

**UNITED PROJECTS COMPANY FOR
AVIATION SERVICES K.S.C. (CLOSED)
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (UNAUDITED)**

30 SEPTEMBER 2012



**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF
UNITED PROJECTS COMPANY FOR AVIATION SERVICES K.S.C. (CLOSED)**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of United Projects Company For Aviation Services K.S.C. (Closed) (the "Parent Company") and its subsidiaries (collectively the "Group") as at 30 September 2012, and the related interim condensed consolidated income statement and interim condensed consolidated statement of comprehensive income for the three and nine month periods then ended, and the related interim condensed consolidated statements of cash flows and interim condensed consolidated statement of changes in equity 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 ("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.

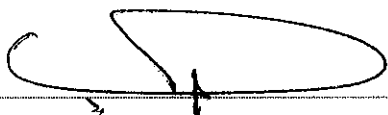
Emphasis of matter

We draw attention to Note 4 to the interim condensed consolidated financial information, which describes the uncertainty relating to the permission of the civil aviation authority to allow alternate carriers to operate from the Sheikh Saa'd terminal, and its impact on the recoverable amount of related intangible asset. Our conclusion is not qualified in respect of this matter.

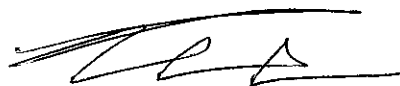
**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF
UNITED PROJECTS COMPANY FOR AVIATION SERVICES K.S.C. (CLOSED)
(continued)**

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



WALEED A. AL OSAIMI
LICENCE NO. 68 A
OF ERNST & YOUNG



DR. SAUD AL HUMAIDI
LICENCE NO. 51 A
DR. SAUD AL-HUMAIDI & PARTNERS
MEMBER OF BAKER TILLY INTERNATIONAL

7 November 2012

Kuwait

United Projects Company For Aviation Services K.S.C. (Closed) and its
Subsidiaries

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the period ended 30 September 2012

	<i>Three months ended</i>		<i>Nine months ended</i>		
	<i>30 September</i>		<i>30 September</i>		
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>	
<i>Note</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	
Revenues	2,620,939	2,794,166	8,429,671	7,921,513	
Operating costs	(1,273,262)	(1,223,550)	(3,682,549)	(4,196,473)	
GROSS PROFIT	1,347,677	1,570,616	4,747,122	3,725,040	
Gain (loss) on sale of financial assets available for sale	226,192	(2,703)	220,348	(94,164)	
Interest income	134,533	59,921	364,875	138,490	
Dividend income	3,507	-	8,650	6,385	
Share of results of associates	-	(2,723)	-	(2,412)	
Other income	60,586	109,864	966,430	911,471	
Impairment loss on property and equipment	-	-	-	(79,979)	
Impairment loss on receivables and other assets	-	-	(315,762)	-	
Impairment loss on amounts due from related parties	-	(949,052)	-	(3,078,769)	
Administrative expenses	(415,584)	(533,239)	(884,936)	(1,103,863)	
Depreciation	(66,193)	(64,151)	(194,705)	(173,300)	
Finance costs	(20,514)	(82,591)	(70,186)	(171,295)	
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX ("NLST") AND ZAKAT	1,270,204	105,942	4,841,836	77,604	
Contribution to KFAS	(8,226)	(3,308)	(44,303)	(3,308)	
NLST	(32,871)	(8,606)	(123,064)	(8,606)	
Zakat	(13,662)	(3,554)	(48,211)	(3,554)	
PROFIT FOR THE PERIOD	1,215,445	90,474	4,626,258	62,136	
Attributable to:					
Equity holders of the Parent Company	1,254,764	105,052	4,706,995	332,104	
Non-controlling interests	(39,319)	(14,578)	(80,737)	(269,968)	
	1,215,445	90,474	4,626,258	62,136	
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	3	15.92 fils	1.33 fils	59.72 fils	4.22 fils

The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C. (Closed) and its
Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 30 September 2012

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>2012</i> <i>KD</i>	<i>2011</i> <i>KD</i>	<i>2012</i> <i>KD</i>	<i>2011</i> <i>KD</i>
Profit for the period	1,215,445	90,474	4,626,258	62,136
Other comprehensive (loss) income				
<i>Financial assets available for sale:</i>				
- Net unrealized loss	(9,321)	(18,156)	(10,676)	(60,435)
- Recycled to interim condensed consolidated income statement on sale	(226,192)	2,703	(220,348)	94,164
Total other comprehensive (loss) income for the period	(235,513)	(15,453)	(231,024)	33,729
TOTAL COMPERHENSIVE INCOME FOR THE PERIOD	979,932	75,021	4,395,234	95,865
Attributable to:				
Equity holders of the Parent Company	1,019,251	89,599	4,475,971	365,833
Non-controlling interests	(39,319)	(14,578)	(80,737)	(269,968)
	979,932	75,021	4,395,234	95,865


The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

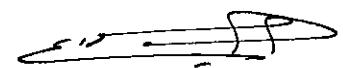
United Projects Company For Aviation Services K.S.C. (Closed) and its
Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION (UNAUDITED)

At 30 September 2012

		30 September 2012	(Audited) 31 December 2011	30 September 2011
	Notes	KD	KD	KD
ASSETS				
Non-current assets				
Property and equipment		472,060	657,952	699,413
Intangible assets	4	22,990,435	25,050,594	24,873,958
Investment in associates		62,500	62,500	874,704
Financial assets available for sale		4,682,622	1,632,172	1,380,880
		<u>28,207,617</u>	<u>27,403,218</u>	<u>27,828,955</u>
Current assets				
Receivables and other assets		1,993,562	1,211,438	1,561,708
Amounts due from related parties	6	138,986	1,354,284	482,399
Bank balances and cash	5	14,263,262	12,001,617	9,872,350
		<u>16,395,810</u>	<u>14,567,339</u>	<u>11,916,457</u>
TOTAL ASSETS		<u>44,603,427</u>	<u>41,970,557</u>	<u>39,745,412</u>
EQUITY AND LIABILITIES				
Equity				
Share capital		8,250,000	8,250,000	8,250,000
Share premium		10,500,000	10,500,000	10,500,000
Statutory reserve		2,664,513	2,664,513	2,424,057
Voluntary reserve		2,664,513	2,664,513	2,424,057
Treasury shares		(1,334,194)	(1,349,532)	(1,316,382)
Treasury shares reserve		-	903	903
Other reserve		(260,978)	(260,978)	(260,978)
Cumulative changes in fair values		36,194	267,218	207,607
Retained earnings		10,989,534	8,649,424	7,189,124
Equity attributable to equity holders of the Parent Company		<u>33,509,582</u>	<u>31,386,061</u>	<u>29,418,388</u>
Non-controlling interests		2,694,187	2,774,924	2,759,443
Total equity		<u>36,203,769</u>	<u>34,160,985</u>	<u>32,177,831</u>
Non-current liabilities				
Term loans		350,000	950,000	1,150,000
Employees' end of service benefits		210,468	308,647	301,014
		<u>560,468</u>	<u>1,258,647</u>	<u>1,451,014</u>
Current liabilities				
Bank overdrafts	5	189,698	84,731	114,822
Term loans		800,000	800,000	800,000
Amounts due to related parties	6	-	672,225	331,705
Accounts payable and other liabilities		6,849,492	4,993,969	4,870,040
		<u>7,839,190</u>	<u>6,550,925</u>	<u>6,116,567</u>
Total liabilities		<u>8,399,658</u>	<u>7,809,572</u>	<u>7,567,581</u>
TOTAL EQUITY AND LIABILITIES		<u>44,603,427</u>	<u>41,970,557</u>	<u>39,745,412</u>


Nadia Abdullah Mohammad Akil
Chairperson and Managing Director


Hassan Bassam El Houry
Vice Chairman

The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C. (Closed) and its
Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 30 September 2012

	Notes	Nine months ended 30 September	
		2012 KD	2011 KD
OPERATING ACTIVITIES			
Profit for the period		4,626,258	62,136
Adjustments for:			
Depreciation and amortization		2,254,865	3,130,285
Provision of employees' end of service benefits		37,195	39,009
Impairment loss of property and equipment		-	79,979
Gain on sale of property and equipment		-	(12,500)
Share of results of associates		-	2,412
Gain (loss) on sale of financial assets available for sale		(220,348)	94,164
Impairment loss on receivables and other assets		315,762	-
Impairment loss on amounts due from related parties		-	3,078,769
Interest income		(364,875)	(138,490)
Dividend income		(8,650)	(6,385)
Finance costs		70,186	171,295
		<u>6,710,393</u>	<u>6,500,674</u>
Working capital changes:			
Inventories		-	17,370
Receivables and other assets		(944,178)	(269,085)
Amounts due from related parties		1,215,298	175,037
Amounts due to related parties		(672,225)	(210,138)
Accounts payable and other liabilities		1,855,522	(85,500)
Cash from operations		<u>8,164,810</u>	<u>6,128,358</u>
Employees' end of service benefits paid		(135,374)	(13,433)
Net cash flows from operating activities		<u>8,029,436</u>	<u>6,114,925</u>
INVESTING ACTIVITIES			
Purchase of property and equipment		-	(184,751)
Proceeds from sale of property and equipment		-	32,010
Investment in associate		-	(82,500)
Purchase of financial assets available for sale		(3,392,277)	(290,140)
Proceeds from sale of financial assets available for sale		332,439	266,400
Interest income received		116,335	138,490
Dividend income received		8,650	6,385
Net cash used in investing activities		<u>(2,934,853)</u>	<u>(114,106)</u>
FINANCING ACTIVITIES			
Purchase of treasury shares		(42,950)	-
Sale of treasury shares		53,600	83,801
Repayment of term loans		(600,000)	(600,000)
Dividend paid	8	(2,363,100)	(2,360,400)
Finance costs paid		(70,186)	(171,295)
Net cash used in financing activities		<u>(3,022,636)</u>	<u>(3,047,894)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		<u>2,071,947</u>	<u>2,952,925</u>
Cash and cash equivalents at the beginning of the period		<u>12,001,617</u>	<u>6,804,603</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	<u>14,073,564</u>	<u>9,757,528</u>

The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C. (Closed) and its Subsidiaries
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the period ended 30 September 2012

Attributable to equity holders of the Parent Company

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury Shares KD	Treasury shares reserve KD	Other reserve KD	Cumulative changes in fair values KD	Retained earnings KD	Sub total KD	Non-controlling interests KD	Total equity KD
As at 1 January 2012	8,250,000	10,500,000	2,664,513	2,664,513	(1,349,532)	903	(260,978)	267,218	8,649,424	31,386,061	2,774,924	34,160,985
Profit (loss) for the period	-	-	-	-	-	-	-	-	4,706,995	4,706,995	(80,737)	4,626,258
Other comprehensive loss for the period	-	-	-	-	-	-	-	(231,024)	-	(231,024)	-	(231,024)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	(231,024)	4,706,995	4,475,971	(80,737)	4,395,234
Dividend paid (Note 8)	-	-	-	-	-	-	-	-	(2,363,100)	(2,363,100)	-	(2,363,100)
Purchase of treasury shares	-	-	-	-	(42,950)	-	-	-	-	(42,950)	-	(42,950)
Sale of treasury shares	-	-	-	-	58,288	(903)	-	-	(3,785)	53,600	-	53,600
Balance at 30 September 2012	8,250,000	10,500,000	2,664,513	2,664,513	(1,334,194)	-	(260,978)	36,194	10,989,534	33,509,582	2,694,187	36,203,769
As at 1 January 2011	8,250,000	10,500,000	2,424,057	2,424,057	(1,402,436)	3,156	(260,978)	173,878	9,217,420	31,329,154	3,029,411	34,358,565
Profit (loss) for the period	-	-	-	-	-	-	-	-	332,104	332,104	(269,968)	62,136
Other comprehensive income for the period	-	-	-	-	-	-	-	33,729	-	33,729	-	33,729
Total comprehensive income (loss) for the period	-	-	-	-	-	-	-	33,729	332,104	365,833	(269,968)	95,865
Dividend paid (Note 8)	-	-	-	-	-	-	-	-	(2,360,400)	(2,360,400)	-	(2,360,400)
Purchase of treasury shares	-	-	-	-	(31,450)	-	-	-	-	(31,450)	-	(31,450)
Sale of treasury shares	-	-	-	-	117,504	(2,253)	-	-	-	115,251	-	115,251
Balance at 30 September 2011	8,250,000	10,500,000	2,424,057	2,424,057	(1,316,382)	903	(260,978)	207,607	7,189,124	29,418,388	2,759,443	32,177,831

The attached notes 1 to 10 form part of this interim condensed consolidated financial information.

United Projects Company For Aviation Services K.S.C. (Closed) and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 30 September 2012

1 ACTIVITIES

The interim condensed consolidated financial information of United Projects Company for Aviation Services K.S.C. (Closed) (the "Parent Company") and its subsidiaries (collectively the "Group") for the nine month period ended 30 September 2012 were authorised for issue by the board of directors on 7 November 2012.

The Parent Company was established as a closed Kuwaiti Shareholding Company on 4 December 2000 and its registered address is Kuwait International Airport, P.O. Box 27068, Safat 13131, Kuwait. The main objectives of the Parent Company are:

- Providing airplane ground and cleaning services and supply of water and other airplane supplies.
- Leasing out airplanes.
- Tourism, travel and cargo shipment services.
- Managing projects.
- Investing surplus funds in investment portfolios managed by specialised institutions.

The Parent Company is listed on the Kuwait Stock Exchange.

During the period, Agility Public Warehousing Company K.S.C. acquired 62% equity interest in the Parent Company. Consequently, Agility Public Warehousing Company K.S.C. became the Ultimate Parent Company of the Group. Previously, Kuwait National Airways K.S.C. was the Ultimate Parent Company of the Group.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all of the information and disclosures required for complete 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 2012. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2011.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD").

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 2011, except for the adoption of the following amended International Accounting Standards Board ("IASB") Standard during the period:

IFRS 7: Financial Instruments: Disclosures — Enhanced Derecognition Disclosure Requirements (Amendment) (effective 1 July 2011)

The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Group's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets.

The adoption of the above mentioned amendments did not have any impact on the financial position or performance of the Group.

The Group has not early adopted any IASB standards, International Financial Reporting Interpretations Committee ("IFRIC") interpretations new or revised that have been issued but not yet effective.

United Projects Company For Aviation Services K.S.C. (Closed) and its
Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 30 September 2012

3 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares). Diluted earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period (excluding treasury shares) plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The Parent Company did not have any diluted shares as at 30 September.

The information necessary to calculate basic and diluted earnings per share based on the weighted average number of shares outstanding, less treasury shares, during the period is as follows:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Profit for the period attributable to equity holders of the Parent Company	<u>1,254,764</u>	<u>105,052</u>	<u>4,706,995</u>	<u>332,104</u>
	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>
Weighted average number of ordinary shares outstanding during the period (excluding treasury shares)	<u>78,840,000</u>	<u>78,941,648</u>	<u>78,813,759</u>	<u>78,773,162</u>
Basic and diluted earnings per share attributable to equity holders of the Parent Company	<u>15.92 fils</u>	<u>1.33 fils</u>	<u>59.72 fils</u>	<u>4.22 fils</u>

4 INTANGIBLE ASSETS

Included in intangible assets an amount of KD 9,187,373 (31 December 2011: KD 9,784,289 and 30 September 2011: KD 9,983,261) that represents the carrying value of Built-Own-Transfer (BOT) project for the construction of Sheikh Saa'd Terminal (the "terminal"). This terminal was used by Kuwait National Airways K.S.C. (previously the Ultimate Parent Company) for its airline operations. However, during 2011, Kuwait National Airways K.S.C. ceased operations and, consequently, the terminal's traffic has significantly reduced. The management of the Group has initiated discussions with alternative carriers in Kuwait to increase the utilisation of this terminal by seeking to lease the terminal to other operators. Based on these discussions, the management is confident that it will be able to increase the utilisation for the terminal and, therefore, believes that the carrying amount of intangible assets for this terminal will be recovered from future operations. The management has not yet obtained the permission of the civil aviation authority to allow alternate carriers to operate from the Sheikh Saa'd terminal, but has applied for permission in this regard. The management is confident that the approval to lease the terminal to alternate carriers will be obtained.

5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the interim condensed consolidated statement of cash flows consist of the following interim condensed consolidated statement of financial position amounts:

	<i>30 September</i>	<i>(Audited)</i>	<i>30 September</i>
	<i>2012</i>	<i>31 December</i>	<i>2011</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
Bank balances and cash	<u>14,263,262</u>	<u>12,001,617</u>	<u>9,872,350</u>
Bank overdrafts	<u>(189,698)</u>	<u>(84,731)</u>	<u>(114,822)</u>
	<u>14,073,564</u>	<u>11,916,886</u>	<u>9,757,528</u>

United Projects Company For Aviation Services K.S.C. (Closed) and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 30 September 2012

5 CASH AND CASH EQUIVALENTS (continued)

Included in cash and bank balances are bank deposits of KD 13,450,000 (31 December 2011: KD 11,750,000 and 30 September 2011: KD 9,600,000) with a commercial bank in Kuwait. These bank deposits are denominated in KD, are short term in nature and carry an effective interest rate which ranges between 0.88% to 2.88% (31 December 2011: 0.88% to 2.88% and 30 September 2011: 1.25 % to 2.65 %) per annum.

Bank overdraft carries interest ranging between 1.7% to 2.3% (31 December 2011: 1.7% to 2.3% and 30 September 2011: 1.7 to 2.3%) per annum over the Central Bank of Kuwait discount rate.

6 RELATED PARTY TRANSACTIONS

Related parties represent the i.e. the Ultimate Parent Company, 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.

Balances and transactions with related parties are as follows:

	Ultimate Parent Company KD	Other related parties KD	Nine months ended 30 September	
			2012 KD	2011 KD
<i>Interim condensed consolidated income statement:</i>				
Revenues	95,755	96,235	191,990	301,185
Interest income	-	203,379	203,379	138,490
Other income	-	25,567	25,567	106,635
Administrative expenses	-	(1,738)	(1,738)	(3,915)
Finance costs	-	(69,996)	(69,996)	(171,295)
			(Audited)	
	Other related parties KD	30 September 2012 KD	31 December 2011 KD	30 September 2011 KD
<i>Interim condensed consolidated statement of financial position:</i>				
Amounts due from related parties	138,986	138,986	1,354,284	482,399
Cash and cash equivalents	-	-	11,916,886	9,753,637
Term loans	-	-	1,750,000	1,950,000
Amounts due to related parties	-	-	672,225	331,705

Financial assets available for sale amounting to Nil (31 December 2011: KD 1,240,128 and 30 September 2011: KD 1,380,880) are managed by a related party.

Compensation of key management personnel

The remuneration of key management personnel during the period was as follows:

	Nine months ended 30 September	
	2012 KD	2011 KD
Short-term benefits	116,622	118,585
Employees' end of service benefits	8,370	12,115
	<u>124,992</u>	<u>130,700</u>

United Projects Company For Aviation Services K.S.C. (Closed) and its
Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 30 September 2012

7 TREASURY SHARES

	<i>30 September 2012</i>	<i>(Audited) 31 December 2011</i>	<i>30 September 2011</i>
Number of treasury shares (shares)	<u>3,660,000</u>	<u>3,700,000</u>	<u>3,590,000</u>
Percentage of issued shares (%)	<u>4%</u>	<u>4%</u>	<u>4%</u>
Market value (KD)	<u>2,013,000</u>	<u>1,110,000</u>	<u>1,274,450</u>

8 DIVIDENDS

On 19 March 2012, the shareholders of the Parent Company at the General Assembly Meeting approved the distribution of a cash dividend of 30 fils per share (excluding treasury shares), totaling KD 2,363,100 for the year ended 31 December 2011 (31 December 2010: cash dividends of 30 fils per share, totaling KD 2,360,400 (excluding treasury shares)). The distribution was made to the Parent Company's shareholders on records as of the date of the General Assembly Meeting.

United Projects Company For Aviation Services K.S.C. (Closed) and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at 30 September 2012

9 SEGMENT INFORMATION

For management purposes, the Group is organized in two operating segments "investments" and "rental and other services operations" as follows:

	<i>Investments</i>		<i>Rental and other services operations</i>		<i>Total</i>	
	<i>Nine months ended 30 September</i>		<i>Nine months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
Segment revenue	373,525	144,875	9,396,101	8,832,984	9,769,626	8,977,859
Segment profit	593,873	48,299	4,247,963	29,305	4,841,836	77,604
Unallocated expenses					(215,578)	(15,468)
Profit for the period					4,626,258	62,136
Depreciation and amortisation	-	-	2,254,865	3,130,285	2,254,865	3,130,285

	<i>Investments</i>		<i>Rental and other services operations</i>		<i>Total</i>	
	<i>(Audited)</i>		<i>(Audited)</i>		<i>(Audited)</i>	
	<i>30 September 2012</i>	<i>30 September 2011</i>	<i>30 September 2012</i>	<i>30 September 2011</i>	<i>30 September 2012</i>	<i>30 September 2011</i>
Assets	19,008,384	13,696,289	25,595,043	28,274,268	44,603,427	41,970,557
						39,745,412

Interim condensed consolidated statement of financial position:

Assets	19,008,384	13,696,289	25,595,043	28,274,268	44,603,427	41,970,557	39,745,412
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All of the Group's operations are in Kuwait.

United Projects Company For Aviation Services K.S.C. (Closed) and its
Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at 30 September 2012

10 CONTINGENCIES

As at 30 September 2012, the Group has contingent liabilities amounting to KD 210,975 (31 December 2011: KD 322,240 and 30 September 2011: KD 356,550) in respect of bank guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.