

AL WAHA CAPITAL P.J.S.C.

*(Formerly known as Oasis International Leasing
Company P.J.S.C.)*



Interim Condensed Consolidated Financial Statements
for the nine month period ended 30 September 2008

AL WAHA CAPITAL P.J.S.C.

Interim Condensed Consolidated Financial Statements for the nine month period ended 30 September 2008

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AL WAHA CAPITAL P.J.S.C.

Company Information

Board of Directors

Chairman H.E. Hussain Al Nowais

Vice Chairman Mr. Waleed Al Mokarrab Al Muhairi
H.E. Khalil M.S. Foulathi (resigned on 9 September 2008)

Directors Mr. Abubaker Khouri
Mr. Carlos Obeid
Mr. Fahad Saeed Al Raqbani
Mr. Khaled Al Mass (appointed on 9 September 2008)
Mr. Saif Al Hajeri

Chief Executive Officer Mr. Samer Alhaj

Deputy Chief Executive Officer Mr. Salem Al Noaimi

Head Office P O Box 28922
4th Floor, Aseel Building
Six Towers, Al Bateen
Abu Dhabi
UAE

Auditors KPMG
P O Box 7613
16th Floor, Falcon Tower
Al Nasr Street
Abu Dhabi
UAE

AL WAHA CAPITAL P.J.S.C.

Operations and Financial Review

Commentary

September 2008 has proved to be a month that will go down in history as the US and the global financial systems experienced their worst crisis in the past nearly 80 years. The full repercussions of this crisis continue to unfold rapidly and the full impact on global and local markets is yet to be assessed and comprehended. Nevertheless, and in the face of the prevailing environment, Waha Capital still managed to increase its Q3 profits by 34% year-over-year. The next several months will undoubtedly be challenging, however, by the same token, they will likely present compelling and unprecedented opportunities for the disciplined and diligent investor. Waha Capital is committed to continue to prudently pursue its announced strategy across its various business units to create shareholder value, while being mindful of preserving our shareholder value as the first priority.

Operating performance and investments

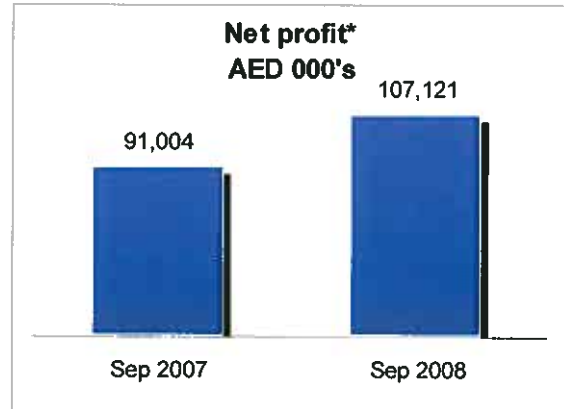
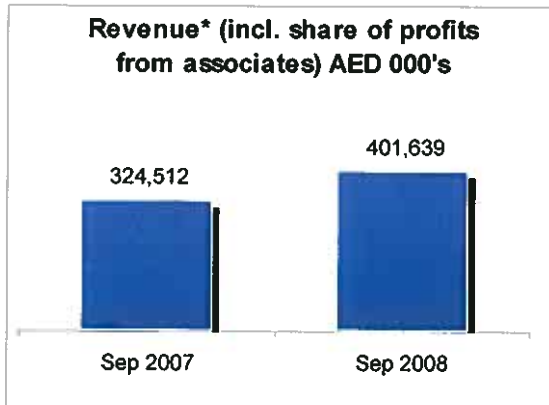
- Revenue (including share of profits of associates) increased to AED401.6m compared to AED324.5m during the corresponding period in 2007.
- Operating costs together with administrative and other expenses rose by 31.9% to AED321.4m from AED243.7m in the corresponding period in 2007, reflecting the increased business activities of the Group and investment in building a platform for growth.
- The net profit increased by 17.7% to AED107.1m as compared to AED91m during the corresponding period in the previous year. Q3 net profit was AED40m, an increase of 34% year-over-year.
- During 2008, operating assets of the Group increased to AED4,476.1m, which represents an increase of 2.9% as compared to operating assets as at 31 December 2007.

Highlights

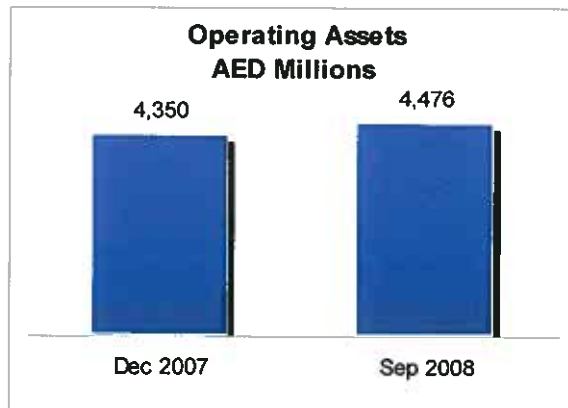
- Increase in revenue was contributed primarily by the increase in income from aircraft operating leases and finance leases and the increase in share of profits from investments in associates.
- As at 30 September 2008, Waha has investment commitments of AED326m, indicating an increase in business activity during the rest of the year.
- Four aircraft were sold to a lessee who exercised the buyout option in the lease.

Operations and Financial Review (continued)

Certain Key Performance Indicators



* for nine month period ended



Chief Executive Officer



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Independent Review Report on the Interim Condensed Consolidated Financial Information

To the Shareholders
Al Waha Capital PJSC
P O Box 28922
4th Floor, Aseel Building
Six Tower, Al Bateen
Abu Dhabi
UAE

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Al Waha Capital PJSC ("the Company") (formerly known as Oasis International Leasing Company PJSC) and its subsidiaries (collectively referred to as "the Group") as at 30 September 2008 and the related condensed consolidated statements of income, statement of changes in equity and cash flows for the nine month period then ended (the interim financial information). Management is responsible for the preparation and presentation of this (consolidated) interim financial information in accordance with International Financial Reporting Standard IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at 30 September 2008 is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

Signed by:
Sharad K Bhandari
Partner
Abu Dhabi
Registration No 267

KPMG

19 OCT 2008

AL WAHA CAPITAL P.J.S.C.

Interim Condensed Consolidated Income Statement for the nine month period ended 30 September 2008

	Note	Nine month period ended 30 September 2008 AED'000 (Reviewed)	Nine month period ended 30 September 2007 AED'000 (Reviewed)	Three month period ended 30 September 2008 AED'000 (Reviewed)	Three month period ended 30 September 2007 AED'000 (Reviewed)
Revenue	4	358,700	324,512	111,226	112,056
Share of profit from investments in associates		42,939	-	17,982	-
Operating costs		(260,009)	(220,354)	(76,778)	(77,837)
Other operating income		22,319	-	4,419	-
Administrative and other expenses		(61,411)	(23,345)	(18,407)	(7,402)
Operating profit		102,538	80,813	38,442	26,817
Other income		4,583	10,191	1,869	3,195
Net profit		107,121	91,004	40,311	30,012
Earnings per share (AED)	6	0.07	0.06	0.03	0.02

The notes numbered 1 to 10 form an integral part of these Interim Condensed Consolidated Financial Statements.
The Independent Review Report of the Auditors is set out on page 4.

AL WAHA CAPITAL P.J.S.C.

Interim Condensed Consolidated Balance Sheet as at 30 September 2008

	Note	30 September 2008 (AED '000) <i>(Reviewed)</i>	31 December 2007 (AED '000) <i>(Audited)</i>
ASSETS			
Operating assets			
Operating lease assets		1,793,817	1,771,432
Investments in finance leases		1,978,676	2,091,848
Loan investments		231,826	273,189
Investments held-to-maturity		-	462
Investments available-for-sale		33,733	2,039
Investments in associates		438,117	211,030
Investment property		<u>1</u>	<u>1</u>
		4,476,170	4,350,001
Other assets			
Project costs		28,937	26,185
Deferred tax asset		4,499	4,499
Financial assets at fair value through profit or loss	5	23,740	-
Other fixed assets		19,967	5,060
Trade and other receivables		112,946	42,876
Cash-encumbered		50,180	121,984
Cash and cash equivalents		<u>117,096</u>	<u>74,192</u>
		357,365	274,796
Total assets		<u>4,833,535</u>	<u>4,624,797</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	7	1,575,000	1,500,000
Statutory reserve		38,929	38,929
Available-for-sale equity reserve		(1,057)	1,522
Retained earnings		<u>254,612</u>	<u>300,491</u>
		1,867,484	1,840,942
Liabilities			
Term loans		2,763,667	2,607,714
Trade and other payables		<u>202,384</u>	<u>176,141</u>
		2,966,051	2,783,855
Total equity and liabilities		<u>4,833,535</u>	<u>4,624,797</u>

These Interim Condensed Consolidated Financial Statements were authorised for issue by the Board of Directors on 19 October 2008 and signed on their behalf by:


Chairman


Chief Executive Officer

The notes numbered 1 to 10 form an integral part of these Interim Condensed Consolidated Financial Statements. The Independent Review Report of the Auditors is set out on page 4.

AL WAHA CAPITAL P.J.S.C.

Interim Condensed Consolidated Statement of Changes in Equity for the nine month period ended 30 September 2008

	Share capital (AED'000)	Statutory reserve (AED'000)	Available- for-sale equity reserve (AED'000)	Retained earnings (AED'000)	Total (AED'000)
At 1 January 2007	1,500,000	21,856	4	147,333	1,669,193
Fair value adjustments	-	-	12,721	-	12,721
Net profit for the period	-	-	-	91,004	91,004
Stock split expense	-	-	-	(500)	(500)
At 30 September 2007 (Reviewed)	1,500,000	21,856	12,725	237,837	1,772,418
At 1 January 2008	1,500,000	38,929	1,522	300,491	1,840,942
Fair value adjustments	-	-	(2,579)	-	(2,579)
Net profit for the period	-	-	-	107,121	107,121
Dividend (Refer to Note 8)	75,000	-	-	(150,000)	(75,000)
Directors' fees	-	-	-	(3,000)	(3,000)
At 30 September 2008 (Reviewed)	1,575,000	38,929	(1,057)	254,612	1,867,484

The notes numbered 1 to 10 form an integral part of these Interim Condensed Consolidated Financial Statements. The Independent Review Report of the Auditors is set out on page 4.

AL WAHA CAPITAL P.J.S.C.

Interim Condensed Consolidated Statement of Cash Flows for the period ended 30 September 2008

	Nine month period ended 30 September 2008 (AED'000) (Reviewed)	Nine month period ended 30 September 2007 (AED'000) (Reviewed)
Net profit	107,121	91,004
<i>Adjustments for:</i>		
Depreciation	107,461	95,094
Interest on term loans	126,854	116,915
Interest on bank deposits	(2,058)	(10,139)
Interest income from loan investments	(20,458)	(22,050)
Interest income from finance leases	(123,620)	(120,444)
Interest income from investments held-to-maturity	(9)	(79)
Amortisation of project costs	4,965	2,471
Gain on sale of operating lease assets	(19,009)	-
Gain on sale of finance lease receivables	(65)	-
Gain on sale of investment in securities	(535)	-
Payments received from loan investments	70,303	50,652
Payments received from finance leases	187,778	167,945
Payments from investments held-to-maturity	471	15
Income from investments in associates	(42,939)	-
Interest paid on term loans	(131,117)	(119,658)
Taxes paid	-	(210)
Changes in working capital:		
Change in trade and other receivables	(78,559)	(5,030)
Change in trade and other payables	30,506	33,654
Net cash flows from operating activities	217,090	280,140
Purchase of operating lease assets	(367,941)	(258,588)
Proceeds from sale of investments in finance leases	49,079	-
Proceeds from sale of operating lease assets	258,379	-
Investments in associates	(184,148)	-
Net investment in securities	(23,205)	-
Investments in finance leases	-	(639,972)
Investments in available for sale investments	(34,273)	-
Project costs incurred	(7,717)	(4,310)
Purchase of other fixed assets	(16,182)	(567)
Movement in cash-encumbered	71,804	7,401
Interest received	2,065	43,566
Net cash used in investing activities	(252,139)	(852,470)

AL WAHA CAPITAL P.J.S.C.

Interim Condensed Consolidated Statement of Cash Flows for the period ended 30 September 2008 (continued)

	Nine month period ended 30 September 2008 (AED'000) <i>(Reviewed)</i>	Nine month period ended 30 September 2007 (AED'000) <i>(Reviewed)</i>
Term loans obtained	616,433	543,977
Term loans repaid	(460,480)	(101,000)
Dividend paid	(75,000)	-
Directors fees	(3,000)	-
Stock split expenses	-	(500)
Net cash from financing activities	77,953	442,477
Net increase / (decrease) in cash and cash equivalents	42,904	(129,853)
Cash and cash equivalents at beginning of the period	74,192	312,355
Cash and cash equivalents at end of the period	117,096	182,502

The notes numbered 1 to 10 form an integral part of these Interim Condensed Consolidated Financial Statements. The Independent Review Report of the Auditors is set out on page 4.

AL WAHA CAPITAL P.J.S.C.

Notes to the Interim Condensed Consolidated Financial Statements for the nine month period ended 30 September 2008

1 Establishment and operations

Al Waha Capital P.J.S.C. ("the Company") (formerly known as Oasis International Leasing Company P.J.S.C) is a public joint stock company with limited liability formed in the Emirate of Abu Dhabi, United Arab Emirates, by Emiri Decree No. 10 dated 20 May 1997 and was incorporated on 12 July 1997.

During 2008, the Company changed its name from Oasis International Leasing Company P.J.S.C. to Al Waha Capital P.J.S.C., as approved in the Annual General Assembly Meeting on 2 May 2007.

These Interim Condensed Consolidated Financial Statements for the nine month period ended 30 September 2008 comprise the Company and its Subsidiaries (collectively referred to as "the Group") and the Group's interest in associates and jointly controlled entities. A list of Subsidiaries is set out in Note 3 to these Interim Condensed Consolidated Financial Statements.

The Group is engaged in owning, selling, leasing and investing in all types of fixed and movable assets worldwide.

The Consolidated Financial Statements of the Group as at and for the year ended 31 December 2007 are available upon request from the Company's registered office at P O Box 28922, 4th Floor, Aseel Building, Six Towers, Al Bateen, Abu Dhabi, UAE.

2 Significant accounting policies

(a) Statement of compliance

These Interim Condensed Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34, *Interim Financial Reporting*. They do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the Consolidated Financial Statements of the Group as at and for the year ended 31 December 2007.

(b) Basis of preparation

The accounting policies and methods of computation applied by the Group in these Interim Condensed Consolidated Financial Statements are the same as those applied by the Group in the preparation of the Consolidated Financial Statements as at and for the year ended 31 December 2007.

(c) Financial assets at fair value through profit or loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

AL WAHA CAPITAL P.J.S.C.

3 Consolidation

Subsidiaries

The financial statements of the following companies (“the Subsidiaries”) have been consolidated in these financial statements. These Subsidiaries are wholly owned by the Company.

Subsidiaries	Country of incorporation
Al Waha Land LLC	UAE
Al Waha Maritime LLC	UAE
Al Waha Special Maritime Units LLC	UAE
Al Waha Financial Investments LLC	UAE
Second Waha Lease Limited	Isle of Man
Third Waha Lease Limited	Isle of Man
Fourth Waha Lease Limited	Isle of Man
Fifth Waha Lease Limited	Isle of Man
Sixth Waha Lease Limited	Isle of Man
Seventh Waha Lease Limited	Isle of Man
Eighth Waha Lease Limited	Isle of Man
Ninth Waha Lease Limited	Isle of Man
Tenth Waha Lease Limited	Isle of Man
Eleventh Waha Lease Limited	Isle of Man
Twelfth Waha Lease Limited	Isle of Man
Fourteenth Waha Lease Limited	Isle of Man
Fifteenth Waha Lease Limited	Isle of Man
Sixteenth Waha Lease Limited	Isle of Man
Oasis International Leasing (USA) Inc.	United States of America
Ovenstone Limited *	Republic of Ireland
Prunalia Trading Limited *	Republic of Cyprus
Waha Lease (Labuan) Limited *	Federal Territory of Labuan, Malaysia
Sixteenth Waha Lease (Labuan) Limited *	Federal Territory of Labuan, Malaysia
Charlie Fifteenth Lease Limited *	Cayman Islands
November RJ Lease Limited	Cayman Islands
Oscar RJ Lease Limited	Cayman Islands
Victor Lease Limited	Cayman Islands
Clearjet Lease Limited *	Republic of Ireland
Fastjet Lease Limited *	France
Turbo 1 LLC *	United States of America
Alpha Fifteenth Waha Lease Limited	Isle of Man
Bravo Fifteenth Waha Lease Limited	Isle of Man
Henrik Lease Limited	Cayman Islands
Tamarind Lease Limited	Cayman Islands
Al Waha Lease (Ireland) Limited	Republic of Ireland
Al Waha Lease (Ireland No 2) Limited	Republic of Ireland
Oasis Investment No 1 Limited	Cayman Islands
Oasis Investment No 2 Limited	Cayman Islands
Al Waha (Cayman 1) Lease Limited	Cayman Islands
Peninsula Investments Limited	Cayman Islands
OL SPV Limited*	Cayman Islands

* Indirectly held through Subsidiaries.

AL WAHA CAPITAL P.J.S.C.

3 Consolidation (continued)

In addition the Company retains a residual obligation in Union Two, a trust registered in the Cayman Islands. As such, Union Two is treated as a subsidiary.

Jointly controlled entities

The Group has the following interest in jointly controlled entities:

- a 27.5% interest in Industrial City Cooling Company LLC (“ICCC”), incorporated in Abu Dhabi, UAE;
- a 50% interest in WOLF A340 LLC, incorporated in the United States of America; and
- a 33.33% interest in MENA Infrastructure Fund GP (Limited) incorporated in Dubai, UAE;
- a 25% interest in Dunia Finance LLC incorporated in Abu Dhabi, UAE;

Associates

The Group has the following interest in associates:

- a 42.5% stake in Addax Bank BSC, incorporated in the Kingdom of Bahrain.
- a 49% stake in Abraaj Aqua SPV Limited, incorporated in Cayman Islands (indirectly held through OL SPV Limited).

The financial information for ICCC, Addax Bank BSC, Abraaj Aqua SPV Limited, MENA Infrastructure Fund GP (Limited) and Dunia Finance LLC, included in these Interim Condensed Consolidated Financial Statements, is based on management accounts.

4 Segment reporting

Segment information is presented in respect of the Group’s geographical segments. In presenting this information, segment revenue is based on the primary geographical location of the customers’ business operation.

Nine month period ended 30 September 2008 - (AED '000)	<u>Europe</u>	<u>America</u>	<u>Middle East and Asia Pacific</u>	<u>Others</u>	<u>Total</u>
Revenue	79,102	28,137	230,603	20,858	358,700
Nine month period ended 30 September 2007 - (AED '000)	<u>Europe</u>	<u>America</u>	<u>Middle East and Asia Pacific</u>	<u>Others</u>	<u>Total</u>
Revenue	30,042	25,630	246,675	22,165	324,512

AL WAHA CAPITAL P.J.S.C.

5 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise investments held for trading.

6 Earnings per share

Earnings per share is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

	Nine month period ended 30 September 2008 <i>(Reviewed)</i>	Nine month period ended 30 September 2007 <i>(Reviewed)</i>	Three month period ended 30 September 2008 <i>(Reviewed)</i>	Three month period ended 30 September 2007 <i>(Reviewed)</i>
Profit attributable to ordinary equity shareholders (AED '000)	<u>107,121</u>	<u>91,004</u>	<u>40,311</u>	<u>30,012</u>
Ordinary shares (<i>Refer to Note 8</i>)	<u>1,575,000,000</u>	<u>1,575,000,000*</u>	<u>1,575,000,000</u>	<u>1,575,000,000*</u>
Earnings per share (AED)	<u>0.07</u>	<u>0.06</u>	<u>0.03</u>	<u>0.02</u>

* Restated for the effect of bonus shares issued during 2008 (*Refer to Note 8*).

7 Share capital

	30 September 2008 (AED '000) <i>(Reviewed)</i>	31 December 2007 (AED '000) <i>(Audited)</i>
Authorised, issued and fully paid up capital:		
1,575,000,000 ordinary shares of AED 1 each (2007: 1,500,000,000 ordinary shares of AED 1 each) (<i>Refer to Note 8</i>)	<u>1,575,000</u>	<u>1,500,000</u>

8 Dividend

The Shareholders approved distribution of dividend amounting to AED 150 million (AED 75 million in cash and AED 75 million in the form of bonus shares). This resulted in an increase in the share capital to AED 1,575 million.

AL WAHA CAPITAL P.J.S.C.

9 Related party transactions

These represent transactions with related parties (may include major shareholders of the Group, directors or officers of the Group, enterprises that are in a position to exercise significant influence over the Group or those enterprises over which the Group can exercise significant influence). Such transactions are at terms agreed by management and are in the ordinary course of business.

Significant transactions with related parties during the period include key management personnel compensation of (AED '000) 4,666 (2007: (AED '000) 13,256). This includes short-term employee benefits and post-employment benefits.

During 2008, directors' fees amounted to (AED '000) 3,000 (2007: Nil)

10 Contingent liabilities and capital commitments

Where applicable, the Group has contingent liabilities in the ordinary course of business in respect of lease maintenance contributions. The Group believes no material liabilities will arise from these contractual arrangements.

As at the balance sheet date, the Group has investment commitments amounting to (AED '000) 326,335 (31 December 2007: (AED '000) 195,853) and has capital commitments of (AED '000) Nil (31 December 2007: (AED '000) 82,387).