ASSURANCE AND ADVISORY
BUSINESS SERVICES

Tamweel PJSC (formerly Tamweel LLC)

INTERIM CONDENSED FINANCIAL STATEMENTS

30 JUNE 2007 (REVIEWED)

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 of 30 June 2007, the related interim statements of income for the three-month and six-month periods then ended, the related cash flows and the statement of changes in equity for the six-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 presented fairly, in all material respects, in accordance with IAS 34.

Ernst & Young

Signed by
Naushad Anwar
Partner
Registration No. 489

29 July 2007

Dubai, United Arab Emirates

Tamweel PJSC (formerly Tamweel LLC)

INCOME STATEMENT

Period ended 30 June 2007 (Reviewed)

	Notes	*Three months ended 30 June*		*Six months ended 30 June*	
		2007 AED'000	*2006 AED'000*	***2007 AED'000***	*2006 AED'000*
Income from Islamic financing and investing assets		**54,417**	26,666	**100,257**	50,762
Income from sale of development property, net		**2,575**	12,076	**7,141**	19,931
Fees and other income	3	**66,541**	28,634	**107,710**	34,691
OPERATING INCOME		**123,533**	67,376	**215,108**	105,384
General and administrative expenses		**(30,538)**	(12,819)	**(50,138)**	(25,207)
PROFIT BEFORE DEPOSITORS' SHARE OF PROFIT AND INCOME FROM IPO PROCEEDS		**92,995**	54,557	**164,970**	80,177
Depositors' share of profit		**(35,436)**	(15,163)	**(56,942)**	(30,597)
PROFIT BEFORE INCOME FROM IPO PROCEEDS		**57,599**	39,394	**108,028**	49,580
Income from IPO proceeds, net		**-**	699,050	**-**	699,050
PROFIT FOR THE PERIOD		**57,559**	738,444	**108,028**	748,630
Attributable to:					
Shareholders of PJSC		**57,559**	721,208	**108,028**	721,208
Shareholders of LLC		**-**	17,236	**-**	27,422
		57,559	738,444	**108,028**	748,630
Earnings per share (AED) – Basic and diluted	4	**0.057**	1.19	**0.108**	1.40

The attached notes 1 to 6 form part of these interim condensed financial statements.

Tamweel PJSC (formerly Tamweel LLC)

BALANCE SHEET

At 30 June 2007

	30 June 2007 AED'000 (Reviewed)	*31 December 2006 AED'000 (Audited)*
ASSETS		
Bank balances and cash	**115,787**	380,181
Advances, prepayments and other receivables	**437,286**	195,341
Investments in properties	**203,887**	60,768
Other investments	**22,194**	10,834
Islamic financing and investing assets	**3,471,249**	2,583,745
Property and equipment	**34,268**	31,480
TOTAL ASSETS	**4,284,671**	3,262,349
LIABILITIES AND EQUITY		
Liabilities		
Zakat payable	**4,590**	4,845
Accounts payable, accruals and other liabilities	**396,600**	207,165
Financing obligations	**2,156,556**	1,230,760
Total liabilities	**2,557,746**	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	**34,712**	25,837
Cumulative changes in fair value	**276**	208
Retained earnings	**176,732**	78,329
Proposed dividend	**-**	200,000
Total equity	**1,726,925**	1,819,579
TOTAL LIABILITIES AND EQUITY	**4,284,671**	3,262,349

Chairman
29 July 2007

Chief Executive Officer
29 July 2007

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

The attached notes 1 to 6 form part of these interim condensed financial statements.

Tamweel PJSC (formerly Tamweel LLC)

CASH FLOW STATEMENT

Period ended 30 June 2007 (Reviewed)

	Six months ended	
	30 June 2007 AED'000	*30 June 2006 AED'000*
OPERATING ACTIVITIES		
Profit for the period	**108,028**	748,630
Adjustments for:		
Depreciation	**1,493**	1,190
Provision for employees' end of service benefits, net	**460**	1,931
Provision for impairment of Islamic financing and investing assets	**-**	1,166
Changes in fair value of investments held for trading	**(6,648)**	-
Changes in fair value of investment properties	**(2,239)**	-
Depositors' share of profit	**56,942**	30,597
	158,036	783,514
Working capital changes:		
Islamic financing and investing assets	**(887,504)**	(830,187)
Accounts receivable and prepayments	**(241,945)**	(75,294)
Accounts payable, accruals and other liabilities	**93,276**	37,386
Other Investments	**(4,645)**	(11,187)
Cash used in operation	**(882,782)**	(95,768)
Depositors' share of profit, paid	**38,008**	(30,597)
Zakat paid	**(255)**	-
Net cash used in operating activities	**(845,029)**	(126,365)
INVESTING ACTIVITIES		
Purchase of property and equipment	**(4,281)**	(12,741)
Purchase of investment properties	**(140,880)**	(68,810)
Net cash used in investing activities	**(145,161)**	(81,551)
FINANCING ACTIVITIES		
Issuance of share capital	**-**	550,000
Financing arrangements, net	**925,796**	(332,700)
Dividend paid	**(200,000)**	-
Net cash from financing activities	**725,796**	217,300
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(264,394)**	9,384
Cash and cash equivalents at 1 January	**380,181**	162,011
CASH AND CASH EQUIVALENTS AT 30 JUNE	**115,787**	171,395

The attached notes 1 to 6 form part of these interim condensed financial statements.

Tamweel PJSC (formerly Tamweel LLC)

STATEMENT OF CHANGES IN EQUITY

Period ended 30 June 2007 (Reviewed)

	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 2007	1,000,000	(11,100)	91,305	435,000	25,837	208	78,329	200,000	1,819,579
Transfer to special reserve	-	-	-	-	8,875	-	(8,875)	-	-
Dividend settled	-	-	-	-	-	-	-	(200,000)	(200,000)
Directors' fees	-	-	-	-	-	-	(750)	-	(750)
	1,000,000	(11,100)	91,305	435,000	34,712	208	68,704	-	1,618,829
Recognised gain on available-for-sale investment during the period	-	-	-	-	-	68	-	-	68
Total income for the period recognised directly in equity	-	-	-	-	-	68	-	-	68
Profit for the period	-	-	-	-	-	-	108,028	-	108,028
Total income for the period	-	-	-	-	-	68	108,028	-	108,096
Balance at 30 June 2007	**1,000,000**	**(11,100)**	**91,305**	**435,000**	**34,712**	**276**	**176,732**	-	**1,726,925**
Balance at 1 January 2006	450,000	-	6,019	-	-	-	-	52,434	508,453
Issue of share capital	550,000	-	-	-	-	-	-	-	550,000
Shares received under employees' benefit plan	-	(18,000)	-	-	-	-	-	-	(18,000)
Shares granted under employees' benefit plan	-	6,900	104	-	-	-	-	-	7,004
Profit for the period ended 2 June 2006	-	-	-	-	-	-	27,422	-	27,422
Zakat, net of reversals till 2 June 2006	-	-	-	-	-	-	1,089	-	1,089
Dividend settled	-	-	-	-	-	-	-	(52,434)	(52,434)
Profit till 2 June 2006 transferred to share holders of Tamweel L.L.C.	-	-	-	-	-	-	(23,026)	-	(23,026)
Balance at 2 June 2006	1,000,000	(11,100)	6,123	-	-	-	5,485	-	1,000,508
Recognised gain on available-for-sale investment during the period	-	-	-	-	-	125	-	-	125
Total income for the period recognised directly in equity	-	-	-	-	-	125	721,208	-	721,208
Profit for the period from 3 June to 30 June 2006	-	-	-	-	-	-	721,208	-	721,333
Total income for the period	-	-	-	-	-	125	(31)	-	(31)
Zakat	-	-	-	-	-	-	726,662	-	1,721,810
Balance at 30 June 2006	1,000,000	(11,100)	6,123	-	-	125			

The attached notes 1 to 6 form part of these interim condensed financial statements.

1 ACTIVITIES

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.

The interim condensed 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 Company's annual financial statements as at 31 December 2006. In addition, results for the 6 months ended 30 June 2007 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2007.

3 FEES AND OTHER INCOME

This mainly represents commission income on sale of property, arrangement fees and income on Wakala arrangements.

4 EARNINGS PER SHARE – BASIC AND DILUTED

Earnings per share is calculated by dividing profit for the period by the weighted average number of ordinary shares outstanding during the period as follows:

Basic earnings per share

	Three months ended 30 June		*Six months ended 30 June*	
	2007 AED'000	*2006 AED'000*	***2007 AED'000***	*2006 AED'000*
Profit for the period (AED 000's)	**57,559**	738,444	**108,028**	748,630
Weighted average number of shares outstanding during the period (in thousands)	**1,000,000**	619,231	**1,000,000**	535,083
Basic earnings per share (AED)	**0.057**	1.19	**0.108**	1.40

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.

5 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 30 June 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	**68,556**	**2,575**	**52,402**	**123,533**	29,188	12,076	26,112	67,376
Allocable expenses	**(27,581)**	**-**	**(4,194)**	**(31,775)**	(466)	-	-	(466)
Segment result	**40,975**	**2,575**	**48,208**	**91,758**	28,722	12,076	26,112	66,910
Unallocated expenses				**(34,199)**				(27,516)
Income from IPO proceeds, net				**-**				699,050
Profit for the period				**57,559**				738,444

5 SEGMENTAL INFORMATION (continued)

Segmental information for the six months ended 30 June 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	**123,826**	**7,141**	**84,141**	**215,108**	53,284	19,931	32,169	105,384
Allocable expenses	**(45,019)**	**-**	**(5,630)**	**(50,649)**	(1,166)	-	-	(1,166)
Segment result	**78,807**	**7,141**	**78,511**	**164,459**	52,118	19,931	32,169	104,218
Unallocated expenses				**(56,431)**				(54,638)
Income from IPO proceeds, net				**-**				699,050
Profit for the period				**108,028**				748,630

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

6 COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

		30 June 2007 AED'000	*31 December 2006 AED'000*
Irrevocable commitments to extend credit	6.1	**2,123,982**	1,415,780
Purchase of properties	6.2	**305,491**	671,083
Contribution to share capital	6.3	**920**	920
Property development	6.4	**22,921**	29,543
		2,453,314	2,117,326

6.1 This represents contractual commitments to provide Islamic financing. Commitments generally have fixed expiration 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.

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

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

6.4 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.