

**NATIONAL MOBILE TELECOMMUNICATIONS
COMPANY K.S.C.P. AND SUBSIDIARIES**



**Interim condensed consolidated financial information and independent auditors' review report for
the period from 1 January 2015 to 30 September 2015
(Unaudited)**

National Mobile Telecommunications Company K.S.C.P. and Subsidiaries
Interim condensed consolidated financial information and independent auditors' review report
(Unaudited)
For the period from 1 January 2015 to 30 September 2015



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Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Information

**The Board of Directors
National Mobile Telecommunications Company K.S.C.P.
State of Kuwait**

Introduction

We have reviewed the accompanying interim condensed consolidated financial information of National Mobile Telecommunications Company K.S.C.P. ("the Company") and its subsidiaries (together referred to as "the Group"), which comprises the interim condensed consolidated statement of financial position as at 30 September 2015, and the related interim condensed consolidated statements of profit or loss and comprehensive income for the three and nine month periods ended 30 September 2015, the interim condensed consolidated statements of changes in equity and cash flows for the nine month period then ended, and notes to the interim condensed consolidated financial information. The Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, *Interim Financial Reporting*. 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.

Conclusion

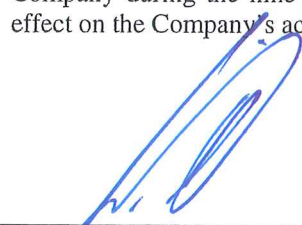
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information as at 30 September 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim Financial Reporting*.




Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Information (continued)

Report on Review of Other Legal and Regulatory Requirements

Furthermore, based on our review, this interim condensed consolidated financial information is in agreement with the accounting records. We further report that to the best of our knowledge and belief, we have not become aware of any material violations of the Companies Law No. 25 of 2012, as amended, and its Executive Regulations or the Memorandum and Articles of Association of the Company during the nine month period ended 30 September 2015 that might have had material effect on the Company's activities or on its consolidated financial position.



Khalid Ebrahim Al-Shatti
License No 175-A
PricewaterhouseCoopers (Al-Shatti & Co.)



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

Kuwait: 2 November 2015



	Note	30 September 2015 KD 000's (Unaudited)	31 December 2014 KD 000's (Audited)	30 September 2014 KD 000's (Unaudited)
ASSETS				
Non-current assets				
Property and equipment		653,663	697,170	692,714
Intangible assets and goodwill		485,067	517,957	548,576
Available for sale financial assets		6,457	7,050	7,664
Deferred tax asset		1,565	2,649	1,578
Other non-current assets		299	357	369
		<u>1,147,051</u>	<u>1,225,183</u>	<u>1,250,901</u>
Current assets				
Inventories		33,837	34,838	36,047
Trade and other receivables		146,958	198,509	223,560
Bank balances and cash	5	117,040	89,399	65,084
		<u>297,835</u>	<u>322,746</u>	<u>324,691</u>
Total assets		<u>1,444,886</u>	<u>1,547,929</u>	<u>1,575,592</u>
EQUITY AND LIABILITIES				
EQUITY				
Share capital		50,403	50,403	50,403
Treasury shares		(3,598)	(3,598)	(3,598)
Reserves		60,425	89,048	115,284
Retained earnings		594,120	601,088	605,946
Equity attributable to shareholders of the Company		<u>701,350</u>	<u>736,941</u>	<u>768,035</u>
Non-controlling interests		107,324	116,447	132,434
Total equity		<u>808,674</u>	<u>853,388</u>	<u>900,469</u>
LIABILITIES				
Non-current liabilities				
Long term debts	6	138,693	62,394	57,810
Provision for staff indemnity		6,584	5,579	6,108
Other non-current liabilities		18,907	18,484	18,280
		<u>164,184</u>	<u>86,457</u>	<u>82,198</u>
Current liabilities				
Trade and other payables	7	369,144	447,391	449,827
Deferred income		35,101	43,153	34,735
Long term debts	6	67,783	117,540	108,363
		<u>472,028</u>	<u>608,084</u>	<u>592,925</u>
Total liabilities		<u>636,212</u>	<u>694,541</u>	<u>675,123</u>
Total equity and liabilities		<u>1,444,886</u>	<u>1,547,929</u>	<u>1,575,592</u>

Saud Bin Nasser Al Thani
Chairman

Chairman Office مكتب الرئيس

The accompanying notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

National Mobile Telecommunications Company K.S.C.P. and Subsidiaries
Interim condensed consolidated statement of profit or loss (Unaudited)
For the period from 1 January 2015 to 30 September 2015



	Note	Three months period ended 30 September		Nine months period ended 30 September	
		2015 KD 000's (Unaudited)	2014 KD 000's (Unaudited)	2015 KD 000's (Unaudited)	2014 KD 000's (Unaudited)
Revenue		188,800	186,056	547,887	565,469
Operating expenses		(70,364)	(72,132)	(216,378)	(210,238)
Selling, general and administrative expenses		(51,642)	(53,391)	(152,638)	(164,146)
Depreciation and amortisation		(38,497)	(36,891)	(109,748)	(108,371)
Finance costs – net	10	(2,867)	(2,062)	(6,918)	(5,769)
Other expenses – net	11	(2,244)	(4,526)	(15,447)	(3,083)
Gain on disposal of a subsidiary		-	-	-	3,628
Profit before provision for Directors' remuneration, provision for contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labor Support Tax ("NLST") and Zakat		23,186	17,054	46,758	77,490
Provision for Directors' remuneration		(180)	(151)	(602)	(454)
Provision for contribution to KFAS, NLST and Zakat	12	(630)	(368)	(1,235)	(2,055)
Profit before taxation		22,376	16,535	44,921	74,981
Taxation related to subsidiaries		(5,348)	(6,266)	(11,037)	(16,304)
Profit for the period		17,028	10,269	33,884	58,677
<i>Attributable to:</i>					
- Shareholders of the Company		13,271	7,881	28,113	45,738
- Non-controlling interests		3,757	2,388	5,771	12,939
		17,028	10,269	33,884	58,677
Basic and diluted earnings per share (fils)	9	26.48	15.73	56.10	91.26

The accompanying notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

National Mobile Telecommunications Company K.S.C.P. and Subsidiaries
Interim condensed consolidated statement of comprehensive income (Unaudited)
For the period from 1 January 2015 to 30 September 2015



	Three months period ended 30 September		Nine months period ended 30 September	
	2015	2014	2015	2014
	KD 000's	KD 000's	KD 000's	KD 000's
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period	17,028	10,269	33,884	58,677
Other comprehensive income				
<i>Items that are or may be reclassified subsequently to the interim consolidated consolidated statement of profit or loss</i>				
Change in fair value of available for sale financial assets	-	-	(568)	(40)
Net (gain) / loss on sale of available for sale financial assets transferred to the interim condensed consolidated statement of profit or loss (note 11)	-	(71)	-	26
Exchange differences transferred to the interim condensed consolidated statement of profit or loss	-	-	-	685
Exchange differences arising on translation of foreign operations and fair value reserves	(15,890)	(16,119)	(36,867)	(28,685)
Total other comprehensive loss for the period	(15,890)	(16,190)	(37,435)	(28,014)
Total comprehensive income / (loss) for the period	1,138	(5,921)	(3,551)	30,663
<i>Attributable to:</i>				
- Shareholders of the Company	1,285	(4,291)	(510)	25,109
- Non-controlling interests	(147)	(1,630)	(3,041)	5,554
	1,138	(5,921)	(3,551)	30,663

The accompanying notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

National Mobile Telecommunications Company K.S.C.P. and Subsidiaries
Interim condensed consolidated statement of changes in equity (Unaudited)
For the period from 1 January 2015 to 30 September 2015



	Reserves										Retained earnings KD 000's	Equity attributable to shareholders of the Company KD 000's	Non-controlling interests KD 000's	Total equity KD 000's
	Share capital KD 000's	Treasury shares KD 000's	Share premium KD 000's	Statutory reserve KD 000's	General reserve KD 000's	Gain on sale of treasury shares KD 000's	Fair value reserve KD 000's	Foreign currency translation reserve KD 000's	Other reserves KD 000's	Total reserves KD 000's				
Balance at 1 January 2015	50,403	(3,598)	66,634	32,200	117,854	6,914	423	(138,389)	3,412	89,048	601,088	736,941	116,447	853,388
Comprehensive income														
Profit for the period	-	-	-	-	-	-	-	-	-	-	28,113	28,113	5,771	33,884
Other comprehensive loss for the period	-	-	-	-	-	-	(568)	(28,055)	-	(28,623)	-	(28,623)	(8,812)	(37,435)
Total comprehensive loss for the period	-	-	-	-	-	-	(568)	(28,055)	-	(28,623)	28,113	(510)	(3,041)	(3,551)
Dividends (note 8)	-	-	-	-	-	-	-	-	-	-	(35,081)	(35,081)	(6,082)	(41,163)
Balance at 30 September 2015	50,403	(3,598)	66,634	32,200	117,854	6,914	(145)	(166,444)	3,412	60,425	594,120	701,350	107,324	808,674
Balance at 1 January 2014	50,403	(3,598)	66,634	32,200	113,016	6,914	1,128	(87,391)	3,412	135,913	622,853	805,571	126,880	932,451
Comprehensive income														
Profit for the period	-	-	-	-	-	-	-	-	-	-	45,738	45,738	12,939	58,677
Other comprehensive loss for the period	-	-	-	-	-	-	(14)	(20,615)	-	(20,629)	-	(20,629)	(7,385)	(28,014)
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	(14)	(20,615)	-	(20,629)	45,738	25,109	5,554	30,663
Dividends (note 8)	-	-	-	-	-	-	-	-	-	-	(62,645)	(62,645)	-	(62,645)
Balance at 30 September 2014	50,403	(3,598)	66,634	32,200	113,016	6,914	1,114	(108,006)	3,412	115,284	605,946	768,035	132,434	900,469

The accompanying notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.



		Nine months period ended 30 September	
		2015	2014
	Note	KD 000's (Unaudited)	KD 000's (Unaudited)
Cash flows from operating activities			
Net profit for the period		33,884	58,677
Adjustments for:			
Depreciation and amortisation		109,748	108,371
Dividend income	11	(1)	(1)
Finance income	10	(612)	(1,211)
Loss on sale of available for sale financial assets	11	-	26
Provision for impairment of receivables		6,751	7,162
Taxation relating to subsidiaries		11,037	16,304
Gain on sale of property and equipment and intangible assets		(652)	912
Gain on sale of a subsidiary		-	(3,628)
Finance costs	10	7,530	6,980
Provision for KFAS, NLST and Zakat	12	1,235	2,055
Provision for staff indemnity		1,299	1,339
		170,219	196,986
<i>Changes in:</i>			
Trade and other receivables and other non-current assets		45,696	(60,596)
Inventories		986	(8,998)
Trade and other payables and other non-current liabilities		(88,534)	(40,493)
Cash generated from operations		128,367	86,899
Provision for staff indemnity paid		(333)	(588)
Net cash generated from operating activities		128,034	86,311
Cash flows from investing activities			
(Increase) / decrease in term deposits		(12,949)	12,847
Proceeds from sale of available for sale financial assets		21	982
Purchase of property and equipment		(94,434)	(118,915)
Proceeds from disposal of property and equipment		689	250
Purchase of intangible assets		(5,569)	(4,108)
Payments on disposal of a subsidiary		-	(6,044)
Dividend income received		1	1
Finance income received		612	1,211
Net cash used in investing activities		(111,629)	(113,776)
Cash flows from financing activities			
Finance costs paid		(7,530)	(6,980)
Dividends paid		(34,808)	(72,101)
Dividends paid by subsidiary to non-controlling interest		(14,912)	-
Net increase in term debts		37,075	18,628
Net cash used in financing activities		(20,175)	(60,453)
Effect of foreign currency translation		18,462	8,675
Net change in cash and cash equivalents		14,692	(79,243)
Cash and cash equivalents at beginning of the period		82,357	137,869
Cash and cash equivalents at end of the period	5	97,049	58,626

The accompanying notes set out on pages 8 to 16 form an integral part of this interim condensed consolidated financial information.

1. INCORPORATION AND ACTIVITIES

National Mobile Telecommunications Company K.S.C.P. (“the Company”) is a Kuwaiti shareholding company incorporated by Amiri Decree on 10 October 1997. The Company and its subsidiaries (together referred to as “the Group”) are engaged in the following:

- Purchase, supply, installation, management and maintenance of wireless sets and equipment, mobile telephone services, pager system and other telecommunication services;
- Import and export of sets, equipment and instruments necessary for the purposes of the Company;
- Purchase or hiring communication lines and facilities necessary for providing the Company’s services in co-ordination with the services provided by the State, but without interference or conflict herewith;
- Purchase of manufacturing concessions directly related to the Company’s services from manufacturers or producing them in Kuwait;
- Introduction or management of other services of similar nature and supplementary to telecommunications services with a view to upgrade such services or rendering them integrated;
- Conduct technical research relating to the Company’s business in order to improve and upgrade the Company’s services in co-operation with competent authorities within Kuwait and abroad;
- Purchase and holding of lands, construction and building of facilities required for achieving the Company’s objectives;
- Purchase of all materials and machineries needed to undertake the Company’s activities as well as their maintenance in all possible modern methods;
- Use of financial surplus available at the Company by investing the same in portfolios managed by specialised companies and parties as well as authorising the board to undertake the same; and
- The Company may have interest or in any way participate with corporate and organisations which practice similar activities or which may assist it in achieving its objectives in Kuwait or abroad. It may acquire such corporates, or make them subsidiary.

The Company operates under a licence from the Ministry of Communications, State of Kuwait and also elsewhere through subsidiaries in the Middle East and North Africa (MENA) region and Maldives. The Company’s shares were listed on the Kuwait Stock Exchange in July 1999 and commercial operations began in December 1999. In 2014, the Company changed its brand name from “Wataniya” to “Ooredoo”.

The Company is a subsidiary of Qtel International Investment LLC (Parent Company), which in turn is a subsidiary of Ooredoo Q.S.C. (“Ooredoo”) (ultimate parent company), a Qatari shareholding company whose shares are listed on the Qatar Exchange.

The address of the Company’s registered office is Ooredoo Tower, Soor Street, Kuwait City, State of Kuwait P.O.Box 613, Safat 13007, State of Kuwait.

This interim condensed consolidated financial information was approved for issue by the Board of Directors of the Company on 27 October 2015.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. 34, *Interim Financial Reporting*.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the interim condensed consolidated financial information of the Group, since the last annual consolidated financial statements as at and for the year ended 31 December 2014. This interim condensed consolidated financial information does not include all of the information required for full annual audited consolidated financial statements of the Group prepared in accordance with International Financial Reporting Standards (IFRS). In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.



2. BASIS OF PREPARATION (CONTINUED)

Operating results for the nine month period ended 30 September 2015 are not necessarily indicative of the results that may be expected for the year ending 31 December 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

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 2014, except for the adoption of the amendments and annual improvements to IFRSs, relevant to the Group which are effective for annual reporting period starting from 1 January 2015 and did not result in any material impact on the accounting policies, financial position or performance of the Group.

4. JUDGEMENTS AND ESTIMATES

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

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimating uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2014.

5. BANK BALANCES AND CASH

	30 September 2015 KD 000's (Unaudited)	31 December 2014 KD 000's (Audited)	30 September 2014 KD 000's (Unaudited)
Bank balances and cash	78,137	57,444	45,418
Deposits	38,903	31,955	19,666
Bank balances and cash in the interim condensed consolidated statement of financial position	117,040	89,399	65,084
Less: Deposits with original maturities of three months or more	(19,991)	(7,042)	(6,458)
Cash and cash equivalents in the interim condensed consolidated statement of cash flows	97,049	82,357	58,626

The effective interest rate on interest earning deposits ranged from 1.75% to 6.9% per annum (31 December and 30 September 2014: 1.75% to 7.5% per annum and 1.71% to 8.6% per annum respectively).

Bank balances and cash include KD 34 thousand (31 December and 30 September 2014: KD 32 thousand and KD 68 thousand respectively) held as part of a managed portfolio.

Included in deposits with original maturities of three months or more is an amount of KD 7 thousand (31 December and 30 September 2014: KD 7 thousand and KD 6 thousand respectively) restricted in accordance with a subsidiary's syndicated loan agreement.



6. LONG TERM DEBTS

	30 September 2015 KD 000's (Unaudited)	31 December 2014 KD 000's (Audited)	30 September 2014 KD 000's (Unaudited)
Current portion			
Due to local banks	-	39,100	38,600
Due to local banks related to subsidiaries	64,410	77,121	68,596
Due to foreign banks	3,373	1,319	1,167
	67,783	117,540	108,363
Non-current portion			
Due to local banks related to subsidiaries	125,134	54,747	49,899
Due to foreign banks	13,559	7,647	7,911
	138,693	62,394	57,810

Long term debts amounting to KD 136,199 thousand (31 December and 30 September 2014: KD 66,751 thousand and KD 68,664 thousand respectively) are supported by third party guarantees and secured by pledges on Wataniya Telecom Algeria S.P.A.'s ("WTA") assets. In addition, WTA is subject to various obligations and financial covenants over the terms of those debts.

Long term debts amounting to KD 21,685 thousand (31 December and 30 September 2014: KD 22,902 thousand and KD 23,064 thousand respectively) are secured by Wataniya Palestine Mobile Telecom Limited's ("WPT") assets.

Long term debts amounting to KD 4,775 thousand (31 December and 30 September 2014: KD 2,899 thousand and KD 2,873 thousand respectively) are secured by Ooredoo Maldives Private Limited's (previously "WTM") fixed deposits.

Long term debts amounting to nil (31 December and 30 September 2014: KD 39,100 thousand and KD 38,600 thousand respectively) are secured by promissory notes signed by the Company as guarantee of the loan.

Long term debts amounting to KD 43,817 thousand (31 December and 30 September 2014: KD 48,282 thousand and KD 32,972 thousand respectively) are secured by pledge of tangible and intangible assets exclusive of the GSM license of Ooredoo Tunisie S.A. (previously "Tunisiana S.A"). In addition, the loan arrangements contain financial covenants to be tested on an annual basis.

7. TRADE AND OTHER PAYABLES

	30 September 2015 KD' 000 (Unaudited)	31 December 2014 KD' 000 (Audited)	30 September 2014 KD' 000 (Unaudited)
Accruals	208,228	234,961	254,172
Trade payables	66,438	105,503	91,594
Amounts due to related parties (note 13)	39,085	33,065	41,094
Other tax payables	15,143	20,114	18,966
Staff payables	12,097	13,266	11,715
Dividends payable	5,688	14,245	5,683
Other payables	22,465	26,237	26,603
	369,144	447,391	449,827



8. DIVIDENDS

The Annual General Assembly of the Company, held on 26 March 2015, approved the consolidated financial statements of the Group for the year ended 31 December 2014 and the payment of cash dividend of 70 fils per share amounting to KD 35,081 thousand for the year ended 31 December 2014 (2014: cash dividend of 125 fils per share amounting to KD 62,645 thousand for the year ended 31 December 2013) to the Company's equity shareholders existing as at 26 March 2015.

9. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share attributable to shareholders of the Company is calculated as follows:

	Three month period ended 30 September		Nine month period ended 30 September	
	2015	2014	2015	2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period attributable to shareholders of the Company (KD 000's)	13,271	7,881	28,113	45,738
Number of shares outstanding:				
Weighted average number of paid up shares (thousands)	504,033	504,033	504,033	504,033
Weighted average number of treasury shares (thousands)	(2,871)	(2,871)	(2,871)	(2,871)
Weighted average number of outstanding shares (thousands)	501,162	501,162	501,162	501,162
Basic and diluted earnings per share attributable to shareholders of the Company (fils)	26.48	15.73	56.10	91.26

There are no potential dilutive shares as at 30 September 2015 (31 December and 30 September 2014: nil).

10. FINANCE COSTS - NET

	Three month period ended 30 September		Nine month period ended 30 September	
	2015	2014	2015	2014
	KD 000's	KD 000's	KD 000's	KD 000's
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Finance income	155	302	612	1,211
Finance costs	(3,022)	(2,364)	(7,530)	(6,980)
	(2,867)	(2,062)	(6,918)	(5,769)

11. OTHER EXPENSES - NET

	Three months period ended 30 September		Nine months period ended 30 September	
	2015	2014	2015	2014
	KD 000's	KD 000's	KD 000's	KD 000's
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Dividend income	-	-	1	1
Exchange gain / (loss)	743	(3,310)	(12,588)	(5,547)
Other operating (losses) / income	(2,987)	(1,287)	(2,860)	2,489
Gain / (loss) on sale of available for sale financial assets	-	71	-	(26)
	(2,244)	(4,526)	(15,447)	(3,083)



12. PROVISION FOR CONTRIBUTION TO KFAS, NLST AND ZAKAT

	Three months period ended 30 September		Nine months period ended 30 September	
	2015 KD 000's (Unaudited)	2014 KD 000's (Unaudited)	2015 KD 000's (Unaudited)	2014 KD 000's (Unaudited)
KFAS	(116)	(97)	(210)	(490)
NLST	(367)	(194)	(732)	(1,118)
Zakat	(147)	(77)	(293)	(447)
	<u>(630)</u>	<u>(368)</u>	<u>(1,235)</u>	<u>(2,055)</u>

13. RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Group, Ooredoo Q.S.C. and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Transactions between the Company and its subsidiaries which are related parties to the Company have been eliminated on consolidation and are not disclosed in this note. Transactions with related parties are as follows:

<i>Interim condensed consolidated statement of financial position</i>	30 September 2015 KD' 000 (Unaudited)	31 December 2014 KD' 000 (Audited)	30 September 2014 KD' 000 (Unaudited)
<i>Shareholders and entities related to shareholders</i>			
Payable to Ooredoo Group L.L.C.	35,048	32,464	40,648
Payable to ultimate parent company	3,203	547	446
Payable to Ooredoo IP L.L.C.	834	54	-
	<u>39,085</u>	<u>33,065</u>	<u>41,094</u>

<i>Interim condensed consolidated statement of profit or loss</i>	Three months period ended 30 September		Nine months period ended 30 September	
	2015 KD 000's (Unaudited)	2014 KD 000's (Unaudited)	2015 KD 000's (Unaudited)	2014 KD 000's (Unaudited)
<i>Shareholders and entities related to shareholders</i>				
a) Management fees to Ooredoo Group L.L.C.	<u>4,307</u>	<u>4,994</u>	<u>13,035</u>	<u>12,792</u>
b) Brand license fees due to Ooredoo IP L.L.C.	<u>288</u>	<u>-</u>	<u>838</u>	<u>-</u>
c) Key management compensation:				
Short term benefits	871	1,059	4,266	4,033
Termination benefits	56	69	449	400
	<u>927</u>	<u>1,128</u>	<u>4,715</u>	<u>4,433</u>

14. FAIR VALUES OF FINANCIAL ASSETS

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair value of financial instruments traded in active markets (such as trading and available for sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

Fair value measurements recognised in the interim condensed consolidated statement of financial position
The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Total
30 September 2015 (Unaudited)	KD'000	KD'000	KD'000
<i>Available for sale financial assets:</i>			
Listed equity securities	331	-	331
Unlisted equity securities	-	3,972	3,972
	<u>331</u>	<u>3,972</u>	<u>4,303</u>
31 December 2014 (Audited)			
<i>Available for sale financial assets:</i>			
Listed equity securities	328	-	328
Unlisted equity securities	-	4,544	4,544
	<u>328</u>	<u>4,544</u>	<u>4,872</u>
30 September 2014 (Unaudited)			
<i>Available for sale financial assets:</i>			
Listed equity securities	330	-	330
Unlisted equity securities	-	5,313	5,313
	<u>330</u>	<u>5,313</u>	<u>5,643</u>

At the reporting date, unlisted equity investments with a carrying value of KD 2,154 thousand (31 December and 30 September 2014: KD 2,178 thousand and KD 2,021 respectively) are carried at cost less impairment due to the non-availability of quoted market prices or other reliable measures of their fair value. Management believes that the carrying value of these equity investments approximates their fair value.

There are no transfers between levels during the periods/year ended 30 September 2015, 31 December 2014 and 30 September 2014.



15. COMMITMENTS AND CONTINGENT LIABILITIES

	30 September 2015 KD 000's (Unaudited)	31 December 2014 KD 000's (Audited)	30 September 2014 KD 000's (Unaudited)
Capital commitments			
For the acquisition of property and equipment	62,936	79,860	90,494
For the acquisition of Palestinian mobile license	48,254	46,791	46,021
	<u>111,190</u>	<u>126,651</u>	<u>136,515</u>

Operating lease commitments

The Group has a number of operating leases over properties for the erection of communication towers, office facilities and warehouses. The lease expenditure charged to the interim condensed consolidated statement of profit or loss during the period is disclosed under operating expenses. The leases typically run for a period ranging from 1 to 5 years, with an option to renew the lease after that date.

Minimum operating lease commitments under these leases are as follows:

	30 September 2015 KD' 000 (Unaudited)	31 December 2014 KD' 000 (Audited)	30 September 2014 KD' 000 (Unaudited)
Not later than one year	7,708	8,616	8,971
Later than one year but not later than five years	27,089	27,917	29,399
	<u>34,797</u>	<u>36,533</u>	<u>38,370</u>
Contingent liabilities			
Letters of guarantee	3,715	3,691	3,645
Letters of credit	3,405	3,753	2,883
	<u>7,120</u>	<u>7,444</u>	<u>6,528</u>

16. FINANCIAL RISK MANAGEMENT

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2014.

17. SEGMENTAL INFORMATION

The management organises the entity based on different geographical areas, inside and outside Kuwait. Operating segments were identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to its performance. The geographical analysis based on location of revenue, net profit / (loss) and total assets is as follows:

	Inside Kuwait KD 000's	Outside Kuwait				Total KD 000's
		Tunisia KD 000's	Algeria KD 000's	Others KD 000's	Un-allocated KD 000's	
Three months ended 30 September 2015 (Unaudited)						
Segment revenues	47,766	41,071	87,032	12,931	-	188,800
Segment results	2,821	3,833	12,226	966	(2,818)	17,028
Three months ended 30 September 2014 (Unaudited)						
Segment revenues	40,842	45,466	89,601	10,147	-	186,056
Segment results	731	5,442	4,981	(639)	(246)	10,269
Nine months ended 30 September 2015 (Unaudited)						
Segment revenues	139,057	116,616	255,819	36,395	-	547,887
Segment results	7,339	12,457	15,694	1,674	(3,280)	33,884
Nine months ended 30 September 2014 (Unaudited)						
Segment revenues	125,388	138,171	272,188	29,722	-	565,469
Segment results	5,357	19,635	34,487	1,054	(1,856)	58,677

17. SEGMENTAL INFORMATION (CONTINUED)

	Inside Kuwait KD 000's	Outside Kuwait				Total KD 000's
		Tunisia KD 000's	Algeria KD 000's	Others KD 000's	Un-allocated KD 000's	
As at 30 September 2015 (Unaudited)						
Segment assets	307,001	200,657	459,291	114,826	355,089	1,436,864
Investments and other assets	6,304	1,528	-	190	-	8,022
Total assets	<u>313,305</u>	<u>202,185</u>	<u>459,291</u>	<u>115,016</u>	<u>355,089</u>	<u>1,444,886</u>
As at 31 December 2014 (Audited)						
Segment assets	254,811	241,404	566,373	109,424	366,218	1,538,230
Investments and other assets	6,893	2,279	-	527	-	9,699
Total assets	<u>261,704</u>	<u>243,683</u>	<u>566,373</u>	<u>109,951</u>	<u>366,218</u>	<u>1,547,929</u>
As at 30 September 2014 (Unaudited)						
Segment assets	243,327	220,371	601,899	108,589	392,164	1,566,350
Investments and other assets	7,584	1,658	-	-	-	9,242
Total assets	<u>250,911</u>	<u>222,029</u>	<u>601,899</u>	<u>108,589</u>	<u>392,164</u>	<u>1,575,592</u>