



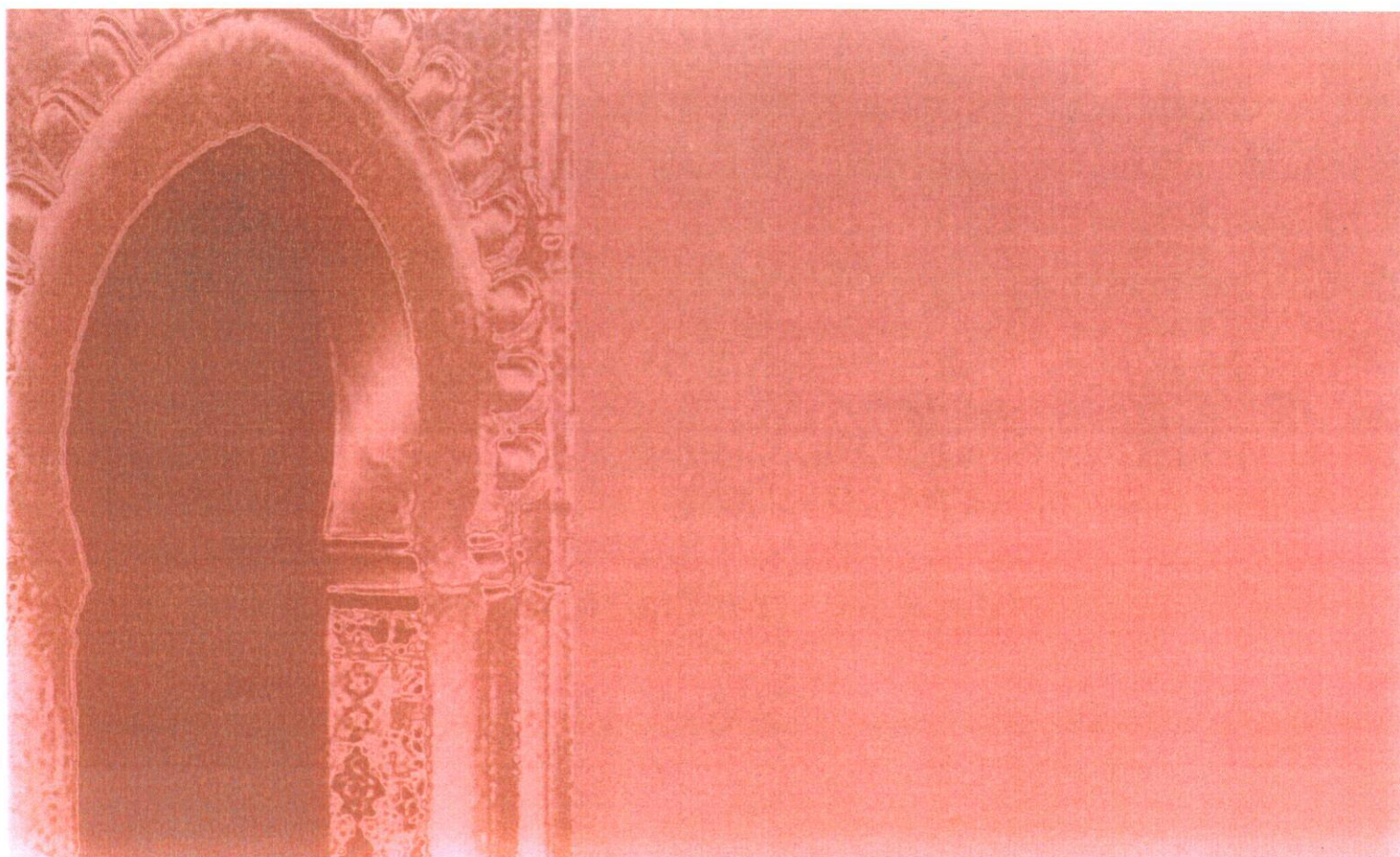
Sajjad Haider & Co.
CHARTERED ACCOUNTANTS

**To Be Returned To The
Auditors For Their Record**

**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 2012 (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 2012 (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 2012 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 & CO
CHARTERED ACCOUNTANTS
(Mohammed Nafees Reg. 165)

09 May 2012

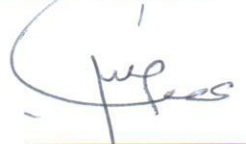
DUBAI, UNITED ARAB EMIRATES

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2012 (Un-audited)

		31 March 2012 <u>AED</u>	Audited 31 December 2011 <u>AED</u>
	<u>Note</u>		
ASSETS			
Current assets			
Cash and bank balances	3	1,9675,628	19,624,548
Prepayments and other receivables	4	121,533	48,084
		<u>19,797,161</u>	<u>19,672,632</u>
Non-current assets			
Fixed assets	5	-	-
Total assets		<u>19,797,161</u>	<u>19,672,632</u>
LIABILITIES AND EQUITY			
Current liabilities			
Creditors and accrued charges	6	640,048	605,048
Due to affiliated companies	7	54,797	39,738
Unclaimed dividend		341,500	341,500
		<u>1,036,345</u>	<u>986,284</u>
Non-current liabilities			
Provision for staff gratuity		<u>240,000</u>	<u>240,000</u>
Capital and reserves			
Share capital	8	10,000,000	10,000,000
Legal reserve	9	5,000,000	5,000,000
General reserve	10	1,000,000	1,000,000
Accumulated profit		<u>2,520,816</u>	<u>2,446,346</u>
		<u>18,520,816</u>	<u>18,446,346</u>
Total liabilities and equity		<u>19,797,161</u>	<u>19,672,632</u>

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



 DIRECTOR

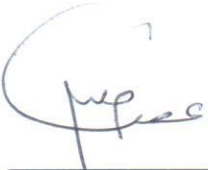
DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

**INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2012 (Un-audited)**

	31 March 2012 <u>AED</u>	31 March 2011 <u>AED</u>
REVENUE		
Interest earned on fixed deposits	140,254	168,259
Operating expenses	<u>(65,784)</u>	<u>(57,441)</u>
NET PROFIT FOR THE PERIOD	<u>74,470</u>	<u>110,818</u>
Earning per share		
Basic and diluted earnings per share (AED)	<u>0.0074</u>	<u>0.0111</u>

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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 2012 (Un-audited)**

	Share capital <u>AED</u>	Legal reserve <u>AED</u>	General reserve <u>AED</u>	Accumulated profit <u>AED</u>	Total <u>AED</u>
Balance as at 1 January 2011	10,000,000	5,000,000	1,000,000	2,318,357	18,318,357
Profit for the quarter ended 31 March 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,818</u>	<u>110,818</u>
Balance as at 31 March 2011	10,000,000	5,000,000	1,000,000	2,429,175	18,429,175
Profit for the 9 months ended 31 December 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,171</u>	<u>17,171</u>
Balance as at 1 January 2012	10,000,000	5,000,000	1,000,000	2,446,346	18,446,346
Profit for the 3 months ended 31 March 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,470</u>	<u>74,470</u>
Balance as at 31 March 2012	<u>10,000,000</u>	<u>5,000,000</u>	<u>1,000,000</u>	<u>2,520,816</u>	<u>18,520,816</u>

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

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

INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2012 (Un-audited)

	31 March 2012 <u>AED</u>	31 March 2011 <u>AED</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the period	74,470	110,818
CHANGES IN OPERATING ASSETS AND LIABILITIES		
(Increase)/ decrease in prepayments and other receivables	(73,449)	33,839
Increase in creditors and accrued charges	35,000	35,000
Increase in amount due to affiliated companies	<u>15,059</u>	<u>12,005</u>
Net cash provided by operating activities	<u>51,080</u>	<u>191,662</u>
Net increase in cash and bank balances during the period	51,080	191,662
Cash and cash equivalent at the beginning of the period	<u>19,624,548</u>	<u>19,306,241</u>
Cash and cash equivalents at the end of the period (note 11)	<u>19,675,628</u>	<u>19,497,903</u>

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

DUBAI DEVELOPMENT COMPANY (PSC)

(A Public Shareholding Company with Limited Liability)

DUBAI, UNITED ARAB EMIRATES**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2012****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.

DUBAI DEVELOPMENT COMPANY (PSC)
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**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE
INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE QUARTER ENDED 31 MARCH 2012 (Un-audited)**

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 2012 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2012.

	31 March 2012 <u>AED</u>	Audited 31 December 2011 <u>AED</u>
3 CASH AND BANK BALANCES		
Cash at bank		
- On fixed deposit accounts	19,627,360	19,557,020
- On current account	48,268	67,528
Cash in hand	<u>-</u>	<u>-</u>
	<u>19,675,628</u>	<u>19,624,548</u>
4 PREPAYMENTS AND OTHER RECEIVABLES		
Prepaid expenses	42,194	38,660
Accrued interest on fixed deposits	<u>79,339</u>	<u>9,424</u>
	<u>121,533</u>	<u>48,084</u>

DUBAI DEVELOPMENT COMPANY (PSC)
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**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE
INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE QUARTER ENDED 31 MARCH 2012 (Un-audited)**

5	FIXED ASSETS	Furniture and equipment <u>AED</u>	Office renovation <u>AED</u>	Total <u>AED</u>
	COST			
	At 1 January 2012	217,150	200,000	417,150
	Additions	-	-	-
	Disposals	-	-	-
	At 31 March 2012	217,150	200,000	417,150
	DEPRECIATION			
	At 1 January 2012	217,150	200,000	417,150
	Charge for the period	-	-	-
	On disposals	-	-	-
	At 31 March 2012	217,150	200,000	417,150
	NET BOOK VALUE			
	At 31 March 2012	-	-	-
	At 31 December 2011	-	-	-

All assets have been fully depreciated.

6	CREDITORS AND ACCRUED CHARGES	31 March 2012 <u>AED</u>	Audited 31 December 2011 <u>AED</u>
	Other expenses	640,048	605,048

Other expenses include salaries payable comprises of salary payable to general manager at AED 10,000 per month. It has been outstanding since 1st January 2007.

DUBAI DEVELOPMENT COMPANY (PSC)*(A Public Shareholding Company with Limited Liability)***DUBAI, UNITED ARAB EMIRATES****ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE
INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE QUARTER ENDED 31 MARCH 2012 (Un-audited)****7 DUE TO AFFILIATED COMPANIES**

	31 March 2012 AED	Audited 31 December 2011 AED
Almulla Construction (LLC), Dubai	10,883	10,883
Mohammed & Obaid Almulla, Dubai	43,914	28,855
	<u>54,797</u>	<u>39,738</u>

8 SHARE CAPITAL**Authorised, issued and fully paid**

10,000,000 shares of AED 1 each	<u>10,000,000</u>	<u>10,000,000</u>
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9 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 a maximum of 50 percent of the capital. The legal reserve is not distributable.

10 GENERAL RESERVE

	31 March 2012 AED	Audited 31 December 2011 AED
Balance carried forward	<u>1,000,000</u>	<u>1,000,000</u>

11 CASH AND CASH EQUIVALENTS

	31 March 2012 AED	31 March 2011 AED
Cash at bank	19,675,628	19,497,881
Cash in hand	<u>-</u>	<u>22</u>
	<u>19,675,628</u>	<u>19,497,903</u>

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**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE
INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE QUARTER ENDED 31 MARCH 2012 (Un-audited)**

12 CONTINGENT LIABILITES

Two plot holders have filed legal cases against the company against demarcation of their plots of land. One case has been dismissed by the Dubai Court of First Instance and the second case is still pending in the Court. It is difficult to evaluate the consequence of these cases at this early stage.