

**HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED)
AND SUBSIDIARIES**

HUMANSOFT

H O L D I N G

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION AND INDEPENDENT AUDITORS'
REVIEW REPORT FOR THE PERIOD FROM
1 JANUARY TO 30 SEPTEMBER 2011
(UNAUDITED)**

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
AND INDEPENDENT AUDITORS' REVIEW REPORT
(UNAUDITED)**

For the period from 1 January to 30 September 2011



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INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Humansoft Holding Company K.S.C. (Closed) ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 September 2011 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine-month period then ended and explanatory notes. The Parent Company's management 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 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 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 accounting records of the Parent Company. We further report that to the best of our knowledge and belief, no violation of the Commercial Companies Law of 1960, as amended, or the Articles of Association of the Parent Company have occurred during the nine-month period ended 30 September 2011 that might have had a material effect on the business of the Group or on its financial position.



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31 October 2011

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(UNAUDITED)**



As at 30 September 2011

		30 September 2011	(Audited) 31 December 2010	30 September 2010
	Notes	KD	KD	KD
ASSETS				
Current assets				
Cash and bank balances	4	2,614,328	1,068,266	1,829,213
Trade receivables		5,024,764	2,449,760	2,730,138
Inventories		72,379	80,240	65,771
Prepayments and other assets		740,646	591,555	742,977
		<u>8,452,117</u>	<u>4,189,821</u>	<u>5,368,099</u>
Non-current assets				
Investment available for sale		468	28,023	28,023
Property and equipment		15,015,274	14,865,158	14,785,082
Intangible assets		8,707,153	8,908,125	8,951,204
Investment in associates	6	463,958	460,682	446,492
		<u>24,186,853</u>	<u>24,261,988</u>	<u>24,210,801</u>
Total assets		<u><u>32,638,970</u></u>	<u><u>28,451,809</u></u>	<u><u>29,578,900</u></u>
LIABILITIES AND EQUITY				
Current liabilities				
Bank overdrafts	4	236,887	462,557	312,758
Trade and other payables		634,926	564,348	608,535
Accruals and other liabilities	7	886,252	759,395	707,867
Deferred income		4,227,690	1,151,291	2,483,807
Retentions payable		384,710	184,130	-
Current portion of long-term debts	8	2,323,000	2,431,000	1,978,500
		<u>8,693,465</u>	<u>5,552,721</u>	<u>6,091,467</u>
Non-current liabilities				
Long-term debts	8	2,805,791	4,201,891	4,805,891
Retentions payable		16,707	342,684	553,872
Provision for staff indemnity		422,375	418,990	390,523
		<u>3,244,873</u>	<u>4,963,565</u>	<u>5,750,286</u>
Total liabilities		<u><u>11,938,338</u></u>	<u><u>10,516,286</u></u>	<u><u>11,841,753</u></u>
Equity				
Share capital		11,424,000	11,424,000	11,424,000
Share premium		1,512,000	1,512,000	1,512,000
Statutory reserve		1,137,664	1,137,664	1,113,795
Voluntary reserve		1,137,664	1,137,664	1,113,795
Treasury shares		-	(1,095,127)	(1,095,127)
Gain on sale of treasury shares		495,654	484,906	484,906
Retained earnings		5,025,104	3,348,418	3,176,857
Foreign currency translation reserve		(31,454)	(14,002)	6,921
Total equity		<u><u>20,700,632</u></u>	<u><u>17,935,523</u></u>	<u><u>17,737,147</u></u>
Total liabilities and equity		<u><u>32,638,970</u></u>	<u><u>28,451,809</u></u>	<u><u>29,578,900</u></u>

Mr. Hasan Qasim Al-Ali
Chairman

The accompanying notes set out on pages 7 to 15 form an integral part of this interim condensed consolidated financial information.

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
(UNAUDITED)**



For the period from 1 January to 30 September 2011

	Notes	Three months ended		Nine months ended	
		30 September 2011	30 September 2010	30 September 2011	30 September 2010
		KD	KD	KD	KD
Revenues from activities		3,358,528	2,134,363	7,917,289	5,312,361
Cost of activities		(642,270)	(689,699)	(2,199,661)	(1,897,249)
Gross profit		2,716,258	1,444,664	5,717,628	3,415,112
General and administrative expenses	9	(991,046)	(826,044)	(2,991,423)	(2,557,870)
Selling expenses	10	(246,929)	(228,817)	(690,760)	(689,337)
Finance charges		(81,236)	(57,243)	(258,390)	(177,196)
Group's share of (loss) / profit of associates	6	(13,124)	(22,725)	10,966	(4,199)
Write-off of tangible and intangible assets		(91,400)	-	(91,400)	-
Other income		16,482	3,124	60,091	23,250
Profit for the period before provisions for contribution to Kuwait Foundation for Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat		1,309,005	312,959	1,756,712	9,760
Contribution to KFAS	11	(11,781)	(1,786)	(15,810)	(1,786)
NLST		(32,713)	(1,861)	(44,596)	(1,861)
Zakat		(13,459)	(4,238)	(19,620)	(4,238)
Profit for the period		1,251,052	305,074	1,676,686	1,875
Basic and diluted earnings per share (fils)	12	10.95	2.76	14.80	0.02

The accompanying notes set out on pages 7 to 15 form an integral part of this interim condensed consolidated financial information.

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UNAUDITED)**

For the period from 1 January to 30 September 2011

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
Profit for the period	<u>1,251,052</u>	<u>305,074</u>	<u>1,676,686</u>	<u>1,875</u>
Other comprehensive income				
Net foreign exchange gains / (losses)	<u>7,511</u>	<u>(33,582)</u>	<u>(17,452)</u>	<u>(17,528)</u>
Other comprehensive income / (loss) for the period	<u>7,511</u>	<u>(33,582)</u>	<u>(17,452)</u>	<u>(17,528)</u>
Total comprehensive income / (loss) for the period	<u><u>1,258,563</u></u>	<u><u>271,492</u></u>	<u><u>1,659,234</u></u>	<u><u>(15,653)</u></u>

The accompanying notes set out on pages 7 to 15 form an integral part of this interim condensed consolidated financial information.

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)



For the period from 1 January to 30 September 2011

	Share capital	Share premium	Statutory reserve	Voluntary reserve	Treasury shares	Gain on sale of treasury shares	Retained earnings	Foreign currency translation reserve	Total
	KD	KD	KD	KD	KD	KD	KD	KD	KD
Balance at 1 January 2011	11,424,000	1,512,000	1,137,664	1,137,664	(1,095,127)	484,906	3,348,418	(14,002)	17,935,523
Profit for the period	-	-	-	-	-	-	1,676,686	-	1,676,686
Other comprehensive loss	-	-	-	-	-	-	-	(17,452)	(17,452)
Total comprehensive income for the period	-	-	-	-	-	-	1,676,686	(17,452)	1,659,234
Sale of treasury shares	-	-	-	-	1,095,127	10,748	-	-	1,105,875
Balance at 30 September 2011	<u>11,424,000</u>	<u>1,512,000</u>	<u>1,137,664</u>	<u>1,137,664</u>	<u>-</u>	<u>495,654</u>	<u>5,025,104</u>	<u>(31,454)</u>	<u>20,700,632</u>
Balance at 1 January 2010	11,424,000	1,512,000	1,113,795	1,113,795	(643,202)	484,906	3,174,982	24,449	18,204,725
Profit for the period	-	-	-	-	-	-	1,875	-	1,875
Other comprehensive loss	-	-	-	-	-	-	-	(17,528)	(17,528)
Total comprehensive loss for the period	-	-	-	-	-	-	1,875	(17,528)	(15,653)
Purchase of treasury shares	-	-	-	-	(451,925)	-	-	-	(451,925)
Balance at 30 September 2010	<u>11,424,000</u>	<u>1,512,000</u>	<u>1,113,795</u>	<u>1,113,795</u>	<u>(1,095,127)</u>	<u>484,906</u>	<u>3,176,857</u>	<u>6,921</u>	<u>17,737,147</u>

The accompanying notes set out on pages 7 to 15 form an integral part of this interim condensed consolidated financial information.

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)**


For the period from 1 January to 30 September 2011

	Note	Nine months ended	
		30 September 2011	30 September 2010
		KD	KD
OPERATING ACTIVITIES			
Profit for the period before provisions for contribution to KFAS, NLST and Zakat		1,756,712	9,760
Adjustments for:			
Depreciation and amortisation		664,285	532,003
Interest income		(860)	(3,281)
Finance charges		258,390	177,196
Provision for staff indemnity		119,038	113,060
Allowance for doubtful debts		22,353	26,123
Write-off of tangible and intangible assets		91,400	-
Group's share of profit / (loss) of associates		(10,966)	4,199
Gain on disposal of property and equipment and intangible assets		(1,381)	(1,878)
Operating cash flows before movements in working capital		2,898,971	857,182
Increase in trade receivables		(2,597,035)	(449,047)
Decrease in inventories		7,861	21,398
Increase in prepayments and other assets		(149,091)	(247,890)
Increase in trade and other payables		70,578	58,754
Increase in accruals and other liabilities		72,976	88,404
Increase in deferred income		3,076,399	1,375,898
Retentions paid		(147,103)	(87,213)
Payment of staff indemnity		(114,259)	(74,505)
Net cash generated by operating activities		3,119,297	1,542,981
INVESTING ACTIVITIES			
Payments for capital work in progress		(558,117)	(3,458,357)
Purchase of property and equipment		(123,909)	(160,716)
Partial liquidation proceeds of investment available for sale		27,555	-
Proceeds on disposal of property and equipment and intangible assets		1,386	6,411
Payments for intangible assets		(6,296)	(3,881)
Interest income received		860	5,163
Net cash used in investing activities		(658,521)	(3,611,380)
FINANCING ACTIVITIES			
Proceeds from sale / (payment for purchase) of treasury shares		1,105,875	(451,925)
Finance charges paid		(284,535)	(234,737)
(Decrease) / increase in long-term debts		(1,504,100)	2,668,824
Net cash (used in) / generated by financing activities		(682,760)	1,982,162
Effect of foreign currency translation		(6,284)	(8,277)
Net increase / (decrease) in cash and cash equivalents		1,771,732	(94,514)
Cash and cash equivalents at beginning of the period		605,709	1,610,969
Cash and cash equivalents at end of the period	4	2,377,441	1,516,455
NON-CASH TRANSACTIONS			
Investing activities:			
Capitalisation of finance charges on property and equipment		16,523	68,231
Additions to capital work in progress adjusted against retentions payable		21,706	301,936

The accompanying notes set out on pages 7 to 15 form an integral part of this interim condensed consolidated financial information.

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)



For the period from 1 January to 30 September 2011

1. INCORPORATION AND PRINCIPAL ACTIVITIES

Humansoft Holding Company K.S.C. (Closed) ("the Parent Company") is a closed Kuwaiti shareholding company incorporated on 14 September 1997.

The Parent Company and its subsidiaries (together referred to as "the Group") are engaged in establishing and managing private universities and colleges, providing computer education, language training, executive courses and electronic commerce and media. The Group is also permitted to invest surplus funds in shares and other securities and to acquire interests in related business in Kuwait and abroad.

The Parent Company is listed on the Kuwait Stock Exchange and its registered office is P.O. Box 305, Dasman 15454, State of Kuwait

During the period, the Parent Company liquidated a wholly owned dormant subsidiary namely Picardo Food Supplies Co. W.L.L.

This interim condensed consolidated financial information for the nine-month period ended 30 September 2011 was authorised for issue by the Parent Company's Board of Directors on 31 October 2011.

2. BASIS OF PRESENTATION

This interim condensed consolidated financial Information has been prepared in accordance with International Accounting Standard IAS 34, "Interim Financial Reporting". Accordingly, they do not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards.

This interim condensed consolidated financial information has been drawn up in accordance with the same accounting policies and methods of computation followed in the most recent annual audited consolidated financial statements for the year ended 31 December 2010 except for the adoption of new and revised standards that came into effect for annual period beginning on 1 January 2011. The adoption of these standards did not have any material effect on this interim condensed consolidated financial information.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included in the interim condensed consolidated financial information. Operating results for the nine-month interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2011.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD"), which is the functional and presentation currency of the Parent Company.

3. 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 estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2010.

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)



For the period from 1 January to 30 September 2011

4. CASH AND CASH EQUIVALENTS

	30 September 2011	(Audited) 31 December 2010	30 September 2010
	KD	KD	KD
Cash on hand and at banks	2,351,408	877,266	1,636,313
Time deposits	262,920	191,000	192,900
Cash and bank balances	2,614,328	1,068,266	1,829,213
Less: bank overdrafts	(236,887)	(462,557)	(312,758)
Cash and cash equivalents	<u>2,377,441</u>	<u>605,709</u>	<u>1,516,455</u>

Overdraft facilities from local banks are denominated in KD and bear interest at 2.5% (31 December 2010: 2.5% and 30 September 2010: 2.5 %) per annum over the Central Bank of Kuwait discount rate.

As at the interim condensed consolidated statement of financial position date, the undrawn bank overdrafts amounted to KD 813,113 (31 December 2010: KD 337,443 and 30 September 2010: KD 487,242).

Time deposits are denominated in the following currencies:

		2011	(Audited)	2010
	Average interest rate per annum	30 September 2011	31 December 2010	30 September 2010
		KD	KD	KD
U.A.E. Dirhams	0.20%	262,920	191,000	192,900
		<u>262,920</u>	<u>191,000</u>	<u>192,900</u>

5. RELATED PARTY TRANSACTIONS

Related parties comprise major shareholders, directors and executive officers of the Group, their families and companies of which they are the principal owners. The Group's management decides on the terms and conditions of the transactions with related parties. The related party transactions are subject to the approval of the Shareholders' General Assembly.

The related party balances included in this interim condensed consolidated financial information are as follows:

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
a) Compensation of key management personnel:				
Short-term benefits	96,283	56,364	327,890	151,187
Post-employment benefits	2,980	2,099	6,463	4,909
	<u>99,263</u>	<u>58,463</u>	<u>334,353</u>	<u>156,096</u>

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)



For the period from 1 January to 30 September 2011

5. RELATED PARTY TRANSACTIONS (CONTINUED)

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
b) Expenses paid to related party	5,000	8,000	15,000	32,000
c) Purchase of property and equipment from Al-Othman Commercial Enterprises Company W.L.L.	-	-	-	31,608

6. INVESTMENT IN ASSOCIATES

Summarised financial information in respect of the Group's associates is set out below:

Group's share of associates' statement of financial position:	30 September 2011	(Audited) 31 December 2010	30 September 2010
	KD	KD	KD
Total assets	1,297,098	1,305,196	1,245,006
Total liabilities	391,673	412,290	403,429
Net assets	905,425	892,906	841,577
Group's share of net assets	362,170	357,162	336,631
Goodwill from acquisition of investment in associates	101,788	103,520	109,861

The associates' interim condensed consolidated statement of income is summarised as follows:

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
Total revenue	192,956	143,136	709,333	610,863
Total loss for the period	(32,808)	(56,812)	27,416	(10,497)
Group's share of (loss) / profit of associates	(13,124)	(22,725)	10,966	(4,199)

7. ACCRUALS AND OTHER LIABILITIES

	30 September 2011	(Audited) 31 December 2010	30 September 2010
	KD	KD	KD
Accrued expenses	608,644	578,567	577,604
Advance from students	125,661	102,250	77,711
Other	151,947	78,578	52,552
	886,252	759,395	707,867

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)



For the period from 1 January to 30 September 2011

8. LONG-TERM DEBTS

	30 September 2011	(Audited) 31 December 2010	30 September 2010
	KD	KD	KD
Current portion	2,323,000	2,431,000	1,978,500
Non-current portion	2,805,791	4,201,891	4,805,891
	<u>5,128,791</u>	<u>6,632,891</u>	<u>6,784,391</u>

Long term debts consist of the following:

<u>Description</u>	30 September 2011	(Audited) 31 December 2010	30 September 2010
	KD	KD	KD
i. KD 295,000 from a local bank that bears an interest rate of 4% over the Central Bank of Kuwait ("CBK") discount rate per annum. The loan is being repaid in 24 monthly instalments, the last of which is due on 1 November 2011.	31,000	139,000	175,000
ii. KD 3,000,000 from a local bank that bears an interest rate of 3% over the CBK discount rate per annum. The loan is being repaid in 78 monthly instalments, the last of which is due on 5 April 2013.	728,500	1,075,000	1,190,500
iii. KD 4,500,000 from a local bank that bears an interest rate of 3.5% over the CBK discount rate per annum. The loan is being repaid in 36 monthly instalments, the last of which is due on 1 December 2013.	3,375,000	4,500,000	4,500,000
iv. KD 1,000,000 from a local bank that bears an interest rate of 3.5% over the CBK discount rate per annum. The loan is being repaid in 36 monthly instalments, the last of which is due on 1 December 2013.	752,500	918,891	918,891
v. KD 5,000,000 from a local bank that bears an interest rate of 3.5% over the CBK discount rate per annum. The loan will be repaid in 36 monthly instalments, the last of which is due on 1 December 2016.	241,791	-	-
	<u>5,128,791</u>	<u>6,632,891</u>	<u>6,784,391</u>

Long-term loans a ((iii), (iv) and (v) above) amounting to KD 4,369,291 (31 December 2010: KD 5,418,891 and 30 September 2010: KD 5,418,891) is secured by mortgage of land held at cost of KD 5,297,030 (31 December 2010: KD 5,297,030 and 30 September 2010: 5,297,030) and included in property and equipment.

As at the reporting date, the undrawn debts amounted to KD 5,508,209 (31 December 2010: KD 81,109 and 30 September 2010: KD 81,109).

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(UNAUDITED)



For the period from 1 January to 30 September 2011

9. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
Staff salaries and related costs	388,238	322,905	1,240,054	936,372
Facilities costs	162,559	127,272	457,638	447,906
Depreciation and amortisation	225,016	184,590	664,285	532,003
Others	215,233	191,277	629,446	641,589
	<u>991,046</u>	<u>826,044</u>	<u>2,991,423</u>	<u>2,557,870</u>

10. SELLING EXPENSES

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
Staff salaries and related costs	80,963	73,214	259,080	224,640
Advertising and sales promotion	132,936	106,944	284,616	327,465
Allowance for doubtful debts	650	9,736	22,353	26,123
Others	32,380	38,923	124,711	111,109
	<u>246,929</u>	<u>228,817</u>	<u>690,760</u>	<u>689,337</u>

11. PROVISION FOR CONTRIBUTION TO KFAS

Provision for contribution to KFAS is comprised of the following:

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
Provision for contribution to KFAS by the Parent Company	12,776	-	14,260	-
(Reversal of provision) / provision for contribution to KFAS by Humansoft Learning Company K.S.C. (Closed)	(995)	1,786	1,550	1,786
	<u>11,781</u>	<u>1,786</u>	<u>15,810</u>	<u>1,786</u>

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIESNOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
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For the period from 1 January to 30 September 2011

12. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated as follows:

	Three months ended		Nine months ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	KD	KD	KD	KD
Profit for the period	<u>1,251,052</u>	<u>305,074</u>	<u>1,676,686</u>	<u>1,875</u>
Number of shares outstanding:	Shares			
Weighted average number of paid up shares	114,240,000	114,240,000	114,240,000	114,240,000
Less: Weighted average number of treasury shares outstanding	-	(3,541,957)	(919,121)	(2,818,095)
Weighted average number of outstanding shares	<u>114,240,000</u>	<u>110,698,043</u>	<u>113,320,879</u>	<u>111,421,905</u>
Basic and diluted earnings per share (fils)	<u>10.95</u>	<u>2.76</u>	<u>14.80</u>	<u>0.02</u>

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)



For the period from 1 January to 30 September 2011

13. SEGMENT INFORMATION

Primary segment information – business segments:

The Group is organised into functional divisions in order to manage its various lines of business. All of the segment revenue reported below is from external customers. For the purpose of segment reporting, the Parent Company's management has grouped the Group's activities into the following business segments:

- a) Training and career development programs
- b) English training
- c) Learning solutions
- d) Higher education

Segment results include revenues and expenses directly attributable to a segment. There are no significant inter-segment transactions.

Segment information by business segments is as follows:

	Training and career development programs	English training	Learning solutions	Higher education	Others	Total
	KD	KD	KD	KD	KD	KD
3 months ended 30 September 2011						
Segment revenues	328,439	281,023	125,981	2,623,085	-	3,358,528
Segment expenses	(298,377)	(168,407)	(130,831)	(1,024,332)	(182,635)	(1,804,582)
Depreciation and amortisation	(7,518)	(2,776)	(3,667)	(209,260)	(1,795)	(225,016)
Finance charges	-	-	-	(65,811)	(15,425)	(81,236)
Group's share of loss of associates	-	-	-	-	(13,124)	(13,124)
Other income	172	31	-	16,092	187	16,482
Profit for the period	<u>22,716</u>	<u>109,871</u>	<u>(8,517)</u>	<u>1,339,774</u>	<u>(212,792)</u>	<u>1,251,052</u>
9 months ended 30 September 2011						
Segment revenues	1,023,709	731,491	679,405	5,482,684	-	7,917,289
Segment expenses	(907,160)	(483,186)	(542,661)	(2,950,861)	(505,117)	(5,388,985)
Depreciation and amortisation	(21,520)	(8,232)	(20,908)	(608,165)	(5,460)	(664,285)
Finance charges	-	-	-	(205,565)	(52,825)	(258,390)
Group's share of profit of associates	-	-	-	-	10,966	10,966
Other income	7,795	228	7,976	43,905	187	60,091
Profit for the period	<u>102,824</u>	<u>240,301</u>	<u>123,812</u>	<u>1,761,998</u>	<u>(552,249)</u>	<u>1,676,686</u>

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
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For the period from 1 January to 30 September 2011

13. SEGMENT INFORMATION (CONTINUED)

	Training and career development programs	English training	Learning solutions	Higher education	Others	Total
	KD	KD	KD	KD	KD	KD
3 months ended 30 September 2010						
Segment revenues	276,757	245,300	197,925	1,414,381	-	2,134,363
Segment expenses	(249,997)	(180,494)	(146,936)	(868,593)	(121,835)	(1,567,855)
Depreciation and amortisation	(8,455)	(3,378)	(11,285)	(147,671)	(13,801)	(184,590)
Finance charges	-	-	-	(34,483)	(22,760)	(57,243)
Group's share of loss of associates	-	-	-	-	(22,725)	(22,725)
Other income	157	184	82	2,701	-	3,124
Profit / (loss) for the period	<u>18,462</u>	<u>61,612</u>	<u>39,786</u>	<u>366,335</u>	<u>(181,121)</u>	<u>305,074</u>
9 months ended 30 September 2010						
Segment revenues	989,656	686,296	556,934	3,079,475	-	5,312,361
Segment expenses	(833,935)	(536,809)	(477,647)	(2,400,618)	(371,329)	(4,620,338)
Depreciation and amortisation	(26,803)	(10,253)	(33,144)	(419,221)	(42,582)	(532,003)
Finance charges	-	-	-	(100,785)	(76,411)	(177,196)
Group's share of loss of associates	-	-	-	-	(4,199)	(4,199)
Other income	281	966	4,729	15,799	1,475	23,250
Profit / (loss) for the period	<u>129,199</u>	<u>140,200</u>	<u>50,872</u>	<u>174,650</u>	<u>(493,046)</u>	<u>1,875</u>

HUMANSOFT HOLDING COMPANY K.S.C. (CLOSED) AND SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(UNAUDITED)**

For the period from 1 January to 30 September 2011

14. COMMITMENTS AND CONTINGENT LIABILITIES

	30 September 2011	(Audited) 31 December 2010	30 September 2010
	KD	KD	KD
Commitments			
Capital commitments for construction	<u>1,161,863</u>	<u>488,653</u>	<u>605,850</u>
Operating lease commitments for land	<u>1,504,500</u>	<u>1,595,000</u>	<u>1,595,000</u>
Minimum operating lease commitments under these operating leases are as follows:			
Within one year	90,500	90,500	90,500
Later than one year but not later than five years	362,000	362,000	362,000
Later than five years	1,052,000	1,142,500	1,142,500
	<u>1,504,500</u>	<u>1,595,000</u>	<u>1,595,000</u>
Contingencies			
Letters of guarantee	<u>1,720,641</u>	<u>1,194,023</u>	<u>1,241,362</u>

15. ANNUAL GENERAL ASSEMBLY

The annual general assembly of the shareholders' held on 28 April 2011 approved the annual audited consolidated financial statements for the year ended 31 December 2010 and also approved the Board of Directors' proposal not to distribute any dividends for the year ended 31 December 2010 (31 December 2009: Nil).