

**KUWAIT FINANCE HOUSE K.S.C. AND
SUBSIDIARIES**

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

31 MARCH 2012



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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF KUWAIT FINANCE HOUSE K.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Finance House K.S.C. ("the Bank") and its Subsidiaries (collectively "the Group") as at 31 March 2012 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three month 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 material violations of the Commercial Companies Law of 1960, as amended, or of the articles of association of the Bank that might have had a material effect on the business of the Bank or on its financial position during the three month period ended 31 March 2012.

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 material 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 three month period ended 31 March 2012.

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25 April 2012
Kuwait

Kuwait Finance House K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

Period ended 31 March 2012

	<i>Notes</i>	<i>KD 000's</i>	
		<i>Three months ended</i>	
		<i>31 March 2012</i>	<i>31 March 2011</i>
INCOME			
Financing income		128,246	124,606
Investment income		19,708	28,609
Fee and commission income		14,687	16,629
Net gain (loss) from foreign currencies		4,394	(156)
Other income		15,722	22,846
		<u>182,757</u>	<u>192,534</u>
EXPENSES			
Staff costs		29,900	30,980
General and administrative expenses		27,593	26,108
Finance costs		13,808	13,196
Depreciation		17,061	16,239
Impairment		38,217	51,677
		<u>126,579</u>	<u>138,200</u>
PROFIT BEFORE ESTIMATED DISTRIBUTION TO DEPOSITORS			
Estimated distribution to depositors	3	56,178 (36,852)	54,334 (38,742)
PROFIT AFTER ESTIMATED DISTRIBUTION TO DEPOSITORS			
Provision for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		19,326	15,592
Provision for National Labour Support Tax (NLST)		(205)	(228)
Provision for Zakat (based on Zakat Law No. 46/2006)		(213)	(1)
		(57)	6
PROFIT FOR THE PERIOD			
		<u>18,851</u>	<u>15,369</u>
Attributable to:			
Equityholders of the Bank		20,053	22,625
Non-controlling interests		(1,202)	(7,256)
		<u>18,851</u>	<u>15,369</u>
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITYHOLDERS OF THE BANK			
	4	<u>7.0 fils</u>	<u>7.9 fils</u>

The attached notes 1 to 12 form part of the interim condensed consolidated financial information.

Kuwait Finance House K.S.C and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

Period ended 31 March 2012

	Notes	<i>KD 000's</i>	
		<i>Three months ended</i>	
		<i>31 March 2012</i>	<i>31 March 2011</i>
Profit before estimated distribution to depositors		56,178	54,334
Other comprehensive income (loss)			
Change in fair value of financial assets available for sale during the period	5	17,960	(956)
Change in fair value of currency swaps and profit rate swaps, and forward foreign exchange contracts	5	371	(363)
(Gain) loss realised on financial assets available for sale during the period	5	(1,399)	5,948
Impairment losses transferred to the interim condensed consolidated statement of income	5	-	11,722
Share of other comprehensive income (loss) of associates	5	1,129	(756)
Exchange differences on translation of foreign operations	6	(1,891)	(26,945)
Other comprehensive income (loss) for the period included directly in fair value reserve and foreign exchange translation reserve		16,170	(11,350)
Total comprehensive income before estimated distribution to depositors		72,348	42,984

The attached notes 1 to 12 form part of the interim condensed consolidated financial information.

Kuwait Finance House K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

At 31 March 2012

		<i>KD 000's</i>		
		<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
		<i>31 March</i>	<i>31 December</i>	<i>31 March</i>
	<i>Notes</i>	<i>2012</i>	<i>2011</i>	<i>2011</i>
ASSETS				
Cash and balances with banks and financial institutions	7	877,559	619,554	436,251
Short-term murabaha		1,670,875	1,478,052	1,356,997
Receivables		5,984,670	5,864,821	5,663,930
Trading properties		288,952	273,686	242,932
Leased assets		1,463,825	1,422,442	1,348,536
Financial assets available for sale		1,356,335	1,302,177	1,230,301
Investment in associates		475,941	490,062	361,784
Investment properties		553,235	536,358	660,042
Other assets		734,091	705,551	635,393
Property and equipment		775,603	767,130	816,910
TOTAL ASSETS		14,181,086	13,459,833	12,753,076
LIABILITIES, DEFERRED REVENUE, FAIR VALUE RESERVE, FOREIGN EXCHANGE TRANSLATION RESERVE AND EQUITY				
LIABILITIES				
Due to banks and financial institutions		2,136,792	1,818,636	1,840,617
Depositors' accounts		9,182,487	8,881,845	8,243,673
Other liabilities		720,889	681,673	636,066
TOTAL LIABILITIES		12,040,168	11,382,154	10,720,356
DEFERRED REVENUE		679,713	608,475	514,447
FAIR VALUE RESERVE	5	5,058	(13,003)	(27,404)
FOREIGN EXCHANGE TRANSLATION RESERVE	6	(76,696)	(74,805)	(16,447)
EQUITY ATTRIBUTABLE TO THE EQUITYHOLDERS OF THE BANK				
Share capital	8	290,416	268,904	268,904
Share premium		464,766	464,766	464,766
Proposed issue of bonus shares		-	21,512	-
Treasury shares		(46,813)	(46,813)	(20,313)
Reserves		544,361	544,361	523,510
Profit for the period attributable to equityholders of the Bank		20,053	-	22,625
		1,272,783	1,252,730	1,259,492
Proposed cash dividend		-	39,623	-
TOTAL EQUITY ATTRIBUTABLE TO THE EQUITYHOLDERS OF THE BANK		1,272,783	1,292,353	1,259,492
Non-controlling interests		260,060	264,659	302,632
TOTAL EQUITY		1,532,843	1,557,012	1,562,124
TOTAL LIABILITIES, DEFERRED REVENUE, FAIR VALUE RESERVE, FOREIGN EXCHANGE TRANSLATION RESERVE AND EQUITY		14,181,086	13,459,833	12,753,076

SAMIR YAQOUB AL NAFISI
(CHAIRMAN)

MOHAMMAD AL-OMAR
(CHIEF EXECUTIVE OFFICER)

The attached notes 1 to 12 form part of the interim condensed consolidated financial information.

Kuwait Finance House K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

Period ended 31 March 2012

	Attributable to equityholders of the Bank											Non-controlling interests	Total equity		
	Reserves														
	Share capital	Share premium	Proposed issue of bonus shares	Treasury shares	Statutory reserve	Voluntary reserve	Employees' share options reserve	Treasury shares reserve	Sub total	Profit for the period	Sub total			Proposed cash dividend	Sub total
At 31 December 2010	248,985	464,766	19,919	(26,722)	254,288	270,359	4,239	5,192	534,078	-	1,241,026	49,304	1,290,330	311,999	1,602,329
Movements during the period:															
Issue of bonus shares (Note 8)	19,919	-	(19,919)	-	-	-	-	-	-	-	-	-	-	-	-
Zakat	-	-	-	-	-	(11,894)	-	-	(11,894)	-	(11,894)	-	(11,894)	-	(11,894)
Cash dividends paid	-	-	-	-	-	-	-	-	-	-	(49,304)	-	(49,304)	-	(49,304)
Net movement in treasury shares	-	-	-	6,409	-	-	-	-	-	-	6,409	-	6,409	-	6,409
Profit on sale of treasury shares	-	-	-	-	-	-	-	1,326	1,326	-	1,326	-	1,326	-	1,326
Net change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,111)	(2,111)
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	22,625	-	-	22,625	(7,256)	15,369
At 31 March 2011	268,904	464,766	-	(20,313)	254,288	258,465	4,239	6,518	523,510	22,625	1,259,492	-	1,259,492	302,632	1,562,124
At 31 December 2011	268,904	464,766	21,512	(46,813)	262,491	270,950	4,244	6,676	544,361	-	1,252,730	39,623	1,292,353	264,659	1,557,012
Movements during the period:															
Issue of bonus shares (Note 8)	21,512	-	(21,512)	-	-	-	-	-	-	-	-	-	-	-	-
Zakat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends paid	-	-	-	-	-	-	-	-	-	-	(39,623)	-	(39,623)	-	(39,623)
Net movement in treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,397)	(3,397)
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	20,053	-	-	20,053	(1,202)	18,851
At 31 March 2012	290,416	464,766	-	(46,813)	262,491	270,950	4,244	6,676	544,361	20,053	1,272,783	-	1,272,783	260,060	1,532,843

The attached notes 1 to 12 form part of the interim condensed consolidated financial information.

Kuwait Finance House K.S.C. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

Period ended 31 March 2012

		<i>KD 000's</i>	
		<i>Three months ended</i>	
	<i>Note</i>	<i>31 March 2012</i>	<i>31 March 2011</i>
OPERATING ACTIVITIES			
Profit for the period		18,851	15,369
Adjustment for:			
Depreciation		17,061	16,239
Impairment		38,217	51,677
Dividend income		(4,084)	(3,596)
(Gain) loss on sale of investments		(1,055)	96
Sukuk income		(5,081)	(3,683)
Share of loss (gain) of associates		160	(3,109)
Other investment income		(871)	(9,580)
		<u>63,198</u>	<u>63,413</u>
Changes in operating assets and liabilities			
<i>(Increase) decrease in operating assets:</i>			
Receivables		34,773	(54,073)
Leased assets		(15,266)	(73,959)
Trading properties		(32,497)	(21,706)
Other assets		(29,180)	(26,860)
<i>Increase (decrease) in operating liabilities:</i>			
Due to banks and financial institutions		318,156	(370,963)
Depositors' accounts		300,642	594,591
Other liabilities		36,766	19,563
Net cash from operating activities		<u>676,592</u>	<u>130,006</u>
INVESTING ACTIVITIES			
Purchase of financial assets available for sale, net		(32,798)	(49,010)
Purchase of investment properties		(39,599)	(103,601)
Proceeds from sale of investment properties		25,145	9,006
Purchase of property and equipment		(30,517)	(86,185)
Proceeds from sale of property and equipment		3,964	3,895
Purchase of investment in associates		(7,473)	(36,104)
Sukuk income received		5,081	3,683
Dividend income received		14,936	4,307
Net cash used in investing activities		<u>(61,261)</u>	<u>(254,009)</u>
FINANCING ACTIVITIES			
Cash dividends paid		(39,623)	(49,304)
Purchase of treasury shares, net		-	7,735
Net cash used in financing activities		<u>(39,623)</u>	<u>(41,569)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		575,708	(165,572)
Cash and cash equivalents at 1 January		<u>1,475,296</u>	<u>1,519,915</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH	7	<u><u>2,051,004</u></u>	<u><u>1,354,343</u></u>

The attached notes 1 to 12 form part of the interim condensed consolidated financial information.

Kuwait Finance House K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2012

1 INCORPORATION AND REGISTRATION

The interim condensed consolidated financial information of Kuwait Finance House K.S.C. ("the Bank") and its subsidiaries (collectively "the Group") for the period ended 31 March 2012 were authorised for issue by the Chairman on 25 April 2012 in accordance with a resolution of the Bank's Board of Directors on 5 April 2012.

The Bank is a public shareholding company incorporated in Kuwait on 23 March 1977 and was registered as an Islamic bank with the Central Bank of Kuwait on 24 May 2004. It is engaged principally in providing banking services, the purchase and sale of properties, leasing, project construction for its own account as well as for third parties and other trading activities without practising usury. Trading activities are conducted on the basis of purchasing various goods and selling them on murabaha at negotiated profit margins which can be settled in cash or on instalment credit basis. The Bank's registered head office is at Abdulla Al-Mubarak Street, Murqab, Kuwait.

All activities are conducted in accordance with Islamic Shareea'a, as approved by the Bank's Fatwa and Shareea'a Supervisory Board.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34, Interim Financial Reporting. Except as noted below, 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 2011. The annual consolidated financial statements for the year ended 31 December 2011 were prepared in accordance with the regulations of the State of Kuwait for financial services institutions regulated by the Central Bank of Kuwait. These regulations require adoption of all International Financial Reporting Standards (IFRS) except for the IAS 39 requirement for collective impairment provision, which has been replaced by the Central Bank of Kuwait's requirement for a minimum general provision made on all applicable credit facilities (net of certain categories of collateral) that are not provided specifically.

Operating results for the three months period ended 31 March 2012 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2012.

Amendments to IFRSs which are effective for annual accounting period starting from 1 January 2012 did not have any material impact on the accounting policies, financial position or performance of the Group.

3 ESTIMATED DISTRIBUTION TO DEPOSITORS AND PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITYHOLDERS OF THE BANK

Management of the Bank is of the opinion that the estimated distribution to depositors is presented for information purposes only, and accordingly the estimated distribution to depositors and the profit for the period attributable to Bank's equityholders should not be relied upon to indicate distribution of profit to all parties concerned for the period ended 31 March 2012 or for the year ending 31 December 2012.

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 2012.

In addition to the above, the total comprehensive income before estimated distribution to depositors (as per the interim condensed consolidated statement of comprehensive income) is presented for compliance with the requirements of the revised IAS 1 and is not appropriate for the purpose of determining the estimated distribution to depositors or the profit for the period attributable to the Bank's equityholders.

Kuwait Finance House K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2012

4 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITYHOLDERS OF THE BANK

Basic earnings per share is calculated by dividing the profit for the period attributable to equityholders of the Bank by the weighted average number of ordinary shares outstanding during the period after adjusting for treasury shares held by the Group.

Diluted earnings per share is calculated by dividing the profit for the period attributable to equityholders of the Bank by the weighted average number of ordinary shares outstanding during the period after adjusting for treasury shares held by the Group plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential shares into shares.

	<i>Three months ended 31 March</i>	
	<i>2012</i>	<i>2011</i>
Profit for the period attributable to equity holders of the Bank (thousands KD)	<u>20,053</u>	<u>22,625</u>
Weighted average number of shares outstanding during the period (thousands shares)	<u>2,852,842</u>	<u>2,879,180</u>
Basic and diluted earnings per share	<u>7.0 fils</u>	<u>7.9 fils</u>

The comparative basic and diluted earnings per share have been restated for bonus shares issued on 26 March 2012 (See Note 8).

Kuwait Finance House K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2012

5 FAIR VALUE RESERVE

Changes in fair value of financial assets available for sale, currency swaps, profit rate swaps and forward foreign exchange contracts are reported in the fair value reserve. The management of the Bank is of the opinion that this reserve is attributable to both the depositors and equityholders. As a result, the reporting of this reserve as a separate item on the interim condensed consolidated statement of financial position enables a fairer presentation than its inclusion under equity attributable to the equityholders of the Bank.

The movement in the fair value reserve is analysed as follows:

	KD 000's			
	(Unaudited)	(Audited)		(Unaudited)
	31 March 2012	31 December 2011	Total	31 March 2011 Total
		<i>Currency swaps, profit rate swaps and forward foreign exchange contracts</i>	<i>Total</i>	
Available for sale investments				
	(13,378)	375	(13,003)	(42,999)
Balance at the beginning of the period/year	17,960	-	17,960	(29,497)
Change in fair value of financial assets available for sale during the period/year				(956)
Change in fair value of currency swaps and profit rate swaps, and forward foreign exchange contracts	-	371	371	(154)
(Gain) loss realised on financial assets available for sale during the period/year	(1,399)	-	(1,399)	4,957
Impairment losses transferred to the interim condensed consolidated statement of income	-	-	-	53,934
Share of other comprehensive income (loss) of associates	1,129	-	1,129	756
Balance at the end of the period/year	4,312	746	5,058	(13,003)
	<u>4,312</u>	<u>746</u>	<u>5,058</u>	<u>(13,003)</u>
				<u>(27,404)</u>

Kuwait Finance House K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2012

6 FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arises on the consolidation of foreign subsidiaries and equity accounting of foreign associates. The management of the Bank is of the opinion that this reserve is attributable to both the depositors and equityholders. As a result, the reporting of this reserve as a separate item on the interim condensed consolidated statement of financial position enables a fairer presentation than its inclusion under equity attributable to the equityholders of the Bank.

7 CASH AND CASH EQUIVALENTS

	<i>KD 000's</i>		
	<i>(Unaudited)</i> <i>31 March</i> <i>2012</i>	<i>(Audited)</i> <i>31 December</i> <i>2011</i>	<i>(Unaudited)</i> <i>31 March</i> <i>2011</i>
Cash	64,582	91,990	63,192
Balances with Central Banks	384,908	239,103	169,379
Balances with banks and financial institutions - current accounts	303,904	192,377	203,534
Balances with banks and financial institutions - exchange of deposits	124,165	96,084	146
Cash and balances with banks and financial institutions	877,559	619,554	436,251
Short-term murabaha - maturing within 3 months of contract date	838,388	757,733	570,993
Tawarruq balances with Central Bank of Kuwait (included within short-term international murabaha)	335,057	98,009	347,099
Cash and cash equivalents	<u>2,051,004</u>	<u>1,475,296</u>	<u>1,354,343</u>

8 SHARE CAPITAL

Following approval of the ordinary and extraordinary general assembly meeting of the equityholders' of the Bank held on 26 March 2012, the authorised share capital of the Bank was increased from KD 268,904 thousand to KD 290,416 thousand by way of issuance of 8% bonus shares amounting to KD 21,512 thousand. Accordingly, the authorised, issued and fully paid-up share capital at 31 March 2012, comprises 2,904,164 thousand shares (31 December 2011: 2,689,041 thousand shares and 31 March 2011: 2,689,041 thousand shares) of 100 fils each.

9 CONTINGENCIES AND COMMITMENTS

At the financial position date there were outstanding contingencies and commitments entered into in the ordinary course of business in respect of the following:

	<i>KD 000's</i>		
	<i>(Unaudited)</i> <i>31 March</i> <i>2012</i>	<i>(Audited)</i> <i>31 December</i> <i>2011</i>	<i>(Unaudited)</i> <i>31 March</i> <i>2011</i>
Acceptances and letters of credit	149,246	142,951	170,762
Letter of guarantees	1,045,157	994,683	983,736
	<u>1,194,403</u>	<u>1,137,634</u>	<u>1,154,498</u>
Capital commitments	<u>1,693,886</u>	<u>1,544,753</u>	<u>1,151,656</u>

Kuwait Finance House K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2012

10 RELATED PARTY TRANSACTIONS

Certain related parties (directors and executive employees, officers of the Group, their families, associated companies and companies of which they are the principal owners) were depositors and finance facilities 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. These transactions are approved by the ordinary general assembly of the equity holders of the Bank. The balances included in the interim condensed consolidated financial information are as follows:

	<i>KD 000's</i>						
	<i>Major shareholders</i>	<i>Associates</i>	<i>Board members and executive officers</i>	<i>Other related parties</i>	<i>(Unaudited) 31 March 2012</i>	<i>(Audited) 31 December 2011</i>	<i>(Unaudited) 31 March 2011</i>
Related parties							
Receivables	1,510	74,835	11,552	91,835	179,732	169,054	165,679
Due to banks and financial institutions	578,462	-	-	15,288	593,750	550,343	585,383
Depositors' accounts	37,217	11,870	8,571	26,325	83,983	84,703	149,020
Commitments and contingencies	886	4,422	15	4,935	10,258	10,271	6,455

Kuwait Finance House K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2012

10 RELATED PARTY TRANSACTIONS (continued)

Details of the interests of Board Members and Executive Officers are as follows:

KD 000's

	The number of Board Members or Executive Officers		The number of related parties				Values	
	(Unaudited) 31 March 2012	(Audited) 31 December 2011	(Unaudited) 31 March 2012	(Audited) 31 December 2011	(Unaudited) 31 March 2011	(Unaudited) 31 March 2012	(Audited) 31 December 2011	(Unaudited) 31 March 2011
Board Members								
Finance facilities	3	4	-	1	4	6,953	8,086	1,512
Credit cards	1	4	2	-	-	41	38	37
Deposits	18	24	31	31	34	5,648	5,086	2,110
Collateral against finance facilities	2	3	-	-	-	8,339	8,357	1,509
Executive Officers								
Finance facilities	11	11	5	5	2	5,520	4,773	1,252
Credit cards	9	9	4	3	3	24	26	19
Deposits	22	22	52	51	47	5,073	4,122	567
Collateral against finance facilities	11	8	5	3	1	7,866	6,921	1,253

Compensation of key management personnel is as follows:

	KD 000's	
	(Unaudited) 31 March 2012	(Unaudited) 31 March 2011
Short-term employee benefits	2,002	2,318
Termination benefits	209	276
	<u>2,211</u>	<u>2,594</u>

Kuwait Finance House K.S.C. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 31 March 2012

11 SEGMENTAL ANALYSIS

Segment information

For management purposes the Group is organised into three major business segments:

	<i>KD 000's</i>				
<i>31 March 2012 (Unaudited)</i>	<i>Treasury</i>	<i>Investment</i>	<i>Banking</i>	<i>Other</i>	<i>Total</i>
Total assets	3,960,561	3,599,137	5,198,946	1,422,442	14,181,086
Total liabilities	2,263,634	128,757	9,145,446	502,331	12,040,168
Income	15,079	15,562	133,246	18,870	182,757
Profit (loss) before estimated distribution to depositors	7,858	1,229	77,741	(30,650)	56,178

	<i>KD 000's</i>				
<i>31 March 2011 (Unaudited)</i>	<i>Treasury</i>	<i>Investment</i>	<i>Banking</i>	<i>Other</i>	<i>Total</i>
Total assets	2,875,849	3,283,199	5,201,383	1,392,645	12,753,076
Total liabilities	1,959,989	296,019	8,034,795	429,553	10,720,356
Income	20,796	9,805	127,547	34,386	192,534
Profit (loss) before estimated distribution to depositors	9,059	(12,273)	78,138	(20,590)	54,334

12 FIDUCIARY ASSETS

The aggregate value of assets held in a trust or fiduciary capacity by the Bank at 31 March 2012 amounted to KD 668,027 thousand (31 December 2011: KD 672,584 thousand and 31 March 2011: KD 851,480 thousand).

Fee and commission income include fees of KD 1,102 thousand (31 March 2011: KD 906 thousand) arising from trust and fiduciary activities.