Tamweel PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2010 (UNAUDITED)

ERNST & YOUNG

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF TAMWEEL PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Tamweel PJSC (the 'Company') and its subsidiaries (the "Group") as at 30 June 2010 which comprise the interim consolidated statement of financial position as at 30 June 2010, the related interim consolidated statements of income and comprehensive income for three month and six month periods then ended, the related statements of 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 International Financial Reporting Standard 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.

Conclusion

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 presented fairly, in all material respects, in accordance with IAS 34.

Emphasis of matter

Without qualifying our conclusion, we draw attention to notes 1 and 12 to the interim condensed consolidated financial statements. The Board of Directors, along with the Steering Committee set up by the Ministry of Finance is evaluating various options to secure sustainable funding for the Group in order to enable it to continue to meet its commitments. Trading in the Company's shares on the Dubai Financial Market has been suspended until the Steering Committee finalises its recommendations.

Ernst & Young

Signed by:
Naushad Anwar
Partner
Registration No. 489

12 July 2010

Dubai, United Arab Emirates

Tamweel PJSC and its subsidiaries

INTERIM CONSOLIDATED INCOME STATEMENT

Period ended 30 June 2010 (Unaudited)

	Note	*Three months ended 30 June*		*Six months ended 30 June*	
		2010 AED'000	*2009 AED'000*	***2010 AED'000***	*2009 AED'000*
Income from Islamic financing and investing assets		**145,297**	184,160	**310,089**	367,496
Fees, commission and other income		**17,342**	8,722	**32,631**	20,582
Income from sale of properties held for sale		**1,467**	1,680	**1,467**	1,900
OPERATING INCOME		**164,106**	194,562	**344,187**	389,978
General and administrative expenses		**(24,441)**	(32,077)	**(52,597)**	(73,272)
Impairment provisions		**(40,000)**	(89,169)	**(90,750)**	(141,169)
PROFIT BEFORE DEPOSITORS' SHARE OF PROFIT		**99,665**	73,316	**200,840**	175,537
Depositors' share of profit		**(94,260)**	(108,332)	**(190,303)**	(251,316)
PROFIT (LOSS) FOR THE PERIOD		**5,405**	(35,016)	**10,537**	(75,779)
Earnings per share:					
Basic earnings per share (AED)	3	**0.005**	(0.035)	**0.011**	(0.076)
Diluted earnings per share (AED)	3	**N.A.**	N.A.	**N.A.**	N.A.

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 June 2010 (Unaudited)

	Three months ended 30 June		*Six months ended 30 June*	
	2010 AED'000	*2009 AED'000*	***2010 AED'000***	*2009 AED'000*
PROFIT (LOSS) FOR THE PERIOD	**5,405**	(35,016)	**10,537**	(75,779)
Other comprehensive income				
Net unrealised gains (losses) on available for sale investments	-	(635)	-	(627)
Cost of vested shares under employees' benefit plan	-	357	-	714
Exchange differences on translation of foreign operations	-	985	-	692
Other comprehensive income for the period	-	707	-	779
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	**5,405**	(34,309)	**10,537**	(75,000)

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2010

	Notes	*30 June 2010 AED'000 (Unaudited)*	*31 December 2009 AED'000 (Audited)*
ASSETS			
Bank balances and cash	5	**359,952**	507,886
Advances, prepayments and other receivables		**92,774**	98,749
Properties held for sale	6	**359,986**	529,702
Other investments	7	**47,301**	47,666
Islamic financing and investing assets	8	**9,668,257**	10,431,566
Property and equipment		**36,464**	14,960
TOTAL ASSETS		**10,564,734**	11,630,529
LIABILITIES AND EQUITY			
Liabilities			
Zakat payable		**65,694**	65,616
Accounts payable, accruals and other liabilities		**359,062**	857,856
Financing obligations		**7,900,896**	8,478,512
Total liabilities		**8,325,652**	9,401,984
Equity			
Share capital		**1,000,000**	1,000,000
Employees' benefit plan		**(9,222)**	(9,222)
Statutory reserve		**182,547**	182,547
General reserve		**526,191**	526,191
Special reserve		**102,951**	102,951
Retained earnings		**400,955**	383,465
Convertible sukuk equity component		**35,660**	42,613
Total equity		**2,239,082**	2,228,545
TOTAL LIABILITIES AND EQUITY		**10,564,734**	11,630,529

Chairman
12 July 2010

Chief Executive Officer
12 July 2010

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Period ended 30 June 2010 (Unaudited)

	Six months ended	
	30 June 2010 AED'000	*30 June 2009 AED'000*
OPERATING ACTIVITIES		
Profit (Loss) for the period	**10,537**	(75,779)
Adjustments for:		
Depreciation	**4,299**	2,530
Amortisation of deferred cost	**7,130**	4,148
Provision for employees' end of service benefits	**1,213**	1,081
Impairment provisions	**90,750**	141,169
Depositors' share of profit	**190,303**	251,316
	304,232	324,465
Working capital changes:		
Islamic financing and investing assets	**666,714**	93,358
Financing obligations	**(578,829)**	(95,868)
Properties held for sale	**5,902**	-
Other investments	**365**	(2,876)
Advances, prepayments and other receivables	**58**	75,544
Accounts payable, accruals and other liabilities	**(329,641)**	(198,053)
Net cash from operation	**68,801**	196,570
Zakat paid	**-**	(16,959)
Employees' end of service benefits paid	**(1,487)**	(1,728)
Depositors' share of profit paid	**(211,224)**	(168,578)
Net cash (used in) from operating activities	**(143,910)**	9,305
INVESTING ACTIVITY		
Purchase of property and equipment	**(4,024)**	(999)
Cash used in investing activity	**(4,024)**	(999)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	**(147,934)**	8,306
Cash and cash equivalents at 1 January	**507,886**	352,304
CASH AND CASH EQUIVALENTS AT 30 JUNE	**359,952**	360,610

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period ended 30 June 2010 (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*	*Convertible sukuk equity component AED'000*	*Translation reserve AED'000*	*Total AED'000*
At 1 January 2010	1,000,000	(9,222)	182,547	526,191	102,951	-	383,465	42,613	-	2,228,545
Profit for the period	-	-	-	-	-	-	10,537	-	-	10,537
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Equity component of convertible sukuk	-	-	-	-	-	-	6,953	(6,953)	-	-
Balance at 30 June 2010	**1,000,000**	**(9,222)**	**182,547**	**526,191**	**102,951**	**-**	**400,955**	**35,660**	**-**	**2,239,082**

	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*	*Convertible sukuk equity component AED'000*	*Translation reserve AED'000*	*Total AED'000*
At 1 January 2009	1,000,000	(7,680)	182,547	526,191	102,951	627	444,488	69,534	(692)	2,317,966
Loss for the period	-	-	-	-	-	-	(75,779)	-	-	(75,779)
Other comprehensive income (loss) for the period	-	-	-	-	-	(627)	714	-	692	779
Balance at 30 June 2009	**1,000,000**	**(7,680)**	**182,547**	**526,191**	**102,951**	**-**	**369,423**	**69,534**	**-**	**2,242,966**

The attached notes 1 to 12 form part of these interim condensed consolidated 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 and its Subsidiaries (together the "Group") are conducted in accordance with Islamic Sharia'a, which prohibits usury, and within the provisions of its Articles and Memorandum of Association. The Group is also engaged in the business of property development and trading.

The Group has a license from the Real Estate Regulatory Authority, Dubai, United Arab Emirates to offer Escrow Management Services.

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

The Group consists of Tamweel PJSC (the Parent Company) and its subsidiaries registered up to 30 June 2010.

Subsidiaries	*Beneficial ownership*	*Principal activity*	*Country of incorporation*
Tamweel Funding Limited	100%	SPE for issuance of convertible sukuk	Jersey
Tamweel Sukuk Limited	100%	SPE for issuance of sukuk	Cayman Islands
Tamweel ESOT Limited	100%	SPE for employees' benfit plan	British Virgin Islands
Tamweel Properties & Investments LLC	100%	Real estate development including construction, purchase, sale, rent, brokerage, agency and management services	UAE
Tahfeez Middle East Limited	100%	General trading	JAFZA, Dubai, UAE
Under liquidation:			
Tahfeez Saudi Arabia Limited	100%	General trading	JAFZA, Dubai, UAE
Tamleek Saudi Arabia Limited	100%	General trading	JAFZA, Dubai, UAE
Esham Saudi Arabia Limited	100%	General trading	JAFZA, Dubai, UAE
Enjaz Saudi Arabia Limited	100%	General trading	JAFZA, Dubai, UAE

Except for the first three, the above subsidiaries are yet to commence commercial operations.

In November 2008, The Ministry of Finance formed a Steering Committee to review, assess, liaise and provide advice to the Group and make recommendations to the State Minister for Financial Affairs in respect of the committee's findings with the objective to provide long term stability to the Company. The Committee has appointed various advisors (including accounting and legal firms and an investment bank) to assist the Committee in making recommendations which are expected to address the Company's ongoing liquidity in addition to its organisational structure. The mismatch between the maturities of assets and liabilities is set out in note 12.

Trading in the Company's shares on the Dubai Financial Market has been suspended until the Steering Committee finalizes its recommendations.

2 ACCOUNTING POLICIES

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standard 34, Interim Financial Reporting ("IAS 34") and the requirements of Emirates Securities and Commodities Authority, UAE (ESCA). The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2009.

As required by ESCA certain accounting policies which have not been changed since 31 December 2009 have been reproduced below:

Cash and cash equivalents
For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

Properties held for sale
Properties held for sale are valued at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Cost comprises all costs of purchase and other directly attributable costs incurred in bringing each property to its location and condition. Net realisable value signifies the estimated selling price in the ordinary course of business less estimated costs necessary to be incurred on disposal.

Investments
Trading investments
These are initially recognised at cost and subsequently measured at fair value. All related realised and unrealised gains or losses are taken to the income statement. Profit earned or dividend received is included in other income.

Held to maturity
Securities which have fixed or determinable payments and are intended to be held to maturity, are carried at amortised cost using the effective profit method, less provision for impairment in value, if any.

Available -for-sale
Available-for-sale investments are recognised and derecognised, on a trade date basis, when the Group becomes, or ceases to be, a party to the contractual provisions of the instrument.

Investments designated as available-for-sale investments are initially recorded at cost and subsequently measured at fair value, unless this cannot be reliably measured. Changes in fair value are reported as a separate component of equity. Upon impairment any loss, or upon derecognition any gain or loss, previously reported as "cumulative changes in fair value" within equity is included in the income statement for the period.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group's annual financial statements as at 31 December 2009. In addition, results for the six month period ended 30 June 2010 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2010.

3 EARNINGS PER SHARE – BASIC AND DILUTED

Basic earnings per share is calculated by dividing the profit for the period net of directors' remuneration by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit for the period net of directors' remuneration plus profit on convertible sukuk by the weighted average number of shares outstanding during the period plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential shares into ordinary shares. The diluted earnings per share arising from the issue of employees' share options do not result in any change from the reported basic earnings per share.

Basic earnings per share

	Three months ended 30 June		*Six months ended 30 June*	
	2010 AED'000	*2009 AED'000*	***2010 AED'000***	*2009 AED'000*
Profit (loss) for the period	**5,405**	(35,016)	**10,537**	(75,779)
Less: Directors' remuneration	-	-	-	-
Profit (loss) for the period net of directors' remuneration	**5,405**	(35,016)	**10,537**	(75,779)
	Number of shares		*Number of shares*	
Weighted average number of shares outstanding during the period (in thousands)	**1,000,000**	1,000,000	**1,000,000**	1,000,000
Basic earnings per share (AED)	**0.005**	(0.035)	**0.011**	(0.076)

Diluted earnings per share

	Three months ended 30 June		*Six months ended 30 June*	
	2010 AED'000	*2009 AED'000*	***2010 AED'000***	*2009 AED'000*
Profit (loss) for the period net of directors' remuneration	**5,405**	(35,016)	**10,537**	(75,779)
Add: Profit on convertible sukuk	**11,872**	11,872	**23,744**	23,744
	17,277	(23,144)	**34,281**	(52,035)
	Number of shares		*Number of shares*	
Weighted average number of shares outstanding during the period (in thousands)	**1,136,338**	1,136,338	**1,136,338**	1,136,338
Diluted earnings per share (AED)	**N.A.**	N.A.	**N.A.**	N.A.

Diluted earnings per share for the three and six months ended 30 June 2010 have not been calculated since the conversion of sukuk into ordinary shares would have an antidilutive effect.

3 EARNINGS PER SHARE – BASIC AND DILUTED (continued)

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these interim condensed consolidated financial statements for issuance.

4 TREASURY SHARES

The Group held the following treasury shares at 30 June 2009.

	Six months ended 30 June	
	2010	*2009*
Number of treasury shares	**9,222,377**	7,680,027
Treasury shares as a percentage of total shares in issue	**0.92%**	0.77%
Cost of treasury shares (AED thousand)	**9,222,377**	7,680,027
Market value of treasury shares (AED thousand)	**9,130,153**	7,603,227

As trading in the Company's shares has been suspended since November 2008 (Note 1), the market value of treasury shares at 30 June 2009 has been calculated based on the last traded price as on that date.

There was no movement in treasury shares during the six months periods ended 30 June 2010 and 30 June 2009.

5 BANK BALANCES AND CASH

	30 June 2010 AED'000 (Unaudited)	*31 December 2009 AED'000 (Audited)*
Bank balances	**359,927**	507,856
Cash in hand	**25**	30
	359,952	507,886

All the bank balances are held with banks within the UAE, profit generating and earn profit at an average rate of 2% (31 December 2009: 3.3%).

6 PROPERTIES HELD FOR SALE

	30 June 2010 AED'000 (Unaudited)	*31 December 2009 AED'000 (Audited)*
Balance as at 1 January	**718,402**	672,702
Properties consolidated (see note (a) below)	**(239,883)**	-
Transferred to property and equipment	**(21,779)**	-
Properties acquired	**15,674**	26,665
Properties disposed off	**(5,902)**	(77,493)
Transferred from capital work in progress	**-**	56,918
Transferred from investment properties	**-**	39,610
	466,512	718,402
Impairment provision	**(106,526)**	(188,700)
	359,986	529,702

6 PROPERTIES HELD FOR SALE (continued)

(a) In respect of certain properties held for sale, the Group has agreed to a consolidation with the property developer whereby the developer has agreed to cancel the sale of certain properties to the Group and adjust the amounts paid for such properties against payable to the property developer in respect of the other properties purchased. Accordingly, cost of such properties held for sale and its related payable have been reversed and the related impairment provision of AED 82,174 thousand has been either reversed or written off.

(b) Properties held for sale are located within the UAE.

7 OTHER INVESTMENTS

	30 June 2010 AED'000 (Unaudited)	*31 December 2009 AED'000 (Audited)*
Available-for-sale: (within the UAE)		
Quoted - mutual fund units (a)	**1,030**	1,030
Others (b)	**920**	920
	1,950	1,950
Held to maturity: (outside the UAE)		
Investments in Notes (c)	**32,896**	34,646
Profit on Notes	**13,375**	11,990
	46,271	46,636
	48,221	48,586
Less: Provision for impairment	**(920)**	(920)
	47,301	47,666

(a) The fair value of investments in mutual fund units is based on the last bid price as published by the fund manager.

(b) Others represents advance against equity shares to be allotted.

(c) This represents the investment made in the notes issued by Tamweel Residential ABS CI (1) Ltd in Cayman Islands. The applicable profit rate ranges from 3.95% to 10% above LIBOR. The maturity of these Notes is the earlier of the period 2037 or the expiry of the securitised receivables.

8 ISLAMIC FINANCING AND INVESTING ASSETS

	30 June 2010 AED'000 (Unaudited)	*31 December 2009 AED'000 (Audited)*
Ijara	**4,615,557**	4,780,059
Forward Ijara (under construction properties)	**3,542,258**	3,846,632
Forward Ijara (constructed and handed over properties)	**1,050,159**	1,064,436
Gross Murabaha and Mudaraba receivables	**516,506**	583,685
Less: Deferred profit	**(6,109)**	(5,036)
Net Murabaha and Mudaraba receivables	**510,397**	578,649
Istisna'a	**280,689**	390,593
	9,999,060	10,660,369
Less: Profit suspended	**(20,149)**	(8,899)
Less: Provision for impairment	**(310,654)**	(219,904)
	9,668,257	10,431,566

All the assets financed by the Group are within the UAE. Included in the Islamic financing and investing assets are profit accruals amounting to AED 407,533 thousand (31 December 2009: AED 401,100 thousand).

Collateral
The Group enters in to collateral arrangements with counter parties in appropriate circumstances to limit credit exposure. With a relatively dominant Ijara financing structure, the legal ownership of the financed property is maintained with the Group until the customer (lessee) has fulfilled all his obligations under the relevant Ijara.

9 SEGMENTAL INFORMATION

For management purposes the Group is organised into two major business segments:

Islamic financing and investing activities	Principally handling Islamic financing and investing activities
Property development and investment activities	Principally involved in the development, purchase and sale of properties and related activities

These segments are the basis on which the Group reports its segment information. Segmental information for the three months ended 30 June is as follows:

	2010				*2009*			
	Islamic financing and investing activities AED'000	***Property development and investment activities AED'000***	***Others AED'000***	***Total AED'000***	*Islamic financing and investing activities AED'000*	*Property development and investment activities AED'000*	*Others AED'000*	*Total AED'000*
Gross income	**162,419**	**1,687**	**-**	**164,106**	190,366	2,705	1,491	194,562
Allocable expenses	**(113,522)**	**(3,901)**	**(1,278)**	**(118,701)**	(125,583)	(7,846)	(6,980)	(140,409)
Segment result	**48,897**	**(2,214)**	**(1,278)**	**45,405**	64,783	(5,141)	(5,489)	54,153
Provision for impairment	**(40,000)**	**-**	**-**	**(40,000)**	(30,169)	(59,000)	-	(89,169)
Segment result after provision	**8,897**	**(2,214)**	**(1,278)**	**5,405**	34,614	(64,141)	(5,489)	(35,016)
Profit (Loss) for the period				**5,405**				(35,016)

9 SEGMENTAL INFORMATION (continued)

Segmental information for the six months ended 30 June is as follows:

	2010				*2009*			
	Islamic financing and investing activities AED'000	***Property development and investment activities AED'000***	***Others AED'000***	***Total AED'000***	*Islamic financing and investing activities AED'000*	*Property development and investment activities AED'000*	*Others AED'000*	*Total AED'000*
Gross income	**341,996**	**1,928**	**323**	**344,187**	382,375	2,925	4,678	389,978
Allocable expenses	**(232,367)**	**(7,883)**	**(2,650)**	**(242,900)**	(296,447)	(18,554)	(9,587)	(324,588)
Segment result	**109,629**	**(5,955)**	**(2,327)**	**101,287**	85,928	(15,629)	(4,909)	65,390
Provision for impairment	**(90,750)**	**-**	**-**	**(90,750)**	(82,169)	(59,000)	-	(141,169)
Segment result after provision	**18,819**	**(5,955)**	**(2,327)**	**10,537**	3,759	(74,629)	(4,909)	(75,779)
Profit (Loss) for the period				**10,537**				(75,779)

OTHER INFORMATION

				Total AED'000 30 June 2010 (Unaudited)				*Total AED'000 31 December 2009 (Audited)*
Segment assets	**9,781,528**	**362,605**	**420,601**	**10,564,734**	10,536,024	541,293	553,212	11,630,529
Segment liabilities	**7,638,803**	**307,472**	**379,377**	**8,325,652**	8,356,535	488,674	556,775	9,401,984
Depreciation	**-**	**-**	**4,299**	**4,299**	-	-	5,255	5,255
Capital expenditure	**-**	**-**	**4,024**	**4,024**	-	-	14,248	14,248

No secondary segment information has been provided as currently the operations of the Group are concentrated in the United Arab Emirates.

10 COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

	30 June 2010 AED'000 (Unaudited)	*31 December 2009 AED'000 (Audited)*
Irrevocable commitments to extend credit	**2,189,843**	2,329,672

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.

Contingencies

There have been no significant changes in contingent liabilities since 31 December 2009.

11 RELATED PARTY TRANSACTIONS

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

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

	30 June 2010 (Unaudited)		*30 June 2009 (Unaudited)*	
	Key management personnel AED'000	*Major shareholders AED'000*	*Key management personnel AED'000*	*Major shareholders AED'000*
Income from Islamic financing and investing activities	**230**	**-**	246	-
Other income	**-**	**4,180**	-	1,407
Depositors' share of profit	**-**	**31,600**	-	36,316
	230	**35,780**	246	37,723

11 RELATED PARTY TRANSACTIONS (continued)

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

	30 June 2010 (Unaudited)			*31 December 2009 (Audited)*		
	Key management personnel AED'000	***Major shareholders AED'000***	***Others AED'000***	*Key management personnel AED'000*	*Major shareholders AED'000*	*Others AED'000*
Bank balance and cash	-	**191,334**	-	-	488,520	-
Islamic financing and investing assets	**8,154**	-	-	8,777	-	-
Financing obligations	-	**1,428,680**	-	-	1,428,680	-
Depositors' share of profit payable	-	**4,328**	-	-	13,647	-
Takaful payable in respect of properties financed	-	-	**26,914**	-	-	16,315

Compensation of key management personnel is as follows:

	30 June 2010 (Unaudited) AED'000	*30 June 2009 (Unaudited) AED'000*
Short term employee benefits	**2,926**	3,173
Termination and other benefits	**236**	594
	3,162	3,767

12 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 is presented below.

The Company reviews the maturity gap analysis regularly to identify potential liquidity risks in advance. The gap measures liquidity in nine time buckets for each type of asset and liability for each period, as well as cumulatively.

The maturity gap as of 30 June 2010 arises as a result of contractual maturities of assets and liabilities. However, in actual practice, most of the short term financing obligations are rolled over for another term.

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

At 30 June 2010 (Unaudited)

	Within 1 month AED '000	*1 to 3 months AED '000*	*3 to 12 months AED '000*	*Subtotal less than 12 months AED '000*	*1-5 years AED '000*	*Over 5 years AED '000*	*Total AED '000*
ASSETS							
Bank balances and cash	259,952	100,000	-	359,952	-	-	359,952
Advances, prepayments and other receivables	3,413	4,354	37,531	45,298	47,476	-	92,774
Properties held for sale	-	-	6,587	6,587	353,399	-	359,986
Other investments	-	-	-	-	47,301	-	47,301
Islamic financing and investing assets	331,171	142,537	844,139	1,317,847	2,033,204	6,317,206	9,668,257
Property and equipment	-	-	106	106	25,939	10,419	36,464
Total assets	594,536	246,891	888,363	1,729,790	2,507,319	6,327,625	10,564,734
LIABILITIES							
Zakat payable	-	-	32,847	32,847	32,847	-	65,694
Accounts payable, accruals and other liabilities	66,545	40,847	134,472	241,864	112,187	5,011	359,063
Financing obligations	1,088,750	2,789,287	1,862,085	5,740,122	2,160,774	-	7,900,896
Total liabilities	1,155,295	2,830,134	2,029,404	6,014,833	2,305,808	5,011	8,325,652
Assets less liabilities	(560,759)	(2,583,243)	(1,141,041)	(4,285,043)	201,511	6,322,614	2,239,082
COMMITMENTS							
Irrevocable commitments to extend credit s	45,995	80,594	535,726	662,315	1,527,528	-	2,189,843

12 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (continued)

At 31 December 2009 (Audited)

	Within 1 month AED '000	*1 to 3 months AED '000*	*3 to 12 months AED '000*	*Subtotal less than 12 months AED '000*	*1-5 years AED '000*	*Over 5 years AED '000*	*Total AED '000*
ASSETS							
Bank balances and cash	507,886	-	-	507,886	-	-	507,886
Advances, prepayments and other receivables	1,857	6,704	41,407	49,968	48,781	-	98,749
Properties held for sale	-	-	6,487	6,487	523,215	-	529,702
Other investments	-	-	-	-	47,666	-	47,666
Islamic financing and investing assets	278,947	354,916	744,057	1,377,920	2,204,124	6,849,522	10,431,566
Property and equipment	-	-	633	633	14,327	-	14,960
Total assets	788,690	361,620	792,584	1,942,894	2,838,113	6,849,522	11,630,529
LIABILITIES							
Zakat payable	-	-	32,808	32,808	32,808	-	65,616
Accounts payable, accruals and other liabilities	69,679	86,979	206,810	363,468	489,102	5,286	857,856
Financing obligations	1,184,000	2,721,185	2,190,480	6,095,665	2,382,847	-	8,478,512
Total liabilities	1,253,679	2,808,164	2,430,098	6,491,941	2,904,757	5,286	9,401,984
Assets less liabilities	(464,989)	(2,446,544)	(1,637,514)	(4,549,047)	(66,644)	6,844,236	2,228,545
COMMITMENTS							
Irrevocable commitments to extend credit	38,134	108,023	470,871	617,028	1,712,644	-	2,329,672