



First Dubai Real Estate Development Company K.S.C.P and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (UNAUDITED)

31 MARCH 2017



**FIRST
DUBAI**

THE POWER OF DEVELOPMENT

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF FIRST DUBAI REAL ESTATE DEVELOPMENT COMPANY K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of First Dubai Real Estate Development Company K.S.C.P. (the "Parent Company") and its subsidiaries (collectively the "Group") as at 31 March 2017, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and 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 IAS 34 "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

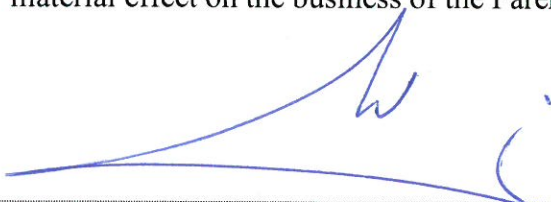
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016 and its executive regulation, or of the Memorandum of Incorporation and Articles of Association of the Parent Company during the three months period ended 31 March 2017 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

2 May 2017
Kuwait

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2017 (Unaudited)

	Notes	31 March 2017 KD	(Audited) 31 December 2016 KD	31 March 2016 KD
ASSETS				
Non-current assets				
Investment in an associate		11,210,973	11,042,551	-
Investment properties		49,306,586	49,434,304	33,731,604
Financial assets available-for-sale		10,344,720	10,100,835	10,291,290
Advances to purchase properties		8,785,205	7,499,816	4,741,273
		79,647,484	78,077,506	48,764,167
Current assets				
Properties held for trading		5,849,717	6,015,600	9,473,062
Accounts receivable and other debit balances		437,479	473,424	425,352
Due from a related party	3	7,042,048	8,603,943	36,164,283
Cash and bank balances	4	1,704,347	1,165,039	529,120
		15,033,591	16,258,006	46,591,817
TOTAL ASSETS		94,681,075	94,335,512	95,355,984
EQUITY AND LIABILITIES				
Equity				
Share capital		100,000,000	100,000,000	100,000,000
Share premium		2,760	2,760	2,760
Statutory reserve		1,206,469	1,206,469	1,206,469
Voluntary reserve		1,206,469	1,206,469	1,206,469
Fair value reserve		983,351	739,466	700,848
Employees' share option reserve		66,140	66,140	66,140
Other reserve		(320,567)	(320,567)	(320,567)
Treasury share reserve		1,319	1,319	1,319
Treasury shares	5	(664,834)	(664,834)	(664,834)
Group's share in associate's reserve		24,666	24,666	-
Foreign currency translation reserve		4,501,066	4,528,356	3,450,230
Accumulated losses		(39,232,746)	(39,732,507)	(40,943,513)
Equity attributable to equity holders of the Parent Company		67,774,093	67,057,737	64,705,321
Non-controlling interests		4,063,506	4,064,799	3,847,893
Total equity		71,837,599	71,122,536	68,553,214
Liabilities				
Non-current liabilities				
Employees' end of service benefits		95,806	-	-
Tawarruq payable		-	-	1,039,408
Ijara payable		17,219,673	17,585,738	18,496,584
		17,315,479	17,585,738	19,535,992
Current liabilities				
Tawarruq payable		1,039,204	1,039,204	875,000
Ijara payable		1,193,325	1,168,208	740,685
Accounts payable and other credit balances		2,620,630	2,582,443	2,058,801
Advances from customers		674,838	837,383	3,592,292
		5,527,997	5,627,238	7,266,778
Total liabilities		22,843,476	23,212,976	26,802,770
TOTAL EQUITY AND LIABILITIES		94,681,075	94,335,512	95,355,984



Salwa Nabeel Melhes
Vice Chairman

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the period ended 31 March 2017 (Unaudited)

	Notes	Three months ended	
		31 March	
		2017	2016
		KD	KD
REVENUE			
Revenue from sale of properties held for trading		178,852	5,288,866
Rental income		851,019	580,902
Net management fees and commission income		51,976	-
		<u>1,081,847</u>	<u>5,869,768</u>
COST OF REVENUE			
Cost of sale of properties held for trading		(150,790)	(5,065,782)
Cost of rental		(167,971)	(80,148)
		<u>(318,761)</u>	<u>(5,145,930)</u>
GROSS PROFIT		763,086	723,838
General and administrative expenses		(151,359)	(136,358)
Share of results of an associate		168,422	-
Other income (expenses)		6,553	(3,821)
Finance costs		(240,709)	(218,127)
		<u>545,993</u>	<u>365,532</u>
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION FOR BOARD OF DIRECTORS' REMUNERATION, NATIONAL LABOR SUPPORT TAX ("NLST") AND ZAKAT		545,993	365,532
Board of Director's remuneration	3	(30,000)	(30,000)
NLST		(13,984)	(8,284)
Zakat		(3,545)	(3,314)
		<u>498,464</u>	<u>323,934</u>
PROFIT FOR THE PERIOD		498,464	323,934
Attributable to:			
Equity holders of the Parent Company		499,761	325,577
Non-controlling interests		(1,297)	(1,643)
		<u>498,464</u>	<u>323,934</u>
PROFIT FOR THE PERIOD		498,464	323,934
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	6	0.50 fils	0.33 fils

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 For the period ended 31 March 2017 (Unaudited)

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2017</i>	<i>2016</i>
	<i>KD</i>	<i>KD</i>
Profit for the period	498,464	323,934
Other comprehensive income (loss):		
<i>Item that are (or) may be reclassified subsequently to interim condensed consolidated statement of income in subsequent periods:</i>		
Net changes in fair value of financial assets available-for-sale	243,885	97,620
Foreign currency translation adjustments	(27,286)	(338,167)
Net other comprehensive income (loss) to be reclassified to interim condensed consolidated statement of income in subsequent period	216,599	(240,547)
Total comprehensive income for the period	715,063	83,387
Attributable to:		
Equity holders of the Parent Company	716,356	79,212
Non-controlling interests	(1,293)	4,175
Total comprehensive income for the period	715,063	83,387

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 31 March 2017 (Unaudited)

	<i>Equity attributable to equity holders of the Parent Company</i>														
	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Fair value reserve KD	Employees' share option reserve KD	Other reserve KD	Treasury share reserve KD	Treasury shares KD	Group's share in associate reserves KD	Foreign currency translation reserves KD	Accumulated losses KD	Sub-total KD	Non-controlling interests KD	Total KD
At 1 January 2017	100,000,000	2,760	1,206,469	1,206,469	739,466	66,140	(320,567)	1,319	(664,834)	24,666	4,528,356	(39,732,507)	67,057,737	4,064,799	71,122,536
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	499,761	499,761	(1,297)	498,464
Other comprehensive income (loss) for the period	-	-	-	-	243,885	-	-	-	-	-	(27,290)	-	216,595	4	216,599
Total comprehensive income (loss) for the period	-	-	-	-	243,885	-	-	-	-	-	(27,290)	499,761	716,356	(1,293)	715,063
At 31 March 2017	100,000,000	2,760	1,206,469	1,206,469	983,351	66,140	(320,567)	1,319	(664,834)	24,666	4,501,066	(39,232,746)	67,774,093	4,063,506	71,837,599
At 1 January 2016	100,000,000	2,760	1,206,469	1,206,469	603,242	66,140	(320,567)	1,319	(664,834)	-	3,794,201	(41,269,090)	64,626,109	3,843,718	68,469,827
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	325,577	325,577	(1,643)	323,934
Other comprehensive income (loss) for the period	-	-	-	-	97,606	-	-	-	-	-	(343,971)	-	(246,365)	5,818	(240,547)
Total comprehensive income (loss) for the period	-	-	-	-	97,606	-	-	-	-	-	(343,971)	325,577	79,212	4,175	83,387
At 31 March 2016	100,000,000	2,760	1,206,469	1,206,469	700,848	66,140	(320,567)	1,319	(664,834)	-	3,450,230	(40,943,513)	64,705,321	3,847,893	68,553,214

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended 31 March 2017 (Unaudited)

	Note	Three months ended 31 March	
		2017 KD	2016 KD
OPERATING ACTIVITIES			
Profit for the period before contribution for board of directors' remuneration, National Labor Support Tax ("NLST") and Zakat		545,993	365,532
Adjustments to reconcile profit for the period before contribution for board of directors' remuneration, Zakat and NLST to net cash flows:			
Share of results of an associate		(168,422)	-
Finance costs		240,709	218,127
Provision for employees' end of service benefits		95,806	-
		<u>714,086</u>	<u>583,659</u>
Working capital adjustments:			
Properties held for trading		149,872	4,998,963
Accounts receivable and other debit balances		35,945	46,564
Accounts payable and other credit balances		(50,630)	23,763
Net movement in related parties		1,561,895	(1,456,620)
Advances from customers		(162,545)	(3,711,597)
		<u>2,248,623</u>	<u>484,732</u>
INVESTING ACTIVITIES			
Decrease in restricted cash balances		-	619,447
Advance paid to purchase properties		(1,285,389)	(517,316)
		<u>(1,285,389)</u>	<u>102,131</u>
Net cash flows (used in) from investing activities			
FINANCING ACTIVITIES			
Net movement in ijara payable		(340,948)	(357,386)
Finance costs paid		(199,421)	(218,127)
		<u>(540,369)</u>	<u>(575,513)</u>
Net cash flows used in financing activities			
NET INCREASE IN CASH AND BANK BALANCES		422,865	11,350
Foreign currency translation adjustments		116,443	(69,300)
Cash and bank balances at the beginning of the period	4	913,927	339,930
CASH AND BANK BALANCES AT THE END OF THE PERIOD	4	1,453,235	281,980

The attached notes 1 to 9 form part of this interim condensed consolidated financial information.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

As at 31 March 2017 (Unaudited)

1 INCORPORATION AND ACTIVITIES

First Dubai Real Estate Development Company K.S.C.P. (the "Parent Company") was incorporated on 30 April 2003 and is listed on the Kuwait Stock Exchange ("KSE"). The Parent Company is engaged in investment in local and foreign companies, real estate properties and consultancy services. This interim condensed consolidated financial information presents the results of the Parent Company and its subsidiaries (collectively referred to as the "Group"). The registered Head Office of the Parent Company is at Al Mazaya Tower 1, Kuwait City, Merqab, Block 3, Section 2.

The interim condensed consolidated financial information of the Group for the period ended 31 March 2017 was authorised for issue in accordance with a resolution of the Board of Directors on 2 May 2017. The Parent Company is a subsidiary of Al-Mazaya Holding Company. K.S.C.P. (the "Ultimate Parent Company"), a company listed on KSE and Dubai Financial Market.

The Annual General Assembly for the year ended 31 December 2016 held on 24 March 2017 had approved the consolidated financial statements for the year ended 31 December 2016. The General Assembly had approved not to distribute any dividends for the year ended 31 December 2016 (2015: Nil).

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in compliance with International Accounting Standard ("IAS") 34: Interim Financial Reporting.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual audited consolidated financial statements, and should be read in conjunction with the Group's annual audited consolidated financial statements for the year ended 31 December 2016. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the interim period ended 31 March 2017 are not necessarily indicative of the results that may be expected for the year ending 31 December 2017. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2016.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD"). The functional currency of the Parent Company is United Arab Emirates Dirham ("AED").

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 consolidated financial statements for the year ended 31 December 2016, except for the adoption of the amendments and annual improvements to IFRSs, relevant to the Group which are effective for annual reporting period starting from 1 January 2017 and did not result in any material impact on the accounting policies, financial position or performance of the Group.

3 RELATED PARTY BALANCES AND TRANSACTIONS

These represent transactions with related parties, i.e. Ultimate Parent Company, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions and balances with related parties included in the interim condensed consolidated financial information are as follows:

	<i>Ultimate Parent Company KD</i>	<i>Total 31 March 2017 KD</i>	<i>Total 31 March 2016 KD</i>
<i>Interim condensed consolidated statement of income:</i>			
General and administrative expenses	(12,552)	(12,552)	(92,344)
Cost of rental	(34,863)	(34,863)	-
Finance costs	-	-	(14,529)
Net management fees and commission income	45,596	45,596	-
Rental income	9,768	9,768	9,650

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
 NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
 As at 31 March 2017 (Unaudited)

3 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

	<i>Ultimate Parent Company KD</i>	<i>31 March 2017 KD</i>	<i>(Audited) 31 December 2016 KD</i>	<i>31 March 2016 KD</i>
<i>Interim condensed consolidated statement of financial position:</i>				
Amount due from a related party	7,042,048	7,042,048	8,603,943	36,164,283
Financial assets available-for-sale	2,877,842	2,877,842	2,633,957	2,585,179

i) Amount due from/to a related party are interest free and receivable on demand.

Key management compensation

Compensation for board members and other key management personnel for the period are as follows:

	<i>31 March 2017 KD</i>
Salaries and other short term benefits	24,173
Terminal benefits	2,181
	<u>26,354</u>

The directors' remuneration of KD 30,000 for the year ended 31 December 2016 was approved by the Annual General Assembly of shareholders held on 26 March 2017.

4 CASH AND BANK BALANCES

	<i>31 March 2017 KD</i>	<i>(Audited) 31 December 2016 KD</i>	<i>31 March 2016 KD</i>
Cash in hand and at banks	1,699,265	983,260	526,913
Cash in investment portfolios	5,082	181,779	2,207
	<u>1,704,347</u>	<u>1,165,039</u>	<u>529,120</u>
Restricted bank balances	(251,112)	(251,112)	(247,140)
	<u>1,453,235</u>	<u>913,927</u>	<u>281,980</u>

Restricted bank balances represent escrow/trust accounts restricted for receiving and making payments for specific construction activity, which may not be available for use within 90 days.

5 TREASURY SHARES

	<i>31 March 2017</i>	<i>(Audited) 31 December 2016</i>	<i>31 March 2016</i>
Number of shares (shares)	1,240,000	1,240,000	1,240,000
Percentage of issued shares (%)	0.13	0.13	0.13
Market value (KD)	75,640	78,120	51,460
Cost (KD)	664,834	664,834	664,834

Reserves (share premium and part of voluntary reserve) of the Parent Company equivalent to the cost of treasury shares have been earmarked as non-distributable.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
 NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
 As at 31 March 2017 (Unaudited)

6 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to equity holders of the Parent Company by the weighted average number of ordinary shares during the period less weighted average numbers of treasury shares as follows:

	<i>Three months ended</i> <i>31 March</i>	
	2017 KD	2016 KD
Profit for the period attributable to equity holders of the Parent Company	499,761	325,577
	Shares	Shares
Weighted average number of ordinary shares	1,000,000,000	1,000,000,000
Less: weighted average number of treasury shares	(1,240,000)	(1,240,000)
Weighted average number of shares outstanding	998,760,000	998,760,000
Basic and diluted earnings per share attributable to equity holders of the Parent Company	0.50 fils	0.33 fils

7 SEGMENT INFORMATION

For management purposes, the Group is divided into three geographical segments which are: State of Kuwait, United Arab Emirates (UAE) and Kingdom of Saudi Arabia (KSA), where the Group performs its main activities in the real estate segment. There is no income generating transactions between the Group's segments.

	<i>Three months period ended</i> <i>31 March 2017</i>				<i>Three months period ended</i> <i>31 March 2016</i>			
	<i>Kuwait</i> <i>KD</i>	<i>UAE</i> <i>KD</i>	<i>KSA</i> <i>KD</i>	<i>Total</i> <i>KD</i>	<i>Kuwait</i> <i>KD</i>	<i>UAE</i> <i>KD</i>	<i>KSA</i> <i>KD</i>	<i>Total</i> <i>KD</i>
Segment revenue	-	787,867	293,980	1,081,847	-	5,869,768	-	5,869,768
Segment profit (loss)	19,753	262,234	216,477	498,464	(145,340)	469,274	-	323,934
	<i>At 31 March 2017</i>				<i>At 31 March 2016</i>			
	<i>Kuwait</i> <i>KD</i>	<i>UAE</i> <i>KD</i>	<i>KSA</i> <i>KD</i>	<i>Total</i> <i>KD</i>	<i>Kuwait</i> <i>KD</i>	<i>UAE</i> <i>KD</i>	<i>KSA</i> <i>KD</i>	<i>Total</i> <i>KD</i>
Total segment assets	29,479,711	49,198,072	16,003,092	94,681,075	46,512,594	48,843,390	-	95,355,984
Total segment liabilities	879,830	21,677,699	285,947	22,843,476	2,030,245	24,772,525	-	26,802,770

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
 NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
 As at 31 March 2017 (Unaudited)

7 SEGMENT INFORMATION (continued)

	<i>(Audited)</i>			
	<i>At 31 December 2016</i>			
	<i>Kuwait KD</i>	<i>UAE KD</i>	<i>KSA KD</i>	<i>Total KD</i>
Total segment assets	29,991,730	48,147,677	16,196,105	94,335,512
Total segment liabilities	1,104,575	21,929,438	178,963	23,212,976

8 CAPITAL COMMITMENTS

The Group has agreed construction contracts with third parties and has committed to future capital expenditure in respect of properties under construction amounting to Nil (31 December 2016: KD 5,304 and 31 March 2016: KD 153,577).

The Group has commitments amounting to KD 3,899,860 (31 December 2016: KD 5,213,621 and 31 March 2016: KD 6,692,857) to purchase land from a third party.

9 FAIR VALUES OF FINANCIAL AND NON FINANCIAL INSTRUMENTS

Financial instruments

The Group uses the following levels for determining and disclosing the fair values of assets by valuation technique:

- Level 1: Quoted (unadjusted) prices in an active market for identical assets and liabilities;
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: Other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

Financial instruments comprise financial assets and financial liabilities.

The fair value of financial assets and financial liabilities not carried at fair value are not materially different from their carrying value.

Based on the above the financial instruments carried at fair value are classified as follows:

	<i>Level 1 KD</i>	<i>Level 3 KD</i>	<i>Total KD</i>
31 March 2017			
Financial assets available-for-sale	2,877,842	3,354,169	6,232,011
31 December 2016			
Financial assets available-for-sale	2,633,957	3,354,169	5,988,126
31 March 2016			
Financial assets available-for-sale	2,587,017	3,591,564	6,178,581

Certain unquoted investments with carrying value of KD 4,112,709 (31 December 2016: KD 4,112,709; 31 March 2016: KD 4,112,709) are carried at cost less impairment loss.

The following table shows a reconciliation of the opening and closing amounts of level 3 financial assets which are recorded at fair value.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
 NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
 As at 31 March 2017 (Unaudited)

9 FAIR VALUES OF FINANCIAL AND NON FINANCIAL INSTRUMENTS (continued)

	<i>At 1 January 2017 KD</i>	<i>Gain recorded in the interim condensed consolidated statement of income KD</i>	<i>Gain recorded in other comprehensive income KD</i>	<i>Net purchases, sales and settlements KD</i>	<i>At 31 March 2017 KD</i>
<i>Financial assets available- for-sale:</i>					
Equity securities	236,771	-	-	-	236,771
Managed portfolio and funds	3,117,398	-	-	-	3,117,398

	<i>At 1 January 2016 KD</i>	<i>Gain recorded in the interim condensed consolidated statement of income KD</i>	<i>Gain recorded in other comprehensive income KD</i>	<i>Net purchases, sales and settlements KD</i>	<i>At 31 March 2016 KD</i>
<i>Financial assets available- for-sale:</i>					
Equity securities	328,374	-	-	-	328,374
Managed portfolio and funds	3,263,190	-	-	-	3,263,190

Description of significant unobservable inputs to valuation of financial assets:

Managed portfolio and funds have been valued based on Net Asset Value (NAV) of the fund provided by the custodian of the fund. Information relating to valuation techniques and significant unobservable inputs to valuation to compute the sensitivity of the fair value measurement to changes in unobservable inputs is not available.

Non-financial assets

Investment properties were classified under level 2 and level 3 fair value hierarchy as follows:

	<i>Level 2 KD</i>	<i>Level 3 KD</i>	<i>Total KD</i>
<i>31 March 2017</i>			
Investment properties	439,831	48,866,755	49,306,586
<i>31 December 2016</i>			
Investment properties	440,999	48,993,305	49,434,304
<i>31 March 2016</i>			
Investment properties	1,470,671	32,260,934	33,731,605

The following table shows a reconciliation of the opening and closing amount of level 3 non-financial assets which are recorded at fair value.

First Dubai Real Estate Development Company K.S.C.P. and its Subsidiaries
 NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
 As at 31 March 2017 (Unaudited)

9 FAIR VALUES OF FINANCIAL AND NON FINANCIAL INSTRUMENTS (continued)

	<i>At 1 January 2017 KD</i>	<i>Gain recorded in the consolidated statement of income KD</i>	<i>Loss recorded in other comprehensive income KD</i>	<i>Net additions, sales and settlements KD</i>	<i>At 31 March 2017 KD</i>
Investment properties	48,993,305	-	(126,550)	-	48,866,755

	<i>At 1 January 2016 KD</i>	<i>Gain recorded in the consolidated statement of income KD</i>	<i>Loss recorded in other comprehensive income KD</i>	<i>Net additions, sales and settlements KD</i>	<i>At 31 March 2016 KD</i>
Investment properties	32,443,880	-	(182,946)	-	32,260,934