

**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 2013 TO 30 JUNE 2013
(UNAUDITED)**

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Deloitte & Touche Al-Wazzan & Co.

Ahmed Al-Jaber Street, Sharq
Dar Al-Awadi Complex, Floors 7 & 9
P.O. Box 20174 Safat 13062 or
P.O. Box 23049 Safat 13091
Kuwait

Tel : + 965 22408844, 22438060

Fax: + 965 22408855, 22452080

www.deloitte.com

Ali Al Hassawi & Partners

P.O. Box: 22351 Safat 13084 Kuwait

Sharq – Dasman Complex – Block 2 – 9 Floor

Tel 22464574-6 /22426862-3 Fax: 22414956

Email: info-kuwait@rodhme.com

www.rodhme.com

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 June 2013 and the related interim condensed consolidated statements of profit or loss, profit or loss and other comprehensive income for the three month and six month periods then ended, and changes in equity and cash flows for the six-month period then ended. The Parent 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" ("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 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 Companies Law No. 25 of 2012, as amended, or the Memorandum and Articles of Association of the Parent Company have occurred during the six-month period ended 30 June 2013 that might have had a material effect on the business of the Group or on its financial position.



Talal Yousef Al-Muzaini
License No. 209-A
Deloitte & Touche Al-
Wazzan & Co.




Ali Abdulrahman Al-Hasawi
License No. 30-A
Rödl Middle East
Burgan-International Accountants

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

Interim Condensed Consolidated Statement of Financial Position as at 30 June 2013
(Unaudited)



		(Audited)		
		30 June	31 December	30 June
		2013	2012	2012
	Notes	KD	KD	KD
ASSETS				
Current assets				
Cash and bank balances	3	5,664,558	5,358,060	4,162,678
Trade and other receivables	4	4,215,414	4,757,904	3,502,722
Inventories		96,570	67,007	74,622
		<u>9,976,542</u>	<u>10,182,971</u>	<u>7,740,022</u>
Non-current assets				
Property and equipment		20,793,160	20,912,940	19,107,767
Intangible assets		8,573,079	8,611,668	8,619,316
Investment in associates		537,303	523,923	494,541
Investment available for sale		468	468	468
		<u>29,904,010</u>	<u>30,048,999</u>	<u>28,222,092</u>
Total assets		<u><u>39,880,552</u></u>	<u><u>40,231,970</u></u>	<u><u>35,962,114</u></u>
LIABILITIES AND EQUITY				
Current liabilities				
Bank overdrafts	3	45,818	187,826	376,053
Short-term loan		750,000	750,000	-
Trade and other payables		596,298	589,830	660,236
Accruals and other liabilities		2,335,746	2,012,602	1,589,517
Deferred income	6	2,382,755	2,317,643	1,702,352
Retentions payable		483,472	810,825	397,287
Current portion of long-term debts	7	2,431,000	1,991,000	2,212,000
		<u>9,025,089</u>	<u>8,659,726</u>	<u>6,937,445</u>
Non-current liabilities				
Long-term debts	7	6,201,150	7,111,982	5,463,369
Retentions payable		-	-	266,866
Provision for staff indemnity		697,887	599,382	545,702
		<u>6,899,037</u>	<u>7,711,364</u>	<u>6,275,937</u>
Total liabilities		<u>15,924,126</u>	<u>16,371,090</u>	<u>13,213,382</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		1,644,156	1,644,156	1,388,033
Voluntary reserve		1,644,156	1,644,156	1,388,033
Treasury shares		(9,435)	(9,435)	(7,680)
Gain on sale of treasury shares		495,654	495,654	495,654
Retained earnings		7,238,919	7,161,012	6,565,997
Foreign currency translation reserve		6,976	(10,663)	(17,305)
Total equity		<u>23,956,426</u>	<u>23,860,880</u>	<u>22,748,732</u>
Total liabilities and equity		<u><u>39,880,552</u></u>	<u><u>40,231,970</u></u>	<u><u>35,962,114</u></u>


Mr. Hassan Qasem Al-Ali
Vice Chairman

The accompanying notes set out on pages 7 to 13 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 Profit or Loss
– period from 1 January 2013 to 30 June 2013 (Unaudited)



	Notes	Three months ended		Six months ended	
		30 June 2013	30 June 2012	30 June 2013	30 June 2012
		KD	KD	KD	KD
Revenues		4,233,167	3,205,881	8,339,707	6,204,256
Cost of operations	8	(1,279,165)	(908,575)	(2,585,715)	(1,787,006)
Gross profit		2,954,002	2,297,306	5,753,992	4,417,250
General and administrative expenses	9	(1,565,167)	(1,177,472)	(2,988,017)	(2,282,482)
Selling expenses	10	(418,423)	(312,386)	(659,571)	(479,853)
Property and equipment written off		-	(222,068)	-	(222,068)
Finance charges		(135,377)	(51,954)	(272,895)	(121,343)
Share of profit of associates		14,363	12,087	7,596	28,314
Other income		21,636	37,273	40,851	54,325
Profit before contribution to Kuwait Foundation for Advancement of Sciences (“KFAS”), National Labour Support Tax (“NLST”) and Zakat		871,034	582,786	1,881,956	1,394,143
Contribution to KFAS	11	(8,502)	(5,751)	(18,386)	(13,053)
NLST		(24,527)	(15,970)	(50,758)	(37,196)
Zakat		(10,521)	(6,284)	(21,867)	(15,380)
Profit for the period		827,484	554,781	1,790,945	1,328,514
Basic and diluted earnings per share (fils)	12	7.25	4.86	15.68	11.63

The accompanying notes set out on pages 7 to 13 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 Profit or Loss and Other Comprehensive Income **HUMANSOFT**
– period from 1 January 2013 to 30 June 2013 (Unaudited) HOLDING

	Three months ended		Six months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	KD	KD	KD	KD
Profit for the period	<u>827,484</u>	<u>554,781</u>	<u>1,790,945</u>	<u>1,328,514</u>
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translating foreign operations	<u>(4,769)</u>	<u>18,577</u>	<u>17,639</u>	<u>1,840</u>
Other comprehensive (loss) / income for the period	<u>(4,769)</u>	<u>18,577</u>	<u>17,639</u>	<u>1,840</u>
Total comprehensive income for the period	<u><u>822,715</u></u>	<u><u>573,358</u></u>	<u><u>1,808,584</u></u>	<u><u>1,330,354</u></u>

The accompanying notes set out on pages 7 to 13 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 - period from 1 January 2013 to 30 June 2013 (Unaudited)

	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Treasury shares KD	Gain on sale of treasury shares KD	Retained earnings KD	Foreign currency translation reserve KD	Total KD
Balance as at 1 January 2013	11,424,000	1,512,000	1,644,156	1,644,156	(9,435)	495,654	7,161,012	(10,663)	23,860,880
Total comprehensive income for the period	-	-	-	-	-	-	1,790,945	17,639	1,808,584
Dividend (Note 15)	-	-	-	-	-	-	(1,713,038)	-	(1,713,038)
Balance as at 30 June 2013	11,424,000	1,512,000	1,644,156	1,644,156	(9,435)	495,654	7,238,919	6,976	23,956,426
Balance as at 1 January 2012	11,424,000	1,512,000	1,388,033	1,388,033	-	495,654	5,237,483	(19,145)	21,426,058
Total comprehensive income for the period	-	-	-	-	-	-	1,328,514	1,840	1,330,354
Purchase of treasury shares	-	-	-	-	(7,680)	-	-	-	(7,680)
Balance as at 30 June 2012	11,424,000	1,512,000	1,388,033	1,388,033	(7,680)	495,654	6,565,997	(17,305)	22,748,732

The accompanying notes set out on pages 7 to 13 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
- period from 1 January 2013 to 30 June 2013 (Unaudited)



	Notes	Six months ended	
		30 June 2013	30 June 2012
		KD	KD
OPERATING ACTIVITIES			
Profit before provision for contribution to KFAS, NLST and Zakat		1,881,956	1,394,143
Adjustments for:			
Depreciation and amortisation	9	598,528	429,363
Finance charges		272,895	121,343
Provision for staff indemnity		133,559	105,312
Allowance for doubtful debts		51,027	9,355
Share of profit of associates		(7,596)	(28,314)
Interest income		(159)	(316)
Property and equipment written off		-	222,068
		<u>2,930,210</u>	<u>2,252,954</u>
Decrease in trade and other receivables		491,171	1,101,047
Increase in inventories		(29,563)	(21,158)
Increase in trade and other payables		6,468	51,846
Increase in accruals and other liabilities		362,043	392,308
(Decrease) / increase in retentions payable		(327,353)	221,488
Increase in deferred income		65,112	17,539
		<u>3,498,088</u>	<u>4,016,024</u>
Payment of staff indemnity		(36,211)	(20,694)
Payment of KFAS		(23,051)	(22,533)
Payment of NLST		(68,894)	(57,076)
Payment of Zakat		(33,507)	(24,644)
Net cash from operating activities		<u>3,336,425</u>	<u>3,891,077</u>
INVESTING ACTIVITIES			
Payments for capital work in progress		(299,723)	(3,225,064)
Purchase of property and equipment		(131,484)	(93,956)
Payments for intangible assets		(5,377)	(5,239)
Interest income received		159	316
Net cash used in investing activities		<u>(436,425)</u>	<u>(3,323,943)</u>
FINANCING ACTIVITIES			
Purchase of treasury shares		-	(7,680)
Finance charges paid		(277,353)	(198,537)
Repayment of short term loan		-	(750,000)
(Decrease) / increase in long-term debts		(470,832)	1,967,593
Dividend		(1,713,038)	-
Net cash (used in) / from financing activities		<u>(2,461,223)</u>	<u>1,011,376</u>
Net increase in cash and cash equivalents		438,777	1,578,510
Effects of exchange rate changes on cash and cash equivalents		9,729	(3,404)
Cash and cash equivalents at beginning of the period		5,170,234	2,211,519
Cash and cash equivalents at end of the period	3	<u>5,618,740</u>	<u>3,786,625</u>

The accompanying notes set out on pages 7 to 13 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
– period from 1 January 2013 to 30 June 2013 (Unaudited)



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 businesses 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.

This interim condensed consolidated financial information for the six-month period ended 30 June 2013 was authorised for issue by the Board of Directors of the Parent Company on 4 August 2013.

The Companies Law issued on 26 November 2012 by Decree Law no 25 of 2012 (the “Companies Law”), which was published in the Official Gazette on 29 November 2012, cancelled the Commercial Companies Law No 15 of 1960. The Companies Law was subsequently amended on 27 March 2013 by Decree Law no 97 of 2013 (the Decree).

According to articles 2 and 3 of the Decree, Executive Regulations which shall be issued by the Minister of Industry and Commerce by 26 September 2013 will determine the basis and rules which the Group shall adopt to regularise its affairs with the Companies Law as amended.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34, “*Interim Financial Reporting*”. Accordingly, it does not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards.

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual audited consolidated financial statements of the Group for the year ended 31 December 2012.

During the period the Group has adopted all the standards that came into effect for annual period beginning 1 January 2013. The adoption of these standards did not have any material impact 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. Operating results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2013. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2012.

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

2.2 New and amended standards

IFRS 10 Consolidated Financial Statements

IFRS 10 replaces the consolidation guidance in IAS 27 “*Consolidated and Separate Financial Statements*” and SIC-12 “*Consolidation - Special Purpose Entities*” by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e., whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in special purpose entities). Under IFRS 10, control is based on whether an investor has 1) power over the investee; 2) exposure or rights, to variable returns from its involvement with the investee and 3) the ability to use its power over the investee to affect the amount of the returns. The adoption of this standard has not resulted in any significant impact on the financial position or performance of the Group.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 New and amended standards (Continued)

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 requires enhanced disclosures about both consolidated entities and unconsolidated entities in which an entity has involvement. The objective of IFRS 12 is to require information so that financial statement users may evaluate the basis of control, any restrictions on consolidated assets and liabilities, risk exposures arising from involvements with unconsolidated structured entities and non-controlling interest holders' involvement in the activities of consolidated entities.

The adoption of this standard has not resulted in any material additional disclosures. The Group will review before the year end and may disclose any additional disclosure in the annual consolidated financial statements of the Group.

IFRS 13 Fair Value Measurement

IFRS 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to measure the fair value of financial and non-financial assets and liabilities when required or permitted by IFRS. There are also additional disclosure requirements.

The adoption of this standard has not resulted in any material additional disclosures. The Group will review before the year end and may disclose any additional disclosure in the annual consolidated financial statements of the Group.

IAS 1 Financial Statement Presentation

The amendments to IAS 1 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The adoption of this standard resulted in presentation changes in statement of profit or loss and other comprehensive income. The amendments also preserve the amendments made to IAS 1 in 2007 to require profit or loss and OCI to be presented together, i.e. either as a single 'statement of profit or loss and comprehensive income', or a separate 'statement of profit or loss' and a 'statement of comprehensive income'.

Other amendments to IFRSs which are effective for annual accounting period starting from 1 January 2013 did not have any material impact on the accounting policies, financial position or performance of the Group.

2.3 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 applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2012.

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

Notes to the Interim Condensed Consolidated Financial Information
– period from 1 January 2013 to 30 June 2013 (Unaudited)



3. CASH AND CASH EQUIVALENTS

	30 June 2013	(Audited) 31 December 2012	30 June 2012
	KD	KD	KD
Cash on hand and at banks	5,587,058	5,166,460	3,971,928
Short-term deposits with banks	77,500	191,600	190,750
Cash and bank balances	5,664,558	5,358,060	4,162,678
Less: Bank overdrafts	(45,818)	(187,826)	(376,053)
Cash and cash equivalents	<u>5,618,740</u>	<u>5,170,234</u>	<u>3,786,625</u>

Overdraft facilities from local banks are denominated in KD and as at 30 June 2013 bear interest ranging from 2% - 2.5% (31 December 2012: 2% - 2.5% and 30 June 2012: 2% - 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 overdraft facilities amounted to KD 1,004,182 (31 December 2012: KD 862,174 and 30 June 2012: KD 673,947).

The short-term deposits with banks are denominated in U.A.E. dirhams and are placed with local banks and carry an effective interest rate of 0.2% (31 December 2012: 0.2% and 30 June 2012: 0.2%) per annum.

4. TRADE AND OTHER RECEIVABLES

	30 June 2013	(Audited) 31 December 2012	30 June 2012
	KD	KD	KD
Trade receivables	3,902,053	4,570,192	2,701,211
Less: Allowance for doubtful debts	(414,891)	(363,573)	(271,960)
	3,487,162	4,206,619	2,429,251
Prepaid expenses	490,860	316,523	360,961
Advance to suppliers	97,500	55,381	553,976
Others	139,892	179,381	158,534
	<u>4,215,414</u>	<u>4,757,904</u>	<u>3,502,722</u>

5. RELATED PARTY TRANSACTIONS

Related parties comprise major shareholders and executive officers of the Group, their families and companies of which they are the principal owners. The Group enters into transactions with related parties. Pricing policies and terms are approved by the Group's management.

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

	Three months ended		Six months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	KD	KD	KD	KD
a) Statement of income				
General and administrative expenses	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>	<u>10,000</u>
b) Compensation of key management personnel				
Short-term benefits	156,288	97,419	286,295	195,278
Post-employment benefits	<u>4,222</u>	<u>1,919</u>	<u>6,232</u>	<u>3,837</u>
	<u>160,510</u>	<u>99,338</u>	<u>292,527</u>	<u>199,115</u>

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

Notes to the Interim Condensed Consolidated Financial Information
– period from 1 January 2013 to 30 June 2013 (Unaudited)



6. DEFERRED INCOME

This represents fees received in advance to be recognized as revenue as and when the service is rendered.

7. LONG-TERM DEBTS

	30 June 2013	(Audited) 31 December 2012	30 June 2012
	KD	KD	KD
Current portion	2,431,000	1,991,000	2,212,000
Non-current portion	6,201,150	7,111,982	5,463,369
	<u>8,632,150</u>	<u>9,102,982</u>	<u>7,675,369</u>

Long-term debts consist of the following:

Long-term loans amounting to KD 8,632,150 (31 December 2012: KD 8,951,982 and 30 June 2012: KD 7,293,369) are secured by mortgage of land with a carrying value of KD 5,297,030 (31 December 2012: KD 5,297,030 and 30 June 2012: KD 5,297,030) and included in property and equipment.

As at the interim condensed consolidated statement of financial position date, the undrawn long-term debts amounted to KD 1,292,850 (31 December 2012: KD 1,888,018 and 30 June 2012: KD 4,461,631).

8. COST OF OPERATIONS

	Three months ended		Six months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	KD	KD	KD	KD
Staff salaries and related costs	1,123,754	744,471	2,286,790	1,497,718
Facilities costs	96,233	124,134	191,541	203,608
Material costs	55,139	35,815	100,185	78,129
Others	4,039	4,155	7,199	7,551
	<u>1,279,165</u>	<u>908,575</u>	<u>2,585,715</u>	<u>1,787,006</u>

9. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended		Six months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	KD	KD	KD	KD
Staff salaries and related costs	630,056	458,788	1,167,716	888,725
Facilities costs	290,919	222,141	591,255	388,540
Depreciation and amortisation	298,351	212,720	598,528	429,363
Others	345,841	283,823	630,518	575,854
	<u>1,565,167</u>	<u>1,177,472</u>	<u>2,988,017</u>	<u>2,282,482</u>

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

Notes to the Interim Condensed Consolidated Financial Information
– period from 1 January 2013 to 30 June 2013 (Unaudited)



10. SELLING EXPENSES

	Three months ended		Six months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	KD	KD	KD	KD
Staff salaries and related costs	117,522	101,753	223,903	199,319
Advertising and sales promotion	208,458	154,757	291,116	192,345
Allowance for doubtful debts	51,091	9,075	51,027	9,355
Others	41,352	46,801	93,525	78,834
	<u>418,423</u>	<u>312,386</u>	<u>659,571</u>	<u>479,853</u>

11. CONTRIBUTION TO KFAS

This represents contribution to the Kuwait Foundation for Advancement of Science (“KFAS”) computed at 1% of profit for the period after transfer to statutory reserve. Provision for contribution to KFAS is comprised of the following:

	Three months ended		Six months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	KD	KD	KD	KD
The Parent Company	-	(7,179)	-	-
Al Arabia Education Enterprises Company K.S.C. (Closed)	7,825	12,838	16,790	12,838
Humansoft Learning Company K.S.C. (Closed)	677	92	1,596	215
	<u>8,502</u>	<u>5,751</u>	<u>18,386</u>	<u>13,053</u>

12. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated as follows:

	Three months ended		Six months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	KD	KD	KD	KD
Profit for the period	<u>827,484</u>	<u>554,781</u>	<u>1,790,945</u>	<u>1,328,514</u>
Number of shares outstanding:	Shares			
Weighted average number of paid up shares	<u>114,240,000</u>	<u>114,240,000</u>	<u>114,240,000</u>	<u>114,240,000</u>
Less: Weighted average number of treasury shares outstanding	<u>(37,500)</u>	<u>(6,597)</u>	<u>(37,500)</u>	<u>(3,298)</u>
Weighted average number of outstanding shares	<u>114,202,500</u>	<u>114,233,403</u>	<u>114,202,500</u>	<u>114,236,702</u>
Basic and diluted earnings per share (fils)	<u>7.25</u>	<u>4.86</u>	<u>15.68</u>	<u>11.63</u>

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

Notes to the Interim Condensed Consolidated Financial Information
– period from 1 January 2013 to 30 June 2013 (Unaudited)



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:

	<u>Training and career development programs</u>	<u>English training</u>	<u>Learning solutions</u>	<u>Higher education</u>	<u>Others</u>	<u>Total</u>
6 months ended 30 June 2013						
Segment revenues	831,788	427,099	379,475	6,701,345	-	8,339,707
Segment expenses	(714,494)	(321,855)	(312,733)	(4,088,862)	(287,842)	(5,725,786)
Depreciation and amortisation	(23,048)	(6,885)	(4,695)	(562,416)	(1,484)	(598,528)
Finance charges	-	-	-	(263,133)	(9,762)	(272,895)
Share of profit of associates	-	-	-	-	7,596	7,596
Other income	159	-	400	40,036	256	40,851
Profit / (loss) for the period	<u>94,405</u>	<u>98,359</u>	<u>62,447</u>	<u>1,826,970</u>	<u>(291,236)</u>	<u>1,790,945</u>
Assets						
Segment total assets	<u>824,140</u>	<u>339,096</u>	<u>400,039</u>	<u>29,640,558</u>	<u>8,676,719</u>	<u>39,880,552</u>
Liabilities						
Segment total liabilities	<u>505,539</u>	<u>199,298</u>	<u>219,339</u>	<u>14,647,478</u>	<u>352,472</u>	<u>15,924,126</u>

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

Notes to the Interim Condensed Consolidated Financial Information
– period from 1 January 2013 to 30 June 2013 (Unaudited)



13. SEGMENT INFORMATION (CONTINUED)

	Training and career development programs	English training	Learning solutions	Higher education	Others	Total
6 months ended 30 June 2012						
Segment revenues	712,478	429,372	373,027	4,689,379	-	6,204,256
Segment expenses	(591,382)	(338,845)	(361,843)	(2,829,570)	(286,035)	(4,407,675)
Depreciation and amortisation	(22,297)	(5,858)	(6,571)	(393,101)	(1,536)	(429,363)
Finance charges	-	-	-	(103,628)	(17,715)	(121,343)
Share of profit of associates	-	-	-	-	28,314	28,314
Other income	293	5,388	11,697	35,583	1,364	54,325
Profit / (loss) for the period	<u>99,092</u>	<u>90,057</u>	<u>16,310</u>	<u>1,398,663</u>	<u>(275,608)</u>	<u>1,328,514</u>
Assets						
Segment total assets	<u>2,946,824</u>	<u>522,193</u>	<u>423,818</u>	<u>25,467,848</u>	<u>6,601,431</u>	<u>35,962,114</u>
Liabilities						
Segment total liabilities	<u>442,901</u>	<u>234,548</u>	<u>219,118</u>	<u>11,436,387</u>	<u>880,428</u>	<u>13,213,382</u>

14. COMMITMENTS AND CONTINGENT LIABILITIES

	30 June 2013	(Audited) 31 December 2012	30 June 2012
Commitments	KD	KD	KD
Capital commitments for construction	<u>543,298</u>	<u>617,826</u>	<u>1,948,102</u>
Operating lease commitments for land	<u>1,323,500</u>	<u>1,414,000</u>	<u>1,414,000</u>
Minimum operating lease commitments under the operating lease are as follows:			
Not later than 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	<u>871,000</u>	<u>961,500</u>	<u>961,500</u>
	<u>1,323,500</u>	<u>1,414,000</u>	<u>1,414,000</u>
Contingent liabilities			
Letters of guarantee	<u>1,222,490</u>	<u>1,202,393</u>	<u>1,201,823</u>

15. ANNUAL GENERAL ASSEMBLY

The annual general assembly of the shareholders' held on 12 May 2013 approved the annual audited consolidated financial statements of the Group for the year ended 31 December 2012 and also approved the Board of Directors' proposal to distribute dividend of KD 1,713,038 for the year ended 31 December 2012 (31 December 2011: Nil).