

Union Properties pjsc

Consolidated statement of income for the nine months ended 30th September 2003

	Unaudited Jan to Sept 2003 AED'000	Unaudited Jan to Sept 2002 AED'000
Revenue	290,764	221,838
Direct costs	(215,525)	(158,390)
Administrative and general expenses	(23,058)	(20,825)
Operating profit	52,181	42,623
Other income	3,926	5,052
Amortization of goodwill	(48)	(361)
Share of loss in Joint Venture	(429)	(330)
Finance costs	(2,301)	(2,325)
Net profit for the period before minority interest	53,329	44,659
Minority interest	(385)	(145)
Net profit for the period attributed to the shareholders	52,944	44,514

Certain comparative figures have been reclassified to conform to the presentation adopted in these consolidated financial statements.

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Consolidated balance sheet as at 30th September 2003

	Unaudited 30 Sept 2003 AED'000	Audited 31 Dec 2002 AED'000
Goodwill	404	19
Property, plant and equipment	45,121	34,962
Investment properties	1,352,455	1,359,367
Development properties	156,652	119,954
Investments	44,518	42,314
Long-term retention receivable	23,477	16,860
Current assets		
Inventories	9,659	10,068
Contract work-in-progress	86,033	55,096
Trade and other receivable	229,343	146,167
Due from related parties	1,473	2,293
Cash at bank and in hand	117,845	110,174
	<u>444,353</u>	<u>323,798</u>
Current liabilities		
Trade and other payable	161,041	154,128
Advance and deposits	21,359	21,739
Due to related parties	2,456	5,678
Bank borrowings	278,799	151,791
Current portion of long-term bank loans	13,692	12,637
	<u>477,347</u>	<u>345,973</u>
Net current (liabilities)/assets	(32,994)	(22,175)
Long-term bank loans	(220,331)	(231,131)
Long-term retentions payable		(291)
Provision for employee's terminal benefits	(13,980)	(11,507)
Net assets	<u>1,355,322</u>	<u>1,308,372</u>
Represented by:		
Share capital	703,880	639,891
Proposed bonus shares		63,989
Statutory reserve	408,963	408,963
General reserve	31,715	31,715
Retained earnings	211,243	159,382
Shareholder's equity	<u>1,355,801</u>	<u>1,303,940</u>
Minority interest	(479)	4,432
	<u>1,355,322</u>	<u>1,308,372</u>

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Consolidated statement of changes in shareholder's equity

	Share Capital	Proposed bonus share	Statutory reserve	General reserve	Retained earnings	Total
Balance at 1 January 2003	639,891	63,989	408,963	31,715	159,382	1,303,940
Net profit to date					52,944	52,944
Issue of bonus shares	63,989	(63,989)				0
Directors' fees					(1,083)	(1,083)
Balance at 30 September 2003	703,880	0	408,963	31,715	211,243	1,355,801

In accordance with the Ministry of Economic & Commerce interpretation of Article 118 of Federal Law 8 of 1984, directors' fees have been treated as an appropriation from shareholders' funds.

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Brief comments on the performance for the first 9 months of 2003

Income statement

1. Revenue increased by 31% over the comparable period of 2002.
2. Operating profit increased by 22% over the comparable period of 2002.
3. Net profit attributable to shareholders increased by 19% over the comparable period of 2002.

Balance Sheet

1. Net assets and shareholders funds increased by Dhs 47 million during the nine month period.
2. Expenditure of Dhs 36.7 million was incurred on development properties during the nine month period.
3. Bonus shares were issued to the shareholders in the ratio of 1 share for every 10 shares held.