

Majid Al Futtain Holding LLC (formerly Majid Al Futtain Group LLC)
Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

Condensed Consolidated Interim Financial Statements

For the six months period ended 30 June 2011

Independent auditors' report on review of interim financial information

Condensed consolidated interim statement of financial position

Condensed consolidated interim statement of comprehensive income

Condensed consolidated interim statement of cash flows

Condensed consolidated interim statement of changes in equity

Notes to the condensed consolidated interim financial statements

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Independent auditors' report on review of interim financial information

The Shareholders

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC) ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 30 June 2011 and the condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the six months period then ended ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the 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.

The comparatives in respect to the Group's results of operations, cash flows and changes in equity for the six months period ended 30 June 2010, that form part of these condensed consolidated interim financial information have not been reviewed.

Conclusion

Except for the matter described in the preceding paragraph, based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

11 SEP 2011

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)

Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

Condensed consolidated interim statement of financial position

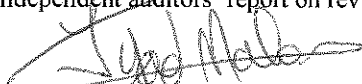
As at 30 June, 2011

In thousands of AED

| | Note | 30 June 2011 (Unaudited) | 31 December 2010 (Audited) |
|---|------|-----------------------------|-------------------------------|
| Non-current assets | | | |
| Property, plant and equipment | 4 | 18,785,709 | 18,574,914 |
| Investment property | 5 | 10,051,217 | 10,327,828 |
| | | 28,836,926 | 28,902,742 |
| Investments | | 1,265,336 | 1,168,838 |
| Net investment in finance leases - long term portion | | 82,666 | 66,693 |
| Long term prepaid lease premium | | 15,249 | 16,152 |
| Long term advances | | 41,471 | 43,948 |
| Intangible assets | | 162,655 | 172,901 |
| Deferred tax asset | | 1,882 | 1,864 |
| | | 1,569,259 | 1,470,396 |
| Current assets | | | |
| Assets classified as held for sale | | - | 2,546 |
| Short term loans to related parties | | 4,567 | 9,057 |
| Inventories | | 820,424 | 717,435 |
| Trade and other receivables | | 1,046,310 | 954,045 |
| Due from related parties | 6 | 64,398 | 72,493 |
| Net investment in finance leases - current portion | | 158,729 | 179,404 |
| Cash at bank and in hand | | 2,135,307 | 2,277,112 |
| | | 4,229,735 | 4,212,092 |
| Current liabilities | | | |
| Short term loans | | 200,000 | - |
| Trade and other payables | | 4,633,620 | 4,666,901 |
| Negative fair value of the derivatives | | 237,483 | 218,746 |
| Due to related parties | 6 | 57,762 | 62,867 |
| Other employment benefits payable - current portion | | 148,080 | 128,232 |
| Dividend payable to non-controlling interest | | - | 32,492 |
| Bank overdraft | | 32,660 | 11,019 |
| Current maturity of long term loans | 7 | 1,199,769 | 2,038,016 |
| | | 6,509,374 | 7,158,273 |
| | | (2,279,639) | (2,946,181) |
| Net current liabilities | | | |
| Non-current liabilities | | | |
| Long term loans | 7 | 8,883,207 | 8,469,773 |
| Deferred tax liabilities | 8 | 152,163 | 193,056 |
| Other deferred liabilities | | 115,501 | 112,647 |
| Other employment benefits payable - noncurrent portion | | 78,071 | 52,120 |
| Provision for staff termination benefits | | 193,182 | 188,930 |
| | | 18,704,422 | 18,410,431 |
| Net assets | | | |
| Equity | | | |
| Share capital | | 2,486,729 | 2,486,729 |
| Revaluation reserve | | 12,709,207 | 12,213,802 |
| Other reserves | | 3,092,838 | 3,282,412 |
| Total equity attributable to the shareholders of the Company | | 18,288,774 | 17,982,943 |
| Non-controlling interest | | 415,648 | 427,488 |
| Total equity | | 18,704,422 | 18,410,431 |

The notes on pages 8 to 13 form part of these condensed consolidated interim financial statements.

Independent auditors' report on review of interim financial information is set out on page 2.


 Chief Executive Officer


 Senior Vice President - Finance

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)
 Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

Condensed consolidated interim statement of comprehensive income
For the six months period ended 30 June, 2011
 In thousands of AED

| | Notes | For 6 months period 30 June 2011 (Unaudited) | For 6 months period 30 June 2010 (Unaudited) |
|--|-------|--|--|
| Revenue | 3 | 9,359,133 | 8,573,669 |
| Cost of sales | | (6,534,596) | (6,129,667) |
| Operating expenses | | (1,991,752) | (1,889,452) |
| Net valuation loss on land and buildings | | (358,125) | (38,653) |
| Finance costs | | (317,056) | (233,661) |
| Finance income | | 33,621 | 47,365 |
| Other expenses - net | | (8,744) | (15,097) |
| Impairment (provision) / reversal - net | | (287,159) | (4,515) |
| Share of (loss) / gain in joint ventures and associates | | (4,386) | 19,331 |
| (Loss) / profit for the period before tax | | (109,064) | 329,320 |
| Income tax credit / (charge) -net | | 22,335 | (45,408) |
| (Loss) / profit for the period after tax | | (86,729) | 283,912 |
| (Loss) / profit for the period attributable to: | | | |
| Owners of the Company | | (164,850) | 195,870 |
| Non-controlling interest | | 78,121 | 88,042 |
| (Loss) / profit for the period | | (86,729) | 283,912 |
| Other comprehensive income | | | |
| Currency translation differences from foreign operations | | (29,723) | (58,779) |
| Deferred tax liability reversed on revaluation of properties | | 1,944 | 13,120 |
| Net change in fair value of cash flow hedges transferred to profit or loss | | 61,493 | 40,441 |
| Effective portion of changes in fair value of cash flow hedges | | (48,884) | (72,900) |
| Net gain / (loss) on valuation of land and buildings | | 493,461 | (60,871) |
| Total other comprehensive income for the period | | 478,291 | (138,989) |
| Total comprehensive income for the period | | 391,562 | 144,923 |
| Total comprehensive income for the period attributable to: | | | |
| Owners of the Company | | 314,791 | 61,097 |
| Non-controlling interest | | 76,771 | 83,826 |
| Total comprehensive income for the period | | 391,562 | 144,923 |

The notes on pages 8 to 13 form part of these condensed consolidated interim financial statements.
 Independent auditors' report on review of interim financial information is set out on page 2.

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)
 Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

Condensed consolidated interim statement of cash flows
For the six months period ended 30 June, 2011
 In thousands of AED

| | For 6 months period 30 June 2011 (Unaudited) | For 6 months period 30 June 2010 (Unaudited) |
|---|--|--|
| (Loss) / profit for the period after tax | (86,729) | 283,912 |
| Adjustments: | | |
| Finance income | (33,621) | (47,365) |
| Net valuation loss on land and building | 358,125 | 38,653 |
| Finance costs | 317,056 | 233,661 |
| Depreciation | 446,246 | 380,065 |
| Deferred tax credit | (34,552) | (29,684) |
| Amortization of intangible assets | 10,246 | - |
| Share of loss / (gain) in joint ventures and associate | 4,386 | (19,331) |
| Impairment provision - net | 287,159 | 16,962 |
| Loss on disposal of non-current assets | 11,160 | 735 |
| Provision for receivable from joint ventures | - | 3,501 |
| Provision for staff terminal benefits - net | 4,252 | 8,448 |
| Others | (5,006) | 13,655 |
| Net cash from operations | 1,278,722 | 883,212 |
| Changes to working capital | | |
| Inventories | (102,989) | (11,720) |
| Receivables and prepayments | (84,201) | 146,911 |
| Payables and accruals | (6,784) | 231,323 |
| Due from/to related parties | 96,518 | 110,895 |
| Net cash from operating activities | 1,181,266 | 1,360,621 |
| Investing activities | | |
| Acquisition of property, plant and equipment (including investment property and capital-work in progress) | (642,830) | (1,308,571) |
| Proceeds from sale of property, plant and equipment | 24,562 | 10,054 |
| Investment in joint ventures and associate | (90,121) | (65,787) |
| Interest received | 39,135 | 44,669 |
| Dividend received | 646 | - |
| Cash surrendered on disposal of subsidiary | - | (18,645) |
| Net cash used in investing activities | (668,608) | (1,338,280) |
| Financing activities | | |
| Short term loans received from related party | 200,000 | - |
| Long term loans received | 1,072,983 | 235,008 |
| Long term loan repaid | (1,495,714) | (623,114) |
| Interest paid | (335,256) | (278,231) |
| Non-controlling interest equity injection | - | (317) |
| Dividend paid to minority shareholders | (118,117) | (17,217) |
| Net cash used in financing activities | (676,104) | (683,871) |
| Decrease in cash and cash equivalents | (163,446) | (661,530) |
| Cash and cash equivalents at the beginning of the period | 2,266,093 | 2,363,698 |
| Cash and cash equivalents at the end of the period | 2,102,647 | 1,702,168 |
| <i>Cash and cash equivalents comprise:</i> | | |
| Cash in hand and at bank | 2,135,307 | 1,727,491 |
| Bank overdraft | (32,660) | (25,323) |
| | 2,102,647 | 1,702,168 |

The notes on pages 8 to 13 form part of these condensed consolidated interim financial statements.
 Independent auditors' report on review of interim financial information is set out on page 2.

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Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)
 Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

Condensed consolidated interim statement of changes in equity
For the six months period ended 30 June, 2011
 In thousands of AED

| | Share capital | Revaluation reserve | Statutory reserve | Retained earnings | Hedging reserve | Currency translation | Total other reserves | Attributable to equity holders of the parent | Non-controlling interest | Total |
|---|---------------|---------------------|-------------------|-------------------|-----------------|----------------------|----------------------|--|--------------------------|------------|
| At 1 January 2010 (audited) | 2,486,729 | 11,497,078 | 1,146,308 | 3,018,144 | (220,435) | 19,445 | 3,963,462 | 17,947,269 | 307,023 | 18,254,292 |
| Total comprehensive income for the period | | | | | | | | | | |
| Net profit for the period | - | - | - | 195,870 | - | - | 195,870 | 195,870 | 88,042 | 283,912 |
| Other comprehensive income | | | | | | | | | | |
| Net loss on valuation of land and buildings | - | (60,871) | - | - | - | - | - | (60,871) | - | (60,871) |
| Deferred tax liability on revaluation of properties | - | 13,120 | - | - | - | - | - | 13,120 | - | 13,120 |
| Net change in fair value of cash flow hedges transferred to profit or loss | - | - | - | - | 40,441 | - | 40,441 | 40,441 | - | 40,441 |
| Effective portion of changes in fair value of cash flow hedges | - | - | - | - | (72,900) | - | (72,900) | (72,900) | - | (72,900) |
| Currency translation differences from foreign operations | - | - | - | - | - | (54,563) | (54,563) | (54,563) | (4,216) | (58,779) |
| Total comprehensive income for the period | - | (47,751) | - | 195,870 | (32,459) | (54,563) | 108,848 | 61,097 | 83,826 | 144,923 |
| Transactions with owners recorded directly in equity | | | | | | | | | | |
| <i>Contribution by and distributions to owners and other movement in equity</i> | | | | | | | | | | |
| Employee's share of dividend declared by a subsidiary | - | - | - | (4,508) | - | - | (4,508) | (4,508) | (1,503) | (6,011) |
| Dividends declared and paid | - | - | - | - | - | - | - | - | (17,217) | (17,217) |
| Adjustment on account of conversion of a subsidiary to a joint venture | - | - | - | - | - | - | - | - | (9,141) | (9,141) |
| Acquisition of non-controlling interest without a change in control | - | - | - | (10,235) | - | - | (10,235) | (10,235) | (1,765) | (12,000) |
| Increase in non-controlling interest | - | - | - | - | - | - | - | - | 150 | 150 |
| Total Contribution by and distribution to owners | - | - | - | (14,743) | - | - | (14,743) | (14,743) | (29,476) | (44,219) |
| At 30 June 2010 | 2,486,729 | 11,449,327 | 1,146,308 | 3,199,271 | (252,894) | (35,118) | 4,057,567 | 17,993,623 | 361,373 | 18,354,996 |

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)
Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

Condensed consolidated interim statement of changes in equity (continued)
For the six months period ended 30 June, 2011
In thousands of AED

| | Other Reserves | | | | | | | | Total equity | |
|---|----------------|---------------------|-------------------|-------------------|-----------------|----------------------|----------------------|--|--------------|--------------------------|
| | Share capital | Revaluation reserve | Statutory reserve | Retained earnings | Hedging reserve | Currency translation | Total other reserves | Attributable to equity holders of the parent | | Non-controlling interest |
| At 1 January 2011 (audited) | 2,486,729 | 12,213,802 | 1,200,722 | 2,358,230 | (220,077) | (56,463) | 3,282,412 | 17,982,943 | 427,488 | 18,410,431 |
| Total comprehensive income for the period | | | | | | | | | | |
| Net loss for the period | - | - | - | (164,850) | - | - | (164,850) | (164,850) | 78,121 | (86,729) |
| Other comprehensive income | | | | | | | | | | |
| Net gain on valuation of land and buildings | - | 493,461 | - | - | - | - | - | 493,461 | - | 493,461 |
| Deferred tax liability reversed on revaluation of properties | - | 1,944 | - | - | - | - | - | 1,944 | - | 1,944 |
| Net change in fair value of cash flow hedges transferred to profit or loss | - | - | - | - | 61,493 | - | 61,493 | 61,493 | - | 61,493 |
| Effective portion of changes in fair value of cash flow hedges | - | - | - | - | (48,884) | - | (48,884) | (48,884) | - | (48,884) |
| Currency translation differences from foreign operations | - | - | - | - | - | (28,373) | (28,373) | (28,373) | (1,350) | (29,723) |
| Total comprehensive income for the period | - | 495,405 | - | (164,850) | 12,609 | (28,373) | (180,614) | 314,791 | 76,771 | 391,562 |
| Transactions with owners recorded directly in equity | | | | | | | | | | |
| <i>Contribution by and distributions to owners and other movement in equity</i> | | | | | | | | | | |
| Dividends declared and paid | - | - | - | - | - | - | - | - | (85,625) | (85,625) |
| Employee's share of dividend declared by a subsidiary | - | - | - | (8,960) | - | - | (8,960) | (8,960) | (2,986) | (11,946) |
| Total contribution by and distribution to owners | - | - | - | (8,960) | - | - | (8,960) | (8,960) | (88,611) | (97,571) |
| At 30 June 2011 (unaudited) | 2,486,729 | 12,709,207 | 1,200,722 | 2,184,420 | (207,468) | (84,836) | 3,092,838 | 18,288,774 | 415,648 | 18,704,422 |

The notes on pages 8 to 13 form part of these condensed consolidated interim financial statements.

Independent auditors' report on review of interim financial information is set out on page 2.

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)

Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

Notes to the consolidated financial statements

1) Legal status and principal activities

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC) ("the Company") was registered as a limited liability company in the Emirate of Dubai under the UAE Federal Law No. 8 of 1984 (as amended) as applicable to commercial companies.

The principal activities of the Company are establishing, investing in and managing commercial projects. The activities of its subsidiaries are establishment and management of malls, hotels, hypermarkets, supermarkets and retail stores, leisure activities and investment activities. The Company and its subsidiaries are collectively referred to as "the Group". The registered address of the Company is P.O. Box 91100 Dubai, United Arab Emirates.

Majid Al Futtaim Holding LLC is fully owned by Majid Al Futtaim Capital LLC ("the Parent Company"). The registered address of the Parent Company is P.O. Box 91100, Dubai, United Arab Emirates.

2) Basis of preparation

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting. The condensed consolidated interim financial statements of the Group, presented in UAE Dirhams ("AED"), which is also the Company's functional currency, rounded to the nearest thousand, have been prepared under the historical cost convention except in respect of investment properties, certain classes of property, plant and equipment and derivative financial instruments, which are stated at fair value.

The condensed consolidated interim financial statements are to be read in conjunction with the latest audited consolidated financial statements of the Group for the year ended 31 December 2010.

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the annual financial statements of the Group for the year ended 31 December 2010.

The interim condensed consolidated financial information incorporates the financial information of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

b) Use of estimates and judgments

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements as at and for the year ended 31 December 2010.

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)
 Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

3) Revenue

| | 30 Jun 11 | 30 Jun 10 |
|--|------------------|------------------|
| | AED'000 | AED'000 |
| Sales | 7,254,021 | 6,816,444 |
| Listing fees, gondola fees and commissions | 536,470 | 414,144 |
| Rental income | 947,983 | 825,929 |
| Leisure and entertainment | 264,767 | 220,120 |
| Hospitality revenue | 204,714 | 151,653 |
| Fashion goods | 126,231 | 114,901 |
| Other | 24,947 | 30,478 |
| | 9,359,133 | 8,573,669 |

Commission on sales relates to the sale of products in which the Group acts as an agent in the transaction rather than as the principal. Management considers the following factors for identifying and accounting for agency relationship:

- i. The Group does not take title of the goods and has no responsibility in respect of the goods sold; and
- ii. The Group cannot vary the selling price set by the supplier.

4) Property, plant and equipment

During the six months period ended 30 June 2011, ("the current period"), the Group incurred capital expenditure amounting to AED 479 million (six months period ended 30 June 2010: AED 763 million).

Assets with a carrying value of AED 38 million (six months period ended 30 June 2010: AED 11 million) were disposed of during the current period, resulting in a loss on disposal of AED 11 million (six months period ended 30 June 2010: AED 1 million), which is included in "other expenses - net".

Depreciation of AED 446 million (six months period ended 30 June 2010: AED 380 million) was charged during the period.

At 30 June 2011, management has performed internal valuations for the operating properties and accordingly, a revaluation gain of AED 519 million (six months period ended 30 June 2010: loss of AED 160 million) has been recognized. This comprises a valuation gain of AED 493 million (six months period ended 30 June 2010: loss of AED 61 million) which has been credited to revaluation reserve directly in equity and a valuation gain of AED 26 million (six months period ended 30 June 2010: loss of AED 100 million) has been credited to profit or loss.

At 30 June 2011, Management has tested the carrying amount of a property under construction for impairment based on the estimated cash flows expected to be generated from the future operations of this property. Accordingly, an impairment loss of AED 296 million has been recognized in the current period.

5) Investment property

During the current period, the Group incurred capital expenditure amounting to AED 164 million (six months period ended 30 June 2010: 546 million).

At 30 June 2011, management have performed internal valuations of the operating investment properties and accordingly, a valuation loss of AED 384 million (six months period ended 30 June 2010: gain of AED 61 million), has been recorded in profit or loss.

6) Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the ultimate parent company, Majid Al Futtaim Capital LLC, its subsidiaries, associates, joint ventures, key management personnel and / or their close family members. Transactions with related parties are carried at agreed terms.

- i. During the current period, Group obtained a loan of AED 200 million from Majid Al Futtaim Capital LLC ("The Parent Company") and incurred interest expense of AED 3 million (30 June 2010: AED nil) on this loan facility.

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)
 Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

6) **Related party transactions (continued)**

| Due from related parties | 30 Jun 11 | 31 Dec 10 |
|---------------------------------|------------------|------------------|
| | AED'000 | AED'000 |
| Majid Al Futtaim Capital LLC | 2,449 | - |
| Joint ventures & associates | 57,438 | 67,122 |
| Others | 4,511 | 5,371 |
| Total | 64,398 | 72,493 |

| Due to related parties | 30 Jun 11 | 31 Dec 10 |
|-------------------------------|------------------|------------------|
| | AED'000 | AED'000 |
| Others | 57,762 | 62,867 |
| Total | 57,762 | 62,867 |

7) **Long term loans**

| | 30 Jun 2011 | 31 Dec 2010 | 30 Jun 2010 |
|--|--------------------|--------------------|--------------------|
| | AED'000 | AED'000 | AED'000 |
| At 1 January | 10,507,789 | 10,371,749 | 10,371,750 |
| Borrowed during the period | 1,072,983 | 3,985,258 | 235,008 |
| Repaid during the period | (1,495,714) | (3,844,954) | (623,114) |
| Currency translation adjustment | (2,082) | (4,264) | (18,466) |
| Closing balance | 10,082,976 | 10,507,789 | 9,965,178 |
| Less: Current maturity of long term loan | (1,199,769) | (2,038,016) | (1,869,728) |
| Non-current portion | 8,883,207 | 8,469,773 | 8,095,450 |

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)
 Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

7) Long term loans (continued)

| Loan facility | Loan amount at 30 June 2011 | Repayment Interval | Repayment Commencement | Maturity date |
|--------------------------------|-----------------------------|---------------------------------|------------------------|---------------|
| AED 1,139,000 | 1,009,000 | Quarterly (refer note (b)) | 27-Mar-11 | 29-Dec-13 |
| AED 765,000 | - | Revolving | - | 23-Oct-11 |
| USD 125,000 (AED 459,000) | 458,999 | Half-yearly | 30-Apr-13 | 31-Oct-15 |
| USD 75,000 (AED 275,475) | 275,475 | Half-yearly | 30-Apr-13 | 31-Oct-15 |
| OMR 22,000 (AED 210,100) | 156,995 | Half-yearly (refer note (a)) | 25-Oct-08 | 30-Apr-18 |
| OMR 30,000 (AED 286,200) | 286,200 | Half-yearly (refer note (a)) | 31-Jan-12 | 31-Jan-22 |
| USD 54,466 (AED 200,081) | 19,610 | Quarterly | 07-Mar-07 | 17-Dec-11 |
| OMR 9,500 (AED 90,750) | 4,527 | Quarterly (refer note (a)) | 31-Mar-02 | 31-Dec-11 |
| USD 600,000 (AED 2,203,200) | 2,037,352 | Half-yearly (refer note (e)) | 31-Mar-10 | 26-Apr-18 |
| USD 300,000 (AED 1,101,900) | 931,258 | Half-yearly (refer note (c)) | 31-May-09 | 30-Nov-16 |
| USD 50,000 (AED 183,600) | 183,600 | Bullet (refer note (d)) | - | 25-Jan-13 |
| USD 50,000 (AED 183,600) | 183,138 | Bullet (refer note (d)) | - | 08-Apr-14 |
| USD 33,000 (AED 121,240) | 70,881 | Half-yearly (refer note (d)) | 08-Mar-10 | 08-Sep-13 |
| USD 75,000 (AED 275,400) | 275,400 | Semi annual | 15-Jun-12 | 10-Dec-13 |
| AED 577,360 | 577,360 | Semi annual | 15-Jun-12 | 10-Dec-13 |
| EGP 146,400 (AED 91,075) | 91,075 | Semi annual | 26-Jun-11 | 26-Jun-14 |
| USD 55,000 (AED 201,960) | 127,066 | Semi annual | 30-Jul-15 | 30-Jan-22 |
| AED 679,505 | 679,505 | Bullet | - | 7-Jul-12 |
| USD 315,000 (AED 1,156,995) | 1,156,995 | Bullet | - | 07-Jul-12 |
| USD 95,000 (AED 348,935) | 194,669 | Quarterly | 31-Oct-09 | 31-Jul-13 |
| USD 67,500 (AED 247,927) | 13,874 | Quarterly | 31-Jan-08 | 30-Sep-11 |
| AED 106,000 | 39,750 | Quarterly | 26-Jan-09 | 26-Oct-12 |
| AED 368,000 | 368,000 | Annual | 26-Aug-11 | 26-Aug-14 |
| AED 300,000 | 200,000 | Semi annual | 6-Sep-09 | 6-Mar-15 |
| USD 125,000 (AED 459,125) | 459,125 | Bullet | - | 3-Aug-12 |
| AED 275,000 | 240,622 | Quarterly | 24-Jan-11 | 25-Oct-14 |
| AED 50,000 | 6,250 | Quarterly | 31-Mar-08 | 31-Dec-11 |
| AED 40,000 | 5,000 | Quarterly | 31-Mar-08 | 31-Dec-11 |
| AED 100,000 | 31,250 | Quarterly | 31-Dec-08 | 30-Sep-12 |
| 10,082,976 | | | | |

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)

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7) Long term loans (continued)

The above loans are obtained at margins ranging from 1% to 3.5% (30 June 2010: 1% to 3.3%) over the base lending rate, whilst three loans are fixed at 6.5% and one loan is fixed at 6% (2010: 6.5% for three loans and 6% for one loan). For the loans obtained in the UAE, the base lending rate used is generally EIBOR/LIBOR.

The amount of AED 1,200 million (30 June 2010: AED 1,870 million) payable within the next 12 months is shown under current maturity of long term loans.

- a) The loans in Omani Riyal are secured against:
 - i) A registered first charge on all assets of Muscat City Centre including land, buildings and equipment but excluding fit-outs and equipment owned by tenants; and
 - ii) Assignment of all insurance policies related to the fixed assets of Muscat City Centre.
- b) The loan facility of AED 1,139.0 million was obtained during 2010 and is secured by way of assignment of lease rentals of a shopping mall in UAE and a corporate guarantee provided by the Majid Al Futtaim Properties LLC, a subsidiary.
- c) The USD 300 million loan obtained by a subsidiary in Bahrain is secured against:
 - i) A first ranking mortgage over the property of a shopping mall in Bahrain, a first ranking fixed and floating charge over the subsidiary's assets and accounts, pledge of the subsidiary's shares, assignment of insurances, and assignment of the subsidiary's rights under the project documents;
 - ii) A corporate guarantee was provided by the Majid Al Futtaim Properties LLC, a subsidiary against the outstanding loan for the construction and stabilization of the project.
- d) The USD 133 million loans of a subsidiary in Egypt are secured by way of bank guarantees.
- e) The USD 600 million loan facility is secured by a mortgage on the land and assignment of insurance policies of the property and future lease rentals of a shopping mall in UAE.
- f) Other than the securities referred to above, the remaining loans are unsecured.

8) Deferred tax liability

| | 30 Jun 11 | 30 Jun 10 |
|---|----------------|----------------|
| | AED'000 | AED'000 |
| At 1 January | 193,056 | 195,978 |
| Write back to profit or loss | (34,552) | (29,684) |
| Write back to equity | (1,944) | (13,120) |
| Foreign currency translation difference from foreign operations | (4,397) | (6,746) |
| At 30 June | 152,163 | 146,428 |

Deferred tax liability has been computed on the taxable temporary differences arising as a result of valuation gains/losses on properties in Egypt, Syria and Lebanon. The tax rates in these countries are 20%, 28% and 15% respectively. The corresponding valuation gain or loss has been recognized in profit or loss. Accordingly, the resulting net deferred tax income has been recognized in profit or loss.

For the period ended 30 June 2011, in respect of change in valuation loss on investment properties, a deferred tax credit of AED 35 million (30 June 2010: AED 30 million) is included in the profit and loss on account of the deductible temporary differences of AED 173 million (30 June 2010: AED 148 million). A deferred tax credit of AED 2 million (30 June 2010: 13 million) has been credited to equity for the reversal of taxable timing differences of AED 10 million (30 June 2010: 65 million) in respect of property, plant and equipment.

Majid Al Futtaim Holding LLC (formerly Majid Al Futtaim Group LLC)

Condensed Consolidated Interim Financial Statements for the six months period ended 30 June 2011

9) Funding and liquidity

At 30 June 2011, Group has net current liabilities of AED 2,280 million (2010: AED 2,946 million) which includes loan maturing in short term of AED 1,200 million (2010: AED 2,038 million). Furthermore, at 30 June 2011, debts maturing in the long term are AED 8,883 million (2010: AED 8,470 million). Also, from 1 July 2011 to 30 June 2012, Group expects to incur interest cost of AED 600 million and capital expenditure of AED 3,500 million.

To meet the above commitments Group has existing undrawn facilities of AED 3,266 million, cash in hand at 30 June 2011 of AED 2,135 million and it expects to generate cash from operations of about AED 2,500 million in the subsequent twelve months ending 30 June 2012. At 30 June 2011, Group is in compliance with all covenants under its credit facilities.

On the basis of the above, management has concluded that Group will be meeting its financial commitments in the foreseeable future.

10) Contingent liabilities, guarantees and commitments

Capital commitments of Group at 30 June 2011 on on-going projects, including Group's interest in joint ventures, amounted to AED 5,026 million (2010: AED 4,334 million).

Letters of credit contracts outstanding at 30 June 2011 amounted to AED 1 million (2010: AED nil).

The Group is contingently liable in respect of corporate guarantees of AED 203 million (2010: AED 1,411 million) to various banks.