

SOKOK HOLDING COMPANY - K.S.C. (HOLDING)  
AND SUBSIDIARIES  
STATE OF KUWAIT  
INTERIM CONSOLIDATED FINANCIAL INFORMATION  
FOR THE PERIOD ENDED SEPTEMBER 30, 2009  
(UNAUDITED)  
WITH  
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

SOKOK HOLDING COMPANY - K.S.C. (HOLDING)  
AND SUBSIDIARIES  
STATE OF KUWAIT

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(UNAUDITED)  
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**REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION**

Member of The International Group of Accounting Firms



The Board of Directors  
Sokouk Holding Company - K.S.C. (Holding)  
State of Kuwait

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Sokouk Holding Company - K.S.C. (Holding) (the parent company) and subsidiaries (the group) as of September 30, 2009 and the related interim condensed consolidated statements of income, comprehensive statement of income, changes in equity and cash flows for the nine-months period then ended. Management is responsible for the preparation and presentation of these interim consolidated financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim 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 consolidated 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 consolidated financial information is not presented, in all material respects, in accordance with International Accounting Standard 34.

**Report on other Legal and Regulatory Requirements**

Furthermore, the interim consolidated financial information is in agreement with the Parent Company books of account and to the best of our knowledge and belief, there were no contraventions during the period ended September 30, 2009 of either the Commercial Companies Law or the Parent Company's Articles of Association, which might have materially affected the Group's financial position or results of its operations.

All Owaid Rukhayes  
Licence No. 72-A  
Member of the International Group  
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Dr. Shuaib A. Shuaib  
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Member of RSM International

State of Kuwait  
November 10, 2009

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

**AS OF SEPTEMBER 30, 2009**

(All amounts are in Kuwaiti Dinars)

ASSETS	Note	September 30, 2009	December 31, 2008	September 30, 2008
Cash on hand and at banks		1,694,112	2,311,187	1,606,320
Accounts receivable and other debit balances		3,790,867	5,310,898	7,491,524
Sokok utilization rights		7,284,200	7,284,200	7,284,200
Due from related parties	3	45,703,080	43,967,701	15,216,822
Investments in Murabaha		-	-	3,720,429
Investments in Wakala		2,822,074	4,302,351	5,498,780
Investments available for sale	4	6,187,070	5,978,746	10,862,041
Project under construction	6	16,315,115	14,137,543	12,901,411
Investment in associates	7	50,174,881	49,346,631	52,636,427
Investment in joint ventures	8	2,601,897	2,474,608	38,107,305
Investment in unconsolidated subsidiaries		-	750,000	750,000
Property and equipment		56,081	93,214	102,790
Intangible assets		-	4,500	6,000
Goodwill		1,312,029	1,312,029	1,312,029
Total assets		<u>137,941,406</u>	<u>137,273,608</u>	<u>157,496,078</u>
Liabilities:				
Accounts payable and other credit balances		8,059,765	2,390,729	2,635,165
Due to related parties	3	4,463,914	3,299,342	4,352,871
Murabaha payables	9	4,488,735	11,498,436	12,119,353
Provision for end of service indemnity		65,167	81,155	78,972
Total liabilities		<u>17,077,581</u>	<u>17,269,662</u>	<u>19,186,361</u>
Equity:				
Capital	10	100,000,000	100,000,000	100,000,000
Share premium		17,500,000	17,500,000	17,500,000
Statutory reserve		2,229,106	2,229,106	2,229,106
Voluntary reserve		2,229,106	2,229,106	2,229,106
Foreign currency translation adjustments		(49,502)	(463,365)	(1,227,403)
Cumulative changes in fair value		752,411	-	(957,906)
Effect of changes in associates' equity		(521,737)	(824,231)	(247,946)
(Accumulated losses) Retained earnings		(2,342,529)	(1,647,708)	17,830,135
Equity attributable to equity holders of the parent company		119,796,855	119,022,908	137,355,092
Non-controlling interests		1,066,970	981,038	954,625
Total equity		<u>120,863,825</u>	<u>120,003,946</u>	<u>138,309,717</u>
Total liabilities and equity		<u>137,941,406</u>	<u>137,273,608</u>	<u>157,496,078</u>

The accompanying notes (1) to (16) form an integral part of the interim consolidated financial information

Abdul Aziz Abdul Latif Al Ebrahim  
 Chairman & Managing Director

Bader Jassem Bu Rashed  
 Vice Chairman

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2009**  
 (All amounts are in Kuwaiti Dinars)

	Note	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
Operating revenue		626,322	-	626,322	-
Operating cost		-	-	-	-
Gross profit		-	-	-	-
Other operating income	11	188,541	395,777	654,224	1,622,317
Expenses and charges:					
General and administrative		235,468	197,381	796,125	742,463
Depreciation and amortization		7,932	13,304	29,651	39,786
Operating (loss) profit		(54,859)	185,092	(171,552)	840,068
Net investment income	12	86,980	35,696	323,969	452,041
Groups' share of results from associates	7	155,229	109,662	217,232	2,221,212
Groups' share of results from joint ventures	8	22,994	102,417	32,261	66,131
Gain from investments in Murabaha		-	79,240	-	793,788
Gain from investments in Wakala		31,988	179,157	94,393	493,348
Gain from sale of investment in associates		-	694,010	-	694,010
Loss from sale of property and equipment		(8,912)	-	(8,912)	-
Finance charges		(104,019)	(242,714)	(568,191)	(1,260,786)
Provision for investment in Wakala		(826,987)	-	(1,773,015)	-
Foreign currency exchange (loss) gain		(60,641)	(40,351)	1,260,065	404,144
(Loss) Profit for the period before contribution to Zakat, Kuwait Foundation for the Advancement of Sciences and National Labor Support		(758,227)	1,102,209	(593,750)	4,703,956
Tax		2,675	(8,287)	-	(16,155)
Contribution to Zakat		-	(8,784)	-	(13,151)
National Labor Support Tax		4,231	(32,190)	(15,139)	(50,280)
Net (Loss) profit for the period		(751,321)	1,052,948	(608,889)	4,624,370
Attributable to:					
Parent company's shareholders		(780,110)	1,024,991	(694,821)	4,538,773
Non controlling interests		28,789	27,957	85,932	85,597
Net (loss) profit for the period		(751,321)	1,052,948	(608,889)	4,624,370
(Loss) Earnings per share attributable to the parent company's shareholders (fiis)	13	(0.78)	1.02	(0.69)	4.54

The accompanying notes (1) to (16) form an integral part of the interim consolidated financial information

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**INTERIM CONDENSED CONSOLIDATED COMPREHENSIVE STATEMENT OF INCOME (UNAUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2009**

(All amounts are in Kuwaiti Dinars)

	2009	2008	2009	2008	
	September 30,	September 30,	September 30,	September 30,	
	2009	2008	2009	2008	Note
Net (loss) profit for the period	4,624,370	(608,889)	4,624,370	(751,321)	
Other comprehensive income:					
Exchange differences on translating foreign operations	(874,808)	413,863	(874,808)	(55,889)	
Reversal due to sale of investment in associates	695,066	-	695,066	-	
Change in fair value of investments available for sale	(795,359)	929,884	(795,359)	25,334	5
Reversal due to sale of investments available for sale	4,263	(177,473)	4,263	(109,380)	5
Change in associates' equity	(247,946)	302,494	(247,946)	226,818	7
Other comprehensive income (loss) for the period	(1,218,784)	1,468,768	(1,218,784)	86,883	
Total comprehensive (loss) income for the period	3,405,586	859,879	3,405,586	(664,438)	
Attributable to:					
Shareholders of the parent company	3,319,989	773,947	3,319,989	(693,227)	
Non-controlling interests	85,597	85,932	85,597	28,789	
Total comprehensive (loss) income for the period	3,405,586	859,879	3,405,586	(664,438)	

The accompanying notes from (1) to (16) form an integral part of the interim consolidated financial information.

**SOKOUK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES  
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2009**

(All amounts are in Kuwaiti Dinars)

	Attributable to the Parent Company's shareholders										
	Capital	Share premium	Statutory reserve	Voluntary reserve	Foreign currency translation adjustments	Cumulative changes in fair value	Effect of changes in associates' equity	(Accumulated losses) Retained earnings	Sub - Total	Non - controlling interests	Total equity
Balance at December 31, 2008	100,000,000	17,500,000	2,229,106	2,229,106	(463,365)	752,411	(824,231)	(1,647,708)	119,022,908	981,038	120,003,946
Total comprehensive income (loss) for the period	-	-	-	-	413,863	-	302,494	(694,821)	773,947	85,932	859,879
Balance at September 30, 2009	100,000,000	17,500,000	2,229,106	2,229,106	(49,502)	752,411	(521,737)	(2,342,529)	119,796,855	1,006,970	120,803,825
Balance at December 31, 2007	100,000,000	17,500,000	2,229,106	2,229,106	(1,047,661)	(166,810)	-	13,291,362	134,038,103	869,028	134,904,131
Total comprehensive (loss) income for the period	-	-	-	-	(179,142)	(791,095)	(247,946)	4,538,773	3,319,989	85,597	3,405,586
Balance at September 30, 2008	100,000,000	17,500,000	2,229,106	2,229,106	(1,227,403)	(957,905)	(247,946)	17,830,135	137,356,092	954,625	138,309,717

The accompanying notes (1) to (16) form an integral part of the interim consolidated financial information



**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2009**  
 (All amounts are in Kuwaiti Dinars)

Nine months ended September 30,	2009	2008
<b>Cash flows from operating activities:</b>		
(Loss) profit for the period before contribution to Zakat, Kuwait Foundation for the Advancement of Sciences and National Labor Support Tax	(593,750)	4,703,956
Adjustments for:		
Depreciation and amortization	29,651	39,786
Unrealized gain from investments at fair value through statement of income	-	(182,129)
Realized gain from investments at fair value through statement of income	-	(226,580)
Dividends from investments available for sale	(68,280)	(8,968)
Realized gain on sale of investments available for sale	(255,689)	(34,364)
Group's share of result from associates	(217,232)	(2,221,212)
Group's share of result from joint ventures and elimination of profit on inter company transactions	(32,261)	343,531
Gain from investments in Murabaha	-	(793,788)
Gain from investments in Wakala	(94,393)	(493,348)
Gain from sale of investment in associates	-	(694,010)
Loss from sale of property and equipment	8,912	-
Finance charges	568,191	1,260,786
Provision for end of service indemnity	32,653	39,786
Provision for investment in wakala	1,773,015	-
Changes in operating assets and liabilities:	1,150,817	1,733,446
Accounts receivable and other debit balances	1,520,031	5,631,552
Accounts payable and other credit balances	288,612	1,855,657
Cash generated from operations	2,959,460	9,220,655
Paid to Zakat	(4,695)	(6,467)
Paid to KFAS	-	(95,092)
Paid to NLSLT	-	(148,449)
Paid to Board of Directors remuneration	-	(60,000)
End of service indemnity paid	(48,641)	(30,056)
Net cash generated from operating activities	2,906,124	8,880,591
<b>Cash flows from investing activities:</b>		
Paid for purchase of investments at fair value through statement of income	-	(10,152,464)
Proceeds from sale of investments at fair value through statement of income	-	22,184,187
Proceeds from investments in Murabaha	-	20,196,348
Net paid for investments in Wakala	(198,345)	(6,254,968)
Paid for purchase of investments available for sale	(18,365)	(7,541,168)
Proceeds from sale of investments available for sale	818,141	1,547,602
Cash dividends received from investments available for sale	68,280	8,968
Paid for project under construction	(2,177,572)	(1,281,459)
Paid for purchase of investment in an associate	-	(1,654,978)
Proceeds from sale of investment in associates	-	297,087
Cash dividends received from associate	-	773,950
Paid for purchase of investment in joint venture	-	(10,637,000)
Paid for investment in unconsolidated subsidiaries	-	(750,000)
Paid for purchase of property and equipment	-	(29,048)
Proceeds from sale of property and equipment	600	-
Net cash (used in) generated from investing activities	(1,507,261)	6,707,057

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**(CONTD.)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2009**  
 (All amounts are in Kuwaiti Dinars)

Nine months ended September 30,	2009	2008
Cash flows from financing activities:		
Due from related parties	948,275	8,050,952
Due to related parties	(2,947,954)	(10,366,644)
Net movement of Murabaha payables	(16,259)	(13,221,505)
Net cash used in financing activities	(2,015,938)	(15,537,197)
Net (decrease) increase in cash on hand and at banks	(617,075)	50,451
Cash on hand and at banks at the beginning of the period	2,311,187	1,538,886
Cash at bank due to increase of Group's ownership percentage in a joint venture	-	16,983
Cash on hand and at banks at the end of the period	1,694,112	1,606,320

The accompanying notes (1) to (16) form an integral part of the interim consolidated financial information

1. Incorporation and activities

Sokok Holding Company – K.S.C (Holding) "the parent company", (previously known as Sokok Real Estate Development Company – K.S.C (Closed) and prior before as Al-Wasta Real Estate Development Company – K.S.C (Closed)), is registered in the State of Kuwait and was incorporated and authenticated at the Ministry of Justice – Real Estate Registration and Authentication Department under Ref. No. 1909/Volume 1 on August 23, 1998 and registered on commercial register under Ref. No. 74323 dated August 29, 1998.

The parent company's registered address is at P.O. Box 29110 Safat – Postal code 13152 - State of Kuwait.

The parent company was listed on Kuwait Stock Exchange on December 27, 2005.

The interim consolidated financial information were authorized for issue by the Board of Directors on November 10, 2009.

2. Basis of presentation

The interim consolidated financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting policies used in the preparation of the interim consolidated financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2008 except for the changes due to implementation of certain amendments to the following International Financial Reporting Standards:

IAS 1 "Presentation of Financial Statements" (Revised)

Effective January 1, 2009, the Group has applied IAS 1 (Revised), which has impacted the presentation of financial statements to enhance the usefulness of the information presented. The revised Standard has introduced a number of terminology changes (including revised titles for the interim consolidated financial information) and has resulted in a number of changes in presentation and disclosure. The revised IAS 1 has introduced a new interim condensed consolidated statement of comprehensive income, wherein all changes in equity arising from transactions other than with owners in their capacity as owners should be presented. Accordingly only changes in equity arising from transactions with owners in their capacity as owners are permitted to be presented in the statement of changes in equity.

IFRS 8 "Operating Segments"

Effective January 1, 2009, the Group has applied IFRS 8, which requires disclosure of information to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. Accordingly, operating segments should be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)**  
**SEPTEMBER 30, 2009**

(All amounts are in Kuwaiti Dinars)

IAS 23 "Borrowing Cost" (Revised)

Effective January 1, 2009, the Group has applied IAS 23 (Revised), which requires an entity to capitalize borrowing costs attributable to the acquisition, construction or production of a qualifying asset as a part of the cost of that asset and removing an option of expensing these borrowing costs in the interim condensed consolidated statement of income.

The interim consolidated financial information do not include all of the information and footnotes required for complete financial statements prepared in accordance with 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. Operating results for the period ended September 30, 2009 are not necessarily indicative of the results that may be expected for the year ending December 31, 2009. For further information, refer to the consolidated financial statements and notes thereto for the year ended December 31, 2008.

The interim consolidated financial information includes the financial information of Sokok Holding Company – K.S.C. (Holding) and the following subsidiaries:

Subsidiaries		Country of Incorporation	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
				%	Percentage of holding
Gulf Real Estate Development House Co.	K.S.C. (Closed)	Kuwait	75	75	75
Sokok Investment Advisory Co.		Island	100	100	100
Sokok Real Estate Co. – K.S.C. (Closed)		Kuwait	100	100	100
Gulf Money House for Money Collection	- W.L.L.	Kuwait	100	100	100
Sokok Al Aqemiyah Trading Co.-W.L.L.		Kuwait	100	-	-
Sokok Al Arabia Trading Co.-W.L.L.		Kuwait	100	-	-
Sokok Al Oula Trading Co.-W.L.L.		Kuwait	100	-	-
Sokok Al Kuwait Trading Co.-W.L.L.		Kuwait	100	-	-
Sokok Al Islamia Trading Co.-W.L.L.		Kuwait	100	-	-

The interim consolidated financial information includes also the financial information of the following joint venture:

Joint venture		Country of Incorporation	September 30, 2009	December 31, 2008 (Audited)	September 30, 2008
				%	Percentage of holding
Joint Venture Al-Salmiya Hotel Project		Kuwait	74.25	74.25	74.25

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)**  
**SEPTEMBER 30, 2009**  
 (All amounts are in Kuwaiti Dinars)

3. Related party transactions

The Group has entered into various transactions with related parties, i.e. shareholders, key management personnel, associates, joint ventures and other related parties in the normal course of its business concerning financing and other related services. Prices and terms of payment are approved by the Group's management. Significant related party transactions and balances are as follows:

Interim condensed consolidated statement of financial position	September 30, 2009	December 31, 2008	September 30, 2008
		(Audited)	
<b>Assets:</b>			
Due from associates	44,811,484	42,231,392	3,487,502
Due from joint ventures	891,596	625,411	512,436
Due from major shareholders	-	-	10,038,038
Due from unconsolidated subsidiaries	-	-	5,750
Due from companies under common control	-	1,110,898	1,173,096
Total due from related parties	<u>45,703,080</u>	<u>43,967,701</u>	<u>15,216,822</u>
Cash with portfolio managers	-	-	131,711
Investments available for sale managed by related parties	2,242,133	2,005,810	4,657,309
Investments in Murabaha	-	-	3,720,429
Investments in Wakala	1,995,063	1,702,349	5,498,780
<b>Liabilities:</b>			
Due to associates	1,533,664	-	905,930
Due to unconsolidated subsidiaries	-	742,250	-
Due to other related parties	2,930,250	2,557,092	3,446,941
Total due to related parties	<u>4,463,914</u>	<u>3,299,342</u>	<u>4,352,871</u>
Murabaha payables	-	11,498,436	12,119,353

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)**  
**SEPTEMBER 30, 2009**  
 (All amounts are in Kuwaiti Dinars)

Due from / to related parties mainly result from purchase and sale of Sokok utilization rights and investments.

Interim condensed consolidated statement of income:		Interim condensed consolidated statement of income:	
2009	2008	2009	2008
Three months ended September 30,	Three months ended September 30,	Nine months ended September 30,	Nine months ended September 30,
Gain from investments in Murabaha	79,241	-	231,216
Gain from investments in Wakala	46,031	94,393	115,249
Gain from sale of investment in associates	1,068,795	-	1,068,795
Other operating income	23,191	241,604	873,372
Finance charges	(104,019)	(568,191)	(1,260,786)
General and administrative expenses	-	(39,905)	(32,393)
Key management compensation:			
Short term benefits	49,226	119,074	95,901
Termination benefits	4,306	8,906	11,956
53,532	32,534	127,980	107,857

4. Investments in Wakala

Investments in Wakala represent Wakala investment contracts with Kuwaiti Financial Institutions. Investment earns an average rate of return 8.5% per annum (December 31, 2008 – 8.5%, September 30, 2008 – 8.5%).

5. Investments available for sale

During 2008, the Group has elected to apply the amendments of IAS 39 and IFRS 7 effective July 1, 2008 and has reclassified an amount of KD 1,452,500 from investments held for trading to available for sale investments, and the unrealized gain (loss) on investments reclassified from investments held for trading to available for sale that would have been recognized in the interim condensed consolidated statement of income if these financial assets had not been reclassified is KD 457,202 (December 31, 2008 – (KD 1,166,322), September 30, 2008 – 102,183).

The movement during the period / year was as follows:

September 30, 2009	September 30, 2008	September 30, 2008	September 30, 2008
December 31, 2008	(Audited)	2008	2008
Balance at the beginning of the period / year	5,978,746	4,172,707	4,172,707
Additions	18,365	9,146,995	7,541,168
Disposals	(562,452)	(3,415,404)	(1,513,238)
Reclassified from investments held for trading	-	1,452,500	1,452,500
Reclassified to investment in joint ventures (Note 8)	-	(2,511,828)	-
Change in fair value	752,411	31,112	(791,096)
Impairment loss	-	(2,897,336)	-
Balance at the end of the period / year	6,187,070	5,978,746	10,862,041

6. Project under construction

	September 30, 2008	September 30, 2009	December 31, 2008
Balance at the beginning of the period / year	3,682,629	14,137,543	3,682,629
Addition during the period / year	9,218,782	2,177,572	10,454,914
Balance at the end of the period / year	12,901,411	16,315,115	14,137,543

7. Investment in associates

The investment in associates consists of the following:

Ownership percentage %

Name of the associate	Country of Incorporation	September 30, 2009	December 31, 2008	September 30, 2008	September 30, 2009
ELAF Bank - B.S.C. (Closed)	Bahrain	15	15	-	7,928,630
Munshaat Real Estate Projects Co. - K.S.C. (Closed)	Kuwait	27.67	27.67	29.5	41,109,700
Mas Holding Company - K.S.C.	Kuwait	40	40	40	1,136,531
					832,634
					40,537,884
					7,976,113
					(Audited)
					December 31, 2008
					September 30, 2008
					September 30, 2008
					400,000
					52,236,427
					52,636,427

The movement during the period / year is as follows:

	September 30, 2008	September 30, 2009	December 31, 2008
Balance at the beginning of the period / year	62,316,346	49,346,631	62,316,346
Acquisition of associates	-	-	3,903,945
Disposal of associates	-	-	(9,808,498)
Group's share of results from associates	217,232	217,232	3,161,038
Change in associates' equity	302,494	302,494	(824,231)
Cash dividends received from associate	-	-	(773,950)
Foreign currency translation adjustments	308,524	308,524	94,869
Impairment loss in value	-	-	(8,357,578)
Elimination of profit on intercompany transactions	-	-	(365,310)
Balance at the end of the period / year	52,636,427	50,174,881	49,346,631

The market value of the investment in Munshaat Real Estate Projects Company - K.S.C. (Closed) at the date of the interim condensed consolidated statement of financial position is KD 8,731,237 (December 31, 2008 - KD 7,483,917, September 30, 2008 - KD 23,386,036).

The Group's share of results from associates represent the Group's share of results from Munshaat Real Estate Projects Co. - K.S.C. (Closed) based on reviewed financial information for the period ended September 30, 2009 and from Elaf Bank - B.S.C. (Closed) based on reviewed financial information for the period ended June 30, 2009 and from MAS Holding Company - K.S.C. (Closed) based on management accounts for the period ended September 30, 2009.

**SOKOK HOLDING COMPANY – K.S.C. (HOLDING) AND SUBSIDIARIES**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)**  
**SEPTEMBER 30, 2009**  
 (All amounts are in Kuwaiti Dinars)

8. Investment in Joint Ventures

The investment in joint ventures consists of the following:

Name of the joint venture	Country of incorporation	September 30,		Ownership Percentage
		2009	September 31, 2008 (Audited)	
Joint Venture – Zamzam Tower	Kuwait	-	53.73	-
Joint Venture – Qitar G.C.C.	Kuwait	17.15	17.15	-
September 30, 2009		17.15	2,601,897	2,601,897
December 31, 2008 (Audited)		-	2,474,608	2,474,608
September 30, 2009		-	38,107,305	38,107,305
December 31, 2008 (Audited)		-	38,107,305	38,107,305

The movement during the period / year was as follows:

	September 30, 2009	December 31, 2008
Balance at the beginning of the period / year	2,474,608	28,436,483
Reclassified from investment available for sale (Note 5)	-	2,511,828
Increase of investment in joint venture	-	10,637,000
Group's share of results from joint ventures	32,261	(4,951,142)
Elimination of profit on intercompany transactions	-	(423,938)
Foreign currency translation adjustments	95,028	(622,647)
Disposals	-	(33,112,976)
Balance at the end of the period / year	2,601,897	2,474,608

9. Murabaha payables

The balance of Murabaha payables represent payments received from Islamic Financing Companies. Murabaha payables carrying an annual average charge from 5.5% to 9% (December 31, 2008 – from 5% to 10.5%, September 30, 2008 – from 5% to 9%).

10. Capital

Authorized, issued and fully paid-up capital consist of 1,000,000,000 shares (December 31, 2008 - 1,000,000,000 shares, September 30, 2008 – 1,000,000,000 shares) of 100 fils each.

11. Other operating income

	2009	2008
Realized income from deferred profit	95,667	166,377
Assets management fees	-	218,961
Income from consulting services	65,007	-
Others	27,867	10,439
	188,541	395,777
	2009	2008
Three months ended September 30,		
	2009	2008
	335,246	698,805
	2009	2008
Nine months ended September 30,		
	654,224	1,622,317
	2009	2008
	125,479	265,201
	2009	2008
	193,499	658,311
	2009	2008
	1,622,317	1,622,317
	2009	2008



(All amounts are in Kuwaiti Dinars)

12. Net investment income

	Three months ended September 30, 2008	Three months ended September 30, 2009	Three months ended September 30, 2008	Three months ended September 30, 2009
Unrealized gain from investments at fair value through statement of income	-	-	-	-
Realized gain from investments at fair value through statement of income	16,989	-	16,989	-
Realized gain on sale of investments available for sale	18,707	255,689	18,707	255,689
Dividends income from investments available for sale	-	68,280	-	68,280
	35,696	323,969	35,696	323,969
		8,968		452,041

13. (Loss) Earnings per share attributable to the parent company's shareholders

There are no potential dilutive ordinary shares. The information necessary to calculate basic (loss) earnings per share based on the weighted average number of shares outstanding during the period is as follows:

	2008	2009	2008	2009
(Loss) profit for the period attributable to the parent company's shareholders	4,538,773	(694,821)	1,024,991	(780,110)
Number of shares outstanding:				
Number of issued shares at the beginning of the period	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Weighted average number of shares outstanding	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
(Loss) earnings per share	4.54	(0.69)	1.02	(0.78)

14. Commitments and contingent liabilities

The Group has capital commitments with respect to future capital expenditure related to the construction of a hotel in a joint venture and contingent liabilities regarding letters of credit for an associate as follows:

	September 30, 2008	September 30, 2009	September 30, 2008	September 30, 2009
Capital commitments	6,230,437	3,414,230	6,230,437	3,414,230
Contingent liabilities	151,618	-	151,618	-
	6,382,055	3,414,230	6,382,055	3,414,230

15. General assembly

The shareholders' General Assembly held on June 8, 2009 approved not to distribute cash dividends or bonus shares for the year ended December 31, 2008.

The Shareholders' General Assembly held on April 1, 2008 approved not to distribute cash dividends or bonus shares for the year ended December 31, 2007.

16. Comparative figures

Certain of the prior period / year amounts have been reclassified to conform with the current period presentation.