



**DP WORLD LIMITED**  
**UNAUDITED RESULTS FOR THE 6 MONTHS TO 30 JUNE 2008**

Dubai, 28 August, 2008: - Global port operator DP World today announces very strong results from its portfolio of 44 marine terminals that were operational in the six months to 30 June 2008.

**Highlights<sup>1</sup>**

- o Excellent consolidated throughput<sup>2</sup> growth of 21% to 13.6m TEU<sup>3</sup> (11.2 million)
- o Strong revenue growth of 32% to \$1,598 million (\$1,209 million)
- o EBITDA<sup>4</sup> increased 44% to \$652 million (\$454 million) with margins increasing to 40.8% (37.5%)
- o Profit after tax from continuing operations for the six month period more than doubled to \$287 million (\$129 million)
- o Net cash from operating activities of \$528 million
- o Earnings per share of 1.67 cent (0.78 cent)

During the first half, we continued to expand our portfolio. Two new terminals at Dakar, Senegal and Sokhna, Egypt, joined the portfolio in the first half of the year and both benefited from investment in new equipment and DP World management expertise to deliver good results. We recently acquired Tarragona, Spain, which joined the portfolio on 1 July, and were awarded concessions for Aden and Ma'alla, Yemen, which we expect to complete and join the portfolio later this year.

We also increased our shareholding in two of our most important terminals in the Indian Subcontinent, in Chennai, India and Karachi, Pakistan, and we were delighted to successfully extend our concession in Brisbane, Australia, for a further 40 years.

The roll out of new capacity from our pipeline of 13 new developments is progressing on schedule, and construction at Callao, Peru and London Gateway, UK began in the second quarter. Our shipping customers have expressed considerable interest in capacity at London Gateway. Reflecting the capacity shortage in the region, we expect the terminal to be full soon after commencing operations towards the end of 2010

**DP World Chairman Sultan Ahmed Bin Sulayem said:**

“DP World has performed extremely well in the first half of this year. Building on its outstanding performance in 2007, the company recorded a profit after tax for continuing operations of \$287 million; more than double that of the same period last year and particularly pleasing given the more challenging operating environment in the first half of this year.

“DP World remains committed to expanding its already strong presence in the faster growing emerging economies together with the more mature economies where capacity is constrained. Its particular focus on the East-West trade routes via the Suez Canal and on origin and destination cargo positions it perfectly to capture the long term growth potential evident in these regions. Despite the current uncertainty surrounding short term global growth, we will continue to invest for the longer term.

“We continue to be focused on our customers, growing our portfolio of terminals and capacity in line with their future needs. In doing so, we aim to be the port developer and operator of choice, both in emerging and developed markets.”

**DP World Chief Executive Mohammed Sharaf commented:**

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<sup>1</sup> All financial results are reported before separately disclosable items unless otherwise stated and all comparisons to 2007 first half (as indicated in the brackets) refer to, or are derived from the pro forma numbers published at the time of the IPO in November 2007

<sup>2</sup> Throughput from those terminals which are consolidated in our IFRS accounts

<sup>3</sup> TEU – (twenty foot equivalent container units)

<sup>4</sup> Earnings before interest, tax, depreciation and amortisation, including share of profit from joint ventures and associates see Note 6, page 17 for further information

“We are delighted with the performance of our terminals during the first half of 2008. These results are particularly pleasing in light of the fact that the industry overall has seen a slow down in volume growth in the Asia-Pacific region, and we are operating in a more challenging global financial and economic environment. Despite this, DP World has delivered a substantial increase in volume, revenue, EBITDA and margins.

“These results reflect our unique position as a terminal operator in faster growing economies and capacity constrained markets and our vital position at the very heart of the global supply chain. Our focus on improving terminal efficiency and quality services for our customers will continue to drive traffic through our ports. Strong operating leverage will enhance returns whilst our flexible cost base provides us with the ability to adapt quickly to changing market conditions.

“The business has performed very well in the first half of 2008 despite a deteriorating global financial and economic background and these uncertainties remain. In the last few months the industry has reported early indications of weakening growth in some markets, but thus far into the second half, our business has continued to perform ahead of the market and report growth over the comparable period last year. We expect this trend of outperforming the industry to continue through 2008, and anticipate delivering full year results in line with expectations.”

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#### **Analyst/Investor Conference Call**

There will be a conference call for analysts and investors at **12 noon** Dubai time (9am London) on Thursday 28 August. For the dial in details please contact [investor.relations@dpworld.com](mailto:investor.relations@dpworld.com)

The accompanying slide show will be available in the investor centre on our website.

A playback of this will be available shortly after the end of the call; details for accessing it are on the company's website at [www.dpworld.com](http://www.dpworld.com).

#### **About DP World**

DP World is one of the largest marine terminal operators in the world, with 45 terminals and 13 new developments across 29 countries<sup>5</sup>. Its dedicated, experienced and professional team of nearly 30,000 people serves customers in some of the most dynamic economies in the world.

DP World aims to enhance customers' supply chain efficiency by effectively managing container, bulk and other terminal cargo.

The company constantly invests in terminal infrastructure, facilities and people, working closely with customers and business partners to provide quality services today and tomorrow, when and where customers need them.

In taking this customer-centric approach, DP World is building on the established relationships and superior level of service demonstrated at its flagship Jebel Ali facility in Dubai, which has been voted “Best Seaport in the Middle East” for 14 consecutive years.

In 2007, DP World handled more than 43.3 million TEU (twenty-foot equivalent container units) across its portfolio from the Americas to Asia – an increase of 18% on 2006. It has global capacity of more than 54 million TEU, which is set to increase significantly in coming years with a committed pipeline of expansion and development projects in key growth markets, including India, China and the Middle East. Capacity will rise to around 90 million TEU by 2017.

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<sup>5</sup> As at 28 August 2008

## Operational and Financial Review

### Introduction

Our business underwent significant change in the first half of 2007 as the company restructured to become a pure ports operator. As part of this restructuring process, which took place before the company undertook the initial public offering (IPO) in November 2007, we transferred or sold assets that did not enhance our port operating business or meet our strategic objectives. Our reported IRFS accounts for the six months to 30 June 2007 reflect contributions from businesses that were divested or sold in that period and are therefore not comparable to the IFRS accounts for the six months to 30 June 2008.

For ease of comparison, all financial information used in this statement for the six months ended 30 June 2007 is the pro forma financial information for the 42 terminals and 13 new developments that DP World operated at the time of the IPO in November 2007. The full pro forma accounts are available on pages 12-14 of the IPO prospectus and a copy is available on the investor centre on our website.

### Review of Operational and Financial Results

Our performance to the 30 June 2008 reflects another strong period of volume growth for our terminals, which on a consolidated basis reported growth 21% ahead of the same period as last year to 13.6 million TEU and ahead of industry growth, expected to be between 9-10%. These very strong volumes from our 25 consolidated terminals reflect the addition of new terminals in the Middle East, Europe and Africa region as well as extremely strong growth in the Middle East, which is benefiting from our investment in additional capacity to meet the increasing demand from origin and destination cargo in the region.

Highlights of results from DP World Limited and its subsidiaries – full details on page 9	<i>2008H1 before separately disclosable items</i>	<i>2007H1 pro forma<sup>6</sup> before separately disclosable items</i>	<i>Growth</i>
Gross Throughput (TEU)	<b>23.0 million</b>	20.3 million	13%
Consolidated Throughput (TEU)	<b>13.6 million</b>	11.2 million	21%
Revenue	<b>\$1,598 million</b>	\$1,209 million	32%
EBITDA (including JVs and Associates)	<b>\$652 million</b>	\$454 million	44%
EBITDA Margin (including JVs and Associates)	<b>40.8%</b>	37.5%	9%
Share of JVs and Associates	<b>\$55 million</b>	\$33 million	67%
Pre-tax profit from continuing businesses	<b>\$342 million</b>	\$156 million	119%
Profit after tax from continuing operations for the year	<b>\$287 million</b>	\$129 million	123%
Earnings per share (cent)	<b>1.67 (cent)</b>	0.78 (cent)	114%

Revenue for our consolidated ports portfolio was \$1,598 million against our 2007 pro forma revenue of \$1,209 million. Almost two thirds of this 32% increase in revenue is derived from an increase in stevedoring revenue driven by increased volumes and tariff increases, as well as additional revenues from ancillary container related services. Container related revenues continue to represent 75% of our total revenue. During the period, we have seen our revenue per TEU increase as we handle a greater volume of higher revenue cargo. On an underlying<sup>7</sup> basis our revenues grew 24% against a consolidated volume growth of 11%,

<sup>6</sup> All financial information used in this statement for the six months ended 30 June 2007 is the pro forma financial information for the 42 terminals and 13 new developments that DP World operated at the time of the IPO in November 2007. The full pro forma accounts are available on pages 12-14 of the IPO document and a copy is available on the investor centre on our website.

<sup>7</sup> Underlying numbers exclude the contribution from new terminals in the period, Senegal, Sokhna and Jeddah,.

Our portfolio of terminals reported as joint ventures and associates grew gross volumes 12% to 9m TEU. Our share of net profit from joint ventures and associates was \$55 million, an increase of 67% over last year, reflecting volume growth and a greater contribution from some of our newer terminals in this portfolio as they continue to improve utilisation as they mature. In addition, there was a small contribution from the profit of our Australian joint venture POTA (P&O Trans Australia), which was restructured to become a joint venture in May 2007 and contributed to consolidated results last year.

Expenses<sup>8</sup> for the period were \$1,000 million, an increase of 27% over the comparable period last year reflecting the inclusion for the first time of costs associated with Jeddah, Senegal and Sokhna as well as the increase in variable costs associated with volume or revenue growth the majority of which is reflected as increased concession fees. We have continued to maintain good control over our costs in the period which is reflected in our higher margins. Underlying operating expenses increased 17% to \$918 million.

Including joint ventures and associates, EBITDA improved 44% to \$652 million and EBITDA margins improved to 40.8% from 37.5%. The continued improvement in our EBITDA margins from the 40.3% we reported for the full year 2007 reflects our success at delivering revenue growth ahead of cost growth, improved capacity utilization and increased revenue per TEU. On an underlying basis, our EBITDA grew 40%.

Profit after tax from continuing operations more than doubled to \$287 million, reflecting strong revenue growth and margin improvement. Contributing to the result was also strong profit from joint ventures and associates, as well as lower finance costs following the restructuring of long term debt undertaken in the second half of last year.

## Review of Regional Trading for continuing operations

### Europe, Middle East and Africa

	2008H1	2007H1 <sup>9</sup>	Growth
Consolidated Throughput (TEU)	<b>8.7 million</b>	6.9 million	26%
Revenue	<b>\$943 million</b>	\$654 million	44%
Profit from JV and Associates	<b>\$19.9 million</b>	\$4.6 million	342%
EBITDA inc JV and Associates	<b>\$441 million</b>	\$295 million	49%
Profit from continuing operations	<b>\$352 million</b>	\$224 million	57%

As of 30 June 2008, we had 20 terminals in the region, of which 11 were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the region experienced an increase in volume of 26% over the same period the previous year, benefiting from new volumes from Dakar (Senegal), Sokhna (Egypt) and Jeddah (KSA) as well as strong growth in some of the largest terminals in this region.

Revenue for our consolidated ports in this region was \$943 million as compared with our 2007 pro forma revenue of \$654 million. Over two thirds of this 44% increase in revenue is derived from an increase in stevedoring revenue driven by increased volumes and tariff increases, as well as additional revenues from ancillary container related services, most notably in Constanta (Romania) and the UAE region. Our revenues were impacted by the decrease in volumes from Southampton due to a crane incident early in the year.

Our share of profit from joint ventures and associates increased to 19.9 million reflecting the addition of greater contribution from our new terminal in Antwerp (Belgium) which is rapidly increasing utilisation, Tilbury (UK) which was able to service many of the vessels that were unable to call at Southampton (UK), and from Vostochny (Russia), which was formerly accounted for in the Asia Pacific region, and has grown volumes as customers benefit from the land bridge to Moscow.

EBITDA and EBITDA margins increased to \$441 million and 47% respectively and profit from continuing operations for the six months increased to \$352 million. These increases were primarily due to the increase in volume related revenues and our ability to attract higher revenue cargo into this

<sup>8</sup> Expenses net of other income and excluding depreciation and amortisation

<sup>9</sup> See footnote 1

capacity constrained region as well as the increased contribution from profit from joint ventures and associates.

Jebel Ali increased volumes by 22% as the port continued to improve utilisation rates following the expansion in the latter half of last year. The port will continue to roll out the second phase of new capacity, totalling 3m TEU, towards the end of 2008 taking the capacity at Jebel Ali to 14m TEU.

In Europe, our terminal performance was significantly impacted by the crane incident at Southampton at the start of the year, resulting in a decline in volumes for the region overall. Southampton has now returned to full operations and, with the arrival of two new cranes earlier this month, we expect the terminal to show some growth year on year.

The European region continues to remain capacity constrained and we are delighted that our development at London Gateway (UK) is moving forward. We have started to develop the site, and our shipping customers have expressed considerable interest in capacity at London Gateway. Reflecting the capacity shortage in the region, we expect the terminal to be full soon after commencing operations towards the end of 2010. In addition, our recent concession win at Tarragona (Spain) joined the portfolio on the 1 July and offers exciting expansion opportunities in the Mediterranean.

We took over operations at Dakar (Senegal) and Sokhna (Egypt) in the first half of this year and have been very pleased with the early progress. Both ports have improved productivity, benefiting from new equipment and the expertise of DP World management.

\$444 million of our capital expenditure (capex) was spent in this region during the year, predominately focussing on the expansion of Jebel Ali and on the new terminals of Sokhna (Egypt) and Dakar (Senegal), which as reported have both shown early signs of enhanced productivity from the investment.

#### **Americas, Australia and New Zealand**

	<b>2008H1</b>	2007H1 <sup>10</sup>	Growth
Consolidated Throughput (TEU)	<b>1.9 million</b>	1.7 million	12%
Revenue	<b>\$387 million</b>	\$338 million	14%
Profit from JV and Associates	<b>\$12.5 million</b>	\$4.6 million	172%
EBITDA inc JV and Associates	<b>\$120 million</b>	\$85 million	41%
Profit from continuing operations	<b>\$70.5 million</b>	\$44 million	60%

As of 30 June 2008, we had nine terminals in the region, of which seven were consolidated for financial reporting purposes. In addition, P&O Maritime Services reports through the region. On average, terminals that contributed to revenue experienced an increase in revenue generating volume of 12% compared with the previous period last year.

Revenue for our consolidated ports in this region was \$387 million as compared with our 2007 pro forma revenue of \$338 million. Over 75% of this 14% increase in revenue is derived from an increase in stevedoring revenue as we saw all ports increase volumes.

Our share of profit from joint ventures and associates substantially increased to \$12.5 million following improved utilisation in the joint venture terminals in this region as well as contributions from POTA which was not included as a joint venture as it was consolidated last year.

EBITDA and EBITDA margins increased to \$120 million and 31% respectively reflecting the strong revenue growth and the greater contribution from joint ventures and associates. First half profit from continuing operations increased to \$70.5 million.

All our ports in this region delivered excellent volume growth, improved margins and profit growth. In Australia, the increase in volumes reflected an increase in DP World's market share in the region. Expansion projects and improvements in business processes undertaken in the America's region last year have enabled us to attract new customers into those ports.

<sup>10</sup> See footnote 1

We recently announced the extension of our concession in Brisbane (Australia) for an additional 40 years and we are in the process of renewing concessions in Sydney and Adelaide. The extension of these concessions will lead to continued investment into these port operations to increase much needed capacity to meet the growth of trade in Australia.

Capex across this region was \$49.9 million, primarily focused on increasing capacity in Vancouver and on our new development at Callao (Peru) where we began construction work earlier this year.

### Asia Pacific, Indian Subcontinent

	2008 H1	2007H1 <sup>11</sup>	Growth
Consolidated Throughput (TEU)	<b>3.0 million</b>	2.6 million	15%
Revenue	<b>\$268 million</b>	\$211 million	27%
Profit from JV and Associates	<b>\$22.2 million</b>	\$23.5 million	-6%
EBITDA inc JV and Associates	<b>\$135 million</b>	\$119 million	13%
Profit from continuing operations	<b>\$94 million</b>	\$76 million	24%

As of 30 June 2008, we had 15 operating terminals in the region, of which seven were consolidated for financial reporting purposes. On average, terminals that contributed to revenue from continuing operations for the region as of 30 June 2008 experienced an increase in revenue generating volume for the period of 15% compared with the previous year.

Revenue from continuing operations for the Asia Pacific and Indian Subcontinent region for the six months to 30 June 2008 was \$268 million as compared with \$211 million for the period ended 30 June 2007, an increase of 27%, reflecting strong volume growth following the creation of new capacity in Chennai and greater contribution of non-containerised revenues in Karachi.

Our share of profit from joint ventures and associates fell slightly to \$22.2 million, reflecting the move of profit from Vostochny, Russia from this region to the Europe region and a lower contribution from Qingdao as it paid tax for the first time following the end of a tax holiday. Conversely we saw a greater contribution from new port Pusan, Korea as it improved utilisation rates.

EBITDA increased to \$135 million with lower EBITDA margins of 50%. Despite excellent growth in revenues, and strong EBITDA growth lower margins are as a result of the reduced contribution from joint ventures and associates this year, and an increased concession fees in India. Profit from continuing operations grew to \$94 million.

The Indian Subcontinent continues to be one of the fastest growing markets for container traffic, and we increased capacity or improved utilisation rates in excess of 100% in many of our terminals to meet our customer demands for capacity in India. During the year we increased our shareholding of both Chennai (India) and Karachi (Pakistan). In addition, customers at Mundra have continued to benefit from the introduction of Container Rail Road Services (CRRS) rolling stock, vastly improving the movement of containers in and out of the port.

All our terminal developments in the region are progressing to plan and the majority of our capex spent in this region, which was \$79.9 million, was focused on those new developments as well as on Cochin which is expanding capacity.

### Capital Expenditure

During the period, our capital expenditure was \$574.4 million. 80% of this was spent on creating new capacity through our pipeline of new developments and the expansion of our existing terminals.

### Net Finance Costs

Finance income during the period was \$39.7 million, a decrease of \$75.3 million over the same period in 2007, reflecting the reduction in cash on our balance sheet. Finance costs decreased by \$88.4 million to \$167.6 million, predominately reflecting the lower costs associated with refinancing our previous \$3.25 billion acquisition finance with long-term debt. Net interest expense was \$127.9 million reflecting interest cover<sup>12</sup> for the year of 5 times.

<sup>11</sup> See footnote 1

<sup>12</sup> Interest cover is calculated using EBITDA and net interest expense

**Net Debt**

Net debt as at 30 June 2008 was \$4,095 million against \$2,843 million for the twelve months ending 31 December 2007. This increase in our net debt position predominately reflects a change to our cash position. At year end we reported \$3bn cash on the balance sheet, the majority of which has now been invested in expanding our portfolio with the acquisition of Sokhna, Egypt and investing in our existing terminals at Chennai, India and Karachi, Pakistan to increase our shareholding and to fund expansion capex in various terminals.

**Earnings per Share**

Earnings per share more than doubled to 1.67 cent. Whilst we were not a listed company for the comparable period to 30 June 2007, on a pro forma basis, our earnings per share would have been 0.78 cent.

**Dividend**

As announced at the time of our IPO, it is our current dividend policy that not less than 20% of our profit for the year attributable to shareholders of the Company (after separately disclosable items) will be distributed as dividends. Dividends in respect of the full year 2008 will be proposed with the preliminary results for the full year 2008.

**Mohammed Sharaf**  
Chief Executive Officer

**Yuvraj Narayan**  
Chief Financial Officer

DP World Limited and its subsidiaries  
Condensed consolidated interim income statement  
for the six months ended 30 June 2008

	Notes	Period ended 30 June 2008			Period ended 30 June 2007		
		Before separately disclosable items USD'000 (Unaudited)	Separately disclosable items (Note 4) USD'000 (Unaudited)	Total USD'000 (Unaudited)	Before separately disclosable items USD'000 (Unaudited)	Separately disclosable items (Note 4) USD'000 (Unaudited)	Total USD'000 (Unaudited)
<b>Continuing operations</b>							
Revenue from operations		1,597,510	-	1,597,510	1,275,249	-	1,275,249
Cost of sales		(1,031,048)	-	(1,031,048)	(863,830)	(37,900)	(901,730)
<b>Gross profit</b>		<b>566,462</b>	<b>-</b>	<b>566,462</b>	<b>411,419</b>	<b>(37,900)</b>	<b>373,519</b>
General and administration expenses		(159,653)	(3,027)	(162,680)	(149,820)	(400)	(150,220)
Other income		8,172	(600)	7,572	6,261	-	6,261
Finance income		39,697	-	39,697	115,011	98,125	213,136
Finance costs		(167,588)	-	(167,588)	(256,028)	(1,600)	(257,628)
Share of profit/ (loss) of equity accounted associates and joint ventures		55,025	(400)	54,625	35,725	-	35,725
Profit on sale and termination of businesses		-	2,164	2,164	(1,469)	134,208	132,739
<b>Profit before tax from continuing operations</b>		<b>342,115</b>	<b>(1,863)</b>	<b>340,252</b>	<b>161,099</b>	<b>192,433</b>	<b>353,532</b>
Income tax	8	(55,131)	(11,600)	(66,731)	(28,040)	-	(28,040)
<b>Profit after tax from continuing operations</b>		<b>286,984</b>	<b>(13,463)</b>	<b>273,521</b>	<b>133,059</b>	<b>192,433</b>	<b>325,492</b>
Discontinued operations:							
Profit after tax from discontinued operations		800	1,000	1,800	26,800	620,763	647,563
<b>Profit for the period</b>		<b>287,784</b>	<b>(12,463)</b>	<b>275,321</b>	<b>159,859</b>	<b>813,196</b>	<b>973,055</b>
<b>Attributable to:</b>							
Equity holders of the Company		277,139	(12,463)	264,676	142,130	813,196	955,326
Minority interest		10,645	-	10,645	17,729	-	17,729
		<b>287,784</b>	<b>(12,463)</b>	<b>275,321</b>	<b>159,859</b>	<b>813,196</b>	<b>973,055</b>
<b>Earnings per share</b>							
<b>Basic earnings per share – US cents</b>		<b>1.67</b>		<b>1.59</b>	*	*	

\* Basic earnings per share not disclosed as the Company was not listed on the Dubai International Financial Exchange as at 30 June 2007.

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



# DP World Limited and its subsidiaries

## Condensed consolidated interim statement of recognised income and expense for the six months ended 30 June 2008

	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	30 June 2007 USD'000 (Unaudited)
Foreign exchange translation differences	<b>146,094</b>	347,347
Effective portion of net changes in fair value of cash flow hedges	<b>14,450</b>	(13,643)
Net actuarial (loss)/gain on pension schemes	<b>(115,700)</b>	14,000
Foreign exchange recycled to income statement on disposal of businesses	-	(38,500)
On termination of cash flow hedges	<b>3,100</b>	2,000
Tax on items taken directly to equity	-	(4,300)
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<b>Income and expense recognised directly in equity</b>	<b>47,944</b>	306,904
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<b>Profit for the period</b>	<b>275,321</b>	973,055
	-----	-----
<b>Total recognised income and expense for the period</b>	<b>323,265</b>	1,279,959
	=====	=====
<b>Attributable to:</b>		
Equity holders of the Company	<b>318,184</b>	1,242,800
Minority interest	<b>5,081</b>	37,159
	-----	-----
	<b>323,265</b>	1,279,959
	=====	=====

A significant portion of foreign exchange translation differences arises from translation of Goodwill and Purchase price adjustments which are carried in foreign currencies at the Group level. Further, the translation differences arising on account of translation to presentation currency on group consolidation are also reflected here.

# DP World Limited and its subsidiaries

## Condensed consolidated interim balance sheet at 30 June 2008

	<i>Note</i>	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited) (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	3,974,625	3,498,389
Goodwill		2,599,210	2,510,397
Other intangible assets	10	4,631,628	3,924,268
Investment in associates and joint ventures		3,479,597	3,322,304
Deferred tax assets		16,681	23,489
Other investments		73,287	41,700
Accounts receivable and prepayments		40,024	32,269
		-----	-----
<b>Total non-current assets</b>		<b>14,815,052</b>	<b>13,352,816</b>
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<b>Current assets</b>			
Inventories		61,500	54,134
Accounts receivable and prepayments		699,737	704,468
Bank balances and cash	11	1,299,908	3,058,863
Assets held as held for sale		14,800	19,926
		-----	-----
<b>Total current assets</b>		<b>2,075,945</b>	<b>3,837,391</b>
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<b>TOTAL ASSETS</b>		<b>16,890,997</b>	<b>17,190,207</b>
		=====	=====

# DP World Limited and its subsidiaries

## Condensed consolidated interim balance sheet (continued)

at 30 June 2008

	<i>Note</i>	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited)
<b>EQUITY</b>			
Share capital	12	1,660,000	1,660,000
Share premium	13	2,472,655	2,472,655
Shareholders' reserve	13	2,000,000	2,000,000
Retained earnings	13	1,148,944	1,105,049
Hedging reserve	13	(1,593)	(19,143)
Actuarial reserve	13	(162,100)	(46,400)
Translation reserve	13	695,097	543,439
		-----	-----
<b>Total equity attributable to equity holders of the Company</b>		<b>7,813,003</b>	<b>7,715,600</b>
<b>Minority interest</b>	13	<b>677,495</b>	<b>657,175</b>
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<b>Total equity</b>		<b>8,490,498</b>	<b>8,372,775</b>
		-----	-----
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Employees' end of service benefits		43,107	36,912
Pension and post-employment benefits		163,600	110,400
Loans and borrowings	15	5,075,925	5,607,776
Deferred tax liabilities		982,771	991,290
Provisions		10,400	34,100
Accounts payable and accruals		341,594	270,272
		-----	-----
<b>Total non-current liabilities</b>		<b>6,617,397</b>	<b>7,050,750</b>
		-----	-----
<b>Current liabilities</b>			
Accounts payable and accruals		904,910	919,355
Bank overdrafts	11	10,584	182,866
Loans and borrowings	15	308,698	111,313
Income tax liabilities		478,610	468,248
Pension and post-employment benefits		45,200	41,500
Provisions		35,100	43,400
		-----	-----
<b>Total current liabilities</b>		<b>1,783,102</b>	<b>1,766,682</b>
		-----	-----
<b>Total liabilities</b>		<b>8,400,499</b>	<b>8,817,432</b>
		-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,890,997</b>	<b>17,190,207</b>
		=====	=====

# DP World Limited and its subsidiaries

## Condensed consolidated interim statement of cash flows for the six months ended 30 June 2008

	Note	30 June 2008 USD'000 (Unaudited)	30 June 2007 USD'000 (Unaudited)
<b>Cash flows from operating activities</b>			
Profit from continuing operations		273,521	325,492
Profit from discontinued operations		1,800	647,563
		-----	-----
		<b>275,321</b>	973,055
<i>Adjustments for:</i>			
Depreciation and amortisation		182,323	159,004
Share of profit of joint ventures and associates		(54,625)	(35,725)
Finance costs		167,588	257,628
Income tax expenses		66,731	28,040
(Profit) / loss on sale of property, plant and equipment	9	(1,863)	11,244
Gain on sale of discontinued operations, net of tax		-	(618,463)
Gain on sale of continuing operations, net of tax		(2,164)	(134,208)
Finance income		(39,697)	(213,136)
		-----	-----
		<b>593,614</b>	427,439
Change in inventories		(4,521)	(5,044)
Change in receivables		57,676	(11,582)
Change in payables		44,208	506,174
Change in property held for sale		-	31,500
Changes in provisions, pensions, post-employment benefits and deferred tax		(106,515)	(454,046)
		-----	-----
<b>Cash from operations</b>		<b>584,462</b>	494,441
Taxes paid		(56,493)	(34,738)
		-----	-----
<i>Net cash from operating activities</i>		<b>527,969</b>	459,703
		-----	-----
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(494,955)	(294,758)
Proceeds from disposal of property, plant and equipment		31,644	31,663
Proceeds from disposal of discontinued operations		-	959,400
Proceeds from disposal of continuing operations		10,239	407,000
Acquisition of port concession rights		(79,402)	-
Additions to other investment		(25,359)	-
Interest received		39,697	213,436
Dividends received from joint ventures and associates		41,724	78,426
Additional investment in joint ventures and associates		(78,094)	(8,807)
Cash inflow on acquisition of entities under common control		-	2,221,085
Cash outflow on disposal of discontinued businesses		-	(24,000)
Acquisition of additional interest in subsidiaries		(101,919)	(5,504)
Acquisition of subsidiary, net of cash acquired	7	(658,529)	-
		-----	-----
<i>Net cash (used in) /from investing activities</i>		<b>(1,314,954)</b>	3,577,941
		-----	-----

# DP World Limited and its subsidiaries

Condensed consolidated interim statement of cash flows (continued)  
for the six months ended 30 June 2008

		<b>30 June 2008</b>	30 June 2007
		<b>USD'000</b>	USD'000
	<i>Note</i>	<b>(Unaudited)</b>	(Unaudited)
<b>Cash flows from financing activities</b>			
Repayment of loan		<b>(1,090,894)</b>	-
Drawdown of loan		<b>700,801</b>	1,740
Dividend paid to shareholders	<i>14</i>	<b>(220,781)</b>	-
Interest paid		<b>(167,588)</b>	(257,628)
Dividends paid to minority interest		<b>(21,226)</b>	(21,867)
Contribution by minority interest		-	600
		-----	-----
<i>Net cash used in financing activities</i>		<b>(799,688)</b>	(277,155)
		-----	-----
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(1,586,673)</b>	3,760,489
		-----	-----
Cash and cash equivalents at 1 January		<b>2,875,997</b>	-
		-----	-----
<b>Cash and cash equivalents at 30 June</b>	<i>11</i>	<b>1,289,324</b>	3,760,489
		=====	=====

# DP World Limited and its subsidiaries

## Notes to the consolidated financial statements

### 1 Legal status and principal activities

DP World Limited (the “Company”) formerly known as Galaxy Investments Limited was incorporated on 9 August 2006 as a Company Limited by Shares with the Registrar of Companies of the Dubai International Financial Centre (DIFC) under the Companies Law, DIFC Law No. 3 of 2006. The condensed consolidated interim financial statements of the Company for the period ended 30 June 2008 comprise the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in associates and jointly controlled entities. The Group is engaged in the business of international marine terminal operations and development, logistics and related services.

Port & Free Zone World FZE (“parent company”) which held 100% of the Company’s issued and outstanding share capital, made an initial public offer of 19.55% of its share capital to the public and as a result the Company was listed on the Dubai International Financial Exchange with effect from 26 November 2007.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation (“Parent Group”), which is the ultimate holding company of the Group.

The Company’s registered office address is P.O. Box 17000, Dubai, United Arab Emirates.

### 2 Accounting policies

The condensed consolidated interim financial statements of the Group are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used in the preparation of the condensed consolidated interim financial statements are consistent with those used in the preparation of the Group’s annual financial statements for the year ended 31 December 2007, except as discussed in note 3 below.

### 3 Change in accounting policies

The International Financial Reporting Standard Interpretation Committee (“IFRIC”) introduced a new interpretation, IFRIC 12, ‘Service Concession Arrangements’ in November 2006. The Interpretation provides guidance to operators on certain recognition and measurement issues that arise in accounting for public-to-private service concessions arrangements, and is effective for accounting periods beginning 1 January 2008.

This interpretation was applicable to a limited number of ports in the Group’s ports portfolio. In accordance with the interpretation, port infrastructure that has to be returned to the grantor is not classified as property, plant and equipment of the Group, but is classified either as an intangible asset or a financial asset.

The Group adopted IFRIC 12 in the current year which has resulted in the re-classification of USD 400,161 thousand at 30 June 2008 (31 December 2007: USD 416,640 thousand) from property, plant and equipment to other intangible assets.

# DP World Limited and its subsidiaries

Notes (continued)

## 4 Separately disclosable items

	<b>Six months ended 30 June 2008 USD '000 (Unaudited)</b>	Six months ended 30 June 2007 USD'000 (Unaudited)
Income tax	<b>(11,600)</b>	-
Restructuring costs	<b>(2,827)</b>	-
Profit on sale and termination of businesses	<b>2,164</b>	134,208
Profit from discontinued operations and sale of discontinued operations (net of tax )	<b>1,000</b>	620,763
Impairment provision	-	(37,900)
Income from termination of interest rate swaps	-	98,125
Others	<b>(1,200)</b>	(2,000)
	<b>----- (12,463) =====</b>	<b>----- 813,196 =====</b>

### ***Income Tax***

Following the phasing out of the Industrial Building Allowances in the UK, deferred tax of USD 11.6 million in relation to the net book value of the relevant assets has been provided. The amount of deferred tax provision is based on the current UK tax rate of 28%.

### ***Restructuring costs***

During the current period, the Group has recognised USD 2,827 thousand (30 June 2007: nil) of costs relating to restructuring of certain business units.

### ***Profit on sale and termination of businesses***

During the six month period ended 30 June 2007, the Group sold its investments in Shekou, Colombo, CSX-Qingdao, AGS Australia. In the current period the Group sold its investments in Shanghai Jifa.

### ***Profit from discontinued operations and sale of discontinued operations (net of tax)***

During the current period the Group has recognised a net profit of USD 1,000 thousand in respect of pension restructuring relating to discontinued operations. During the six months period ended 30 June 2007, the Group disposed of P&O Ports North America ("POPNA") and also sold its Ferries division, P&O Ferries Holdings, to an affiliated company (owned by "Port and Free Zone World FZE").

### ***Impairment provision***

During the six month period ended 30 June 2007, the Group recognised an impairment on software cost amounting to USD 37,900 thousand as the related software project was discontinued.

### ***Income on termination of interest rates swaps***

During the six month period ended 30 June 2007, the Group terminated two interest rate swaps that converted the floating rate interest on the syndicated debt to a fixed rate. The termination yielded a profit of USD 98,125 thousand.

# DP World Limited and its subsidiaries

Notes (continued)

## 5 Segment information

For management purposes, the Group is organised into business units based on the location of the Group's assets and liabilities, and has four reportable operating segments.

The following table presents certain results, assets and liabilities information regarding the Group's operating segments as at 30 June 2008.

	<b>Asia Pacific and Indian Subcontinent USD'000 (Unaudited)</b>	<b>Australia, New Zealand and Americas USD'000 (Unaudited)</b>	<b>Middle East, Europe and Africa USD'000 (Unaudited)</b>	<b>Head Office USD'000 (Unaudited)</b>	<b>June 2008 Total USD'000 (Unaudited)</b>
<b>Revenue</b>	<b>267,755</b>	<b>386,973</b>	<b>942,782</b>	<b>-</b>	<b>1,597,510</b>
Segment results from operations (before finance cost)*	93,845	71,313	352,840	(114,786)	403,212
Less: segment results from discontinued operations	-	(800)	(1,000)	-	(1,800)
<b>Segment results from continuing operations (before finance cost)</b>	<b>93,845</b>	<b>70,513</b>	<b>351,840</b>	<b>(114,786)</b>	<b>401,412</b>
Net finance cost	-	-	-	(127,891)	(127,891)
Profit/ (loss) for the period	93,845	71,313	352,840	(242,677)	275,321
Profit/ (loss) from discontinued operations	-	(800)	(1,000)	-	(1,800)
<b>Profit/ (loss) from continuing operations</b>	<b>93,845</b>	<b>70,513</b>	<b>351,840</b>	<b>(242,677)</b>	<b>273,521</b>

\* Segment results from operations (before finance cost) comprise profit for the period plus net finance cost.

Net finance cost and tax expense has not been allocated to various geographical locations and are instead reported in head office.



# DP World Limited and its subsidiaries

Notes (continued)

## 5 Segment information (continued)

	<b>Asia Pacific and Indian Subcontinent USD'000 (Unaudited)</b>	<b>Australia, New Zealand and Americas USD'000 (Unaudited)</b>	<b>Middle East, Europe and Africa USD'000 (Unaudited)</b>	<b>Head Office USD'000 (Unaudited)</b>	<b>June 2008 Total USD'000 (Unaudited)</b>
<b>Segment assets</b>	<b>5,364,015</b> =====	<b>3,085,538</b> =====	<b>8,342,900</b> =====	<b>98,544</b> =====	<b>16,890,997</b> =====
Segment liabilities	348,392	256,951	1,061,439	5,272,336	6,939,118
Tax liabilities	-	-	-	1,461,381	1,461,381
<b>Total liabilities</b>	<b>348,392</b> =====	<b>256,951</b> =====	<b>1,061,439</b> =====	<b>6,733,717</b> =====	<b>8,400,499</b> =====
Capital expenditure	79,927 =====	49,894 =====	444,116 =====	420 =====	574,357 =====
Depreciation	19,533 =====	28,756 =====	71,259 =====	219 =====	119,767 =====
Amortisation	24,482 =====	20,605 =====	17,469 =====	- =====	62,556 =====
Share of profit of associates and joint ventures	22,195 =====	12,530 =====	19,900 =====	- =====	54,625 =====
Tax expense	- =====	- =====	- =====	66,731 =====	66,731 =====

Tax liabilities and tax expense have not been allocated to various geographical locations and are reported in head office.

# DP World Limited and its subsidiaries

Notes (continued)

## 5 Segment information (continued)

### Earnings before interest, tax, depreciation and amortisation (“EBITDA”) - Adjusted

	Asia Pacific and Indian Subcontinent USD'000 (Unaudited)	Australia, New Zealand and Americas USD'000 (Unaudited)	Middle East, Europe and Africa USD'000 (Unaudited)	Head Office USD'000 (Unaudited)	June 2008 Total USD'000 (Unaudited)
<b>Profit from continuing operations</b>	<b>93,845</b>	<b>70,513</b>	<b>351,840</b>	<b>(242,677)</b>	<b>273,521</b>
Less: separately disclosable items	(2,164)	-	-	15,627	13,463
<b>Adjusted net profit</b>	<b>91,681</b>	<b>70,513</b>	<b>351,840</b>	<b>(227,050)</b>	<b>286,984</b>
Interest income	-	-	-	(39,697)	(39,697)
Interest expense	-	-	-	167,588	167,588
Tax expense	-	-	-	55,131	55,131
Depreciation and amortisation	44,015	49,361	88,728	219	182,323
<b>EBITDA (Adjusted)</b>	<b>135,696</b>	<b>119,874</b>	<b>440,568</b>	<b>(43,809)</b>	<b>652,329</b>

# DP World Limited and its subsidiaries

Notes (continued)

## 5 Segment information (continued)

	Asia Pacific and Indian Subcontinent USD'000 (Unaudited)	Australia, New Zealand and Americas USD'000 (Unaudited)	Middle East, Europe and Africa USD'000 (Unaudited)	Head Office USD'000 (Unaudited)	June 2007 Total USD'000 (Unaudited)
Revenue	211,164	465,497	1,100,988	-	1,777,649
Less: revenue from discontinued operations	-	(61,500)	(440,900)	-	(502,400)
Revenue from continuing operations	211,164	403,997	660,088	-	1,275,249
Segment results from operations (before finance cost)*	131,576	266,254	732,038	(112,321)	1,017,547
Less: segment results from discontinued operations	-	(143,870)	(503,693)	-	(647,563)
Segment results from continuing operations (before finance cost)	131,576	122,384	228,345	(112,321)	369,984
Net finance cost	-	-	-	(44,492)	(44,492)
Profit for the period	131,576	266,254	732,038	(156,813)	973,055
Profit from discontinued operations	-	(143,870)	(503,693)	-	(647,563)
Profit from continuing operations	131,576	122,384	228,345	(156,813)	325,492

\* Segment results from operations (before finance cost) comprise profit for the period plus net finance cost.

Net finance cost and tax expense has not been allocated to various geographical locations and are instead reported in head office.

# DP World Limited and its subsidiaries

Notes (continued)

## 5 Segment information (continued)

	Asia Pacific and Indian Subcontinent USD'000 (Audited)	Australia, New Zealand and Americas USD'000 (Audited)	Middle East, Europe and Africa USD'000 (Audited)	Head Office USD'000 (Audited)	Dec 2007 Total USD'000 (Audited)
Segment assets	5,317,769	2,868,393	6,855,908	2,148,137	17,190,207
Segment liabilities	357,672	200,524	668,066	6,131,632	7,357,894
Tax liabilities	-	-	-	1,459,538	1,459,538
Total liabilities	357,672	200,524	668,066	7,591,170	8,817,432
					June 2007 Total USD'000 (Unaudited)
Capital expenditure	12,472	43,597	237,927	762	294,758
Depreciation	30,166	26,096	64,253	156	120,671
Amortisation	13,498	17,710	7,125	-	38,333
Share of profit of associates and joint ventures	22,655	4,054	9,016	-	35,725
Tax expense	-	-	-	28,040	28,040

Tax liabilities and tax expense have not been allocated to various geographical locations and are reported in head office.

# DP World Limited and its subsidiaries

Notes (continued)

## 5 Segment information (continued)

Earnings before interest, tax, depreciation and amortisation (“EBITDA”) - Adjusted

	Asia Pacific and Indian Subcontinent USD'000 (Unaudited)	Australia, New Zealand and Americas USD'000 (Unaudited)	Middle East, Europe and Africa USD'000 (Unaudited)	Head Office USD'000 (Unaudited)	June 2007 Total USD'000 (Unaudited)
Profit from continuing operations	131,576	122,384	228,345	(156,813)	325,492
Less: separately disclosable items	(58,208)	(76,400)	-	(57,825)	(192,433)
Adjusted net profit	73,368	45,984	228,345	(214,638)	133,059
Interest income	-	-	-	(115,011)	(115,011)
Interest expense	-	-	-	256,028	256,028
Tax expense	-	-	-	28,040	28,040
Depreciation and amortisation	43,664	43,806	71,378	156	159,004
EBITDA (Adjusted)	117,032	89,790	299,723	(45,425)	461,120

# DP World Limited and its subsidiaries

Notes (continued)

## 6 Investment in associates and joint ventures

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group:

	<b>Asia Pacific and Indian Subcontinent USD'000 (Unaudited)</b>	<b>Australia, New Zealand and Americas USD'000 (Unaudited)</b>	<b>Middle East, Europe and Africa USD'000 (Unaudited)</b>	<b>June 2008 Total USD'000 (Unaudited)</b>
Current assets	289,661	201,693	359,247	850,601
Non-current assets	6,913,735	690,733	3,147,053	10,751,521
<b>Total assets</b>	<b>7,203,396</b>	<b>892,426</b>	<b>3,506,300</b>	<b>11,602,122</b>
Current liabilities	247,379	113,040	183,068	543,487
Non-current liabilities	2,101,036	347,640	1,068,918	3,517,594
<b>Total liabilities</b>	<b>2,348,415</b>	<b>460,680</b>	<b>1,251,986</b>	<b>4,061,081</b>
Revenues	383,957	281,134	357,885	1,022,976
Expenses	(309,650)	(244,143)	(307,294)	(861,087)
<b>Net profit</b>	<b>74,307</b>	<b>36,991</b>	<b>50,591</b>	<b>161,889</b>
EBITDA for six months period ending 30 June 2008				<b>395,673</b>
The Group's share of profit of equity accounted associates and joint ventures for six months period ending 30 June 2008				<b>54,625</b>
The Group's share of net assets of equity accounted associates and joint ventures				<b>3,479,597</b>

# DP World Limited and its subsidiaries

## Notes (continued)

### 6 Investment in associates and joint ventures

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group:

	Asia Pacific and Indian Subcontinent USD'000 (Audited)	Australia, New Zealand and Americas USD'000 (Audited)	Middle East, Europe and Africa USD'000 (Audited)	Dec 2007 Total USD'000 (Audited)
Current assets	333,801	214,260	235,896	783,957
Non-current assets	7,135,770	881,686	2,993,739	11,011,195
<b>Total assets</b>	<b>7,469,571</b>	<b>1,095,946</b>	<b>3,229,635</b>	<b>11,795,152</b>
Current liabilities	721,679	164,068	405,256	1,291,003
Non-current liabilities	1,437,119	294,374	516,789	2,248,282
<b>Total liabilities</b>	<b>2,158,798</b>	<b>458,442</b>	<b>922,045</b>	<b>3,539,285</b>
				June 2007 Total USD'000 (Unaudited)
Revenues	337,026	291,603	258,395	887,024
Expenses	(262,491)	(272,459)	(240,078)	(775,028)
<b>Net profit</b>	<b>74,535</b>	<b>19,144</b>	<b>18,317</b>	<b>111,996</b>
EBITDA for six months period ending 30 June 2007				320,864
The Group's share of profit of equity accounted associates and joint ventures For six months period ending 30 June 2007				35,725
The Group's share of net assets of equity accounted associates and joint ventures				3,322,304

# DP World Limited and its subsidiaries

Notes (continued)

## 7 Business combinations

On 19 February 2008, the Group acquired a 90% ownership interest in Egyptian Container Handling Company (ECHCO) – S.A.E. at Sokhna Port, Egypt through its 100% owned subsidiary, DP World FZE.

The provisional fair values of the identifiable assets and liabilities acquired by the Group are as follows:

	<b>Recognised on acquisition USD'000</b>	<b>Carrying value USD'000</b>
Property, plant and equipment (note 9)	123,583	123,583
Other long term investment	778	778
Accounts receivable and prepayments	61,900	80,357
Inventories	2,845	2,845
Bank balances and cash	13,954	13,954
Finance lease	6,048	-
Intangible assets	688,826	-
	<b>897,934</b>	<b>221,517</b>
Accounts payables and accruals	(11,340)	(11,340)
Dividend payable	(111)	(111)
Bank overdraft	(48,758)	(48,758)
Loans and borrowings	(83,256)	(83,256)
Shareholders' current account	(1,218)	(1,218)
Finance lease liability	(6,048)	-
	<b>(150,731)</b>	<b>(144,683)</b>
Fair value of net assets acquired	747,203	
Less: Attributable to minority shareholders	(74,720)	
Total acquisition cost	672,483	
Less: Cash acquired with the subsidiary	(13,954)	
Net cash outflow on acquisition	658,529	

From the date of acquisition, ECHCO has incurred a loss of USD 7,991 thousand. If the acquisition had taken place at the beginning of the year, the loss would have been USD 8,160 thousand.



# DP World Limited and its subsidiaries

Notes (continued)

## 8 Income tax

The Group's consolidated effective tax rate in respect of continuing operations is as below:

	<b>Six months ended 30 June 2008 (Unaudited)</b>	<b>Six months ended 30 June 2007 (Unaudited) (Restated)</b>
Before separately disclosable items	20.0%	19.9%
Including separately disclosable items	23.5%	15.3%

The effective tax rate is derived from profits of continuing operations after excluding profit on sale and termination of businesses.

The effective tax rate for the six months ended 30 June 2007 has been restated from 12.7% to 15.3%. This restatement reflects the tax on joint ventures and associates being accounted for in the effective tax rate calculation.

## 9 Property, plant and equipment

During the six months period ended 30 June 2008, the Group acquired assets amounting to USD 618,538 thousand (30 June 2007: USD 3,997,337 thousand), of which, USD 123,583 thousand assets were acquired through business combination on 19 February 2008 as described in note 7.

The depreciation on property, plant and equipment during the six months period ended 30 June 2008 amounted to USD 119,767 thousand (30 June 2007: USD 120,671 thousand).

Assets with a net carrying amount of USD 29,781 thousand were disposed of by the Group during the six months ended 30 June 2008 (30 June 2007: USD 737,846 thousand), resulting in a profit on disposal of USD 1,863 thousand (30 June 2007: loss of USD 11,244 thousand).

The Group adopted IFRIC 12 in the current period resulting in the re-classification of USD 400,161 thousand at 30 June 2008 (31 December 2007: USD 416,640 thousand) from property, plant and equipment to other intangible assets. Also refer notes 3 and 10.

## 10 Other intangible assets

During the six month period ended 30 June 2008, the Group acquired other intangible assets with a cost of USD 768,228 thousand (30 June 2007: USD nil), of which, USD 688,826 thousand (30 June 2007: USD nil) assets were acquired on the acquisition of ECHCO on 19 February 2008 as described in note 7.

The amortization of other intangible assets during the six months period ended 30 June 2008 amounted to USD 62,556 thousand (30 June 2007: USD 38,333 thousand).

The Group adopted IFRIC 12 in the current period resulting in the re-classification of USD 400,161 thousand at 30 June 2008 (31 December 2007: USD 416,640 thousand) from property, plant and equipment to other intangible assets. Also refer to notes 3 and 9.

# DP World Limited and its subsidiaries

Notes (continued)

## 11 Bank balances and cash

	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited)
Cash at banks and in hand	<b>619,594</b>	2,016,239
Short-term deposits	<b>243,950</b>	493,444
Deposits under lien	<b>436,364</b>	549,180
	-----	-----
Bank balances and cash	<b>1,299,908</b>	3,058,863
Bank overdrafts	<b>(10,584)</b>	(182,866)
	-----	-----
Cash and cash equivalents	<b>1,289,324</b>	2,875,997
	=====	=====

Short-term deposits are maintained for varying periods between one day and three months depending on the cash requirements of the Group and earn interest at the respective short-term deposit market rates.

Of the deposits under lien, USD 368,000 thousand arose from amounts drawn down under the Group's syndicated term loan facility and placed on deposit to collateralise some of the borrowings of Peninsular & Oriental Steam Navigation Company Limited ("P&O"). The balance of USD 68,364 thousand is under lien in respect of certain loan notes issued to the erstwhile shareholders of P&O.

Bank overdrafts are repayable on demand.

## 12 Share capital

The share capital of the Company was as follows:

	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited)
<i>Authorised</i>		
25,000,000,000 ordinary shares of USD 0.10 each	<b>2,500,000</b>	2,500,000
	=====	=====
<i>Issued and fully paid</i>		
16,600,000,000 ordinary shares of USD 0.10 each	<b>1,660,000</b>	1,660,000
	=====	=====

No new shares were issued during the period. Also refer to note 1.

# DP World Limited and its subsidiaries

Notes (continued)

## 13 Capital and reserves

	Share capital USD'000 (Unaudited)	Share premium USD'000 (Unaudited)	Shareholders' reserve USD'000 (Unaudited)	Retained earnings USD'000 (Unaudited)	Hedging reserve USD'000 (Unaudited)	Actuarial reserve USD'000 (Unaudited)	Translation reserve USD'000 (Unaudited)	Total USD'000 (Unaudited)	Minority interest USD'000 (Unaudited)	June 2008 Total USD'000 (Unaudited)
At 31 December 2007 and 1 January 2008	1,660,000	2,472,655	2,000,000	1,105,049	(19,143)	(46,400)	543,439	7,715,600	657,175	8,372,775
Total recognised income and expenses for the period	-	-	-	264,676	17,550	(115,700)	151,658	318,184	5,081	323,265
Dividend paid	-	-	-	(220,781)	-	-	-	(220,781)	(21,226)	(242,007)
Acquisition of minority interest	-	-	-	-	-	-	-	-	(45,473)	(45,473)
Minority interest on acquisition of subsidiary	-	-	-	-	-	-	-	-	74,720	74,720
Amounts contributed by minority shareholders	-	-	-	-	-	-	-	-	7,218	7,218
<b>At 30 June 2008</b>	<b>1,660,000</b>	<b>2,472,655</b>	<b>2,000,000</b>	<b>1,148,944</b>	<b>(1,593)</b>	<b>(162,100)</b>	<b>695,097</b>	<b>7,813,003</b>	<b>677,495</b>	<b>8,490,498</b>

  

	Share capital USD'000 (Unaudited)	Share premium USD'000 (Unaudited)	Shareholders' reserve USD'000 (Unaudited)	Retained earnings USD'000 (Unaudited)	Hedging reserve USD'000 (Unaudited)	Actuarial reserve USD'000 (Unaudited)	Translation reserve USD'000 (Unaudited)	Total USD'000 (Unaudited)	Minority interest USD'000 (Unaudited)	June 2007 Total USD'000 (Unaudited)
At 1 January 2007	-	-	-	-	-	-	-	-	-	-
Acquisition of entities under common control	-	-	-	-	-	-	-	-	702,224	702,224
Total recognised income and expenses for the period	-	-	-	955,326	(11,643)	14,000	285,117	1,242,800	37,159	1,279,959
Acquisition of minority interest	-	-	-	-	-	-	-	-	(5,504)	(5,504)
Amounts contributed by minority shareholders	-	-	-	-	-	-	-	-	600	600
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	(21,867)	(21,867)
Divestment	-	-	-	-	-	-	-	-	(22,132)	(22,132)
<b>At 30 June 2007</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>955,326</b>	<b>(11,643)</b>	<b>14,000</b>	<b>285,117</b>	<b>1,242,800</b>	<b>690,480</b>	<b>1,933,280</b>

# DP World Limited and its subsidiaries

Notes (continued)

## 14 Dividend paid

A dividend relating to 2007 amounting to USD 220,781 thousand was paid during the period ended 30 June 2008.

## 15 Loans and borrowings

The Group's loans and borrowings are as follows:

	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited)
<b>Non-current liabilities</b>		
Secured bank loans	298,790	96,277
Unsecured bank loans	1,523,302	2,246,571
Unsecured bond issues	3,228,582	3,227,440
Unsecured loan stock	6,507	6,481
Mortgage debenture stocks	2,838	2,827
Finance lease liabilities	15,906	28,180
	-----	-----
	<b>5,075,925</b>	<b>5,607,776</b>
	-----	-----
<b>Current liabilities</b>		
Secured bank loans	104,835	85,119
Unsecured bank loans	202,562	25,733
Finance lease liabilities	1,301	461
	-----	-----
	<b>308,698</b>	<b>111,313</b>
	-----	-----
<b>Total</b>	<b>5,384,623</b>	<b>5,719,089</b>
	=====	=====

## 16 Related party transactions

Transactions with related parties included in the financial statements are as follows:

	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	30 June 2007 USD'000 (Unaudited)
Expenses charged by a related party	19,297	16,121
	=====	=====
Concession fee charged by a related party	24,500	24,500
	=====	=====
Management fee charged to associates	3,507	1,769
	=====	=====

# DP World Limited and its subsidiaries

Notes (continued)

## 16 Related party transactions (continued)

Balances with related parties included in the balance sheet are as follows:

<b>Due from related parties</b>	<b>30 June 2008</b>	31 Dec 2007
	<b>USD'000</b>	USD'000
	<b>(Unaudited)</b>	(Audited)
Joint venture and associates	15,556	7,679
Other related parties	91,426	86,969
	-----	-----
	<b>106,982</b>	94,648
	=====	=====
 <b>Due to related parties</b>		
Joint venture and associates	159,886	93,507
Other related parties	213,029	193,071
	-----	-----
	<b>372,915</b>	286,578
	=====	=====

## 17 Operating leases

### Operating lease commitments – Group as lessee

Future minimum rentals payable under non-cancellable operating leases are as follows:

	<b>30 June 2008</b>	31 Dec 2007
	<b>USD'000</b>	USD'000
	<b>(Unaudited)</b>	(Audited)
Within one year	151,451	217,678
Between one and five years	634,537	648,247
Between five to ten years	1,428,630	1,347,577
Between ten to twenty years	1,855,452	1,958,176
Between twenty to thirty years	849,160	634,868
Between thirty to fifty years	1,099,396	1,019,876
Between fifty to seventy years	918,208	914,908
More than seventy years	1,238,526	1,257,999
	-----	-----
	<b>8,175,360</b>	7,999,329
	=====	=====

# DP World Limited and its subsidiaries

Notes (continued)

## 17 Operating leases (continued)

### Operating lease commitments – Group as lessor

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited)
Within one year	<b>11,689</b>	13,417
Between one to five years	<b>21,651</b>	23,809
More than five years	<b>6,603</b>	3,695
	-----	-----
	<b>39,943</b>	40,921
	=====	=====

## 18 Capital commitments

	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited)
Capital expenditure contracted for at the balance sheet date	<b>986,536</b>	1,195,405
	=====	=====

## 19 Contingent liabilities

(a) The Group has the following contingent liabilities in respect of guarantees issued:

<b>Type of guarantee</b>	<b>30 June 2008</b> <b>USD'000</b> <b>(Unaudited)</b>	31 Dec 2007 USD'000 (Audited)
Payment guarantees	<b>103,921</b>	158,110
Performance guarantees	<b>46,004</b>	32,204
Letters of credit	<b>1,793</b>	1,793
	=====	=====

(b) A contingent liability of USD 4,500 thousand exists in a subsidiary in relation to an objection raised by tax authorities on the basis of calculation of interest and exchange differences on the inter-company loan for the years 2002 to 2004. In addition to this, USD 3,700 thousand of potential additional tax charges exists on tax returns for the years from 2005 to 2007.

# DP World Limited and its subsidiaries

Notes *(continued)*

## **19 Contingent liabilities** *(continued)*

- (c) A contingent liability exists in a joint venture of the Group relating to a value added tax assessment resulting from a tax audit for the year 2003. The joint venture company believes that there is no liability. Accordingly, it has objected to the assessment and is currently awaiting rulings from the tax authority. The Group's share of the contingent liability relating to the 2003 assessment is USD 4,300 thousand. If the assessment for 2003 is upheld, there may be liabilities relating to other years but these cannot be reliably estimated until tax rulings following the objection have been published.
- (d) The Group through its 100% owned subsidiary Mundra International Container Terminal Private Limited (MICT) has developed and is operating the container terminal at the Mundra port in Gujarat.

In 2006, MICT received a show cause notice from Gujarat Maritime Board (GMB) requiring MICT to demonstrate that the undertaking given by its parent company, P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World).

Based on the strong merits of the case and on the advice received from legal counsel, management believes that the above litigation is unsubstantiated, and in management's view, it will have no impact on the Group's ability to continue to operate the port.

- (e) Chennai Port Trust ("CPT") has raised a demand for an amount of USD 21,320 thousand from Chennai Container Terminal Limited ("CCTL"), a subsidiary of the Company, on the basis that CCTL has failed to fulfill its obligations in respect of non-transshipment containers for a period of four consecutive years from 1 December 2003. CCTL has subsequently paid USD 14,920 thousand under dispute. CCTL has commenced legal proceedings at the Chennai High Court against CPT. Based on advice from the legal counsel, management believes that the legal proceedings will have no adverse impact on the Group's financial position, the amount paid to be recovered eventually and will not result in termination of the license agreement to operate the port.

## **20 Events after balance sheet date**

- (a) Effective 1 July 2008, the Group acquired a 60% shareholding in Contarsa Sociedad de Estiba (Contarsa), a privately owned company which holds the exclusive concession for Tarragona container terminal in northern Spain.
- (b) On 13 July 2008, the Group finalized a joint venture with Yemen Gulf of Aden Port Corporation that will see the Group operating and developing the container handling facilities in the port of Aden. The agreement includes the lease of both Aden Container Terminal and of nearby Ma'alla Container Terminal, and a commitment by the joint venture to invest around US\$220 million in further developing the port, including building a new 400 metre berth extension to Aden Container Terminal within five years from handover, which is expected by the end of this year.

As these events occurred after the reporting date, but before these interim financial statements were authorised for issue, they have not been adjusted.

# DP World Limited and its subsidiaries

Notes *(continued)*

## **21 Comparative figures**

Certain comparative figures have been reclassified / regrouped, wherever necessary, to conform to the presentation adopted in these financial statements.