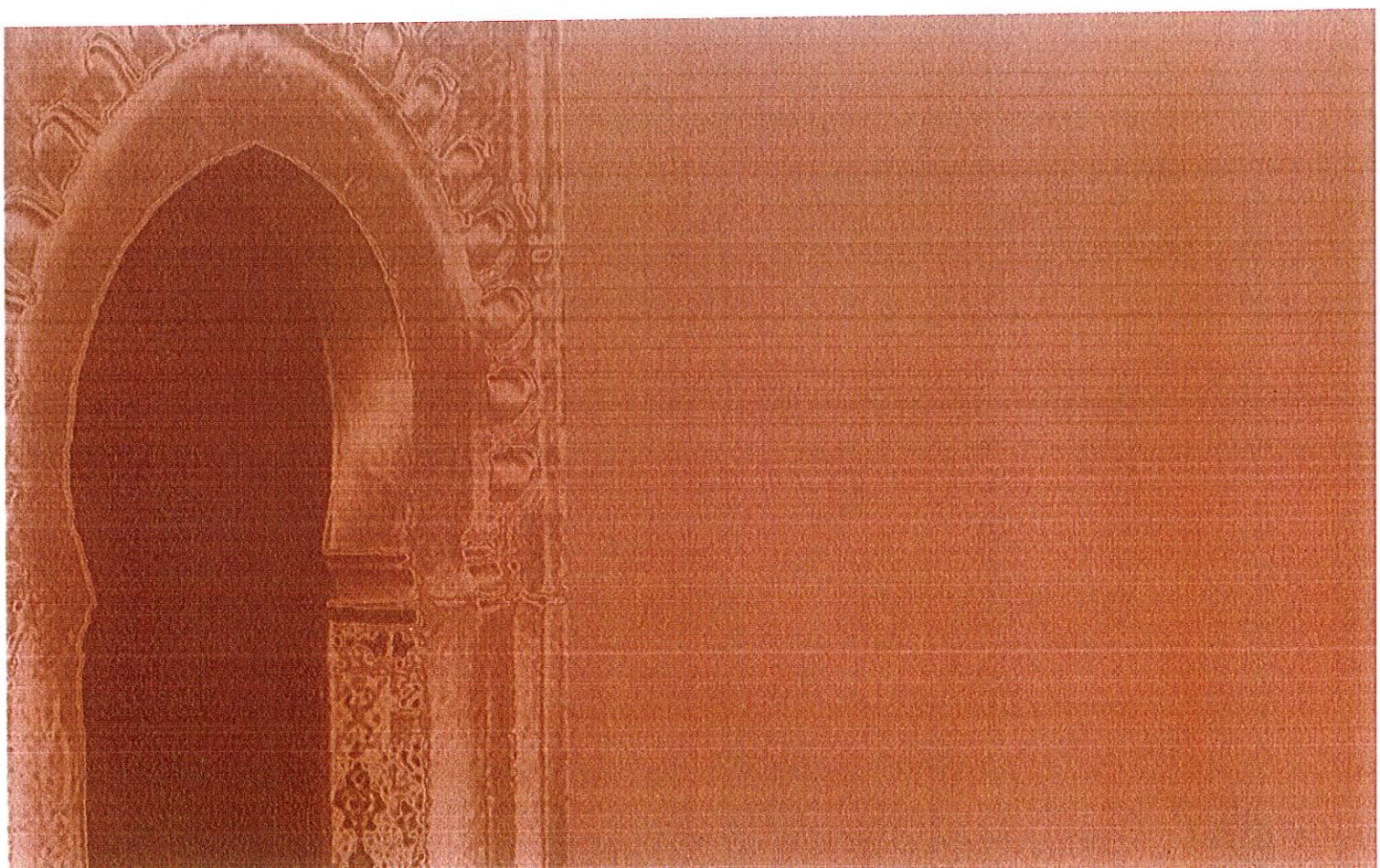
Sajjad Haider & Co.
CHARTERED ACCOUNTANTS

DUBAI DEVELOPMENT COMPANY (PSC)
DUBAI, UNITED ARAB EMIRATES
(A Public Shareholding Company with limited liability)

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2011 (UNAUDITED)



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DUBAI, UNITED ARAB EMIRATES

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REPORT ON REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF DUBAI DEVELOPMENT COMPANY (PSC)

Introduction

We have reviewed the accompanying interim statement of financial position of Dubai Development Company (PSC) (the "Company") as at 31 March 2011 and the related interim statements of comprehensive 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 IAS 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.

SAJJAD HAIDER & CO
CHARTERED ACCOUNTANTS
(Mohammed Nafees Reg. 165)

24 April 2011

DUBAI, UNITED ARAB EMIRATES

SAJJAD HAIDER & CO. CHARTERED ACCOUNTANTS P.O. Box : 3251 Dubai - U.A.E.

Sajjad Haider & Co is a member of Nexia International, a worldwide network of independent accounting and consulting firms.

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DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011 (Un-audited)

	Note	31 March 2011 AED	Audited 31 December 2010 AED
ASSETS			
Current assets			
Cash and bank balances	3	19,497,903	19,306,241
Prepayments and other receivables	4	156,181	190,020
		19,654,084	19,496,261
Non-current assets			
Fixed assets	5	-	-
Total assets		19,654,084	19,496,261
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable	6	530,000	495,000
Due to affiliated companies	7	113,409	101,404
Unclaimed dividend		341,500	341,500
		984,909	937,904
Non-current liabilities			
Provision for staff gratuity		240,000	240,000
Capital and reserves			
Share capital	8	10,000,000	10,000,000
Legal reserve	9	5,000,000	5,000,000
General reserve	10	1,000,000	1,000,000
Accumulated profit		2,429,175	2,318,357
		18,429,175	18,318,357
Total liabilities and equity		19,654,084	19,496,261

The accompanying notes form an integral part of these financial statements.

DIRECTOR

DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2011 (Un-audited)

	31 March 2011 AED	31 March 2010 AED
REVENUE		
Interest earned on fixed deposits	168,259	180,783
Operating expenses	(57,441)	(58,011)
NET PROFIT FOR THE PERIOD	110,818	122,772
Earning per share		
Basic and diluted earnings per share (AED)	0.0111	0.0122

The accompanying notes form an integral part of these financial statements.

DIRECTOR

DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2011 (Un-audited)

	Share capital AED	Legal reserve AED	General reserve AED	Accumulated profit AED	Total AED
Balance as at 1 January 2010	10,000,000	5,000,000	1,000,000	1,740,081	17,740,081
Profit for the quarter ended 31 March 2010	-	-	-	122,772	122,772
Balance as at 31 March 2010	10,000,000	5,000,000	1,000,000	1,862,853	17,862,853
Profit for the 9 months ended 31 December 2010	-	-	-	455,504	455,504
Balance as at 1 January 2011	10,000,000	5,000,000	1,000,000	2,318,357	18,318,357
Profit for the 3 months ended 31 March 2011	-	-	-	110,818	110,818
Balance as at 31 March 2011	10,000,000	5,000,000	1,000,000	2,429,175	18,429,175

The accompan

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2011

1 LEGAL STATUS AND BUSINESS ACTIVITY

Dubai Development Company (PSC) is a limited liability company which was originally incorporated in Dubai on 21 June 1975 by an Emiri Decree and it became a public shareholding company in 1997, in accordance with the UAE Federal Law No. (8) Of 1984 (as amended).

A plot of land in Rashidyah Mirdif was acquired by the company for the purpose of development of a new township and sale of plots for construction of private houses. The development work has been completed and the plots developed for residential and commercial purposes have been sold or utilised for development of common areas and other facilities.

2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are as follows:

a. Accounting convention

The financial statements are prepared under the historical cost convention.

b. Fixed assets

These assets are stated at cost. The cost of fixed assets is depreciated by equal annual instalments over the estimated useful lives of the assets as follows:

Motor vehicles	3 years
Furniture and equipment	5 years
Office renovation	5 years

All fixed assets have been fully depreciated.

c. Land for sale and development

All land available for sale has been sold and no land is now available for sale.

d. Staff gratuity

Provision for staff gratuity is made on the basis of UAE Federal Labour Law of 1980.

e. Interim condensed statements

The interim condensed financial statements do not contain all information and disclosures required for all financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the 3 months ended 31 March 2011 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2011.

3 CASH AND BANK BALANCES

	31 March 2011 AED	Audited 31 December 2010 AED
Cash at bank		
- On fixed deposit accounts	19,453,165	19,241,281
- On current account	44,716	64,938
Cash in hand	22	22
	19,497,903	19,306,241

4 PREPAYMENTS AND OTHER RECEIVABLES

Prepaid expenses	23,435	13,648
Accrued interest on fixed deposits	132,746	176,372
	156,181	190,020

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE QUARTER ENDED 31 MARCH 2011 (Un-audited)

5 FIXED ASSETS

	Furniture and equipment AED	Office renovation AED	Total AED
COST			
At 1 January 2011	217,150	200,000	417,150
Additions	-	-	-
Disposals	-	-	-
At 31 March 2011	217,150	200,000	417,150
DEPRECIATION			
At 1 January 2011	217,150	200,000	417,150
Charge for the period	-	-	-
On disposals	-	-	-
At 31 March 2011	217,150	200,000	417,150
NET BOOK VALUE			
At 31 March 2011	-	-	-
At 31 December 2010	-	-	-

All assets have been fully depreciated.

6 ACCOUNTS PAYABLE

	31 March 2011 AED	Audited 31 December 2010 AED
Accrued audit fee	20,000	15,000
Salaries payable	510,000	480,000
	530,000	495,000

Salaries payable comprises of salary payable to general manager at AED 10,000 per month. It has been outstanding since 1st January 2007.

7 DUE TO AFFILIATED COMPANIES

	31 March 2010 AED	Audited 31 December 2010 AED
Almulla Construction (LLC), Dubai	10,883	10,883
Mohammed & Obaid Almulla, Dubai	102,526	90,521
	113,409	101,404

8 SHARE CAPITAL

Authorised, issued and fully paid

10,000,000 shares of AED 1 each	10,000,000	10,000,000

9 LEGAL RESERVE

In accordance with the Memorandum of Association of the Company, 10 percent of the profit for the year has to be transferred to a legal reserve up to a maximum of 50 percent of the capital. The legal reserve is not distributable.

10 GENERAL RESERVE

	31 March 2010 AED	Audited 31 December 2010 AED
Balance carried forward	1,000,000	1,000,000

11 CASH AND CASH EQUIVALENTS

	31 March 2011 AED	31 March 2010 AED
Cash at bank	19,497,881	18,856,092
Cash in hand	22	22
	19,497,903	18,856,114

12 CONTINGENT LIABILITES

Two plot holders have filed legal cases against the company against demarcation of their plots of land. One case has been dismissed by the Dubai Court of First Instance and the second case is still pending in the Court. It is difficult to evaluate the consequence of these cases at this early stage.