shares KD 000's	Statutory reserve KD 000's	Voluntary reserve KD 000's	Cumulative changes in fair values KD 000's	Foreign currency translation reserve KD 000's	ESOP reserve KD 000's	Other reserve KD 000's	Retained earnings KD 000's	Total KD 000's			
As at 31 December 2014 (as previously reported)	147,357	3,111	(76,773)	101,480	101,205	(1,563)	(24,522)	1,545	317	262,971	515,128	144,025	615,324	1,274,477
Effect of restatement (note 4)	-	-	-	-	-	-	-	-	-	(1,699)	(1,699)	-	-	(1,699)
As at 1 January 2015 (restated)*	147,357	3,111	(76,773)	101,480	101,205	(1,563)	(24,522)	1,545	317	261,272	513,429	144,025	615,324	1,272,778
Profit for the period (restated)*	-	-	-	-	-	-	-	-	-	36,933	36,933	-	39,849	76,782
Other comprehensive loss	-	-	-	-	-	(1,591)	(17,200)	-	-	-	(18,791)	-	(9,246)	(28,037)
Total comprehensive (loss) income (restated)*	-	-	-	-	-	(1,591)	(17,200)	-	-	36,933	18,142	-	30,603	48,745
Dividends for 2014 at 25 fils per share (note 8)	-	-	-	-	-	-	-	-	-	(36,051)	(36,051)	-	-	(36,051)
Purchase of treasury shares	-	-	(28,836)	-	-	-	-	-	-	-	(28,836)	-	-	(28,836)
Sale of treasury shares	-	-	20,715	-	-	-	-	-	-	1,685	22,400	-	-	22,400
Employees' share based payment	-	-	-	-	-	-	-	48	-	(245)	(197)	-	-	(197)
Dividends paid to non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	(18,192)	(18,192)
Interest payment on perpetual capital securities	-	-	-	-	-	-	-	-	-	(6,973)	(6,973)	-	(3,950)	(10,923)
Ownership changes in subsidiaries	-	-	-	-	-	-	-	-	(1,119)	-	(1,119)	-	(33,024)	(34,143)
As at 30 September 2015 (restated)*	147,357	3,111	(84,894)	101,480	101,205	(3,154)	(41,722)	1,593	(802)	256,621	480,795	144,025	590,761	1,215,581

* Certain amounts shown here do not correspond to the interim condensed consolidated financial information as at 30 September 2015 and reflect adjustments made as detailed in Note 4.

The attached notes 1 to 16 form part of these interim condensed consolidated financial information.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

1 CORPORATE INFORMATION

Kuwait Projects Company Holding K.S.C.P. (the "Parent Company") is a public shareholding company registered and incorporated under the laws of the State of Kuwait on 2 August 1975, and listed on the Kuwait Stock Exchange. The address of the Parent Company's registered office is P.O. Box 23982, Safat 13100 - State of Kuwait.

The interim condensed consolidated financial information of the Parent Company and its subsidiaries (collectively the "Group") for the nine months period ended 30 September 2016 were authorised for issue in accordance with a resolution of the Board of Directors on 26 October 2016.

The new Companies Law No. 1 of 2016 was issued on 24 January 2016 and it was published in the Official Gazette on 1 February 2016, which cancelled the Companies Law No 25 of 2012, and its amendments. According to article No. 5, the new Law will be effective retrospectively from 26 of November 2012. The new Executive Regulations of Law No. 1 of 2016 was issued on 12 July 2016 and was published in the Official Gazette on 17 July 2016 which cancelled the Executive Regulations of Law No. 25 of 2012.

The principal activities of the Parent Company comprise the following:

1. Owning stocks and shares in Kuwaiti or non-Kuwaiti companies and shares in Kuwaiti or non-Kuwaiti limited liability companies and participating in the establishment of, lending to and managing of these companies and acting as a guarantor for these companies.
2. Lending money to companies in which it owns shares, guaranteeing them with third parties where the holding parent company owns 20% or more of the capital of the borrowing company.
3. Owning industrial equities such as patents, industrial trademarks, royalties, or any other related rights and franchising them to other companies or using them within or outside the state of Kuwait.
4. Owning real estate and moveable properties to conduct its operations within the limits as stipulated by law.
5. Employing excess funds available with the Parent Company by investing them in investment and real estate portfolios managed by specialized companies.

The major shareholder of the Parent Company is Al Futtooh Holding Company K.S.C. (Closed).

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The interim condensed consolidated financial information of the Group have been prepared in accordance with International Accounting Standard ("IAS") 34: Interim Financial Reporting as noted below.

The interim condensed consolidated financial information does not include all the information and disclosures required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). In the opinion of management, all adjustments considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2016. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2015.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD") and all values are rounded to the nearest KD thousand except when otherwise indicated.

Changes in accounting policy and disclosures

The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2015, except for the adoption of the following amendment effective during the period:

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests

The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant IFRS 3 Business Combinations principles for business combination accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation if joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Changes in accounting policy and disclosures (continued)

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests (continued)

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group as there has been no interest acquired in a joint operation during the period.

Amendments to IAS 27: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in their separate financial statements will have to apply that change retrospectively. First-time adopters of IFRS electing to use the equity method in their separate financial statements will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group's consolidated financial statements.

Annual improvements for 2012-2014 cycle which are effective for annual periods beginning on or after 1 January 2016 have no material impact on the Group.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3 CASH IN HAND AND AT BANKS

	<i>30 September</i> <i>2016</i> <i>KD 000's</i>	<i>(Audited)</i> <i>31 December</i> <i>2015</i> <i>KD 000's</i>	<i>30 September</i> <i>2015</i> <i>KD 000's</i>
Cash and bank balances	829,117	1,001,569	979,120
Deposits with original maturities up to three months	796,613	583,047	430,604
Cash and cash equivalents	1,625,730	1,584,616	1,409,724
Add: deposits with original maturities exceeding three months	10,995	5,792	10,152
	<u>1,636,725</u>	<u>1,590,408</u>	<u>1,419,876</u>

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

4 INVESTMENT IN A MEDIA JOINT VENTURE

The Group owns 60.50% equity interest in Panther Media Group Limited (“PMGL”) known as “OSN”, a jointly controlled entity incorporated in Dubai and registered in the Dubai International Financial Center, engaged in providing satellite encrypted pay television services across the Middle East and North Africa region.

During the period, PMGL’s comparative information as at 31 December 2015 and the interim condensed consolidated financial information as at 30 September 2015 have been restated (in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors). As a result, PMGL had recognised a loss of USD 23,164 thousand as at 31 December 2015, and a loss of USD 1,702 thousand for the nine months ended 30 September 2015 in its interim condensed consolidated financial information.

Accordingly, the investment in a media joint venture and the equity for the Group has decreased by KD 1,699 thousand as at 31 December 2014, KD 4,248 thousand as at 31 December 2015 and by KD 2,006 thousand as at 30 September 2015. The Group’s share of results of a media joint venture for the nine months period ended 30 September 2015 has decreased by KD 307 thousand.

The Group’s interest in PMGL is accounted for using the equity method. Summarized financial information PMGL before inter-company eliminations is as follows:

	30 September 2016	<i>(Audited)</i> 31 December 2015	30 September 2015
	<i>(Restated)</i> KD 000’s	<i>(Restated)</i> KD 000’s	<i>(Restated)</i> KD 000’s
Current assets	110,546	101,432	98,135
Non-current assets	427,526	435,203	435,505
Current liabilities	(114,718)	(97,576)	(95,500)
Non-current liabilities	(56,613)	(69,734)	(73,915)
Equity	366,741	369,325	364,225
Group’s carrying value	152,960	166,410	163,544

	Three months ended 30 September		Nine months ended 30 September	
	2016	<i>(Restated)</i> 2015	2016	<i>(Restated)</i> 2015
	<i>(Restated)</i> KD 000’s	KD 000’s	<i>(Restated)</i> KD 000’s	KD 000’s
Income	49,507	49,645	151,580	149,121
Expenses	(50,186)	(44,478)	(151,079)	(136,566)
(Loss) profit for the period	(679)	5,167	501	12,555
Total comprehensive income for the period	558	4,932	1,368	12,633
Group’s share of (loss) profit for the period	(410)	3,122	303	7,586
Group’s share of total comprehensive income for the period	337	2,980	827	7,633

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

5 LOANS PAYABLE

	<i>(Audited)</i>	
	<i>30 September</i>	<i>31 December</i>
	<i>2016</i>	<i>2015</i>
	<i>KD 000's</i>	<i>KD 000's</i>
	<i>30 September</i>	<i>30 September</i>
	<i>2015</i>	<i>2015</i>
	<i>KD 000's</i>	<i>KD 000's</i>
<i>By the Parent Company:</i>		
Loans with maturity above 1 year	25,000	40,000
	<u>25,000</u>	<u>40,000</u>
<i>By the subsidiaries:</i>		
Loans with maturity within 1 year	309,436	251,723
Islamic financing payables with maturity within 1 year	1,710	1,655
Loans with maturity above 1 year	514,389	544,876
Islamic financing payables with maturity above 1 year	51,580	53,345
	<u>877,115</u>	<u>851,599</u>
Less: inter-group borrowings	<u>(442,961)</u>	<u>(455,618)</u>
	<u>459,154</u>	<u>359,191</u>

6 BONDS

	<i>(Audited)</i>	
	<i>30 September</i>	<i>31 December</i>
	<i>2016</i>	<i>2015</i>
	<i>KD 000's</i>	<i>KD 000's</i>
	<i>30 September</i>	<i>30 September</i>
	<i>2015</i>	<i>2015</i>
	<i>KD 000's</i>	<i>KD 000's</i>
<i>Issued by the Parent Company:</i>		
Fixed interest of 4.75% per annum and matured on 16 January 2016	-	48,500
Floating interest of 2.00% per annum above the CBK discount rate (capped at 1% above the fixed rate tranche per annum) and matured on 16 January 2016	-	31,500
<i>Issued by subsidiaries:</i>		
Fixed interest of 5.65% per annum and maturing on 27 December 2022	35,167	40,788
Floating interest of 3.90% per annum above the CBK discount rate (capped at 6.65% per annum) and maturing on 27 December 2022	37,154	57,461
Fixed interest of 5.75% per annum and maturing on 24 June 2018	36,450	36,450
Floating interest of 3.25% per annum above the CBK discount rate and maturing on 24 June 2018	23,550	23,550
Fixed interest of 6% per annum and maturing on 9 March 2026	29,757	-
Floating interest of 3.95% per annum above the CBK discount rate (capped at 7% per annum) and maturing on 9 March 2026	69,103	-
	<u>231,181</u>	<u>238,249</u>
Less: inter-group eliminations	<u>(9,000)</u>	<u>(9,000)</u>
	<u>222,181</u>	<u>229,249</u>

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

7 MEDIUM TERM NOTES

	<i>30 September 2016</i>	<i>(Audited) 31 December 2015</i>	<i>30 September 2015</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
<i>Euro medium term notes ("EMTN") issued by the Parent Company through an SPV:</i>			
Fixed rate notes amounting to US\$ 500 million having a term of 7 years maturing on 17 October 2016 and carrying a coupon interest rate of 8.875% per annum payable on a semi annual basis. The notes are listed on the London Stock Exchange. These notes were matured and repaid subsequent to the period ended 30 September 2016.	150,653	151,376	150,564
Fixed rate notes amounting to US\$ 500 million having a term of 10 years maturing on 15 July 2020 and carrying a coupon interest rate of 9.375% per annum payable on a semi annual basis. The notes are listed on the London Stock Exchange.	149,709	150,621	149,879
Fixed rate notes amounting to US\$ 500 million having a term of 5 years maturing on 5 February 2019 and carrying a coupon interest rate of 4.8% per annum payable on a semi annual basis. The notes are listed on the London Stock Exchange.	150,517	151,544	150,829
Fixed rate notes amounting to US\$ 500 million having a term of 7 years maturing on 15 March 2023 and carrying a coupon interest rate of 5% per annum payable on a semi annual basis. The notes are listed on the London Stock Exchange.	150,675	-	-
<i>Issued by subsidiaries:</i>			
Floating rate subordinated debt note amounting to US\$ 100 million having a term of 10 years maturing on 12 October 2016 and carrying a coupon interest rate of 3 months LIBOR plus 190 bps per annum payable on a quarterly basis. The notes are listed on the Singapore Stock Exchange. These notes were matured and repaid subsequent to the period ended 30 September 2016.	30,135	30,350	30,210
Fixed rate notes amounting to US\$ 500 million having a term of 5 years maturing on 14 September 2021 and carrying a coupon interest rate of 3.125%. The notes are listed on the Irish Stock Exchange.	149,629	-	-
Fixed rate notes amounting to US\$ 400 million having a term of 10 years maturing on 29 September 2020 and carrying a coupon interest rate of 7.875% per annum payable on a semi annual basis. The notes are listed on the London Stock Exchange. *	-	-	118,081
	781,318	483,891	599,563
Less: inter-group eliminations	(20,853)	(18,335)	(18,292)
	760,465	465,556	581,271

* During 2015 a subsidiary of the Group – Burgan Bank has exercised its right for an early redemption of the US\$ 400 million 2020 notes.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

8 SHAREHOLDERS' EQUITY, TREASURY SHARES, RESERVES, APPROPRIATIONS AND PERPETUAL CAPITAL SECURITIES

a) Share capital

	<i>30 September 2016 KD 000's</i>	<i>(Audited) 31 December 2015 KD 000's</i>	<i>30 September 2015 KD 000's</i>
Authorised share capital (shares of 100 fils each)	200,000	200,000	200,000
Issued and fully paid up capital (shares of 100 fils each) *	147,357	147,357	147,357

* This comprises 1,049,620,700 shares (31 December 2015: 1,049,620,700 shares and 30 September 2015: 1,049,620,700 shares) which are fully paid up in cash, whereas 423,952,003 shares (31 December 2015: 423,952,003 shares and 30 September 2015: 423,952,003 shares) were issued as bonus shares.

b) Share premium

The share premium is not available for distribution.

c) Treasury shares

	<i>30 September 2016</i>	<i>(Audited) 31 December 2015</i>	<i>30 September 2015</i>
Number of treasury shares	131,230,717	126,104,963	126,163,064
Percentage of capital	8.91%	8.56%	8.56%
Market value (KD 000's)	72,177	73,141	74,436

d) Reserves

Reserves equivalent to the cost of the treasury shares held are not available for distribution.

e) Dividend

On 30 March 2016 the Annual General Assembly of shareholders approved the distribution of cash dividend of 25 fils per share (2015: 25 fils per share) for the year ended 31 December 2015 to the Parent Company's shareholders on record at the date of Annual General Assembly.

f) Perpetual capital securities issued by subsidiaries of the Group

- On 30 September 2014, one of the subsidiaries of the Group - Burgan Bank S.A.K. ("BB") issued perpetual capital securities through Burgan Tier 1 Financing Limited (a newly incorporated special purpose company with limited liability in the Dubai International Financial Centre), amounting to USD 500,000 thousand (equivalent to KD 144,025 thousand).

The perpetual capital securities are unconditionally and irrevocably guaranteed by BB and constitute direct, unconditional, subordinated and unsecured obligations and are classified as equity in accordance with IAS 32: Financial Instruments – Classification. The perpetual capital securities do not have a maturity date. They are redeemable by the subsidiary of the Group at its discretion after 30 September 2019 (the "first call date") or on any interest payment date thereafter subject to the prior consent of the regulatory authority.

The perpetual capital securities bear interest on their nominal amount from the issue date to the first call date at a fixed annual rate of 7.25% per annum. Thereafter the interest rate will be reset at five year intervals. Interest will be payable semi-annually in arrears and treated as a deduction from equity and non controlling interest. The semi-annual interest payment were paid during the period.

BB at its sole discretion may elect not to distribute interest as stipulated and this is not considered an event of default.

During the period, one of the subsidiaries of the Group, United Gulf Bank B.S.C. ("UGB") issued perpetual capital securities amounting to USD 33,000 thousand (equivalent to KD 9,961 thousand). Certain other subsidiaries of the Group subscribed to this perpetual capital securities amounting to USD 25,000 thousand (equivalent to KD 7,546 thousand) which are eliminated on consolidation.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

9 INVESTMENT INCOME (LOSS)

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
Gain (loss) on sale of financial assets at fair value through profit or loss	3,062	(597)	10,408	4,128
Unrealised gain (loss) on financial assets at fair value through profit or loss	672	(755)	(821)	(1,685)
Gain (loss) on sale of financial assets available for sale	703	(109)	408	7,973
Dividend income	1,014	60	4,931	5,494
Gain on sale of investment in associates	-	-	88	616
Gain on sale of subsidiaries*	-	-	1,804	420
	5,451	(1,401)	16,818	16,946

* During the period, the subsidiaries of the Group: North Africa Holding and United Networks Company disposed of their respective subsidiaries "EMIC United Pharmaceutical S.A.E and Gulfnet Communications Company W.L.L" for a total consideration of KD 6,633 thousand and KD 9,000 thousand, respectively. As a result, the Group recognised a gain of KD 1,804 thousand in the interim condensed consolidated income statement.

10 EARNINGS PER SHARE

Basic:

Basic earnings per share is computed by dividing the profit for the period attributable to equity holders of the Parent Company after interest payment on perpetual capital securities by the weighted average number of shares outstanding during the period, as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2016</i>	<i>2015 (Restated)</i>	<i>2016</i>	<i>2015 (Restated)</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
<i>Basic earnings per share:</i>				
Profit for the period attributable to the equity holders of the Parent Company	12,012	11,786	40,020	36,933
Less: interest payment on perpetual capital securities attributable to the equity holders of the Parent Company	(3,541)	(3,546)	(7,084)	(6,973)
Profit for the period attributable to the equity holders of the Parent Company after interest payment on perpetual capital securities	8,471	8,240	32,936	29,960
	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>
<i>Number of shares outstanding:</i>				
Weighted average number of paid up shares	1,473,572,703	1,473,572,703	1,473,572,703	1,473,572,703
Weighted average number of treasury shares	(134,502,918)	(119,945,571)	(135,837,599)	(118,266,367)
Weighted average number of outstanding shares	1,339,069,785	1,353,627,132	1,337,735,104	1,355,306,336
	<i>Fils</i>	<i>Fils</i>	<i>Fils</i>	<i>Fils</i>
Basic earnings per share	6.32	6.09	24.62	22.11

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2016

10 EARNINGS PER SHARE (continued)

Diluted:

Diluted earnings per share is calculated by dividing the profit for the period attributable to the equity holders of the Parent Company after interest payment on perpetual capital securities adjusted for the effect of decrease in profit due to exercise of potential ordinary shares of subsidiaries by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all employee's stock options. The Parent Company has outstanding share options, issued under the Employee Stock Options Plan (ESOP), which may have a dilutive effect on earnings.

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
		<i>(Restated)</i>		<i>(Restated)</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
<i>Diluted earnings per share:</i>				
Profit for the period attributable to the equity holders of the Parent Company after interest payment of perpetual capital securities	8,471	8,240	32,936	29,960
	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>
Weighted average number of outstanding shares	1,339,069,785	1,353,627,132	1,337,735,104	1,355,306,336
Effect of share options on issue	-	5,241,434	-	5,555,120
	1,339,069,785	1,358,868,566	1,337,735,104	1,360,861,456
	<i>Fils</i>	<i>Fils</i>	<i>Fils</i>	<i>Fils</i>
Diluted earnings per share	6.32	6.06	24.62	22.02

Basic and diluted earnings per share for the comparative period has been restated to reflect adjustments made as detailed in Note 4.

11 HEDGE OF NET INVESTMENT IN FOREIGN OPERATION

The Parent Company designated its investments in foreign operations (i.e. investment in PMGL, United Gulf Bank B.S.C., Taka'ud Savings & Pensions Company B.S.C. and Pulsar Knowledge Centre) and EMTN as a hedge of a net investment in foreign operations. EMTN is being used to hedge the Group's exposure to the US\$ foreign exchange risk on these investments. Gains or losses on the retranslation of this borrowing are transferred to interim condensed consolidated statement of comprehensive income to offset any gains or losses on translation of the net investments in the foreign operations. There is no ineffectiveness during the period ended 30 September 2016.

Burgan Bank has entered into a forward foreign exchange contracts between Turkish lira (TRY) and United States Dollar (USD), rolled over on a monthly basis, which has been designated as a hedge of the Bank's net investment in its Turkish subsidiary. This transaction has created a net long position in USD. Gains or losses on the retranslation of the aforesaid contracts are transferred to interim condensed consolidated statement of comprehensive income to offset any gains or losses on translation of the net investments in the Turkish subsidiary. No ineffectiveness from hedges of net investments in foreign operations was recognised in profit or loss during the period.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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12 RELATED PARTY TRANSACTIONS

These represent transactions with related parties, i.e. major shareholder, associates, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Related party balances and transactions consist of the following:

	<i>Major shareholder KD 000's</i>	<i>Associates and joint ventures KD 000's</i>	<i>Others KD 000's</i>	Total 30 September 2016 KD 000's	<i>(Audited) 31 December 2015 KD 000's</i>	<i>30 September 2015 KD 000's</i>
Interim condensed consolidated statement of financial position:						
Loans and advances *	-	188,885	274,473	463,358	428,999	443,250
Other assets	1,822	7,494	2,207	11,523	6,430	4,974
Due to banks and other financial institutions *	-	20,124	8,089	28,213	17,960	31,639
Deposits from customers *	47,648	22,212	17,182	87,042	77,837	71,721
Medium term notes	-	6,123	-	6,123	6,167	6,138
Other liabilities	477	288	243	1,008	965	1,161
Perpetual capital securities	-	1,509	906	2,415	-	-
Commitments and contingent liabilities:						
Letter of credit	-	197	873	1,070	-	-
Guarantees	25	28,994	2,674	31,693	27,535	26,836
					Nine months ended 30 September	
	<i>Major shareholder KD 000's</i>	<i>Associates and joint venture KD 000's</i>	<i>Others KD 000's</i>	2016 KD 000's	2015 KD 000's	
Transactions:						
Interest income	2,503	5,910	4,610	13,023	12,370	
Gain on sale of financial assets available for sale	-	-	-	-	8,586	
Dividend income	-	-	-	-	550	
Fee and commission income	70	6,304	1,276	7,650	3,152	
Other income	-	-	5,047	5,047	5,667	
Interest expense	1,330	315	148	1,793	761	

* Related party balances pertain to operations of a banking subsidiary.

Kuwait Projects Company Holding K.S.C.P. and Subsidiaries

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13 SEGMENT INFORMATION

For management purposes, the Group is organised into six main business segments based on internal reporting provided to the chief operating decision maker as follows:

Commercial banking - represents Group's commercial banking activities which includes retail banking, corporate banking, and private banking and treasury products. These entities are regulated by the Central Banks of the respective countries.

Asset management and investment banking - represents Group's asset management and investment banking activities which includes asset management, corporate finance (advisory and capital markets services), investment advisory and research, and investments of the Group in sectors such as education and healthcare.

Insurance - represents Group's insurance activities and other related services.

Media - represents Group's activities in providing digital satellite network, internet and other related services.

Industrial - represents Group's activities in industrial project development, food, utilities, services and other related sectors.

Hospitality and real estate - represents Group's activities in the hospitality and real estate sector.

Others - represents other activities undertaken by the Group which includes management advisory and consultancy.

Transfer prices between operating segments are at a price approved by the management of the Group.

The following table presents revenue and profit before taxation information regarding the Group's operating segments:

	<i>Nine months ended 30 September</i>			
	<i>2016</i>		<i>2015</i>	
	<i>Segment revenues</i>	<i>Segment results</i>	<i>Segment revenues</i>	<i>Segment Results</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
			(Restated)	(Restated)
Commercial banking	354,226	84,223	319,466	89,426
Asset management and investment banking	46,316	(18,855)	36,982	(24,609)
Insurance	4,859	4,859	5,163	5,163
Media	303	303	7,586	7,586
Industrial	36,178	11,578	37,385	5,653
Hospitality and real estate	57,247	6,660	49,212	5,051
Others	16,517	(995)	19,269	403
Inter-segmental eliminations	(28,297)	(6,772)	(23,656)	(3,034)
Segment revenues and results	487,349	81,001	451,407	85,639

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13 SEGMENT INFORMATION (continued)

The following table presents assets and liabilities of the Group's operating segments:

	<i>30 September 2016 KD 000's</i>	<i>(Audited) 31 December 2015 (Restated) KD 000's</i>	<i>30 September 2015 (Restated) KD 000's</i>
Assets:			
Commercial banking	8,507,195	8,188,507	8,227,969
Asset management and investment banking	863,706	794,919	805,224
Insurance	76,435	76,264	74,633
Media	152,960	166,410	163,544
Industrial	256,084	264,822	261,573
Hospitality and real estate	750,273	716,412	710,922
Others	164,600	129,916	116,630
Inter-segmental eliminations	(816,958)	(751,601)	(856,493)
Total assets	9,954,295	9,585,649	9,504,002
Liabilities:			
Commercial banking	7,589,794	7,252,260	7,201,384
Asset management and investment banking	1,078,874	1,015,956	1,025,951
Industrial	124,624	125,375	124,204
Hospitality and real estate	401,566	384,834	393,121
Others	144,077	105,202	103,905
Inter-segmental eliminations	(619,497)	(553,876)	(560,144)
Total liabilities	8,719,438	8,329,751	8,288,421

Inter-segmental eliminations represent the elimination of balances and transactions arising in the normal course of business between different segments of the Group.

14 COMMITMENTS

The Group has the following commitments:

	<i>30 September 2016 KD 000's</i>	<i>(Audited) 31 December 2015 KD 000's</i>	<i>30 September 2015 KD 000's</i>
Credit related commitments:			
Letters of credit	239,449	315,200	274,653
Guarantees	993,229	884,420	867,830
	1,232,678	1,199,620	1,142,483
Undrawn lines of credit	731,614	430,714	453,611
Investment related commitments	82,849	78,478	73,316
	2,047,141	1,708,812	1,669,410

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15 DERIVATIVES

The table below shows the notional amounts of derivatives outstanding as at the reporting date. The notional amount of a derivative is based upon the derivative's underlying asset, reference rate or index.

	30 September 2016	<i>(Audited)</i> 31 December 2015	30 September 2015
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
Derivatives held for trading:			
<i>(including non-qualifying hedges)</i>			
Forward foreign exchange contracts	1,317,446	1,072,415	1,203,304
Interest rate swaps	218,071	216,031	272,675
Options	441,779	262,588	175,210
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>
Derivatives held for hedging:			
<i>Fair value hedges:</i>			
Forward foreign exchange contracts	311,103	312,624	424,528
Interest rate swaps	205,877	158,891	105,735
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>
<i>Cashflow hedges:</i>			
Interest rate swaps	52,736	60,700	60,420
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities.

Fair value of financial instruments are not materially different from their carrying values except for medium term notes whose fair value amounts to KD 815,507 thousand (31 December 2015: KD 514,293 thousand) (Note 7). For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

Fair value of quoted securities is derived from quoted market prices in active markets, if available. For unquoted securities, fair value is estimated using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

The fair values of the funds that are listed on active markets are determined by reference to their quoted bid prices. The fair values of unlisted funds are based on net asset values which are determined by the fund manager using the quoted market prices of the underlying assets, if available, or other acceptable methods such as a recent price paid by another investor or the market value of a comparable company.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in an active market for identical assets and liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

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16 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	<i>Level 1</i> <i>KD 000's</i>	<i>Level 2</i> <i>KD 000's</i>	<i>Level 3</i> <i>KD 000's</i>	<i>Total fair value</i> <i>KD 000's</i>
30 September 2016				
Assets measured at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Equities	3,832	-	33,962	37,794
Debt securities	9,554	-	5,346	14,900
Managed funds	3,002	377	4,347	7,726
 <i>Financial assets available for sale:</i>				
Equities	77,079	14,469	10,792	102,340
Debt securities	202,144	-	37,436	239,580
Managed funds	-	15,109	49,913	65,022
 31 December 2015				
Assets measured at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equity securities	8,779	-	24,757	33,536
Debt securities	3,917	-	5,384	9,301
Managed funds	3,023	561	673	4,257
 <i>Financial assets available for sale:</i>				
Equities	74,770	8,189	20,271	103,230
Debt securities	220,592	-	49,302	269,894
Managed funds	-	17,160	55,120	72,280
 Derivatives	-	20,639		20,639
 <i>Liabilities measured at fair value:</i>				
Derivatives	-	(17,755)		(17,755)
 30 September 2015				
Assets measured at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Equities	16,056	-	17,177	33,233
Debt securities	19,149	5,401	-	24,550
Managed funds	3,009	559	1,954	5,522
 <i>Financial assets available for sale:</i>				
Equities	48,813	23,530	14,999	87,342
Debt securities	111,292	-	49,260	160,552
Managed funds	-	58,175	56,784	114,959

There were no material transfers between the levels during the period. The impact on the consolidated statement of financial position or the consolidated statement of changes in equity is immaterial, if the relevant risk variables used to determine fair values for the unquoted securities are altered by 5%.