ASSURANCE AND ADVISORY
BUSINESS SERVICES

Deyaar Development PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 SEPTEMBER 2007 (UNAUDITED)

ERNST & YOUNG

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

Introduction

We have reviewed the accompanying interim consolidated balance sheet of Deyaar Development PJSC and its subsidiaries ("the Group") as at 30 September 2007, the related interim consolidated statement of income, cash flow statement and statement of changes in equity for the period from 10 July 2007 to 30 September 2007 and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated 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 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 prepared, in all material respects, in accordance with IAS 34.

Emphasis of matter

Without qualifying our conclusion, we refer to note 4 to the interim condensed consolidated financial statements. At this stage, the Company is in the process of determining the fair values of properties, equipment and separately identifiable intangible assets, if any. As a result, the amount properly attributable to goodwill will be determined on completion of the exercise. Adjustments to the provisional values will be recognised within twelve months of the transfer date as allowed by International Financial Reporting Standard 3 "Business Combinations" and an impairment test on the carrying value of goodwill will also be performed at that stage.

Ernst & Young

Signed by
Edward B Quinlan
Partner
Registration No. 93

30 October 2007
Dubai, United Arab Emirates

CONSOLIDATED INCOME STATEMENT
Period ended 30 September 2007 (Unaudited)

	Note	*AED '000*
Revenues		**214,923**
Cost of revenues		**(142,097)**
GROSS PROFIT		**72,826**
Other operating income		**29,187**
Selling and administrative expenses		**(26,355)**
Finance costs		**(2,141)**
Income from deposits		**19,121**
PROFIT BEFORE TAX		**92,638**
Income tax		**131**
PROFIT FOR THE PERIOD AFTER INCORPORATION		**92,769**
Pre-incorporation profits, net	5	**107,395**
PROFIT FOR THE PERIOD		**200,164**
Attributable to:		
Equity holders of the Parent		**198,834**
Minority interest		**1,330**
		200,164
Earning per share- basic and diluted	3	**0.0344**

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

Deyaar Development PJSC and its subsidiaries

CONSOLIDATED BALANCE SHEET

At 30 September 2007 (Unaudited)

	Note	*30 September 2007 AED '000*
ASSETS		
Non-current assets		
Property, plant and equipment		19,401
Goodwill and other intangible assets	6	969,145
		988,546
Current assets		
Properties under construction		3,812,879
Accounts and notes receivable		298,423
Prepayments and other assets		964,041
Bank balances and cash		1,998,603
		7,073,946
TOTAL ASSETS		8,062,492
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share capital		5,778,000
Retained earnings		198,834
		5,976,834
Minority interest		5,789
Total equity		5,982,623
Non-current liabilities		
Employees' end of service benefits		3,838
Retentions payable		53,031
Islamic finance obligations		312,957
Term finance		1,462
		371,288
Current liabilities		
Accounts payable and accruals		1,707,846
Term finance		735
		1,708,581
Total liabilities		2,079,869
TOTAL EQUITY AND LIABILITIES		8,062,492

Chairman
30 October 2007

Chief Executive Officer
30 October 2007

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
Period ended 30 September 2007 (Unaudited)

	AED '000
OPERATING ACTIVITIES	
Profit before tax	92,638
Adjustments for:	
Depreciation	1,344
Provision for employees' end of service benefits	745
Income from deposits	(19,121)
Finance costs	2,141
	77,747
Working capital changes:	
Accounts and notes receivable	32,004
Prepayments and other assets	(483,780)
Additions to properties under construction, net	(475,161)
Retentions payable	12,782
Accounts payable and accruals	(40,521)
Cash used in operations	(876,929)
Employees' end of service benefits paid	(11)
Income tax	131
Net cash used in operating activities	(876,809)
INVESTING ACTIVITIES	
Purchase of property, plant and equipment	(3,250)
Deposits maturing after three months	20,000
Income from deposits	19,121
Net cash inflow on acquisition of a subsidiary	2
Net cash from investing activities	35,873
FINANCING ACTIVITIES	
Islamic finance obligations received	54,621
Islamic finance obligations paid	(1,000,000)
Net movement in term finance	119
Finance costs paid	(2,141)
Net cash from financing activities	(947,401)
DECREASE IN CASH AND CASH EQUIVALENTS	(1,788,337)
Cash and cash equivalents at 10 July	3,786,940
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	1,998,603

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Period ended 30 September 2007 (Unaudited)

	Attributable to equity holders of the parent				
	Share capital AED '000	*Retained earnings AED '000*	*Total AED '000*	*Minority interest AED '000*	*Total AED '000*
At 10 July 2007	5,778,000	-	5,778,000	4,459	5,782,459
Profit for the period	-	198,834	198,834	1,330	200,164
At 30 September 2007	**5,778,000**	**198,834**	**5,976,834**	**5,789**	**5,982,623**

The attached notes 1 to 8 form part of these interim condensed consolidated financial statements.

1 ACTIVITIES

Deyaar Development PJSC (the "Company") was given approval by the UAE Ministry of Economy and Emirates Securities and Commodities Authority on 6 April 2007 to publish the Initial Public Offering of 55% of the shares of the Company, pursuant to fulfilment of all legal requirements and necessary procedures in accordance with the laws of the UAE.

The founders of the Company contributed 45% of the Company's equity in kind (note 4). Share allotments were completed by 30 May 2007 and the Company was formally incorporated and registered as a Public Joint Stock Company in the Emirate of Dubai, UAE on 10 July 2007. The principal activities of the Company are property investment and development, brokering, managing and renting of buildings and provision of related support services.

The accompanying interim condensed consolidated financial statements combine the activities of the Company and its subsidiaries and joint ventures (collectively referred to as the "Group"):

Subsidiaries	*Principal activity*	*Country of incorporation*	*Percentage of equity 2007*
Omega Engineering L.L.C.	Mechanical, engineering and plumbing	U.A.E.	**55%**
Dubai Insaat Gayrimenkul Sanayi Ve Ticaret Limited Sirketi	Property Development	Turkey	**100%**
DIB Tower SAL	Property investment and development	Lebanon	**100%**
Beirut Bay SAL	Property Development	Lebanon	**100%**
Deyaar For Development SA	Representative Office of Deyaar	Lebanon	**100%**
Deyaar (UK) Ltd *	Representative Office of Deyaar	UK	**100%**
Deyaar Cayman Ltd *	Investment holding company	Cayman Islands	**100%**
Deyaar West Asia Cooperatief U.A.*	Investment holding company	Netherlands	**100%**
Town Tower SAL	Property Development	Lebanon	**100%**

During the period, the Company acquired 100% interest in Town Tower SAL.

*These subsidiaries did not carry out any activities during the period.

Joint ventures	*Principal activity*	*Country of incorporation*	*Percentage of equity 2007*
Arady Development L.L.C.	Property development	U.A.E.	**50%**
Dubai International Development. Co. LLC *	Property development	U.A.E.	**50%**

* This joint venture did not carry out any operations during the period.

The address of the Company's registered office is P. O. Box 30833, Dubai, United Arab Emirates.

In accordance with the Articles of Association of the Company, the first financial period of the Company commenced on 10 July 2007, the date of its incorporation, and ends on 31 December 2008. As these are the first interim financial statements of the Company, no comparatives are presented in these interim condensed consolidated financial statements

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation
The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting and applicable requirements of the United Arab Emirates Laws. 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 the results for the period ended 30 September 2007 are not necessarily indicative of the results that may be expected for the financial period ending 31 December 2007.

The interim condensed consolidated financial statements have been presented in United Arab Emirates Dirhams.

The interim condensed consolidated financial statements are prepared under the historical cost convention.

IASB Standards and Interpretations issued but not adopted
The following IASB Standard and its interpretations have been issued but are not yet mandatory, and have not yet been adopted by the Group:

IFRS 8 *Operating Segments* was issued by the IASB in November 2006, becoming effective for periods commencing on or after 1 January 2009. The new standard may require changes in the way the Group discloses information about its operating segments.

Basis of consolidation
The interim condensed consolidated financial statements include the financial statements of the Company and each of the subsidiaries that it controls (the Group - see note 1). Control is normally evidenced when the Company owns, either directly or indirectly, more than 50% of the voting rights of an entity's capital or is able to govern the financial and operating policies of an enterprise so as to benefit from its activities.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full.

Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant impact on the amounts recognised in the consolidated financial statements.

Transfer of equitable interest in properties
The Group has entered into a number of contracts with buyers for the sale of land and apartment units. Management has determined that the equitable interest in such assets and therefore, risks and rewards of the ownership, is transferred to the buyer once he is committed to complete the payment for the purchase. This commitment is evidenced by a signed contract for the purchase of the property and payments of sufficient progress payments. Based on this, the Group recognizes revenues and profits as the acts to complete the property are performed.

Use of estimates
The preparation of the interim condensed consolidated financial statements requires management to make estimates and assumptions that may affect the reported amount of financial assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair value for the period. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts as described below:

Costs to complete properties under construction
The Group estimates the cost to complete properties under construction in order to determine the cost attributable to revenue being recognised. These estimates include the cost of providing infrastructure activities, potential claims by subcontractors and the cost of meeting other contractual obligations to the customers.

2 SIGNIFICANT ACCOUNTING POLICIES - continued

Use of estimates - continued

Impairment of goodwill
The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units.

Investments in joint ventures
The Group's interests in joint ventures, which are defined as those entities which are subject to joint control, are accounted for under the proportionate consolidation method whereby the Group accounts for its share of the assets, liabilities, income and expenses in the joint ventures on a line by line basis.

Revenue recognition
Sale of property

Revenue on sale of plots is recognised on the basis of the full accrual method as and when all of the following conditions are met:

- A sale is consummated and contracts are signed;
- The buyer's initial investment, to the date of the financial statements, is adequate to demonstrate a commitment to pay for the property;
- The Group has transferred to the buyer the usual risks and rewards of ownership in a transaction that is in substance a sale and does not have a substantial continuing involvement with the property.

Revenue on sale of apartments is recognized on the basis of percentage completion as and when all of the following conditions are met:

- A sale is consummated and contracts are signed;
- The buyer's investment, to the date of the financial statements, is adequate to demonstrate a commitment to pay for the property;
- Construction is beyond a preliminary stage, i.e., commencement of design work or construction contract or site accessibility etc.
- The buyer is committed. The buyer is unable to require a refund except for non-delivery of the unit. Management believes that the likelihood of the Group being unable to fulfil its contractual obligations is remote; and
- The aggregate sales proceeds and costs can be reasonably estimated.

Contract revenues
Contract revenue represents the total value of work performed during the period including the estimated sales value of contracts in progress assessed on a percentage of completion method, measured by reference to total cost incurred to date to estimated total cost for each contract. No profit is taken until a contract has progressed to a point where its outcome can be estimated reliably. Where the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred. Provision is made for all losses expected to arise on completion of the contracts entered into at the balance sheet date, whether or not work has commenced on these contracts.

Fee and commission income
Fee and commission income is recognised when earned.

Income from deposits
Income from deposits is recognised on an accrual basis.

Services
Revenue from services is recognized in the period in which the services are rendered.

2 SIGNIFICANT ACCOUNTING POLICIES - continued

Cost of sale of property
Cost of sale of property includes the cost of land and development costs. Development costs include the cost of infrastructure and construction. The cost of sale in respect of apartments is based on the estimated proportion of the development cost incurred to date to the estimated total development costs for each project.

Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation
Taxation is provided in accordance with the fiscal regulations of the respective countries in which the Group operates.

Deferred income taxation is provided using the liability method on all temporary differences at the balance sheet date. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and fixtures	over 4 to 5 years
Plant and equipment	over 4 years
Motor vehicles	over 4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the income statement as the expense is incurred.

Goodwill
Goodwill on acquisition is initially measured at cost being the excess of the cost of acquisition over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

2 SIGNIFICANT ACCOUNTING POLICIES - continued

Goodwill - continued
For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets and liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with IAS 14 Segment Reporting.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Properties under construction
Properties in the course of construction for sale are classified as properties under construction. Unsold properties and sold properties which have not met the revenue recognition criteria are stated at the lower of cost or net realisable value. Sold properties which have met the revenue recognition criteria are stated at cost plus attributable profit / (loss) less progress billings and amounts transferred to cost of sales attributable to revenues recognized. Cost includes the cost of land, infrastructure, construction and other related expenditure such as professional fees and engineering costs attributable to the project, which are capitalised as and when activities that are necessary to get the assets ready for the intended use are in progress. Direct costs from the start of the project up to completion of the project are capitalised. Completion is defined as the earlier of issuance of a certificate of practical completion, or when management considers the project to be completed. Upon completion, cost in respect of unsold properties is eliminated from properties under construction and transferred to properties held for sale at cost.

Impairment and uncollectibility of financial assets
An assessment is made at each balance sheet date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognised in the income statement. Impairment is determined as follows:

(a) For assets carried at fair value, impairment is the difference between cost and fair value, less any impairment loss previously recognised in the income statement;
(b) For assets carried at cost, impairment is the difference between carrying value and the present value of future cash flows discounted at the current market rate of return for a similar financial asset;

Accounts receivable
Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

Cash and cash equivalents
Cash and cash equivalents comprise cash at hand, bank balances and short-term deposits with an original maturity of three months or less.

Accounts payable and accruals
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

2 SIGNIFICANT ACCOUNTING POLICIES - continued

Provisions
Provisions are recognised when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Employees' end of service benefits
The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Foreign currency translation
The interim condensed consolidated financial statements are presented in UAE Dirhams, which is the Company's functional and presentation currency. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of the foreign operations are the Turkish Lira and the Lebanese Lira. As at the reporting date, the assets and liabilities of these subsidiaries are translated into the presentation currency of the Group (the Dirhams) at the rate of exchange ruling at the balance sheet date and their income statements are translated at the weighted average exchange rates for the period. The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

3 EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the profit attributable to the shareholders of the parent for the period of AED 198,833,913 by the weighted average number of shares outstanding during the period of 5,778,000,000 of AED 1 each.

No figures for diluted earnings per share have been presented as the company has not issued any instruments which would have an impact on earnings per share when exercised.

4 BUSINESS COMBINATION

Deyaar Development PJSC (under formation) has taken over the interest of Dubai Islamic Bank PJSC in the equity of Deyaar Development Company P.S.C. as of 30 May 2007 for a consideration of AED 2,600,000,000 to be settled by the issue of 2,600,000,000 shares of AED 1 each in the Company. The Group has provisionally recorded the assets and liabilities of Deyaar Development Company P.S.C. at the values they were carried in the books of Deyaar Development Company P.S.C. at the date of transfer, as summarised below:

	AED '000
Property, plant and equipment	**14,956**
Properties under construction	**2,641,494**
Accounts and notes receivable	**245,267**
Prepayments and other assets	**382,079**
Bank balances and cash	**584,598**
Total assets	**3,868,394**
Employees' end of service benefits	**2,805**
Retentions payable	**44,531**
Vehicle finance	**1,346**
Islamic finance obligations	**857,038**
Accounts payable and accruals	**1,327,875**
Minority interest	**3,763**
Total liabilities and minority interest	**2,237,358**
Book value of net assets acquired at 30 May 2007	**1,631,036**
Consideration	**2,600,000**
Goodwill and other intangible assets (note 6)	**968,964**

At this stage, the Company is in the process of determining the fair values of the assets and liabilities acquired. As a result, the amount properly attributable to goodwill will be determined on completion of the exercise. Adjustments to the provisional values will be recognised within twelve months of the transfer date as allowed by International Financial Reporting Standard 3 "Business Combinations" and an impairment test on the carrying value of the goodwill will also be performed at that stage.

4 BUSINESS COMBINATION - continued

During the period, the Group also acquired 100% interest in Town Tower SAL, which is based in Lebanon and is engaged in property investment and development. The fair value of identifiable assets and liabilities of the company acquired at that date was as follows:

	Recognised on acquisition 2007 AED '000
Bank balance	**245**
Prepayments and other assets	**8**
Properties under construction	**104,393**
Total assets	**104,646**
Accounts and notes payable	**104,584**
Total liabilities	**104,584**
Fair value of net assets acquired	**62**
Purchase consideration	**243**
Goodwill arising on acquisition	**181**

5 PRE-INCORPORATION PROFITS

The movement of the pre-incorporation profits during the period from 30 May to 10 July 2007 was as follows:

	AED '000
Pre-incorporation profits from 30 May to 10 July 2007	**184,743**
Distributable to the shareholders of Deyaar Development Company PSC	**(77,348)**
Initial Public Offering income, net	**107,395**

In accordance with the prospectus issued at the time of the Initial Public Offering, profits earned by the Company from operating the business of the PSC up to the date of incorporation are payable to the shareholders of Deyaar Development Company PSC.

Initial Public Offering income represents the income earned on investing the funds received from IPO subscriptions between the first day of public subscription i.e. 6 May 2007 and the date of incorporation of the Company, net of expenses related to its incorporation, distributable to the shareholders of Deyaar Development PJSC.

6 GOODWILL AND OTHER INTANGIBLE ASSETS

	30 September 2007 AED '000
Goodwill and other intangible assets recognized on:	
Incorporation (note 4)	**968,964**
Acquisition of Town Tower SAL (note 4)	**181**
Total goodwill and other intangible assets	**969,145**

As explained in note 4, adjustments to the provisionally recognised values of assets and liabilities acquired will be recognised within twelve months of the date of the business combination. Completion of the initial allocation of intangible assets and related impairment test will be performed after adjustments to the provisional values have been recognised.

7 SEGMENTAL INFORMATION

For operating purposes the Group is organised into two major business segments: Property development activities, which principally include property investment and development, brokering, managing and renting of buildings, and other activities including mainly electrical and mechanical works and supply of labour services. These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at estimated profit rates which approximate to market rates on an arm's length basis.

These segments are the basis on which the company reports its primary segment information. The company generally accounts for intersegment sales and transfers at current market rates on an arm's length basis. Revenues are attributed to geographic areas based on the location of the assets producing the revenues.

	Property development and related activities 10 July 2007 to 30 September 2007 AED'000	*Other activities 10 July 2007 to 30 September 2007 AED'000*	*Total 2007 AED'000*
Segment revenues	**182,994**	**31,929**	**214,923**
Segment profit	**89,910**	**2,859**	**92,769**
Pre-incorporation profit, net			**107,395**
Profit for the period			**200,164**

	Property development and related activities 30 September 2007 AED'000	*Other activities 30 September 2007 AED'000*	*Total 30 September 2007 AED'000*
Segment assets	**7,974,326**	**88,166**	**8,062,492**
Segment liabilities and equity	**7,974,326**	**88,166**	**8,062,492**

7 SEGMENTAL INFORMATION - continued

Although the management of the Group is based primarily on business segments, the Group operates in two geographic markets: U.A.E. which is designated as domestic and outside the U.A.E. which is designated as international. The following table shows the distribution of the Group's operating income, total assets and capital expenditure by geographical segment:

	Domestic 10 July 2007 to 30 September 2007 AED'000	*International 10 July 2007 to 30 September 2007 AED'000*	*Total 2007 AED'000*
Revenues	**214,923**	**-**	**214,923**
Segment profit	**93,813**	**(1,044)**	**92,769**
Pre-incorporation profit, net			**107,395**
Profit for the period			**200,164**

	Domestic 30 September 2007 AED'000	*International 30 September 2007 AED'000*	*Total 30 September 2007 AED'000*
Total assets	**7,622,990**	**439,502**	**8,062,492**
Capital expenditure	**3,071**	**179**	**3,250**

8 COMMITMENTS

At 30 September 2007, the Group had commitments of AED 2,132,056. This represents the value of contracts issued as of 30 September 2007 net of invoices received and accruals made at that date.