

Bahrain Cinema Company B.S.C.

**Condensed consolidated interim financial
information for the three months period
ended 31 March 2016 (Unaudited)**

Bahrain Cinema Company B.S.C.
Condensed consolidated interim financial information
for the three months period ended 31 March 2016
(Unaudited)

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Bahrain Cinema Company B.S.C.
Administration and contact details as at 31 March 2016

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	Ahmad 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 (together referred to as “the Group”) as at 31 March 2016, 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 three 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 31 March 2016, and of its consolidated financial performance and its consolidated cash flows for the three months period ended in accordance with International Financial Reporting Standard IAS 34 - “Interim Financial Reporting”.

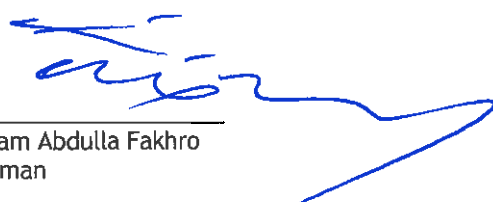


Manama, Kingdom of Bahrain
27 April 2016

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of financial position as at 31 March 2016
(Unaudited)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	31 March 2016 <u>(Unaudited)</u>	31 December 2015 <u>(Audited)</u>
ASSETS			
Non-current assets			
Property, plant and equipment	4	11,707,623	11,745,973
Capital work-in progress	5	2,019,277	1,199,950
Investment properties	6	7,687,510	7,687,510
Investment in joint ventures	7	3,683,634	3,848,746
Financial assets at fair value through profit or loss	8	<u>7,913,772</u>	<u>14,756,898</u>
		<u>33,011,816</u>	<u>39,239,077</u>
Current assets			
Inventories		466,482	422,622
Trade and other receivables	9	2,677,050	3,371,055
Financial assets at fair value through profit or loss	8	356,105	390,032
Short-term fixed deposits		5,000,000	2,600,000
Cash and bank balances		<u>3,975,539</u>	<u>1,122,564</u>
		<u>12,475,176</u>	<u>7,906,273</u>
Total assets		<u>45,486,992</u>	<u>47,145,350</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	10	6,609,876	6,609,876
Share premium		1,507,536	1,507,536
Revaluation reserve		4,557,442	4,557,442
Statutory reserve		3,304,938	3,304,938
Charity reserve		147,875	116,375
Retained earnings		23,198,088	25,981,244
Treasury shares	10	<u>(238,429)</u>	<u>(238,429)</u>
		<u>39,087,326</u>	<u>41,838,982</u>
Non-current liabilities			
Employees' terminal benefits		<u>250,357</u>	<u>237,281</u>
Current liabilities			
Trade and other payables		<u>6,149,309</u>	<u>5,069,087</u>
Total equity and liabilities		<u>45,486,992</u>	<u>47,145,350</u>

The unaudited condensed consolidated interim financial information, set out on pages 4 to 17, was approved and authorised for issue by the Board of Directors on 27 April 2016 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 three months period ended 31 March 2016
(Unaudited) -
(Expressed in Bahrain Dinars)

	<u>Notes</u>	Three months period ended 31 March 2016	Three months period ended 31 March 2015
Operating income		5,412,220	5,366,414
Operating costs		<u>(3,257,186)</u>	<u>(3,237,468)</u>
Operating profit for the period		<u>2,155,034</u>	<u>2,128,946</u>
Expenses			
Other operating income	12	199,873	100,011
General and administrative expenses		(535,935)	(656,794)
Write-off of property, plant & equipment	4	<u>(216,758)</u>	<u>-</u>
		<u>(552,820)</u>	<u>(556,783)</u>
Profit from operations		<u>1,602,214</u>	<u>1,572,163</u>
Net share of profit from investment in joint ventures	7	190,925	304,246
(Loss)/income from investments	11	(1,337,603)	99,880
Finance cost		<u>(21,467)</u>	<u>(16,085)</u>
		<u>(1,168,145)</u>	<u>388,041</u>
Net profit and other comprehensive income for the period		<u>434,069</u>	<u>1,960,204</u>
Basic earnings per share	13	<u>7fils</u>	<u>30fils</u>

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of changes in shareholders' equity for the three months period ended 31 March 2016
(Unaudited)
(Expressed in Bahrain Dinars)

	Share capital	Share premium	Revaluation reserve	Statutory reserve	Charity reserve	Retained earnings	Treasury shares	Total
At 31 December 2014 - audited	6,609,876	4,743,573	4,557,442	3,304,938	28,875	23,081,833	(20,914)	42,276,748
Transfer to charity reserve	-	-	-	-	-	(28,875)	-	-
Dividends for 2014	-	-	-	-	-	-	-	-
Net profit and other comprehensive income for the period	-	-	-	-	-	1,960,204	-	1,960,204
At 31 March 2015 - unaudited	<u>6,609,876</u>	<u>4,743,573</u>	<u>4,557,442</u>	<u>3,304,938</u>	<u>28,875</u>	<u>25,013,162</u>	<u>(20,914)</u>	<u>44,236,952</u>
At 31 December 2015 - audited	6,609,876	1,507,536	4,557,442	3,304,938	116,375	25,981,244	(238,429)	41,838,982
Dividends for 2015	-	-	-	-	-	(3,185,725)	-	(3,185,725)
Transferred to charity reserve	-	-	-	-	31,500	(31,500)	-	-
Net profit and other comprehensive income for the period	-	-	-	-	-	434,069	-	434,069
At 31 March 2016 - unaudited	<u>6,609,876</u>	<u>1,507,536</u>	<u>4,557,442</u>	<u>3,304,938</u>	<u>147,875</u>	<u>23,198,088</u>	<u>(238,429)</u>	<u>39,087,326</u>

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of cash flows
for the three months period ended 31 March 2016
(Unaudited) -
(Expressed in Bahrain Dinars)

	<u>Notes</u>	Three months period ended 31 March 2016	Three months period ended 31 March 2015
Operating activities			
Net profit for the period		434,069	1,960,204
Adjustments for:			
Depreciation	4	219,517	221,701
Write-off of property, plant & equipment	4	216,758	-
Net share of profit from investment in joint ventures	7	(190,925)	(304,246)
Dividend income	11	(89,809)	(430,585)
Unrealised loss on financial assets at fair value through profit or loss	11	616,365	480,860
Profit from fixed deposit	12	(22,922)	(3,529)
Interest income from trading of bonds and sukuku	11	(18,029)	(71,210)
Realised losses/(gains) on sale of financial assets at fair value through profit or loss		829,076	(78,945)
Gain on sale of property, plant and equipment		(87,119)	-
Finance costs		21,467	16,085
Changes in operating assets and liabilities:			
Inventories		(43,860)	24,723
Trade and other receivables		694,005	37,399
Employees terminal benefits		13,076	
Trade and other payables		(1,765,898)	(742,048)
Net cash generated by operating activities		<u>825,771</u>	<u>1,110,409</u>
Investing activities			
Purchase of property, plant and equipment	4	(397,930)	(308,348)
Additions to capital work-in progress	5	(819,327)	-
Proceeds from sale of property, plant and equipment		87,124	-
Proceeds from sale of investment property		-	(4,116,431)
Capital contribution to investment in joint venture	7	-	(157,731)
Purchase of financial assets at fair value through profit or loss	8	(42,744)	(278,728)
Proceeds from sale of financial assets at fair value through profit or loss		5,474,356	4,405,839
Net movement in short term fixed deposits		(2,400,000)	1,769,855
Profit from fixed deposit received	12	22,922	3,529
Interest income from trading of bonds received	11	18,029	71,210
Reduction in share capital of Saar cinema	7	-	31,000
Dividend received from joint ventures	7	356,037	
Dividend income received	11	89,809	430,585
Net cash provided by investing activities		<u>2,388,276</u>	<u>1,850,780</u>
Financing activities			
Dividends paid		(339,605)	-
Finance costs paid		(21,467)	(16,085)
Net cash used in financing activities		<u>(361,072)</u>	<u>(16,085)</u>
Net increase in cash and cash equivalents		2,852,975	2,945,104
Cash and cash equivalents, beginning of the period		<u>1,122,564</u>	<u>1,060,574</u>
Cash and cash equivalents, end of the period		<u>3,975,539</u>	<u>4,005,678</u>

Bahrain Cinema Company B.S.C.
 Selected explanatory notes to the condensed consolidated interim financial information
 for the three months period ended 31 March 2016
 (Unaudited) -
 (Expressed in Bahrain Dinars)

1 Organisation and activities

Bahrain Cinema Company B.S.C. (“the Company”) and its subsidiary comprise “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, 1192-24 and 1192-25.

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 2016</u>	<u>Effective ownership interest 2015</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 period of the above subsidiary have been extracted from the unaudited financial statements prepared as at, and for the period ended, 31 March 2016.

Joint ventures

<u>Name of joint ventures</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Effective Ownership Interest 2016</u>	<u>Effective Ownership Interest 2015</u>
Saar Cinema Complex	Kingdom of Bahrain	Screening of films	31%	31%
Qatar International W.L.L.	Bahrain State of Qatar Cinema	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.

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 2015. The interim condensed consolidated financial information should be read in conjunction with the 2015 annual audited consolidated financial statements.

Improvements/amendments to IFRS 2012/2014 cycle

Improvements/amendments to IFRS issued in 2012/2014 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 Group's annual audited consolidated financial statements beginning on or after 1 January 2016 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 2016

The following new standards, amendments to existing standards and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2016 and have been adopted in the preparation of the consolidated financial statements:

<u>Standard or Interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IAS 1	Presentation of financial statements	1 January 2016
IAS 16	Property, plant and equipment	1 January 2016
IAS 34	Interim financial reporting	1 January 2016

Standards, amendments and interpretations issued and effective in 2016 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 2016 or subsequent periods, but are not relevant to the Group's operations:

<u>Standard or Interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IAS 19	Employee benefits	1 January 2016
IAS 27	Separate financial statements	1 January 2016
IAS 28	Investment in Associates	1 January 2016
IAS 38	Intangible assets	1 January 2016
IAS 41	Agriculture	1 January 2016
IFRS 5	Non-current assets held for sale	1 January 2016
IFRS 7	Financial instruments - disclosures	1 January 2016
IFRS 10	Consolidated financial statements	1 January 2016
IFRS 11	Joint arrangements	1 January 2016
IFRS 12	Disclosure of interests in other entities	1 January 2016
IFRS 14	Regulatory deferral accounts	1 January 2016

Bahrain Cinema Company B.S.C.
 Selected explanatory notes to the condensed consolidated interim financial information
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 (Unaudited)
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3 Basis of preparation (continued)

Standards, amendments and interpretations issued but not yet effective in 2016

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial period ended 31 March 2016. They have not been adopted in preparing the financial statements for the period ended 31 March 2016 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.

Standard or Interpretation	Title	Effective for annual periods beginning on or after
IFRS 15	Revenue from contracts with customers	1 January 2018
IFRS 16	Leases	1 January 2019

There would have been no change in the operational results of the Group for the period ended 31 March 2016 had the Group early adopted any of the above standards applicable to the Group.

Early adoption of amendments or standards in 2016

The Group did not early-adopt any new or amended standards in 2016.

4 Property, plant and equipment

	Freehold land and buildings	Building on leasehold land/leasehold improvements	Fixtures, furniture and office equipment	Motor vehicles	Total
Cost or valuation					
At 31 December 2014	5,210,784	2,539,192	11,672,075	151,944	19,573,995
Additions	-	59,197	258,018	37,367	354,582
Transfers from capital work-in-progress	-	-	1,283,728	-	1,283,728
At 31 December 2015	5,210,784	2,598,389	13,213,821	189,311	21,212,305
Additions	-	-	389,630	8,300	397,930
Disposals	-	-	-	(24,192)	(24,192)
Written-off during the period*	(539,906)	-	(1,392,309)	-	(1,932,215)
At 31 March 2016 (unaudited)	<u>4,670,878</u>	<u>2,598,389</u>	<u>12,211,142</u>	<u>173,419</u>	<u>19,653,828</u>
Accumulated depreciation					
At 31 December 2014	475,198	1,279,192	6,762,167	75,666	8,592,223
Charge for the year	8,234	121,518	718,576	25,781	874,109
At 31 December 2015	483,432	1,400,710	7,480,743	101,447	9,466,332
Charge for the period	-	30,831	180,927	7,759	219,517
On disposals	-	-	-	(24,187)	(24,187)
On write-offs	(483,432)	-	(1,232,025)	-	(1,715,457)
At 31 March 2016 (unaudited)	<u>-</u>	<u>1,431,541</u>	<u>6,429,645</u>	<u>85,019</u>	<u>7,946,205</u>
Net book value					
At 31 March 2016 (unaudited)	<u>4,670,878</u>	<u>1,166,848</u>	<u>5,781,497</u>	<u>88,400</u>	<u>11,707,623</u>
At 31 December 2015	<u>4,727,352</u>	<u>1,197,679</u>	<u>5,733,078</u>	<u>87,864</u>	<u>11,745,973</u>

*The Group has commenced residential/commercial project on the Awal property and accordingly as per the approval of board of directors dated 6 January 2016, the assets having net book value of BD216,758 relating to Awal Cinema and the Takatak restaurant previously located on Awal property have been written-off.

Bahrain Cinema Company B.S.C.
 Selected explanatory notes to the condensed consolidated interim financial information
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 (Unaudited) -
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5 Capital work-in-progress

	31 March 2016 (Unaudited)	31 December 2015 (Audited)
Opening balance	1,199,950	636,930
Additions during the period/year	819,327	1,846,748
Transfer to property, plant and equipment (Note 4)	<u>-</u>	<u>(1,283,728)</u>
Closing balance	<u>2,019,277</u>	<u>1,199,950</u>

Capital work-in-progress includes cost incurred for the construction of theatres and restaurant in Wadi Al Sail mall and residential/commercial project on the Awal property.

6 Investment properties

	31 March 2016 (Unaudited)	31 December 2015 (Audited)
Opening balance	7,687,510	2,896,973
Additions	-	4,116,431
Unrealised fair value gains for the year	<u>-</u>	<u>674,106</u>
Closing balance	<u>7,687,510</u>	<u>7,687,510</u>

7 Investment in joint ventures

	31 March 2016 (Unaudited)	31 December 2015 (Audited)
Cost		
Opening balance	561,470	442,739
Additions of investment in Al Murjan Restaurants Management	-	157,731
Reduction in holding of Saar Cinema Complex	-	(31,000)
Disposal of investment in Logistics Company B.S.C.(c)	<u>-</u>	<u>(8,000)</u>
Closing balance	<u>561,470</u>	<u>561,470</u>
Retained earnings		
Opening balance	3,287,276	2,503,883
Share of profit for the year from		
Qatar Bahrain International Cinema W.L.L.	173,989	740,147
Share of profit from Saar Cinema Complex	16,936	80,446
Dividend from Saar Cinema Complex	(31,000)	(37,200)
Dividend from Qatar Bahrain International Cinema W.L.L.	<u>(325,037)</u>	<u>-</u>
Closing balance	<u>3,122,164</u>	<u>3,287,276</u>
Net book value		
Closing balance	<u>3,683,634</u>	<u>3,848,746</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 31 March 2016.

Bahrain Cinema Company B.S.C.
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8 Financial assets at fair value through profit or loss

	31 March 2016 <u>(Unaudited)</u>	31 December 2015 <u>(Audited)</u>
Quoted equity investments	6,173,470	12,843,914
Unquoted equity investments	1,740,302	1,912,984
Bonds and Sukuks	<u>356,105</u>	<u>390,032</u>
	<u>8,269,877</u>	<u>15,146,930</u>
Movement during the period/year		
Opening balance	15,146,930	22,333,689
Additions	42,744	378,887
Disposals	(6,303,432)	(5,736,552)
Unrealised fair value losses on financial assets at fair value through profit or loss	<u>(616,365)</u>	<u>(1,829,094)</u>
Closing balance	<u>8,269,877</u>	<u>15,146,930</u>
	31 March 2016 <u>(Unaudited)</u>	31 December 2015 <u>(Audited)</u>
Non-current assets	7,913,772	14,756,898
Current assets	<u>356,105</u>	<u>390,032</u>
	<u>8,269,877</u>	<u>15,146,930</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.

9 Trade and other receivables

	31 March 2016 <u>(Unaudited)</u>	31 December 2015 <u>(Audited)</u>
Trade receivables	899,359	1,267,953
Provision for doubtful trade receivables	<u>(11,531)</u>	<u>(11,531)</u>
	887,828	1,256,422
Interest free loans to employees for purchase of company shares	361,506	478,997
Deposits / rental advance	573,749	742,907
Advances to suppliers	608,100	759,167
Amounts due from related parties	31,097	5,464
Prepayments	132,828	36,295
Other receivables	<u>81,942</u>	<u>91,803</u>
	<u>2,677,050</u>	<u>3,371,055</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.

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

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 Selected explanatory notes to the condensed consolidated interim financial information
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10 Share capital

	31 March 2016 (Unaudited)	31 December 2015 (Audited)
Authorised		
100,000,000 ordinary shares of 100 fils each (2015: 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 (2015: 66,098,760 ordinary shares of 100 fils each)	<u>6,609,876</u>	<u>6,609,876</u>
Treasury shares		
2,384,279 ordinary shares of 100 fils each (2015: 238,429 ordinary shares of 100 fils each)	<u>238,429</u>	<u>238,429</u>

In accordance with resolutions passed at the Annual General Meeting held on 25 March 2016, cash dividends of 50fils per share for the year 2016 (2015: 50fils per share), amounting to a total cash dividend of BD3,185,725 (2015: BD3,294,481) was approved by the shareholders.

Treasury shares

During 2015, 2,175,139 treasury shares were acquired having nominal value of BD217,515 at rates ranging from BD1.35 to BD1.62 for BD3,453,552 according to Article 8 of Articles of Association of the Company which allows a purchase up to 10% of the Company's issued and fully paid-up share capital. The nominal value of these shares was disclosed as deduction from reserves. Whereas, the difference, between the nominal value of the acquired shares, and the purchase price, amounting to BD3,236,037 was adjusted against share premium. The Company holds 2,384,279 (3.61% of the total issued and paid-up share capital) as treasury shares as at 31 March 2016 (2015: 3.61% of the total issued and paid-up share capital).

11 (Loss)/income from investments

	Three months period ended 31 March 2016 (Unaudited)	Three months period ended 31 March 2015 (Unaudited)
Dividend income	89,809	430,585
Unrealised losses on financial assets at fair value through profit or loss	(616,365)	(480,860)
Realised (losses)/gains on sale of financial assets at fair value through profit or loss	(829,076)	78,945
Interest income from trading of sukuks and bonds	<u>18,029</u>	<u>71,210</u>
	<u>(1,337,603)</u>	<u>99,880</u>

Bahrain Cinema Company B.S.C.
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12 Other operating income

	Three months period ended 31 March 2016 (Unaudited)	Three months period ended 31 March 2015 (Unaudited)
Income from rental properties	31,500	36,741
Profit from fixed deposits	22,922	3,529
Profit on sale of property, plant and equipment	87,119	-
Management fee	7,080	7,080
Awal car parking collection	292	5,724
Foreign exchange gain	2,260	2,272
Virtual print fees	29,562	27,980
Miscellaneous income	<u>19,138</u>	<u>16,685</u>
	<u>199,873</u>	<u>100,011</u>

13 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.

	Three months period ended 31 March 2016	Three months period ended 31 March 2015
Net profit attributable to the shareholders	<u>BD434,069</u>	<u>BD1,960,204</u>
Weighted average number of ordinary shares issued	<u>63,714,481</u>	<u>66,098,760</u>
Basic earnings per share	<u>7fils</u>	<u>30fils</u>

The Group does not have any potentially dilutive ordinary shares hence the diluted earnings and basic earnings per share are identical.

14 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 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.

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14 Transactions with related parties (continued)

A summary of related party balances as at 31 March/December is as follows:

	Related party relationship	Amount due from		Amount due to	
		31 March 2016	31 December 2015	31 March 2016	31 December 2015
Saar Cinema Complex	Joint venture	14,308	-	-	6,629
Qatar Bahrain International Cinema W.L.L.	Joint venture	14,682	3,732	-	-
Various entities*	Common directorship	<u>2,107</u>	<u>1,732</u>	<u>-</u>	<u>8,567</u>
		<u>31,097</u>	<u>5,464</u>	<u>-</u>	<u>15,196</u>

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

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

	Three months period ended 31 March 2016	Three months period ended 31 March 2015
<u>Saar Cinema Complex</u>		
Direct expenses	7,286	10,481
Staff and related costs	14,389	13,829
Management fees	1,500	1,500
Other expenses	12,740	7,875
<u>Qatar Bahrain International Cinema Co. W.L.L.</u>		
Staff and related costs	6,755	15,003
Other expenses	8,913	9,941
Management Fees	5,580	5,580
Concession counter purchases	31,989	25,404
<u>Entities under common directorship</u>		
Rent expense for corporate office	24,852	24,170

15 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

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15 Segmental reporting (continued)

For the period ended 31 March 2016

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenues				
Total external sales	3,197,627	1,833,259	381,334	5,412,220
Less: total variable cost	<u>(1,657,160)</u>	<u>(410,306)</u>	<u>-</u>	<u>(2,067,466)</u>
Segment results	<u>1,540,467</u>	<u>1,422,953</u>	<u>381,334</u>	<u>3,344,754</u>
Less: fixed cost				<u>(1,189,720)</u>
Operating gross profit				2,155,034
Other operating income				199,873
General and administrative expenses				(535,935)
Write-off of property, plant & equipment				<u>(216,758)</u>
Profit from operations				1,602,214
Share of profit on joint venture operations				190,925
Investment loss				(1,337,603)
Finance cost				<u>(21,467)</u>
Net profit				<u>434,069</u>

For the period ended 31 March 2015

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenues				
Total external sales	3,136,611	1,856,825	372,978	5,366,414
Less: total variable cost	<u>(1,651,720)</u>	<u>(405,993)</u>	<u>-</u>	<u>(2,057,713)</u>
Segment results	<u>1,484,891</u>	<u>1,450,832</u>	<u>372,978</u>	<u>3,308,701</u>
Less: fixed cost				<u>(1,179,755)</u>
Operating gross profit				2,128,946
Other operating income				100,011
General and administrative expenses				<u>(656,794)</u>
Profit from operations				1,572,163
Share of profit on joint venture operations				304,246
Investment income				99,880
Finance cost				<u>(16,085)</u>
Net profit				<u>1,960,204</u>

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16 Capital Commitments

The Company enters into commitments during the ordinary course of business for major capital expenditures, primarily in connection with Awal development project at the consolidated statement of financial position date but not recognised in these condensed consolidated financial statements amounted to BD7,163,614 (31 December 2015: BD7,802,253).

17 Interim results

The interim net profit for the three months period ended 31 March 2016 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.