

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim financial
information

31 March 2013

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim financial information

31 March 2013

<i>Contents</i>	<i>Page</i>
Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information	1
Condensed consolidated income statement	2
Condensed consolidated statement of comprehensive income	3
Condensed consolidated statement of financial position	4
Condensed consolidated statement of cash flows	5
Condensed consolidated statement of changes in equity	6
Notes to the condensed consolidated interim financial information	7 - 17



KPMG Lower Gulf Limited
P O Box 341145
Level 12, IT Plaza Building
Dubai Silicon Oasis
Dubai
United Arab Emirates

Telephone +971 (4) 356 9500
Main Fax +971 (4) 326 3788
Audit Fax +971 (4) 326 3773
website www.ae-kpmg.com

Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information

The Shareholders
Dubai Investments PJSC

Introduction

We have reviewed the accompanying 31 March 2013 condensed consolidated interim financial information of Dubai Investments PJSC ("the Company") and its subsidiaries (collectively referred to as the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 31 March 2013;
- the condensed consolidated income statement for the three month period ended 31 March 2013;
- the condensed consolidated statement of comprehensive income for the three month period ended 31 March 2013;
- the condensed consolidated statement of changes in equity for the three month period ended 31 March 2013;
- the condensed consolidated statement of cash flows for the three month period ended 31 March 2013; and
- notes to the interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the 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 31 March 2013 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

07 MAY 2013

Vijendra Nath Malhotra
Registration No. 48B
Dubai, United Arab Emirates

Dubai Investments PJSC and its subsidiaries

Condensed consolidated income statement for the three month period ended 31 March (unaudited)

		Three month period ended 31 March	
	Note	2013 AED 000	2012 AED 000 Restated *
Sale of goods and services		273,268	302,615
Contract revenue		66,015	63,250
Sale of properties		24,797	-
Rental income		129,570	111,139
Gain on fair valuation of investment properties	11	121,055	-
Gain on fair valuation of investments		7,765	18,510
Gain on sale of investments – (net)		12,412	6,528
Share of profit from equity accounted investees'	7	1,067	55,818
Dividend income		13,465	7,847
		-----	-----
Total income		649,414	565,707
		-----	-----
Direct operating costs	8	(330,042)	(331,920)
Administrative and general expenses	9	(96,067)	(104,853)
Finance expenses		(26,080)	(38,391)
Finance income		1,122	1,693
Other income		6,494	7,745
		-----	-----
Profit for the period		204,841	99,981
		=====	=====
Profit attributable to:			
Owners of the Company		211,010	107,481
Non-controlling interests		(6,169)	(7,500)
		-----	-----
Profit for the period		204,841	99,981
		=====	=====
Earnings per share			
Basic earnings per share (AED)	17	0.06	0.03
		===	===

* See change in accounting policy notes 3 and 23.

The notes set out on pages 7 to 17 form part of these condensed consolidated interim financial information.

Dubai Investments PJSC and its subsidiaries

Condensed consolidated statement of comprehensive income for the three month period ended 31 March (unaudited)

	Three month period ended 31 March	
	2013	2012
	AED 000	AED 000
Profit for the period	204,841	99,981
Other comprehensive income:		
Total other comprehensive income for the period	-	-
	-----	-----
Total comprehensive income for the period	204,841	99,981
	=====	=====
Attributable to:		
Owners of the Company	211,010	107,481
Non-controlling interests	(6,169)	(7,500)
	-----	-----
Total comprehensive income for the period	204,841	99,981
	=====	=====

The notes set out on pages 7 to 17 form part of these condensed consolidated interim financial information.

Dubai Investments PJSC and its subsidiaries

Condensed consolidated statement of financial position (unaudited)

		31 March 2013 AED 000 (Unaudited)	31 December 2012 AED 000 (Audited) *Restated	31 March 2012 AED 000 (Unaudited) *Restated	1 January 2012 AED 000 (Unaudited) *Restated
	Note				
Assets					
Non-current assets					
Property, plant and equipment and biological assets	10	1,733,163	1,750,005	1,821,036	1,839,336
Goodwill and intangible assets		133,613	134,002	199,489	205,161
Investment properties	11	4,208,151	4,087,096	3,826,134	3,826,117
Development properties	12	42,425	21,787	57,254	37,224
Investments at fair value through other comprehensive income	13	439,805	440,245	492,086	492,086
Investment in equity accounted investees'		648,981	654,807	774,989	728,510
Long term rent receivable		28,264	66,143	81,502	94,926
Inventories	14	1,206,772	1,206,772	1,225,452	1,230,346
Trade receivables		226,095	226,252	222,790	226,146
Other receivables		143,184	156,056	46,458	45,640
Total non-current assets		8,810,453	8,743,165	8,747,190	8,725,492
Current assets					
Inventories	14	995,353	993,200	1,065,761	1,083,318
Investments at fair value through profit or loss	13	572,871	600,991	782,878	796,681
Trade receivables		1,233,705	1,149,222	1,215,976	1,246,116
Due from related parties and other receivables	15	450,738	424,071	634,432	560,075
Cash at bank and in hand	16	442,225	447,415	271,291	259,505
Total current assets		3,694,892	3,614,899	3,970,338	3,945,695
Total assets		12,505,345	12,358,064	12,717,528	12,671,187
Equity					
Share capital		3,570,395	3,570,395	3,570,395	3,570,395
Share premium		46	46	46	46
Legal reserve		544,596	544,596	492,911	492,911
Capital reserve		25,502	25,502	25,502	25,502
General reserve		872,935	872,935	828,363	828,363
Revaluation reserve		67,000	67,000	67,000	67,000
Fair value reserve		(107,307)	(107,307)	(56,785)	(56,785)
Proposed dividend	19	249,928	249,928	178,520	178,520
Proposed directors' fees	19	4,000	4,000	-	2,500
Retained earnings		3,468,233	3,257,223	3,421,432	3,311,451
Equity attributable to owners of the Company		8,695,328	8,484,318	8,527,384	8,419,903
Non-controlling interests		466,877	473,046	627,110	637,766
Total equity		9,162,205	8,957,364	9,154,494	9,057,669
Liabilities					
Non-current liabilities					
Long-term borrowings and payables	18	972,714	1,038,655	766,062	790,357
Total non-current liabilities		972,714	1,038,655	766,062	790,357
Current liabilities					
Bank borrowings	18	1,174,031	1,263,510	1,656,205	1,668,901
Trade, related parties and other payables	15	1,196,395	1,098,535	1,140,767	1,154,260
Total current liabilities		2,370,426	2,362,045	2,796,972	2,823,161
Total liabilities		3,343,140	3,400,700	3,563,034	3,613,518
Total equity and liabilities		12,505,345	12,358,064	12,717,528	12,671,187

* See change in accounting policy notes 3 and 23.

The condensed consolidated interim financial information was authorized for issue on behalf of the Board of Directors on 7th May 2013.


Khalid Jassim Kalban
MD & CEO


Mushtaq Masood
Group CFO

The notes set out on pages 7 to 17 form part of these condensed consolidated interim financial information.

Dubai Investments PJSC and its subsidiaries

Condensed consolidated statement of cash flows

for the three month period ended 31 March (unaudited)

	Three month period ended 31 March	
	2013 AED 000	2012 AED 000 *Restated
Cash flow from operating activities		
Profit for the period	204,841	99,981
<i>Adjustments for:</i>		
Depreciation	28,175	33,230
Amortization/impairment losses of intangible assets	829	5,672
Gain on disposal of property, plant & equipment	(103)	(74)
Gain on sale of investments – net	(12,412)	(6,528)
Gain on fair valuation of investment properties	(121,055)	-
Share of profit from investment in equity accounted investees'	(1,067)	(55,818)
Gain on fair valuation of investments	(7,765)	(18,510)
	-----	-----
Operating profit before changes in working capital	91,443	57,953
Changes in:		
– investments at fair value through profit or loss	48,738	38,841
– trade and other receivables	(60,244)	(28,255)
– inventories	(2,153)	22,450
– trade and other payables	97,860	(13,493)
	-----	-----
Net cash from operating activities	175,644	77,496
	-----	-----
Cash flows from investing activities		
Net movement in investment and development properties	(20,638)	(20,047)
Acquisition of property, plant and equipment	(13,471)	(16,844)
Proceeds from disposal of property, plant and equipment	2,241	1,988
Net additions to intangibles assets	(440)	-
Net movement in equity accounted investees'	6,893	9,339
	-----	-----
Net cash used in investing activities	(25,415)	(25,564)
	-----	-----
Cash flows from financing activities		
Net movement in bank borrowings and payables	(131,733)	(40,741)
Net movement in deposits under lien	7,721	(5,889)
Net movement in non-controlling interests	-	(3,156)
	-----	-----
Net cash used in financing activities	(124,012)	(49,786)
	-----	-----
Net increase in cash and cash equivalents	26,217	2,146
Cash and cash equivalents at 1 January	68,358	(332,722)
	-----	-----
Cash and cash equivalents at 31 March	94,575	(330,576)
	-----	-----
<i>Cash and cash equivalents comprise following:</i>		
Cash in hand, current and call account with banks	238,084	120,848
Short term deposits with banks (excluding those under lien)	142,953	92,083
Bank overdraft, trust receipt loans and bills discounted	(286,462)	(543,507)
	-----	-----
	94,575	(330,576)
	=====	=====

* See change in accounting policy notes 3 and 23.

The notes set out on pages 7 to 17 form part of these condensed consolidated interim financial information.

Dubai Investments PJSC and its subsidiaries

Condensed consolidated statement of changes in equity

for the three month period ended 31 March (unaudited)

	-----Equity attributable to owners of the Company-----												AED 000
	Share capital	Share premium	Legal reserve	Capital reserve	General reserve	Reval- uation reserve	Fair value reserve	Proposed dividend	Proposed directors' fees	Retained earnings	Sub total	Non- controlling interests	Total
Balance at 1 January 2012 - as originally reported	3,570,395	46	513,039	25,502	830,903	67,000	(56,785)	178,520	2,500	3,288,783	8,419,903	637,766	9,057,669
Effect of change in accounting policy – see note 23	-	-	(20,128)	-	(2,540)	-	-	-	-	22,668	-	-	-
Balance at 1 January 2012 – as restated	3,570,395	46	492,911	25,502	828,363	67,000	(56,785)	178,520	2,500	3,311,451	8,419,903	637,766	9,057,669
Total comprehensive income for the period													
Profit for the period	-	-	-	-	-	-	-	-	-	107,481	107,481	(7,500)	99,981
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	107,481	107,481	(7,500)	99,981
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners													
Reversal of proposed directors' fees (refer note 20)	-	-	-	-	-	-	-	-	(2,500)	2,500	-	-	-
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(3,156)	(3,156)
Total contributions by and distribution to owners	-	-	-	-	-	-	-	-	(2,500)	2,500	-	(3,156)	(3,156)
Total transactions with owners	-	-	-	-	-	-	-	-	(2,500)	2,500	-	(3,156)	(3,156)
Balance at 31 March 2012 – as restated	3,570,395	46	492,911	25,502	828,363	67,000	(56,785)	178,520	-	3,421,432	8,527,384	627,110	9,154,494
Balance at 1 January 2013 – as restated	3,570,395	46	544,596	25,502	872,935	67,000	(107,307)	249,928	4,000	3,257,223	8,484,318	473,046	8,957,364
Profit for the period	-	-	-	-	-	-	-	-	-	211,010	211,010	(6,169)	204,841
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	211,010	211,010	6,169	204,841
Balance at 31 March 2013	3,570,395	46	544,596	25,502	872,935	67,000	(107,307)	249,928	4,000	3,468,233	8,695,328	466,877	9,162,205

No allocation of profit has been made to the statutory reserve for the three month period ended 31 March 2013 as it would be affected at the year end.

The notes set out on pages 7 to 17 form part of these condensed consolidated interim financial information.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information

for the three month period ended 31 March 2013 (unaudited)

1. Reporting entity

Dubai Investments PJSC (“the Company”) was incorporated in the United Arab Emirates by Ministerial Resolution No. 46 of 1995, on 16th July 1995. This condensed consolidated interim financial information as at and for the three month period ended 31st March 2013 (“the current period”) comprises the financial information of the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in associates and joint arrangements.

The Group is primarily involved in development of real estate for sale and leasing, contracting activities, manufacturing and trading of products in various sectors and investing in bonds, funds and equity securities.

The registered address of the Company is P.O.Box 28171, Dubai, UAE.

2. Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with the International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*. The condensed consolidated interim financial information does not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2012.

3. Change in accounting policies

Effective 1 January 2013, following new / amended International Financial Reporting Standards (IFRS) have become effective and have been applied in preparing the condensed consolidated interim financial information:

- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of Interests in Other Entities
- IAS 28: Amendments to Investments in Associates and Joint Ventures (2011)
- IFRS 13: Fair Value Measurement

Following changes to the Group accounting policies have been made on adoption of the new and amended standards:

Subsidiaries

As a result of adoption of IFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over and consequently whether it consolidated its investee. IFRS 10 introduces a new model of control that is applicable to all investees; among other things it requires the consolidation of an investee if the Group controls the investee on the basis of de facto circumstances. The revised accounting policy is as follows:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

In accordance with the transitional provisions of IFRS 10, the Group has re-assessed the control conclusion for its investee at 1 January 2013. The re-assessment of control did not result in identification of any additional investee being controlled on a de facto control circumstances and accordingly, the change in accounting policy has no impact on the Group’s condensed consolidated interim financial information.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2013 (unaudited)

3. Change in accounting policies (continued)

Joint Arrangements

As a result of adoption of IFRS 11, the Group has changed its accounting policy with respect to interests in joint arrangements. Under IFRS 11, the Group classifies its interests in joint arrangements as either joint ventures or joint operations depending on the Group's rights to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form, the contractual terms and other facts and circumstances. The revised accounting policy is as follows:

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

- **Joint venture:** when the Group has rights only to the net assets of the arrangements, it accounts for its interests using the equity method. The consolidated financial statements include the Group's share of profit and equity movements of joint ventures accounted for on an equity basis, after adjustments to align the accounting policies with those of the Group. When the Group's share of losses exceeds the carrying amount of the investment in the joint venture, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the joint venture.
- **Joint operation:** when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

As at 1 January 2013, the Group has re-evaluated its interests in joint arrangements and has concluded that all its interests in joint arrangements are joint ventures and accordingly is required to be accounted for using the equity method. Up to 31st December 2012, the Group accounted for its investments in joint ventures using proportionate consolidation method.

In accordance with the transitional provisions of IFRS 11, the change in accounting policy has been applied retrospectively. The impact of change in accounting policy has been summarized in note 23 of the condensed consolidated interim financial information; however, it does not have any impact on the earnings per share.

Consequent to the retrospective application of change in accounting policy for investments in joint ventures, the Group has also presented the restated statement of financial position as at 1 January 2012.

Fair value measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. In accordance with the transitional provisions, IFRS 13 has been applied prospectively from the effective date of 1st January 2013. The application of IFRS 13 has no significant impact on the fair value measurements carried out by the Group.

IFRS 13 also requires specific disclosures on fair values, some of which replace the existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Also refer note 6.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (unaudited)

4. Significant accounting policies

The accounting policies applied in the preparation of the condensed consolidated interim financial information are consistent with those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012, except for the change in accounting policies as explained in note 3 above.

Certain comparative amounts have been reclassified to conform to the current year's presentation.

Financial assets and liabilities

The accounting policies, classifications and measurement principles for financial assets and liabilities applied by the Group in these condensed consolidated interim financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012. These are disclosed in detail under notes 2 and 3 in the Group's consolidated financial statements as at and for the year ended 31 December 2012.

5. Use of estimates and judgments

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In the current environment obtaining reliable fair value has been one of the greatest challenges. The nature and reliability of information available to management to support the making of a fair value accounting estimate vary widely, and thereby affect the degree of estimation uncertainty associated with that fair value.

The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in preparation of the consolidated financial statements of the Group as at and for the year ended 31 December 2012.

6. Financial instruments

Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2012.

Valuation of financial instruments

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: inputs that are quoted market price (unadjusted) in an active market for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted market prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (*unaudited*)

6 Financial instruments (*continued*)

Valuation of financial instruments (*continued*)

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

31 March 2013	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets at fair value through profit or loss	283,084	102,492	187,295	572,871
Financial assets at fair value through other comprehensive income	-	-	439,805	439,805
	----- 283,084 =====	----- 102,492 =====	----- 627,100 =====	----- 1,012,676 =====

Reconciliation of Level 3 fair values measurements of financial assets

	2013 AED'000
Opening balance at 1 January 2013	627,575
Redeemed during the period	(475)
Closing balance at 31 March 2013	----- 627,100 =====

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements during the three month period ended 31 March 2013.

Valuation techniques

The fair values of Level 3 financial instruments have been determined on the same basis and assumptions as for the year ended 31st December 2012.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (unaudited)

7. Share of profit from equity accounted investees'

During the three month period ended 31st March 2012 ("the previous period"), a joint venture entity of the Group signed a Memorandum of Understanding (MOU) with a customer. Under the MOU, the customer agreed to honor the commitment for the services requested but not fully utilized in the earlier years. This resulted in recognition of additional revenue and profit by the joint venture amounting to AED 108 million in the previous period.

8. Direct operating costs

	Three month period ended 31 March	
	2013 AED 000	2012 AED 000 Restated
<i>These include:</i>		
Staff costs	36,635	40,936
Depreciation	20,868	23,642
	=====	=====

9. Administrative and general expenses

	Three month period ended 31 March	
	2013 AED 000	2012 AED 000 Restated
<i>These include:</i>		
Staff costs	44,731	45,540
Depreciation	7,307	9,588
	=====	=====

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (unaudited)

10. Property, plant and equipment and biological assets

During the three month period ended 31 March 2013, the Group's additions to assets amounted to AED 13.5 million (*three month period ended 31 March 2012 (as restated): AED 16.8 million*).

11. Investment properties

These mainly include infrastructure facilities which are leased to third parties. These are built on the land (number 598-0100 and 596-0100 located in Jebel Ali Industrial Area) obtained from the Government of Dubai on a renewable, non-cancellable long-term lease of 99 years. The Group was exempted to pay the lease rentals for the first ten years and thereafter, starting 1 February 2009, 20% of the net realized profits from the project are payable.

The leased land from the Government of Dubai is developed in phases. As at 31 December 2012, the Group had obtained valuation of the entire development by an independent registered valuer who carried out the valuation in accordance with the Valuation Standards of the Royal Institute of Chartered Surveyors which also takes into consideration the cash outflows resulting from the estimated 20% share of the net realized profits due to the Government of Dubai starting February 2009.

During the current period, management reviewed fair valuation of investment properties and a fair valuation gain of AED 121 million was recognized on certain properties where the expected cash flows changed significantly.

12. Development properties

Development properties as at 31 March 2013 mainly comprise costs incurred by a subsidiary for the development and refurbishment of infrastructure in Dubai Investment Park.

13. Investments

	31 March 2013 AED 000 (Unaudited)	31 December 2012 AED 000 (Audited)	31 March 2012 AED 000 (Unaudited) Restated
Investments at fair value through profit or loss:			
- held for trading quoted equity securities	283,476	326,069	331,389
- unquoted equity securities, funds and bonds	289,395	274,922	451,489
	-----	-----	-----
(i)	572,871	600,991	782,878
	=====	=====	=====
Investments at fair value through other comprehensive income:			
- unquoted equity securities	439,805	440,245	492,086
	-----	-----	-----
(ii)	439,805	440,245	492,086
	=====	=====	=====
<i>Geographical distribution of investments</i>			
UAE	371,508	400,193	511,430
Other GCC countries	278,646	279,138	324,838
Other countries	362,482	361,905	438,696
	-----	-----	-----
(i)+(ii)	1,012,676	1,041,236	1,274,964
	=====	=====	=====

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (*unaudited*)

14. Inventories

Inventories at 31 March 2013 include properties under development for sale in the ordinary course of business amounting to AED 1,207 million (31 December 2012: AED 1,207 million) and represent costs of land and expenditure incurred towards the development of properties for subsequent sale. The Group intends to develop these properties for sale and has classified certain properties as long term based on completion/future development plans.

The management has reviewed the value of inventories and properties under development for sale to assess the write down required, if any, to bring them to the net realizable value. The net realizable value estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore, cannot be determined with precision. Where discounted cash flows have been used to estimate net realizable values, the cash flows have been estimated by the management based on the latest information available (also refer note 5).

15. Related party transactions

Significant related party transactions during the period were as follows:

	Three month period ended 31 March	
	2013	2012
	AED 000	AED 000
Compensation to key management personnel is as follows:		
Short term benefits	3,130	2,764
Post-employment benefits	30	26
	=====	=====

16. Cash at bank and in hand

	31 March 2013 AED 000 (Unaudited)	31 December 2012 AED 000 (Audited) Restated	31 March 2012 AED 000 (Unaudited) Restated
Cash in hand	1,637	1,692	1,332
Cash at bank within UAE (current accounts)	227,901	260,450	111,174
Cash at bank outside UAE – GCC Countries (current accounts)	8,546	3,879	8,342
Short term deposits (including deposits of AED 61.19 million (31 December 2012: 68.91 million) under lien with a bank)	204,141	181,394	150,443
	-----	-----	-----
	442,225	447,415	271,291
	=====	=====	=====

17. Basic earnings per share

	Three month period ended 31 March	
	2013	2012
Net profit attributable to owners of the Company (AED'000)	211,010	107,481
Weighted average number of shares outstanding ('000s)	3,570,395	3,570,395
	=====	=====

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (*unaudited*)

18. Bank borrowings

The terms of the bank borrowings vary from three to seven years and are secured by a combination of corporate guarantees and mortgages over certain inventories, trade receivables, property, plant and equipment, investment at fair value through profit or loss, investment properties and assignment of insurance policies over certain assets of the Group. Where there is a corporate guarantee provided by the Company, the Company's liability is generally restricted to its percentage of equity interest in the borrowing entity.

19. Proposed dividend and directors' fees

- (i) At the Annual General Meeting (AGM) held on 23rd April 2013, the shareholders approved 7% cash dividend (AED 0.07 per share) which was proposed by the Board of Directors.
- (ii) At the Annual General Meeting (AGM) held on 23rd April 2013, the shareholders approved the proposed Directors' fees amounting to AED 4 million for the year ended 31st December 2012.

20. Contingent liabilities

The Company has issued corporate guarantees to commercial banks for loans and advances granted to joint ventures amounting to AED 551 million (*31 December 2012: AED 551 million*). As the Group follows equity accounting for joint ventures, the borrowings against which these corporate guarantees have been issued are not included in the condensed consolidated interim statement of financial position.

21. Capital commitments

As at 31 March 2013, the Group has contractual capital commitments amounting to AED 101 million (*31 December 2012: AED 110 million*) mainly relating to new projects/investments.

22. Segment reporting

The Group has broadly four reportable segments as discussed below, which are the Group's strategic business units. The strategic business units operate in different sectors and are managed separately because they required different strategies. The following summary describes the operation in each of the Group's reportable segments:

<i>Manufacturing and contracting</i>	: manufacture and sale of materials used in building construction projects, executing construction contracts, production, pharmaceuticals, aluminum extruded products and laboratory furniture.
<i>FMCG</i>	: production and distribution of dairy products.
<i>Investments</i>	: strategic minority investments in startup ventures and IPO's, bonds, funds and shares held for trading purposes.
<i>Property</i>	: the development of real estate projects for rentals and sale of real estate properties.

Information regarding the operations of each separate segment is included below. Performance is measured based on segment profit as management believes that profit is the most relevant factor in evaluating the results of certain segments relative to other entities that operate within these industries. There are few transactions between the segments and any such transaction is priced on arm's length basis.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (*unaudited*)

22. Segment reporting (*continued*)

Operating segments

Information about reportable segments

	AED'000											
	Manufacturing and contracting		FMCG		Investments		Property		Elimination of inter segment transactions		Total	
	2013	2012 Restated	2013	2012 Restated	2013	2012 Restated	2013	2012 Restated	2013	2012 Restated	2013	2012 Restated
Business Segments												
Revenue	311,042	340,199	23,203	26,458	48,023	101,794	153,523	109,324	(7,432)	(12,068)	528,359	565,707
Finance income and other income	3,966	5,532	189	986	20,559	17,838	2,708	1,519	(19,806)	(16,437)	7,616	9,438
Finance expenses	(19,341)	(27,023)	(264)	(320)	(1,258)	(2,675)	(25,021)	(21,810)	19,806	13,437	(26,080)	(38,390)
Gain on fair valuation of investment properties	-	-	-	-	-	-	121,055	-	-	-	121,055	-
Reportable segment profit	(22,395)	12,790	524	130	51,847	48,650	176,926	51,411	(2,061)	(13,000)	204,841	99,981
Reportable segment assets	2,680,617	2,926,326	83,124	75,399	6,368,373	6,448,067	7,679,307	7,089,811	(4,306,076)	(3,822,075)	12,505,345	12,717,528
Reportable segment liabilities	2,192,987	2,251,714	38,239	36,467	306,570	483,732	2,646,812	2,374,321	(1,841,468)	(1,583,200)	3,343,140	3,563,034

The Group's revenue is mainly earned from transaction carried out in UAE and other GCC countries.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2013 (unaudited)

23. Impact of change in accounting policy

The following table summarizes the adjustments made to the Group's consolidated statements of comprehensive income and cash flows for the three month period ended 31st March 2012 and consolidated statement of financial position as at 1st January 2012, 31st March 2012 and 31st December 2012 upon change in accounting policy for joint ventures as mentioned in note 3.

Comprehensive income

	For the three month period ended 31 st March 2012		
	As previously reported AED 000	Adjustment AED 000	As restated AED 000
Sale of goods and services	374,141	(71,526)	302,615
Contract revenue	104,409	(41,159)	63,250
Rental income	113,471	(2,332)	111,139
Gain/(loss) on fair valuation of investments	18,510	-	18,510
Gain on sale of investments – (net)	6,528	-	6,528
Share of profit from equity accounted investees	-	55,818	55,818
Dividend income	7,847	-	7,847
Total income	624,906	(59,199)	565,707
Direct operating costs	(381,238)	49,318	(331,920)
Administrative and general expenses	(111,252)	6,399	(104,853)
Finance expenses	(47,015)	8,624	(38,391)
Finance income	1,693	-	1,693
Other income	12,887	(5,142)	7,745
Profit for the period	99,981	-	99,981

The change in accounting policy had no impact on the Earnings per share for the comparative period.

Cash flows

	For the three month period ended 31 st March 2012		
	As previously reported AED 000	Adjustment AED 000	As restated AED 000
Net cash from operating activities	132,625	(55,129)	77,496
Net cash used in investing activities	(83,288)	57,724	(25,564)
Net cash used in financing activities	(47,725)	(2,061)	(49,786)
Net increase in cash and cash equivalents	-	534	-

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*

for the three month period ended 31 March 2013 (unaudited)

23. Impact of change in accounting policy *(continued)*

AED 000

	As at 31 st December 2012			As at 31 st March 2012			As at 1 st January 2012		
	As previously reported	Adjustment	As restated	As previously reported	Adjustment	As restated	As previously reported	Adjustment	As restated
Non-current assets									
Property, plant and equipment and biological assets	2,625,305	(875,300)	1,750,005	2,786,317	(965,281)	1,821,036	2,769,017	(929,681)	1,839,336
Goodwill and intangible assets	147,445	(13,443)	134,002	211,764	(12,275)	199,489	217,436	(12,275)	205,161
Investment properties	4,253,207	(166,111)	4,087,096	3,977,154	(151,020)	3,826,134	3,977,154	(151,037)	3,826,117
Development properties	51,294	(29,507)	21,787	102,734	(45,480)	57,254	80,670	(43,446)	37,224
Investment in equity accounted investees'	2,576	652,231	654,807	2,576	772,413	774,989	2,576	725,934	728,510
Long term finance lease receivable	13,841	(13,841)	-	13,644	(13,644)	-	15,834	(15,834)	-
Inventories	1,269,777	(63,005)	1,206,772	1,284,932	(59,480)	1,225,452	1,287,894	(57,548)	1,230,346
Current assets									
Inventories	993,217	(17)	993,200	1,069,063	(3,302)	1,065,761	1,088,161	(4,843)	1,083,318
Investments at fair value through profit or loss	600,991	-	600,991	782,883	(5)	782,878	796,686	(5)	796,681
Trade receivables	1,195,917	(46,695)	1,149,222	1,348,406	(132,430)	1,215,976	1,342,208	(96,092)	1,246,116
Due from related parties and other receivable	511,349	(87,278)	424,071	797,640	(163,208)	634,432	772,609	(212,534)	560,075
Cash at bank and in hand	480,740	(33,325)	447,415	298,625	(27,334)	271,291	287,280	(27,775)	259,505
Non-current liabilities									
Long-term borrowings and payables	(1,441,153)	402,498	(1,038,655)	(828,752)	62,690	(766,062)	(858,037)	67,680	(790,357)
Current liabilities									
Bank borrowings	(1,278,063)	14,553	(1,263,510)	(2,068,553)	412,348	(1,656,205)	(2,074,104)	405,203	(1,668,901)
Trade, related parties and other payables	(1,357,775)	259,240	(1,098,535)	(1,466,775)	326,008	(1,140,767)	(1,506,513)	352,253	(1,154,260)
Equity									
Legal reserve	(564,724)	20,128	(544,596)	(513,039)	20,128	(492,911)	(513,039)	20,128	(492,911)
General reserve	(875,475)	2,540	(872,935)	(830,903)	2,540	(828,363)	(830,903)	2,540	(828,363)
Retained earnings	(3,234,555)	(22,668)	(3,257,223)	(3,398,764)	(22,668)	(3,421,432)	(3,288,783)	(22,668)	(3,311,451)
Net impact	3,393,914	-	3,393,914	3,568,952	-	3,568,951	3,566,146	-	3,566,145

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim financial information

31 March 2013

<i>Contents</i>	<i>Page</i>
Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information	1
Condensed consolidated income statement	2
Condensed consolidated statement of comprehensive income	3
Condensed consolidated statement of financial position	4
Condensed consolidated statement of cash flows	5
Condensed consolidated statement of changes in equity	6
Notes to the condensed consolidated interim financial information	7 - 17