

**Independent Petroleum Group Company S.A.K. (Closed)
and subsidiaries
State of Kuwait**



**Condensed consolidated interim financial information and independent auditors' review report
for the nine month period ended 30 September 2012
(Unaudited)**



For the nine month period ended 30 September 2012

Index	Page
Independent auditors' report on review of condensed consolidated interim financial information	1 - 2
Condensed consolidated statement of income	3
Condensed consolidated statement of comprehensive income	4
Condensed consolidated statement of financial position	5
Condensed consolidated statement of changes in equity	6 - 7
Condensed consolidated statement of cash flows	8
Notes to the condensed consolidated interim financial information	9 - 16



KPMG Safi Al-Mutawa & Partners

Rakan Tower, 18th Floor
Fahad Al-Salem Street
P.O. Box 24, Safat 13001
Telephone : + 965 2247 5090
Fax : + 965 2249 2704

RSM Albazie & Co.

Public Accountants

RSM Albazie & Co.

Kuwait Airways Building, 7th floor, Shuhada Street
P. O. Box 2115, Safat - 13022 State of Kuwait
T +965 22961000 F +965 22412761
mail@albazie.com www.albazie.com

Independent auditors' report on review of condensed consolidated interim financial information

**The Board of Directors of
Independent Petroleum Group Company S.A.K. (Closed)
State of Kuwait**

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Independent Petroleum Group Company S.A.K. (Closed) ("the Parent Company") and its subsidiaries (together the "Group") as at 30 September 2012, the condensed consolidated statements of income and comprehensive income for the three month and nine month periods ended 30 September 2012, the condensed consolidated statement of changes in equity and cash flows for the nine month period ended 30 September 2012 ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard, IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

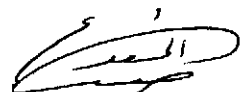
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial 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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

Report on Other legal and Regulatory Requirements

Furthermore, based on our review, the condensed consolidated interim financial information is in agreement with the accounting records. We further report that nothing has come to our attention indicating any contravention during the nine month period ended 30 September 2012, of the Kuwait Commercial Companies Law of 1960, as amended, or of the Parent Company's Memorandum and Articles of Association, that might have had a material effect on the Group's activities or on its financial position.



Safi A. Al-Mutawa
License No. 138 - A
of KPMG Safi Al-Mutawa & Partners
Member firm of KPMG International



Nayef M. Al Bazie
License No 91-A
RSM Albazie & Co.

Kuwait: 23 October 2012

Condensed consolidated statement of income
for the nine month period ended 30 September 2012

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2012 KD '000 (Unaudited)	2011 KD '000 (Unaudited)	2012 KD '000 (Unaudited)	2011 KD '000 (Unaudited)
Sales		345,894	331,030	870,194	957,629
Cost of sales		(343,822)	(332,158)	(865,098)	(956,142)
Gross profit / (loss)		<u>2,072</u>	<u>(1,128)</u>	<u>5,096</u>	<u>1,487</u>
Net interest relating to oil marketing operations	3	(1,543)	(1,205)	(102)	(2,730)
Net results of oil marketing Operations		<u>529</u>	<u>(2,333)</u>	<u>4,994</u>	<u>(1,243)</u>
Share of results of joint venture and associates	9 & 10	1,302	1,165	2,700	3,422
General and administrative expenses		(611)	(294)	(1,759)	(998)
Staff costs		(892)	(662)	(2,827)	(2,501)
Depreciation		(42)	(48)	(129)	(125)
Operating profit / (loss)		<u>286</u>	<u>(2,172)</u>	<u>2,979</u>	<u>(1,445)</u>
Dividend income		-	266	155	352
Gain / (loss) on investments at fair value through statement of income		1,583	(2,778)	2,364	(2,593)
Net other expense	4	(409)	(26)	(375)	(146)
Profit / (loss) before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		<u>1,460</u>	<u>(4,710)</u>	<u>5,123</u>	<u>(3,832)</u>
Contribution to KFAS		(13)	8	(46)	-
NLST and Zakat		-	-	-	-
Profit / (loss) for the period		<u>1,447</u>	<u>(4,702)</u>	<u>5,077</u>	<u>(3,832)</u>
Earnings per share (fils)	5	<u>10.00</u>	<u>(32.51)</u>	<u>35.10</u>	<u>(26.50)</u>

The accompanying notes set out on pages 9 to 16 form an integral part of this condensed consolidated interim financial information.



**Condensed consolidated statement of comprehensive income
for the nine month period ended 30 September 2012**

	Three months ended 30 September		Nine months ended 30 September	
	2012 KD '000 (Unaudited)	2011 KD '000 (Unaudited)	2012 KD '000 (Unaudited)	2011 KD '000 (Unaudited)
Profit / (loss) for the period	1,447	(4,702)	5,077	(3,832)
Other comprehensive income / (loss):				
Changes in fair value of investments available for sale	-	24	2	(130)
Foreign currency translation adjustments	352	186	336	(783)
Movement in share of associates' hedging reserve	-	-	41	159
Other comprehensive income / (loss) for the period	352	210	379	(754)
Total comprehensive income / (loss) for the period	1,799	(4,492)	5,456	(4,586)

The accompanying notes set out on pages 9 to 16 form an integral part of this condensed consolidated interim financial information.



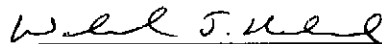
Condensed consolidated statement of financial position
as at 30 September 2012

	Notes	30 September 2012 KD '000 (Unaudited)	31 December 2011 KD '000 (Audited)	30 September 2011 KD '000 (Unaudited)
ASSETS				
Current assets				
Cash on hand and at banks	6	65,973	27,139	11,833
Investments at fair value through statement of income	7	42,385	39,561	38,477
Trade and other receivables	8	184,995	206,725	165,078
Inventories		26,761	79,343	64,431
Total current assets		320,114	352,768	279,819
Non-current assets				
Other loans		3,012	3,159	3,452
Investments available for sale	7	24,551	24,297	9,772
Investment in joint venture	9	3,853	3,795	3,604
Investment in associates	10	20,292	18,204	17,472
Property and equipment	11	19,461	22,438	22,717
Total non-current assets		71,169	71,893	57,017
Total assets		391,283	424,661	336,836
LIABILITIES AND EQUITY				
Current liabilities				
Due to banks		226,273	196,009	166,585
Trade and other payables		77,623	145,815	100,049
Current portion of term loan		1,019	1,008	997
Total current liabilities		304,915	342,832	267,631
Non-current liabilities				
Non-current portion of term loan		8,425	9,088	9,239
Provision for staff indemnity		1,766	2,020	1,973
Total non-current liabilities		10,191	11,108	11,212
Total liabilities		315,106	353,940	278,843
Equity				
Share capital	12	15,225	15,225	15,225
Share premium		22,587	22,587	22,587
Legal reserve		6,553	6,553	6,553
General reserve		606	606	606
Fair value reserve		21,593	21,591	7,085
Foreign currency translation adjustments		(2,676)	(3,012)	(3,432)
Share of associates' hedging reserve		(222)	(263)	(291)
Treasury shares reserve		1,429	1,429	1,429
Treasury shares	13	(2,770)	(2,770)	(2,770)
Retained earnings		13,852	8,775	11,001
Total equity		76,177	70,721	57,993
Total liabilities and equity		391,283	424,661	336,836

The accompanying notes set out on pages 9 to 16 form an integral part of this condensed consolidated interim financial information.

Khalaf Ahmad Al-Khalaf
 Chairman

Ghazi Fahad Al-Nafisi
 Vice Chairman


 Waleed Jaber Hadeed
 Executive Managing Director

Independent Petroleum Group Company S.A.K. (Closed)
and subsidiaries
State of Kuwait



Condensed consolidated statement of changes in equity
for the nine month period ended 30 September 2012

	Attributable to equity holders of the Parent Company							Total KD '000 (Unaudited)			
	Share capital KD '000 (Unaudited)	Share premium KD '000 (Unaudited)	Legal reserve KD '000 (Unaudited)	General reserve KD '000 (Unaudited)	Fair value reserve KD '000 (Unaudited)	Foreign currency translation adjustments KD '000 (Unaudited)	Share of associates' hedging reserve KD '000 (Unaudited)		Treasury shares reserve KD '000 (Unaudited)	Treasury shares KD '000 (Unaudited)	Retained earnings KD '000 (Unaudited)
Balance at 1 January 2012	15,225	22,587	6,553	606	21,591	(3,012)	(263)	1,429	(2,770)	8,775	70,721
Total comprehensive income for the period	-	-	-	-	2	336	41	-	-	5,077	5,077
Profit for the period	-	-	-	-	2	336	41	-	-	-	379
Total other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	2	336	41	-	-	5,077	5,456
Balance at 30 September 2012	15,225	22,587	6,553	606	21,593	(2,676)	(222)	1,429	(2,770)	13,852	76,177

Independent Petroleum Group Company S.A.K. (Closed)
and subsidiaries
State of Kuwait



Condensed consolidated statement of changes in equity
for the nine month period ended 30 September 2012

	Attributable to equity holders of the Parent Company							Total KD '000 (Unaudited)			
	Share capital KD '000 (Unaudited)	Share premium KD '000 (Unaudited)	Legal reserve KD '000 (Unaudited)	General reserve KD '000 (Unaudited)	Fair value reserve KD '000 (Unaudited)	Foreign currency translation adjustments KD '000 (Unaudited)	Share of associates' hedging reserve KD '000 (Unaudited)		Treasury shares reserve KD '000 (Unaudited)	Treasury shares KD '000 (Unaudited)	Retained earnings KD '000 (Unaudited)
Balance at 1 January 2011	15,225	22,587	6,553	606	7,215	(2,649)	(450)	1,422	(2,807)	19,169	66,871
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(3,832)	(3,832)
Loss for the period	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive (loss) / income	-	-	-	-	(130)	(783)	159	-	-	-	(754)
Total comprehensive (loss) / income for the period	-	-	-	-	(130)	(783)	159	-	-	(3,832)	(4,586)
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Dividends for 2010 (note 17)	-	-	-	-	-	-	-	-	-	(4,336)	(4,336)
Sale of treasury shares	-	-	-	-	-	-	-	7	37	-	44
Balance at 30 September 2011	<u>15,225</u>	<u>22,587</u>	<u>6,553</u>	<u>606</u>	<u>7,085</u>	<u>(3,432)</u>	<u>(291)</u>	<u>1,429</u>	<u>(2,770)</u>	<u>11,001</u>	<u>57,993</u>

The accompanying notes set out on pages 9 to 16 form an integral part of this condensed consolidated interim financial information.



**Condensed consolidated statement of cash flows
for the nine month period ended 30 September 2012**

	Note	Nine months ended 30 September	
		2012 KD '000 (Unaudited)	2011 KD '000 (Unaudited)
OPERATING ACTIVITIES			
Profit/ (loss) before provisions for contribution to KFAS, NLST and Zakat		5,123	(3,832)
Adjustments for:			
Depreciation		2,179	1,869
Interest expense		4,218	2,765
Investment income		(2,364)	2,593
Dividend income		(155)	(352)
Share of results of joint venture and associates		(2,700)	(3,422)
Interest income		(4,202)	(140)
Provision for staff indemnity		153	83
		<u>2,252</u>	<u>(436)</u>
Changes in operating assets and liabilities:			
Trade and other receivables		21,485	(33,270)
Inventories		52,582	6,745
Trade and other payables		(68,772)	31,914
		<u>7,547</u>	<u>4,953</u>
Cash generated from operations		4,448	255
Interest received		-	(42)
Payment to KFAS		-	(80)
Directors' fees paid		(407)	(91)
Payment of staff indemnity		<u>11,588</u>	<u>4,995</u>
Net cash generated from operating activities			
INVESTING ACTIVITIES			
Dividends received		2,662	2,486
Increase in time deposits		(446)	-
Decrease in other loans		182	653
Proceeds from sale of fixed assets		1,038	1,233
Purchase of property and equipment		(23)	(9,733)
Investment in associates		(2,076)	-
		<u>1,337</u>	<u>(5,361)</u>
Net cash generated from / (used in) investing activities			
FINANCING ACTIVITIES			
Increase / (decrease) in due to banks		30,264	(741)
(Decrease) / increase in term loans		(652)	5,278
Dividends paid		-	(4,336)
Proceeds from disposal of treasury shares		-	44
Interest paid		(3,682)	(2,722)
		<u>25,930</u>	<u>(2,477)</u>
Net cash generated from / (used in) financing activities		(467)	(131)
Effect of foreign currency translation			
Net increase / (decrease) in cash and cash equivalents		38,388	(2,974)
Cash and cash equivalents at beginning of the period		<u>26,374</u>	<u>14,052</u>
Cash and cash equivalents at end of the period	6	<u>64,762</u>	<u>11,078</u>

The accompanying notes set out on pages 9 to 16 form an integral part of this condensed consolidated interim financial information.



**Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012**

1. Incorporation and activities

Independent Petroleum Group Company S.A.K. (Closed) (“the Parent Company”) was incorporated on 11 September 1976 as a Closed Kuwaiti Shareholding Company. The Parent Company was listed on the Kuwait Stock Exchange on 10 December 1995.

The condensed consolidated interim financial information of the Parent Company as at and for the nine month period ended 30 September 2012 comprises the Parent Company and its subsidiaries (together referred to as “the Group”). The main activities of the Group are the trading of crude oil and petroleum products, strategic investments and joint ventures in petroleum storage facilities, terminal and distribution facilities and other activities related to the petroleum industry and consulting services in the petroleum and petrochemicals fields, ownership of vessels, ship-chartering and other ancillary services.

The registered address of the Parent Company is P.O. Box 24027, Safat 13101, State of Kuwait.

This condensed consolidated interim financial information for the nine month period ended 30 September 2012 was authorized for issue by the Chairman on behalf of the Board of Directors on 23 October 2012.

2. Basis of preparation

a) Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

The condensed consolidated interim 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 nine month period ended 30 September 2012 are not necessarily indicative of the results that may be expected for the year ending 31 December 2012. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2011.

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2011.

b) Judgments and estimates

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012

In preparing these condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and key source of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements for the year ended 31 December 2011.

3. Net interest relating to oil marketing operations

	Three months ended		Nine months ended	
	30 September		30 September	
	2012	2011	2012	2011
	KD '000	KD '000	KD '000	KD '000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest income	46	20	4,116	35
Interest expense	(1,589)	(1,225)	(4,218)	(2,765)
	<u>(1,543)</u>	<u>(1,205)</u>	<u>(102)</u>	<u>(2,730)</u>

4. Net other expense

	Three months ended		Nine months ended	
	30 September		30 September	
	2012	2011	2012	2011
	KD '000	KD '000	KD '000	KD '000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Reimbursement of legal fees awarded	-	-	797	-
Gain / (loss) on sale of vessel (G.Star)	80	-	(877)	-
Net foreign exchange (loss) / gain	(535)	(35)	(418)	465
Gain / (loss) on sale of vessel (G.Nomad)	-	4	-	(716)
Miscellaneous income	46	5	123	105
	<u>(409)</u>	<u>(26)</u>	<u>(375)</u>	<u>(146)</u>

Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012

5. Earnings per share

Earnings per share is computed by dividing the profit for the period by the weighted average number of shares outstanding during the period as follows:

	Three months ended		Nine months ended	
	30 September		30 September	
	2012	2011	2012	2011
	KD '000	KD '000	KD '000	KD '000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit / (loss) for the period	<u>1,447</u>	<u>(4,702)</u>	<u>5,077</u>	<u>(3,832)</u>
	Shares	Shares	Shares	Shares
Weighted average number of issued shares outstanding during the period	152,250	152,250	152,250	152,250
Weighted average number of treasury shares outstanding during the period	<u>(7,620)</u>	<u>(7,620)</u>	<u>(7,620)</u>	<u>(7,657)</u>
Weighted average number of shares outstanding during the period	<u>144,630</u>	<u>144,630</u>	<u>144,630</u>	<u>144,593</u>
Earnings per share (fils)	<u>10.00</u>	<u>(32.51)</u>	<u>35.10</u>	<u>(26.50)</u>

6. Cash on hand and at banks

	30 September	31 December	30 September
	2012	2011	2011
	KD '000	KD '000	KD '000
	(Unaudited)	(Audited)	(Unaudited)
Cash on hand and at banks	27,673	1,233	1,140
Call accounts and time deposits	<u>37,089</u>	<u>25,141</u>	<u>9,938</u>
Cash and cash equivalents	64,762	26,374	11,078
Time deposits with maturity exceeding three months	<u>1,211</u>	<u>765</u>	<u>755</u>
	<u>65,973</u>	<u>27,139</u>	<u>11,833</u>

**Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012**

7. Investments

	30 September 2012 KD '000 (Unaudited)	31 December 2011 KD '000 (Audited)	30 September 2011 KD '000 (Unaudited)
Investments at fair value through statement of income:			
Held for trading:			
Managed portfolios	41,189	38,364	37,614
Quoted securities	1,196	1,197	863
	<u>42,385</u>	<u>39,561</u>	<u>38,477</u>
Investments available for sale:			
Quoted securities	173	176	180
Unquoted securities	24,378	24,121	9,592
	<u>24,551</u>	<u>24,297</u>	<u>9,772</u>

Investments at fair value through statement of income with a carrying amount of KD 41,189 thousands (31 December 2011: KD 38,364 thousands and 30 September 2011: KD 37,614 thousands) are pledged as collateral against amounts due to banks.

The unquoted securities also include an investment of 12.5% in Asia Petroleum Ltd. carried at cost of KD 1,137 thousands (31 December 2011: KD 1,137 thousands and 30 September 2011: KD 1,137 thousands).

8. Trade and other receivables

During the period ended 30 September 2012, the Group received USD 85.67 million (KD 23.95 million) as full and final settlement of an outstanding receivable, inclusive of all interest, arbitration and legal costs from one of its customers against whom the Group had raised and won an arbitration award through the ICC International Court of Arbitration. Interest received as per the award amounted to USD 14.44 million (KD 4.02 million) (Note 3). Legal fees received as per the award amounted to USD 2.87 million (KD 0.79 million) and is presented as part of net other expenses (Note 4).

Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012

9. Investment in joint venture

The Group has a 50% equity shareholding with equivalent voting power in Uniterminals Ltd, Lebanon. Following are the details of share of results from joint venture recorded during the period ended as below:

	Three months ended		Nine months ended	
	30 September		30 September	
	2012	2011	2012	2011
	KD '000	KD '000	KD '000	KD '000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Share of results from Uniterminals Ltd, Lebanon	396	352	896	815
	<u>396</u>	<u>352</u>	<u>896</u>	<u>815</u>

The Group's share in the net assets and results of joint venture included in the condensed consolidated interim financial information was based on their respective management accounts for the nine month period ended 30 September 2012 (2011: nine month period ended 30 September 2011).

10. Investment in associates

Following are the details of share of results from associates recorded during the period ended as below:

	Three months ended 30		Nine months ended 30	
	September		September	
	2012	2011	2012	2011
	KD '000	KD '000	KD '000	KD '000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Share of results from Horizon Singapore Terminals Private Ltd	458	421	1,350	1,259
Share of results from Arab Tank Terminals L.L.C.	96	94	321	306
Share of results from Inpetro SARL	69	136	24	487
Share of results from Horizon Djibouti Holdings Ltd.	221	162	666	555
Share of results from Horizon Tangiers Terminals SA.	62	-	(557)	-
	<u>906</u>	<u>813</u>	<u>1,804</u>	<u>2,607</u>

**Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012**

The Group's share in the net assets and results of associate companies included in the condensed consolidated interim financial information was based on their respective management accounts for the nine month period ended 30 September 2012 (2011: nine month period ended 30 September 2011).

During the period, the Group paid an additional amount of KD 2,076 thousands towards its share of 32.5% in Horizon Tangiers Terminals SA., representing an investment in petroleum storage terminal in Morocco.

11. Property and equipment

Property and Equipment as at 30 September 2012 include KD 17,435 thousands (31 December 2011: KD 20,726 thousands, 30 September 2011: KD 19,458 thousands) related to ships owned by one of the subsidiaries, D&K Holdings L.L.C. Term loan fully relates to the financing of these vessels which are mortgaged against the term loan.

12. Share capital

The authorised, issued and fully paid share capital consists of 152,250,000 shares of 100 fils each (31 December 2011: 152,250,000 shares of 100 fils each and 30 September 2011: 152,250,000 shares of 100 fils each).

13. Treasury shares

	30 September 2012 KD '000 (Unaudited)	31 December 2011 KD '000 (Audited)	30 September 2011 KD '000 (Unaudited)
Number of shares	7,620,000	7,620,000	7,620,000
Percentage of issued shares	5%	5%	5%
Market value (KD '000)	2,553	2,553	2,819
Cost (KD '000)	2,770	2,770	2,770

14. Related party transactions

These represent transactions with related parties in the normal course of business. The related party transactions and balances included in the condensed consolidated interim financial information are as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2012 KD '000 (Unaudited)	2011 KD '000 (Unaudited)	2012 KD '000 (Unaudited)	2011 KD '000 (Unaudited)
a) Revenues and expenses:				
Sales	83,659	60,631	188,865	119,013
Storage expense	1,222	1,139	3,582	3,563

Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012

b) Key management compensation				
Salaries and other short-term benefits	196	200	586	590
Termination benefits	20	20	60	63

c) Due from / to related parties:

	30 September 2012 KD '000 (Unaudited)	31 December 2011 KD '000 (Audited)	30 September 2011 KD '000 (Unaudited)
<i>Due from related parties</i>			
Trade and other receivables	14,911	14,135	22,873
Other loans	3,012	3,159	3,452
<i>Due to related parties</i>			
Trade and other payables	1,993	2,020	2,235

15. Segment information

The Group primarily operates on trading of crude oil and petroleum products. The trading of crude oil and petroleum products is also related to storage and distribution operations. These operations are inter-related and subject to similar risks and returns. The management has determined that the Group is considered to have a single reportable operating segment. The Group operates in different geographic locations. Information about the Group's reportable operating segment is summarised as follows:

	Three months ended 30 September			
	2012		2011	
	Segment revenues KD '000 (Unaudited)	Segment results KD '000 (Unaudited)	Segment revenues KD '000 (Unaudited)	Segment results KD '000 (Unaudited)
Africa and Middle East	304,771	1,365	294,395	(473)
Europe and South America	-	-	26,443	(1,023)
Asia and Far East	41,123	466	10,192	328
	<u>345,894</u>	<u>1,831</u>	<u>331,030</u>	<u>(1,168)</u>
Unallocated corporate items		(1,545)		(1,004)
Operating profit / (loss)		<u>286</u>		<u>(2,172)</u>



Notes to the condensed consolidated interim financial information
for the nine month period ended 30 September 2012

	Nine months ended 30 September			
	2012		2011	
	Segment revenues KD '000 (Unaudited)	Segment results KD '000 (Unaudited)	Segment revenues KD '000 (Unaudited)	Segment results KD '000 (Unaudited)
Africa and Middle East	775,968	6,329	831,720	4,110
Europe and South America	17,006	(54)	105,625	(2,326)
Asia and Far East	77,220	1,419	20,284	395
	<u>870,194</u>	<u>7,694</u>	<u>957,629</u>	<u>2,179</u>
Unallocated corporate items		(4,715)		(3,624)
Operating profit/ (loss)		<u>2,979</u>		<u>(1,445)</u>

16. Contingent liabilities and commitments

Contingent liabilities

	30 September 2012 KD '000 (Unaudited)	31 December 2011 KD '000 (Audited)	30 September 2011 KD '000 (Unaudited)
Letters of guarantee and bid bonds	3,578	14,277	7,881
Letters of credit	83,668	156,355	115,521
	<u>87,246</u>	<u>170,632</u>	<u>123,402</u>
Commitments			
Investments in projects	<u>5,753</u>	<u>7,742</u>	<u>6,731</u>

17. Annual general assembly

The Shareholders' Annual General Assembly held on 21 March 2012 approved the annual audited consolidated financial statements for the year ended 31 December 2011. No dividends were declared for the year ended 31 December 2011.

The Shareholders' Annual General Assembly held on 27 March 2011 approved the annual audited consolidated financial statements for the year ended 31 December 2010 and payment of a cash dividend of 30 fils per share for the year ended 31 December 2010.