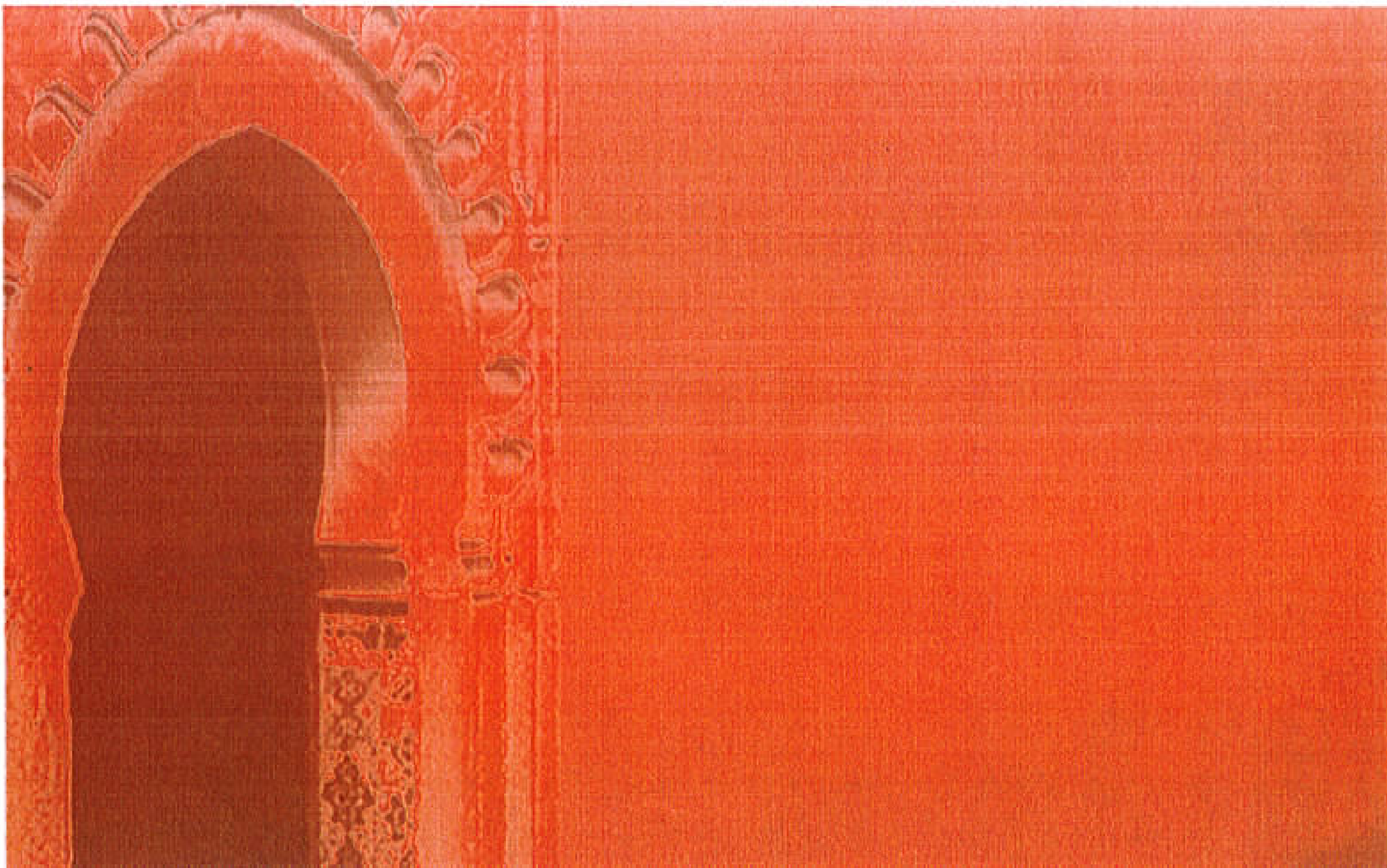
Sajjad Haider & Co.
CHARTERED ACCOUNTANTS

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

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010 (UNAUDITED)



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

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010(UNAUDITED)

CONTENTS	**PAGES**

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

Introduction

We have reviewed the accompanying interim balance sheet of Dubai Development Company (PSC) (the "Company") as at 30 September 2010 and the related interim statements of income, cash flows and changes in equity for the nine 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 for *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

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

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DUBAI, UNITED ARAB EMIRATES
28 Oct 2010

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

BALANCE SHEET AS AT 30 SEPTEMBER 2010(Un-audited)

	Note	30 September 2010 AED	Audited 31 December 2009 AED
Assets Employed			
Fixed assets	3	-	-
Current Assets			
Prepayments and other receivables	4	195,055	47,296
Cash and bank balances	5	19,096,152	18,696,331
		19,291,207	18,743,627
Total assets		19,291,207	18,743,627
Capital and reserves			
Share capital	6	10,000,000	10,000,000
Legal reserve	7	5,000,000	5,000,000
General reserve	8	1,000,000	1,000,000
Accumulated profit		2,167,836	1,740,081
		18,167,836	17,740,081
Non-current liabilities			
Provision for staff gratuity		240,000	240,000
Current Liabilities			
Creditors and accrued charges	9	460,000	375,000
Due to affiliated companies	10	81,871	47,046
Unclaimed dividend		341,500	341,500
		883,371	763,546
Total equity and liabilities		19,291,207	18,743,627

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 INCOME STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010(Un-audited)

	Note	9 months ended 30 September 2010 AED	9 months ended 30 September 2009 AED
REVENUE			
Interest earned on fixed deposits		600,230	677,196
Operating expenses		(172,475)	(214,252)
Net profit for the period		427,755	462,944
Basic and diluted earnings per share (AED)		0.0428	0.0462

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 NINE MONTHS ENDED 30 SEPTEMBER 2010(Un-audited)

	Share capital AED	Legal reserve AED	General reserve AED	Accumulated profits AED	Total AED
Balance as at 1 January 2009	10,000,000	5,000,000	1,000,000	1,144,413	17,144,413
Profit for the 9 months ended 30 September 2009	-	-	-	462,944	462,944
Balance as at 30 September 2009	10,000,000	5,000,000	1,000,000	1,607,357	17,607,357
Profit for the 3 months ended 31 December 2009	-	-	-	132,724	132,724
Balance as at 1 January 2010	10,000,000	5,000,000	1,000,000	1,740,081	17,740,081
Profit for the 9 months ended 30 September 2010	-	-	-	427,755	427,755
Balance as at 30 September 2010	10,000,000	5,000,000	1,000,000	2,167,836	18,167,836

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

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

INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010 (Un-audited)

	30 September 2010 AED	30 September 2009 AED
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	427,755	462,944
Changes in working capital:		
Prepayments and other receivables	(147,759)	(8,813)
Creditors and accrued charges	85,000	75,000
Amount due to affiliated companies	34,825	(77,295)
Net cash provided from operating activities	399,821	451,836
Net increase in cash and cash equivalents during the period	399,821	451,836
Cash and cash equivalents at 1 January	18,696,331	18,056,651
Cash and cash equivalents at the end of the period (note 11)	19,096,152	18,508,487

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

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 9 months ended 30 September 2010 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2010.

3 FIXED ASSETS

	Furniture and equipment AED	Office renovation AED	Total AED
COST			
At 1 January 2010	217,150	200,000	417,150
Additions	-	-	-
Disposals	-	-	-
At 30 September 2010	217,150	200,000	417,150
DEPRECIATION			
At 1 January 2010	217,150	200,000	417,150
Charge for the period	-	-	-
On disposals	-	-	-
At 30 September 2010	217,150	200,000	417,150
NET BOOK VALUE			
At 30 September 2010	-	-	-
At 31 December 2009	-	-	-

All assets have been fully depreciated.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010(Un-audited)

4 PREPAYMENTS AND OTHER RECEIVABLES

	30 September 2010 AED	Audited 31 December 2009 AED
Prepaid office rent	4,815	4,608
Prepaid trade license fee	5,694	-
Accrued interest on fixed deposits	182,704	42,688
Other receivable	1,842	
	195,055	47,296

5 CASH AND BANK BALANCES

Cash at bank		
- On fixed deposit accounts	19,021,104	186,87,978
- On current account	75,026	8,331
Cash in hand	22	22
	19,096,152	186,96,331

6 SHARE CAPITAL

Authorised, issued and fully paid

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

7 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.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010 (Un-audited)**

8 GENERAL RESERVE

	30 September 2010 AED	Audited 31 December 2009 AED
Balance carried forward	1,000,000	1,000,000

9 CREDITORS AND ACCRUED CHARGES

Accrued expenses	460,000	375,000

10 DUE TO AFFILIATED COMPANIES

Almulla Construction (LLC), Dubai	10,883	10,883
Mohammed & Obaid Almulla, Dubai	70,988	36,163
	81,871	47,046

11 CASH AND CASH EQUIVALENTS

	30 September 2010 AED	30 September 2009 AED
Cash at bank		
- On fixed deposit accounts	19,021,104	18,494,966
- On current account	75,026	13,331
Cash in hand	22	190
	19,096,152	18,508,487

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.