

التاريخ: 2018/05/14

السادة/ شركة بورصة الكويت المحترمين

الكويت

تحية طيبة وبعد,,,

الموضوع: البيانات المالية المرحلية عن الربع الأول

للفترة المنتهية في 2018/03/31

نود إفادتكم بأن مجلس إدارة الشركة قد انعقد يوم الاثنين الموافق 2018/05/14 واعتمد البيانات المالية المرحلية عن الربع الأول للفترة المنتهية في 2018/03/31 وفقا للنموذج المرفق.

وتفضلوا بقبول فائق الاحترام والتقدير,,,



طارق محمد عبد السلام

رئيس مجلس الإدارة

Quarterly Financial Statement
Results Form (Q1)
Kuwaiti Company (KWD)نموذج نتائج البيانات المالية المرحلية (الربع الأول)
الشركات الكويتية (د.ك.)

Financial Quarter Ended on	31-3-2018	الفترة المرحلية المنتهية في
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Company Name	اسم الشركة
United Real Estate Company S.A.K.P	شركة العقارات المتحدة ش.م.ك.ع.
Board of Directors Meeting Date	تاريخ اجتماع مجلس الإدارة
14-5-2018	



التغيير (%)	الربع الأول المقارن	الربع الأول الحالي	البيان
Change (%)	First Quarter Comparative Period	First Quarter Current Period	Statement
	31/3/2017	31/3/2018	
(% 34.06)	1,159,362	764,511	صافي الربح/الخسارة الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
(% 34.06)	1.08	0.71	ربحية/خسارة السهم الأساسية والمخفضة (فلس) Basic & Diluted Earnings per Share (fils)
% 21.23	110,852,150	134,388,158	الموجودات المتداولة Current Assets
% 3.86	579,282,442	601,618,477	إجمالي الموجودات Total Assets
% 84.62	125,872,000	232,389,144	المطلوبات المتداولة Current Liabilities
% 9.88	340,446,761	374,078,173	إجمالي المطلوبات Total Liabilities
(% 4.83)	193,269,730	183,934,501	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
(% 0.00)	20,723,099	20,722,966	إجمالي الإيرادات التشغيلية Total Operating Revenue
(% 3.92)	3,646,638	3,503,658	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
(% 9.35)	% 52.24	% 47.35	أرباح (خسائر) مرحلة / رأس المال المدفوع Retained Profit (Loss) / Paid-Up Share Capital

Quarterly Financial Statement (Q1)
Kuwaiti Company (KWD)

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البيانات المالية المرحلية (الربع الأول)
الشركات الكويتية (د.ك.)

سبب ارتفاع/انخفاض صافي الربح/الخسارة	Increase/Decrease in Net Profit/(Loss) is due to
<ul style="list-style-type: none"> ارتفاع تكاليف تشغيل العقارات ارتفاع تكاليف التمويل انخفاض الإيرادات الأخرى ارتفاع مخصص انخفاض أرصدة مدينة 	<ul style="list-style-type: none"> Increase in Properties operating costs Increase in Finance cost Decrease in Other income Increase in provision for impairment of accounts receivable
بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	Total Revenue realized from dealing with related parties (value, KWD)
500,151 د.ك.	KWD 500,151
بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	Total Expenditures incurred from dealing with related parties (value, KWD)
177,156 د.ك.	KWD 177,156

الاسم Name	المسمى الوظيفي Title	التوقيع Signature	ختم الشركة Company Seal
طارق محمد عبدالسلام	رئيس مجلس الإدارة		

- Auditor Report Attached

- مرفق تقرير مراقب الحسابات



Quarterly Financial Statement (Q1)
Kuwaiti Company (KWD)

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البيانات المالية المرحلية (الربع الأول)
الشركات الكويتية (د.ك.)

المسألة
X
عقارات

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF UNITED REAL ESTATE COMPANY S.A.K.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of United Real Estate Company S.A.K.P. (the "Parent Company") and its subsidiaries (the "Group") as at 31 March 2018, and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the three 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 the 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.

Basis for Qualified Conclusion

As at 31 March 2018, the interim condensed consolidated financial information include the carrying value and share of result of the Group's associate, Abdali Boulevard Company P.S.C. ("ABC"), amounting to KD 35,489,715 and KD 668,086 respectively based on management accounts due to unavailability of audited financial statements. We were unable to carry out any review procedures to satisfy ourselves as to the completeness and accuracy of share of results and the carrying value of ABC included in the Group's interim condensed consolidated financial information. Consequently, we were unable to determine whether any adjustment to the Group's investment in associates as at 31 March 2018 and share of results of the associates for the period ended 31 March 2018 was necessary.

Conclusion

Based on our review, except for the possible effect of the matter described in the Basis for Qualified Conclusion paragraph, 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.

ERNST & YOUNG
AL AISAN, AL OSAIMI & PARTNERS
See Our Report Dated

14 MAY 2018

PREPARED FOR IDENTIFICATION
PURPOSES ONLY

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION TO THE BOARD OF DIRECTORS OF UNITED REAL ESTATE COMPANY
S.A.K.P. (continued)**

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violation of the Companies Law No. 1 of 2016, as amended, and its Executive Regulations, as amended, or of the Parent Company's the Memorandum of Incorporation and Articles of Association, as amended, during the three months period ended 31 March 2018 that might have had a material effect on the business of the Parent Company or on its financial position.

BADER A. AL-ABDULJADER
LICENCE NO. 207-A
EY
AL AIBAN, AL OSAIMI & PARTNERS

14 May 2018
Kuwait

 **ERNST & YOUNG**
AL AIBAN, AL OSAIMI & PARTNERS
See Our Report Dated

14 MAY 2018

INITIALLED FOR IDENTIFICATION
PURPOSES ONLY

United Real Estate Company S.A.K.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 March 2018

		(Audited)	
	31 March	31 December	31 March
	2018	2017	2017
	KD	KD	KD
ASSETS			
Non-current assets			
Property and equipment	79,081,102	80,104,450	82,851,896
Investment properties	293,805,364	294,627,605	284,895,491
Investment in associates	78,290,167	77,960,687	84,115,260
Financial assets at fair value through other comprehensive income	4,325,671	-	-
Financial assets available for sale	-	14,452,576	14,714,945
Loan to an associate	8 9,426,504	-	-
Intangible assets	2,301,511	2,332,402	1,852,700
	467,230,319	469,477,720	468,430,292
Current assets			
Properties held for trading	58,555,781	58,639,720	55,486,365
Accounts receivable, prepayments and other assets	3 62,671,329	57,785,729	41,764,991
Cash and short term deposits	4 13,161,048	16,527,864	13,600,794
	134,388,158	132,953,313	110,852,150
TOTAL ASSETS	601,618,477	602,431,033	579,282,442
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities			
Interest bearing loans and borrowings	124,898,157	124,885,062	138,886,497
Deferred tax liabilities	16,790,872	16,740,732	15,688,264
Bonds	-	-	60,000,000
	141,689,029	141,625,794	214,574,761
Current liabilities			
Interest bearing loans and borrowings	107,276,352	107,779,324	69,456,640
Bonds	60,000,000	60,000,000	-
Accounts payable, accruals and other payables	65,112,792	61,890,933	56,415,360
	232,389,144	229,670,257	125,872,000
Total liabilities	374,078,173	371,296,051	340,446,761
EQUITY			
Share capital	118,797,442	118,797,442	118,797,442
Share premium	15,550,698	15,550,698	15,550,698
Statutory reserve	20,511,526	20,511,526	20,253,562
Voluntary reserve	2,582,767	2,582,767	2,582,767
Treasury shares	5 (14,478,743)	(14,478,743)	(14,478,743)
Treasury shares reserve	491,325	491,325	491,325
Other reserve	152,073	152,073	152,073
Cumulative changes in fair values	(1,123,167)	79,553	32,235
Foreign currency translation reserve	(14,805,878)	(14,445,961)	(12,168,540)
Retained earnings	56,256,458	57,485,872	62,056,911
Equity attributable to equity holders of the Parent Company	183,934,501	186,726,552	193,269,730
Non-controlling interests	43,605,803	44,408,430	45,565,951
Total equity	227,540,304	231,134,982	238,835,681
TOTAL LIABILITIES AND EQUITY	601,618,477	602,431,033	579,282,442


Tariq M. AbdulSalam
Chairman



شركة العقارات المتحدة
United Real Estate Co

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

عقارات المتحدة

United Real Estate Company S.A.K.P. and Subsidiaries
INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
(UNAUDITED)
For the period ended 31 March 2018

	Notes	Three months ended 31 March	
		2018 KD	2017 KD
REVENUE			
Gross rental income		5,153,850	5,413,391
Hospitality income		4,508,679	4,326,044
Contracting and services revenue		10,145,945	10,214,198
Other operating revenue		914,492	769,466
		<u>20,722,966</u>	<u>20,723,099</u>
COST OF REVENUE			
Properties operating costs		(1,159,931)	(1,009,346)
Rental expense on leasehold properties		(496,788)	(497,316)
Hospitality costs		(2,796,286)	(2,738,579)
Depreciation of hotels		(957,271)	(1,002,163)
Contracting and services cost		(9,859,911)	(9,851,344)
		<u>(15,270,187)</u>	<u>(15,098,748)</u>
GROSS PROFIT		5,452,779	5,624,351
Investment (loss) income		(3,322)	2,393
General and administrative expenses		(1,696,967)	(1,750,976)
Depreciation of property and equipment		(174,835)	(98,574)
Provision for maintenance of leasehold properties		(66,000)	(66,000)
Loss on disposal of investment property		(7,997)	(64,556)
OPERATING PROFIT		3,503,658	3,646,638
Gain from disposal of property and equipment		7,000	-
Share of results of associates		820,968	(87,307)
Interest income		90,084	61,200
Other income		179,629	532,753
(Charge) reversal of provision for impairment of accounts receivable		(203,863)	196,000
Finance costs		(3,760,862)	(3,324,593)
Foreign exchange loss		(28,230)	(29,312)
PROFIT BEFORE TAXATION		608,384	995,379
Taxation expense	6	(92,488)	(119,928)
PROFIT FOR THE PERIOD		<u>515,896</u>	<u>875,451</u>
Attributable to:			
Equity holders of the Parent Company		764,511	1,159,362
Non-controlling interests		(248,615)	(283,911)
		<u>515,896</u>	<u>875,451</u>
EARNINGS PER SHARE:			
Basic and diluted- attributable to equity holders of the Parent Company (fils)	7	<u>0.71</u>	<u>1.08</u>

