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**Wethaq Takaful Insurance Company
K.S.C. (Closed) and Subsidiary**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (UNAUDITED)**

31 MARCH 2011

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31 MARCH 2011



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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF WETHAQ TAKAFUL INSURANCE COMPANY K.S.C. (CLOSED)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Wethaq Takaful Insurance Company K.S.C. (Closed) (the "Parent Company") and its subsidiary (together referred to as the "Group") as at 31 March 2011, and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated cash flow statement for the three month 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 Financial Reporting Standard, IAS 34: Interim Financial Reporting ("IAS 34"). 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 condensed 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.

Basis for Qualified Conclusion

The total assets, revenues and profits of the Group's subsidiary Wethaq Takaful Insurance Company Egypt ("WTIC") included in the accompanying interim condensed consolidated financial information amount to KD 2,108,723 (31 March 2010: KD 1,828,468), KD 4,449 (31 March 2010: KD 75,600) and KD 3,994 (31 March 2010: KD 69,092) respectively. The financial statements of WTIC were reviewed by other independent auditor whose review report expresses an unqualified conclusion. We were unable to obtain sufficient appropriate review evidence in respect of WTIC as we were unable to obtain access to the working papers of WTIC's auditors or to discuss the financial statements with the management of WTIC. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF WETHAQ TAKAFUL INSURANCE COMPANY K.S.C. (CLOSED) (CONTINUED)**Qualified Conclusion**

Except for the possible effects of the matter described in the "Basis for Qualified Conclusion" paragraph above, 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 IAS 34.

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 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 Commercial Companies Law of 1960, as amended, or of the Articles of Association of the Parent Company during the three month period ended 31 March 2011 that might have had a material effect on the business of the Parent Company or on its financial position.



WALEED A. AL OSAIMI
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OF ERNST & YOUNG



ALI A. AL-HASAWI
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RÖDL MIDDLE EAST
BURGAN-INTERNATIONAL
ACCOUNTANTS

15 May 2011

Kuwait

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
31 March 2011

		<i>Three months ended</i> <i>31 March</i>	
	<i>Notes</i>	2011 KD	2010 KD
Net investment loss	3	(197,919)	(1,172,710)
Shareholders' share of insurance (deficit) surplus	6	(60,577)	52,721
Management fees from policyholders	6	183,107	-
Change in fair value of investment properties		-	386,992
Allowances and other benefits		(16,500)	(16,500)
General and administrative expenses		(6,398)	(8,749)
LOSS BEFORE DIRECTORS' FEES		(98,287)	(758,246)
Directors' fees		(1,750)	(1,750)
LOSS FOR THE PERIOD		(100,037)	(759,996)
Attributable to:			
Equity holders of the Parent Company		(101,635)	(787,633)
Non controlling interest		1,598	27,637
		(100,037)	(759,996)
Basic and diluted loss per share attributable to equity holders of the Parent Company	4	(0.93) fils	(7.17) fils

The attached notes 1 to 8 form part of this interim condensed consolidated financial information.


Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
 INCOME (UNAUDITED)**
 31 March 2011

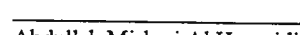
	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2011</i>	<i>2010</i>
	<i>KD</i>	<i>KD</i>
Loss for the period	(100,037)	(759,996)
Available for sale investments:		
- Fair valuation loss	(211,011)	(1,595,132)
- Transfer to income statement on impairment	160,992	1,257,930
Exchange differences on translation of foreign operations	(168,562)	(3,918)
Other comprehensive loss for the period	(218,581)	(341,120)
Total comprehensive loss for the period	(318,618)	(1,101,116)
Attributable to:		
Equity holders of the Parent Company	(194,830)	(1,127,186)
Non-controlling interest	(123,788)	26,070
Total comprehensive loss for the period	(318,618)	(1,101,116)

The attached notes 1 to 8 form part of this interim condensed consolidated financial information.

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION (UNAUDITED)**
At 31 March 2011

		<i>(Audited)</i>	
	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>
	<i>2011</i>	<i>2010</i>	<i>2010</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
ASSETS			
Bank balances and cash	213,703	560,728	962,824
Investments at fair value through income statement	1,206,376	1,335,754	1,456,485
Other assets	231,673	200,222	210,236
Financial assets available for sale	5 5,835,322	6,046,333	6,625,471
Qard Hassan to policyholders	6 1,234,234	1,234,234	787,281
Investment deposit	1,665,854	1,443,076	757,959
Investment properties	2,634,296	2,634,296	2,634,296
Furniture and equipment	216,693	223,901	117,825
TOTAL ASSETS	13,238,151	13,678,544	13,552,377
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
Share capital	11,025,000	11,025,000	11,025,000
Share premium	7,340,937	7,340,937	7,340,937
Treasury shares	(50,489)	(50,489)	(43,637)
Treasury shares reserve	3,508	3,508	3,508
Statutory reserve	388,139	388,139	388,139
Voluntary reserve	388,139	388,139	388,139
Cumulative changes in fair value	552	50,571	80,252
Foreign currency translation adjustment	(82,856)	(39,680)	50,341
Employee share purchase plan reserve	65,964	65,964	65,964
Accumulated losses	(8,100,056)	(7,998,421)	(7,919,597)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	10,978,838	11,173,668	11,379,046
Non controlling interest	806,882	839,050	716,640
TOTAL EQUITY	11,785,720	12,012,718	12,095,686
LIABILITIES			
Other liabilities	514,631	530,418	474,511
Amounts due to policyholders	937,800	1,135,408	982,180
TOTAL LIABILITIES	1,452,431	1,665,826	1,456,691
TOTAL EQUITY AND LIABILITIES	13,238,151	13,678,544	13,552,377


Abdulla Yousef Al-Saif
Chairman


Abdullah Mishari Al Humaidi
Vice Chairman

The attached notes 1 to 8 form part of this interim condensed consolidated financial information.

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT
(UNAUDITED)
31 March 2011

		<i>Three months ended 31 March</i>	
	<i>Note</i>	<i>2011</i>	<i>2010</i>
		<i>KD</i>	<i>KD</i>
OPERATING ACTIVITIES			
Loss for the period		(100,037)	(759,996)
Adjustments for:			
Net investment loss	3	197,919	1,172,710
Change in fair value of investment properties		-	(386,992)
Depreciation		9,468	6,684
Shareholders' share of insurance deficit (surplus)		60,577	(52,721)
Management fees from policyholders		(183,107)	-
Working capital changes:			
Other assets		(31,451)	(26,486)
Other liabilities		(15,787)	13,505
Net cash used in operating activities		(62,418)	(33,296)
INVESTING ACTIVITIES			
Purchase of furniture and equipment		(2,260)	(36,744)
Net movement in investment deposits		(222,778)	(76,941)
Net movement in non-controlling interest		(33,766)	(1,567)
Profit from investment deposit received		92,451	26,219
Net cash used in investing activities		(166,353)	(89,033)
FINANCING ACTIVITIES			
Net movement in amounts due to policyholders		(75,078)	52,721
Net cash (used in) from financing activities		(75,078)	52,721
Foreign currency translation differences		(43,176)	(2,351)
DECREASE IN BANK BALANCES AND CASH		(347,025)	(71,959)
Bank balances and cash at 1 January		560,728	1,034,783
BANK BALANCES AND CASH AT 31 MARCH		213,703	962,824

The attached notes 1 to 8 form part of this interim condensed consolidated financial information.

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

31 March 2011

Attributable to equity holders of the Parent Company

	Share capital KD	Share premium KD	Treasury shares KD	Treasury shares reserve KD	Statutory reserve KD	Voluntary reserve KD	Cumulative changes in fair value KD	Foreign currency translation adjustment KD	Employee share purchase plan reserve KD	Accumulated losses KD	Sub total KD	Non controlling interest KD	Total equity KD
At 1 January 2011	11,025,000	7,340,937	(50,489)	3,508	388,139	388,139	50,571	(39,680)	65,964	(7,998,421)	11,173,668	839,050	12,012,718
(Loss) profit for the period	-	-	-	-	-	-	-	-	-	(101,635)	(101,635)	1,598	(100,037)
Other comprehensive loss	-	-	-	-	-	-	(50,019)	(43,176)	-	-	(93,195)	(125,386)	(218,581)
Total comprehensive loss for the period	-	-	-	-	-	-	(50,019)	(43,176)	-	(101,635)	(194,830)	(123,788)	(318,618)
At 31 March 2011	11,025,000	7,340,937	(50,489)	3,508	388,139	388,139	552	(82,856)	65,964	(8,100,056)	10,978,838	806,882	11,785,720
At 1 January 2010	11,025,000	7,340,937	(43,637)	3,508	388,139	388,139	417,454	52,692	65,964	(7,131,964)	12,506,232	690,570	13,196,802
(Loss) profit for the period	-	-	-	-	-	-	-	-	-	(787,633)	(787,633)	27,637	(759,996)
Other comprehensive loss	-	-	-	-	-	-	(337,202)	(2,351)	-	-	(339,553)	(1,567)	(341,120)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(337,202)	(2,351)	-	(787,633)	(1,127,186)	26,070	(1,101,116)
At 31 March 2010	11,025,000	7,340,937	(43,637)	3,508	388,139	388,139	80,252	50,341	65,964	(7,919,597)	11,379,046	716,640	12,095,686

The attached notes 1 to 8 form part of this interim condensed consolidated financial information.

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 31 March 2011

1 ACTIVITIES

The interim condensed consolidated financial information of Wethaq Takaful Insurance Company K.S.C. (Closed) (the "Parent Company") and its subsidiary (the "Group") for the period ended 31 March 2011 were authorised for issue in accordance with a resolution of the Board of Directors on 15 May 2011.

The Parent Company is a Kuwaiti Shareholding Company incorporated on 2 October 2000 and is registered under the Insurance Companies and Agents Law No. 24 of 1961 and its subsequent amendments. It is engaged in transacting co-operative insurance operations and all related activities, including reinsurance. In addition, the Parent Company can own, sell and purchase real estate and other financial instruments.

The Parent Company's subsidiary is Wethaq Takaful Insurance Company - Egypt (the "subsidiary"), a company incorporated in Egypt and engaged in the insurance and reinsurance activities. The Parent Company held 60% effective equity interest in the subsidiary as at 31 March 2011 (31 December 2010: 60% and 31 March 2010: 60%).

Takaful is an Islamic alternative to a conventional insurance and investment program, based on the mutual funds concept, where each policyholder will receive his share in the surplus arising from the insurance activities, in accordance with the company's articles of association and the approval of Fatwa and Sharia Supervisory Board.

The Parent Company conducts business on behalf of the policyholders and advances funds to the policyholders' operations as and when required. The shareholders are responsible for liabilities incurred by policyholders in the event the policyholders' fund is in deficit and the operations are liquidated. The Parent Company holds the physical custody and title of all assets related to the policyholders and shareholders' operations, however, such assets and liabilities together with the results of policyholders' lines of business is disclosed in note 6.

The Parent Company maintains separate books of accounts for policyholders and shareholders. Income and expenses clearly attributable to either activity are recorded in the respective accounts. Management and the board of directors determine the basis of allocation of expenses from joint operations.

All insurance and investment activities are conducted in accordance with Islamic Sharee'a, as approved by Fatwa and Sharia Supervisory Board.

The Parent Company's registered head office is at P.O. Box 371, Safat 13004, Kuwait.

The shareholders' Annual General Assembly for the year ended 31 December 2010 was held on 10 April 2011 and no dividend was approved for the year ended 31 December 2010.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting (IAS 34). The accounting policies used in the preparation of the 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 2010 except as noted below.

The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with the International Financial Reporting Standards and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2010. 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 are not necessarily indicative of the results that may be expected for the year ending 31 December 2011.

During the period, the Group has adopted the following standards effective for annual periods beginning on or after 1 January 2011:

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)
At 31 March 2011

2 BASIS OF PREPARATION (continued)

IAS 24 Related party disclosures (Revised)

The amended Standard clarified the definition of a related party and laid down additional requirement for disclosure of outstanding commitments to related parties. The adoption of the amendment did not have any impact on the financial position or performance of the Group.

IAS 34 Interim Financial Reporting

Improvement to IAS 34 introduces the concept of "Significant events and transactions" and has brought in additional disclosures for changes in business and economic circumstances, transfers between levels of the fair value hierarchy used and changes in the classification of financial assets resulting from change in the purpose or use of those assets. Adoption of this improvement did not have any material impact on the financial position or performance of the Group.

3 NET INVESTMENT LOSS

	<i>Three months ended 31 March</i>	
	<i>2011</i>	<i>2010</i>
	<i>KD</i>	<i>KD</i>
Realised and unrealised (loss) gain on investments at fair value through income statement	(129,378)	59,000
Impairment loss on available for sale investments	(160,992)	(1,257,930)
Others	92,451	26,220
	<u>(197,919)</u>	<u>(1,172,710)</u>

4 BASIC AND DILUTED LOSS PER SHARE

Basic loss per share is calculated by dividing the loss for the period attributable to equity holders of the Parent Company by the weighted average number of ordinary shares, less treasury shares, outstanding during the period.

Diluted loss per share is calculated by dividing the loss for the period attributable to equity holders of the Parent Company by the weighted average number of ordinary shares, less treasury shares, outstanding during the period as adjusted for the dilutive effects of dilutive potential ordinary shares that would be issued on conversion of all employees stock options.

	<i>Three months ended 31 March</i>	
	<i>2011</i>	<i>2010</i>
Loss for the period attributable to equity holders of the Parent Company (KD)	<u>(101,635)</u>	<u>(787,633)</u>
Weighted average number of ordinary shares (net of treasury shares) outstanding for the period for calculating basic and diluted loss per share	<u>109,804,500</u>	<u>109,924,500</u>
Basic and diluted loss per share attributable to equity holders of the Parent Company	<u>(0.93) fils</u>	<u>(7.17) fils</u>

During the period, the effect of outstanding stock options has not been considered in the computation of diluted loss per share as the result is anti-dilutive.

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 31 March 2011

5 AVAILABLE FOR SALE INVESTMENTS

	31 March 2011 KD	(Audited) 31 December 2010 KD	31 March 2010 KD
<i>Quoted securities</i>			
Equities	<u>241,236</u>	<u>277,315</u>	<u>305,653</u>
<i>Unquoted securities</i>			
Equities	564,400	564,400	634,000
Managed equity funds	1,357,932	1,351,125	1,340,271
Managed portfolios	<u>3,671,754</u>	<u>3,853,493</u>	<u>4,345,547</u>
	<u>5,594,086</u>	<u>5,769,018</u>	<u>6,319,818</u>
	<u>5,835,322</u>	<u>6,046,333</u>	<u>6,625,471</u>

6 TAKAFUL INSURANCE POLICYHOLDERS' RESULT BY LINE OF BUSINESS AND FUND

The policyholders' result by line of business, assets and liabilities were as follows:

Policyholders' result by line of business:

Three month period ended 31 March 2011

	<i>Marine and Aviation KD</i>	<i>General accident KD</i>	<i>Fire KD</i>	<i>Life KD</i>	<i>Total KD</i>
Total revenues	<u>24,236</u>	<u>848,758</u>	<u>43,385</u>	<u>63,711</u>	<u>980,090</u>
Net (deficit) surplus from insurance operations	<u>(10,027)</u>	<u>4,143</u>	<u>8,105</u>	<u>33,382</u>	<u>35,513</u>
Investment (loss) income	<u>(1,130)</u>	<u>65,732</u>	<u>(7,168)</u>	<u>(3,675)</u>	<u>53,759</u>
Net (deficit) surplus by line of business	<u>(11,157)</u>	<u>69,875</u>	<u>847</u>	<u>29,707</u>	<u>89,272</u>
Shareholders' share of insurance deficit from subsidiary					60,577
Management fees to shareholders of the Parent Company					(183,107)
Insurance deficit transferred to policyholders' fund					<u>(33,258)</u>

The policyholders of the subsidiary transferred deficit of KD 60,577 (31 March 2010: surplus of KD 52,721) to shareholders of subsidiary from total insurance deficit of KD 100,961 (31 March 2010: surplus of KD 87,702).

As per the Parent Company's articles of association, the shareholders of the Parent Company are entitled to management fees from policyholders of the Parent Company up to 20% of the gross premium written and investment income.

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
 NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
 INFORMATION (UNAUDITED)
 At 31 March 2011

6 TAKAFUL INSURANCE POLICYHOLDERS' RESULT BY LINE OF BUSINESS AND FUND
 (continued)

Three month period ended 31 March 2010

	<i>Marine and aviation KD</i>	<i>General accident KD</i>	<i>Fire KD</i>	<i>Life KD</i>	<i>Total KD</i>
Total revenues	32,299	1,677,252	53,876	77,264	1,840,691
Net surplus from insurance operations	2,456	278,933	1,767	13,797	296,953
Investment income	6,848	126,087	13,439	10,867	157,241
Net surplus by line of business	9,304	405,020	15,206	24,664	454,194
Shareholders' share of insurance surplus from subsidiary					(52,721)
Insurance surplus transferred to policyholders' Fund					401,473

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 31 March 2011

6 TAKAFUL INSURANCE POLICYHOLDERS' RESULT BY LINE OF BUSINESS AND FUND
(continued)

Policyholders' assets, liabilities and fund:

	<i>31 March</i>	<i>(Audited)</i>	
	<i>2011</i>	<i>31 December</i>	<i>31 March</i>
	<i>KD</i>	<i>2010</i>	<i>2010</i>
		<i>KD</i>	<i>KD</i>
Assets			
Bank balances and cash	1,010,409	285,263	520,404
Investment deposits	6,752,025	7,344,762	6,459,216
Investments at fair value through income statement	947,422	994,461	986,841
Islamic financing receivables	338,534	338,534	546,124
Accounts receivable and prepayments	1,090,462	1,218,175	1,238,648
Premiums receivable	1,772,567	1,762,165	1,778,744
Available for sale investments – unquoted	970,157	970,157	970,157
Reinsurance recoverable on outstanding claims	1,566,408	1,469,144	1,268,743
Reinsurance premiums receivable	68,916	243,761	197,334
Amounts due from shareholders	937,800	1,135,408	982,180
Leasehold land	277,750	277,750	277,750
Furniture and equipment	171,755	159,265	182,316
	<u>15,904,205</u>	<u>16,198,845</u>	<u>15,408,457</u>
Liabilities			
Reinsurance balances payable	865,630	759,877	855,785
Unearned premiums	3,305,248	3,378,493	3,801,095
Outstanding claims reserve	8,970,649	8,378,232	7,836,756
Reserve for claims incurred but not reported	224,473	603,817	322,686
Reserve retained on reinsurance business	308,923	505,481	313,612
Premiums received in advance	561,804	646,032	394,557
Other insurance reserves	511,560	585,158	356,486
Accounts payable and accruals	944,082	1,086,531	1,085,396
	<u>15,692,369</u>	<u>15,943,621</u>	<u>14,966,373</u>
Policyholders' fund			
Net deficit from insurance operations	(1,022,398)	(979,010)	(345,197)
Qard Hassan from shareholders	1,234,234	1,234,234	787,281
Total policyholders' fund	<u>211,836</u>	<u>255,224</u>	<u>442,084</u>
Total liabilities and policyholders' fund	<u>15,904,205</u>	<u>16,198,845</u>	<u>15,408,457</u>

Movement in policyholders' fund:

	<i>31 March</i>	<i>(Audited)</i>	
	<i>2011</i>	<i>31 December</i>	<i>31 March</i>
	<i>KD</i>	<i>2010</i>	<i>2010</i>
		<i>KD</i>	<i>KD</i>
At 1 January	(979,010)	(746,670)	(746,670)
Net deficit from insurance business for the period	(33,258)	(218,330)	401,473
Foreign currency translation difference	(10,130)	(14,010)	-
Closing balance	<u>(1,022,398)</u>	<u>(979,010)</u>	<u>(345,197)</u>

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)
At 31 March 2011

7 RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management.

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

	<i>Three months ended</i>	
	<i>31 March</i>	
	2011	2010
	KD	KD
Shareholders		
<i>Interim condensed consolidated income statement</i>		
Allowances and other benefits	18,250	18,250
Impairment loss on available for sale investments	157,992	1,152,930
	<i>(Audited)</i>	
	<i>31 December</i>	<i>31 March</i>
	2010	2010
	KD	KD
Shareholders		
<i>Interim condensed consolidated statement of</i>		
<i>financial position</i>		
Financial assets at fair value through income statement	110,216	426,883
Financial assets available for sale	3,671,754	5,891,143
Accounts payable	338,534	338,534
	<i>Three months ended</i>	
	<i>31 March</i>	
	2011	2010
	KD	KD
Policyholders		
<i>Policy holder's results</i>		
Premiums written	62,592	67,004
Unrealised loss on financial assets at fair value through income statement	16,000	9,504
<i>Key management compensation</i>		
Short-term benefits	12,583	11,733
Termination benefits	5,710	11,180
	18,293	22,913
	<i>(Audited)</i>	
	<i>31 December</i>	<i>31 March</i>
	2010	2010
	KD	KD
<i>Policyholders' assets, liabilities and fund</i>		
Investments carried at fair value through income statement	642,726	684,957
Available for sale investments	787,500	787,500

Wethaq Takaful Insurance Company K.S.C. (Closed) and Subsidiary

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

At 31 March 2011

8 CONTINGENCIES

At 31 March 2011, the Group has provided bank guarantees in the ordinary course of business amounting to KD 176,500 (31 December 2010: KD 176,500 and 31 March 2010: KD 176,500) from which it is anticipated that no material liabilities will arise.