

Bahrain Cinema Company B.S.C.

Condensed consolidated interim financial
information for the quarter and six months
period ended 30 June 2015 (Unaudited)

Bahrain Cinema Company B.S.C.
Condensed consolidated interim financial information
for the quarter and six months period ended 30 June 2015
(Unaudited)

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Bahrain Cinema Company B.S.C.
Administration and contact details as at 30 June 2015

Commercial registration no	1192 obtained on 11 August 1968	
Directors	Dr Esam Abdulla Yusuf Fakhro Ali Yusuf Ali Ubaydli Fareed Yusuf Khalil Almoayyed Jehad Yusuf Abdulla Amin Jalal Mohamed Yusuf Jalal Mohamed Ebrahim Khalil Kanoo Shawqi Ali Yusuf Fakhro	- Chairman - Vice-Chairman
Chief Executive Officer	Ahmed A. Rashed	
Audit committee	Shawqi Ali Yusuf Fakhro Fareed Yusuf Khalil Almoayyed Jalal Mohamed Yusuf Jalal	- Chairman
Registered office	Floor 27 Building 470, Road 1010 Block 410 Fakhro Tower PO Box 26573 Sanabis Kingdom of Bahrain	
Bankers	National Bank of Bahrain Bank of Bahrain and Kuwait Ahli United Bank	
Auditors	BDO 17 th Floor Diplomat Commercial Office Tower PO Box 787 Diplomatic Area Kingdom of Bahrain	
Registrars	Karvy Computer Share W.L.L. PO Box 514 Manama Kingdom of Bahrain	

Review report on the condensed consolidated interim financial information to the Board of Directors of Bahrain Cinema Company B.S.C.

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Bahrain Cinema Company B.S.C. ("the Company") and its subsidiary (collectively referred as "the Group") as at 30 June 2015, and the condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in shareholders' equity and the condensed interim consolidated statement of cash flow for the quarter and six months period then ended, and selected explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim 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 condensed consolidated 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 condensed consolidated interim financial information does not present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2015, and of its consolidated financial performance and its consolidated cash flows for the quarter and six months period ended in accordance with International Financial Reporting Standard IAS 34 - "Interim Financial Reporting".

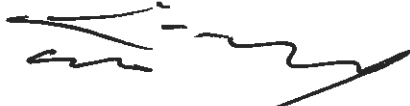


Manama, Kingdom of Bahrain
15 July 2015

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of financial position as at 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)

	<u>Notes</u>	30 June 2015 (Unaudited)	31 December 2014 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	4	11,823,258	11,618,702
Investment properties	5	7,013,404	2,896,973
Investment in joint ventures	6	3,506,373	2,946,622
Financial assets at fair value through profit or loss	7	<u>16,168,443</u>	<u>16,804,209</u>
		<u>38,511,478</u>	<u>34,266,506</u>
Current assets			
Inventories		422,619	455,685
Trade and other receivables	8	2,479,303	2,669,568
Financial assets at fair value through profit or loss	7	406,056	5,529,480
Short-term fixed deposits		-	1,769,855
Cash and bank balances		<u>1,419,336</u>	<u>1,060,574</u>
		<u>4,727,314</u>	<u>11,485,162</u>
Total assets		<u>43,238,792</u>	<u>45,751,668</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	9	6,609,876	6,609,876
Share premium		1,940,186	4,743,573
Revaluation reserve		4,557,442	4,557,442
Statutory reserve		3,304,938	3,304,938
Charity reserve		57,750	-
Retained earnings		23,269,862	23,081,833
Treasury shares		<u>(204,916)</u>	<u>(20,914)</u>
		<u>39,535,138</u>	<u>42,276,748</u>
Current liabilities			
Trade and other payables		<u>3,703,654</u>	<u>3,474,920</u>
Total equity and liabilities		<u>43,238,792</u>	<u>45,751,668</u>

The unaudited condensed consolidated interim financial information, set out on pages 4 to 16, was approved and authorised for issue by the Board of Directors on 15 July 2015 and signed on their behalf by:


 Dr Esam Abdulla Fakhro
 Chairman


 Ali Yousuf Ubaydli
 Vice-Chairman

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of profit or loss and other comprehensive income
for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>Quarter ended 30 June 2015</u>	<u>Quarter ended 30 June 2014</u>	<u>Six months ended 30 June 2015</u>	<u>Six months ended 30 June 2014</u>
Operating income		5,009,889	4,843,496	10,376,303	9,549,196
Operating costs		<u>(3,453,639)</u>	<u>(3,190,023)</u>	<u>(6,691,107)</u>	<u>(6,233,049)</u>
Operating profit for the period		<u>1,556,250</u>	<u>1,653,473</u>	<u>3,685,196</u>	<u>3,316,147</u>
Expenses					
Other operating income	11	92,236	118,915	192,247	214,826
General and administrative expenses		<u>(575,406)</u>	<u>(681,354)</u>	<u>(1,232,200)</u>	<u>(1,532,382)</u>
		<u>(483,170)</u>	<u>(562,439)</u>	<u>(1,039,953)</u>	<u>(1,317,556)</u>
Profit from operations		<u>1,073,080</u>	<u>1,091,034</u>	<u>2,645,243</u>	<u>1,998,591</u>
Net share of profit from investment in joint ventures	6	136,774	366,356	441,020	700,003
Investment income	10	385,737	415,848	485,617	1,813,557
Finance cost		<u>(15,535)</u>	<u>(12,326)</u>	<u>(31,620)</u>	<u>(22,432)</u>
		<u>506,976</u>	<u>769,878</u>	<u>895,017</u>	<u>2,491,128</u>
Net profit and total other comprehensive income for the period		<u>1,580,056</u>	<u>1,860,912</u>	<u>3,540,260</u>	<u>4,489,719</u>
Basic earnings per share	12	<u>24fils</u>	<u>29fils</u>	<u>54fils</u>	<u>69fils</u>

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of changes in shareholders' equity for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)

	Share capital	Share premium	Investment fair value reserve	Revaluation reserve	Statutory reserve	Charity reserve	Retained earnings	Treasury shares	Total
At 31 December 2013 - audited	5,508,230	4,743,573	(1,292,646)	4,557,442	2,754,115	700,000	20,515,734	(17,428)	37,469,020
Transfer to retained earnings on adoption of IFRS 9 Financial Instruments	-	-	1,292,646	-	-	-	(1,292,646)	-	-
Restated at 1 January 2014	5,508,230	4,743,573	-	4,557,442	2,754,115	700,000	19,223,088	(17,428)	37,469,020
Bonus shares issued	1,101,646	-	-	-	-	-	(1,098,160)	(3,486)	-
Transfer to retained earnings	-	-	-	-	-	(700,000)	700,000	-	-
Dividends for 2013	-	-	-	-	-	-	(2,754,115)	-	(2,754,115)
Net profit and other comprehensive income for the year	-	-	-	-	550,823	-	7,561,843	-	7,561,843
Transfer to statutory reserve	-	-	-	-	(550,823)	-	(550,823)	-	-
At 31 December 2014 - audited	6,609,876	4,743,573	-	4,557,442	3,304,938	-	23,081,833	(20,914)	42,276,748
Dividends for 2014	-	-	-	-	-	-	(3,294,481)	-	(3,294,481)
Purchase of treasury shares	-	(2,803,387)	-	-	-	-	-	(184,002)	(2,987,389)
Transfer to charity reserve	-	-	-	-	-	57,750	(57,750)	-	-
Net profit and other comprehensive income for the period	-	-	-	-	-	-	3,540,260	-	3,540,260
At 30 June 2015 - unaudited	6,609,876	1,940,186	-	4,557,442	3,304,938	57,750	23,269,862	(204,916)	39,535,138

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of cash flows
for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>Six months period ended 30 June 2015</u>	<u>Six months period ended 30 June 2014</u>
Operating activities			
Net profit for the period		3,540,260	4,489,719
Adjustments for:			
Depreciation	4	433,898	501,892
Net share of profit from investment in joint ventures	6	(441,020)	(700,003)
Dividend income	10	(676,110)	(489,371)
Unrealised losses/(gains) on financial assets at fair value through profit or loss		380,934	(928,044)
Profit from fixed deposit	11	(3,515)	(69,155)
Interest income from trading of bonds	10	(85,863)	(164,455)
Realised gains on sale of financial assets at fair value through profit or loss		(94,690)	(189,578)
Realised losses/(gains) on sale of investment in Joint Venture	10	(9,888)	-
Loss on sale of property, plant and equipment		-	(8,718)
Capital work in progress written off		-	12,000
Gains on sale of investment property		-	(42,109)
Finance costs		31,620	22,432
Changes in operating assets and liabilities:			
Inventories		33,066	(133,747)
Trade and other receivables		190,265	287,816
Trade and other payables		<u>228,734</u>	<u>371,482</u>
Net cash provided by operating activities		<u>3,527,691</u>	<u>2,960,161</u>
Investing activities			
Purchase of property, plant and equipment	4	(638,454)	(224,874)
Proceeds from sale of property, plant and equipment		-	9,430
Purchase of investment property		(4,116,431)	(1,130,226)
Proceeds from sale of investment property		-	370,575
Capital contribution to investment in joint venture	6	(157,731)	(104,305)
Proceeds from sale of investment in joint venture		17,888	-
Purchase of financial assets at fair value through profit or loss	7	(332,660)	(951,959)
Proceeds from sale of financial assets at fair value through profit or loss	7	5,805,606	1,167,707
Net movement in short term fixed deposits		1,769,855	1,313,558
Profit from fixed deposit received	11	3,515	69,155
Interest income from trading of bonds received	10	85,863	164,455
Reduction in share capital of Saar cinema	6	31,000	-
Dividend income received	10	<u>676,110</u>	<u>489,371</u>
Net cash provided by investing activities		<u>3,144,561</u>	<u>1,172,887</u>
Financing activities			
Dividends paid		(3,294,481)	(2,754,115)
Finance costs paid		(31,620)	(22,432)
Purchase of treasury shares		<u>(2,987,389)</u>	<u>-</u>
Net cash used in financing activities		<u>(6,313,490)</u>	<u>(2,776,547)</u>
Net increase in cash and cash equivalents		358,762	1,356,501
Cash and cash equivalents, beginning of the period		<u>1,060,574</u>	<u>786,320</u>
Cash and cash equivalents, end of the period		<u>1,419,336</u>	<u>2,142,821</u>

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information
for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)

1 Organisation and activities

Bahrain Cinema Company B.S.C. ("the Company") and its subsidiary collectively referred as "the Group"). The Company is a public Bahraini shareholding company incorporated under Royal Decree dated 30 November 1967, is registered with the Ministry of Industry and Commerce in the Kingdom of Bahrain and operates under commercial registration number 1192 obtained on 11 August 1968.

The principal activities of the Company are the screening of films, advertisements and operation of restaurants and providing leisure and amusement related services.

The registered office of the Company is in the Kingdom of Bahrain.

These financial statements include assets liabilities and the result of operations of the branches which operate under commercial registration numbers 1192-1, 1192-2, 1192-9, 1192-16, 1192-18, 1192-20, 1192-21, 1192-22, 1192-23 and 1192-24.

2 Structure of the Group

The structure of the Group is as follows:

Subsidiary company

<u>Name of subsidiary</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Effective ownership interest 2015</u>	<u>Effective ownership interest 2014</u>
Aradous Properties Management W.L.L.*	Kingdom of Bahrain	Managing and leasing of properties	100%	100%

* 2% of the shares in the entity, although registered in the names of related parties, are held on behalf, and for the beneficial interest, of the Group.

The total assets and net profit/(loss) for the year of the above subsidiary have been extracted from the management accounts prepared as at, and for the period ended, 30 June 2015.

Joint ventures

<u>Name of joint ventures</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Effective ownership interest 2015</u>	<u>Effective ownership interest 2014</u>
Saar Cinema Complex	Kingdom of Bahrain	Screening of films	31%	31%
Al Logistics Company B.S.C. (c)	Kingdom of Bahrain	Providing logistic services	-	10%
Qatar International W.L.L.	Bahrain State of Qatar	Screening of films	23%	23%
Al Murjan Restaurant Management W.L.L.	State of Qatar	Restaurant operations	50%	50%

The Group is a party to joint arrangements with the above entities, as arrangement confers joint control over the operations and the decision making process.

Bahrain Cinema Company B.S.C.

**Selected explanatory notes to the condensed consolidated interim financial information
for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)**

3 Basis of preparation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 - "Interim Financial Reporting". The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the annual audited consolidated financial statements of the Group for the year ended 31 December 2014. The interim condensed consolidated financial information should be read in conjunction with the 2014 annual audited consolidated financial statements.

Improvements/amendments to IFRS 2010/2013 cycle

Improvements/amendments to IFRS issued in 2010/2013 cycle contained numerous amendments to IFRS that the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments are effective for the Company's annual audited financial statements beginning on or after 1 January 2015 with earlier adoption permitted. No material changes to accounting policies are expected as a result of these amendments.

Standards, amendments and interpretations effective and adopted in 2015

The following new standards, amendments to existing standards and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2015 and have been adopted in the preparation of the financial statements:

<u>Standard or Interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IAS 16	Property, Plant and Equipment	1 July 2014
IAS 19	Employee Benefits	1 July 2014
IAS 24	Related Party Disclosures	1 July 2014
IAS 38	Intangible Assets	1 July 2014
IAS 40	Investment Property	1 July 2014
IFRS 2	Share Based Payment	1 July 2014
IFRS 7	Financial Instruments - Disclosures	1 January 2015
IFRS 8	Operating Segments	1 July 2014
IFRS 13	Fair Value Measurement	1 July 2014

Standards, amendments and interpretations issued and effective in 2015 but not relevant

The following new standards, amendments to existing standards and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2015 or subsequent periods, but are not relevant to the Company's operations:

<u>Standard or Interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 1	First Time Adoption of International Financial Reporting Standards	1 July 2014
IFRS 3	Business Combinations	1 July 2014

Bahrain Cinema Company B.S.C.

**Selected explanatory notes to the condensed consolidated interim financial information
for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)**

3 Basis of preparation (continued)

Standards, amendments and interpretations issued but not yet effective in 2015

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial period ended 30 June 2015. They have not been adopted in preparing the financial statements for the period ended 30 June 2015 and are expected to affect the entity in the period of initial application. In all cases, the entity intends to apply these standards from application date as indicated in the table below.

<u>Standard or Interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 9	Financial Instruments - Classification and Measurement	1 January 2018
IFRS 14	Regulatory Deferral Accounts	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2017

There would have been no change in the operational results of the Company for the period ended 30 June 2015 had the Company early adopted any of the above standards applicable to the Company.

Early adoption of amendments or standards in 2015

The Company did not early-adopt any new or amended standards in 2015.

4 Property, plant and equipment

	<u>Freehold land and buildings</u>	<u>Building on leasehold land/leasehold improvements</u>	<u>Fixtures, furniture and office equipment</u>	<u>Motor vehicles</u>	<u>Capital work-in-progress</u>	<u>Total</u>
Cost or valuation						
At 31 December 2013	5,210,784	2,539,192	11,359,742	139,783	390,115	19,639,616
Additions	-	-	342,487	34,800	258,815	636,102
Disposals	-	-	(30,154)	(22,639)	-	(52,793)
Written off	-	-	-	-	(12,000)	(12,000)
At 31 December 2014	5,210,784	2,539,192	11,672,075	151,944	636,930	20,210,925
Additions	-	-	93,143	24,176	521,135	638,454
Disposals	-	-	(75)	-	-	(75)
At 30 June 2015 (unaudited)	<u>5,210,784</u>	<u>2,539,192</u>	<u>11,765,143</u>	<u>176,120</u>	<u>1,158,065</u>	<u>20,849,304</u>
Accumulated depreciation						
At 31 December 2013	458,476	1,158,905	5,849,986	76,216	-	7,543,583
Charge for the year	16,722	120,287	941,621	22,086	-	1,100,716
On disposals	-	-	(29,440)	(22,636)	-	(52,076)
At 31 December 2014	475,198	1,279,192	6,762,167	75,666	-	8,592,223
Charge for the period	4,114	60,144	357,846	11,794	-	433,898
On disposals	-	-	(75)	-	-	(75)
At 30 June 2015 (unaudited)	<u>479,312</u>	<u>1,339,336</u>	<u>7,119,938</u>	<u>87,460</u>	<u>-</u>	<u>9,026,046</u>
Net book value						
At 30 June 2015 (unaudited)	<u>4,731,472</u>	<u>1,199,856</u>	<u>4,645,205</u>	<u>88,660</u>	<u>1,158,065</u>	<u>11,823,258</u>
At 31 December 2014	<u>4,735,586</u>	<u>1,260,000</u>	<u>4,909,908</u>	<u>76,278</u>	<u>636,930</u>	<u>11,618,702</u>

Capital work-in-progress represents cost incurred for the renovation of megaplex in Seef and building of cinemas and restaurant in Riffa and other smaller projects of capital nature.

Bahrain Cinema Company B.S.C.
Selected explanatory notes to the condensed consolidated interim financial information
for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)

5 Investment properties

	30 June 2015 <u>(Unaudited)</u>	31 December 2014 <u>(Audited)</u>
Opening balance	2,896,973	328,466
Additions	4,116,431	2,896,973
Disposals	-	<u>(328,466)</u>
Closing balance	<u>7,013,404</u>	<u>2,896,973</u>

6 Investment in joint ventures

	30 June 2015 <u>(Unaudited)</u>	31 December 2014 <u>(Audited)</u>
Cost		
Opening balance	442,739	369,434
Additions of investment in Al Murjan Restaurants Management W.L.L.	157,731	104,305
Disposal of investment in Logistics Co.	(8,000)	-
Reduction in holding of Saar Cinema Complex	<u>(31,000)</u>	<u>(31,000)</u>
Closing balance	<u>561,470</u>	<u>442,739</u>
Retained earnings		
Opening balance	2,503,883	1,662,905
Share of profit for the year from QBICC W.L.L.	407,218	1,398,378
Share of profit from Saar Cinema Complex	33,802	50,698
Dividend from Qatar Bahrain International Cinema W.L.L.	-	<u>(608,098)</u>
Closing balance	<u>2,944,903</u>	<u>2,503,883</u>
Net book value		
Closing balance	<u>3,506,373</u>	<u>2,946,622</u>

The above financial information relating to the Group's investment in joint ventures has been extracted from management accounts prepared as at, and for the period ended 30 June 2015.

7 Financial assets at fair value through profit or loss

	30 June 2015 <u>(Unaudited)</u>	31 December 2014 <u>(Audited)</u>
Quoted equity investments	14,400,863	14,856,819
Unquoted equity investments	1,767,580	1,947,390
Bonds and Sukuks	<u>406,056</u>	<u>5,529,480</u>
	<u>16,574,499</u>	<u>22,333,689</u>
Movement during the period/year		
Opening balance	22,333,689	4,829,324
Reclassification on adoption of IFRS 9	-	13,991,577
Additions	332,660	4,294,117
Disposals	(5,710,916)	(1,085,273)
Unrealised fair value (losses)/gain on financial assets at fair value through profit or loss	<u>(380,934)</u>	<u>303,944</u>
Closing balance	<u>16,574,499</u>	<u>22,333,689</u>

Bahrain Cinema Company B.S.C.
Selected explanatory notes to the condensed consolidated interim financial information
for the quarter and six months period ended 30 June 2015
(Unaudited) - (Expressed in Bahrain Dinars)

7 Financial assets at fair value through profit or loss (continued)

	30 June 2015 <u>(Unaudited)</u>	31 December 2014 <u>(Audited)</u>
Non-current assets	16,168,443	16,804,209
Current assets	<u>406,056</u>	<u>5,529,480</u>
	<u>16,574,499</u>	<u>22,333,689</u>

The management has classified the quoted and unquoted equity investments as non-current as it has an intention to hold these for long term. Whereas, bonds and Sukuks are classified as current assets as these may be realised as and when funds are required.

8 Trade and other receivables

	30 June 2015 <u>(Unaudited)</u>	31 December 2014 <u>(Audited)</u>
Trade receivables	950,481	1,010,684
Provision for doubtful trade receivables	<u>(11,531)</u>	<u>(11,531)</u>
	938,950	999,153
Interest free loans to employees for purchase of company shares	477,494	617,898
Deposits / rental advance	451,348	674,196
Advances to suppliers	427,417	213,263
Amounts due from related parties	20,064	28,740
Prepayments	89,661	36,811
Other receivables	<u>74,369</u>	<u>99,507</u>
	<u>2,479,303</u>	<u>2,669,568</u>

Trade receivables are generally on 30 to 90 days credit terms.

Deposits mainly represent amounts paid for securing the lease rights at City Centre Mall, Kingdom of Bahrain.

Amounts due from related parties are unsecured, bear no interest and have no fixed repayment terms.

9 Share capital

	30 June 2015 <u>(Unaudited)</u>	31 December 2014 <u>(Audited)</u>
Authorised		
100,000,000 ordinary shares of 100 fils each (2014: 100,000,000 ordinary shares of 100 fils each)	<u>10,000,000</u>	<u>10,000,000</u>
Issued, subscribed and fully paid-up:		
66,098,760 ordinary shares of 100 fils each (2014: 66,098,760 ordinary shares of 100 fils each)	<u>6,609,876</u>	<u>6,609,876</u>

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information

for the quarter and six months period ended 30 June 2015

(Unaudited) - (Expressed in Bahrain Dinars)

9 Share capital

In accordance with resolutions passed at the Annual General Meeting held on 25 March 2015, cash dividends of 50 fils per share for the year 2015 (2014: 50 fils per share), amounting to a total cash dividend of BD3,294,481 (2014: BD2,754,115) was approved by the shareholders.

Treasury shares

During 2015, 1,840,019 treasury shares were acquired at an average rate of BD1.620 per share according to Article 8 of Articles of Association the company allowed to purchase up to 10% of the Company's issued and fully paid-up share capital. The nominal value of these shares has been disclosed as deduction from reserves. Whereas, the difference, between the nominal value of the acquired shares, and the purchase price, amounting to BD2,803,387 has been adjusted against share premium. The Company collectively holds 2,049,159 (3.15% of total issued and paid-up share capital) treasury share as at 30 June 2015.

10 Investment income

	Quarter ended 30 June 2015	Quarter ended 30 June 2014	Six months ended 30 June 2015	Six months ended 30 June 2014
Dividend income	245,525	157,748	676,110	489,371
Gain on sale of investment property	-	-	-	42,109
Unrealised gains/(losses) on financial assets at fair value through profit or loss	99,926	122,279	(380,934)	928,044
Realised gains on sale of financial assets at fair value through profit and loss	15,745	59,166	94,690	189,578
Gain on disposal of investment in joint venture	9,888	-	9,888	-
Interest income from trading of bonds	<u>14,653</u>	<u>76,655</u>	<u>85,863</u>	<u>164,455</u>
	<u>385,737</u>	<u>415,848</u>	<u>485,617</u>	<u>1,813,557</u>

11 Other operating income

	Quarter Ended 30 June 2015	Quarter ended 30 June 2014	Six months Ended 30 June 2015	Six months ended 30 June 2014
Income from rental properties	36,391	7,866	73,132	15,732
Profit from fixed deposits	-	39,125	3,515	69,155
Management fee	7,080	7,280	14,160	14,160
Profit on sale of property, plant and equipment	-	8,718	-	8,718
Awal car parking collection	5,056	4,440	10,780	8,719
Foreign exchange gain	2,400	6,857	4,672	14,053
Virtual print fees	29,739	31,701	57,719	64,583
Miscellaneous income	<u>11,570</u>	<u>12,928</u>	<u>28,269</u>	<u>19,706</u>
	<u>92,236</u>	<u>118,915</u>	<u>192,247</u>	<u>214,826</u>

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12 Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares issued during the period.

	Quarter ended <u>30 June 2015</u>	Quarter ended <u>30 June 2014</u>	Six months ended <u>30 June 2015</u>	Six months ended <u>30 June 2014</u>
Net profit attributable to the Shareholders	<u>1,580,056</u>	<u>1,860,912</u>	<u>3,540,260</u>	<u>4,489,719</u>
Number of ordinary shares	<u>65,009,497</u>	<u>65,009,497</u>	<u>65,009,497</u>	<u>65,009,497</u>
Basic earnings per share	<u>24fils</u>	<u>29fils</u>	<u>54fils</u>	<u>69fils</u>

Basic earnings per share are calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Company and held as treasury shares. The Group does not have any potentially dilutive ordinary shares hence the diluted earnings and basic earnings per share are identical.

13 Transactions with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Group exercises significant influence, major shareholders, directors and executive management of the Group.

Related parties consist of the joint ventures, the Directors of the Group companies, their close family members and businesses under their control. The Group's transactions with related parties are on arm's length basis and authorised by the management.

Trading transactions, where customers or suppliers are controlled or significantly influenced by the directors of the Group, are conducted on an arm's length basis or on normal commercial terms. Further, there are no loans due to or from any of the directors of the Group.

A summary of related party balances as at 30 June/December is as follows:

	Related Party Relationship	Amount due from		Amount due to	
		<u>30 June 2015</u>	<u>31 December 2014</u>	<u>30 June 2015</u>	<u>31 December 2014</u>
Saar Cinema Complex Qatar Bahrain International Cinema W.L.L.	Joint venture	-	20,191	1,408	-
AlMurjan Restaurants Management W.L.L.	Joint venture	16,015	8,549	-	-
Various entities*	Common directorship	-	-	-	26,523
		<u>21,471</u>	<u>28,740</u>	<u>1,408</u>	<u>26,523</u>

* These include balances with several related party companies whose individual balances are not material.

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13 Transactions with related parties (continued)

A summary of material transactions with related parties is as follows:

	Six months period ended <u>30 June 2015</u>	Six months period ended <u>30 June 2014</u>
<u>Saar Cinema Complex</u>		
Direct expenses	152,345	118,402
Salaries	30,422	24,022
Management fees	3,000	3,000
Other expenses	25,202	43,597
<u>Qatar Bahrain International Cinema Co. W.L.L.</u>		
Salaries	27,906	16,795
Other expenses	13,082	12,310
Management Fees	11,160	11,160
Concession counter purchases	33,504	35,708
<u>Entities under common directorship</u>		
Rent expense for corporate office	48,805	49,975

14 Segmental reporting

The primary segment information is presented in respect of the Group's business segments which are in accordance with the Group's management and internal reporting structure.

The Group's operations in Bahrain are organised under the following major business segments:

- Theatre operations
- Restaurants and concession counters
- Others, includes corporate office assets and vehicles

For the period ended 30 June 2015

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenues				
Total external sales	6,093,244	3,583,261	699,798	10,376,303
Less: total variable cost	(3,508,713)	(803,873)		(4,312,586)
Segment results	<u>2,584,531</u>	<u>2,779,388</u>	<u>699,798</u>	<u>6,063,717</u>
Less: fixed cost				(2,378,521)
Operating gross profit				3,685,196
Other operating income				192,233
General and administrative expenses				(1,232,200)
Profit from operations				2,645,229
Share of profit on joint venture operations				441,020
Investment income				485,631
Finance cost				(31,620)
Net profit				<u>3,540,260</u>

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14 Segmental reporting (continued)

For the period ended 30 June 2014

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenues				
Total external sales	5,727,595	3,150,925	670,676	9,549,196
Less: total variable cost	<u>(3,187,978)</u>	<u>(756,483)</u>	<u>-</u>	<u>(3,944,461)</u>
Segment results	<u>2,539,617</u>	<u>2,394,442</u>	<u>670,676</u>	5,604,735
Less: fixed cost				<u>(2,288,588)</u>
Operating gross profit				3,316,147
Other operating income				214,826
General and administrative expenses				<u>(1,532,382)</u>
Profit from operations				1,998,591
Share of profit on joint venture operations				700,003
Investment income				1,813,557
Finance cost				<u>(22,432)</u>
Net profit				<u>4,489,719</u>

15 Capital Commitments

Capital expenditure contracted for various projects at the consolidated statement of financial position date but not recognised in these consolidated financial statements amounted to BD1,248,046 (31 December 2014: BD625,936).

16 Interim results

The interim net profit for the six months period ended 30 June 2015 may not represent a proportionate share of the annual net profit or loss due to the nature of the Group's activities and potential seasonal changes, timing of the receipt of dividend and investment income.