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Independent Auditors' Report on Review of Interim Financial Information

The Shareholders
Dubai Investments PJSC

Introduction

We have reviewed the accompanying interim consolidated condensed balance sheet of Dubai Investments PJSC ("the Company") as at 30 September 2008, and the related interim consolidated condensed statements of income, changes in equity and cash flows (the consolidated interim financial information) for the nine month period then ended. Management is responsible for the preparation and presentation of the consolidated interim financial information in accordance with IAS 34, *'Interim Financial Reporting'*. Our responsibility is to express a conclusion on the 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 consolidated interim financial information as at and for the nine month period ended 30 September 2008 is not prepared, in all material respects, in accordance with IAS 34, *'Interim Financial Reporting'*.

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

30 OCT 2008

Dubai Investments PJSC and its subsidiaries

Interim consolidated condensed income statement

for the nine month period ended 30 September 2008 (unaudited)

		Three month period ended 30 September		Nine month period ended 30 September	
	Note	2008 AED 000	2007 AED 000	2008 AED 000	2007 AED 000
Contract and other revenue		463,590	404,278	1,349,904	1,144,093
Sale of properties	9	419,699	107,927	1,411,313	345,951
Gain on sale of investment property		-	63,000	-	96,815
Property income		166,752	99,859	477,925	283,201
Interest income		10,719	20,751	32,255	33,058
Dividend income		1,004	107	17,247	4,764
Gain on sale of investments	4	239,341	29,647	318,599	30,798
Gain on fair valuation of investment properties	11	240,973	-	583,014	415,145
Fair valuation (loss)/gain on investments		(111,989)	1,881	(123,782)	82,904
Other income		11,841	3,257	37,356	51,826
Total income		1,441,930	730,707	4,103,831	2,488,555
Direct operating costs	5	(665,439)	(392,740)	(1,979,942)	(1,164,879)
Administrative and general expenses	6	(111,993)	(112,369)	(342,507)	(263,125)
Finance expenses		(27,990)	(33,058)	(100,562)	(73,434)
Total expenses		(805,422)	(538,167)	(2,423,011)	(1,501,438)
Profit for the period from continuing operations		636,508	192,540	1,680,820	987,117
Discontinued operation					
(Loss)/profit for the period from discontinued operation	7	(1,560)	75,974	(1,560)	87,841
Profit for the period		634,948	268,514	1,679,260	1,074,958
Attributable to:					
Equity holders of the Company		634,868	267,617	1,669,676	1,070,745
Minority interest		80	897	9,584	4,213
		634,948	268,514	1,679,260	1,074,958
Earnings per share					
Basic earnings per share	16	0.18	0.09	0.49	0.36
Continuing operations					
Basic earnings per share	16	0.18	0.06	0.49	0.33

The notes set out on pages 7 to 15 form part of the interim consolidated condensed financial information.

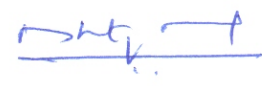
Dubai Investments PJSC and its subsidiaries

Interim consolidated condensed balance sheet at 30 September 2008 (unaudited)

		30 September 2008 AED 000 (Unaudited)	31 December 2007 AED 000 (Audited)	30 September 2007 AED 000 (Unaudited)
	Note			
Assets				
Non-current assets				
Property, plant and equipment and biological assets	8	2,251,728	1,491,334	1,372,802
Intangible assets including goodwill	10	194,202	158,812	152,210
Investment properties	11	2,585,094	1,891,531	2,092,177
Development properties	12	493,491	342,778	416,660
Investments in associates		12,908	12,676	9,610
Long term rent receivable (net)		111,176	184,846	130,652
Long term finance lease receivable		30,052	38,723	47,964
Due from related parties and other receivables		273,420	97,661	31,720
Investment at fair value through income statement		-	-	12,454
Total non-current assets		5,952,071	4,218,361	4,266,249
Current assets				
Inventories	14	2,689,783	2,172,192	1,573,619
Investments at fair value through income statement	13	865,382	930,636	902,259
Available for sale investments	13	984,426	709,209	649,460
Trade, related parties and other receivables	15	2,214,899	1,497,606	1,178,644
Cash at bank and in hand		1,785,158	716,411	659,905
Total current assets		8,539,648	6,026,054	4,963,887
Total assets		14,491,719	10,244,415	9,230,136
Equity				
Share capital	18&19	3,245,814	2,170,740	2,170,740
Share premium		46	46	46
Legal reserve		311,179	311,179	218,437
Capital reserve		25,502	25,502	26,721
Treasury shares		-	-	(25,536)
General reserve		395,385	395,385	286,932
Revaluation reserve		67,000	67,000	67,000
Fair value reserve		19,334	115,840	57,105
Proposed dividend	18	-	217,074	-
Proposed directors' fees		-	9,000	-
Retained earnings		3,318,031	1,648,355	1,639,762
Equity attributable to equity holders of the Company		7,382,291	4,960,121	4,441,207
Minority interest		620,948	359,571	285,848
Total equity		8,003,239	5,319,692	4,727,055
Liabilities				
Long-term bank borrowings/payables	17	2,996,327	1,500,818	1,356,758
Total non-current liabilities		2,996,327	1,500,818	1,356,758
Bank borrowings	17	1,657,118	1,642,699	1,541,159
Trade, related parties and other payables		1,835,035	1,781,206	1,605,164
Total current liabilities		3,492,153	3,423,905	3,146,323
Total liabilities		6,488,480	4,924,723	4,503,081
Total equity and liabilities		14,491,719	10,244,415	9,230,136

The interim consolidated condensed financial information was authorized for issue on behalf of the Board of Directors on 30th October 2008.


Khalid Jassim Kalban
MD & CEO


Mushtaq Masood
CFO

The notes set out on pages 7 to 15 form part of the interim consolidated condensed financial information.

Dubai Investments PJSC and its subsidiaries

Interim consolidated condensed statement of cash flows

for the nine month period ended 30 September 2008 (unaudited)

	30 September 2008 AED 000	30 September 2007 AED 000
Operating activities		
Profit for the period before minority interest	1,679,260	1,074,958
<i>Adjustments for:</i>		
Depreciation	63,439	52,801
Amortization/impairment losses of intangible assets (net)	1,652	380
Gain on disposal of property, plant & equipment (including assets of discontinued operation) (see note 7)	(1,482)	(79,102)
Gain on dilution of stake in a subsidiary	(234,738)	-
Gain on fair valuation of investment properties	(583,014)	(415,145)
Gain on sale of investment property	-	(96,815)
Share of gain from investment in associates	(232)	(714)
Loss/(gain) on fair valuation of held for trading and available for sale investments	123,782	(82,904)
<i>Operating profit before changes in working capital</i>	<i>1,048,667</i>	<i>453,459</i>
Net investment in held for trading and available for sale investments	(430,251)	(191,472)
Change in long-term receivable	(93,418)	16,538
Change in trade, related parties and other receivables	(629,753)	(498,400)
Change in inventories	(494,982)	(1,183,587)
Change in trade, related parties and other payables	(1,780)	658,212
Directors' fee paid	(9,000)	(6,000)
<i>Net cash used in operating activities</i>	<i>(610,517)</i>	<i>(751,250)</i>
Investing activities		
Net movement in investment and development property	(261,262)	(496,286)
Proceeds from sale of investment property	-	420,000
Purchase consideration paid for acquisition of interest/additional investment in subsidiaries (net of cash acquired)	(52,578)	(34,639)
Proceeds from dilution of stake in a subsidiary	404,471	-
Additions to intangible assets	-	(21,654)
Acquisition of property, plant and equipment	(815,726)	(461,940)
Proceeds from disposal of property, plant and equipment	5,066	150,850
Investment in associates	-	(2,950)
Sales of treasury shares	-	2,376
Purchase of treasury shares	-	(1,191)
Net movement in deposits under lien	(285,812)	-
<i>Net cash used in investing activities</i>	<i>(1,005,841)</i>	<i>(445,434)</i>
Financing activities		
Proceeds from rights issue	858,000	-
Net movement in long term bank borrowings and other payables	1,365,365	452,384
Net movement in minority interest	61,255	105,041
Dividend paid	-	(296,010)
<i>Net cash from financing activities</i>	<i>2,284,620</i>	<i>261,415</i>
Net increase/ (decrease) in cash and cash equivalents	668,262	(935,269)
Cash and cash equivalents at the beginning of the period	(632,399)	180,204
Cash and cash equivalents at the end of the period	35,863	(755,065)
<i>Cash and cash equivalents comprise of the following:</i>		
Current and short term deposits with banks (excluding under lien)	1,451,447	524,926
Bank overdraft	(1,415,584)	(1,279,991)
	35,863	(755,065)

The notes set out on pages 7 to 15 form part of the interim consolidated condensed financial information.

Dubai Investments PJSC and its subsidiaries

Interim consolidated condensed statement of changes in equity

for the nine month period ended 30 September 2008 (unaudited)

	-----Attributable to the equity holders of the Company-----											AED 000		
	Share capital	Share premium	Legal reserve	Capital reserve	Treasury shares	General reserve	Reval- uation reserve	Fair value reserve	Proposed dividend	Proposed directors' fees	Retained earnings	Sub total	Minority interest	Total
At 1 January 2007	1,973,400	46	218,437	26,327	(26,327)	286,932	67,000	62,432	493,350	6,000	568,429	3,676,026	162,248	3,838,274
Changes in equity														
Net change in fair value of available for sale investments	-	-	-	-	-	-	-	(5,327)	-	-	-	(5,327)	-	(5,327)
Fair value adjustment on interest free loan from a minority shareholder	-	-	-	-	-	-	-	-	-	-	-	-	46,703	46,703
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Net income recognized directly in equity	-	-	-	-	-	-	-	(5,327)	-	-	-	(5,327)	46,703	41,376
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,070,745	1,070,745	4,213	1,074,958
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Total recognized income and expense	-	-	-	-	-	-	-	(5,327)	-	-	1,070,745	1,065,418	50,916	1,116,334
Introduction of share capital in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	2,025	2,025
Bonus shares issued	197,340	-	-	-	-	-	-	-	(197,340)	-	-	-	-	-
Treasury shares purchased	-	-	-	-	(1,191)	-	-	-	-	-	-	(1,191)	-	(1,191)
Treasury shares sold	-	-	-	-	2,376	-	-	-	-	-	-	2,376	-	2,376
Net gain on sale of treasury shares – transferred to capital reserve	-	-	-	394	(394)	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(296,010)	-	-	(296,010)	-	(296,010)
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(12,616)	(12,616)
On business combination	-	-	-	-	-	-	-	-	-	-	-	-	117,395	117,395
Acquisition of minority interest	-	-	-	-	-	-	-	-	-	-	-	-	(34,120)	(34,120)
Directors' fees paid	-	-	-	-	-	-	-	-	-	(6,000)	-	(6,000)	-	(6,000)
Other movements	-	-	-	-	-	-	-	-	-	-	588	588	-	588
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At 30 September 2007	2,170,740	46	218,437	26,721	(25,536)	286,932	67,000	57,105	-	-	1,639,762	4,441,207	285,848	4,727,055
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Dubai Investments PJSC and its subsidiaries

Interim consolidated condensed statement of changes in equity

for the nine month period ended 30 September 2008 (unaudited)

	-----Attributable to the equity holders of the Company-----											AED 000		
	Share capital	Share premium	Legal reserve	Capital reserve	Treasury shares	General reserve	Reval- uation reserve	Fair value reserve	Proposed dividend	Proposed directors' fees	Retained earnings	Sub total	Minority interest	Total
At 1 January 2008	2,170,740	46	311,179	25,502	-	395,385	67,000	115,840	217,074	9,000	1,648,355	4,960,121	359,571	5,319,692
Changes in equity														
Net change in fair value of available for sale investments transferred to income statement	-	-	-	-	-	-	-	(53,248)	-	-	-	(53,248)	-	(53,248)
Net change in fair value of available for sale investments	-	-	-	-	-	-	-	(43,258)	-	-	-	(43,258)	-	(43,258)
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Net income recognized directly in equity	-	-	-	-	-	-	-	(96,506)	-	-	-	(96,506)	-	(96,506)
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,669,676	1,669,676	9,584	1,679,260
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Total recognized income and expense	-	-	-	-	-	-	-	(96,506)	-	-	1,669,676	1,573,170	9,584	1,582,754
Introduction of share capital in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	67,627	67,627
Issue of right shares	858,000	-	-	-	-	-	-	-	-	-	-	858,000	-	858,000
Bonus shares issued	217,074	-	-	-	-	-	-	-	(217,074)	-	-	-	-	-
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(8,481)	(8,481)
On business combinations (refer note 10)	-	-	-	-	-	-	-	-	-	-	-	-	20,805	20,805
On dilution of stake in a subsidiary (refer note 4)	-	-	-	-	-	-	-	-	-	-	-	-	169,733	169,733
Directors' fees paid	-	-	-	-	-	-	-	-	-	(9,000)	-	(9,000)	-	(9,000)
Other movements	-	-	-	-	-	-	-	-	-	-	-	-	2,109	2,109
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At 30 September 2008	3,245,814	46	311,179	25,502	-	395,385	67,000	19,334	-	-	3,318,031	7,382,291	620,948	8,003,239
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In accordance with the interpretation of Article 118 of the UAE Federal Law No. 8 of 1984 by the Ministry of Economy & Commerce, Directors' fees have been treated as an appropriation from equity.

No allocation of profit has been made to the statutory reserve for the nine month period ended 30 September 2008 as it would be affected at the year-end.

The notes set out on pages 7 to 15 form part of the interim consolidated condensed financial information.

Dubai Investments PJSC and its subsidiaries

Notes to the interim consolidated condensed financial information for the nine month period ended 30 September 2008 (unaudited)

1. Reporting entity

Dubai Investments PJSC (“the Company”) was incorporated in the United Arab Emirates by Ministerial Resolution No. 46 of 1995, on 16th July 1995. The interim consolidated condensed balance sheet, and the related interim consolidated condensed statements of income, changes in equity and cash flows (interim consolidated condensed financial information) of the Company for the nine month period ended 30 September 2008 (“the current period”) comprise the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in associates and jointly controlled entities.

The Company’s principal objective is to invest in companies and projects. The Company is able to invest in a wide range of business sectors as defined in its Articles of Association.

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

2. Basis of preparation and significant accounting policies

The interim consolidated condensed financial information has been prepared in accordance with the International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Group for the year ended 31 December 2007.

The accounting policies applied in the preparation of the interim consolidated condensed financial information are consistent with those applied in the annual financial statements of the Group for the year ended 31 December 2007. Certain comparative amounts have been reclassified to conform to the current period’s presentation.

The Group’s financial risk management objectives, policies and procedures are consistent with those disclosed in its consolidated financial statements as at and for the year ended 31 December 2007.

The interim consolidated condensed financial information of the Group, presented in UAE Dirhams (“AED”), which is the Company’s functional currency, rounded to the nearest thousand, have been prepared under the historical cost convention, except for financial instruments at fair value through income statement, financial instruments classified as available for sale, plots of land, derivative financial instruments and investment properties, which are stated at their fair values.

3. Accounting estimates and judgments

The preparation of interim consolidated condensed financial information in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that were applied in preparation of the consolidated financial statements of the Group as at and for the year ended 31 December 2007.

In the current environment obtaining reliable fair value has been one of the greatest challenges. The nature and reliability of information available to management to support the making of a fair value accounting estimate vary widely, and thereby affect the degree of estimation uncertainty associated with that fair value (also refer note 23).

4. Gain on sale of investments

Gain on sale of investments include an amount of AED 235 million representing profit earned on dilution of 40% stake in the wholly owned subsidiary, viz., M’Sharie LLC (refer note 22).

Dubai Investments PJSC and its subsidiaries

Notes to the interim consolidated condensed financial information (*continued*)
for the nine month period ended 30 September 2008 (unaudited)

5. Direct operating costs

	Three month period ended 30 September		Nine month period ended 30 September	
	2008	2007	2008	2007
	AED 000	AED 000	AED 000	AED 000
<i>These include:</i>				
Staff costs	33,685	29,340	96,360	76,397
Depreciation	16,124	12,876	45,831	36,151
	=====	=====	=====	=====

6. Administrative and general expenses

	Three month period ended 30 September		Nine month period ended 30 September	
	2008	2007	2008	2007
	AED 000	AED 000	AED 000	AED 000
<i>These include:</i>				
Staff costs	49,077	38,781	143,076	94,466
Depreciation	5,963	5,799	17,608	16,650
	=====	=====	=====	=====

7. Discontinued operation

During the previous year, the management of a joint venture entity decided to liquidate its operations. The joint venture's main objective was to run a vessel on charter (representing the Group's entire transportation segment). Consequent to the decision to liquidate, the vessel was sold to a third party by the joint venture at a profit of AED 78.5 million. The liquidation of the joint venture has been completed during the current period and the Group received AED 2.9 million as net liquidation proceeds.

Results of discontinued operation	Three month period ended 30 September		Nine month period ended 30 September	
	2008	2007	2008	2007
	AED 000	AED 000	AED 000	AED 000
Revenue	-	3,537	-	19,880
Expenses	(1,560)	(6,120)	(1,560)	(10,596)
	-----	-----	-----	-----
(Loss)/profit from operating activities	(1,560)	(2,583)	(1,560)	9,284
Gain on sale of fixed asset	-	78,557	-	78,557
	-----	-----	-----	-----
(Loss)/profit for the period	(1,560)	75,974	(1,560)	87,841
	=====	=====	=====	=====
Basic earnings per share	-	0.026	-	0.029
	=====	=====	=====	=====

Dubai Investments PJSC and its subsidiaries

Notes to the interim consolidated condensed financial information (*continued*)
for the nine month period ended 30 September 2008 (unaudited)

7. Discontinued operation (*continued*)

	Nine month period ended 30 September	
	2008	2007
	AED 000	AED 000
Cash flows (used in)/generated from discontinued operation:		
Net cash flow (used in)/generated from operating activities	(1,560)	21,491
Net cash flow generated from investing activities	-	147,919
Net cash flow used in financing activities	-	(170,398)
	-----	-----
Net cash flow (used in)/generated from discontinued operation	(1,560)	(988)
	=====	=====

8. Property, plant and equipment and biological assets

Additions and disposals

During the nine month period ended 30 September 2008, the Group acquired assets amounting to AED 816 million (*nine month period ended 30 September 2007: AED 488 million*) including assets acquired through business combinations.

9. Sale of properties

During the current period, the Group recorded revenue of AED 1,411 million on sale of various plots of land and buildings in Jebel Ali, Al Barsha, Dubai Investment Park (DIP), Mirdiff and Al Rafaa area.

10. Intangible assets including goodwill

Goodwill on acquisition of subsidiaries

On 22 September 2008 (date of acquisition), the Group acquired 51% interest in two entities namely Anchor Allied Factory LLC ("Anchor Allied") and Inter Chemi International Limited ("Inter Chemi") with effect from 1 August 2008 for a combined purchase consideration of AED 58 million.

The entities are engaged in the business of adhesive tapes, specialized adhesives and manufacturing specialty grade of injection moulds.

The acquisition of Anchor Allied and Inter Chemi had the following effect on the Group's assets and liabilities at the date of acquisition:

% acquired	Anchor Allied 51%	Inter Chemi 51%	Total
	-----Recognized values on acquisition-----		
	AED'000	AED'000	AED'000
Non-current assets	2,003	9,688	11,691
Current assets	98,123	18,146	116,269
	-----	-----	-----
Total assets	100,126	27,834	127,960
Less: non-current liabilities	(44,512)	(10,819)	(55,331)
Less: current liabilities	(29,272)	(898)	(30,170)
	-----	-----	-----
Net assets acquired	26,342	16,117	42,459
	=====	=====	=====

Dubai Investments PJSC and its subsidiaries

Notes to the interim consolidated condensed financial information (*continued*)
for the nine month period ended 30 September 2008 (*unaudited*)

10. Intangible assets including goodwill (*continued*)

	AED 000
Purchase consideration (A)	57,980
Less: the Group's share of net assets acquired	(21,654)

Goodwill on initial accounting	36,326
	=====
 Cash acquired (B)	 (5,402)

Net cash outflow (A) – (B)	52,578
	=====

The goodwill recognized on the acquisition of Anchor Allied and Inter Chemi is attributable mainly to the synergies expected to be achieved from integrating these businesses into the Group's existing business.

Since the initial accounting of the above business combinations affected during the current period, has been determined only provisionally, the Group shall recognize any adjustments to the provisional values of identifiable assets and liabilities within 12 months from the acquisition date in accordance with IFRS 3 *Business Combinations*.

11. Investment properties

The majority of investment properties are built on a land located at Dubai Investment Park which was obtained from the Government of Dubai in earlier years on a renewable, non-cancelable long term lease of 99 years. The Group is exempted to pay the lease rentals for the first ten years and thereafter, starting 1 February 2009, 20% of the annual net profits from the project are payable. This land leased from the Government of Dubai is developed in phases.

The development of area 2 and area 4 of Phase V was completed in the current period. The development of area 3, area 5 and area 6 of Phase V and the entire phase VI are in progress as of the current period end (refer note 12). During the current period, the Group has obtained a fair valuation of area 2 and area 4 of Phase V carried out by an independent registered valuer. The independent registered valuer has carried out the valuation in accordance with the RICS Appraisal and Valuation Manual issued by the Royal Institute of Chartered Surveyors, which takes into consideration the cash outflows resulting from the estimated 20% share of the net profits due to the Government of Dubai starting 2009. The valuation of property carried out by the independent registered valuer resulted in a net valuation gain of AED 342 million which has been credited to the income statement. Furthermore, during the current period, the lease rentals and lease period for Phase I and area 2 of Phase IV were re-negotiated with the lessee, resulting in a net increase in fair valuation by AED 241 million, which has been credited to the income statement.

Management believes that the fair valuation of the remaining investment properties at 30 September 2008 is not significantly different from the previous fair valuation as at 31 December 2007. Accordingly, no fair value adjustments have been made during the current period for those investment properties.

12. Development properties

Development properties as of the current period end mainly comprise costs incurred to date for the development of area 3, area 5 and area 6 of Phase V and Phase VI at Dubai Investment Park (refer note 11).

Dubai Investments PJSC and its subsidiaries

Notes to the interim consolidated condensed financial information (*continued*)
for the nine month period ended 30 September 2008 (unaudited)

13. Investments

	30 September 2008 AED 000 (Unaudited)	31 December 2007 AED 000 (Audited)	30 September 2007 AED 000 (Unaudited)
Investments designated as fair value through income statement (FVP)			
<i>Current</i>			
- held for trading quoted equity securities	447,198	415,137	370,984
- quoted funds	413,104	482,124	466,384
- bonds	5,080	33,375	64,891
	-----	-----	-----
	865,382	930,636	902,259
	-----	-----	-----
<i>Non-current</i>			
- held for trading quoted equity securities	-	-	12,454
	--	--	-----
Investments designated as available for sale (AFS):			
- quoted/unquoted equity securities	984,426	709,209	649,460
	-----	-----	-----
	1,849,808	1,639,845	1,564,173
	=====	=====	=====
<i>Geographical distribution of investments:</i>	30 September	31 December	30 September
	2008	2007	2007
	AED 000	AED 000	AED 000
	(Unaudited)	(Audited)	(Unaudited)
UAE	679,984	812,619	797,760
Other GCC countries	665,865	460,633	398,867
Other countries	503,959	366,593	367,546
	-----	-----	-----
	1,849,808	1,639,845	1,564,173
	=====	=====	=====

The accounting policy for recognition and measurement of investments is consistent with that of the previous year and is as follows:

Investments at fair value through income statement

An instrument is classified as fair value through income statement if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through income statement if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognized in the income statement when incurred. Financial instruments at fair value through income statement are measured at fair value, and changes therein are recognized in the consolidated income statement

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through income statement. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, and foreign exchange gains and losses on available for sale monetary items, are recognized directly in equity. When an investment is derecognized, the cumulative gain or loss in equity is transferred to the consolidated income statement.

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

Inventories at 30 September 2008 includes properties held for sale amounting to AED 1,074 million (31 December 2007: AED 1,498 million) and properties under development for sale amounting to AED 1,231 million (31 December 2007: AED 379 million) in the ordinary course of business. Furthermore, included in properties under development for sale is the Group's proportionate share of land acquired by a joint venture entity during the period valued at AED 445 million (31 December 2007: AED Nil).

15. Related party transactions

Significant related party transactions during the period were as follows:

Compensation to key management personnel including Directors:

	Three month period ended 30 September		Nine month period ended 30 September	
	2008	2007	2008	2007
	AED 000	AED 000	AED 000	AED 000
Short term benefits	1,978	1,094	5,074	3,276
Provision towards employees' terminal benefits	20	28	62	85
	===	====	===	===

16. Basic earnings per share

	Three month period ended 30 September		Nine month period ended 30 September	
	2008	2007	2008	2007
Net profit attributable to shareholders of the Company (AED 000)	634,868	267,617	1,669,676	1,070,745
Weighted average number of shares outstanding (refer note 18 and 19)	3,435,454,939	2,978,272,457	3,435,454,939	2,978,272,457
	=====	=====	=====	=====

For the computation of basic earnings per share from continuing operations, profit for the period from discontinued operations is reduced from the profit attributable to equity holders of the Company.

17. Bank borrowings

The terms of the bank borrowings vary from three to eight years and are secured by a combination of mortgages and corporate guarantees. Where there is a corporate guarantee, the Company's liability is mostly restricted to its percentage of equity interest in the borrowing entity and amounts to AED 2,687 million as at 30 September 2008 (31 December 2007: AED 2,176 million).

Term loans and other bank borrowings are secured by mortgages over certain inventories, trade receivables and property, plant and equipment and insurance policies of the Group and in some cases by shareholders' guarantee.

18. Proposed dividend

At the Annual General Meeting (AGM) held on 23 April 2008, the shareholders approved issue of 10% bonus shares instead of the previously proposed cash dividend of 10% by the Directors. Weighted average number of shares outstanding has been retrospectively adjusted to include the 10% bonus shares approved in the aforesaid AGM (refer note 16).

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19. Right issue

During the Extraordinary General Meeting (EGM) held on 13 November 2005, it was resolved to issue right shares in the ratio of 2:1 (2 shares for every 1 held) at par. The Company has issued such right shares in two installments; first installment of 858 million shares of AED 1 each was issued and subscribed in the year 2006 and the right issue of the remaining 858 million shares was made in the current period. Weighted average number of shares outstanding has been adjusted to include the right shares issued during the current period (refer note 16).

20. Contingent liabilities

The Company has issued corporate guarantee for loans and advances to related and third parties by commercial banks. These guarantees are limited to AED 2,687 million as at 30 September 2008 (31 December 2007: AED 2,176 million).

21. Capital commitments

As at 30 September 2008, the Group has contractual capital commitments amounting to AED 2.3 billion (31 December 2007: 2.2 billion) mainly relating to new projects/investments.

22. Investment in subsidiaries, joint ventures and change of interest in existing subsidiaries

- (i) The Group jointly with the Aqaar Properties LLC has incorporated Ajman Oasis LLC (“the joint venture”) for development, financing, construction and completion of an integrated real estate project in the Emirate of Ajman, comprising residential, commercial and tourist properties substantially for sale to third parties, which shall be known as “Ajman Oasis Project”. The Group has 50% interest in the joint venture.
- (ii) The Company has formed Dubai Investment Capital Ventures LLC (“DICV”), a subsidiary to invest in the manufacturing industry.
- (iii) The Group acquired an additional 6% stake in its existing subsidiary, Global Pharma Co. LLC. Consequent to this acquisition of additional interest, the Group’s share has increased from 78% to 84% in Global Pharma Co. LLC. The additional interest was acquired by way of conversion of a loan into share capital.
- (iv) The Group has formed Gaussin Middle East LLC, a subsidiary for the purpose of manufacture of motor vehicles, trailers and semi-trailers and to engage in related activities incidental thereto.
- (v) The Group has formed Techsource LLC, a wholly owned subsidiary, for the purposes of data centre co-location and hosted services, IT management including software, enterprise resource planning, security solution and related services.
- (vi) The Group has acquired 51% interest in Anchor Allied Factory LLC. The principal activity of the subsidiary is manufacturing of all kinds of self adhesive tapes, paper cores, containers and other packaging materials (refer note 10).
- (vii) The Group has acquired 51% interest in Inter Chemi International Limited (“Inter Chemi”), a British Virgin Island company and having a branch in Sharjah Airport International Free Zone. Inter Chemi is engaged in manufacturing specialty grade injection moulds (refer note 10).
- (viii) During the period, the Company liquidated 40% stake in its wholly owned subsidiary, M’Sharie LLC. Consequent to liquidation, the Group’s interest in M’Sharie LLC has reduced to 60% (refer note 4).

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Notes to the interim consolidated condensed financial information (*continued*)
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23. Subsequent events

As set out in note 13, the Group holds investments in quoted equity securities, bonds and funds listed on the Dubai Financial Market, Abu Dhabi Financial Market, Dubai International Financial Exchange and Saudi Stock Exchange (Tadawul) classified either as available-for-sale investments or investments fair valued through income statement. There has been significant volatility in the market values of these securities during the reporting period and the same trend has continued subsequent to the period end. Consequently, the values disclosed at the balance sheet date relating to investments and investment fair value reserve may be subject to a material change after the balance sheet date.

24. Segment reporting

Segment information is presented in respect of the Group's business and geographical segments. The primary format of business segments is based on the Group's management reporting structure.

Business segments:

The Group comprises the following main business segments:

<i>Manufacturing and contracting</i>	: manufacture and sale of materials used in building construction projects, production and sale of crude edible oil, pharmaceuticals, aluminum extruded products and laboratory furniture.
<i>FMCG</i>	: production and distribution of dairy products.
<i>Transportation</i>	: provision of a tanker for the transportation of crude oil.
<i>Investments</i>	: strategic minority investments in start up ventures and IPO's, bonds, funds and shares held for trading purposes.
<i>Property</i>	: the development of real estate projects for rentals and sale of developed property units.

For analysis of segments see page 15.

	Manufacturing and Contracting		FMCG		Transportation		Investments		Property		Adjustments		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Business Segments														
Sales (including sale of properties)	1,263,918	1,089,646	85,986	68,872	-	-	-	-	1,411,313	345,951	-	(14,425)	2,761,217	1,490,044
Charter revenue	-	-	-	-	-	19,880	-	-	-	-	-	-	-	19,880
Sales of investment property	-	-	-	-	-	-	-	-	-	96,815	-	-	-	96,815
Interest, dividend and other income	27,108	35,931	-	1,780	-	78,557	818,549	378,555	41,591	20,883	(605,573)	(233,800)	281,675	281,906
Property income	5,780	750	-	-	-	-	6,001	5,455	493,579	313,425	(27,435)	(36,428)	477,925	283,202
Gain/(loss) on fair valuation of investment properties	-	-	-	-	-	-	-	-	583,014	415,145	-	-	583,014	415,145
Total revenue	1,296,806	1,126,327	85,986	70,652	-	98,437	824,550	384,010	2,529,497	1,192,219	(633,008)	(284,653)	4,103,831	2,586,992
Segment Result	120,321	73,101	7,202	4,685	(1,560)	91,894	731,075	329,367	1,528,954	893,553	(606,170)	(240,156)	1,779,822	1,152,444
Finance expenses													(100,562)	(77,486)
Minority interests													(9,584)	(4,213)
Net profit/(loss) for the year	73,957	36,490	6,172	2,499	(1,560)	87,841	714,788	320,402	1,484,033	868,948	(607,714)	(245,435)	1,669,676	1,070,745
Assets	4,067,256	2,703,828	135,828	123,122	-	5,523	5,631,082	4,070,373	7,380,926	4,762,290	(2,723,373)	(2,435,000)	14,491,719	9,230,136
Liabilities	2,919,004	1,871,022	102,199	97,973	-	679	389,235	641,427	3,893,814	2,578,840	(815,772)	(686,860)	6,488,480	4,503,081
	UAE		Others		Adjustments		Total							
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Geographical Segments														
Revenue from external customers							4,687,455	2,725,630	49,384	146,015	(633,008)	(284,653)	4,103,831	2,586,992
Segment assets							17,139,019	11,590,020	76,073	75,116	(2,723,373)	(2,435,000)	14,491,719	9,230,136

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