

**COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC)
AND SUBSIDIARIES
STATE OF KUWAIT**

**INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE FINANCIAL PERIOD ENDED JUNE 30, 2015
(UNAUDITED)**

**WITH
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION**

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC)
AND SUBSIDIARIES
STATE OF KUWAIT

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(UNAUDITED)
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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Combined Group Contracting Company - K.S.C. (Public)
State of Kuwait

Introduction

We have reviewed the accompanying Interim Condensed Consolidated statement of financial position of Combined Group Contracting Company - K.S.C. (Public) (the Parent Company) and subsidiaries (the Group) as of June 30, 2015 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the six months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim consolidated financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

Scope of Review

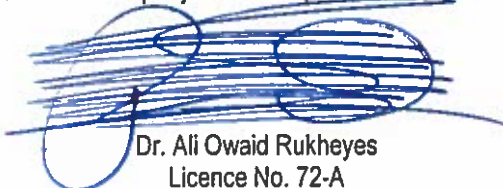
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim consolidated financial information performed by the independent auditor of the entity." A review of interim consolidated financial information consists of making inquiries, primarily of persons 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 prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review the interim 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 of 2012, its amendments and executive regulations, Memorandum of Incorporation or Article of Association for the Parent Company during the period ended June 30, 2015 that might have had a material effect on the Parent Company's financial position or results of its operations.



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State of Kuwait
August 12, 2015

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
 AS OF JUNE 30, 2015
 (All amounts are in Kuwaiti Dinars)

	Note	June 30, 2015	December 31, 2014 (Audited)	June 30, 2014
ASSETS				
Non current assets:				
Properties, plants and equipments		21,819,270	20,901,178	18,640,500
Investment properties	3	7,027,969	2,596,703	688,115
Investments in an unconsolidated subsidiaries		93,001	93,001	93,001
Investment available for sale		700,000	700,000	700,000
Right of utilization of leasehold land		89,104	93,229	97,354
Contract retentions		24,620,113	21,831,591	13,411,524
Time deposits	4	280,000	280,000	280,000
Total non current assets:		54,629,457	46,495,702	33,910,494
Current assets:				
Inventory		27,086,296	25,739,303	32,536,640
Gross amount due from customers for contract work		59,105,325	53,732,348	49,956,197
Accounts receivable and other debit balances		119,958,035	88,065,006	76,266,558
Investments at fair value through profit or loss		3,299,772	3,105,792	3,242,302
Cash and cash equivalents	5	9,807,741	11,332,396	36,500,551
Total current assets		219,257,169	181,974,845	198,502,248
Total assets		273,886,626	228,470,547	232,412,742
SHAREHOLDERS' EQUITY AND LIABILITIES				
Equity:				
Share capital	6	12,276,918	11,160,834	11,160,834
Treasury shares	7	(213,674)	(184,740)	(64,374)
Treasury shares reserve		1,266,488	1,266,488	1,266,488
Statutory reserve		5,580,417	5,580,417	5,314,683
Voluntary reserve		1,817,340	1,817,340	1,817,340
Foreign currency translation adjustments		152,595	4,730	(59,006)
Retained earnings		18,902,115	21,814,239	18,987,385
Equity attributable to shareholders of the Parent Company		39,782,199	41,459,308	38,423,350
Non - controlling interests		3,501,066	3,117,391	2,760,148
Total shareholders' equity		43,283,265	44,576,699	41,183,498
Non current liabilities:				
Accounts payable and other credit balances – non-current portion		43,591,032	28,300,639	25,811,852
Long term loans – non-current portion	8	1,738,268	1,534,955	1,572,033
Murabaha payables – non-current portion		620,391	879,686	904,617
Provision for end of service indemnity		8,873,175	8,123,115	7,080,015
Total non current liabilities		54,822,866	38,838,395	35,368,517
Current liabilities:				
Gross amount due to customers for contract work		9,107,314	1,432,631	896,039
Accounts payable and other credit balances– current portion		125,254,017	108,867,511	113,966,847
Long term loans – current portion	8	2,055,622	982,280	2,118,711
Finance lease obligation		3,250,720	1,246,000	483,687
Murabaha payables – current portion		3,789,388	4,230,298	360,550
Short-term loans and credit facilities	9	6,122,588	7,284,524	25,951,282
Due to banks	10	26,200,846	21,012,209	12,083,611
Total current liabilities		175,780,495	145,055,453	155,860,727
Total liabilities		230,603,361	183,893,848	191,229,244
Total shareholders' equity and liabilities		273,886,626	228,470,547	232,412,742

The accompanying notes from (1) to (18) form an integral part of the interim consolidated financial information

Abdul Rahman M. Al-Marouf
Chairman

Rae'ed Khalif Al Abdullah
Vice Chairman

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED JUNE 30, 2015
 (All amounts are in Kuwaiti Dinars)

	Attributable to shareholders of the Parent Company									
	Capital	Treasury shares	Treasury shares reserve	Statutory reserve	Voluntary reserve	Foreign currency translation Adjustments	Retained earnings	Sub-total	Non-controlling interests	Total
Balance at December 31, 2014	11,160,834	(184,740)	1,266,488	5,580,417	1,817,340	4,730	21,814,239	41,459,308	3,117,391	44,576,699
Purchase of treasury shares	-	(28,934)	-	-	-	-	-	(28,934)	-	(28,934)
Total comprehensive income for the period	-	-	-	-	-	147,865	2,100,654	2,248,519	581,675	2,830,194
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(198,000)	(198,000)
Cash dividends 2014 (35 fils per share) - (Note 13)	-	-	-	-	-	-	(3,896,694)	(3,896,694)	-	(3,896,694)
Bonus shares 2014 (10%) - (Note 13)	1,116,084	-	-	-	-	-	(1,116,084)	-	-	-
Balance at June 30, 2015	12,276,918	(213,674)	1,266,488	5,580,417	1,817,340	152,595	18,902,115	39,782,199	3,501,066	43,283,265
Balance at December 31, 2013	10,629,366	(64,374)	1,266,488	5,314,683	1,817,340	(26,831)	21,168,634	40,105,306	2,318,739	42,424,045
Total comprehensive (loss) income for the period	-	-	-	-	-	(32,175)	2,066,985	2,034,810	441,409	2,476,219
Cash dividends 2013 (35 fils per share) - (Note 13)	-	-	-	-	-	-	(3,716,766)	(3,716,766)	-	(3,716,766)
Bonus shares 2013 (5%) - (Note 13)	531,468	-	-	-	-	-	(531,468)	-	-	-
Balance at June 30, 2014	11,160,834	(64,374)	1,266,488	5,314,683	1,817,340	(59,006)	18,987,385	38,423,350	2,760,148	41,183,498

The accompanying notes from (1) to (18) form an integral part of the interim consolidated financial information

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2015

(All amounts are in Kuwaiti Dinars)

1. Incorporation and objectives of the Parent Company

The Combined Group Trading and Contracting Company - Suleiman Khaled Abdul-Latif Al-Hamad and Partners was incorporated pursuant to an Articles of Association of a Limited Liability Company, duly authenticated at the Ministry of Justice - Department of Real Estate Registration and Documentation under Ref. No. 215/B/Vol.4 on November 15, 1965.

According to a Limited Liability Company amendment Articles of Association, authenticated at the Ministry of Justice - Department of Real Estate Registration and Documentation under Ref. No. 6218/Vol.1 dated September 19, 2005, the following was considered:

1. Transfer the legal entity of Combined Group Trading and Contracting Company - Suleiman Khaled Abdul-Latif Al-Hamad and Partners – W.L.L. to Kuwaiti Shareholding Company- K.S.C. (Closed).
2. According to Article No.(2) of the amendment Articles of Association; the Company's name become: "Combined Group Contracting Company - K.S.C. (Public)" (previously Combined Group Trading and Contracting Company – Suleiman Khaled Abdul-Latif Al-Hamad and Partners .W.L.L.).

As per the issued letter from the Department of Shareholding Companies No.12 dated June 4, 2015 and as per the Extraordinary General Assembly meeting held on May 12, 2015 the following have been approved:

1. Increase the Company's capital from KD 11,160,834 to KD 12,276,918 which amounted to KD 1,116,084 through the distribution of bonus shares equal to 11,160,834 shares with the percentage of 10% of the Company capital by 10 shares for every 100 shares, to be allocated to the existing shareholders in the Parent Company's records on the date of the General Assembly Meeting.
2. Amended Articles No. (5) from the Article of Incorporation and article No. (6) from Article of Association of the Parent Company to be the following: "The Company's Capital is KD 12,276,918 distributed over 122,769,177 shares with value of 100 fils for share and all shares are in kind and in cash" (Cash equal KD 7,276,918 and in Kind equal KD 5,000,000) (Note 6).

The Parent Company is registered in the commercial register under Ref. No. 13595 dated September 19, 2005.

The Parent Company had been listed in Kuwait Stock Exchange Market since January 23, 2006.

The main objectives for which the Parent Company was established are as follows:

- Carry out general contracting, mechanical works, healthy engineering works, constructions works of building, ways, bridges and managing, controlling them and their related works.
- Manufacturing, producing and importing of various building materials (after the approval of Public Authority for Industry).
- Trading, packing and packaging cement, sand and related materials.
- Ready-mix works.
- Manufacturing and executing the dye works and decorations those are necessary to execute the civil works (after the approval of Public Authority for Industry).
- Asphalt production.
- Purchasing and importing the equipments and tools that are necessary to execute the Parent Company objectives.
- Owning the transportation intermediaries that are necessary for the Parent Company activities.
- Representation of the companies and enter tenders that have similar purposes.
- Investing the excess funds available with the Parent Company in portfolios and funds managed by specialized companies.

The Parent company may perform directly all of the above activities inside and outside the State of Kuwait, or through agents on its behalf. The Parent company may have an interest or participation in entities of similar activities which

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
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JUNE 30, 2015

(All amounts are in Kuwaiti Dinars)

could assist the Parent company in achieving its objectives inside and outside the State of Kuwait, or may also acquire, participate or append such entities.

The registered Parent Company's address is P.O. Box 4819 Safat, 13049 State of Kuwait and located in Ardiya area, Block No. 2, building No. 284.

The interim consolidated financial information were authorized for issue by the Board of Directors of the Parent Company on August 12, 2015.

2. Basis of preparation

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 financial year ended December 31, 2014.

The amendments on IASB Standards have been issued and effective for annual periods beginning on or after 1 January 2015 are not expected to have any material impact on the interim consolidated financial information, also these amendments and standards on IASB Standards have been issued but are not yet effective are not expected to have any material impact on the interim consolidated financial information.

The interim consolidated financial information does not include all the information and notes 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. Operating results for the financial period ended June 30, 2015 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2015. For further information, refer to the consolidated financial statements and notes thereto for the financial year ended December 31, 2014.

3. Investment properties

Investment properties amounting to KD 4,987,008 are registered in the name of local banks against finance lease obligation with a promise to purchase (December 31, 2014 - KD 1,853,870, June 30, 2014 - Nil).

4. Term Deposits

The effective interest rate on time deposits is 2.75% per annum (December 31, 2014 - 2.75%, June 30, 2014 - 2.75%) this deposits mature within 4 years from the date of deposit.

5. Cash and cash equivalents

	June 30, 2015	December 31, 2014 (Audited)	June 30, 2014
Cash on hand and at banks	9,307,741	10,832,396	36,000,551
Short term deposits	500,000	500,000	500,000
	<u>9,807,741</u>	<u>11,332,396</u>	<u>36,500,551</u>

The effective interest rate on short term deposits is 1.75% per annum (December 31, 2014 -1.75%, June 30, 2014 1.25%), these deposits have a maturity of 90 days from the date of deposit.

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

JUNE 30, 2015

(All amounts are in Kuwaiti Dinars)

6. Share capital

The authorized, issued and fully paid-up capital KD12,276,918 (December 31, 2014 _ KD 11,160,834, June 30, 2014_ KD 11,160,834), consists of 122,769,177 shares (December 31, 2014 – 111,608,343 shares, June 30, 2014 – 111,608,343 shares) of nominal value of 100 fils each and all shares are in cash and in kind (Cash equal KD 7,276,918 and in Kind equal KD 5,000,000) (Note 1).

7. Treasury shares

	June 30, 2015	December 31, 2014 (Audited)	June 30, 2014
Number of treasury shares (shares)	307,493	247,647	105,370
Percentage of issued shares (%)	0.250%	0.222%	0.094%
Market value (KD)	229,632	227,835	113,800
Cost (KD)	213,674	184,740	64,374

8. Long-term loans

Long-term loans are summarized as follows:

	Current portion	Non-current portion	Total
- Loan from local bank guaranteed by a formal mortgage on Ardiya land and its construction, and is repayable in monthly installments for the period of 15 years until March 27, 2020 after a grace period of one year, and carries an interest rate of 3.5% per annum over the Central Bank of Kuwait discount rate.	108,556	473,625	582,181
- Loan from local bank for financing the purchase of machinery and equipments guaranteed by a formal mortgage of the Parent company factories on Salibya industry area; and repayable in monthly installments for the period of 5 years until March 1, 2017, carries an interest rate of 4% per annum over the Central Bank of Kuwait discount rate.	600,000	350,000	950,000
- Loan from foreign bank for financing the purchase of machinery and equipments repayable in quarterly installments for the period of 3 years until March 15, 2018, carries an interest rate of 2% per annum over the Central Bank of Kuwait discount rate.	1,021,081	154,012	1,175,093
- Loans from Gulf banks repayable in monthly and quarterly installments and carries an interest rate ranging from 2.75% to 3.5% and maturing during 2016 and 2017 to finance purchase of asphalt factory against guaranteed by partners and mortgage of the machinery and equipments of a subsidiary.	325,985	760,631	1,086,616
Balance as of June 30, 2015	2,055,622	1,738,268	3,793,890
Balance as of December 31, 2014	982,280	1,534,955	2,517,235
Balance as of June 30, 2014	2,118,711	1,572,033	3,690,744

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
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(All amounts are in Kuwaiti Dinars)

9. Short-term loans and credit facilities

Short term loans and credit facilities represent advance payments by the banks against construction contracts, which are to be settled by deducting 10% to 15% from the amounts to be received for the completed work. These loans carry interest rate ranging from 2.75% to 4.5% per annum (December 31, 2014 – from 2.75% to 4.5% %, June 30, 2014 - from 6.5% to 7.75%).

Short term loans and credit facilities are secured by personal guarantees of shareholders and money transfer order for the revenue from projects to the banks.

10. Due to banks

Due to banks represents in overdrafts facility and promissory notes.

Overdrafts facility carries interest rate 2.5% over the Central Bank of Kuwait discount rate per annum (December 31, 2014 - 2.5% over the Central Bank of Kuwait discount rate , June 30, 2014 – from 6.5% to 7.5%) and due upon demand.

Promissory notes carries interest rate 2.5% over the Central Bank of Kuwait discount rate (December 31, 2014 - 2.5% over the Central Bank of Kuwait discount rate , June 30, 2014 – from 6.5% to 7.5%). and due within 180 day.

Due to banks are secured by personal guarantees of shareholders and money transfer order for the revenue from projects to the banks.

11. Gross profit

	Three months ended June 30, 2015					Three months ended June 30, 2014
	Projects	Vehicles, machinery & garage	Asphalt factories and central mixers	Elimination s of inter- divisional transaction s	Total	Total
Operating revenue	63,861,035	1,956,037	1,311,826	(999,149)	66,129,749	46,264,731
Operating Costs	(60,150,230)	(1,692,454)	(703,945)	999,149	(61,547,480)	(42,755,692)
Gross profit	<u>3,710,805</u>	<u>263,583</u>	<u>607,881</u>	<u>-</u>	<u>4,582,269</u>	<u>3,509,039</u>

	Six months ended June 30, 2015					Six months ended June 30, 2014
	Projects	Vehicles, machinery & garage	Asphalt factories and central mixers	Eliminations of inter- divisional transactions	Total	Total
Operating revenue	123,224,054	3,861,226	2,480,672	(1,966,335)	127,599,617	86,651,043
Operating Costs	(115,925,690)	(3,321,194)	(2,144,688)	1,966,335	(119,425,237)	(80,924,158)
Gross profit	<u>7,298,364</u>	<u>540,032</u>	<u>335,984</u>	<u>-</u>	<u>8,174,380</u>	<u>5,726,885</u>

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
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(All amounts are in Kuwaiti Dinars)

12. Earnings per share

Earnings per share is computed by dividing net profit for the period attributable to shareholders of the Parent Company over the weighted average number of outstanding shares, as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Net profit for the period attributable to shareholders' equity of the Parent Company	<u>1,520,059</u>	<u>1,472,886</u>	<u>2,100,654</u>	<u>2,066,985</u>
	<u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
<u>Number of outstanding shares:</u>				
Number of issued shares at beginning of the period	111,608,343	111,608,343	111,608,343	111,608,343
Add: Bonus shares	11,160,834	11,160,834	11,160,834	11,160,834
Less: weighted average number of treasury shares	<u>(291,157)</u>	<u>(105,371)</u>	<u>(275,669)</u>	<u>(105,371)</u>
Weighted average number of outstanding shares	<u>122,478,020</u>	<u>122,663,806</u>	<u>122,493,508</u>	<u>122,663,806</u>
Earnings per share (fils)	<u>12.41</u>	<u>12.01</u>	<u>17.15</u>	<u>16.85</u>

Earnings per share for the financial period ended June 30, 2014 was 18.54 fils before retroactive adjustment relating to the issue of bonus shares which is approved by Parent company's Shareholders General Assembly (Note 13).

13. General Assembly

The Shareholders' General Assembly held on May 12, 2015 approved the distribution of cash dividends of 35 fils per share and bonus shares of 10 shares for every 100 shares and remuneration for Board of Directors of KD 422,253 for the financial year ended December 31, 2014.

The Shareholders' General Assembly held on May 11, 2014 approved the distribution of cash dividends of 35 fils per share and bonus shares of 5 shares for every 100 shares and remuneration for Board of Directors of KD 70,000 for the financial year ended December 31, 2013.

14. Related party disclosures

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

Balances included in the interim condensed consolidated statement of financial position:

	June 30,	December 31,	June 30,
	2015	2014 (Audited)	2014
Accounts receivable and other debit balances	<u>2,519,361</u>	<u>2,861,518</u>	<u>894,832</u>
Accounts payable and other credit balances	<u>1,073,813</u>	<u>114,373</u>	<u>75,979</u>

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
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(All amounts are in Kuwaiti Dinars)

Transactions included in the Interim condensed consolidated statement of profit or loss:

- Key management compensation:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Salaries and other short term benefits	333,253	215,358	591,722	451,716
Provision for end of service indemnity	15,656	5,829	23,416	11,635
	<u>348,909</u>	<u>221,187</u>	<u>615,138</u>	<u>463,351</u>

15. Capital commitments

As of the date of interim condensed consolidated statement of financial position, the Group has capital commitments in respect of the following:

	June 30, 2015	December 31, 2014 (Audited)	June 30, 2014
Purchase of investment available for sale	400,000	400,000	400,000
Purchase of properties, plants and equipments	98,050	1,627,103	230,934
	<u>498,050</u>	<u>2,027,103</u>	<u>630,934</u>

16. Segment information

The Group is organized into functional divisions to manage its various lines of business. The Group operates mainly in the State of Kuwait and outside. For the purposes of segment reporting, the Group's management has decided its products and services into the following segments:

- State of Kuwait segment.
- Gulf Countries segment.

Details of the above segments, which constitute the segment information, are as follows:

	June 30, 2015			
	State of Kuwait	Outside Kuwait	Non- controlling interests	Total
Operating revenue	75,753,483	51,846,134	-	127,599,617
Operating costs	(69,892,814)	(49,532,423)	-	(119,425,237)
Gross profit	5,860,669	2,313,711	-	8,174,380
Segment results	1,927,192	173,462	581,675	2,682,329
Segment assets	181,968,610	91,918,016	-	273,886,626
Segment liabilities	145,205,510	85,397,851	-	230,603,361
	June 30, 2014			
	State of Kuwait	Outside Kuwait	Non- controlling interests	Total
Operating revenue	59,708,960	26,942,083	-	86,651,043
Operating costs	(56,308,048)	(24,616,110)	-	(80,924,158)
Gross profit	3,400,912	2,325,973	-	5,726,885
Segment results	1,351,433	715,552	441,409	2,508,394
Segment assets	176,378,114	56,034,628	-	232,412,742
Segment liabilities	140,403,141	50,826,103	-	191,229,244

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
 NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
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(All amounts are in Kuwaiti Dinars)

17. Contingent liabilities and claims

A) At the date of interim consolidated statement of financial position, the Group was contingently liable in respect of the following:

	June 30, 2015	December 31, 2014 (Audited)	June 30, 2014
Letters of credit	26,109,979	22,104,931	7,925,875
Performance guarantees	90,064,156	118,653,380	77,561,299
Guarantees for advance payments	60,239,070	61,546,443	48,035,831
Guarantees for bids	39,325,921	40,573,382	20,328,195
Guarantees for retentions	63,602,785	8,548,785	9,947,394
Other guarantees	11,407,954	9,796,074	7,841,660
	<u>290,749,865</u>	<u>261,222,995</u>	<u>171,640,254</u>

B) There are certain lawsuits raised by / against the Group, the results of which cannot be assessed till being finally cleared by the court. In the opinion of the Group's external Legal counsels, there will be no material adverse impact on the Group interim consolidated financial information, and hence, no additional provisions were recorded in the Group's records due to the sufficiency of the currently recorded provisions for those claims as of the interim condensed consolidated statement of financial position date.

18. Fair value of financial instruments

The Group measures financial assets such as investments at fair value through profit or loss and available for sale investments 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, or
- 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 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.

The following table presents the Group's investments that are measured at fair value as of June 30, 2015:

Assets	Level 1	Level 2	Total
Investments at fair value through profit or loss	<u>2,673,089</u>	<u>626,683</u>	<u>3,299,772</u>

The following table presents the Group's investments that are measured at fair value as of December 31, 2014:

Assets	Level 1	Level 2	Total
Investments at fair value through profit or loss	<u>2,519,063</u>	<u>586,729</u>	<u>3,105,792</u>

The following table presents the Group's investments that are measured at fair value as of June 30, 2014:

Assets	Level 1	Level 2	Total
Investments at fair value through profit or loss	<u>2,650,271</u>	<u>592,031</u>	<u>3,242,302</u>

COMBINED GROUP CONTRACTING COMPANY - K.S.C. (PUBLIC) AND SUBSIDIARIES
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(All amounts are in Kuwaiti Dinars)

As of interim condensed consolidated statement of financial position date the fair values of financial instruments approximate their carrying amounts, with the exception of certain financial assets available for sale carried at cost. The management of the Group has assessed that fair value of its financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

During the period, there were no transfers between Level 1, Level 2 and Level 3.

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.