

**ALAFCO AVIATION LEASE AND FINANCE
COMPANY K.S.C.P.**

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

31 MARCH 2015



Building a better
working world

Ernst & Young
Al Aiban, Al Osaimi & Partners
P.O. Box 74
18-21st Floor, Baitak Tower
Ahmed Al Jaber Street
Safat Square 13001, Kuwait

Tel: +965 2295 5000
Fax: +965 2245 6419
kuwait@kw.ey.com
ey.com/mena



**BAKER TILLY
KUWAIT**

Audit, tax and consulting
P.O.Box 1486 Safat 13015
Kuwait

T: +965 1 88 77 99
F: +965 2294 2651

info@bakertillykuwait.com
www.bakertillykuwait.com

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF ALAFCO AVIATION LEASE AND FINANCE COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of ALAFCO Aviation Lease and Finance Company K.S.C.P. (the “parent company”) and its subsidiaries (together, the “group”) as at 31 March 2015, and the related interim condensed consolidated statements of income and comprehensive income for the three months and six months periods then ended, and the related interim condensed consolidated statements of changes in equity and cash flows for the six months 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 Accounting Standard 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.

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 International Accounting Standard 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 Companies Law No 25 of 2012, as amended and its related executive regulations, or of the parent company’s Memorandum of Incorporation and Articles of Association during the six months period ended 31 March 2015 that might have had a material effect on the business of the parent company or on its financial position.

WALEED A. AL OSAIMI
LICENCE NO. 68 A
EY
(AL AIBAN, AL OSAIMI & PARTNERS)

DR. SAUD HAMAD AL-HUMAIDI
LICENSE NO. 51 A
OF DR. SAUD HAMAD AL-HUMAIDI &
PARTNERS
MEMBER OF BAKER TILLY
INTERNATIONAL


16 April 2015
Kuwait

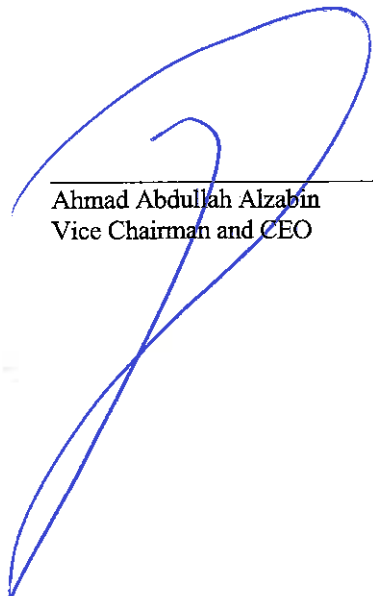
ALAFCO Aviation Lease and Finance Company K.S.C.P.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

At 31 March 2015

		<i>(Audited)</i>	
	<i>31 March</i>	<i>30 September</i>	<i>31 March</i>
	<i>2015</i>	<i>2014</i>	<i>2014</i>
<i>Notes</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
ASSETS			
Aircraft, engines and equipment	4	584,200,719	535,792,851
Capital advances	5	40,524,224	38,782,782
Receivables	9	12,468,102	14,935,007
Cash and cash equivalents	6	75,344,168	70,523,531
TOTAL ASSETS		712,537,213	660,034,171
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7	81,876,015	77,977,157
Share premium		1,162,500	1,162,500
Statutory reserve		17,449,810	17,449,810
Foreign currency translation reserve		11,878,077	3,440,528
Retained earnings		97,437,813	90,833,424
Total equity		209,804,215	197,071,547
LIABILITIES			
Due to financial institutions	8	384,492,706	360,709,492
Security deposits		15,593,184	14,763,788
Maintenance reserve		94,770,904	79,694,799
Other liabilities		7,876,204	7,794,545
Total liabilities		502,732,998	462,962,624
TOTAL EQUITY AND LIABILITIES		712,537,213	660,034,171


 Yousef Ahmad Alhumaidi
 Chairman of the Board


 Ahmad Abdullah Alzabin
 Vice Chairman and CEO

ALAFCO Aviation Lease and Finance Company K.S.C.P.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
(UNAUDITED)

For the period ended 31 March 2015

	<i>Notes</i>	<i>Three months ended</i>		<i>Six months ended</i>	
		<i>31 March</i>		<i>31 March</i>	
		<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
		<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Operating lease income		16,047,933	13,904,328	30,633,408	27,903,365
Consultancy and service income		42,634	40,441	84,470	277,230
Murabaha income		351,298	382,485	702,719	779,592
Other income		10,879	-	30,457	57,867
Staff costs		(511,023)	(511,524)	(1,097,454)	(1,020,373)
Depreciation	4	(7,707,656)	(6,804,154)	(14,874,863)	(13,772,248)
Impairment	4	(586,600)	-	(586,600)	-
Other operating expenses		(830,772)	(288,938)	(1,348,525)	(558,258)
Finance costs		(2,766,912)	(2,306,678)	(4,972,506)	(4,697,991)
PROFIT BEFORE CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES (KFAS), NATIONAL LABOUR SUPPORT TAX (NLST) AND ZAKAT		4,049,781	4,415,960	8,571,106	8,969,184
Contribution to KFAS		(36,448)	(39,744)	(77,140)	(80,723)
NLST		(101,245)	(110,399)	(214,278)	(224,230)
Zakat		(40,498)	(44,160)	(85,711)	(89,692)
PROFIT FOR THE PERIOD		3,871,590	4,221,657	8,193,977	8,574,539
Basic and diluted earnings per share	3	4.73 Fils	5.16 Fils	10.01 Fils	10.47 Fils

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

ALAFCO Aviation Lease and Finance Company K.S.C.P.
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF
 COMPREHENSIVE INCOME (UNAUDITED)
 For the period ended 31 March 2015

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>31 March</i>		<i>31 March</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Profit for the period	3,871,590	4,221,657	8,193,977	8,574,539
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to interim condensed consolidated statement of income in subsequent periods:</i>				
Foreign currency translation adjustment	5,157,838	(253,137)	8,437,549	(740,508)
Other comprehensive income (loss) for the period	5,157,838	(253,137)	8,437,549	(740,508)
Total comprehensive income for the period	9,029,428	3,968,520	16,631,526	7,834,031

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

ALAFCO Aviation Lease and Finance Company K.S.C.P.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 31 March 2015

	Share capital KD	Share premium KD	Statutory reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Total KD
Balance at 1 October 2014	77,977,157	1,162,500	17,449,810	3,440,528	97,041,552	197,071,547
Profit for the period	-	-	-	-	8,193,977	8,193,977
Other comprehensive income for the period	-	-	-	8,437,549	-	8,437,549
Total comprehensive income for the period	-	-	-	8,437,549	8,193,977	16,631,526
Issue of bonus shares (Note 7)	3,898,858	-	-	-	(3,898,858)	-
Dividend (Note 7)	-	-	-	-	(3,898,858)	(3,898,858)
Balance at 31 March 2015	81,876,015	1,162,500	17,449,810	11,878,077	97,437,813	209,804,215
Balance at 1 October 2014	77,977,157	1,162,500	15,708,494	(162,742)	86,157,743	180,843,152
Profit for the period	-	-	-	-	8,574,539	8,574,539
Other comprehensive loss for the period	-	-	-	(740,508)	-	(740,508)
Total comprehensive (loss) income for the period	-	-	-	(740,508)	8,574,539	7,834,031
Dividend (Note 7)	-	-	-	-	(3,898,858)	(3,898,858)
Balance at 31 March 2014	77,977,157	1,162,500	15,708,494	(903,250)	90,833,424	184,778,325

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

ALAFCO Aviation Lease and Finance Company K.S.C.P.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 31 March 2015

	Notes	Six months ended 31 March	
		2015 KD	2014 KD
OPERATING ACTIVITIES			
Profit for the period		8,193,977	8,574,539
Adjustments for:			
Depreciation	4	14,874,863	13,772,248
Impairment	4	586,600	-
Murabaha income		(702,719)	(779,592)
Finance costs		4,972,506	4,697,991
		<u>27,925,227</u>	<u>26,265,186</u>
Changes in operating assets and liabilities:			
Receivables		3,170,018	5,209,377
Payables		10,934	(7,884,014)
Maintenance reserve		11,701,317	9,893,690
		<u>42,807,496</u>	<u>33,484,239</u>
Cash from operations		42,807,496	33,484,239
Finance cost payments		(5,027,649)	(4,768,933)
		<u>37,779,847</u>	<u>28,715,306</u>
INVESTING ACTIVITIES			
Purchase of aircraft, engines and equipment	4	(41,549,438)	(1,529)
Disposal of aircraft, engines and equipment	4	-	12,799,326
Capital advances for purchase of aircraft and engines	5	(99,131)	(7,081,468)
Murabaha income received		632,050	738,555
		<u>(41,016,519)</u>	<u>6,454,884</u>
Net cash flows (used in) from investing activities		(41,016,519)	6,454,884
FINANCING ACTIVITIES			
Financing facilities obtained		29,654,625	-
Financing facilities repaid		(21,146,162)	(27,345,970)
Dividends paid		(3,898,858)	(3,898,858)
		<u>4,609,605</u>	<u>(31,244,828)</u>
Net cash flows from (used in) financing activities		4,609,605	(31,244,828)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		<u>1,372,933</u>	<u>3,925,362</u>
Foreign currency translation adjustment		3,447,704	(292,198)
Cash and cash equivalents at 1 October		70,523,531	62,778,235
		<u>75,344,168</u>	<u>66,411,399</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH	6	<u>75,344,168</u>	<u>66,411,399</u>

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

1 INCORPORATION AND PRINCIPAL ACTIVITIES

ALAFCO Aviation Lease and Finance Company K.S.C.P. (ALAFCO) (the “parent company”) is a Kuwaiti shareholding company registered and incorporated in Kuwait on 21 March 2000. The parent company is engaged in providing service to buy aircraft and other related assets on behalf of the aviation companies, coordinating with factories, providing asset management services to different aviation companies, providing operating lease or financing lease services commensurate with the needs and desires of aviation company customers. They also provide project financing to buy aircraft wholly or partly in light of the evaluation studies and the renewal of risk factors associated with such projects, marketing of aircraft to meet the medium-and long-term needs of aviation companies, assisting aviation companies in the marketing of their aircraft through selling and leasing, and participation in providing services associated with financing and providing technical support to aviation companies. The parent company operates in accordance with the Islamic Sharia’a principles. The parent company is a subsidiary of Kuwait Finance House K.S.C.P. (the “ultimate parent company”) and its registered head office is at Kuwait Chamber of Commerce and Industry Building Annexe, Third Floor, Abdul Aziz Hamid Al Sagar Street, Al-Mirqab, Kuwait.

The shares of the parent company and the ultimate parent company are listed on the Kuwait Stock Exchange.

The interim condensed consolidated financial information includes transactions and balances of the parent company and wholly owned Special Purpose Companies (“SPC”) (its subsidiaries), together referred to as the “group”. All the transactions of SPC’s are entered on behalf of ALAFCO and are guaranteed by ALAFCO.

The interim condensed consolidated financial information of the group for the six months period ended 31 March 2015 was authorised for issue in accordance with a resolution of the board of directors on 16 April 2015.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the group is prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. For more details, please refer to the audited consolidated financial statements for the year ended 30 September 2014. In addition, results for the six months period ended 31 March 2015 are not necessarily indicative of the results that may be expected for the financial year ending 30 September 2015.

The functional currency of the group is US dollars. The interim condensed consolidated financial information has been presented in Kuwaiti Dinars.

New and amended standards and interpretations

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the consolidated financial statements for the year ended 30 September 2014, except for the adoption of the following new standards / amendments to IFRS effective as of 1 October 2014:

- *Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)*
- *Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32*

The adoption of these standards did not have any significant or material impact on the interim condensed consolidated financial information of the group and relevant disclosures will be made in the annual consolidated financial statements of the group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 31 March 2015

2 BASIS OF PREPARATION (continued)**Standards issued but not yet effective**

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the group's interim condensed consolidated financial information are disclosed below. The group intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The group is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact to the group given that the group has not used a revenue-based method to depreciate its non-current assets.

Additional disclosures will be made in the annual consolidated financial statements of the group when these standards become effective.

3 EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing profit for the period by the weighted average number of ordinary shares outstanding during the period as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>31 March</i>		<i>31 March</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Profit for the period (KD)	3,871,590	4,221,657	8,193,977	8,574,539
Weighted average number of ordinary shares	818,760,149	818,760,149	818,760,149	818,760,149
Basic and diluted earnings per share	4.73 Fils	5.16 Fils	10.01 Fils	10.47 Fils

The basic and diluted earnings per share for the three months period ended 31 March 2014 was 5.41Fils and for the six months period ended 31 March 2014 was 11.00 Fils before retroactive adjustment to the number of shares due to the bonus shares issued in this period (Note 7).

ALAFCO Aviation Lease and Finance Company K.S.C.P.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 31 March 2015

4 AIRCRAFT, ENGINES AND EQUIPMENT

	<i>Aircraft and engines KD</i>	<i>Furniture and fixtures KD</i>	<i>Office equipment KD</i>	<i>Total KD</i>
Cost				
At 1 October 2014	680,706,664	218,137	70,475	680,995,276
Additions	41,547,146	-	2,292	41,549,438
Foreign currency adjustment	28,825,482	9,237	2,986	28,837,705
At 31 March 2015	751,079,292	227,374	75,753	751,382,419
Depreciation				
At 1 October 2014	144,965,450	176,638	60,337	145,202,425
Depreciation charge for the period	14,847,823	24,552	2,488	14,874,863
Impairment	586,600	-	-	586,600
Foreign currency adjustment	6,507,129	8,065	2,618	6,517,812
At 31 March 2015	166,907,002	209,255	65,443	167,181,700
Net carrying amount				
At 31 March 2015	584,172,290	18,119	10,310	584,200,719
At 30 September 2014 (audited)	535,741,214	41,499	10,138	535,792,851
Cost				
At 1 October 2013	696,301,854	214,162	63,189	696,579,205
Additions	-	-	1,529	1,529
Disposal	(27,885,759)	-	-	(27,885,759)
Foreign currency adjustment	(2,830,996)	(871)	(257)	(2,832,124)
At 31 March 2014	665,585,099	213,291	64,461	665,862,851
Depreciation				
At 1 October 2013	129,847,431	136,205	55,615	130,039,251
Depreciation charge for the period	13,749,990	20,267	1,991	13,772,248
Disposal	(15,086,433)	-	-	(15,086,433)
Foreign currency adjustment	(559,589)	(602)	(228)	(560,419)
At 31 March 2014	127,951,399	155,870	57,378	128,164,647
Net carrying amount				
At 31 March 2014	537,633,700	57,421	7,083	537,698,204

Aircraft with carrying value of KD 557,421,055 (30 September 2014: KD 508,183,592 and 31 March 2014: KD 514,469,627) are under finance lease arrangements and are mortgaged against the financing facilities and registered in the name of the lenders (Note 8).

ALAFCO Aviation Lease and Finance Company K.S.C.P.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

At 31 March 2015

5 CAPITAL ADVANCES

	<i>31 March</i> <i>2015</i> <i>KD</i>	<i>(Audited)</i> <i>30 September</i> <i>2014</i> <i>KD</i>	<i>31 March</i> <i>2014</i> <i>KD</i>
At 1 October	38,782,782	20,747,716	20,747,716
Additions	99,131	17,649,966	7,081,468
Foreign currency adjustment	1,642,311	385,100	(84,355)
	<u>40,524,224</u>	<u>38,782,782</u>	<u>27,744,829</u>

Capital advances represent progress payments made towards the purchase of aircraft and engines. The commitments in this respect are disclosed in Note 10.

6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows include the following statement of financial position amounts:

	<i>31 March</i> <i>2015</i> <i>KD</i>	<i>(Audited)</i> <i>30 September</i> <i>2014</i> <i>KD</i>	<i>31 March</i> <i>2014</i> <i>KD</i>
Cash and balances with financial institutions	959,671	1,756,336	608,677
Short-term murabahas	74,384,497	68,767,195	65,802,722
Cash and cash equivalents	<u>75,344,168</u>	<u>70,523,531</u>	<u>66,411,399</u>

Short-term murabahas represent short-term deals in international commodity transactions which earn a profit rate of 2% per annum (30 September 2014: 2-25% per annum, 31 March 2014: 2.25-2.5% per annum).

7 SHARE CAPITAL AND ANNUAL GENERAL ASSEMBLY

The authorised, issued and fully paid share capital as at 31 March 2015 comprises 818,760,149 ordinary shares (30 September 2014: 779,771,570 ordinary shares, 31 March 2014: 779,771,570 ordinary shares) of 100 fils each, fully paid in cash.

On 11 December 2014, the shareholders at the annual general assembly of the parent company approved the consolidated financial statements for the year ended 30 September 2014 and approved a cash dividend of 5% for the year ended 30 September 2014 (30 September 2013: 5%) of par value of each share being 5 fils per share (30 September 2013: 5 fils per share) amounting to KD 3,898,858 (30 September 2013: KD 3,898,858).

The shareholders also approved 38,988,579 bonus shares at 5% (2013: Nil) amounting to KD 3,898,858 for the year ended 30 September 2014 (KD Nil for the year ended 30 September 2013) of the paid up share capital.

ALAFCO Aviation Lease and Finance Company K.S.C.P.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2015

8 DUE TO FINANCIAL INSTITUTIONS

	<i>31 March</i> <i>2015</i> <i>KD</i>	<i>(Audited)</i> <i>30 September</i> <i>2014</i> <i>KD</i>	<i>31 March</i> <i>2014</i> <i>KD</i>
Balance due to financial institutions – financing lease facilities	384,492,706	360,709,492	372,856,602

All the above financing lease facilities are secured over respective aircraft (Note 4) and are denominated in US Dollars.

9 GAIN ON SALE OF SLOTS AND RECEIVABLES

In the prior year, the parent company entered into an agreement for sale of slots for purchase of eight aircraft. As at 31 March 2015, the receivables balance includes KD 6,357,828 (30 September 2014: KD 13,302,035 and 31 March 2014: KD 13,006,537) in relation to the sale of slots comprising of sales proceeds receivable of KD 1,501,500 (30 September 2014: KD 8,643,000 and 31 March 2014: KD 8,450,998) and refundable capital advances of KD 4,856,328 (30 September 2014: KD 4,659,035 and 31 March 2014: KD 4,555,539).

10 CAPITAL COMMITMENTS

Potential commitments in respect of purchase of aircraft and engines amount to KD 1,688,883,892 (30 September 2014: KD 1,620,271,226 and 31 March 2014: KD 1,397,726,608) (Note 5).

11 RELATED PARTY TRANSACTIONS

Related parties represent the ultimate parent company, major shareholders, directors and key management personnel of the parent company, 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.

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

Interim condensed consolidated statement of income:

	<i>Three months ended</i> <i>31 March</i>		<i>Six months ended</i> <i>31 March</i>	
	<i>2015</i> <i>KD</i>	<i>2014</i> <i>KD</i>	<i>2015</i> <i>KD</i>	<i>2014</i> <i>KD</i>
Murabaha income				
- Ultimate parent company	4,063	6,400	7,491	7,476
- Other related parties	347,235	376,085	695,228	772,116
	351,298	382,485	702,719	779,592
Consultancy and service income				
- Ultimate Parent Company	42,634	-	84,470	81,317
- Other related parties	-	40,441	-	195,913
	42,634	40,441	84,470	277,230
<i>Key management compensation:</i>				
Salaries and other short term benefits	339,265	349,974	711,874	605,468

ALAFCO Aviation Lease and Finance Company K.S.C.P.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

At 31 March 2015

11 RELATED PARTY TRANSACTIONS (continued)

Interim condensed consolidated statement of financial position:

	<i>Ultimate parent company KD</i>	<i>Other related parties KD</i>	31 March 2015 KD	<i>(Audited) 30 September 2014 KD</i>	<i>31 March 2014 KD</i>
Receivables	-	158,829	158,829	84,578	321,773
Cash and cash equivalents	958,888	74,384,497	75,343,385	70,522,777	66,410,662

12 SEGMENT INFORMATION

The group is engaged primarily in only one business segment, aircraft leasing segment. However, for management purposes, the group is organised into five geographical segments.

For six months ended 31 March 2015:

	<i>Middle East KD</i>	<i>Asia KD</i>	<i>Europe KD</i>	<i>America KD</i>	<i>Africa KD</i>	<i>Total KD</i>
Segment revenue	7,783,099	13,773,914	7,481,672	683,075	1,729,294	31,451,054
Segment results	2,782,288	3,255,802	1,803,564	229,847	499,605	8,571,106
Total assets	229,321,542	264,867,207	158,714,102	25,998,448	33,635,914	712,537,213
Total liabilities	137,665,219	238,139,903	86,321,238	10,629,218	29,977,420	502,732,998
Other segmental information:						
Depreciation and impairment	3,759,354	6,433,581	4,197,953	275,442	795,133	15,461,463
Capital expenditure	2,292	41,547,146	-	-	-	41,549,438

For six months ended 31 March 2014:

	<i>Middle East KD</i>	<i>Asia KD</i>	<i>Europe KD</i>	<i>USA KD</i>	<i>Africa KD</i>	<i>Total KD</i>
Segment revenue	7,863,075	11,922,823	6,909,849	657,573	1,664,734	29,018,054
Segment results	3,148,901	3,615,752	1,494,173	223,499	486,859	8,969,184
Total assets	216,658,839	221,125,569	143,526,040	31,941,227	33,084,126	646,335,801
Total liabilities	135,304,590	202,688,131	83,767,887	10,306,316	29,490,552	461,557,476
Other segmental information:						
Depreciation and impairment	3,615,232	5,085,181	4,041,228	265,160	765,447	13,772,248
Capital expenditure	1,529	-	-	-	-	1,529