Tamweel PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2011 (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") which comprise the interim consolidated statement of financial position as at 30 June 2011, the related interim consolidated statements of income and comprehensive income for three month and six month periods then ended, the related consolidated statements of changes in equity and cash flows for the six month period then ended and explanatory information. 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.

Ernst & Young

Signed by:
Ali Issa
Partner
Registration No. 488

6 July 2011

Dubai, United Arab Emirates

INTERIM CONSOLIDATED STATEMENT OF INCOME

Period ended 30 June 2011 (Unaudited)

	Note	*Three months ended 30 June*		*Six months ended 30 June*	
		2011 AED'000	*2010 AED'000*	***2011 AED'000***	*2010 AED'000*
Income from Islamic financing and investing assets		**141,555**	145,297	**280,877**	310,089
Fees, commission and other income		**7,201**	17,342	**19,193**	32,631
Income from sale of properties held for sale		**-**	1,467	**-**	1,467
OPERATING INCOME		**148,756**	164,106	**300,070**	344,187
General and administrative expenses		**(25,754)**	(24,441)	**(49,487)**	(52,597)
Impairment provisions		**(13,500)**	(40,000)	**(29,500)**	(90,750)
PROFIT BEFORE DEPOSITORS'/INVESTORS' SHARE OF PROFIT AND RELATED COST		**109,502**	99,665	**221,083**	200,840
Depositors'/investors' share of profit and related cost		**(81,779)**	(94,260)	**(166,117)**	(190,303)
PROFIT FOR THE PERIOD		**27,723**	5,405	**54,966**	10,537
Earnings per share:					
Basic earnings per share (AED)	3	**0.028**	0.005	**0.055**	0.011
Diluted earnings per share (AED)	3	**N.A.**	N.A.	**N.A.**	N.A.

The attached notes 1 to 11 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 June 2011 (Unaudited)

	Three months ended 30 June		*Six months ended 30 June*	
	2011 AED'000	*2010 AED'000*	***2011 AED'000***	*2010 AED'000*
PROFIT FOR THE PERIOD	**27,723**	5,405	**54,966**	10,537
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**27,723**	5,405	**54,966**	10,537

The attached notes 1 to 11 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2011

	Notes	*30 June 2011 AED'000 (Unaudited)*	*31 December 2010 AED'000 (Audited)*
ASSETS			
Bank balances and cash	5	**242,504**	482,263
Advances, prepayments and other receivables		**74,779**	64,224
Properties held for sale	6	**396,125**	409,591
Other investments	7	**47,162**	46,927
Islamic financing and investing assets	8	**9,169,124**	9,157,806
Property and equipment		**29,709**	32,366
TOTAL ASSETS		**9,959,403**	10,193,177
LIABILITIES AND EQUITY			
Liabilities			
Zakat payable		**85,803**	85,803
Accounts payable, accruals and other liabilities		**276,704**	263,576
Financing obligations		**7,316,674**	7,618,542
Total liabilities		**7,679,181**	7,967,921
Equity			
Share capital		**1,000,000**	1,000,000
Employees' benefit plan		**(10,646)**	(10,646)
Statutory reserve		**185,149**	185,149
General reserve		**528,793**	528,793
Special reserve		**102,951**	102,951
Retained earnings		**452,222**	390,303
Convertible sukuk equity component		**21,753**	28,706
Total equity		**2,280,222**	2,225,256
TOTAL LIABILITIES AND EQUITY		**9,959,403**	10,193,177

Vice Chairman
6 July 2011

Acting Chief Executive Officer
6 July 2011

The attached notes 1 to 11 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Period ended 30 June 2011 (Unaudited)

	Six months ended 30 June	
	2011 ***AED'000***	*2010* *AED'000*
OPERATING ACTIVITIES		
Profit for the period	**54,966**	10,537
Adjustments for:		
Depreciation	**2,813**	4,299
Amortisation of deferred cost	**9,061**	7,130
Provision for employees' end of service benefits	**1,105**	1,213
Impairment provisions	**29,500**	90,750
Depositors'/investors' share of profit and related cost	**157,056**	183,173
	254,501	297,102
Working capital changes:		
Islamic financing and investing assets	**(24,818)**	666,714
Financing obligations	**(310,034)**	(578,829)
Properties held for sale	**(34)**	5,902
Other investments	**(235)**	365
Advances, prepayments and other receivables	**(13,950)**	7,188
Accounts payable, accruals and other liabilities	**14,831**	(329,641)
Net cash (used in) from operation	**(79,739)**	68,801
Employees' end of service benefits paid	**603**	(1,487)
Depositors'/investors' share of profit and related cost paid	**(160,467)**	(211,224)
Net cash used in operating activities	**(239,603)**	(143,910)
INVESTING ACTIVITY		
Purchase of property and equipment	**(156)**	(4,024)
Cash used in investing activity	**(156)**	(4,024)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(239,759)**	(147,934)
Cash and cash equivalents at 1 January	**482,263**	507,886
CASH AND CASH EQUIVALENTS AT 30 JUNE	**242,504**	359,952

The attached notes 1 to 11 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period ended 30 June 2011 (Unaudited)

	Share capital AED'000	*Employees' benefit plan AED'000*	*Statutory reserve AED'000*	*General reserve AED'000*	*Special reserve AED'000*	*Retained earnings AED'000*	*Convertible sukuk equity component AED'000*	*Total AED'000*
At 1 January 2011	1,000,000	(10,646)	185,149	528,793	102,951	390,303	28,706	2,225,256
Profit for the period	-	-	-	-	-	54,966	-	54,966
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Equity component of convertible sukuk	-	-	-	-	-	6,953	(6,953)	-
Balance at 30 June 2011	1,000,000	(10,646)	185,149	528,793	102,951	452,222	21,753	2,280,222

	Share capital AED'000	*Employees' benefit plan AED'000*	*Statutory reserve AED'000*	*General reserve AED'000*	*Special reserve AED'000*	*Retained earnings AED'000*	*Convertible sukuk equity component 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

The attached notes 1 to 11 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 trading.

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 2011 as listed below:

Subsidiaries	*Beneficial ownership*	*Principal activity*	*Country of incorporation*
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
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' benefit plan	British Virgin Islands

Effective November 2010 Tamweel is a 58.25% subsidiary of Dubai Islamic Bank PJSC. Trading in the Company's shares on the Dubai Financial Market which was suspended since November 2008 resumed on 10 May 2011.

2 ACCOUNTING POLICIES

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") and the requirements of the 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 2010, except for early adoption of IFRS 9 as described below:

Adoption of IFRS 9 Financial Instruments: Recognition and Measurement

The Group has adopted IFRS 9 Financial Instruments (IFRS 9) in 2011 in advance of its effective date. The Group has chosen 1 January 2011 as its date of initial application (i.e. the date on which the Group has assessed its existing financial assets). As permitted by IFRS 9, the Standard has been applied retrospectively.

IFRS 9 specifies how an entity should classify and measure its financial assets. It requires all financial assets to be classified in their entirety on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are measured either at amortised cost or fair value.

Debt instruments are measured at amortised cost only if (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. If either of the two criteria is not met the financial instrument is classified as at fair value through profit or loss (FVTPL). Additionally, even if the asset meets the amortised cost criteria the entity may choose at initial recognition to designate the financial assets as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch. The Group has elected not to designate any debt instruments as FVTPL under the fair value option.

Only financial assets that are classified as measured at amortised cost are tested for impairment.

Investment in equity instruments are classified and measured as at FVTPL except if the equity investment is not held for trading and is designated by the Group as at fair value through other comprehensive income (FVTOCI). If the equity investment is designated as at FVTOCI, all gains and losses, except for dividend income are recognised in other comprehensive income and are not subsequently reclassified to profit or loss.

The management has reviewed and assessed all of the Group's existing financial assets as at the date of initial application of IFRS 9. As a result:

- the Group's investments in debt instruments meeting the required criteria are measured at amortised cost;
- the Group's equity investments not held for trading have been designate as at FVTOCI;

The change in accounting policy has been applied retrospectively, in accordance with the transitional provisions of IFRS 9, where no restatement of comparative figures was applied.

There is no impact to the reported equity or income resulting from this change in accounting policy.

Accounting policies adopted with effect from 1 January 2011 in respect of financial assets are as follows:

Financial assets
All financial assets are recognised and derecognised on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition of the financial asset, except for those financial assets measured subsequently at fair value through profit or loss, which are initially measured at fair value.

2 ACCOUNTING POLICIES (continued)

Effective profit method
The effective profit method is a method of calculating the amortised cost of a financial asset and of allocating profit income over the relevant period. The effective profit rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective profit rate basis for debt instruments other than those financial assets designated as at FVTPL.

Financial assets as per IFRS 9

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

Classification of financial assets
An instrument is classified as an 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer except for certain non-derivative puttable instruments presented as equity by the issuer. All other non-derivative financial assets are classified as 'debt instruments'.

Financial assets measured at amortised cost
Investment in debt instruments are measured at amortised cost if both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs (except if they are designated as at fair value through profit of loss (FVTPL)). They are subsequently measured at amortised cost using the effective profit method less any impairment, with profit revenue recognised on an effective yield basis in the consolidated statement of income.

Subsequent to initial recognition, the Group is required to reclassify debt instruments from amortised cost to FVTPL if the objective of the business model changes so that the amortised cost criteria is no longer met.

The Group may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Financial assets at FVTOCI
At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the cumulative changes in fair value, within equity. Where the asset is disposed of, the cumulative gain or loss previously accumulated is not transferred to the consolidated statement of income, but is reclassified to retained earnings.

2 ACCOUNTING POLICIES (continued)

Financial assets as per IFRS 9 (continued)

Dividends on these investments in equity instruments are recognised in the consolidated statement of income when the Group's right to receive the dividend is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange component forms part of its fair value gain or loss. For financial assets measured at FVTPL, the foreign exchange component is recognised in the consolidated statement of income. For financial assets measured at FVTOCI any foreign exchange component is recognised in other comprehensive income.

For foreign currency denominated debt instruments measured at amortised cost, the foreign exchange gains and losses are determined based on the amortised cost of the asset and are recognised in other income in the consolidated statement of income.

As required by ESCA certain accounting policies which have not been changed since 31 December 2010 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.

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*	
	2011 AED'000	*2010 AED'000*	***2011 AED'000***	*2010 AED'000*
Profit for the period net of directors' remuneration	**27,723**	5,405	**54,966**	10,537
	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)	**0.028**	0.005	**0.055**	0.011

3 EARNINGS PER SHARE – BASIC AND DILUTED (continued)

Diluted earnings per share

	Three months ended 30 June		*Six months ended 30 June*	
	2011 AED'000	*2010 AED'000*	***2011 AED'000***	*2010 AED'000*
Profit for the period net of directors' remuneration	**27,723**	5,405	**54,966**	10,537
Add: Profit on convertible sukuk	**11,872**	11,872	**23,744**	23,744
	39,595	17,277	**78,710**	34,281
	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 for the three and six months ended 30 June 2011 have not been calculated since the conversion of the sukuk into ordinary shares would have an antidilutive effect.

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. The Group holds 10,645,877 (30 June 2010: 9,222,377) shares under the employees benefit plan, the impact of which on the earning per share is not material.

4 TREASURY SHARES

The Group held the following treasury shares at 30 June.

	Six months ended 30 June	
	2011	*2010*
Number of treasury shares	**10,645,877**	9,222,377
Treasury shares as a percentage of total shares in issue	**1.06%**	0.92%
Cost of treasury shares (AED)	**10,645,877**	9,222,377
Market value of treasury shares (AED)	**9,059,641**	9,130,153

The trading in the Company's shares which was suspended since November 2008 resumed on 10 May 2011. The market value of treasury shares at 30 June 2011 is based on the last traded price on that date. The market value at 30 June 2010 is based on the last traded price before suspension.

There was no movement in treasury shares during the six months periods ended 30 June 2011 and 30 June 2010.

5 BANK BALANCES AND CASH

	30 June 2011 AED'000 (Unaudited)	*31 December 2010 AED'000 (Audited)*
Bank balances	**242,479**	482,238
Cash in hand	**25**	25
	242,504	482,263

Almost all the bank balances are held with banks within the UAE and earn profit at an average rate of 1.2% (31 December 2010: 3.3%).

6 PROPERTIES HELD FOR SALE

	30 June 2011 AED'000 (Unaudited)	*31 December 2010 AED'000 (Audited)*
Balance as at 1 January	**578,232**	718,402
Properties consolidated (see note (a) below)	**-**	(239,883)
Transferred to property and equipment	**-**	(21,779)
Properties acquired	**69**	127,394
Properties disposed off	**(35)**	(5,902)
	578,266	578,232
Impairment provision	**(182,141)**	(168,641)
	396,125	409,591

(a) During 2010, in respect of certain properties held for sale, the Group agreed to a consolidation with the property developer whereby the developer 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 were reversed and the related impairment provision were either reversed or written off.

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

Impairment provision

Movements in the impairment provision were as follows:

	30 June 2011 AED'000 (Unaudited)	*31 December 2010 AED'000 (Audited)*
At 1 January	**168,641**	188,700
Provision made during the period/year	**13,500**	46,646
Write off of impairment provision upon consolidation (see note (a) above)	**-**	(66,705)
	182,141	168,641

7 OTHER INVESTMENTS

	30 June 2011 AED'000 (Unaudited)	*31 December 2010 AED'000 (Audited)*
Investments measured at fair value through Other comprehensive income (FVTOCI): (within the UAE)		
Quoted - mutual fund units (a)	**1,030**	1,030
Others (b)	**920**	920
	1,950	1,950
Investments measured at amortised cost: (outside the UAE)		
Investments in Notes (c)	**30,038**	31,180
Profit on Notes	**16,094**	14,717
	46,132	45,897
	48,082	47,847
Less: Provision for impairment	**(920)**	(920)
	47,162	46,927

(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 2011 AED'000 (Unaudited)	*31 December 2010 AED'000 (Audited)*
Ijara and Forward Ijara (constructed and handed over properties)	**6,514,786**	6,151,664
Gross Murabaha and Mudaraba receivables	**379,132**	404,439
Less: Deferred profit	**(8,806)**	(12,616)
Net Murabaha and Mudaraba receivables	**370,326**	391,823
Istisna'a and Forward Ijara (under construction properties)	**2,677,430**	2,978,392
	9,562,542	9,521,879
Less: Profit suspended	**(49,264)**	(33,419)
Less: Provision for impairment	**(344,154)**	(330,654)
	9,169,124	9,157,806

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 330,600 thousand (31 December 2010: AED 343,885 thousand).

8 ISLAMIC FINANCING AND INVESTING ASSETS (continued)

Provisions for impairment

Movements in the provision for impairment were as follows:

	30 June 2011 AED'000 (Unaudited)	*31 December 2010 AED'000 (Audited)*
At 1 January	**330,654**	219,904
Provision made during the period/year	**13,500**	110,750
	344,154	330,654

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 trading and investment activities	Principally involved in the 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:

	2011				*2010*			
	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	148,278	478	-	**148,756**	162,419	1,687	-	164,106
Allocable expenses	(103,594)	(3,939)	-	**(107,533)**	(113,522)	(3,901)	(1,278)	(118,701)
Segment result	44,684	(3,461)	-	**41,223**	48,897	(2,214)	(1,278)	45,405
Impairment provision	-	(13,500)	-	**(13,500)**	(40,000)	-	-	(40,000)
Segment result after provision	44,684	(16,961)	-	**27,723**	8,897	(2,214)	(1,278)	5,405
Profit for the period				**27,723**				5,405

9 SEGMENTAL INFORMATION (continued)

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

	2011				*2010*			
	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	299,209	861	-	**300,070**	341,996	1,928	323	344,187
Allocable expenses	(207,625)	(7,979)	-	**(215,604)**	(232,367)	(7,883)	(2,650)	(242,900)
Segment result	91,584	(7,118)	-	**84,466**	109,629	(5,955)	(2,327)	101,287
Impairment provision	(16,000)	(13,500)	-	**(29,500)**	(90,750)	-	-	(90,750)
Segment result after provision	75,584	(20,618)	-	**54,966**	18,819	(5,955)	(2,327)	10,537
Profit for the period				**54,966**				10,537

OTHER INFORMATION

				Total AED'000 30 June 2011 (Unaudited)				*Total AED'000 31 December 2010 (Audited)*
Segment assets	9,272,663	400,517	286,223	**9,959,403**	9,260,458	410,635	522,084	10,193,177
Segment liabilities	7,089,935	324,667	264,579	**7,679,181**	7,183,097	338,454	446,370	7,967,921
Depreciation	-	-	2,813	**2,813**	-	-	5,869	5,869
Capital expenditure	-	-	156	**156**	-	-	6,508	6,508

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 2011 AED'000 (Unaudited)	*31 December 2010 AED'000 (Audited)*
Irrevocable commitments to extend credit	**1,466,021**	1,776,731

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

The Group is engaged in certain litigation proceedings in the United Arab Emirates, involving claims by and against it, mainly in respect of certain sale and financing transactions. The Group is defending these cases and has been advised by its legal counsel that it is only possible, but not probable, that the action by counter parties would succeed. Accordingly, no provision for any liability has been made in these interim condensed consolidated financial statements.

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 2011 (Unaudited)		*30 June 2010 (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	**788**	**-**	230	-
Income on deposits and wakala investments	**-**	**4,025**	-	4,180
Other income	**-**	**5,250**	-	-
Depositors'/investors' share of profit	**-**	**25,139**	-	31,600
	788	**34,414**	230	35,780

11 RELATED PARTY TRANSACTIONS (continued)

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

	30 June 2011 (Unaudited)			*31 December 2010 (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	**-**	**233,378**	**-**	-	422,683	-
Islamic financing and investing assets	**26,971**	**-**	**-**	9,315	-	-
Financing obligations	**-**	**1,250,000**	**-**	-	1,250,000	-
Depositors'/investors' share of profit payable	**-**	**139**	**-**	-	139	-
Other receivables	**-**	**5,476**	**-**	-	488	-
Other payables	**-**	**193**	**-**	-	-	-

Compensation of key management personnel is as follows:

	30 June 2011 (Unaudited) AED'000	*30 June 2010 (Unaudited) AED'000*
Short term employee benefits	**2,708**	2,926
Termination and other benefits	**350**	236
	3,058	3,162