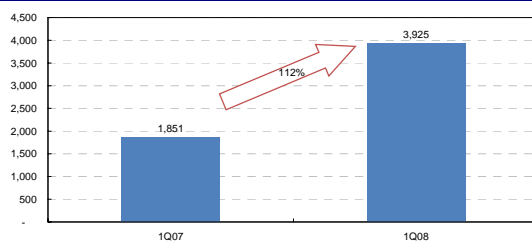


Talaat Moustafa Group Holding 1Q08 Results Earnings Release

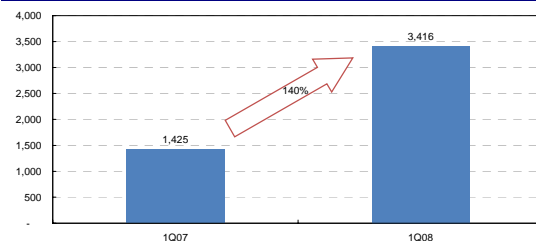
Cairo, April 13th 2008 - Talaat Moustafa Group Holding (“TMG Holding”) the leading Egyptian community real estate developer with over 20 years of experience, is delighted to announce its reviewed consolidated financial statements for 1Q08 ending March 31st 2008.

Key Operating & Financial Highlights for 1Q08

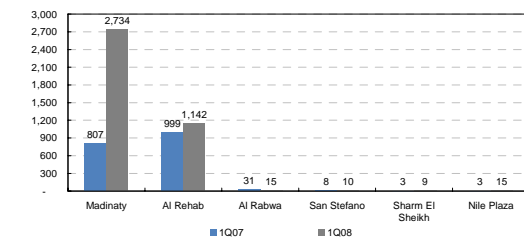
Real estate sales – units sold



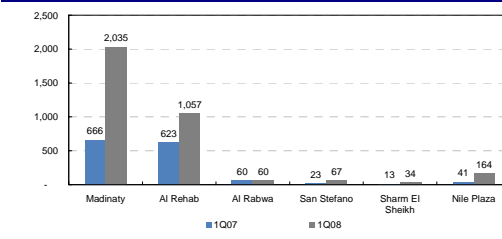
Real estate sales – LE mn



Real estate sales breakdown – units sold



Real estate sales breakdown – LE mn



During 1Q08, total sales amounted to LE 3,416 mn (3,925 units sold) in comparison to LE 1,425 mn (1,851 units sold) in 1Q07 showing a significant growth of 140% in sales and 112% in terms units sold compared to 1Q07.

Madinaty project accounted for 70% of total units sold in 1Q08, with a 239% increase in units' sales from 807 units in 1Q07 to 2,734 units in 1Q08. At the same time, Al Rehab project showed a 14% increase in units' sales from 999 units in 1Q07 to 1,142 units in 1Q08 and contributing 29% of the total units sold in 1Q08.

Madinaty project accounted for 60% of total sales in 1Q08, with 206% increase in sales from LE 666 mn in 1Q07 to LE 2,035 mn in 1Q08. At the same time, Al Rehab project showed a significant growth of 70% in sales from LE 623 mn in 1Q07 to LE 1,057 mn in 1Q08 and contributing 31% of total sales in 1Q08.

Real estate sales breakdown

| | Units Sold | | | | | LE mn | | | | |
|-----------------|--------------|-------------|--------------|-------------|-------------|--------------|-------------|--------------|-------------|-------------|
| | 1Q07 | % | 1Q08 | % | YoY Growth | 1Q07 | % | 1Q08 | % | YoY Growth |
| Madinaty | 807 | 44% | 2,734 | 70% | 239% | 666 | 47% | 2,035 | 60% | 206% |
| Al Rehab | 999 | 54% | 1,142 | 29% | 14% | 623 | 44% | 1,057 | 31% | 70% |
| Al Rabwa | 31 | 2% | 15 | 0% | -52% | 60 | 4% | 60 | 2% | 0% |
| San Stefano | 8 | 0% | 10 | 0% | 25% | 23 | 2% | 67 | 2% | 191% |
| Sharm El Sheikh | 3 | 0% | 9 | 0% | 200% | 13 | 1% | 34 | 1% | 163% |
| Nile Plaza | 3 | 0% | 15 | 0% | 400% | 41 | 3% | 164 | 5% | 298% |
| Total | 1,851 | 100% | 3,925 | 100% | 112% | 1,425 | 100% | 3,416 | 100% | 140% |

Revenues and cost of sales are recognized upon units' delivery. Accordingly, revenues are recognized on the income statement when the completed units are delivered to unit owners. As a result, total revenues figure recognized on the income statement does not reflect sales entered during the year, but is rather related to the completed and delivered units sold in prior periods.

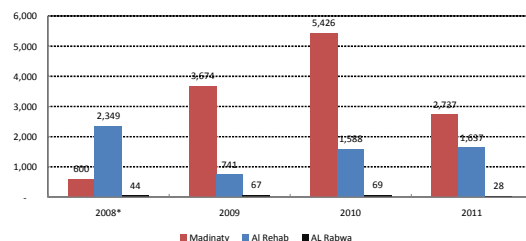
The following table shows TMG's delivery schedule of sold units, with a total value of LE 18.7 bn .

TMG unit delivery schedule (as of 31 March 2008)

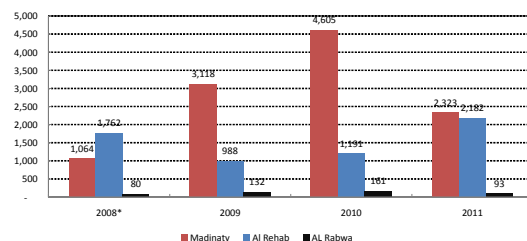
| | 2008* | | 2009 | | 2010 | | 2011 | |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Units | LE mn | Units | LE mn | Units | LE mn | Units | LE mn |
| C&C | | | | | | | | |
| Madinaty | 600 | 1,064 | 3,674 | 3,118 | 5,426 | 4,605 | 2,737 | 2,323 |
| Al Rehab | 2,349 | 1,762 | 741 | 988 | 1,588 | 1,191 | 1,637 | 2,182 |
| AL Rabwa | 44 | 80 | 67 | 132 | 69 | 161 | 28 | 93 |
| H&R | | | | | | | | |
| San Stefano- resi. | 190 | 496 | 111 | 262 | 26 | 43 | 2 | 2 |
| Nile Plaza | 15 | 164 | - | - | - | - | - | - |
| Sharm El Sheikh | 9 | 34 | - | - | - | - | - | - |
| Total | 3,207 | 3,600 | 4,593 | 4,500 | 7,109 | 6,000 | 4,404 | 4,600 |

* Including units' delivered in 1Q08

Delivery schedule (Units sold)



Delivery schedule (LE mn)



1Q08 Overview

| TMG Holding (1Q08 consolidated financial results) | Value (LE mn) |
|--|---------------|
| Total long term assets | 33,610.8 |
| Net working capital | 7,445.1 |
| Total investments | 41,055.9 |
| Total shareholders equity before minority interest | 21,071.5 |
| Total revenues | 1,4867.0 |
| Gross profit | 495.2 |
| Net profit after tax and minority interest | 425.4 |

Total consolidated revenues for 1Q08 reached LE 1.49 bn. Revenue from real estate development business accounted for 95% of revenues, with hotels net revenues and services revenues accounting for the remaining 5%. Gross profit reached LE 495.2 mn implying a gross profit margin of 33%. Gross profit from real estate reported LE 421 mn, implying a gross profit margin of 30%. Net profit recorded LE 425.4 mn for 1Q08.

Total assets reported LE 44.9 bn of which cash and cash equivalent amounted to LE 4.9 bn representing 11% of total assets. On the other hand, total liabilities reported LE 21.2 bn of which debt amounted to LE 2.7 bn implying a net cash position of LE 2.2 bn.

Performance

| | | |
|---|---------|-------|
| Revenues breakdown | LE mn | % |
| Revenues from units sold | 1,411.1 | 94.9% |
| Hotels net revenues | 66.8 | 4.5% |
| Other revenues | 9.1 | 0.6% |
| Total | 1,487.0 | 100% |
| COGS breakdown | LE mn | % |
| Real Estate & Construction Cost | 990.6 | 99.9% |
| Services Cost | 1.2 | 0.1% |
| Total | 991.8 | 100% |
| Gross profit | 495.2 | |
| SG&A | (54.4) | |
| Interest expense | (51.7) | |
| Interest income | 28.9 | |
| Other income | 11.0 | |
| Investment income | 33.5 | |
| Gain on sale of investments | 2.0 | |
| Net change in market value of investments | 33.1 | |
| Foreign exchange difference | 1.6 | |
| Profit before tax | 499.2 | |
| Taxes | (28.5) | |
| Minority Interest | (45.3) | |
| Net profit | 425.4 | |

City and Community complexes (C&C)

TMG is the largest local real-estate developers. The group owns Madinaty and Al Rehab City, and two other luxurious compounds, May Fair in Shourouk and Al Rabwa I & II in Six of October.

Key performance indicators

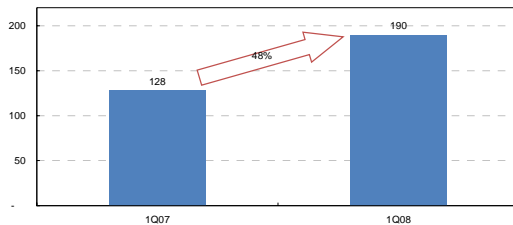


Madinaty: An international city in Egypt

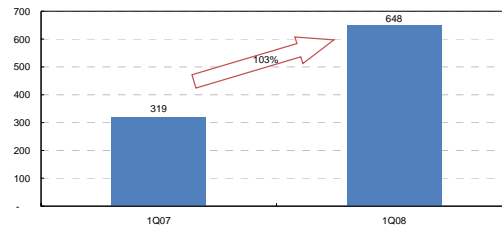
Total sales in 1Q08 amounted to LE 2.04 bn (2,734 units) in comparison to LE 0.67 bn (807 units) in 1Q07 showing a growth of 206% and 239% in sales and sold units, respectively. Moreover, average blended selling prices (BSP) of villas and average selling prices of apartments increased by 24% and 19% from LE 6,910 psm and LE 3,115 psm in 1Q07 to reach LE 8,592 psm and LE 3,710 psm in 1Q08, respectively.

| | Units Sold | | | Sales LE mn | | | 1Q07 | | | 1Q08 | | |
|------------|------------|-------|------------|-------------|-------|------------|---------------|-----------|------------------|---------------|-----------|------------------|
| | 1Q07 | 1Q08 | YoY Growth | 1Q07 | 1Q08 | YoY Growth | Building area | Land area | BSP (LE psm BUA) | Building area | Land area | BSP (LE psm BUA) |
| Madinaty | | | | | | | | | | | | |
| Villas | 128 | 190 | 48% | 319 | 648 | 103% | 46,202 | 79,585 | 6,910 | 75,469 | 125,836 | 8,592 |
| Apartments | 679 | 2,544 | 275% | 347 | 1,386 | 300% | 111,302 | 5,925 | 3,115 | 373,593 | 16,725 | 3,710 |
| Total | 807 | 2,734 | 239% | 666 | 2,035 | 206% | 157,504 | 85,510 | 4,228 | 449,062 | 142,561 | 4,531 |

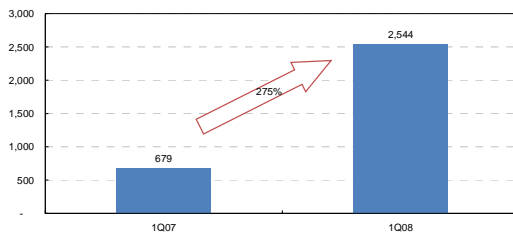
Units sold (Villas)



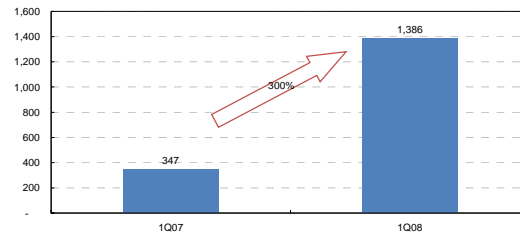
LE mn (Villas)



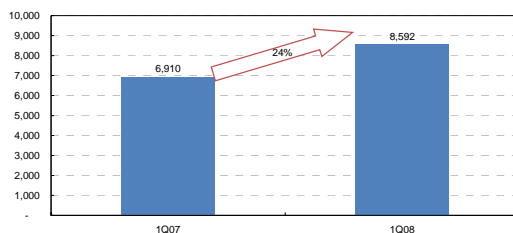
Units sold (Apartments)



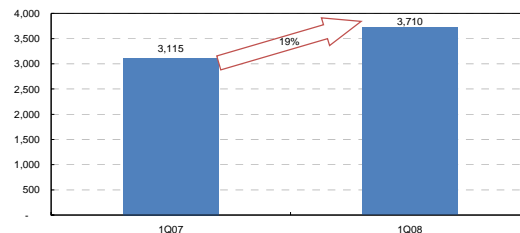
LE mn (Apartments)



Villas average blended selling price (LE psm BUA)



Apartments average selling price (LE psm BUA)



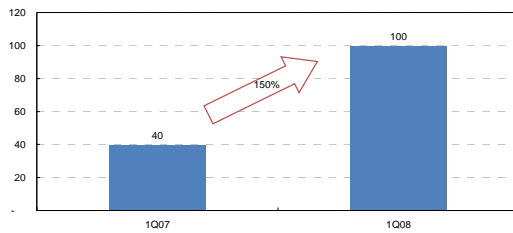


Al Rehab: A new vision for life in Egypt

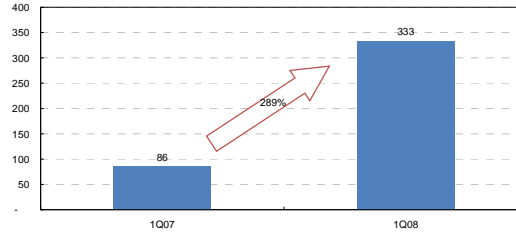
During 1Q08, the company sold 1,142 units compared with 999 units in 1Q07. Total sales in 1Q08 amounted to LE 1.06 bn in comparison to LE 0.62 bn in 1Q07 showing a remarkable growth of 70%. Said growth resulted from the 14% increase in units sales coupled with increase in average blended selling prices of villas and average selling prices of apartments by 64% and 52% to LE 9,775 psm and LE 4,376 psm, respectively.

| | Units Sold | | | Sales LE mn | | | 1Q07 | | | 1Q08 | | |
|--------------|------------|--------------|------------|-------------|--------------|------------|----------------|---------------|------------------|----------------|---------------|------------------|
| | 1Q07 | 1Q08 | YoY Growth | 1Q07 | 1Q08 | YoY Growth | Building area | Land area | BSP (LE psm BUA) | Building area | Land area | BSP (LE psm BUA) |
| Al Rehab | | | | | | | | | | | | |
| Villas | 40 | 100 | 150% | 86 | 333 | 289% | 14,323 | 24,750 | 5,974 | 34,054 | 58,867 | 9,775 |
| Apartments | 928 | 1038 | 12% | 459 | 708 | 54% | 159,880 | 6,652 | 2,871 | 161,871 | 9,585 | 4,376 |
| Commercials | 2 | 0 | NM | 1 | 0 | NM | 160 | - | 7,455 | - | - | NM |
| Land | 29 | 4 | -86% | 77 | 16 | -80% | 27210 | - | 2,823 | 3,879 | - | 4,053 |
| Total | 999 | 1,142 | 14% | 623 | 1,057 | 70% | 201,573 | 31,402 | 3,089 | 199,804 | 68,452 | 5,290 |

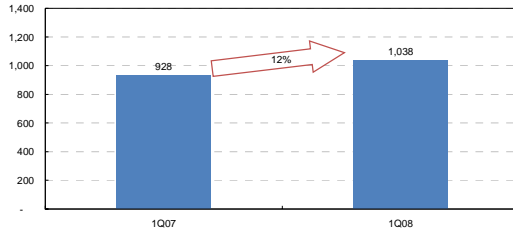
Units sold (Villas)



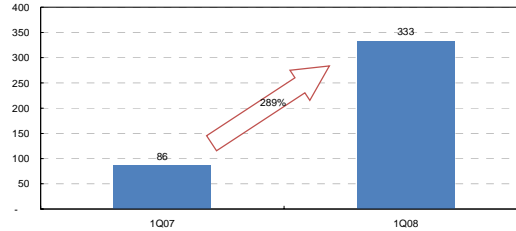
LE mn (Villas)



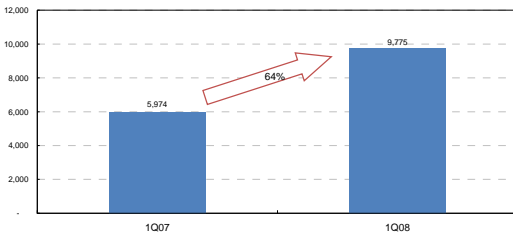
Units sold (Apartments)



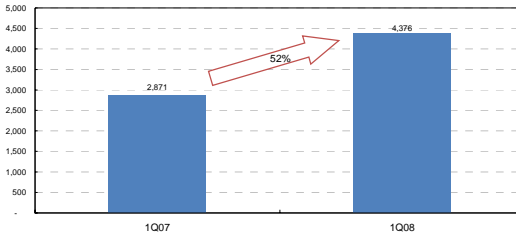
LE mn (Apartments)



Villas average blended selling price (LE psm BUA)



Apartments average selling price (LE psm BUA)

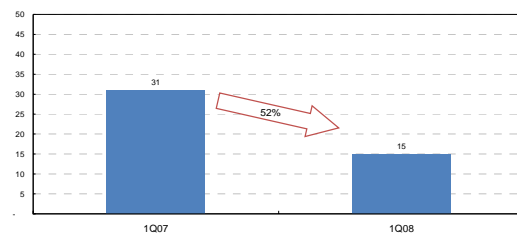


Al Rabwa: Life as it should be

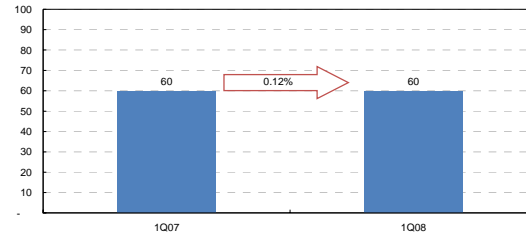
During 1Q08, the company sold 15 units compared with 31 units in 1Q07. Total sales in 1Q08 and 1Q07 amounted to LE 60 mn. The increase in average units' size sold in 1Q08 coupled with increase in average blended selling prices (BSP) by 37%, from LE 7,879 psm to LE 10,762 psm, offset the decline in units' sales.

| | Units Sold | | | Sales LE mn | | | 1Q07 | | BSP | 1Q08 | | BSP |
|-----------------|------------|------|------------|-------------|------|------------|---------------|-----------|--------------|---------------|-----------|--------------|
| | 1Q07 | 1Q08 | YoY Growth | 1Q07 | 1Q08 | YoY Growth | Building area | Land area | (LE psm BUA) | Building area | Land area | (LE psm BUA) |
| Al Rabwa Villas | 31 | 15 | -52% | 60 | 60 | 0% | 7,576 | 16,592 | 7,879 | 5,553 | 13,353 | 10,762 |

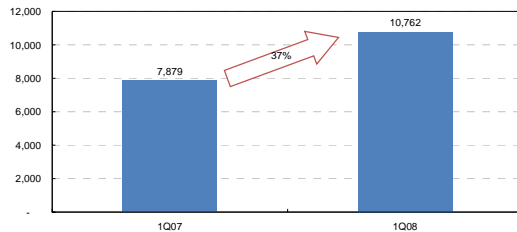
Units sold (Villas)



LE mn (Villas)



Villas average blended selling price (LE psm BUA)



Summary of C&C projects in operations and developments

| | Madinaty | Al Rehab I | Al Rehab II | Al Rabwa I | Al Rabwa II | Saudi JV |
|--|---------------------|------------------|-----------------|--------------------|--------------------|-----------------------------|
| Total land area (m ²) | 33,600,000 | 6,140,400 | 3,760,000 | 1,318,800 | 819,028 | 3,000,000 |
| To be dev. land area (m ²) | 33,600,000 | 924,225 | 3,760,000 | - | 819,028 | NA |
| To be dev. Built up area (m ²) | 16,068,886 | 24,225 | 2,571,395 | - | 118,320 | NA |
| % owned ¹ | 99.9% | 99.9% | 99.9% | 98.6% | 98.6% | 50.0% |
| Location | New Cairo | New Cairo | New Cairo | El Sheikh Zayed | El Sheikh Zayed | Riyadh (Jeddah potentially) |
| Expected population | 600,000 | 120,000 | 60,000 | 3,240 | 1,725 | TBC |
| Commence ² | Jul-06 | Nov-96 | Jul-06 | Dec-94 | Jan-06 | TBC |
| Orig. completion | 2026 | 2011 | 2020 | 2006 | 2012 | TBC |
| Revised completion | 2023 | 2011 | 2017 | 2006 | 2012 | NA |
| | 45 hole golf course | 4 schools | 4 mosques | 1 shopping mall | 9 hole golf course | TBC |
| | 15 schools | 7 mosques | 2 schools | Cinema | | |
| Amenities | 1 university | 1 church | 1 shopping mall | 9 hole golf course | | |
| | 8 hotels | 1 office park | 1 club house | Sports pavilion | | |
| | 1 hospital | 2 shopping malls | | | | |

¹ Effective ownership

² Launch of sales

Hotels

The company has developed 3 large scale luxury hotels operated by the Four Seasons, and has two other H&R projects under developments.

Key performance indicators

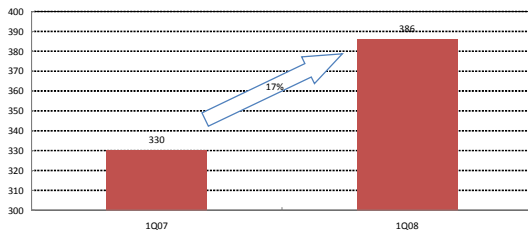
| | Four Seasons Sharm El Sheikh | | | Four Seasons Nile Plaza | | | Four Seasons San Stefano* |
|--------------------------|------------------------------|------|----------|-------------------------|------|----------|---------------------------|
| | 1Q07 | 1Q08 | % change | 1Q07 | 1Q08 | % change | 1Q08 |
| Occupancy rate | 65% | 72% | | 68% | 74% | | 42% |
| Average room rate(US\$) | 330 | 386 | 17% | 376 | 419 | 11% | 263 |
| RevPar (US\$) | 216 | 277 | 28% | 254 | 311 | 22% | 109 |

* Commencement of operation in July 15, 2007

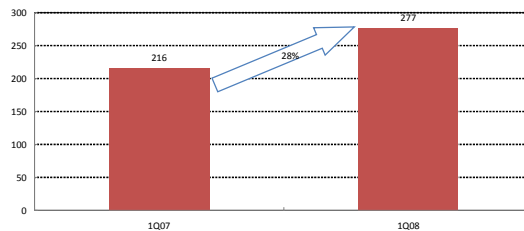


Four Seasons Sharm El Sheikh, average occupancy rate increased from 65% in 1Q07 to 72% in 1Q08 coupled with increase in average room rate by 17% from US\$330 in 1Q07 to US\$386 in 1Q08. Moreover, RevPAR showed a 28% increase from US\$216 in 1Q07 to US\$277 in 1Q08. Revenues for 1Q08 increased by an impressive 31% reaching LE 49 mn compared to LE 37 million for 1Q07. Gross operating profit increased by 42% reaching LE 27 million as opposed to LE 19 mn realized for the same period last year, while net profit increased by a staggering 50% to record LE 21 mn as compared to LE 14 mn along an improved margin of 42% compared to 36% last year.

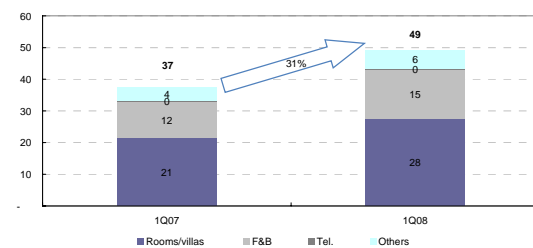
Average room rate (US\$)



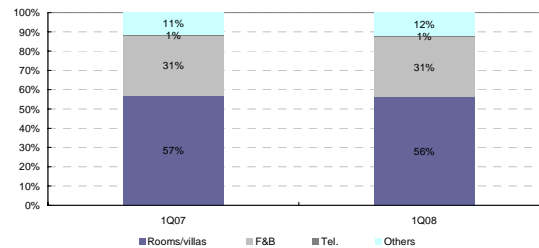
RevPAR (US\$)



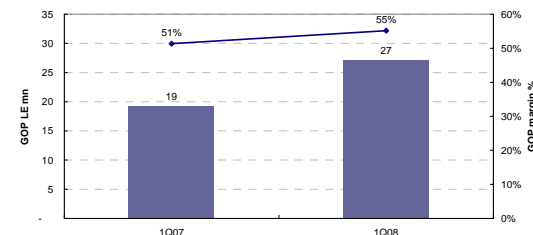
Revenue LE mn



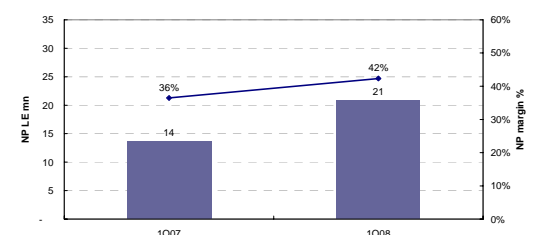
Revenue mix (%)



GOP



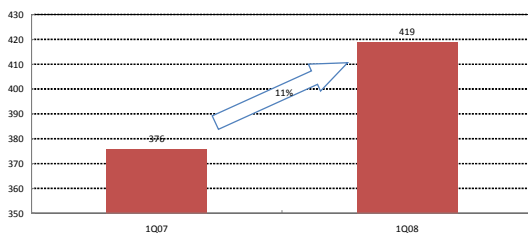
Net profit



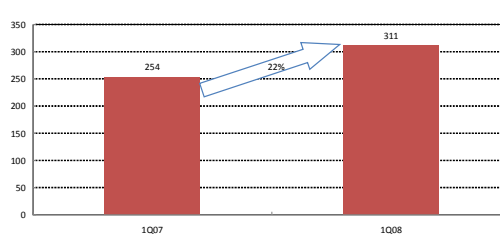


As for Four Seasons Nile Plaza, average occupancy rate increased from 68% in 1Q07 to 74% in 1Q08. In addition, average room rate increased by 11% from US\$376 in 1Q07 to US\$419 in 1Q08. Moreover, RevPAR showed a 22% increase from US\$254 in 1Q07 to US\$311 in 1Q08. Revenues for 1Q08 increased by an 11% reaching LE 99 mn compared to LE 80 million for 1Q07. Gross operating profit increased by 30% reaching LE 65 million as opposed to LE 50 mn realized for the same period last year, while net profit increased by 36% to record LE 53 mn as compared to LE 39 mn along an improved margin of 53% compared to 49% last year.

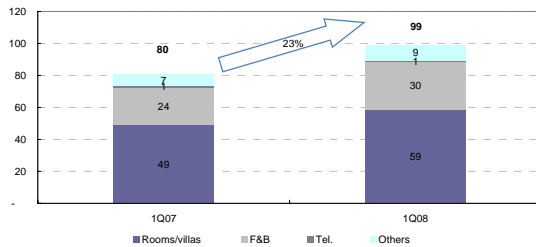
Average room rate (US\$)



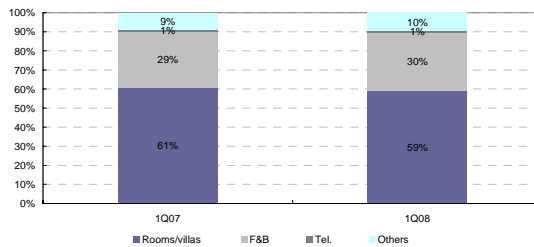
RevPAR (US\$)



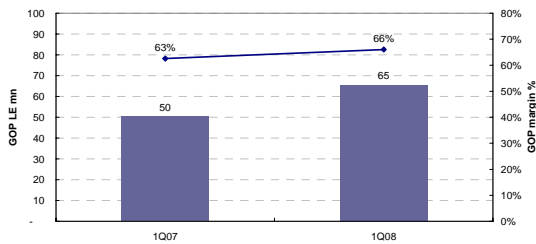
Revenue LE mn



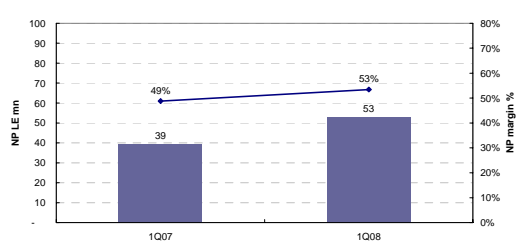
Revenue mix (%)



GOP



Net profit



As for Four Seasons San Stefano and complex, average occupancy rate reached 42% (commencement of operation in 15 July 07) with an average room rate of US\$263 and a RevPAR of US\$109.

Summary of H&R projects in operations and developments

| | Four Seasons Sharm El Sheikh | Four Seasons Nile Plaza | San Stefano Grand Plaza | Nile Hotel | Marsa Alam |
|------------------------------|---------------------------------|----------------------------|----------------------------|----------------------|-------------------|
| % owned ¹ | 61% | 58% | 84.67% | 99.99% | 100% |
| Location | Sharm El Sheikh | Cairo | Alexandria | Cairo | Marsa Alam |
| Rooms | 200 | 365 | 127 | 221 | 750 |
| Units | 146 | 131 | 945 | 0 | 2,250 resi. rooms |
| Units sold | 102 | 118 | 813 | NA | NA |
| Avg. price LE (psm) | 11,745 | 24,130 | 8,370 | NA | NA |
| Commence ² | Nov-98 | Sep-97 | Feb-99 | Aug-03 | TBC |
| Complete | May-02 | Aug-04 | Jul-07 | Early 2009 | TBC |
| Star rating | 5 Star | 5 Star | 5 Star | Planned 5 Star | Planned 4/5 Star |
| | 8 resturants | 9 resturants | 9 resturants | 4 resturants | 4 hotels |
| | 2 lounge bars | Spa | Marina | 4 meeting rooms | Central logoon |
| Facilities | Spa | Ballroom | Shopping mall | Business center | |
| | Ballroom | 11 meeting rooms | Offices | Exective club | |
| | 4 meeting rooms | Business center | Casino | Mini business center | |
| | Business center | Shopping mall | Ballroom | | |

¹ % owned by ICON, which is 74% indirectly owned by TMG

² Commencement of operations

About TMG Holding

TMG Holding has under its umbrella a group of companies:

- Arab Company for Projects and Urban Development, which owns and manages:
 - AL-Rehab and Madinaty projects in New Cairo District
- Alexandria Real Estate Investment Company, which owns and manages:
 - AL-Rabwa Compound in EL-Sheikh Zayed City
- San Stefano Real Estate Investment Company, which owns and manages:
 - San Stefano Alexandria
- Alexandria Company for Urban Projects, which owns and manages:
 - May Fair Project in AL-Shorouk City
- Arab Company for Hotel and Tourist Investments, which owns controlling stakes in its investments in:
 - Four Seasons Nile Plaza in Garden City
 - Four Seasons Resort Sharm EL-Sheikh
 - Four Seasons Alexandria at San Stefano
 - Nile Hotel in Cairo

Capital:

Issued and paid-in capital: LE 20.30 bn

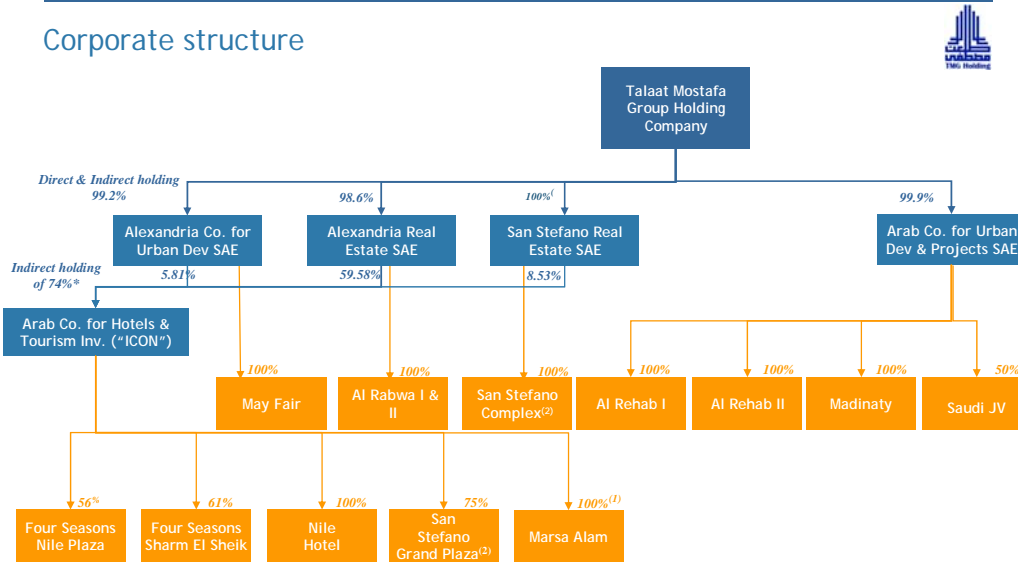
Number of shares: 2.03 mn at a par value of LE 10/share

Shareholders' structure:

- TMG RE & Tourism Investment (including Talaat Mostafa Family, Saudi group and NBE) 47.85%
- Other major shareholders 27.15%
- Free Float 25.0%*

*TMG offered 395 mn shares through an IPO and a private placement at a ratio of 16.5% and 83.5%, respectively. The private placement took place over two tranches at a price of LE 11.6/share; the primary tranche amounted to 215 mn shares, while the secondary tranche amounted to 115 mn shares. The IPO, amounting to 65 mn shares, was executed at a price of LE 11/share, a 5% discount from the private placement price. Results of the offerings revealed an outstanding interest from Arab and international investors, whereby the subscription to the private placement was covered 17x with total bids of LE 65 bn, while the IPO was covered 41.4x, receiving total bids of LE 29.6 bn. Finally, on November 28, 2007, TMG's shares were floated on CASE.

Corporate structure



* To be increased to 75% through capital increase

(1) These percentages reflect the interests that are expected to be owned following acquisitions that are in process

(2) ICON holds only the assets of the hotel, which do not include the residential units or the commercial property. These components of the complex are held by San Stefano Real Estate

Investor Relations Contacts:

Investor Relations
 TMG Holding
 Tel: +2 (02) 33355708
 Fax: +2 (02) 33016894
 E-mail: jsawaftah@tmg.com.eg

Certain information disclosed in this earning release consists of forward looking statements reflecting the current view of the company with respect to future events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements, including worldwide account of trends, economic and political climate of Egypt, the Middle East, and changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results may vary materially from those described in such forward looking statements.

Talaat Mostafa Group Holding "TMG Holding" S.A.E

Translation of Financial Statements
Originally issued in Arabic

CONSOLIDATED INCOME STATEMENT

For the period from 1 Jan 2008 to 31 March 2008

| | 31 March 2008 |
|---|----------------------|
| | LE |
| Revenue | 1,486,965,297 |
| Cost of Revenue | (991,812,311) |
| GROSS PROFIT | 495,152,988 |
| Marketing and Sales Expenses | (6,987,180) |
| General and Administrative Expenses | (47,387,086) |
| Finance Expenses | (51,685,584) |
| Credit Interest | 28,938,330 |
| Other Income | 11,005,554 |
| Investment Income | 24,112,181 |
| Interest on Bonds | 246,635 |
| Interest on Treasury Bills | 9,135,738 |
| Gain on Sale of Investment | 1,999,430 |
| Net Change in the Market Value of Investments | 33,119,985 |
| Gain from Foreign Exchange Differences | 1,563,489 |
| PROFIT BEFORE TAX | 499,214,478 |
| Income Tax Expense | (28,523,425) |
| Deferred Tax Expense | (19,976) |
| NET PROFIT FOR THE YEAR AFTER TAX | 470,671,077 |
| Minority Interest | (45,245,722) |
| NET PROFIT FOR THE YEAR | 425,425,355 |
| Earnings Per Share | 0.49 |

Chief Financial Officer

CEO & Managing Director

Gahleb Ahmed Fayed

Hesham Talaat Mostafa

Talaat Mostafa Group Holding "TMG Holding" S.A.E

Translation of Financial Statements
Originally issued in Arabic

CONSOLIDATED BALANCE SHEET

31 March 2008

31 March 2008
LE

ASSETS

Non-Current Assets

| | |
|--------------------------------|----------------|
| Property and Equipment | 2,751,957,640 |
| Projects under Constructions | 1,345,842,297 |
| Goodwill | 15,471,582,845 |
| Available for Sale Investments | 11,707,930 |
| Investments in Associates | 33,484,590 |
| Investments in Bonds | 48,898,280 |
| Notes Receivables | 8,698,053,452 |
| Construction Work | 5,249,251,978 |

33,610,779,012

Current Assets

| | |
|--|---------------|
| Finished Units | 12,382,134 |
| Under Construction Work | 2,173,605,860 |
| Inventory (Net) | 51,672,589 |
| Accounts and Notes Receivable - Short Term | 2,227,418,825 |
| Prepayments and Other Debit Balances | 1,869,483,702 |
| Available for Sale Investments | 12,016,287 |
| Trading Investments | 2,232,996,455 |
| Cash on Hand and at Banks | 2,665,815,846 |

11,245,391,698

Current Liabilities

| | |
|---|---------------|
| Provisions | 66,105,338 |
| Banks Overdraft | 689,631,645 |
| Creditors and Short Term Notes Payable | 192,379,938 |
| Current Portion of Loans and Facilities | 352,471,522 |
| Customers Down Payment | 1,471,103,882 |
| Other Credit Balances | 1,028,603,707 |

3,800,296,032

WORKING CAPITAL

7,445,095,666

TOTAL INVESTMENTS

41,055,874,678

Financed as follows:

| | |
|----------------------------|----------------|
| Issued and Paid up Capital | 20,302,035,500 |
| Share Premium | 158,119,298 |
| General Reserves | 25,747,613 |
| Treasury Stocks | (36,188,826) |
| Profit for the year | 621,811,793 |

TOTAL EQUITY

21,071,525,378

Minority Interest

2,597,781,287

Long Term Liabilities

| | |
|------------------------|----------------|
| Loans and Facilities | 1,677,758,643 |
| Long Term Liabilities | 15,660,776,079 |
| Notes Payable | 45,585,062 |
| Deferred Tax Liability | 2,448,229 |

17,386,568,013

Total Long Term Liabilities

Total Equity and Long Term Liabilities

41,055,874,678

Auditors

Chief Financial Officer

CEO & Managing Director

Emad H. Ragheb Magdy Hashish

Gahleb Ahmed Fayed

Hesham Talaat Mostafa

Talaat Mostafa Group Holding "TMG Holding" S.A.E

Translation of Financial Statements
Originally issued in Arabic

CONSOLIDATED CASH FLOW STATEMENT
For the period from 3 April 2007 to 31 March 2007

| | <i>Notes</i> | LE |
|---|--------------|-------------------------|
| OPERATING ACTIVITIES | | |
| Profit for the year | | 621,811,792 |
| Adjustments to reconcile net income (loss) to cash flows from operating activities | | |
| Depreciation | | 19,067,724 |
| Change in Market Value for Investments | | 37,941,975 |
| Income Tax | | 28,690,752 |
| Operating profit before changes in working capital: | | 705,512,243 |
| (Increase) in Inventory | | (51,672,589) |
| (Increase) in Finished Units | | (12,382,134) |
| (Increase) in Development Properties | | (7,422,857,838) |
| (Increase) in Short Term Accounts and Notes Receivables | | (2,227,418,825) |
| (Increase) in Long Term Accounts and Notes Receivable | | (8,698,053,452) |
| (Increase) in Prepayments and Other Debit Balances | | (1,869,483,701) |
| (Increase) in Available for Sale Investments | | (23,724,217) |
| (Increase) in Investments in Associates | | (33,484,590) |
| (Increase) in Trading Investments | | (2,270,938,430) |
| Increase in Short Term Accounts and Notes Payable | | 192,379,938 |
| Increase Long Term Notes Payable | | 45,585,062 |
| Increase in Current Portion of Loans and Facilities | | 317,435,302 |
| Increase in Current Portion of Long Term Liabilities | | 35,036,220 |
| Increase in Customers Down Payment | | 1,471,103,882 |
| Increase in Other Credit Balances | | 999,912,955 |
| Increase in Provisions | | 66,105,338 |
| Net Cash from Operating Activities | | (18,776,944,837) |
| INVESTING ACTIVITIES | | |
| (Payment) of Property and Equipment and Construction Work | | (4,114,867,661) |
| (Payment) of Investments | | (48,898,280) |
| (Payment) of Investments | | (15,471,582,845) |
| Net Cash used in Investing Activities | | (19,635,348,786) |
| FINANCING ACTIVITIES | | |
| Cash Proceeds from Issuing Shares | | 20,302,035,500 |
| Cash Proceeds from Premium Shares | | 158,119,298 |
| Increase in Minority Shareholders | | 2,597,781,287 |
| Purchase of Treasury Shares | | (36,188,826) |
| Reserves | | 25,747,613 |
| Cash Received from Loans and Facilities | | 1,677,758,643 |
| Cash Received from Long Term Liabilities | | 15,663,224,308 |
| Net Cash from (used in) Financing Activities | | 40,388,477,823 |
| INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS | | 1,976,184,201 |
| Cash and Cash Equivalents at the beginning of the period | | - |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | (15) | 1,976,184,201 |