

**Warba Insurance Company K.S.C.P
Kuwait**

**Interim Condensed Consolidated Financial Information (Unaudited)
and
Independent Auditors' Review Report**

30 September 2015

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Warba Insurance Company K.S.C.P
Kuwait

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS

Report on Review of Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Warba Insurance Company K.S.C.P (the Parent Company) and its subsidiary (together called "the Group") as at 30 September 2015 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income for the three months and nine months periods then ended and the related interim condensed consolidated changes in equity and cash flows 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. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 - Interim Financial Reporting.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the accompanying interim condensed consolidated financial information is in agreement with the books of account 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. 25 of 2012 as amended, and its Executive Regulations or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended during the nine month period ended 30 September 2015 that might have had a material effect on the business of the Parent Company or on its financial position.



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Kuwait
4 November 2015



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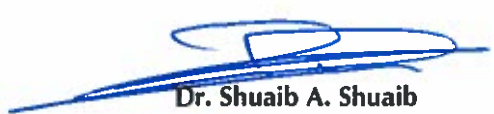
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Interim Condensed Consolidated Statement of Financial Position (Unaudited) as at 30 September 2015

	Note	Kuwaiti Dinars		
		30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2014 (Unaudited)
ASSETS				
Cash and cash equivalents		6,518,663	4,197,274	3,124,495
Fixed deposits	3	5,005,500	10,083,500	5,337,000
Investments at fair value through profit or loss	4	5,612,523	2,253,984	2,499,297
Insurance and reinsurance receivables		14,884,116	18,490,466	16,805,434
Other receivables		2,153,390	2,466,217	2,501,015
Loan secured by life insurance policies		25,765	20,149	19,164
Reinsurance share in reserve for outstanding claims		18,194,822	15,282,073	15,196,208
Investments available for sale	5	16,510,332	18,488,514	19,628,871
Investment in associates		5,502,188	5,471,570	5,412,964
Investment property		-	-	4,200,000
Goodwill		62,240	62,240	62,240
Property and equipment	6	8,197,085	8,368,538	8,442,157
Total assets		82,666,624	85,184,525	83,228,845
LIABILITIES AND EQUITY				
Liabilities				
Bank overdraft		-	790,533	-
Accounts payable		3,893,458	3,601,956	3,452,561
Insurance contract liabilities	7	26,026,203	23,860,643	23,711,939
Insurance and reinsurance payables		4,002,020	6,844,053	4,933,229
Other payables		3,278,461	3,483,355	3,493,513
Total liabilities		37,200,142	38,580,540	35,591,242
Equity				
Share capital	8	17,278,874	17,278,874	17,278,874
Treasury shares	9	(1,255,986)	(1,255,986)	(1,255,986)
Treasury shares reserve		164,760	164,760	164,760
Statutory reserve		8,781,109	8,781,109	8,781,109
Voluntary reserve		9,206,054	9,206,054	9,049,254
General reserve		4,000,000	4,000,000	4,000,000
Cumulative changes in fair value		4,152,223	5,296,463	6,436,820
Share of other comprehensive income of associates		26,140	46,025	68,655
Retained earnings		2,822,672	2,833,436	2,866,898
Equity attributable to shareholders of the Parent		45,175,846	46,350,735	47,390,384
Non-controlling interests		290,636	253,250	247,219
Total equity		45,466,482	46,603,985	47,637,603
Total liabilities and equity		82,666,624	85,184,525	83,228,845

The accompanying notes from 1 to 17 form an integral part of this interim condensed consolidated financial information.

Anwar Jawad Bu-Khamseen
Chairman

Sheikh Mohammed Jarah Sabah Al-Sabah
Vice Chairman

Interim Condensed Consolidated Statement of Profit or Loss (Unaudited)
For the nine months ended 30 September 2015

		Kuwaiti Dinars			
		Three months ended		Nine months ended	
		30 September		30 September	
Note		2015	2014	2015	2014
Revenue:					
	Gross premiums written	6,384,481	5,597,078	26,316,985	22,243,232
	Premium ceded to reinsurers	(3,395,335)	(2,847,209)	(13,029,212)	(10,232,049)
	Net premiums written	2,989,146	2,749,869	13,287,773	12,011,183
	Movement in unearned premium reserve	(33,120)	216,371	(419,076)	(383,063)
	Movement in life actuarial reserve	(131,857)	(64,189)	(115,759)	26,156
	Net premiums earned	2,824,169	2,902,051	12,752,938	11,654,276
	Commission received on ceded reinsurance	216,613	279,351	1,040,155	1,080,591
	Policy Issuance fees	62,162	37,389	160,616	131,268
	Net investment income from life insurance	9,338	6,094	52,100	12,963
		<u>3,112,282</u>	<u>3,224,885</u>	<u>14,005,809</u>	<u>12,879,098</u>
Expenses:					
	Net claims incurred	(2,170,873)	(2,262,081)	(7,489,832)	(7,188,814)
	Commission and discounts	(501,948)	(512,955)	(2,190,176)	(2,180,773)
	General and administrative expenses	(1,067,527)	(1,129,827)	(3,622,122)	(3,027,027)
		<u>(3,740,348)</u>	<u>(3,904,863)</u>	<u>(13,302,130)</u>	<u>(12,396,614)</u>
	Net underwriting (loss)/income	(628,066)	(679,978)	703,679	482,484
	Net investment income from non-life insurance	180,363	135,834	947,775	962,636
	Share of results of associates	19,224	12,043	50,503	79,117
	Insurance services income	200,031	174,156	666,975	613,264
	Other income	16	1,150	6,810	16,020
	Foreign currency exchange (loss)/gain	(9,458)	60,828	131,597	44,790
		<u>(237,890)</u>	<u>(295,967)</u>	<u>2,507,339</u>	<u>2,198,311</u>
Other expenses					
	Insurance services expenses	(196,523)	(166,481)	(582,939)	(531,751)
	Unallocated general and administrative expenses	(67,577)	(75,015)	(222,920)	(209,893)
		<u>(264,100)</u>	<u>(241,496)</u>	<u>(805,859)</u>	<u>(741,644)</u>
	(Loss)/profit for the period before Contribution to Kuwait Foundation for the Advancement of Science (KFAS), National Labor Support Tax and Zakat	(501,990)	(537,463)	1,701,480	1,456,667
	Contribution to KFAS	5,217	5,527	(16,136)	(13,804)
	National Labor Support Tax	13,041	12,094	(26,067)	(21,042)
	Zakat	5,408	4,959	(9,922)	(8,021)
	(Loss)/profit for the period	<u>(478,324)</u>	<u>(514,883)</u>	<u>1,649,355</u>	<u>1,413,800</u>
Attributable to:					
	Shareholders of the Parent Company	(478,838)	(518,117)	1,611,969	1,377,024
	Non-controlling interests	514	3,234	37,386	36,776
		<u>(478,324)</u>	<u>(514,883)</u>	<u>1,649,355</u>	<u>1,413,800</u>
	(Loss)/earnings per share (fils)	13 <u>(2.95)</u>	<u>(3.19)</u>	<u>9.93</u>	<u>8.49</u>

The accompanying notes from 1 to 17 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the nine months ended 30 September 2015

	Kuwaiti Dinars			
	Three months ended 30 September		Nine months ended 30 September	
	2015	2014	2015	2014
(Loss)/profit for the period	(478,324)	(514,883)	1,649,355	1,413,800
Other comprehensive income:				
<i>Items that may be reclassified subsequently to consolidated statement of profit or loss</i>				
Changes in fair value of investments available for sale	5 (483,807)	878,061	(853,166)	740,392
Transfer to statement of profit or loss on disposal of investments available for sale	(291,074)	-	(291,074)	-
Share of comprehensive income of associate	(14,521)	42,881	(19,885)	47,554
Other comprehensive income for the period	(789,402)	920,942	(1,164,125)	787,946
Total comprehensive income for the period	(1,267,726)	406,059	485,230	2,201,746
Attributable to:				
Shareholders of the Parent Company	(1,268,240)	402,825	447,844	2,164,970
Non-controlling interests	514	3,234	37,386	36,776
Total comprehensive income for the period	(1,267,726)	406,059	485,230	2,201,746

The accompanying notes from 1 to 17 form an integral part of this interim condensed consolidated financial information.

Warba Insurance Company K.S.C.P
Kuwait

Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)
For the nine months ended 30 September 2015

	Kuwaiti Dinars											
	Attributable to the shareholders of the Parent Company									Non-	Total	
	Share capital	Treasury shares	Treasury shares reserve	Statutory reserve	Voluntary reserve	General reserve	Cumulative changes in fair value	Share of other comprehensive income of associates	Retained earnings	Total	controlling interests	Equity
Balance at 31 December 2014	17,278,874	(1,255,986)	164,760	8,781,109	9,206,054	4,000,000	5,296,463	46,025	2,833,436	46,350,735	253,250	46,603,985
Total comprehensive income for the period	-	-	-	-	-	-	(1,144,240)	(19,885)	1,611,969	447,844	37,386	485,230
Cash Dividend (Note 14)	-	-	-	-	-	-	-	-	(1,622,733)	(1,622,733)	-	(1,622,733)
Balance at 30 September 2015	17,278,874	(1,255,986)	164,760	8,781,109	9,206,054	4,000,000	4,152,223	26,140	2,822,672	45,175,846	290,636	45,466,482
Balance at 31 December 2013	17,278,874	(1,255,986)	164,760	8,781,109	9,049,254	4,000,000	5,696,428	21,101	2,625,787	46,361,327	210,443	46,571,770
Total comprehensive income for the period	-	-	-	-	-	-	740,392	47,554	1,377,024	2,164,970	36,776	2,201,746
Cash Dividend (Note 14)	-	-	-	-	-	-	-	-	(1,135,913)	(1,135,913)	-	(1,135,913)
Balance at 30 September 2014	17,278,874	(1,255,986)	164,760	8,781,109	9,049,254	4,000,000	6,436,820	68,655	2,866,898	47,390,384	247,219	47,637,603

The accompanying notes from 1 to 17 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Cash Flows (Unaudited)
For the nine months ended 30 September 2015

	Kuwaiti Dinars	
	Nine months ended 30 September	
	2015	2014
Cash flows from operating activities		
Profit for the period before Contribution to KFAS, National Labor Support Tax and Zakat	1,701,480	1,456,667
Adjustments:		
Net investment income	(999,875)	(975,599)
Share of result of associates	(50,503)	(79,117)
Depreciation	240,202	293,565
	<u>891,304</u>	<u>695,516</u>
Changes in operating assets and liabilities:		
Insurance and reinsurance receivables	3,606,350	1,522,537
Other receivables	240,094	310,347
Reinsurance share in reserve for outstanding claims	(2,912,749)	1,343,403
Insurance contract liabilities	2,165,560	186,402
Accounts payable	291,502	(85,209)
Insurance and reinsurance payable	(2,842,033)	(2,683,887)
Other payables	(328,589)	(582,093)
Net cash from operating activities	<u>1,111,439</u>	<u>707,016</u>
Cash flows from investing activities		
Net movement in fixed deposits	5,078,000	1,335,000
Payments for purchase of investments at fair value through profit or loss	(6,039,612)	(51,361)
Proceeds from disposal of investment at fair value through profit or loss	2,560,047	15,239
Proceeds from disposal of investment available for sale	1,125,016	-
Movements in loans secured by life insurance policies	(5,616)	846
Investment in associate	-	(2,430,000)
Payments for purchase of property and equipment	(68,749)	(103,561)
Dividends received	720,651	640,062
Rental income received	6,300	6,300
Interest income received	175,609	51,522
Net cash from/(used in) investing activities	<u>3,551,646</u>	<u>(535,953)</u>
Cash flows from financing activities		
Bank overdraft repaid	(790,533)	-
Dividends paid to shareholders	(1,551,163)	(1,081,029)
Net cash used in financing activities	<u>(2,341,696)</u>	<u>(1,081,029)</u>
Net increase/(decrease) in cash and cash equivalents	2,321,389	(909,966)
Cash and cash equivalents at beginning of the period	4,197,274	4,034,461
Cash and cash equivalents at end of the period	<u>6,518,663</u>	<u>3,124,495</u>

The accompanying notes from 1 to 17 form an integral part of this interim condensed consolidated financial information.

1. Incorporation and objectives

Warba Insurance Company K.S.C.P. (the Parent Company) was incorporated as a Public Kuwaiti Shareholding Company in the State of Kuwait in accordance with the Amiri Decree of 24 October 1976.

The interim condensed consolidated financial information incorporate the interim financial information of Warba Insurance Company K.S.C.P and its subsidiary WAPMED TPA Services Company K.S.C.C. in which it has an equity interest of 54.57% (31 December 2014 – 54.57%, 30 September 2014 - 54.57%).

The objects of the Parent Company and its subsidiary (together “the Group”) are to underwrite life and non-life insurance risks such as fire, general accidents, marine and aviation and others; lend funds against life insurance policies; and to invest in permitted securities and investment properties.

The address of the Parent Company’s registered office is P.O. Box 24282 Safat, 13103 - State of Kuwait.

This interim condensed consolidated financial information has been approved for issue by the Parent Company’s Board of Directors on 4 November 2015.

2. Basis of preparation

This interim condensed consolidated financial information is prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”. The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the consolidated annual financial statements for the year ended 31 December 2014.

The interim condensed consolidated financial information are presented in Kuwaiti Dinars which is the functional and reporting currency of the Group.

This interim condensed consolidated financial information does 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 30 September 2015 are not necessarily indicative of the results that may be expected for the year ending 31 December 2015. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2014.

Amendments to IFRSs which are effective for annual accounting period starting from 1 January 2015 did not have any material impact on the accounting policies, financial position or performance of the Group.

3. Fixed deposits

Fixed deposits represent deposits with banks whose maturity period exceeds three months but not more than one year from the date of placement.

Fixed deposits as at 30 September 2015 include KD 4,169,000 (31 December 2014 – KD 3,919,000, 30 September 2014 - KD 2,919,000) held in Kuwait under lien to the Ministry of Commerce and Industry in accordance with insurance regulations of Kuwait.

The effective interest rate on fixed deposits was 0.871% to 2% (31 December 2014 – 0.871% to 2%, 30 September 2014 – 1.6%) per annum.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited) – 30 September 2015

4. Investments at fair value through profit or loss

The movement during the period/ year is as follows:

	Kuwaiti Dinars		
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2014 (Unaudited)
Balance at the beginning of the period/ year	2,253,984	2,157,600	2,157,600
Additions	6,039,612	51,912	51,361
Disposals	(2,564,850)	(14,015)	(13,466)
Unrealized (loss)/gain on change in fair value (Note 10)	(116,223)	58,487	303,802
Balance at the end of the period/ year	5,612,523	2,253,984	2,499,297

5. Investments available for sale

The movement during the period/ year is as follows:

	Kuwaiti Dinars		
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2014 (Unaudited)
Balance at the beginning of the period/ year	18,488,514	18,888,479	18,888,479
Disposals	(1,125,016)	-	-
Changes in fair value	(853,166)	(399,965)	740,392
Balance at the end of the period/ year	16,510,332	18,488,514	19,628,871

Quoted shares with a fair value of KD 2,052,000 (31 December 2014 - KD 2,214,000, 30 September 2014 - KD 2,835,000) are under lien to the Ministry of Commerce and Industry in accordance with insurance regulations of Kuwait.

It was not possible to reliably measure the fair value of unquoted securities amounting to KD 964,805 (31 December 2014 - KD 964,805, 30 September 2014 - KD 964,805) due to non - availability of a reliable method that could be used to determine the fair value of such investments. Accordingly, they are stated at their cost less impairment losses.

6. Property and equipment

The head office building and related land are under lien to the Ministry of Commerce and Industry, Kuwait for an amount of KD 2,955,780 (31 December 2014 - KD 2,955,780; 30 September 2014 - KD 2,955,780), in accordance with insurance regulations in Kuwait.

7. Insurance contract liabilities

	Kuwaiti Dinars		
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2014 (Unaudited)
Reserve for outstanding claims	20,282,808	18,877,082	18,954,579
Reserve for unexpired risks (unearned premiums)	4,428,923	3,784,847	3,695,854
Reserve for life insurance fund	1,314,472	1,198,714	1,061,506
	26,026,203	23,860,643	23,711,939

Notes to the Interim Condensed Consolidated Financial Information (Unaudited) – 30 September 2015

8. Share capital

The authorized, issued and paid-up capital of the Parent Company is 172,788,740 shares (31 December 2014 - 172,788,740 shares, 30 September 2014 – 172,788,740 shares) of 100 fils each.

9. Treasury shares

	Kuwaiti Dinars		
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2014 (Unaudited)
Number of treasury shares	10,515,470	10,515,470	10,515,470
Percentage to issued shares (%)	6.08%	6.08%	6.08%
Market value (KD)	1,114,640	1,093,609	1,556,290
Cost	1,255,986	1,255,986	1,255,986

10. Net investment income

	Kuwaiti Dinars			
	Three months ended 30 September		Nine months ended 30 September	
	2015	2014	2015	2014
Interest income	9,702	19,030	102,876	23,662
Changes in fair value of investments at fair value through profit or loss (Note 4)	(117,540)	61,774	(116,223)	303,802
Gain/(loss) on sale of investments at fair value through profit or loss	-	1,773	(4,803)	1,773
Realised gain on sale of investment available for sale	291,074	-	291,074	-
Dividend income	4,365	57,251	720,651	640,062
Rental income	2,100	2,100	6,300	6,300
	<u>189,701</u>	<u>141,928</u>	<u>999,875</u>	<u>975,599</u>
Disclosed in the statement of income is as follows:				
Net investment income for life insurance	9,338	6,094	52,100	12,963
Net investment income for Non-life insurance	180,363	135,834	947,775	962,636
	<u>189,701</u>	<u>141,928</u>	<u>999,875</u>	<u>975,599</u>

11. General and administrative expenses

This include provision for doubtful debts KD 225,000 (30 September 2014: Nil).

12. Segment results

A. Nine months ended 30 September 2015

	Kuwaiti Dinars					
	Marine & aviation	Fire	General accident	Total general risk insurance	Life and medical	Total
Revenue	726,068	569,487	5,903,184	7,198,739	6,807,070	14,005,809
Net underwriting income	152,057	(334,105)	398,539	216,491	487,188	703,679
Assets				68,640,347	14,026,277	82,666,624
Liabilities				24,578,150	12,621,992	37,200,142

Notes to the Interim Condensed Consolidated Financial Information (Unaudited) – 30 September 2015

B. Nine months ended 30 September 2014

	Kuwaiti Dinars					Total
	Marine & aviation	Fire	General accident	Total general risk insurance	Life and medical	
Revenue	762,419	506,168	5,718,385	6,986,972	5,892,126	12,879,098
Net underwriting income	156,815	17,315	104,232	278,362	204,122	482,484
Assets				70,678,781	12,550,064	83,228,845
Liabilities				23,515,394	12,075,848	35,591,242

13. (Loss)/earnings per share

(Loss)/earnings per share is computed based on profit for the period attributable to the Parent Company's shareholders and the weighted average number of outstanding shares during the period as follows:

	Kuwaiti Dinars			
	Three months ended 30 September		Nine months ended 30 September	
	2015	2014	2015	2014
(Loss)/profit for the period attributable to the Parent Company's shareholders	(478,838)	(518,117)	1,611,969	1,377,024
Number of shares outstanding:				
Number of issued shares at beginning of the year		172,788,740	172,788,740	172,788,740
Less: Weighted average number of treasury shares	(10,515,470)	(10,515,470)	(10,515,470)	(10,515,470)
Weighted average number of outstanding shares	162,273,270	162,273,270	162,273,270	162,273,270
(Loss)/earnings per share (fils)	(2.95)	(3.19)	9.93	8.49

14. Dividends

The Parent Company's shareholders at their general assembly meeting held on 19 May 2015 approved a cash dividend of 10 fils per share, for the year ended 31 December 2014 (2013 – 7 fils per share), to all the registered shareholders as of the date of the meeting.

15. Related party disclosures

The Group has entered into various transactions with related parties, i.e. shareholders, key management personnel, associates 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:

A. Balances included in the interim condensed consolidated statement of financial position

	Kuwaiti Dinars		
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2014 (Unaudited)
Insurance activities			
Insurance services receivable	1,345,856	1,471,589	989,600
Insurance services payable	104,160	90,976	90,188
Investment activities			
Investments at fair value through profit or loss	510,260	177,242	220,985
Investments available for sale	9,076,978	8,894,557	11,155,046
Deposits and bank balances	5,842,037	7,929,417	6,117,322
Other activities			
Current account	-	-	400,000

Notes to the Interim Condensed Consolidated Financial Information (Unaudited) – 30 September 2015

B. Transactions included in the interim condensed consolidated statement of profit or loss

	Kuwaiti Dinars			
	Three months ended 30 September		Nine months ended 30 September	
	2015	2014	2015	2014
Premiums written	122,087	93,641	272,359	255,310

C. Compensation to key management personnel

	Kuwaiti Dinars			
	Three months ended 30 September		Nine months ended 30 September	
	2015	2014	2015	2014
Short term employee benefits	76,571	48,027	226,961	184,081
Post-employment benefits	2,571	1,746	7,269	5,178
	<u>79,142</u>	<u>49,773</u>	<u>234,230</u>	<u>189,259</u>

16. Capital commitments and contingent liabilities

	Kuwaiti Dinars		
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2014 (Unaudited)
	Letter of guarantee for others	2,000	1,188
Capital commitments	-	340,000	510,630
	<u>2,000</u>	<u>341,188</u>	<u>511,704</u>

17. Financial risk management

Fair value measurement:

The Group measures financial assets such as investments available for sale, investments at fair value through profit or loss and non – financial assets such as investment properties at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to the Interim Condensed Consolidated Financial Information (Unaudited) – 30 September 2015

The following table presents the Group's assets and liabilities that are measured at fair value

	Kuwaiti Dinars			Total
	Level 1	Level 2	Level 3	
30 September 2015				
Investments at fair value through profit or loss	5,612,523	-	-	5,612,523
Investments available for sale	11,947,747	30,840	3,566,940	15,545,527
	<u>17,560,270</u>	<u>30,840</u>	<u>3,566,940</u>	<u>21,158,050</u>
31 December 2014				
Investments at fair value through profit or loss	2,253,984	-	-	2,253,984
Investments available for sale	13,914,501	42,268	3,566,940	17,523,709
	<u>16,168,485</u>	<u>42,268</u>	<u>3,566,940</u>	<u>19,777,693</u>
30 September 2014				
Investments at fair value through profit or loss	2,499,297	-	-	2,499,297
Investments available for sale	15,868,403	106,913	2,688,750	18,664,066
	<u>18,367,700</u>	<u>106,913</u>	<u>2,688,750</u>	<u>21,163,363</u>

During the period ended 30 September 2015, there were no transfers between different levels of the fair value measurement.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization based on the lowest level input that is significant to the fair value measurement as a whole at the end of each reporting period.