Aramex PJSC and its subsidiaries

Condensed consolidated interim financial information
31 March 2008

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Condensed consolidated interim financial statements

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Independent auditors' review report to the Board of Directors of Aramex PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of Aramex PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 31 March 2008, and the related condensed consolidated interim statements of income, changes in equity and cash flows for the three month period then ended, and a summary of significant accounting policies and other explanatory notes ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of the condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on the 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 interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 31 March 2008 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

30 APR 2008

KPMG
Vijendranath Malhotra
(Registration No. B 48)
Dubai, United Arab Emirates

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Aramex PJSC and its subsidiaries

Condensed consolidated interim income statement (un-audited)

for the three month period ended 31 March 2008

	Note	Three month period ended 31 March 2008 AED'000	Three month period ended 31 March 2007 AED'000
Revenue	*16*	**494,457**	399,606
Cost of services		**(254,200)**	(211,672)
Gross profit		**240,257**	187,934
Other operating expenses		**(80,769)**	(58,385)
Selling expenses		**(24,757)**	(17,391)
General and administrative expenses		**(92,830)**	(76,273)
Other income-net		**947**	656
Profit from operations		**42,848**	36,541
Finance income		**1,050**	1,931
Finance expense		**(668)**	(823)
Net finance income		**382**	1,108
Net profit before income tax		**43,230**	37,649
Income tax		**(1,135)**	(2,158)
Net profit for the period		**42,095**	35,491
Attributable to:			
Shareholders of the Company		**36,211**	29,973
Minority interest		**5,884**	5,518
Net profit for the period		**42,095**	35,491
Basic earnings per share (AED)	*15*	**0.033**	0.027

The notes on pages 6 to 13 form part of this condensed consolidated interim financial information.

The independent auditors' review report is set out on page 1.

Aramex PJSC and its subsidiaries

Condensed consolidated interim balance sheet

as at 31 March 2008

	Note	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Assets				
Property, plant and equipment	5	**206,581**	192,986	129,344
Goodwill	6	**803,399**	803,399	803,731
Other intangible assets		**3,277**	3,493	4,140
Available for sale investments	7	**13,469**	17,040	6,050
Other non-current assets		**1,092**	1,496	8,253
Deferred tax assets		**2,375**	2,428	3,311
Total non-current assets		**1,030,193**	1,020,842	954,829
Cash in hand and at bank	8	**244,855**	238,856	218,144
Trade receivables	9	**342,727**	319,152	278,520
Other current assets	10	**106,761**	95,985	96,962
Total current assets		**694,343**	653,993	593,626
Total assets		**1,724,536**	1,674,835	1,548,455
Equity				
Share capital	11	**1,100,000**	1,100,000	1,000,000
Currency translation adjustment		**3,463**	3,694	1,348
Statutory reserve		**13,699**	13,699	1,978
Fair value reserve		**10,749**	14,320	2,879
Retained earnings	12	**189,675**	153,464	174,406
Total equity attributable to shareholders of the Company		**1,317,586**	1,285,177	1,180,611
Minority interest		**23,146**	25,444	13,891
Total equity		**1,340,732**	1,310,621	1,194,502
Liabilities				
Loans and borrowings – non current		**18,376**	14,707	11,174
Other long term liabilities		**-**	-	10,345
Employee end of service benefits		**42,192**	39,428	32,480
Deferred tax liabilities		**751**	539	157
Total non-current liabilities		**61,319**	54,674	54,156
Bank overdrafts	8	**18,337**	20,191	25,606
Loans and borrowings – current		**13,119**	13,056	8,469
Trade payables		**121,754**	132,093	116,273
Other current liabilities		**169,275**	144,200	149,449
Current liabilities		**322,485**	309,540	299,797
Total liabilities		**383,804**	364,214	353,953
Total equity and liabilities		**1,724,536**	1,674,835	1,548,455

The notes on pages 6 to 13 form part of this condensed consolidated interim financial information.

The Board of Directors approved this condensed consolidated interim financial information on 30 APR 2008

Abdullah Al Mazrui	Fadi Ghandour	Emad Shishtawi
(Chairman)	(Director, President & CEO)	(Vice President Finance)

The independent auditors' review report is set out on page 1.

Aramex PJSC and its subsidiaries

Condensed consolidated interim statement of cash flows (un-audited)

for the three month period ended 31 March 2008

	Note	Three month period ended 31 March 2008 AED'000	Three month period ended 31 March 2007 AED'000
Operating activities			
Profit for the period before income tax		**43,230**	37,649
Adjustments for:			
Depreciation		**10,270**	7,803
Amortisation/write-off of intangible assets		**216**	216
Provision for doubtful debts -net		**785**	214
Provision for employee end of service benefits		**3,152**	1,948
Net finance income		**(382)**	(1,108)
Gain/(loss) on sale of property, plant and equipment		**(103)**	54
Gain on sale of available for sale investments		**(512)**	-
Operating profit before working capital changes		**56,656**	46,776
Change in trade receivables		**(24,360)**	(17,079)
Change in other current assets		**(10,776)**	(18,632)
Change in trade payables		**(10,339)**	(1,265)
Change in other current liabilities		**23,696**	10,558
Employee end of service benefits paid		**(527)**	(354)
Cash generated by operations		**34,350**	20,004
Income tax refund received/(paid)		**509**	(408)
Cash flows from operating activities		**34,859**	19,596
Investing activities			
Acquisition of property, plant and equipment		**(24,043)**	(9,509)
Proceeds from sale of property, plant and equipment		**1,176**	520
Proceeds from sale of available for sale investments		**512**	-
Acquisition of available for sale investments		**-**	(451)
Acquisition of intangible assets		**-**	(743)
Net movement in other non current assets		**404**	(225)
Net movement in margin deposits		**(1,271)**	(886)
Interest income		**1,050**	1,931
Cash flows from investing activities		**(22,172)**	(9,363)
Financing activities			
Interest paid		**(668)**	(702)
Net movement in bank borrowings		**3,732**	(2,042)
Dividends paid to minority shareholders		**(8,954)**	(11,607)
Net movement in minority interest		**772**	693
Cash flows from financing activities		**(5,118)**	(13,658)
Effect of exchange rate changes on cash held		**(987)**	(52)
Net increase/(decrease) in cash and cash equivalents		**6,582**	(3,477)
Cash and cash equivalents at beginning of the period	*8*	**212,602**	190,447
Cash and cash equivalents at end of the period	*8*	**219,184**	186,970

The notes on pages 6 to 13 form part of this condensed consolidated interim financial information.

The independent auditors' review report is set out on page 1.

Aramex PJSC and its subsidiaries

Condensed consolidated interim statement of changes in equity (un-audited)

for the three month period ended 31March 2008

	Share capital		Currency translation adjustments	Statutory reserve	Fair value reserve	Retained earnings	Total shareholders' equity	Minority interest	Total equity
	Number	Amount AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance at 1 January 2007	1,000,000,000	1,000,000	1,785	1,978	-	144,433	1,148,196	19,287	1,167,483
Profit for the period	-	-	-	-	-	29,973	29,973	5,518	35,491
Translation adjustment	-	-	(437)	-	-	-	(437)	-	(437)
Net change in fair value of available for sale investments	-	-	-	-	2,879	-	2,879	-	2,879
Dividends paid during the period	-	-	-	-	-	-	-	(11,607)	(11,607)
Net other movements during the period	-	-	-	-	-	-	-	693	693
At 31 March 2007	1,000,000,000	1,000,000	1,348	1,978	2,879	174,406	1,180,611	13,891	1,194,502
Balance at 1 January 2008	1,100,000,000	1,100,000	3,694	13,699	14,320	153,464	1,285,177	25,444	1,310,621
Profit for the period	-	-	-	-	-	36,211	36,211	5,884	42,095
Translation adjustment	-	-	(231)	-	-	-	(231)	(134)	(365)
Net change in fair value of available for sale investments	-	-	-	-	(2,905)	-	(2,905)	-	(2,905)
Adjustment on sale of investments	-	-	-	-	(666)	-	(666)	-	(666)
Dividends paid during the period	-	-	-	-	-	-	-	(8,954)	(8,954)
Share capital introduced	-	-	-	-	-	-	-	928	928
Net other movements during the period	-	-	-	-	-	-	-	(22)	(22)
Balance at 31 March 2008	**1,100,000,000**	**1,100,000**	**3,463**	**13,699**	**10,749**	**189,675**	**1,317,586**	**23,146**	**1,340,732**

No allocation of profit has been made to the statutory reserve for the three month period ended 31 March 2008 as it would be effected at the year-end.

The notes on pages 6 to 13 form part of this condensed consolidated interim financial information.

Aramex PJSC and its subsidiaries

Notes

(forming part of the condensed consolidated interim financial statements

1 Legal status and principal activities

Aramex PJSC ("the Company") is a Public Joint Stock Company registered in the Emirate of Dubai, UAE on 15 February 2005 under UAE Federal law No 8 of 1984 (as amended). The condensed consolidated interim financial information of the Company as at 31 March 2008 comprise the Company and its subsidiaries (collectively referred to as "the Group").

The principal activities of the Company is to invest in the freight, express, logistics and supply chain management businesses through acquiring and owning controlling interests in Companies in the Middle East and other parts of the world.

The Company's registered office is, Office No 5, Abdul Rahman Al Zaroani real estate, Plot 121-221, Dubai Airport, Deira, Dubai, United Arab Emirates.

On 22 June 2005, the Company acquired 100% shareholding in Aramex International Limited ("AIL") from Aramex Holding Limited ("AHL"), a related party incorporated under the laws of Bermuda.

AIL provides transportation solutions including express delivery and freight forwarding services mainly to/from countries in the Middle East. For the purpose of the express business, AIL utilizes its main stations (hubs) in Dubai and London. AIL's operations are managed through a regional office, which was registered in Jordan on 15 March 1988 under the name of AIL (the Regional Office) pursuant to the foreign companies law No. (58) of 1985. The operations of the Regional Office are facilitated by the hubs of the Aramex network.

The Company was listed on the Dubai Financial Market on 9 July 2005.

2 Basis of preparation and significant accounting policies

This 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 of the Group, presented in UAE Dirhams ("AED") rounded to the nearest thousand, has been prepared under the historical cost convention except for available for sale investments, which are measured at fair value.

This condensed consolidated interim financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the latest audited consolidated financial statements of the Group for the year ended 31 December 2007.

The accounting policies applied in the preparation of the condensed consolidated interim financial information are consistent with those applied in the consolidated financial statements of the Group for the year ended 31 December 2007.

3 Accounting estimates and judgments

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

In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of the Group for the year ended 31 December 2007.

Notes *(continued)*

4 Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements as at and for the year ended 31 December 2007.

5 Property, plant and equipment

Acquisitions and disposals

During the three month period ended 31 March 2008, the Group acquired assets (including additions to capital work in progress) with a cost of AED 24.04 million *(31 December 2007: AED 97.83 million and 31 March 2007: AED 9.5 million).*

Assets with a carrying amount of AED 1.07 million *(31 December 2007: AED 1.08 million and 31 March 2007: AED 0.58 million)* were disposed off during the three month period ended 31 March 2008, resulting in a gain of AED 0.10 million *(31 December 2007: loss of AED 0.30 million and 31 March 2007: loss of AED 0.05 million)*, which has been included under other income.

6 Goodwill

The movement in the goodwill account is as follows:

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Opening balance	**803,399**	803,731	803,731
Acquisitions through business combination			
- On acquisition of GDA Singapore	-	1,533	-
Acquisition of minority interest:			
- On additional acquisition in Aramex Lanka	-	5,625	-
Adjustment on reversal of contingent consideration of Two Way	-	(7,530)	-
Adjustment to Freight Professionals	-	11	-
Adjustment to Docman	-	29	-
Closing balance	**803,399**	803,399	803,731

Annual impairment testing for goodwill has been carried out by management at 31 December 2007. Management have not seen any indications, since the date of its last financial year, which would indicate impairment in the carrying value of goodwill.

7 Available for sale investments

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Opening balance	17,040	2,720	2,720
Purchases during the period	-	-	451
Carrying value of investments sold during the period	(666)	-	-
Cumulative changes in fair value during the period/year	(2,905)	14,320	2,879
Closing balance	13,469	17,040	6,050

8 Cash in hand and at bank

Cash in hand and at bank include restricted cash amounting to AED 7.33 million as of 31 March 2008 *(31 December 2007: AED 6.06 million and 31 March 2007: AED 5.57 million)*. This amount represents margin against bank guarantees. Cash and cash equivalents comprise the following:

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Cash in hand and at banks	244,855	238,856	218,144
Less: Restricted cash, margin deposits	(7,334)	(6,063)	(5,568)
Less: Overdrafts	(18,337)	(20,191)	(25,606)
	219,184	212,602	186,970

9 Trade receivables

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Trade receivables	363,187	339,110	297,980
Less: allowance for impairment losses	(20,460)	(19,958)	(19,460)
Closing balance	342,727	319,152	278,520

Geographic concentrations of trade receivables are as follows:

	31 March 2008 %	31 December 2007 %	31 March 2007 %
Middle East and North Africa	72	71	67
Europe	20	21	25
North America	2	2	2
Asia	6	6	6

Management believes that all receivables, net of related provisions, will be collected in due course.

Notes *(continued)*

9 Trade receivables *(continued)*

Movements in allowance for impairment losses is as follows:

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Opening balance	**19,958**	21,439	21,439
Provision made during the period/year	**880**	6,867	380
Write back during the period/year	**(95)**	(116)	(166)
Write-offs during the period/year	**(283)**	(8,232)	(2,193)
Closing balance	**20,460**	19,958	19,460

10 Other current assets

Other current assets includes an amount of AED 30 million due from a Company owned by a trust formed for the purpose of implementing an employee share purchase plan. Certain key management employees of the Group have influence over the trust. This amount carries interest at agreed upon rates. The interest for the three month period ended 31 March 2008 amounting to AED 0.37 million has been waived.

11 Share capital

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Authorised, issued and paid up 1,100,000,000 shares of AED 1 each *(31 December 2007: 1,100,000,000 shares of AED 1 each; 31 March 2007: 1,000,000,000 shares of AED 1 each)*	**1,100,000**	1,100,000	1,000,000

12 Retained earnings

(a) Proposed dividends

The Directors proposed an issue of bonus shares of AED 110 million, being 10% of the share capital of the Company in their meeting to approve the 2007 annual financial statements of the Company. This proposed bonus share issue has been approved by the shareholders at the Annual General Meeting held on 2 April 2008. The amount of the proposed bonus issue has not been provided for and is included with retained earnings.

(b) Proposed director fees

Directors fees of AED 1.6 million representing remuneration for attending meetings and compensation for professional services rendered by the Directors for the year 2007 was proposed by the Board. This also has been approved by the shareholders at the Annual General Meeting on 2 April 2008.

Notes *(continued)*

13 Related party transactions

AIL currently leases the premises occupied by the AIL's corporate office in Amman, Jordan, from ARAM, an investment company controlled by the CEO's family at an annual rental of AED 1.58 million. The lease is open-ended and is renewed annually. Management believes that the terms of the lease are at least as favourable to the Company as those available from unaffiliated third parties.

AIL entered into an alliance called Global Distribution Alliance ("GDA") in December 2003. GDA is a global alliance among thirty two leading independent express companies that function as a worldwide delivery network for its members in which AIL is one of the founding members. AIL and GDA maintain normal business relations. At 31 March 2008, AED 0.30 million was due from AIL to GDA and has been included under other current liabilities. Aramex Beirut premises are rented from the station manager and her relatives for an amount equivalent to AED 0.13 million for the year. Management believes that the terms of the rental are at least as favourable to the Group as those available from unaffiliated third parties.

One of the subsidiaries of the Group leases its premises from one of its directors at an annual rental of AED 3.4 million.

During the ordinary course of its operations, the Group carries out transactions, which are within the principal activities of the Group, with other entities that fall within the definition of a related party as per International Accounting Standard ("IAS") 24. The terms of these transactions are not significantly different from those with other third parties. On account of the small value and the high volume of such individual transactions, the Group does not have a process in place to separately record and disclose such transactions. Management believes that such non disclosure does not affect the assessment of the Group's operations by the users of the financial statements.

Details of other significant related party transactions are as under:

	Three month period ended 31 March 2008 AED'000 Un-audited	Three month period ended 31 March 2007 AED'000 Un-audited
Compensation paid/payable to key management personnel for the period		
- Short term benefits	**3,784**	3,518
- End of service benefits	**38**	56

Notes *(continued)*

14 Contingent liabilities and commitments

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Letters of guarantee	**37,602**	36,651	30,986

15 Earnings per share

The calculation of basic earnings per share for the three month period ended 31 March 2008 is based on the profit attributable to the shareholders of the Company of AED 36.21 million *(three month period ended 31 March 2007: AED 29.97 million)* and a weighted average number of ordinary shares outstanding during the three month period ended 31 March 2008 of 1,100 million *(three month period ended 31 March 2007: 1,100 million shares)*. The weighted average numbers of shares have been proportionately adjusted for the earliest period presented for the issue of bonus shares in the second quarter of 2007.

16 Information about segments

Segment information is presented in respect of the Group's business and geographical segment. The primary format, business segments, is based on the way senior management organizes operations within the Group for decision making purposes, internal reporting structure and performance assessment.

Business segments

The Group operates predominantly in a single industry as a courier and cargo freight forwarder and comprises of the following main business segments:

International express: includes delivery of small packages across the globe to both retail and wholesale customers.

Freight forwarding: includes forwarding of loose or consolidated freight through air, land and ocean transport, warehousing, customs clearance and break bulk services.

Domestic express: includes express delivery of small parcels and pick up and deliver shipments from city to city within the country.

Logistics: includes warehousing and its management, distribution, supply chain management, inventory management as well as other value added services.

Other operation: includes catalogue shipping services, document storage, shop 'n' ship commercial services, airline ticketing and travel, logistics revenue, and visa services. All related costs are reflected in cost of services.

16 Information about segments *(continued)*

Business segments

(Figures in AED '000)

	Inter-national express	Freight forwarding	Domestic Express	Logistics	Others	Elimi-nation	Conso-Lidated
Three month period ended 31 March 2008							
External sales	**145,304**	**218,753**	**68,994**	**30,675**	**30,731**	**-**	**494,457**
Inter-segment sales	**67,103**	**33,720**	**9**	**3,029**	**1,555**	**105,416**	**-**
Segment sales	**212,407**	**252,473**	**69,003**	**33,704**	**32,286**	**105,416**	**494,457**
Gross profit	**86,053**	**58,936**	**52,602**	**24,071**	**18,595**	**-**	**240,257**

	Inter-national express	Freight forwarding	Domestic Express	Logistics	Others	Elimi-nation	Conso-Lidated
Three month period ended 31 March 2007							
External sales	121,172	180,581	52,595	21,992	23,266	-	399,606
Inter-segment sales	56,326	30,650	4	314	1,602	(88,896)	-
Segment sales	177,498	211,231	52,599	22,306	24,868	(88,896)	399,606
Gross profit	68,698	50,416	40,907	15,229	12,684	-	187,934

Transactions between stations are priced at agreed upon rates. All material intra-group transactions have been eliminated on consolidation.

The Group does not segregate assets and liabilities by business segment and accordingly such information is not available.

Geographical segments

The business segments are managed on a world-wide basis, but operate in four principal geographical areas, Middle East and North Africa, Europe, North America and Asia.

In presenting information on the geographical segments, segment revenue is based on the geographical location of customers. Segments assets are based on the location of the assets.

	Three month period ended 31 March 2008 AED'000 Un-audited	Three month period ended 31 March 2007 AED'000 Un-audited
Revenue		
Middle East and North Africa	**342,788**	261,624
Europe	**106,541**	107,850
North America	**10,522**	4,983
Asia	**34,606**	25,149
	494,457	399,606

16 Information about segments (continued)

Geographical segments (continued)

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Assets			
Middle East and North Africa	**1,556,881**	1,520,781	1,392,757
Europe	**114,538**	104,926	115,125
North America	**10,681**	10,058	9,413
Asia	**42,436**	39,070	31,160
	1,724,536	1,674,835	1,548,455

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Long lived assets *			
Middle East and North Africa	**179,060**	165,367	102,412
Europe	**20,818**	20,612	21,400
North America	**1,674**	1,790	1,945
Asia	**5,029**	5,217	3,587
	206,581	192,986	129,344

* Long lived assets comprise property, plant and equipment but exclude intangible assets.

	31 March 2008 AED'000 Un-audited	31 December 2007 AED'000 Audited	31 March 2007 AED'000 Un-audited
Liabilities			
Middle East and North Africa	**246,509**	233,077	222,271
Europe	**109,093**	103,968	110,752
North America	**7,847**	8,051	6,805
Asia	**20,355**	19,118	14,125
	383,804	364,214	353,953

17 Seasonality of operations

The Group's business is seasonal in nature. Historically, the Group experiences a decrease in demand for its services in the post winter holiday and summer vacation seasons. The Group traditionally experiences its highest volumes towards the later half of the year. The seasonality of the Group's revenue may cause a variation in its quarterly operating results. However, local Middle East and Islamic holidays vary from year to year, as a result, the Group's seasonality may shift over time.