



Analyst and Investor Update 2009 Year-end Financial Results

CONTENTS

01 Consolidated Financial Highlights-Q4

02 Summary: 2009 Year-End Financial Results

03 Overdue Receivables

04 Portfolio Valuation and Net Asset Value

05 Business Overview



01

Consolidated Financial Highlights-Q4





CONSOLIDATED FINANCIAL HIGHLIGHTS – Q4

- Sorouh sold alghadeer phase 1 land (65 hectares) to Al Sedeira Real Estate Investment LLC, in which it is a 30% shareholder. Sorouh is the appointed development manager. The transaction resulted in revenues of AED418m and profit of AED293m to Sorouh. Sorouh retains title to approximately 51m m² of Seih Sdeira land.
- Operating profit for the quarter was AED333m, up 60% QoQ (Q4-08 AED208m)
- Revaluation of investment properties resulted in an additional AED53m contribution to the income statement
- During the quarter a comprehensive review of all assets resulted in provisions of AED 242m
- The associate Companies contributed a loss of AED 45.8m for the quarter
- Net Profit after provisions and associated companies losses amounted to AED28 m



CONSOLIDATED FINANCIAL HIGHLIGHTS – Q4

AED'000	Q4-2009	Q4-2008	% Change
Revenue	438,096	532,569	(18%)
Gross Profit (AED Million)	332,692	207,811	60%
Revaluation gain on investment property	53,000	-	100%
Profit/(Loss) from associates	(45,812)	(4,408)	-
General and administrative expenses	(45,403)	(79,748)	43%
Provisions	(242,033)	(29)	-
Net Profit (AED Million)	28,099	46,368	(39%)
Gross Profit Margin	76%	39%	95%
Net Profit Margin	6%	9%	(26%)
Earnings Per Share	0.01	0.02	(39%)

02

2009 Year-end Financial Results



CONSOLIDATED 2009 YEAR-END RESULTS

- Net profit of AED 495 million, predominantly from land sales, including sale of land at alghadeer in Q4 and from completion of Golf Gardens development in Q3
- Earnings per share at 19 fils per share
- Revenue: AED 3.1 billion
- Total assets: AED 13.7 billion
- Book Net Asset Value: AED 2.44 per share



2009 YEAR-END RESULTS (continued.....)

- Liquid funds: AED 2.8 billion
- Provision of AED 242 million
- Development work in progress increases 36% YTD (to AED 3.9 billion) reflecting our investment in existing and new development projects.
- During the year development work on Sas Al Nakhl (phase 2) and Golf Gardens was completed, which amounted to AED 1.4 billion



FINANCIAL HIGHLIGHTS (YTD)



AED '000	12 m to Dec-09	9 m to Sept-09	% change	12 m to Dec-08	% change	12 m to Dec-07	% change
Revenue	3,102,708	2,664,612	16%	3,723,428	(17)%	2,320,961	60%
Gross Profit	923,005	590,312	56%	2,296,504	(60)%	1,319,618	74%
SG & A	(289,590)	(268,531)	8%	(559,277)	48%	(264,878)	111%
Other Income	142,771	145,416	(2%)	79,312	80%	18,150	337%
Minority Interests	12,213	5,900	107%	(73,890)	(117)%	-	n/a
Net Profit	494,998	466,899	6%	1,784,268	(72)%	1,257,000	42%
EPS (fils)	0.19	0.18	6%	0.71	(72)%	0.5	42%

Net profit margin for 2009 16%, down from 48% for 2008

This reduction in net profit margin is mainly due the lower contribution to net profit from the Saraya transaction.



REVENUE AND GROSS PROFIT OVERVIEW: 2009

Revenue in AED'000	2009	2008	
Revenue (Land)	1,585,646	3,532,341	(55%)
Revenue (Development)	1,176,568	-	n/a
Revenue (Renting/Leasing)	138,650	61,124	127%
Revenue (Subsidiaries)	201,542	126,963	59%
Total	3,102,707	3,723,428	(17%)

Gross Profit in AED'000	2009	2008	
Revenue (Land)	607,392	2,242,247	(73%)
Revenue (Development)	187,721	-	n/a
Revenue (Renting/Leasing)	108,789	45,516	139%
Revenue (Subsidiaries)	19,102	8,812	117%
Total	923,004	2,296,504	



STRONG BALANCE SHEET & LIQUIDITY

- AED 2.8 billion of unencumbered cash
- AED 3.9 billion of developments nearing completion
- AED 1.1 billion of revenue generating investment properties
- AED 7.8 billion of unencumbered assets not recognised on the balance sheet
- Non-recourse debt of AED 1.9 billion
- Bank borrowing of only AED 132 million

03

OVERDUE RECEIVABLES





OVERDUE RECEIVABLES

AED'000	Q4-09	Q4-09 mix	Q3-09	Q3-09 mix	Q2-09	Q2-09 mix	2008	2008 mix	2007	2007 mix
60-90 days	39,994	10%	28,490	9%	83,638	30%	71,777	29%	28,353	24%
90-120 days	46,141	12%	21,525	6%	7,856	3%	135,663	54%	25,994	22%
120+	313,246	78%	284,538	85%	190,953	68%	42,416	17%	62,541	54%
Total	399,381	100%	334,552	100%	282,447	100%	249,856	100%	116,888	100%
Total Receivables Outstanding	2,812,415		3,314,274		3,329,963		3,179,974		1,435,514	
Overdue as a % Outstanding	14%		10%		8%		8%		8%	

04

Portfolio Valuation and Net Asset Value



PORTFOLIO VALUATION



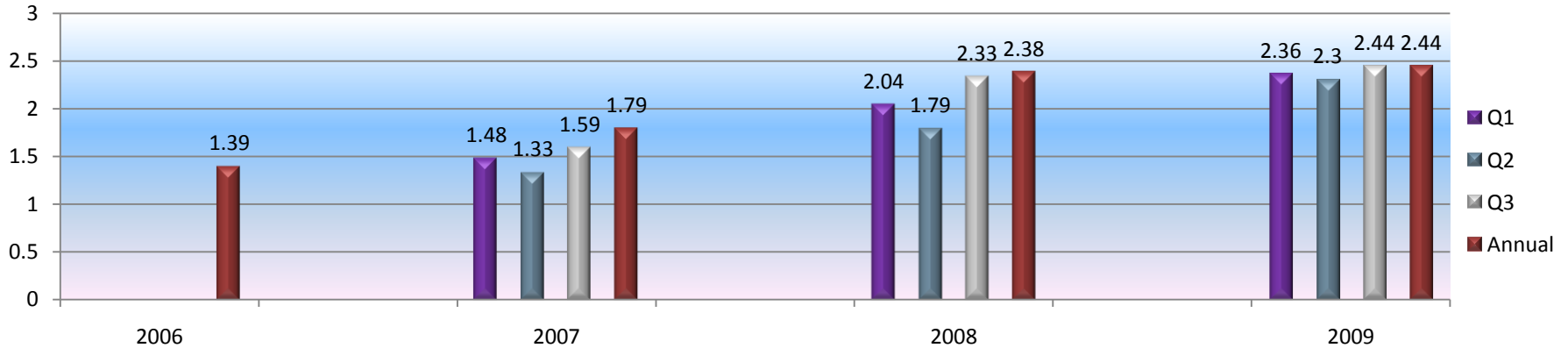
The aggregate market value of our interest in properties , as at 31 December 2009, is AED 8.8 billion

		Initial (mark to market) Yield	Valuer
Held as Investments	1,153,180,000	12%	Knight Frank M.E.
Held for development *	6,152,000,000		Jones Lang LaSalle
In course of development	1,468,000,000		Jones Lang LaSalle
Total value	8,773,180,000		

* Land held for development is included on the balance sheet at nominal cost and includes Sorouh's share of Lulu Island (60%) valued by CBRE as at 31.12.08

As at 31-Decemebr-2006 Golf Gardens Phase 2 and Seih Sdeirah lands were recognised on the balance sheet at AED 150m and AED300m respectively

NET ASSET VALUE PER SHARE



Book Net asset value per share of AED2.44/share (AED 2.38/share in 2008 and AED1.79/share in 2007)

Movement in NAV

NAV per share as at 31 December 2008	2.38
Property revaluation	0.02
Investment in The Gate (acquisition of minority interest)	(0.03)
Underlying profit	0.17
Dividend paid	(0.12)
Movement on hedge reserve & others	<u>(0.02)</u>
NAV per share as at 31 December 2009	2.44

05

BUSINESS OVERVIEW



BUSINESS OVERVIEW (SUMMARY)

Project	Construction status	Completion expected
Shams Abu Dhabi	Completed, dredging & reclamation; marine works; earthworks & sewers; bridges (13); district cooling network excavation. Bridge 4; canal; temporary sewage treatment plant; temporary synthetic gas plant to be completed by Q1-2010, works for all underground utilities will be completed by end of Q1 2010 with all roads envisaged to be complete by Q2 2010.	First phase Q1 2010 Full completion 2013
Sun & Sky Tower	is over 80% complete, finishing works underway	Mid 2010
The Gate	On average on level 9	First phase Q4 2012
Golf Gardens (II) (Al Rayyana)	Piling and excavation works completed Floor slabs for 1 st and 2 nd floor is underway	End 2011
Alghadeer	Enabling work finished	First phase 2012



BUSINESS OVERVIEW (SUMMARY)

- Challenging market conditions during 2009 especially Q4-09
 - Tight liquidity for real estate finance for developers and sub-developers
 - Restriction on mortgage availability persists
 - If available, then lower multiples of LTVs
- Significant impact on real estate sector
 - Sub-developers facing severe liquidity shortage
 - Fewer eligible purchasers naturally producing lower volumes
 - Sustained pressure on price



BUSINESS OVERVIEW (SUMMARY)

- Comprehensive management response
 - Customer consolidation programme
 - Customer price reductions offset by negotiations of contractor prices
 - Focus on core Abu Dhabi projects
 - Significant but measured cost reduction programme
 - Prudent cash management and manageable debt levels



SUMMARY

- A credible performance given economic conditions and prudent provisioning.
- Strong revenues from land sales, development sales and leasing income
- Revenue mix moved from land sales to development sales, plus an increasing contribution from the leasing portfolio
- Business sustainability is based on a good pipeline of development revenues, a substantial land bank.
- Prudent cost management. General and administrative cost reduction of 48% year on year
- Low gearing and AED 2.7 billion of cash on balance sheet
- Positive about 2010. Particularly looking forward to delivery of Sun and Sky towers which will create good momentum in our flagship development on Shams Abu Dhabi



ATE PJSC WWW.SOROUH.COM

Q & A

- **Gurjit Singh**
Chief Operating Officer
- **Richard Amos**
Chief Financial Officer
- **Simon Cunningham**
Chief of Sales and Marketing
- **Firoze Kapadia**
Executive Director Institutional Investor

Thank you