

Amlak Finance PJSC and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2015 (UNAUDITED)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF AMLAK FINANCE PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Amlak Finance PJSC and its subsidiaries (the 'Group') as of 30 June 2015, and the related interim condensed consolidated statements of income and comprehensive income for the three and six months periods then ended and changes in equity and cash flows for the six month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated 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.

Basis for Qualified Conclusion

The Group's accounting policy is to carry investment properties and advances for investment properties at their fair values reflecting the market conditions at the reporting date. Over the period 2009 to 2013, with respect to the majority of investment properties and advances for investment properties held by the Group, no adjustments were recorded against the carrying values of these assets despite a management expectation that property prices had changed significantly over the period. Our audit reports and review conclusions over the same period were qualified for this noncompliance with the Group's accounting policy.

As at 31 December 2014, all investment properties and advances for investment properties were stated at fair value in the consolidated statement of financial position giving rise to a charge to the consolidated statement of income for the year then ended of AED 2,115 million, representing movements in fair value for the period 2009 to 2014. As fair value movements for the period 2009 to 2013 were not provided to us, we were unable to determine the split of fair value gain / loss relating to periods prior to 2014 and the fair value gain/loss relating to the comparative period presented for the three and six month periods ended 30 June 2014. This matter has been highlighted in notes 6 and 7 to the condensed consolidated financial statements.

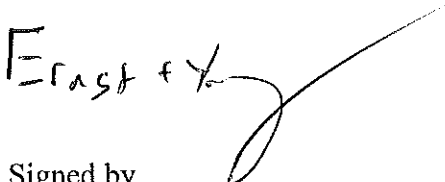


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**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF AMLAK FINANCE PJSC
(continued)**

Conclusion

Except for the adjustments to the interim condensed consolidated financial statements for the presented comparative period that may be required as a result of the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.


Signed by
Anthony O'Sullivan
Partner
Registration No. 687

10 August 2015

Dubai, United Arab Emirates

Amlak Finance PJSC and its Subsidiaries

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the period ended 30 June 2015 (Unaudited)

	<i>Notes</i>	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
		<i>2015 AED'000</i>	<i>2014 AED'000</i>	<i>2015 AED'000</i>	<i>2014 AED'000</i>
Income from Islamic financing and investing assets		64,867	92,781	144,783	192,008
Fee income		1,969	2,332	2,659	4,417
Income on deposits		1,105	2,233	1,835	4,321
Rental income		10,445	7,284	20,973	14,710
Sale of real estate	8	20,802	-	20,802	-
Other income		11,939	4,382	18,556	10,327
		<u>111,127</u>	<u>109,012</u>	<u>209,608</u>	<u>225,783</u>
Reversal of impairment / (impairment) on:					
- Islamic financing and investing assets		28,888	42,633	28,932	26,150
- Available for sale investments		-	-	-	(276)
- Other assets		(1,175)	841	(243)	3,175
- Amortisation of initial fair value gain on investment deposits		(51,426)	-	(79,886)	-
Operating expenses		(46,576)	(44,964)	(81,139)	(83,298)
Share of results of associates		4,736	3,695	10,796	9,610
PROFIT BEFORE DISTRIBUTION TO FINANCIERS / INVESTORS		<u>45,574</u>	<u>111,217</u>	<u>88,068</u>	<u>181,144</u>
Distribution to financiers / investors		(37,041)	(54,543)	(73,445)	(108,104)
PROFIT FOR THE PERIOD		<u><u>8,533</u></u>	<u><u>56,674</u></u>	<u><u>14,623</u></u>	<u><u>73,040</u></u>
Attributable to:					
Equity holders of the parent		7,173	55,792	10,894	71,669
Non controlling interests		1,360	882	3,729	1,371
		<u><u>8,533</u></u>	<u><u>56,674</u></u>	<u><u>14,623</u></u>	<u><u>73,040</u></u>
Earnings per share attributable to:					
Equity holders of the Parent:					
Basic profit per share (AED)	3	<u>0.005</u>	0.038	<u>0.007</u>	0.049
Diluted profit per share (AED)	3	<u>0.002</u>	0.038	<u>0.003</u>	0.049

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Amlak Finance PJSC and its Subsidiaries

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2015 (Unaudited)

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2015 AED'000</i>	<i>2014 AED'000</i>	<i>2015 AED'000</i>	<i>2014 AED'000</i>
Profit for the period	8,533	56,674	14,623	73,040
Other comprehensive income				
<i>Items that would be reclassified to profit / (loss) in subsequent periods:</i>				
Net unrealised gain on available-for-sale investments	-	1,006	-	1,006
Exchange differences on translation of foreign operations	(1,154)	(8,875)	(24,435)	(10,646)
Other comprehensive income for the period	(1,154)	(7,869)	(24,435)	(9,640)
Total comprehensive income for the period	7,379	48,805	(9,812)	63,400
Attributable to:				
Equity holders of the Parent	6,019	47,923	(13,541)	62,029
Non controlling interests	1,360	882	3,729	1,371
	<u>7,379</u>	<u>48,805</u>	<u>(9,812)</u>	<u>63,400</u>

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Amlak Finance PJSC and its Subsidiaries

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2015 (Unaudited)

		30 June 2015 AED'000 (Unaudited)	31 December 2014 AED'000 (Audited)
	Notes		
ASSETS			
Cash and balances with banks	4	1,183,630	497,736
Islamic financing and investing assets		3,667,402	4,264,502
Available-for-sale investments	5	23,910	23,945
Advances for investment properties	6	312,036	312,036
Investment properties	7	1,540,727	1,489,968
Properties under development	8	375,430	363,281
Investments in associates		267,690	267,831
Other assets		301,208	68,548
Furniture, fixtures and office equipment		13,448	13,924
TOTAL ASSETS		7,685,481	7,301,771
LIABILITIES AND EQUITY			
Liabilities			
Investment deposits and other Islamic financing	9	5,350,177	5,270,291
Term Islamic financing		66,649	50,935
Employees' end of service benefits		6,211	6,085
Other liabilities		437,550	134,564
Total liabilities		5,860,587	5,461,875
Equity			
Equity attributable to equity holders of the parent			
Share capital		1,500,000	1,500,000
Employee stock option plan shares		(93,048)	(93,048)
Statutory reserve		117,158	117,158
General reserve		117,158	117,158
Special reserve		99,265	99,265
Mudaraba Instrument		273,133	273,133
Mudaraba Instrument reserve		1,026,867	1,026,867
Cumulative changes in fair value		2,533	2,533
Foreign currency translation reserve		(130,882)	(106,447)
Accumulated losses		(1,231,342)	(1,237,046)
Non controlling interests		144,052	140,323
Total equity		1,824,894	1,839,896
TOTAL LIABILITIES AND EQUITY		7,685,481	7,301,771

Approved by the Board of Directors on 10- Aug 2015 and signed on its behalf by:


Director


Director

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Amlak Finance PJSC and its Subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2015 (Unaudited)

		Six months ended 30 June	
	Note	2015 AED'000	2014 AED'000
OPERATING ACTIVITIES			
Profit for the period		14,623	73,040
Adjustments for:			
Depreciation		2,937	1,600
Share of results of associates		(10,796)	(9,610)
Proportionate share of results of Joint venture		(6,994)	-
Impairment of available-for-sale investments		-	276
Impairment / (reversal) on other assets		243	(3,175)
Reversal of impairment on financing and investing assets		(28,932)	(26,150)
Amortisation of fair value adjustment on investment deposits		79,886	-
Other income		(2,514)	(4,638)
Distribution charged to financiers		73,445	108,104
Income on deposits		(1,759)	(4,321)
Provision for employees' end of service benefit		657	468
		<u>120,796</u>	<u>135,594</u>
Working capital changes:			
Islamic financing and investing assets		556,786	609,392
Other assets		1,889	(12,487)
Other liabilities		(5,295)	6,544
		<u>674,176</u>	<u>739,043</u>
Cash from operations		(531)	(387)
Employees' end of service benefit paid			
		<u>673,645</u>	<u>738,656</u>
INVESTING ACTIVITIES			
Dividend from associates		10,937	15,510
Proceeds from available-for-sale investments		-	189
Payment for advances for investment properties		-	(200,675)
Proceeds from wakala deposits		340,000	380,000
Placement of wakala deposits		(340,000)	(390,000)
Purchase of furniture, fixtures and office equipment		(2,461)	(1,215)
Income on deposits		1,759	4,321
		<u>10,235</u>	<u>(191,870)</u>
Net cash generated from / (used in) investing activities			
FINANCING ACTIVITIES			
Receipts from term Islamic financing		15,714	-
Investment deposits and other islamic financing		(72,382)	(116,289)
Directors' fees paid		(5,190)	(400)
		<u>(61,858)</u>	<u>(116,689)</u>
Net cash used in financing activities			
INCREASE IN CASH AND CASH EQUIVALENTS			
		622,022	430,097
Foreign currency translation reserve		(3,399)	(2,231)
Cash and cash equivalents at the beginning of the period		292,095	1,353,740
		<u>910,718</u>	<u>1,781,606</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	910,718	1,781,606

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Amlak Finance PJSC and its Subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2015 (Unaudited)

	Attributable to the equity holders of the parent												
	Share capital AED '000	Employee stock option plan shares AED '000	Statutory reserve AED '000	General reserve AED '000	Special reserve AED '000	Mudaraba Instrument AED '000	Mudaraba Instrument reserve AED '000	Cumulative changes in fair value AED '000	Foreign currency translation reserve AED '000	Accumulated losses AED '000	Total AED '000	Non-controlling interests AED '000	Total equity AED '000
At 1 January 2015	1,500,000	(93,048)	117,158	117,158	99,265	273,133	1,026,867	2,533	(106,447)	(1,237,046)	1,699,573	140,323	1,839,896
Profit for the period	-	-	-	-	-	-	-	-	-	10,894	10,894	3,729	14,623
Other comprehensive income for the period	-	-	-	-	-	-	-	-	(24,435)	-	(24,435)	-	(24,435)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(24,435)	10,894	(13,541)	3,729	(9,812)
Directors' fees paid (note 12)	-	-	-	-	-	-	-	-	-	(5,190)	(5,190)	-	(5,190)
At 30 June 2015	1,500,000	(93,048)	117,158	117,158	99,265	273,133	1,026,867	2,533	(130,882)	(1,231,342)	1,680,842	144,052	1,824,894

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

1 ACTIVITIES

Amlak Finance PJSC (the 'Company') was incorporated in Dubai, United Arab Emirates, on 11 November 2000 as a private shareholding company in accordance with UAE Federal Law No (8) of 1984, as amended. At the constituent shareholders meeting held on 9 March 2004, a resolution was passed to convert the Company to a Public Joint Stock Company.

The Company is licensed by the UAE Central Bank as a finance company and is primarily engaged in Islamic financing and investing activities such as Ijara, Murabaha, Mudaraba, Wakala and Musharaka. The activities of the Company are conducted in accordance with Islamic Sharia'a, which prohibits usury, and within the provisions of its Articles and Memorandum of Association.

Trading in the Company's shares on the Dubai Financial Market resumed on 2 June 2015 (note 2.1).

The registered address of the Company is P.O. Box 2441, Dubai, United Arab Emirates.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

A restructuring package under the supervision of the Steering Committee was developed within the principles of Shari'a and agreed with a formally appointed Financier Coordinating Committee ("CoCom"), and presented to all Financiers in June 2014, which received 100% acceptance. The restructuring which was implemented and effective from 25 November 2014, has the following features:

- Prior to restructuring, the Company had AED 10.2 billion of investment deposits with an expected profit rate in the range of 1.75%- 4% per annum.
- Cash injected by the liquidity support providers amounting to AED 1.7 billion previously having a maturity of 3 months, will be payable over 6 years in equal monthly installments with a profit rate of 4% per annum.
- Other Commercial Deposits of AED 8.5 billion previously having a maturity of 0-3 months were restructured as follows:
 - a) AED 1.7 billion (representing 20%), was repaid in August 2014;
 - b) AED 5.5 billion (representing 65%), is payable over 12 years in monthly installments with a profit rate of 2% per annum; and
 - c) AED 1.3 billion (representing 15%), was replaced with a Mudaraba Instrument with a maturity period of 12 years and an expected profit rate of 1% per annum on the outstanding balance each year, payable as profit in kind ("PIK") which the Company can elect to make distributions in cash or in the form of shares. The Mudaraba Instrument to the extent it is not redeemed will convert in upto 1,956 million shares of the Company with a par value of AED 1 each.

Restructured investment deposits and other Islamic financing are secured against assignment and mortgage over the Group's investment properties located in UAE (notes 6, 7 and 8), assignment of insurance, pledge over bank accounts (note 4), assignment of rights to receive payments in connection with the Islamic financing and investing assets portfolio and corporate guarantees of the Group's subsidiaries. Securities offered would be held by a security agent on behalf of financiers.

As part of the restructuring process, the shareholders passed resolutions in the extraordinary general assembly meeting on 28 September 2014 to increase the share capital of the Company by upto AED 2.1 billion from time to time in such amount or amounts as may be required.

The Company in its AGM held on 16 April 2015 approved the lifting of suspension on trading of its shares on Dubai Financial Market and authorized the Board of Directors to determine the date for the resumption of share trading. The trading of shares on Dubai Financial Market resumed on 2 June 2015.

2 ACCOUNTING POLICIES (continued)**2.1 BASIS OF PREPARATION (continued)**

The interim condensed consolidated financial statements of the Amlak Finance PJSC and its subsidiaries (the "Group") are prepared in accordance with International Financial Reporting Standard IAS 34, Interim Financial Reporting. The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2014 except for the adoption of the new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2015 and for the early adoption of IFRS 15 "Revenue from Contracts with Customers" as explained below. Except for the adoption of IFRS 15, the impact of which is discussed in section 2.2, and the new accounting policy for which is given in section 2.3, the adoption of these standards and interpretations did not have an impact on the financial position or performance of the Group during the current period.

The interim condensed consolidated financial statements do not include all the information or disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2014. In addition, results for the period ended 30 June 2015 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2015.

The consolidated financial statements have been presented in UAE Dirhams (AED) and all values are rounded to the nearest thousand (AED'000) except when otherwise indicated.

2.2 NEW STANDARDS, INTERPRETATION AND AMENDMENTS**IASB Standards and Interpretations issued but not yet effective**

The Group has not adopted the new accounting standards or interpretations that have been issued but are not yet effective, except as mentioned below. These standards and interpretations not yet adopted are not likely to have any significant impact on the financial statements of the Group in the period of their initial application.

IFRS 15 Revenue from contracts with customers

IFRS 15 Revenue from contracts with customers was issued in May 2014 and is effective for annual periods commencing on or after 1 January 2017 either based on a full retrospective or modified application, with early adoption permitted. IFRS 15 outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance, which is found currently across several Standards and Interpretations within IFRSs. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group has reviewed the impact of IFRS 15. Accordingly, the Group has elected to early adopt IFRS 15 with effect from 1 January 2015, as the Group considers it better reflects the real estate business performance of the Group. The Group has opted for modified retrospective application permitted by IFRS 15 upon adoption of the new standard. Accordingly, the standard has been applied to the period ended 30 June 2015 only (i.e. the initial application period). Modified retrospective application also requires the recognition of the cumulative impact of adoption of IFRS 15 on all contracts not yet complete as at 1 January 2015 in the form of an adjustment to the opening balance of retained earnings as at 1 January 2015. There is no adjustment to opening retained earnings or any other account balance as there were no relevant ongoing contracts at that time.

The below tables report the impact on revenue, operating expenses, profit, EPS and statement of financial position for the period had the earlier policy for revenue recognition been continued during the period (refer note 8 for more details):

Interim consolidated income statement

	<i>As per IFRS 15 AED'000</i>	<i>As per the old policy AED'000</i>	<i>Impact due to change AED'000</i>
Three-month period ended 30 June 2015:			
Revenue on sale of real estate	20,802	-	20,802
Operating expenses	(46,576)	(32,770)	(13,806)
Profit for the period	8,533	1,537	6,996
EPS: Basic profit per share attributable to parent (AED)	0.005	0.000	0.005
EPS: Diluted profit per share attributable to parent (AED)	0.002	0.000	0.002

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

2.2 NEW STANDARDS, INTERPRETATION AND AMENDMENTS (continued)

	<i>As per IFRS 15 AED'000</i>	<i>As per the old policy AED'000</i>	<i>Impact due to change AED'000</i>
<i>Six-month period ended 30 June 2015:</i>			
Revenue	20,802	-	20,802
Operating expenses	(81,139)	(67,333)	(13,806)
Profit for the period	14,623	7,627	6,996
EPS: Basic profit per share attributable to parent (AED)	0.007	0.003	0.004
EPS: Diluted profit per share attributable to parent (AED)	0.003	0.002	0.001
<i>Interim consolidated statement of financial position</i>			
	<i>As per IFRS 15 AED'000</i>	<i>As per the old policy AED'000</i>	<i>Impact due to change AED'000</i>
<i>As at 30 June 2015:</i>			
Properties under development	375,430	385,241	(9,811)
Other assets	301,208	305,203	(3,995)
Other liabilities	437,550	458,352	20,802
Accumulated losses	(1,231,342)	(1,238,338)	(6,996)

There is no impact on the previously reported interim condensed consolidated financial statements for the three month period ended 31 March 2015 as no relevant contracts were in effect before or during that period.

The application of the new accounting policy has required management to make the following judgments:

Satisfaction of performance obligations

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Group has assessed that based on the sale and purchase agreements entered into with customers and the provisions of relevant laws and regulations, where contracts are entered into to provide real estate assets to customer, the Group does not create an asset with an alternative use to the Group and usually has an enforceable right to payment for performance completed to date. In these circumstances the Group recognises revenue over time. Where this is not the case revenue is recognised at a point in time.

Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Group assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Group uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

Transfer of control in contracts with customers

In cases where the Group determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the asset that is the subject of the contract is transferred to the customer. In the case of contracts to sell real estate assets this is generally when control of the unit has been handed over to the customer.

In addition, the application of IFRS 15 has resulted in the following estimation process:

2.2 NEW STANDARDS, INTERPRETATION AND AMENDMENTS (continued)

Allocation of transaction price to performance obligations in contracts with customers

The Group has elected to apply the input method in allocating the transaction price between respective performance obligations in a contract. In applying the input method the Group uses the fair values of the respective obligations to apportion the transaction value.

The Group has elected to apply the input method in allocating the transaction price to performance obligations where revenue is recognised over time. The Group considers that the use of the input method which requires revenue recognition on the basis of the Group's efforts to the satisfaction of the performance obligation provides the best reference of revenue actually earned. In applying the input method the Group estimates the cost to complete the projects in order to determine the amount of revenue to be recognised. These estimates include the cost of providing infrastructure, potential claims by contractors as evaluated by the project consultant and the cost of meeting other contractual obligations to the customers.

2.3 SIGNIFICANT NEW ACCOUNTING POLICIES

Revenue recognition

The Group has elected to early adopt IFRS 15 with effect from 1 January 2015. As a result of early adoption the Group has applied the following accounting policy in the preparation of its interim condensed consolidated financial statements:

Revenue from contracts with customers for sale of properties

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

- Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability disclosed as deferred income.

2.3 SIGNIFICANT NEW ACCOUNTING POLICIES (continued)

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the interim consolidated income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

3 EARNINGS PER SHARE

Profit per share is calculated by dividing profit attributable to the equity holders of the parent for the period, by weighted average number of shares outstanding during the period as follows:

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Profit for the period attributable to equity holders of the parent (AED'000)	<u>7,173</u>	<u>55,792</u>	<u>10,894</u>	<u>71,669</u>
Weighted average number of shares for basic EPS (in thousands)	<u>1,475,000</u>	<u>1,475,000</u>	<u>1,475,000</u>	<u>1,475,000</u>
Effect of dilution: Mudaraba Instrument	<u>1,956,000</u>	<u>-</u>	<u>1,956,000</u>	<u>-</u>
Weighted average number of ordinary shares adjusted for the effect of dilution	<u>3,431,000</u>	<u>1,475,000</u>	<u>3,431,000</u>	<u>1,475,000</u>
Attributable to equity holders of the Parent:				
Basic profit per share (AED)	<u>0.005</u>	<u>0.038</u>	<u>0.007</u>	<u>0.049</u>
Diluted profit per share (AED)	<u>0.002</u>	<u>0.038</u>	<u>0.003</u>	<u>0.049</u>

The basic and diluted weighted average numbers of shares were reduced by the purchase of own shares for the proposed employee stock option plan during the year 2008.

4 CASH AND BALANCES WITH BANKS

Cash and cash equivalents for the purpose of the statement of cash flows include:

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
Cash on hand	110	60
Balances with banks	898,673	279,812
Deposits with banks	284,847	217,864
Cash and balances with banks	<u>1,183,630</u>	<u>497,736</u>
Less: Deposits maturing after 1 year	(35,000)	(35,000)
Restricted cash	<u>(237,912)</u>	<u>(170,641)</u>
Cash and cash equivalents	<u>910,718</u>	<u>292,095</u>

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At 30 June 2015 (Unaudited)

4 CASH AND BALANCES WITH BANKS (continued)

Deposits maturing after one year represent AED 35 million (2014: AED 35 million) deposited with a local bank under lien to the Central Bank of UAE in accordance with Central Bank regulations for licensing.

At period end, the Group reported AED 238 million (2014: AED 171 million) of restricted cash. This represents the Group's share of the cash held and controlled by a joint venture.

With effect from the date of restructuring, the Parent and certain of its subsidiaries registered in UAE have pledged their bank accounts in favour of the security agent (note 2.1).

5 AVAILABLE-FOR-SALE INVESTMENTS

	<i>UAE</i>		<i>International</i>		<i>Total</i>	
	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
Equities and Funds (unquoted) (level 3)	15,000	15,000	8,910	8,945	23,910	23,945

Unquoted available-for-sale investments have been fair valued using techniques which use inputs that are not based on observable market data.

30 June 2015 (Unaudited)

	<i>Investments carried at fair value</i>			
	<i>Total AED'000</i>	<i>Level 1 AED'000</i>	<i>Level 2 AED'000</i>	<i>Level 3 AED'000</i>
Equities	8,910	-	-	8,910
Funds	15,000	-	15,000	-
	23,910	-	15,000	8,910

31 December 2014 (Audited)

	<i>Investments carried at fair value</i>			
	<i>Total AED'000</i>	<i>Level 1 AED'000</i>	<i>Level 2 AED'000</i>	<i>Level 3 AED'000</i>
Equities	8,945	-	-	8,945
Funds	15,000	-	15,000	-
	23,945	-	15,000	8,945

There were no transfers of securities between the Level 1 and Level 2 categories of the fair value hierarchy in the current and prior periods.

5 AVAILABLE-FOR-SALE INVESTMENTS (Continued)

The following shows reconciliation from the opening balances to the closing balances for level 3 fair values:

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
Balance at 1 January	8,945	13,479
Net change in fair values	-	(1,891)
Provided during the period / year	-	(2,314)
Redeemed during the period / year	-	(309)
Exchange difference	(35)	(20)
	<u>8,910</u>	<u>8,945</u>

The level 3 fair value above is determined based on the net asset value of the underlying entity and consequently no sensitivity analysis to variation in assumptions is provided.

6 ADVANCES FOR INVESTMENT PROPERTIES

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
At 1 January	312,036	740,383
Transfer to investment properties (note 7)	-	(4,860)
Additions during the period / year	-	1,808
Fair value loss on advances for investment properties	-	(425,295)
	<u>312,036</u>	<u>312,036</u>

This represents the advances paid by the Group towards the acquisition of certain units in under-development real estate projects in Dubai. The Group is in discussions with certain developers to renegotiate contracts, the outcome of which management believes will have no impact on the carrying value of advances for investment properties at period end. The Group has not yet obtained title to the properties and is committed to pay an additional AED 23.25 million (31 December 2014: AED 23.25 million) in accordance with the agreement with the seller of real estate projects.

These advances are carried at fair value. The Group acquired certain properties amounting to AED 707 million which were carried at cost since reclassification to advances for investment properties in 2009. These advances were fair valued as at 31 December 2014 and a fair value loss of AED 425 million was recorded during the year 2014.

The fair values of the advances for investment properties are based on valuations performed at year end by independent professionally qualified valuers who hold a recognised relevant professional qualification and have relevant experience in the locations and segments of the properties valued. The valuation model used is in accordance with that recommended by the Royal Institute of Chartered Surveyors.

6 ADVANCES FOR INVESTMENT PROPERTIES (Continued)

Advances for investment properties are categorised in Level 2 for fair value measurement as they have been derived using the comparable price approach based on comparable transactions for similar property. Sales prices of comparable properties in close proximity are adjusted for differences in the key attributes such as property size and location. The most significant input into this valuation approach is the estimated price per square foot for each given location. There were no transfers into or out of the level 2 category during the period.

Significant increases / (decreases) in comparable market value in isolation would result in a significantly higher / (lower) fair value of the properties.

Advances for investment properties include AED 30 million under Istisna with a financial institution carried at cost as there is significant uncertainty over whether the project will be completed by the developer. The associated liability of AED 38 million is also recorded in the financial statements. Under the terms of the Istisna, the Group has no obligation to repay the Istisna finance of the asset until construction is completed and property handed over.

7 INVESTMENT PROPERTIES

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
At 1 January	1,489,968	3,341,793
Transfer from advances for investment properties (note 6)	-	4,860
Foreclosed properties	71,760	172,832
Fair value loss on investment properties	-	(1,689,304)
Transferred to properties under development	-	(330,000)
Foreign exchange fluctuation	(21,001)	(10,213)
	<u>1,540,727</u>	<u>1,489,968</u>

Investment properties consist of land, villas and units in buildings held for lease or sale. In accordance with its accounting policy, the Group carries investment properties at fair value. During the period from 2009 to 2013 the Group held certain properties amounting to AED 2,942 million which had been carried at cost since acquisition. These investment properties were fair valued as at 31 December 2014 and a fair value loss on these properties of AED 1,761 million was recorded during the year 2014.

The fair values of the properties are based on valuations performed at year end by independent professionally qualified valuers who hold a recognised relevant professional qualification and have relevant experience in the locations and segments of the investment properties valued. The valuation model used is in accordance with that recommended by the Royal Institute of Chartered Surveyors.

Investment properties as at 30 June 2015 include a plot of land in Egypt owned by one of the Group's subsidiaries amounting to AED 282 million (31 December 2014: AED 303 million). All other investment properties are located within the UAE.

Investment properties are categorised in Level 2 for fair value measurement as they have been derived using the comparable price approach based on comparable transactions for similar properties. Sales prices of comparable properties in close proximity are adjusted for differences in the key attributes such as property size and location. The most significant input into this valuation approach is the estimated price per square foot for each given location. There were no transfers into or out of the level 2 category during the period.

Significant increases / (decreases) in comparable market value in isolation would result in a significantly higher / (lower) fair value of the properties.

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

7 INVESTMENT PROPERTIES (Continued)

As at 30 June 2015, investment properties having fair value of AED 775 million (31 December 2014: AED 775 million) are mortgaged / assigned in favour of the security agent as part of the restructuring (note 2.1).

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>30 June 2014 AED'000 (Unaudited)</i>
Rental income derived from investment properties	20,973	14,710
Direct operating expenses (including repairs and maintenance) generating rental income	(2,843)	(8,606)
Profit arising from investment properties carried at fair value	<u>18,130</u>	<u>6,104</u>

8 PROPERTIES UNDER DEVELOPMENT

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
At 1 January	363,281	-
Transfer from investment properties	-	330,000
Transfer to operating expenses	(9,811)	-
Additions for construction costs incurred	21,960	33,281
At 30 June	<u>375,430</u>	<u>363,281</u>

On 1 October 2014, the Group entered into a joint venture agreement with another party to develop a jointly owned plot of land in Nad Al Hammar. Amlak Finance PJSC acquired a 50% interest in Al Warqa Gardens LLC, a jointly controlled entity to develop a jointly owned plot of land in Nad Al Hammar. The Group has a 50% share in the assets, liabilities, revenue and expenses of the joint venture and accordingly under IFRS 11 it is deemed to be a jointly controlled operation. As the land is under development with a view to disposal in the market, it has been treated as property under development with an initial cost equal to its fair value at the time of transfer from investment property portfolio of AED 330 million. Subsequent expenditure to develop the land for resale is included in the cost of property. The Group had advanced AED 200 million cash to the joint venture to fund the development of the land. The cash held by the joint venture is restricted in nature given that it cannot be distributed to the joint venture partners without the mutual consent of both joint venture partners. The group's share of this restricted cash balance at 30 June 2015 is AED 237.9 million (31 December 2014: AED 170.6 million).

As at 30 June 2015, properties under development are assigned as security in favour of the security agent as part of the restructuring.

During the three months period ended 30 June 2015, the joint venture entered into agreements to sell a number of sub-divided plots of the Nad Al Hammar land. Applying the requirements of IFRS 15, the joint venture has identified two performance obligations within these agreements being to transfer control of land and to provide infrastructure to the plots. The revenue assigned to the sale of land will be recorded at the time of transfer of the control of the land and the revenue relating to the building of infrastructure will be recorded over the period of construction of the infrastructure on the basis that the joint venture has an enforceable right to payment for performance completed to date. The contracted revenue has been allocated between the two obligations on the basis of their respective fair values.

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

8 PROPERTIES UNDER DEVELOPMENT (continued)

The following items represent the Group's interest in the assets, liabilities, revenue and expenses of the joint operation as recorded in these consolidated financial statements after elimination of intercompany transactions:

	30 June 2015 AED'000 (Unaudited)	31 December 2014 AED'000 (Audited)
Properties under development	375,430	363,281
Cash and balances with banks	237,912	170,770
Other assets - receivables	234,822	-
Trade payables	(11,538)	-
Deferred income	(291,527)	-
Other liabilities	(7,835)	(3,681)
Net Assets	537,264	530,370
	30 June 2015 AED'000 (Unaudited)	30 June 2014 AED'000 (Unaudited)
Revenue	20,802	-
Operating expenses	(13,806)	-
Profit for the period	6,996	-

9 INVESTMENT DEPOSITS AND OTHER ISLAMIC FINANCING

	Profit rate	30 June 2015 AED'000 (Unaudited)	31 December 2014 AED'000 (Audited)
Murabaha	2%	250,340	250,340
Wakala	4%	320,938	320,938
Others	4%	735,625	735,625
Purchase price payable	2%	4,849,706	4,849,706
		6,156,609	6,156,609
Amortised fair value adjustment (note 9.1)		(806,432)	(886,318)
		5,350,177	5,270,291
Investment deposits comprise of:			
		30 June 2015 AED'000 (Unaudited)	31 December 2014 AED'000 (Audited)
Current portion (note 9.1)		557,597	-
Non-current portion		5,599,012	6,156,609
Total		6,156,609	6,156,609

The payment obligations are secured under the restructuring assignments and pledges as detailed in note 2.1,4,6,7 and 8.

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

9 INVESTMENT DEPOSITS AND OTHER ISLAMIC FINANCING (Continued)

9.1 Amortised fair value adjustment

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
Fair value gain at initial recognition	911,447	911,447
Amortisation charged during year ended 31 December 2014	(25,129)	(25,129)
Amortisation charged for the period	(79,886)	-
	<u>806,432</u>	<u>886,318</u>

The nature of the Company's deposits was significantly changed due to the restructuring completed in November 2014, resulting in a fixed obligation to be paid to the Commercial Financiers and Liquidity Support Providers. The face value of the outstanding restructured fixed obligations at period end is AED 6,157 million (31 December 2014: 6,157 million). In accordance with IFRS, due to the substantial changes in the terms of the investment deposits through the restructuring, a fair valuation assessment of the restructured obligations was performed based on the net present value of the contracted cash flows. As at 25 November 2014, the restructured obligations were initially recognised at fair value in the statement of financial position giving rise to AED 911 million of fair value gain which was recorded in the consolidated statement of income.

The fair value adjustment was calculated using a discount rate of 5% based on management's market yield expectation adjusted for risks specific to the Group.

The obligations are subsequently to be measured at amortised cost using the effective finance rate method. Consequently, the gain on initial recognition recorded will fully reverse out over the repayment period of 12 years, with a resulting charge to the consolidated statement of income each year. The cumulative value of fair value gain amortised as at 30 June 2015 was AED 105 million giving a residual fair value gain to be amortised of AED 806 million as at 30 June 2015.

Under the terms of the Common Terms Agreement, the Group is required to distribute any cash surplus with the definition of surplus being defined in the terms of the agreement, based on an assessment of the cash position of the Group every 6 months. The first such assessment was performed in December 2014 and gave rise to a repayment of obligation to financiers of AED 944 million representing an advance payment of 22 future monthly scheduled instalments. Under the cash sweep mechanism the second assessment has been performed based on cash position as at 30 June 2015 and consequently an advance payment of AED 558 million representing 13 future monthly instalments was paid on 16 July 2015.

As a result of the second cash sweep settlement, the next repayment of deposit capital is due in November 2017, unless further advance repayments arise under the cash sweep mechanism.

All the directly attributable costs incurred to complete the restructuring are charged to the income statement under operating expenses.

10 SEGMENTAL INFORMATION

For management purposes, the Group is organised into three business segments, retail (comprising of financing and investing activities), real estate investment (comprising of property transactions), corporate investment and others (comprising of corporate finance investment, treasury and other central functions).

Management monitors the operating results of its business units for the purpose of making decisions about resource allocation and assessment of performance.

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

10 SEGMENTAL INFORMATION

Operating segments:

The Group's revenues and expenses for each segment for the six months period ended 30 June are as follows:

30 June 2015 (unaudited):

	<i>Retail</i> <i>AED'000</i>	<i>Real Estate</i> <i>Investment</i> <i>AED'000</i>	<i>Corporate</i> <i>Investment &</i> <i>Others</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Operating income	165,352	34,895	9,361	209,608
Distribution to financiers/investors	(51,104)	(20,155)	(2,186)	(73,445)
Amortisation of initial fair value gain	(79,886)	-	-	(79,886)
Reversal / (allowances) for impairment	28,210	520	(41)	28,689
Expenses (including allocated expenses)	(56,924)	(20,032)	(4,183)	(81,139)
Share of results of associates	-	-	10,796	10,796
Segment results	<u>5,648</u>	<u>(4,772)</u>	<u>13,747</u>	<u>14,623</u>
Non-controlling interests				(3,729)
				<u>10,894</u>

30 June 2014 (unaudited):

	<i>Retail</i> <i>AED'000</i>	<i>Real Estate</i> <i>Investment</i> <i>AED'000</i>	<i>Corporate</i> <i>Investment &</i> <i>Others</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Operating income	208,925	12,021	4,837	225,783
Distribution to depositors/investors	(58,894)	(48,225)	(985)	(108,104)
Reversal / (allowances) for impairment	30,079	-	(1,030)	29,049
Expenses (including allocated expenses)	(71,587)	(7,933)	(3,778)	(83,298)
Share of results of associates	-	-	9,610	9,610
Segment results	<u>108,523</u>	<u>(44,137)</u>	<u>8,654</u>	<u>73,040</u>
Non controlling interests				(1,371)
				<u>71,669</u>

Segment assets and liabilities:

The following table presents segment assets and liabilities of the Group as at 30 June 2015 and 31 December 2014:

30 June 2015 (Unaudited):

	<i>Retail</i> <i>AED'000</i>	<i>Real estate</i> <i>investment</i> <i>AED'000</i>	<i>Corporate</i> <i>investment &</i> <i>others</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Segment assets	<u>4,972,693</u>	<u>1,991,030</u>	<u>721,758</u>	<u>7,685,481</u>
Segment liabilities	<u>3,295,323</u>	<u>1,867,247</u>	<u>698,017</u>	<u>5,860,587</u>

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS At 30 June 2015 (Unaudited)

10 SEGMENTAL INFORMATION (Continued)

31 December 2014 (Audited):

	<i>Retail AED'000</i>	<i>Real estate investment AED'000</i>	<i>Corporate investment & others AED'000</i>	<i>Total AED'000</i>
Segment assets	4,893,962	1,678,739	729,070	7,301,771
Segment liabilities	3,203,003	1,547,421	711,451	5,461,875

Corporate Investment and others includes investment property in Egypt held by "Amlak Finance and Real Estate Investment Company S.A.E" with a carrying value AED 282 million (31 December 2014: AED 303 million).

11 RELATED PARTY TRANSACTIONS

Related parties represent associated companies, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. The pricing policies and terms of these transactions are approved by the Group's management.

Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:

30 June 2015 (Unaudited):

	<i>Associated companies AED'000</i>	<i>Major shareholders AED'000</i>	<i>Directors and senior management AED'000</i>	<i>Other related parties AED'000</i>	<i>Total AED'000</i>
Cash and bank balances	-	-	-	32,514	32,514
Islamic financing and investing assets	-	-	19,084	16,651	35,735
Available for sale investments	-	-	-	15,000	15,000
Investment deposits	-	142,158	-	1,187,440	1,329,598
Other assets	-	-	-	703	703
Other liabilities	-	47	-	2,339	2,386

31 December 2014 (Audited):

	<i>Associated companies AED'000</i>	<i>Major shareholders AED'000</i>	<i>Directors and senior management AED'000</i>	<i>Other related parties AED'000</i>	<i>Total AED'000</i>
Cash and bank balances	-	-	-	53,342	53,342
Islamic financing and investing assets	-	-	23,554	18,261	41,815
Available for sale investments	-	-	-	15,000	15,000
Investment deposits	-	142,158	-	1,187,440	1,329,598
Other assets	195	-	-	704	899
Other liabilities	-	55	100	2,375	2,530

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS At 30 June 2015 (Unaudited)

11 RELATED PARTY TRANSACTIONS (continued)

Transactions with related parties included in the statement of income are as follows:

30 June 2015 (Unaudited)

	<i>Associated companies AED'000</i>	<i>Major shareholders AED'000</i>	<i>Directors and senior management AED'000</i>	<i>Other related parties AED'000</i>	<i>Total AED'000</i>
Income from Islamic financing and investing assets	-	-	367	463	830
Distribution to financiers	-	1,429	-	11,940	13,369

30 June 2014 (Unaudited):

	<i>Associated companies AED'000</i>	<i>Major shareholders AED'000</i>	<i>Directors and senior management AED'000</i>	<i>Other related parties AED'000</i>	<i>Total AED'000</i>
Income from Islamic financing and investing assets	-	-	439	561	1,000
Distribution to financiers	-	2,099	-	15,375	17,474

Compensation of key management personnel

The compensation paid to key management personnel of the Group is as follows:

	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>30 June 2014 AED'000 (Unaudited)</i>
Salaries and other benefits	10,689	9,212
Employee terminal benefits	1,039	413
	<u>11,728</u>	<u>9,625</u>

12 COMMITMENTS AND CONTINGENCIES

Commitments

	<i>Notes</i>	<i>30 June 2015 AED'000 (Unaudited)</i>	<i>31 December 2014 AED'000 (Audited)</i>
Irrevocable commitments to advance financing	12.1	232,541	258,967
Commitments for investment properties	12.2	23,251	23,251
Commitments against capital expenditure		-	1,401
		<u>255,792</u>	<u>283,619</u>

12.1 These include credit-related commitments to extend facilities to Group's customers for under construction Ijarah financing.

12.2 This represents commitments to property developers or sellers in respect of property purchases.

12 COMMITMENTS AND CONTINGENCIES (continued)

Contingencies

- a) The Group is engaged in certain litigation proceedings in the United Arab Emirates, involving claims by and against it, mainly in respect of certain sale and financing transactions. The Group is defending these cases and based on legal counsel advice received believes it is less than probable that such actions taken by counter parties would succeed except for cases against which a provision of AED 0.5 million has been made in the prior year.
- b) As at 30 June 2015 the Group had a contingent liability for proposed Directors fees of AED nil (31 December 2014: AED 4.74 million). Directors fees, which are governed by UAE Federal Law No (8) of 1984, as amended (Article 118) were approved at the AGM on 16 April 2015 and have been paid in the period.
- c) During the period, the Group has paid Directors' fees amounting to AED 0.45 million (31 December 2014: AED 1.16 million) which are subject to ratification at the next Annual General Meeting (AGM).

13 RECLASSIFICATION

Certain prior year figures are reclassified to make current period presentation in line with most recent audited financial statement for the year ended 31 December 2014.

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

14 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The maturity analysis of assets, liabilities and off balance sheet items analysed according to when they are expected to be recovered, settled or sold. The values presented in this table include the impact of fair value adjustment as per the statement of financial position and excludes profit not yet due at period end. The table also excludes the potential impact of any cash distribution requirements triggered by the cash sweep mechanism under the terms of the Common Terms Agreement.

At 30 June 2015

At 30 June 2015	Up to 1 year			Total up to 1 year AED'000	1 year to 5 years AED'000	Over 5 years AED'000	Items with no maturity AED'000	Total AED'000
	Less than 3 months AED'000	3 months to 6 months AED'000	6 months to 1 year AED'000					
Assets								
Cash and deposits with banks	898,783	11,935	-	910,718	237,912	-	35,000	1,183,630
Islamic financing and investing assets	234,949	62,601	125,780	423,330	1,145,399	2,098,673	-	3,667,402
Available-for-sale investments	-	-	-	-	-	-	23,910	23,910
Advance for Investment Properties	-	-	-	-	30,036	-	282,000	312,036
Investment Properties	-	-	-	-	281,827	1,258,900	-	1,540,727
Properties under development	-	-	-	-	375,430	-	-	375,430
Investments in associates	-	-	-	-	-	-	267,690	267,690
Other assets	54,140	2,588	24,452	81,180	220,028	-	-	301,208
Furniture, fixture and equipment	-	-	-	-	-	-	13,448	13,448
Total assets	1,187,872	77,124	150,232	1,415,228	2,290,632	3,357,573	622,048	7,685,481
Liabilities								
Investment deposits and other Islamic financing	557,597	-	-	557,597	1,808,827	2,983,753	-	5,350,177
Term Islamic financing	1,078	1,078	2,156	4,312	60,115	2,222	-	66,649
Employees' end of service benefits	-	-	-	-	-	-	6,211	6,211
Other liabilities	109,077	5,859	5,319	120,255	317,295	-	-	437,550
Total liabilities	667,752	6,937	7,475	682,164	2,186,237	2,985,975	6,211	5,860,587
Commitments	232,541	-	-	232,541	23,251	-	-	255,792
Net liquidity gap	287,579	70,187	142,757	500,523	81,144	371,598	615,837	1,569,102

Amlak Finance PJSC and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2015 (Unaudited)

14 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (continued)

The maturity analysis of assets, liabilities and off balance sheet items analysed according to when they are expected to be recovered, settled or sold.

At 31 December 2014

	Up to 1 year				Total up to 1 year AED '000	1 year to 5 years AED '000	Over 5 years AED '000	Items with no maturity AED '000	Total AED '000
	Less than 3 months AED '000	3 months to 6 months AED '000	6 months to 1 year AED '000						
<i>Assets</i>									
Cash and deposits with banks	281,854	10,242	-		292,096	170,640	-	35,000	497,736
Islamic financing and investing assets	211,062	101,232	211,320		523,614	1,439,273	2,301,615	-	4,264,502
Available-for-sale investments	-	-	-		-	-	-	23,945	23,945
Advance for Investment Properties	-	-	-		-	30,036	-	282,000	312,036
Investment Properties	-	-	-		-	302,828	1,187,140	-	1,489,968
Properties under Development	-	-	-		-	363,281	-	-	363,281
Investments in associates	-	-	-		-	-	-	267,831	267,831
Other assets	13,806	27,140	27,602		68,548	-	-	-	68,548
Furniture, fixture and equipment	-	-	-		-	-	-	13,924	13,924
Total assets	506,722	138,614	238,922		884,258	2,306,058	3,488,755	622,700	7,301,771
<i>Liabilities</i>									
Investment deposits and other Islamic financing	-	-	-		-	2,371,154	2,899,137	-	5,270,291
Term Islamic financing	457	457	915		1,829	47,705	1,401	-	50,935
Employees' end of service benefits	-	-	-		-	-	-	6,085	6,085
Other liabilities	102,229	6,263	7,918		116,410	-	-	18,154	134,564
Total liabilities	102,686	6,720	8,833		118,239	2,418,859	2,900,538	24,239	5,461,875
Commitments	258,967	-	-		258,967	23,251	-	-	282,218
Net liquidity gap	145,069	131,894	230,089		507,052	(136,052)	588,217	598,461	1,557,678