



بنك الكويت الدولي

**Kuwait International Bank K.S.C.P.**  
**State of Kuwait**

**Interim Condensed Consolidated Financial Information**  
**Period ended 30 June 2015**  
**(Unaudited)**

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## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KUWAIT INTERNATIONAL BANK K.S.C.P.**

### *Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait International Bank K.S.C.P. (the “Bank”) and its subsidiary (collectively the “Group”) as at 30 June 2015, and the related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income for the three months and six months periods then ended, and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six months period then ended. The management of the Bank is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of presentation set out in note 2. 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*

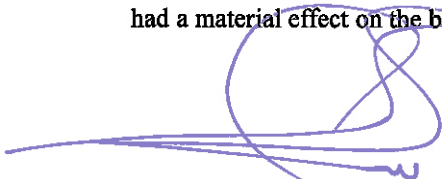
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of presentation set out in note 2.

### **Report on Other Legal and Regulatory Requirements**

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Bank. 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 Memorandum of Incorporation and the Articles of Association of the Bank, as amended, during the six months period ended 30 June 2015 that might have had a material effect on the business of the Bank or on its financial position.

## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS (CONTINUED)

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, during the six months period ended 30 June 2015 that might have had a material effect on the business of the Bank or on its financial position.



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Kuwait  
12 July 2015

**Kuwait International Bank K.S.C.P.**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Profit or Loss (Unaudited)**  
**For the period ended 30 June 2015**

		(Kuwaiti Dinars in '000)			
		Three months ended		Six months ended	
		30 June		30 June	
		(Unaudited)		(Unaudited)	
Note		2015	2014	2015	2014
	Financing income	14,457	13,456	28,741	26,002
	Finance cost and estimated distribution to depositors	(3,584)	(2,723)	(6,941)	(4,556)
	<b>Net financing income</b>	<b>10,873</b>	<b>10,733</b>	<b>21,800</b>	<b>21,446</b>
	Fees and commission income	2,217	1,894	4,887	4,207
	Net gain from foreign exchange	268	273	505	475
	Investment income	2,774	1,165	4,404	2,434
	Share of results from associates	-	-	60	-
	Other income	357	41	537	211
	<b>Total operating income</b>	<b>16,489</b>	<b>14,106</b>	<b>32,193</b>	<b>28,773</b>
	Staff costs	(3,550)	(3,664)	(6,926)	(6,305)
	General and administrative expenses	(2,486)	(2,505)	(3,960)	(4,071)
	Depreciation	(493)	(874)	(1,017)	(1,736)
	<b>Total operating expenses</b>	<b>(6,529)</b>	<b>(7,043)</b>	<b>(11,903)</b>	<b>(12,112)</b>
	<b>Profit from operations before impairment loss and other provisions</b>	<b>9,960</b>	<b>7,063</b>	<b>20,290</b>	<b>16,661</b>
	Impairment loss and other provisions	(5,425)	(3,516)	(12,217)	(8,319)
	Reversal of impairment loss	338	501	2,896	998
	<b>Profit from operations</b>	<b>4,873</b>	<b>4,048</b>	<b>10,969</b>	<b>9,340</b>
	<b>Provision for:</b>				
	Kuwait Foundation for the Advancement of Sciences (KFAS)	(45)	(39)	(102)	(89)
	National Labor Support Tax (NLST)	(115)	(110)	(270)	(238)
	Zakat	(47)	(43)	(109)	(94)
	<b>Profit for the period</b>	<b>4,666</b>	<b>3,856</b>	<b>10,488</b>	<b>8,919</b>
	<b>Attributable to:</b>				
	Shareholders of the Bank	4,650	3,853	10,435	8,890
	Non-controlling interests	16	3	53	29
		<b>4,666</b>	<b>3,856</b>	<b>10,488</b>	<b>8,919</b>
	Basic and diluted earnings per share attributable to shareholders of the Bank (Fils)	4.98	4.13	11.18	9.52

The accompanying notes from 1 to 13 form an integral part of this interim condensed consolidated financial information.

**Kuwait International Bank K.S.C.P.**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)**  
**For the period ended 30 June 2015**

	(Kuwaiti Dinars in '000)			
	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2015	2014	2015	2014
<b>Profit for the period</b>	4,666	3,856	10,488	8,919
<b>Other comprehensive income</b>				
<i>Items to be recycled to consolidated statement of profit or loss in future periods</i>				
Financial assets available for sale:				
- Change in fair values	(560)	540	(262)	930
- Transfer to interim condensed consolidated statement of profit or loss on impairment	421	133	421	225
- Transfer to interim condensed consolidated statement of profit or loss on sale	150	(265)	(402)	(430)
Share of other comprehensive loss of associates	-	(57)	-	(3)
<b>Other comprehensive income (loss) for the period</b>	11	351	(243)	722
<b>Total comprehensive income for the period</b>	4,677	4,207	10,245	9,641
<b>Attributable to:</b>				
Shareholders of the Bank	4,670	4,219	10,221	9,613
Non-controlling interests	7	(12)	24	28
<b>Total comprehensive income for the period</b>	4,677	4,207	10,245	9,641

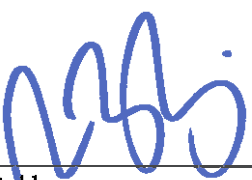
The accompanying notes from 1 to 13 form an integral part of this interim condensed consolidated financial information.

**Kuwait International Bank K.S.C.P.**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Financial Position (Unaudited)**  
**As at 30 June 2015**

		(Kuwaiti Dinars in '000)		
		30 June 2015	31 December 2014	30 June 2014
Note		(Unaudited)	(Audited)	(Unaudited)
<b>ASSETS</b>				
	Cash and balances with banks and financial institutions	22,640	17,618	19,293
5	Due from banks and financial institutions	422,694	432,684	412,079
	Financing receivables	1,101,277	1,062,829	1,032,107
	Investment securities	65,590	61,078	61,335
	Investment in associates	3,935	3,875	2,345
	Investment properties	35,831	50,139	45,367
	Other assets	9,785	9,339	13,255
	Property and equipment	25,276	25,017	19,733
	<b>Total assets</b>	<b>1,687,028</b>	<b>1,662,579</b>	<b>1,605,514</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
6	Due to banks and financial institutions	419,170	395,419	384,301
	Depositors' accounts	990,225	988,744	944,026
	Other liabilities	34,975	37,600	46,699
	<b>Total liabilities</b>	<b>1,444,370</b>	<b>1,421,763</b>	<b>1,375,026</b>
<b>Equity</b>				
	Share capital	103,732	103,732	103,732
	Share premium	49,480	49,480	49,480
	Treasury shares	(45,234)	(45,234)	(45,234)
	Other reserves	131,534	129,716	119,461
	<b>Attributable to shareholders of the Bank</b>	<b>239,512</b>	<b>237,694</b>	<b>227,439</b>
	Non-controlling interests	3,146	3,122	3,049
	<b>Total equity</b>	<b>242,658</b>	<b>240,816</b>	<b>230,488</b>
	<b>Total liabilities and equity</b>	<b>1,687,028</b>	<b>1,662,579</b>	<b>1,605,514</b>

The accompanying notes from 1 to 13 form an integral part of this interim condensed consolidated financial information.



Raed Jawad Bukhamseen  
**Acting Chairman**



Massoud Mikhael Antoun  
**Acting Chief Executive Officer**

**Kuwait International Bank K.S.C.P.  
State of Kuwait**

**Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)  
For the period ended 30 June 2015**

	(Kuwaiti Dinars in '000)											Total equity	
	Attributable to shareholders of the Bank										Non-controlling interests		
	Share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Treasury shares reserve	Retained earnings	Fair valuation reserve	Revaluation surplus	Total other reserves			Total
Balance as at 1 January 2015 (Audited)	103,732	49,480	(45,234)	29,081	22,998	4,846	38,464	17,739	16,588	129,716	237,694	3,122	240,816
Profit for the period	-	-	-	-	-	-	10,435	-	-	10,435	10,435	53	10,488
Other comprehensive loss	-	-	-	-	-	-	-	(214)	-	(214)	(214)	(29)	(243)
Total comprehensive income (loss)	-	-	-	-	-	-	10,435	(214)	-	10,221	10,221	24	10,245
Dividends - Note 7	-	-	-	-	-	-	(8,403)	-	-	(8,403)	(8,403)	-	(8,403)
<b>Balance as at 30 June 2015</b>	<b>103,732</b>	<b>49,480</b>	<b>(45,234)</b>	<b>29,081</b>	<b>22,998</b>	<b>4,846</b>	<b>40,496</b>	<b>17,525</b>	<b>16,588</b>	<b>131,534</b>	<b>239,512</b>	<b>3,146</b>	<b>242,658</b>
Balance as at 1 January 2014 (Audited)	103,732	49,480	(45,234)	27,619	21,536	4,846	32,191	17,277	12,915	116,384	224,362	3,021	227,383
Profit for the period	-	-	-	-	-	-	8,890	-	-	8,890	8,890	29	8,919
Other comprehensive income (loss)	-	-	-	-	-	-	-	723	-	723	723	(1)	722
Total comprehensive income	-	-	-	-	-	-	8,890	723	-	9,613	9,613	28	9,641
Dividends - Note 7	-	-	-	-	-	-	(6,536)	-	-	(6,536)	(6,536)	-	(6,536)
Balance as at 30 June 2014	103,732	49,480	(45,234)	27,619	21,536	4,846	34,545	18,000	12,915	119,461	227,439	3,049	230,488

The accompanying notes from 1 to 13 form an integral part of this interim condensed consolidated financial information.



**Kuwait International Bank K.S.C.P.**  
**State of Kuwait**

**Interim Condensed Consolidated Statement of Cash Flows (Unaudited)**  
**For the period ended 30 June 2015**

	(Kuwaiti Dinars in '000)	
	Six months ended 30 June (Unaudited)	
Note	2015	2014
<b>Cash flows from operating activities</b>		
Profit for the period	10,488	8,919
Adjustments for:		
Net gain from foreign exchange	(505)	(475)
Realized gain from sale of investment securities	(400)	(395)
Dividend income	(1,230)	(625)
Rental income	(722)	(215)
Share of results from an associates	(60)	-
Gain from sale of investment properties	(1,969)	-
Depreciation	1,017	1,736
Impairment loss and other provisions	12,217	8,319
Reversal of impairment loss	(2,896)	(998)
	<u>15,940</u>	<u>16,266</u>
<i>Changes in operating assets and liabilities:</i>		
Due from banks and financial institutions	(10,920)	(33,839)
Financing receivables	(31,561)	(68,117)
Other assets	(446)	(1,545)
Due to banks and financial institutions	23,751	80,401
Depositors' accounts	1,481	3,513
Other liabilities	(3,908)	14,932
Net cash (used in)/from operating activities	<u>(5,663)</u>	<u>11,611</u>
<b>Cash flows from investing activities</b>		
Proceeds from sale of investments securities	2,800	3,377
Purchase of investment securities	(7,547)	(5,783)
Acquisition of associates by subsidiary	-	(2,345)
Proceeds from sale of investment properties	2,000	-
Purchase of property and equipment	(1,239)	(562)
Dividend income received	1,230	625
Rental income received	722	215
Net cash used in investing activities	<u>(2,034)</u>	<u>(4,473)</u>
<b>Cash flows from financing activities</b>		
Dividends paid	(8,191)	(6,416)
Net cash used in financing activities	<u>(8,191)</u>	<u>(6,416)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(15,888)</b>	<b>722</b>
Cash and cash equivalents at beginning of period	430,178	382,714
<b>Cash and cash equivalents at end of period</b>	<b>8</b> <u>414,290</u>	<u>383,436</u>

The accompanying notes from 1 to 13 form an integral part of this interim condensed consolidated financial information.

**1. Incorporation and activities**

Kuwait International Bank K.S.C.P. (the “Bank”) is a Kuwaiti public shareholding company incorporated in the State of Kuwait on 13 May 1973 as a specialised bank and is regulated by the Central Bank of Kuwait (the “CBK”). The Bank’s shares are listed on the Kuwait Stock Exchange.

In June 2007, the CBK licensed the Bank to operate as an Islamic bank from 1 July 2007. From that date, all activities are conducted in accordance with Islamic Shariaá, as approved by the Bank’s Fatwa and Shariaá Supervisory Board.

The Bank is engaged principally in providing Islamic banking services, the purchase and sale of properties, leasing, and other trading activities. Trading activities are conducted on the basis of purchasing various commodities and selling them on murabaha at negotiated profit margin which can be settled in cash or on installment credit basis.

The registered office of the Bank is at West Tower - Joint Banking Center, P.O. Box 22822, Safat 13089, Kuwait.

This interim condensed consolidated financial information for the six months period ended 30 June 2015 incorporates the financial information of Kuwait International Bank K.S.C.P (the “Bank”) and its subsidiary, Ritaj Takaful Insurance Company K.S.C.C (“Ritaj”) (collectively the “Group”).

This interim condensed consolidated financial information of the Group were approved for issue by the Bank’s Board of Directors on 12 July 2015.

**2. Basis of preparation and significant accounting policies**

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard (IAS) 34, “Interim Financial Reporting” except as noted below:

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2014 which are prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted in the State of Kuwait for financial institutions regulated by the CBK. These regulations require adoption of all IFRS except for the IAS 39 requirement for collective impairment provision, which has been replaced by CBK’s requirement for a minimum general provision.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars which is the functional currency of the Bank and Ritaj, rounded to the nearest thousands (KD’000), except when otherwise stated.

This interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with the IFRS. For more details, please refer to the audited consolidated financial statements for the year ended 31 December 2014. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Furthermore, results for the period ended 30 June 2015 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2015.

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. Finance cost and estimated distribution to depositors**

The management of the Bank has estimated distribution to depositors and profit attributable to Bank’s shareholders based on the results for the six months period ended 30 June 2015. The actual distribution to depositors and profit attributable to Bank’s shareholders could be different from the amounts presented in the interim condensed consolidated financial information. The actual profit to be distributed to all parties concerned will be determined by the Board of Directors of the Bank in accordance with the Bank’s articles of association, based on the annual audited results for the year ending 31 December 2015.

**Notes to the Interim Condensed Consolidated Financial Information (Unaudited) - 30 June 2015**

**4. Basic and diluted earnings per share**

Basic and diluted earnings per share are computed by dividing profit for the period attributable to the shareholders of the Bank by the weighted average number of shares outstanding during the period, less treasury shares, as follows:

	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2015	2014	2015	2014
Profit for the period attributable to the shareholders of the Bank (KD'000)	4,650	3,853	10,435	8,890
Weighted average number of shares outstanding shares'000)	933,689	933,689	933,689	933,689
Basic and diluted earnings per share (Fils)	4.98	4.13	11.18	9.52

**5. Due from banks and financial institutions**

	(Kuwaiti Dinars in '000)		
	30 June 2015 (Unaudited)	31 December 2014 (Audited)	30 June 2014 (Unaudited)
Tawarruq transactions with CBK	332,265	338,037	294,971
Murabaha finance with banks and financial institutions (contractual maturity of 90 days or less)	59,385	74,523	69,172
Murabaha finance with banks and financial institutions (contractual maturity of more than 90 days)	31,044	20,124	47,936
	422,694	432,684	412,079

**6. Due to banks and financial institutions**

	(Kuwaiti Dinars in '000)		
	30 June 2015 (Unaudited)	31 December 2014 (Audited)	30 June 2014 (Unaudited)
Murabaha payable to banks	163,150	153,608	224,140
Murabaha payable to financial institutions	248,828	235,396	154,878
Current and call accounts from banks and financial institutions	7,192	6,415	5,283
	419,170	395,419	384,301

**7. Dividends**

The Annual General Assembly meeting of the Bank's shareholders held on 28 March 2015 approved the distribution of cash dividend of 9 fils per share amounting to KD 8,403 thousand for the year ended 31 December 2014 (31 December 2013: 7 fils per share amounting to KD 6,536 thousand).

**8. Cash and cash equivalents**

	(Kuwaiti Dinars in '000)		
	30 June 2015 (Unaudited)	31 December 2014 (Audited)	30 June 2014 (Unaudited)
Cash and balances with banks and financial institutions	22,640	17,618	19,293
Tawarruq transactions with CBK	332,265	338,037	294,971
Murabaha finance with banks and financial institutions (contractual maturity of 90 days or less)	59,385	74,523	69,172
	414,290	430,178	383,436

**Notes to the Interim Condensed Consolidated Financial Information (Unaudited) - 30 June 2015**

**9. Related party transactions**

Certain related parties (major shareholders, associates, directors and executive officers of the Group, close members of their families and companies in which they are principal owners or over which they are able to exert significant influence) who were customers of the Bank in the ordinary course of business. Such transactions were made on substantially the same terms including profit rates and collateral as those prevailing at the same time for comparable transactions with unrelated parties and did not involve more than a normal amount of risk.

The transactions and balances with related parties included in the interim condensed consolidated financial information are as follows:

	Major shareholders	Associates	Key Management	(Kuwaiti Dinars in '000)		
				Total		
				30 June 2015 (Unaudited)	31 December 2014 (Audited)	30 June 2014 (Unaudited)
<b>Balances</b>						
Financing receivables	21,714	-	27,984	49,698	46,682	35,473
Deposits	2,726	1,257	4,020	8,003	5,471	4,722
<b>Transactions</b>						
Financing income	458	-	226	684	524	202
Finance cost and estimated distribution to depositors	-	-	8	8	4	3

**Key management compensation**

	(Kuwaiti Dinars in '000)			
	Three months ended 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2015	2014	2015	2014
Short-term benefits	327	267	669	588
Post-employment benefits	14	16	28	36

**10. Commitments and contingent liabilities**

	(Kuwaiti Dinars in '000)		
	30 June 2015 (Unaudited)	31 December 2014 (Audited)	30 June 2014 (Unaudited)
	Acceptances	47,448	32,643
Letters of credit	10,571	9,040	10,573
Letters of guarantee	169,100	135,667	125,593
Revocable commitments to extend credit	178,051	185,545	164,463
	<b>405,170</b>	<b>362,895</b>	<b>318,553</b>

**11. Segment information**

The Group's operating segments are determined based on the reports reviewed by the Chief Executive Officer that are used for strategic decisions. These segments are strategic business units that offer different products and services. They are managed separately since the nature of the products and services, class of customers and marketing strategies of these segments are different.

These operating segments meet the criteria for reportable segments and are as follows:

- Commercial and International - comprising of range of banking services and investment products to corporate customers providing commodity and real estate murabaha finance, Ijara and wakala facilities;
- Retail - comprising of range of banking services and investment products to individual customers, providing commodity and real estate murabaha finance, Ijara and wakala facilities;

- Treasury, Fund Management and Institutional Banking - comprising of liquidity management, correspondent banking, clearing, murabaha investments, exchange of deposits with banks and financial institutions;
- Investment Management - comprising of investment in associates and other investments.
- Others - comprising of those which is not pertaining to the above segments and includes those relating to a subsidiary.

Management monitors the operating segments separately for the purpose of making decisions about resource allocation and performance assessment.

The Group measures the performance of operating segments through measure of segment revenue and results in management and reporting systems.

Segment assets principally comprise all assets and segment liabilities comprise all liabilities that are attributable to the segment.

The following table presents operating income, results for the period, total assets and total liabilities information regarding the Group's reportable segments.

	(Kuwaiti Dinars in '000)					
	Commercial and International	Retail	Treasury, Fund Management and Institutional Banking	Investment management	Others	Total
<b>30 June 2015 (Unaudited)</b>						
Segment operating income	22,250	5,224	(1,863)	4,664	1,918	32,193
Segment result	4,496	1,072	2,644	2,018	258	10,488
Segment assets	932,775	203,160	409,677	106,038	35,378	1,687,028
Segment liabilities	265,169	461,695	684,491	-	33,015	1,444,370
<b>30 June 2014 (Unaudited)</b>						
Segment operating income	19,609	6,430	(1,062)	2,124	1,672	28,773
Segment result	3,054	3,244	2,930	124	(433)	8,919
Segment assets	865,876	206,626	389,828	110,863	32,321	1,605,514
Segment liabilities	177,439	476,849	675,745	-	44,993	1,375,026

The Group operates in the State of Kuwait only.

## **12. Fair value of Financial Instruments**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation techniques:

Level 1: Quoted prices in active market for the same instrument;

Level 2: Other techniques for which all significant inputs are based on observable market data; and

Level 3: Other techniques for which any significant input is not based on observable market data.

**Notes to the Interim Condensed Consolidated Financial Information (Unaudited) - 30 June 2015**

The following table provides the fair value measurement hierarchy of the Group's investments:

	(Kuwaiti Dinars '000)			Total
	Level 1	Level 2	Level 3	
<b>30 June 2015 (Unaudited)</b>				
<b>Investment securities</b>				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equity securities	91	-	-	91
<i>Financial assets available for sale:</i>				
Quoted equity securities	23,361	-	-	23,361
Unquoted equity securities	-	32,070	2,228	34,298
Investment in sukuku	4,587	-	3,253	7,840
	<u>27,948</u>	<u>32,070</u>	<u>5,481</u>	<u>65,499</u>
<b>31 December 2014 (Audited)</b>				
<b>Investment securities</b>				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equity securities	100	-	-	100
<i>Financial assets available for sale:</i>				
Quoted equity securities	18,929	-	-	18,929
Unquoted funds	-	402	-	402
Unquoted equity securities	-	31,887	2,169	34,056
Investment in sukuku	4,437	-	3,154	7,591
	<u>23,366</u>	<u>32,289</u>	<u>5,323</u>	<u>60,978</u>
<b>30 June 2014 (Unaudited)</b>				
<b>Investment securities</b>				
<i>Financial assets at fair value through profit or loss:</i>				
Quoted equity securities	108	-	-	108
<i>Financial assets available for sale:</i>				
Quoted securities	20,260	-	-	20,260
Unquoted funds	-	391	-	391
Unquoted equity securities	-	29,818	3,437	33,255
Investment in sukuku	4,287	-	3,034	7,321
	<u>24,547</u>	<u>30,209</u>	<u>6,471</u>	<u>61,227</u>

There has been no change in valuation techniques as compared to prior periods. During the period ended 30 June 2015, there were no transfers between the levels.

**13. Other matter**

The Court of Cassation, Kuwait has issued a definitive judgment in favor of the Bank dated 23 December 2014 for KD 16,749 thousand regarding debt due from a client, which might include additional amounts that may arise. This amount represents the outstanding remaining value of the outstanding credit facilities, obtained by the client, before being transferred into an Islamic Bank.

On 23 March 2015, one of the local banks has issued a letter of undertaking to settle the aforesaid amount, along with any additional amounts that may arise, on behalf of the client after the completion of certain legal proceedings. These amounts will be recorded as income in the statement of profit or loss when the conditions and procedures set forth in the letter of undertaking are met.