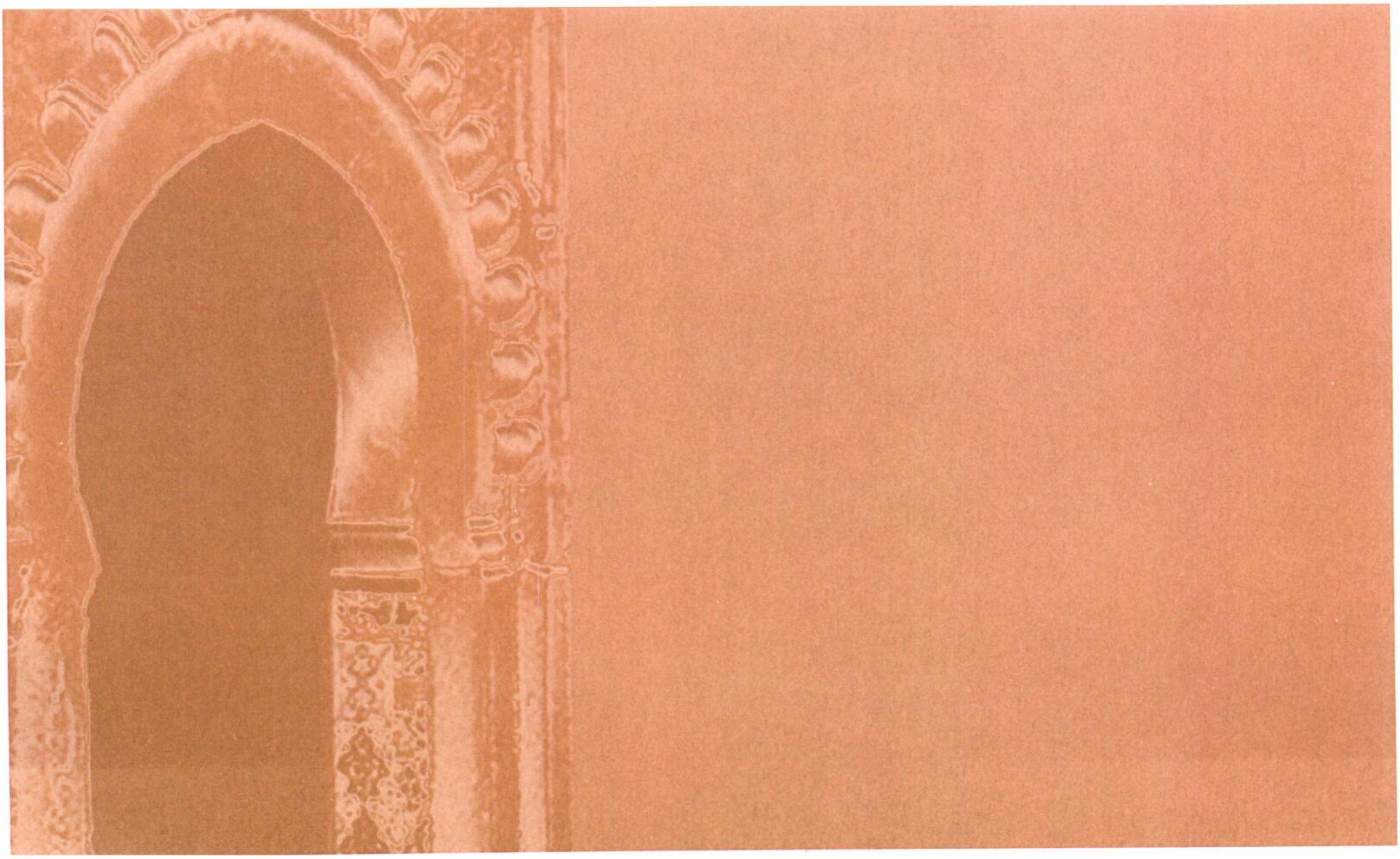
Sajjad Haider & Co.
CHARTERED ACCOUNTANTS

DUBAI DEVELOPMENT COMPANY (PSC)
DUBAI, UNITED ARAB EMIRATES
(A Public Shareholding Company with limited liability)

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2014 (UNAUDITED)



DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with limited liability)
DUBAI, UNITED ARAB EMIRATES

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2014 (UNAUDITED)

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REPORT ON REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF DUBAI DEVELOPMENT COMPANY (PSC)

Introduction

We have reviewed the accompanying interim statement of financial position of Dubai Development Company (PSC) (the "Company") as at 31 March 2014 and the related interim statements of comprehensive income, cash flows and changes in equity for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements 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 financial statements are not prepared, in all material respects, in accordance with IAS 34.

Sajjad Haider

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CHARTERED ACCOUNTANTS
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DUBAI, UNITED ARAB EMIRATES

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10 April 2014

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DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014 (UN-AUDITED)

	Note	Un-audited 31 March 2014 AED	Audited 31 December 2013 AED
ASSETS			
Current assets			
Cash and bank balances	3	19,996,000	19,572,857
Prepayments and other receivables	4	93,423	576,516
		20,089,423	20,149,373
Non-current assets			
Fixed assets	5	-	-
Total assets		20,089,423	20,149,373
LIABILITIES AND EQUITY			
Current liabilities			
Accrued expenses	6	900,048	865,048
Due to affiliated companies	7	175,539	158,684
Unclaimed dividend		341,500	341,500
Provision for law suit	8	-	-
		1,417,087	1,365,232
Non-current liabilities			
Provision for staff gratuity		240,000	240,000
Capital and reserves			
Share capital	9	10,000,000	10,000,000
Legal reserve	10	5,000,000	5,000,000
General reserve	11	1,000,000	1,000,000
Accumulated profit		2,432,336	2,544,141
		18,432,336	18,544,141
Total liabilities and equity		20,089,423	20,149,373

The accompanying notes form an integral part of these financial statements.

DIRECTOR

DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2014 (UN-AUDITED)

	Note	Un-audited 31 March 2014 AED	Un-audited 31 March 2013 AED
REVENUE			
Interest earned on fixed deposits		48,217	82,731
Other income		10,926	-
Operating expenses	12	(170,948)	(66,613)
NET (LOSS)/PROFIT FOR THE PERIOD		(111,805)	16,118
Earning per share			
Basic and diluted (loss)/earnings per share (AED)		(0.0112)	0.0016

The accompanying notes form an integral part of these financial statements.

DIRECTOR

DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2014 (UN-AUDITED)

	Share capital AED	Legal reserve AED	General reserve AED	Accumulated profit AED	Total AED
Balance as at 1 January 2013	10,000,000	5,000,000	1,000,000	2,446,346	18,446,346
Profit for the 3 months ended 31 March 2013	-	-	-	16,118	16,118
Balance as at 31 March 2013	10,000,000	5,000,000	1,000,000	2,462,464	18,462,464
Profit for the 9 months ended 31 December 2013	-	-	-	81,677	81,677
Balance as at 31 December 2013	10,000,000	5,000,000	1,000,000	2,544,141	18,544,141
(Loss) for the 3 months ended 31 March 2014	-	-	-	(111,805)	(111,805)
Balance as at 31 March 2014	10,000,000	5,000,000	1,000,000	2,432,336	18,432,336

The accompanying notes form an integral part of these financial statements.

DUBAI DEVELOPMENT COMPANY (PSC)
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DUBAI, UNITED ARAB EMIRATES

INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2014 (UN-AUDITED)

	Un-audited 31 March 2014 AED	Un-audited 31 March 2013 AED
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)/profit for the period	(111,805)	16,118
CHANGES IN OPERATING ASSETS AND LIABILITIES		
Decrease/(increase) in prepayments and other receivables	483,093	(1,419)
Increase in accrued expenses	35,000	35,000
Increase in amount due to affiliated companies	16,855	14,984
Net cash provided/(utilized) by operating activities	423,143	(434,412)
Net increase/(decrease) in cash and bank balances during the period	423,143	(434,412)
Cash and cash equivalent at the beginning of the period	19,572,857	19,899,812
Cash and cash equivalents at the end of the period (note 13)	19,996,000	19,465,400

The accompanying notes form an integral part of these financial statements.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2014 (UNAUDITED)**

1 LEGAL STATUS AND BUSINESS ACTIVITY

Dubai Development Company (PSC) is a limited liability company which was originally incorporated in Dubai on 21 June 1975 by an Emiri Decree and it became a public shareholding company in 1997, in accordance with the UAE Federal Law No. (8) Of 1984 (as amended).

A plot of land in Rashidyah Mirdif was acquired by the company for the purpose of development of a new township and sale of plots for construction of private houses. The development work has been completed and the plots developed for residential and commercial purposes have been sold or utilised for development of common areas and other facilities.

2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are as follows:

a. Accounting convention

The financial statements are prepared under the historical cost convention.

b. Fixed assets

These assets are stated at cost. The cost of fixed assets is depreciated by equal annual instalments over the estimated useful lives of the assets as follows:

Motor vehicles	3 years
Furniture and equipment	5 years
Office renovation	5 years

All fixed assets have been fully depreciated.

c. Land for sale and development

All land available for sale has been sold and no land is now available for sale.

d. Staff gratuity

Provision for staff gratuity is made on the basis of UAE Federal Labour Law of 1980.

e. Interim condensed statements

The interim condensed financial statements do not contain all information and disclosures required for all financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the 3 months ended 31 March 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

3 CASH AND BANK BALANCES

	Un-audited 31 March 2014 AED	Audited 31 December 2013 AED
Cash at bank		
- On fixed deposit accounts	19,463,168	19,417,797
- On current account	532,832	155,060
	19,996,000	19,572,857

4 PREPAYMENTS AND OTHER RECEIVABLES

Prepaid expenses	52,138	38,982
Accrued interest on fixed deposits	41,285	38,439
Other receivable	-	499,095
	93,423	576,516

5 FIXED ASSETS

	Furniture and equipment AED	Office renovation AED	Total AED
COST			
At 1 January 2014	217,150	200,000	417,150
Additions	-	-	-
Disposals	-	-	-
At 31 March 2014	217,150	200,000	417,150
DEPRECIATION			
At 1 January 2014	217,150	200,000	417,150
Charge for the period	-	-	-
On disposals	-	-	-
At 31 March 2014	217,150	200,000	417,150
NET BOOK VALUE			
At 31 March 2014	-	-	-
At 31 December 2013	-	-	-

All assets have been fully depreciated.

6 ACCRUED EXPENSES

	Un-audited 31 March 2014 AED	Audited 31 December 2013 AED
Accrued expenses	900,048	865,048

Accrued expenses include salary payable to general manager at AED 10,000 per month. It has been outstanding since 1st January 2007 amounting AED 870,000.

7 DUE TO AFFILIATED COMPANIES

	Un-audited 31 March 2014 AED	Audited 31 December 2013 AED
Almulla Construction (LLC), Dubai	10,883	10,883
Mohammed & Obaid Almulla, Dubai	164,656	147,801
	175,539	158,684

8 PROVISION FOR LAW SUIT

Provision for law suit	-	-

Two plot holders had filed legal cases against the Company against demarcation of their plots of land. One case was dismissed by the Dubai Courts in first instance. In the second case the Court of Appeal has decided in favour of the plot holder and has ordered the Company to make a payment of AED 499,095 to the plot holder. Accordingly, a provision of AED 499,095 was made in the year 2012 and payment was made during the year 2013. The Company has filed an appeal with the Court of Cessation which has been decided in favour of the Company and Court has ordered the plot holder to refund the amount to the Company. An amount of AED 510,021 has been received from the plot holder on 20 February 2014.

9 SHARE CAPITAL

	Un-audited 31 March 2014 AED	Audited 31 December 2013 AED
Authorised, issued and fully paid		
10,000,000 shares of AED 1 each	10,000,000	10,000,000

10 LEGAL RESERVE

In accordance with the Memorandum of Association of the Company, 10 percent of the profit for the year has to be transferred to a legal reserve up to 50 percent of the capital. The legal reserve is not distributable.

11 GENERAL RESERVE

	Un-audited 31 March 2014 AED	Audited 31 December 2013 AED
Balance carried forward	1,000,000	1,000,000

12 OPERATING EXPENSES

	Un-audited 31 March 2014 AED	Un-audited 31 March 2013 AED
Staff salaries	30,000	30,000
Office rent	5,537	4,815
Trade licence expenses	2,178	2,402
Audit fee	5,000	5,000
Other operational expenses	16,855	14,984
Stock market registration expenses	11,278	8,775
Financial charges	100	637
Fines and penalties	100,000	-
	170,948	66,613

13 CASH AND CASH EQUIVALENTS

Cash at bank	19,996,000	19,465,400

14 STAFFING LEVEL

	2014	2013
No of employees	2	2

15 COMPARATIVE FIGURES

Certain comparative figures have been re-classified to conform to the presentation adopted for the current period.