ASSURANCE AND ADVISORY
BUSINESS SERVICES

Tamweel PJSC (formerly Tamweel LLC)

INTERIM CONDENSED FINANCIAL STATEMENTS

31 MARCH 2007 (UNAUDITED)

ERNST & YOUNG

Tamweel PJSC (formerly Tamweel LLC)

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ERNST & YOUNG

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REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF TAMWEEL PJSC (FORMERLY TAMWEEL LLC)

Introduction

We have reviewed the accompanying interim balance sheet of Tamweel PJSC (formerly Tamweel LLC) (the "Company") as at 31 March 2007 and the related interim statements of 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 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.

Ernst & Young

Signed by
Naushad Anwar
Partner
Registration No. 489

7 May 2007

Dubai, United Arab Emirates

Tamweel PJSC (formerly Tamweel LLC)

INCOME STATEMENT

Period ended 31 March 2007 (Unaudited)

	Notes	Three months ended 31 March 2007 AED'000	31 March 2006 AED'000
Income from Islamic financing and investing assets		**45,840**	24,096
Income from sale of development property, net		**4,566**	7,855
Fees and other income	3	**41,169**	6,057
OPERATING INCOME		**91,575**	38,008
General and administrative expenses		**(19,600)**	(12,388)
PROFIT BEFORE DEPOSITORS' SHARE OF PROFIT		**71,975**	25,620
Depositors' share of profit		**(21,506)**	(15,434)
PROFIT FOR THE PERIOD		**50,469**	10,186
Earnings per share-basic and diluted (AED)	5	**0.05**	0.02

The attached notes 1 to 7 form part of these interim condensed financial statements.

Tamweel PJSC (formerly Tamweel LLC)

BALANCE SHEET

At 31 March 2007

	31 March 2007 AED'000 (Unaudited)	*31 December 2006 AED'000 (Audited)*
ASSETS		
Bank balances and cash	**334,882**	380,181
Advances, prepayments and other receivables	**330,129**	195,341
Investments in properties	**212,085**	60,768
Other investments	**11,991**	10,834
Islamic financing and investing assets	**3,014,326**	2,583,745
Property and equipment	**32,931**	31,480
TOTAL ASSETS	**3,936,344**	3,262,349
LIABILITIES AND EQUITY		
Liabilities		
Zakat payable	**4,692**	4,845
Accounts payable, accruals and other liabilities	**544,706**	207,165
Financing obligations	**1,717,235**	1,230,760
Total liabilities	**2,266,633**	1,442,770
Equity		
Share capital	**1,000,000**	1,000,000
Employees' benefit plan	**(11,100)**	(11,100)
Statutory reserve	**91,305**	91,305
General reserve	**435,000**	435,000
Special reserve	**30,143**	25,837
Cumulative changes in fair value	**246**	208
Retained earnings	**124,117**	78,329
Proposed dividend	**-**	200,000
Total equity	**1,669,711**	1,819,579
TOTAL LIABILITIES AND EQUITY	**3,936,344**	3,262,349

TAMWEEL PJSC HOME FINANCE 28 P.O. Box 111555, Dubai, U.A.E.

Chief Executive Officer
7 May 2007

Chairman
7 May 2007

The attached notes 1 to 7 form part of these interim condensed financial statements.

Tamweel PJSC (formerly Tamweel LLC)

CASH FLOW STATEMENT

Period ended 31 March 2007 (Unaudited)

	Three months ended	
	31 March 2007	*31 March2006*
	AED'000	*AED'000*
OPERATING ACTIVITIES		
Profit for the period	**50,469**	10,186
Adjustments for:		
Depreciation	**730**	580
Provision for employees' end of service benefits, net	**158**	1,805
Provision for impairment of Islamic financing and investing assets	**-**	700
Changes in fair value of available-for-sale investments	**-**	(78)
Changes in fair value of investments held for trading	**(1,119)**	-
Changes in fair value of investment properties	**(2,239)**	-
Depositors' share of profit	**21,506**	15,434
	69,505	28,627
Working capital changes:		
Islamic financing and investing assets	**(430,581)**	(268,705)
Properties held for sale, net	**(149,078)**	-
Advances, prepayments and other receivables	**(134,788)**	(15,945)
Accounts payable, accruals and other liabilities	**125,834**	6,210
Cash used in operations	**(519,108)**	(249,813)
Depositors' share of profit paid	**(10,332)**	(15,434)
Zakat paid	**(153)**	-
Net cash used in operating activities	**(529,593)**	(265,247)
INVESTING ACTIVITIES		
Purchase of property and equipment	**(2,181)**	(7,078)
Net cash used in investing activities	**(2,181)**	(7,078)
FINANCING ACTIVITIES		
Financing obligations, net	**486,475**	290,000
Net cash from financing activities	**486,475**	290,000
(Decrease)/increase in cash and cash equivalents	**(45,299)**	17,675
Cash and cash equivalents at 1 January	**380,181**	162,011
CASH AND CASH EQUIVALENTS AT 31 MARCH	**334,882**	179,686

The attached notes 1 to 7 form part of these interim condensed financial statements.

Tamweel PJSC (formerly Tamweel LLC)

STATEMENT OF CHANGES IN EQUITY

Period ended 31 March 2007 (Unaudited)

	Share capital AED'000	*Employees' benefit plan AED'000*	*Statutory reserve AED'000*	*General reserve AED'000*	*Special reserve AED'000*	*Cumulative changes in fair value AED'000*	*Retained earnings AED'000*	*Proposed dividends AED'000*	*Total AED'000*
Balance at 1 January 2006	450,000	-	6,019	-	-	-	-	52,434	508,453
Shares received under the employees' benefit plan	-	(18,000)	-	-	-	-	-	-	(18,000)
Profit for the period	-	-	-	-	-	-	10,186	-	10,186
Transfer to statutory reserve	-	-	1,019				(1,019)	-	-
Zakat, net of reversals	-	-	-	-	-	-	1,119	-	1,119
Dividends settled	-	-	-	-	-	-	-	(52,434)	(52,434)
Interim dividend	-	-	-	-	-	-	(10,286)	10,286	-
Balance at 31 March 2006	450,000	(18,000)	7,038	-	-	-	-	10,286	449,324
Balance at 1 January 2007	1,000,000	(11,100)	91,305	435,000	25,837	208	78,329	200,000	1,819,579
Gain on available-for-sale investment recognized directly in equity	-	-	-	-	-	38	-	-	38
Total income for the period recognised directly in equity	-	-	-	-	-	38	-	-	38
Profit for the period	-	-	-	-	-	-	50,469	-	50,469
Total income for the period	-	-	-	-	-	38	50,469	-	50,507
Transfer to special reserve	-	-	-	-	4,306	-	(4,306)	-	-
Dividends approved	-	-	-	-	-	-	-	(200,000)	(200,000)
Directors' fees	-	-	-	-	-	-	(375)	-	(375)
Balance at 31 March 2007	**1,000,000**	**(11,100)**	**91,305**	**435,000**	**30,143**	**246**	**124,117**	**-**	**1,669,711**

The attached notes 1 to 7 form part of these interim condensed financial statements.

1 THE COMPANY AND ITS OPERATIONS

Tamweel PJSC (the "Company") was registered on 3 June 2006 as a Public Joint Stock Company in accordance with UAE Federal Law No (8) of 1984, as amended. The share capital of the Company comprises 1,000,000,000 shares of AED 1 each. Previously, the Company was operating as Tamweel LLC with a paid up share capital of AED 450 million (450,000 shares of AED 1,000 each).

The Company is licensed by the UAE Central Bank as a finance company and is primarily engaged in Islamic Sharia'a compliant financing and investment activities such as Ijara, Murabaha, Istisna'a etc. 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. The Company is also engaged in the business of property development.

The head office of the Company is located at Business Avenue Building, Emirate of Dubai, UAE. The Company has one branch each in the Emirates of Dubai, Abu Dhabi and Sharjah.

2 ACCOUNTING POLICIES

The interim condensed financial statements of the Company are prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting". The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2006.

3 FEES AND OTHER INCOME

	31 March 2007 AED'000	*31 March 2006 AED'000*
Income from sale of properties held for sale	**17,577**	-
Commission income on sale of properties	**5,800**	-
Processing and other fees	**9,428**	3,919
Income on deposits	**3,381**	-
Income arising on changes in fair value of investment properties	**2,239**	-
Income on investments held for trading	**1,347**	78
Securitisation servicing income	**289**	868
Other income	**1,108**	1,192
	41,169	6,057

4 SEGMENTAL INFORMATION

Primary segment information
For management purposes the Company is organised into two major business segments:

Islamic financing and investing activities

Property development

These segments are the basis on which the Company reports its segment information.

Segmental information for the three months ended 31 March was as follows:

	2007				*2006*			
	Islamic financing and investing activities AED'000	***Property development AED'000***	***Other AED'000***	***Total AED'000***	*Islamic financing and investing activities AED'000*	*Property development AED'000*	*Other AED'000*	*Total AED'000*
Gross income	**45,840**	**4,566**	**41,169**	**91,575**	24,096	7,855	6,057	38,008
Provision for impairment	**-**	**-**	**-**	**-**	(700)	-	-	(700)
Allocable expenses	**(16,724)**	**-**	**(3,434)**	**(20,158)**	(12,741)	-	-	(12,741)
Segment result	**29,116**	**4,566**	**37,735**	**71,417**	10,655	7,855	6,057	24,567
Unallocated expenses				**(20,948)**				(14,381)
Profit for the period				**50,469**				10,186

No secondary segment information has been provided as the company operates only in the United Arab Emirates.

5 EARNINGS PER SHARE – BASIC AND DILUTED

	Three months ended	
	31 March 2007 ***AED'000***	*31 March 2006* *AED'000*
Profit for the period	**50,469**	10,186
	Number of shares	
Weighted average number of shares outstanding during the period (in thousands)	**1,000,000**	450,000
Basic and diluted earnings per share (AED)	**0.05**	0.02

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue during the period. Diluted earnings per share is the same as basic earnings per share as there are no potential ordinary shares outstanding which may have any dilutive effect.

6 RELATED PARTY TRANSACTIONS

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

Balances with related parties included in the balance sheet are as follows:

	31 March 2007 ***AED'000*** ***Major shareholders***	*31 December 2006* *AED'000* *Major shareholders*
Financing obligations (note a)	**114,461**	490,761
Dividends payable	**82,995**	-
Depositors' share of profit payable	**774**	13,451

(a) Included in financing obligations is an amount of AED 84,461 thousand (2006: 93,461 thousand) due to the shareholders of Tamweel LLC and represents the following:

	31 March 2007 ***AED'000***	*31 December 2006* *AED'000*
Dividends for the year ended 31 December 2005	**52,434**	52,434
Profit for the period 1 January 2006 to 2 June 2006 (Net of statutory and general reserves)	**23,027**	23,027
Shares transferred for the employees' benefit plan	**9,000**	18,000
	84,461	93,461

7 COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

		31 March 2007 AED'000	*31 December 2006 AED'000*
Irrevocable commitments to extend credit	7.1	**1,673,274**	1,415,780
Purchase of properties	7.2	**360,188**	671,083
Contribution to share capital	7.3	**920**	920
Property development	7.4	**19,461**	29,543
		2,053,843	2,117,326

7.1 This represents contractual commitments to provide Islamic financing. Commitments generally have fixed expiry dates, or other termination clauses, and normally require the payment of a fee. Since these may expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements.

7.2 This represents commitments to property developers in respect of property purchases.

7.3 This represents a commitment to subscribe to the share capital of a company.

7.4 This represents contracts for capital expenditure outstanding at the balance sheet date.

Contingencies
There have been no significant changes in contingent liabilities since 31 December 2006.