

Translation from Arabic

**Sixth of October for Development and Investment Company “SODIC”
(An Egyptian Joint Stock Company)**

Consolidated Financial Statements

For The Financial Year Ended December 31, 2008

And Auditor’s Report

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Auditor's Report

To The Shareholders of Sixth of October for Development and Investment Company "SODIC"

We have audited the accompanying consolidated financial statements of Sixth of October for Development and Investment Company "SODIC" S.A.E, which comprise the consolidated balance sheet as at December 31, 2008, and the consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Sixth of October for Development and Investment Company "SODIC" Company as of December 31, 2008, and of its financial performance and its cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

KPMG Hazem Hassan

Cairo, February 25, 2009

Sixth of October for Development and Investment Company "SODIC"
(An Egyptian Joint Stock Company)
Consolidated Balance Sheet
As at December 31, 2008

	Note No.	<u>31/12/2008</u> L.E	<u>31/12/2007</u> L.E
<u>Long - term assets</u>			
Fixed assets	(6)	43 779 028	12 266 854
Intangible assets	(7)	38 868	380 907
Projects under construction	(8)	1 857 713	21 913 337
Investments in associates	(9)	-	2 634 064
Available for sale investments	(10)	4 250 000	4 250 000
Investment property	(11)	306 555 773	1 499 103
Trade & notes receivables	(13)	1 257 858 894	337 558 530
Deferred tax assets	(14)	22 505 683	14 527 584
Total long - term assets		<u>1 636 845 959</u>	<u>395 030 379</u>
<u>Current assets</u>			
Completed residential units ready for sale	(15)	355 542	880 078
Inventories & letters of credit		1 084 841	-
Construction works in process		459 413	-
Works in process	(16)	1 309 790 878	882 271 651
Amounts due from customers - constructions		1 977 802	-
Trade & notes receivable	(17)	637 341 225	177 349 915
Debtors & other debit balances	(18)	416 059 670	261 327 253
Held for trading investments	(19)	-	77 670 614
Cash at banks & on hand	(20)	238 028 125	467 252 796
Total current assets		<u>2 605 097 496</u>	<u>1 866 752 307</u>
<u>Current liabilities</u>			
Provisions	(21)	103 577 896	67 886 576
Bank - credit balances		1 344 343	44 941
Customers - deposits	(22)	1 976 116 091	119 487 975
Contractors, suppliers & notes payable	(23)	34 559 387	11 536 378
Creditors & other credit balances	(24)	166 463 779	134 819 500
Total current liabilities		<u>2 282 061 496</u>	<u>333 775 370</u>
Working capital		<u>323 036 000</u>	<u>1 532 976 937</u>
Total investments		<u>1 959 881 959</u>	<u>1 928 007 316</u>
These investments are financed as follows:			
<u>Equity</u>			
Issued & fully paid in capital	(26)	284 133 960	279 133 960
Legal reserve	(27)	139 566 980	139 566 980
Special reserve - share premium	(28)	912 439 354	917 439 354
Retained earnings		465 275 255	154 040 713
Treasury shares	(29)	(80 000 000)	(80 000 000)
Amount set aside for incentive & bonus plan	(30)	8 750 000	3 750 000
Net profit for the year		27 255 076	331 234 542
Total equity attributable to equity holders of the Company		<u>1 757 420 625</u>	<u>1 745 165 549</u>
Minority interest	(25)	19 716 983	18 540 445
Total equity		<u>1 777 137 608</u>	<u>1 763 705 994</u>
<u>Long-term liabilities</u>			
Notes payable	(32)	182 744 351	164 301 322
Total long-term liabilities		<u>182 744 351</u>	<u>164 301 322</u>
Total equity and long - term liabilities		<u>1 959 881 959</u>	<u>1 928 007 316</u>

* The accompanying notes on pages form (5) to (45) are an integral part of these consolidated financial statements and to be read therewith.

Administrative & financial Manager

Mr. Hany Henery

Managing Director

Mr. Maher Maksoud

Chairman

Mr. Magdy Rasekh

* Auditor's Report " attached "

KPMG Hazem Hassan

Sixth of October for Development and Investment Company "SODIC"

(An Egyptian Joint Stock Company)

Consolidated Income Statement

For The Financial Year Ended December 31, 2008

	Note No.	2008 L.E	2007 L.E
Real estate sales	(33)	212 013 643	485 917 057
Construction contracts revenues		6 873 105	-
Real estate consultancy, promotion & marketing services revenues		7 165 484	6 062 276
Service revenues of Beverly Hills City		6 005 050	706 913
Total revenues		232 057 282	492 686 246
Cost of real estate sold	(34)	(87 931 607)	(162 066 662)
Construction contracts cost		(5 497 811)	-
Cost of real estate consultancy, promotion & marketing services		(4 402 220)	(4 432 045)
Service costs of Beverly Hills City		(10 984 246)	(702 120)
Total costs		(108 815 884)	(167 200 827)
Gross profit		123 241 398	325 485 419
Other operating revenues	(35)	38 440 604	25 179 622
Loss on sale of investments in associates		(1 033 088)	-
Selling & marketing expenses	(36)	(45 955 158)	(20 428 735)
General & administrative expenses	(37)	(57 154 508)	(26 983 603)
Board of directors remunerations & allowances	(38)	(31 769 385)	(16 563 110)
Other operating expenses	(39)	(664 984)	(3 025 532)
Operating profit		25 104 879	283 664 061
Finance income	(40)	28 132 418	41 416 311
Finance expenses	(41)	(16 465 309)	(7 310 717)
Net finance income		11 667 109	34 105 594
Share in profits in associates		219 024	4 820 550
Net profit for the year before income tax		36 991 012	322 590 205
<u>Deduct: Income tax</u>			
Current income tax expense		18 143 319	6 275 443
Deferred income tax benefit	(14)	(7 978 098)	(14 599 189)
Net profit for the year		26 825 791	330 913 951
Net profit for the year attributable to:			
Equity holders of the Company		27 255 076	331 234 542
Minority share in profits & losses of subsidiaries		(429 285)	(320 591)
Net profit for the year		26 825 791	330 913 951
Earnings per share (L.E / Share)	(42)	0.96	11.12

* The accompanying notes on pages form (5) to (45) are an integral part of these consolidated financial statements and to be read therewith.

Sixth of October for Development and Investment Company "SODIC"
(An Egyptian Joint Stock Company)
Consolidated Statement of Changes in Equity
For The Financial Year Ended December 31, 2008

	Note No.	Issued & paid up capital L.E	Legal reserve L.E	Special reserve- share premium L.E	Treasury shares L.E	Set aside amount for bonus & incentive plan L.E	Retained earnings L.E	Net profit for the year L.E	Equity attributable to equity holders of the Company L.E	Minority interest L.E	Total equity L.E
Balance as at December 31, 2006		269 133 960	134 566 980	832 439 354	-	-	(68 874 061)	222 914 774	1 390 181 007	655 214	1 390 836 221
Amount transferred to carried forward lossess		-	-	-	-	-	222 914 774	(222 914 774)	-	-	-
Share capital increase		10 000 000	-	-	-	-	-	-	10 000 000	-	10 000 000
Share premium		-	5 000 000	85 000 000	-	-	-	-	90 000 000	-	90 000 000
Treasury shares		-	-	-	(100 000 000)	-	-	-	(100 000 000)	-	(100 000 000)
Treasury shares sold		-	-	-	20 000 000	-	-	-	20 000 000	-	20 000 000
Set aside amount for incentive & bonus plan during the year	(30)	-	-	-	-	8 750 000	-	-	8 750 000	-	8 750 000
Loss on disposal of treasury shares		-	-	-	-	(5 000 000)	-	-	(5 000 000)	-	(5 000 000)
Minority interest		-	-	-	-	-	-	-	-	18 205 822	18 205 822
Net profit for the year		-	-	-	-	-	-	331 234 542	331 234 542	(320 591)	330 913 951
Balance as at December 31, 2007		279 133 960	139 566 980	917 439 354	(80 000 000)	3 750 000	154 040 713	331 234 542	1 745 165 549	18 540 445	1 763 705 994
Share capital increase	(26)	5 000 000	-	(5 000 000)	-	-	-	-	-	-	-
Set aside amount for incentive & bonus plan during the year	(30)	-	-	-	-	5 000 000	-	-	5 000 000	-	5 000 000
Employees & executive directors' dividends	(31)	-	-	-	-	-	-	(20 000 000)	(20 000 000)	-	(20 000 000)
Amount transfred to retained earnings		-	-	-	-	-	311 234 542	(311 234 542)	-	-	-
Minority interest		-	-	-	-	-	-	-	-	1 605 823	1 605 823
Net profit for the year		-	-	-	-	-	-	27 255 076	27 255 076	(429 285)	26 825 791
Balance as at December 31, 2008		284 133 960	139 566 980	912 439 354	(80 000 000)	8 750 000	465 275 255	27 255 076	1 757 420 625	19 716 983	1 777 137 608

* The accompanying notes on pages form (5) to (45) are an integral part of these consolidated financial statements and to be read therewith.

Sixth of October for Development and Investment Company "SODIC"
(An Egyptian Joint Stock Company)
Consolidated Statement of Cash Flows
For The Financial Year Ended December 31, 2008

	Note No.	2008 L.E	2007 L.E
<u>Cash flows from operating activities</u>			
Net profit for the year before income tax		36 991 012	322 590 205
<u>Adjustments for:-</u>			
Depreciation of fixed assets & rented units		3 155 963	1 154 079
Amortization of other assets		342 039	39 783
Impairment loss of fixed assets		254 719	-
Negative goodwill		-	(4 254 071)
Investment income from available for sale investments		(811 055)	(668 005)
Gain on sale of fixed assets		(23 688)	(194 875)
Share in profits / losses in associates		(219 024)	(4 820 550)
Loss on sale of investments in associates		1 033 088	-
Provisions formed	(21)	66 101 279	81 971 662
Provisions no longer required		-	(966 194)
Impairment loss of debtors & other debit balances		86 396	10 322
Other expenses		-	154 096
Equity - settled share - based payment transactions	(30)	5 000 000	8 750 000
Interest & financing expenses		555 309	-
Operating profit before changes in working capital items		112 466 038	403 766 452
<u>Changes in working capital items</u>			
Change in rescheduled units ready for sale		383 346	2 208 141
Change in inventories & letters of credit		(1 084 841)	-
Change in construction works in process		(459 413)	-
Change in works in process		(436 337 444)	(29 362 288)
Change in due from customers - constructions		(1 977 802)	-
Change in trade & notes receivables		(1380 291 674)	(165 327 451)
Change in debtors & other debit balances		(154 815 813)	(236 379 415)
Provision for completion of works - used	(21)	(30 409 959)	(55 989 973)
Change in customers deposits		1856 628 116	(12 226 152)
Change in contractors , suppliers & notes payable		41 466 038	170 102 646
Change in creditors & other credit balances		11 729 475	(69 625 529)
Blocked deposits & bank accounts		11 422 414	(13 458 935)
Change in saving certificates (due within three years)		1 150 000	(5 500 000)
Interest & financing expenses paid		(555 309)	-
Net cash provided from (used in) operating activities		29 313 172	(11 792 504)
<u>Cash flows from investing activities</u>			
Payments for purchase of fixed assets & projects under construction		(14 085 735)	(7 889 082)
Payments for acquisition of intangible assets		-	(106 090)
Payments for acquisition of investments in subsidiaries (net of cash acquired)	(12)	(296 067 670)	(306 226 989)
Payments for acquisition of amounts due to old shareholders in subsidiaries	(12)	(808 888)	-
Minority interest		1 605 823	18 479 727
Proceeds from sale of investments in associates		1 820 000	-
Payments for acquisition of available for sale investments		-	(1 264 695)
Proceeds from sale of held for trading investments		77 670 614	-
Payments for acquisition of held for trading investments		-	(77 670 614)
Dividends received from available for sale investments		811 055	-
Dividends received from associates		-	2 691 595
Proceeds from sale of fixed assets		46 330	264 525
Net cash used in investing activities		(229 008 471)	(371 721 623)
<u>Cash flows from financing activities</u>			
Bank - credit accounts		1 298 512	-
Proceeds from share capital increase & share premium	(28)	-	100 000 000
Treasury shares	(29)	-	(100 000 000)
Proceeds from sale of treasury shares		-	15 000 000
Dividends paid	(31)	(18 256 365)	-
Net cash used in financing activities		(16 957 853)	15 000 000
Net movement in cash & cash equivalents during the year		(216 653 152)	(368 514 127)
Cash & cash equivalents as at January 1, 2008		425 310 622	793 824 749
Cash & cash equivalents as at December 31, 2008	(20)	208 657 470	425 310 622

* The accompanying notes on pages form (5) to (45) are an integral part of these consolidated financial statements and to be read therewith.

**Sixth of October for Development and Investment Company “SODIC”
(An Egyptian Joint Stock Company)
Notes to the consolidated financial statements
For the financial year ended December 31, 2008**

1. Background and activities

- Sixth of October for Development and Investment Company “SODIC” An Egyptian Joint Stock company was incorporated in accordance with the provisions of Law No. 159 of 1981 and its Executive Regulations and considering the provisions of Law No. 95 Of 1992 and its Executive Regulations and by virtue of the decree of the Minister of Economy & International Cooperation No. 322 of 1996 issued on May 12, 1996. The Company was registered in Giza Governorate Commercial Registry under No. 625 on May 25, 1996.

On April 6, 2008, The Company’s Extraordinary General Assembly agreed to add “SODIC” name to the original name of Sixth of October for Development and Investment Company to become Sixth of October for Development and Investment Company “SODIC”. Annotation was made in the Company’s Commercial Registry to this effect on June 18, 2008.

- The Company’s purpose is represented in the following:
 - Working in the field of purchasing of lands for the purpose of providing utilities for them and making them ready for building, dividing these lands and selling or leasing them.
 - Working in the field of construction, integrated construction and supplementary works for it.
 - Planning, dividing and preparing lands for building according to modern building techniques.
 - Building, selling and leasing all various kinds of real estate.
 - Developing and reclaiming lands in the urban communities.
 - Working in the field of tourist development and in all tourist establishments field including, building , managing , selling or utilizing hotels, motels and tourist villages in accordance with applicable Egyptian laws & regulations.
 - Building, managing, selling and leasing – out of the residential, service, commercial, industrial and tourist projects.
 - Importing and working as trade agents for that is permitted within the limits of the Company’s purpose.
 - Financing lease in accordance with Law No. 95 of 1995.
 - Working in all fields of information technology and systems, hardware and software (computer software & services).
 - Working in all fields of services of communication systems, internet, space stations and transmission except for the field of satellites.
 - Investing in the various activities related to petroleum, gas and petrochemicals.
 - Working in the field of coordinating and planting the gardens, roads and squares and also providing security, steward - ship, maintenance and cleaning services.
 - Working in the field of ownership and management of sporting, entertainment, medical, educational buildings and also ownership, management and operating of restaurants (not leasing them).

In addition, the Company may have interest or participate in any manner whatsoever with companies or others which have similar activities or which may assist it to achieve its purposes in Egypt or abroad.

Also it is entitled to merge into or acquire these companies or make them its subsidiaries in accordance with the provisions of law and its executive regulations.

- The Company's duration is 50 years starting from the date of registration in the Commercial Registry.
- The Parent Company is listed in the formal listing in Cairo & Alexandria Stock Exchange.
- The consolidated financial statements of Sixth of October for Development Investment Company "SODIC" (the Parent Company) for the financial year ended December 31, 2008 comprise the financial statements of the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates.
- The registered office of the Parent Company is located at Km. 38 Cairo / Alexandria Desert Road, Sheikh Zayed City, Cairo, Egypt. Mr. Mohamed Magdy Rasekh is the Chairman of the Parent Company.

2. Basis of preparation

a. Statement of compliance

These consolidated financial statements have been prepared in accordance with Egyptian Accounting Standards and relevant Egyptian laws and regulations.

b. Basis of measurement

The consolidated financial statements have been prepared on historical cost basis except for the following assets and liabilities:

- Available for sale investments which are stated at fair values.
- Liabilities for cash settled share - based payments transactions which are stated at fair values.

c. Functional currency and presentation currency

The consolidated financial statements are presented in Egyptian Pound which is the Group's functional currency.

d. Use of estimates and judgments

- The preparation of the consolidated financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.

- The estimates and underlying assumptions are reviewed on an going basis.
- Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements:-

3.1 Basis of consolidation

3.1.1 Subsidiaries

Subsidiaries are entities controlled by the Parent Company. Control exists when the Parent Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Subsidiaries are represented in the following:-

<u>Subsidiary name</u>	<u>Ownership</u>	
	<u>As at December 31, 2008</u>	<u>As at December 31, 2007</u>
	<u>%</u>	<u>%</u>
SODIC Property Services Co. - S.A.E	51	51
Sixth of October for Development & Real Estate Projects Company "SOREAL" – S.A.E	99.99	99.99
Beverly Hills for Management of Cities & Resorts Co. – S.A.E *	52.31	52.31
Egyptian Co. for Investment and Real Estate & Tourist Development – S.A.E **	50	50
Move-In for Advanced Contracting Co. - S.A.E ***	55	-
Greenscape for Agriculture & Reclamation Co. ****	51	-
El Yosr for Projects and Agriculture Development Co. *****	99.99	-
Sodic for Development & Real Estate Investment Co. *****	99.99	-

* The legal participation in Beverly Hills for Management of Cities and Resorts Co. amounts to 71% which includes 18.69% represents transitory shares are currently in the name of the Company and the title of these shares will be transferred to the real shareholders (Owners of the units).

** Egyptian Co. for Investment and Real Estate & Tourist Development has been established on January 27, 2008 in conjunction with some of the board members and their owned companies.

*** Move-In for Advanced Contracting Co. has been established on April 21, 2008.

**** Greenscape for Agriculture & Reclamation Co. has been established on April 20, 2008.

***** El Yoser for Projects and Agriculture Development Co. has been acquired during September 2008.

***** Sodic for Development & Real Estate Investment Co. has been established during October 2008.

3.1.2 Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases.

3.1.3 Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currency translation

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are translated to Egyptian Pound at the foreign exchange rate in effect at that date. Foreign exchange differences arising on translation are recognized in the consolidated income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using exchange rate at the date of the transaction.

3.3 Fixed assets & depreciation

a. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation (note No. 3-3-c) and impairment losses (note No. 3-13).

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Where parts of an item of fixed assets have different useful lives, they are accounted for as separate items of fixed assets.

b. Subsequent costs

The Company recognizes in the carrying amount of an item of Property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that future economic benefits embodied with the item will flow to the Company and the cost can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

c. Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of property, plant and equipment. The estimated useful lives are as follows:

<u>Asset</u>	<u>Years</u>
Buildings & constructions	10-20
Caravans	10
Vehicles	5
Furniture & fixtures	4-10
Office & communications equipment	5
Generators, machinery & equipment	2-5
Wells, pumps & networks	4
Leasehold improvements	Lesser of 5 years or lease term

3.4 Intangible assets

3.4.1 Goodwill

Goodwill represents the excess of the cost of acquisition over the Parent Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill is stated at cost less any accumulated impairment losses. Impairment of goodwill is not reversed subsequently. When the excess is negative (negative goodwill) it is recognized immediately in the income statement.

3.4.2 Other intangible assets

a. Recognition

Identifiable non-monetary assets acquired for business purposes and from which future benefits are expected to flow are treated as tangible assets. Intangible assets consist of trademarks & softwares.

b. Measurement

Intangible assets are measured at cost, being the cash price at recognition date. If payment is deferred beyond the normal credit terms the difference between the cash price equivalent and the total payment is recognized as interest over the period of credit. Intangible assets are presented net of amortization (note No. 3-4-2-d) and impairment (note No.3-13).

c. Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

d. Amortization

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date. Intangible assets are amortized from the date they are available for use. The estimated useful lives of these intangible assets range between 2 to 7 years.

3.5 Projects under construction

Projects under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use. Projects under construction are transferred to property, plant and equipment caption when they are completed and are ready for their intended use.

3.6 Investment property

This item includes lands held and not allocated for a specific purpose, or lands held for sale for long periods as well as the lands and buildings leased to others (by virtue of operating leases). The long term real estate investments are valued at cost less the accumulated depreciation and the value of any increase in the net book value of these investments over their recoverable amount "impairment". The fair value of these investments shall be disclosed at the consolidated balance sheet date unless if there are cases where the fair value of these investments are difficult to be determined in a reliable manner. In this case disclosure shall be made to this effect.

3.7 Investments

a. Available for sale investments

Financial instruments held by the Company are classified as being available-for-sale and are generally stated at fair value (except investments in unquoted equity securities), with any resultant gain or loss being recognized directly in equity. When these investments are derecognized, the cumulative gain or loss previously recognized in equity is recognized in consolidated income statement, except for impairment losses. Investments in unquoted equity securities are stated at cost less impairment losses (note No. 3-13).

Financial instruments classified as available-for-sale investments are recognized /derecognized by the Company on the date it commits to purchase / sell the investments.

b. Investments in treasury bills

Treasury bills discountable at the Central Bank of Egypt are stated at nominal value and the unearned interests are recorded under creditors and other credit balance account. Treasury bills are shown in the consolidated balance sheet at their nominal value less the balance of unearned interests.

c. Held for trading investments

Held for trading investments are classified as current assets and are stated at fair value, with any resultant gain or loss recognized in the income statement.

3.8 Residential units ready for sale

Residential units ready for sale are stated at the balance sheet date at lower of cost or net releasable value. The cost is determined based on the outcome of multiplying of the total area of the remaining completed residential units ready for sale at the consolidated balance sheet date by the average meter cost of these units (represents the cost of meter of land, utilities, building and other indirect expenses).

3.9 Works in process

All expenditures directly attributable to works in process are included in work in process account till the completion of these works. They are transferred to completed residential units ready for sale caption when they are completed. Works in process are stated at the consolidated balance sheet date at lower of cost and net realizable value.

3.10 Construction work in progress

Construction work in progress (due from customers) represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognized to date less progress billings and recognized losses. Costs include all expenditures related directly to specific projects and allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Provisions for estimated losses on incomplete contracts are made in the period in which such losses are determined.

Construction work in progress is presented as part of current assets in the consolidated balance sheet. If payments received from customers exceed the income recognized, then the difference is presents as (due to customers) in the consolidated balance sheet.

3.11 Trade, notes receivable and debtors

Trade, notes receivable and debtors are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate of doubtful debts is made when collections of the full amount is no longer probable. Bad debts are written off when identified. Other debit balances are stated at cost less impairment losses (note No. 3-13). Long term trade and notes receivables are initially recognized at fair value and subsequently re-measured at amortized cost using effective interest rate method.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, time deposits, investments in treasury bills which have maturity date less than three months from the purchase date. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

3.13 Impairment

a. Financial assets

- A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
- An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.
- An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

- Individually significant financial assets are tested for impairment on an individual basis.
- The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.
- All impairment losses are recognized in consolidated income statement. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to consolidated income statement.
- An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and available-for-sale financial assets that are debt securities, the reversal is recognized in consolidated income statement. For available-for-sale financial assets that are equity securities, the reversal is recognized directly in equity.

b. Non-financial assets

The carrying amounts of the Company's non-financial assets other than inventories, residential units ready for sale and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in the consolidated income statement.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized

3.14 Provisions

A provision is recognized in the balance sheet when the Company has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Provision for completion of works

A provision for completion of works is formed at the estimated value of the completion of the projects' utility works (pertaining to the units delivered to customers and the completed units according to the contractual terms and conditions and the completed units for which contracts were not concluded) in their final form as determined by the Company's engineering department. The necessary provision is reviewed at the end of each reporting period till finalization of all the project works.

3.15 Borrowing costs

Borrowing costs are recognized as expense in the income statement when incurred.

3.16 Trade, contractors and other credit balances

Trade, contractors and other credit balances are stated at cost.

3.17 Share capital

a. Ordinary shares

Incremental costs directly attributable to issue of new ordinary shares are recognized as a deduction from equity net of income tax – if any.

b. Repurchase of share capital

When share capital recognized as equity is repurchased, the amount of consideration paid, including directly attributable costs, is recognized as a change in equity.

c. Dividends

Dividends are recognized as a liability in the period in which they are declared.

d. Finance of the incentive and bonus plan

Financing of the shares issued for the purpose of the incentive and bonus plan of the Company's employees & managers which are kept in a bank which works as a trustee (agent) are presented as treasury shares until the terms of granting the shares to the beneficiaries are realized. The resulting outcome from sale of these shares is recognized in equity.

3.18 Share – based payments transactions

a. Equity – settled share – based payments

The difference between the grant date fair value of shares and the amount incurred by the beneficiary of the employees & managers bonus & incentive plan is recognized in the income statement over the period that the beneficiaries become unconditionally entitled to these shares. The expected number of beneficiaries from the plan and the extent of their benefit are reviewed at the consolidated financial statements date. Necessary changes are made for the expense to reflect the best estimate and the corresponding amount is included in equity under "set aside amount for the bonus & incentive plan" caption.

b. Cash settled share - based payments

Share Appreciation Rights are granted to some of the Company's directors as part of their salaries and compensation package that entitles them to future cash payments based on the increase in the share price of the Company over determined level for certain period of time. The amount or the value of the purchased services and incurred liabilities is measured at the fair value of the said liability and until the settlement of such liability, the Company re-measures the fair value of the liability at the consolidated financial statements date and at settlement date and takes into account any changes in the recognized fair value of the liability in the income statement.

3.19 Long-term notes payable

Long-term notes payable are stated at amortized cost using the effective interest rate method.

3.20 Revenue recognition

a. Real estate sales

Revenue from sale of residential units, offices, commercial shops, service and villas for which contracts was made is recorded when all the ownership risks and rewards are transferred to customers and upon the actual delivery of these villas and units whether the said villas and units have been completed or semi – completed. Revenue from sale of lands is recorded upon the delivery of the sold land to customers and the transfer of all the ownership rewards and risks to buyer.

Net sales are represented in the selling value of units and lands delivered to customers after excluding the future interests that have not been realized till the balance sheet date and after deducting the value of sales returns (represented in the saleable value of the sales returns less unrealized interests that have been previously excluded from the saleable value).

b. Construction contracts

- Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that is probable that they will result in revenue and can be measured reliably.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract can not be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on contract is recognized immediately in profit or loss.

- In the case of a cost plus contract, the outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:
 - It is probable that the economic benefits associated with the contract will flow to the entity.
 - The contract costs attributable to the contract, whether or not specifically reimbursable, can be clearly identified and measured reliably.

c. **Service revenues**

Revenue from services is recognized in the income statement when the service is rendered.

d. **Rental income**

Rental income is recognized in the consolidated income statement on a straight-line basis over the terms of the lease.

e. **Interest income**

Interest income is recognized as it accrues in the consolidated income statement, according to the accrual basis of accounting.

f. **Commission revenue**

Commission revenue is recognized in consolidated income statement according to the accrual basis of accounting.

g. **Dividends**

Dividends income is recognized in the consolidated income statement on the date the Company's right to receive payments is established.

3.21 **Cost of sold lands**

The cost of sold lands is computed based on the value of the net area of land in addition to its respective share in road areas as determined by the Company's technical management, plus its share in the open area.

3.22 **Expenses**

a. **Lease payments**

Payments under leases are recognized in the consolidated income statement on a straight-line basis over the terms of the lease.

b. **Interest expense**

Interest expense on interest-bearing borrowings is recognized in the consolidated income statement using the effective interest rate method.

c. **Employees' pension**

The Company contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law No. 79 of 1975 and its amendment. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The Company's liability is confined to the amount of its contribution. Contributions are charged to consolidated income statement using the accrual basis of accounting

d. Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the consolidated income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the **net** taxable income for the year, using tax rates enacted at the consolidated balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is measured using tax rates enacted or substantively enacted at the consolidated balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.23 Earnings per share

Earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

3.24 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

4. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

4.1 Fixed assets

The fair value of fixed assets recognized as a result of a business combination is based on market values. The market value of fixed assets is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing where in the parties had each acted knowledgeably, prudently and without compulsion.

4.2 Intangible assets

The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

4.3 Investments in equity instruments

The fair value of Held for trading investments and available -for- sale investment is determined by reference to market value declared to these shares in stock market at the consolidated financial statement date.

4.4 Trade, note receivables & other debtors

The fair value of trade, note receivable & other debtors is estimated as the present value of future cash flows, discounted at the market rate of interest at the consolidated financial statement date.

4.5 Investment property

The present value are based on market values, being the estimated amount for which property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper market wherein the parties had each acted knowledgeably, prudently and without compulsion.

4.6 Share – based payment transactions

The fair value is determined by reference to market value declared at the balance sheet date without deducting the cost related to transactions.

5. Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors of the Parent Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board also identifies and analyzes the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

5.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's customers and other receivables.

Trade & other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry has less influence on credit risk.

Approximately 100 percent of the Group's revenues is attributable to sales transaction with a vast group of customers. Therefore, geographically, there is no concentration of credit risk.

The Group's management has established a credit policy under which each customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company gets advance payments and cheques for the full sales in advance and before the delivery of units to customers. No previous losses were observed from transactions with customers.

Sales of residential units are made subject to retention of title clauses and the ownership title is transferred after collection of the full sales value. In the event of non-payment, the unit is returned to the Company and the amounts collected from customers are repaid at the default date after deducting a 5% of this value.

Investments

The Group limits its exposure to credit risk by only investing in liquid securities and the Company's management does not expect any counterparties to fail to meet its obligations.

Guarantees

The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries. At December 31, 2008, no guarantees were outstanding.

5.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for appropriate period of time including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

5.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holding of financial instruments.

The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

5.4 Currency risk

The Group is exposed to currency risk on sales and financial assets that are denominated in a currency other than the respective functional currencies of Company entities, primarily the US Dollar.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The Company's investments in its subsidiaries are not hedged as those currency positions are considered to be long-term in nature.

5.5 Interest rate risk

The Group has not obtained loans or borrowings from others that exposed it to interest rate risk. Therefore, the Group does not enter into interest rate swaps.

5.6 Other market price risk

Equity price risk arises from available-for-sale equity securities and management of the Group monitors the mix of equity securities in its investment portfolio based on market indices or an objective valuation of the financial statements related to these shares.

Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Company's Board of Directors.

The primary goal of the Company's investment strategy is to maximize investment returns. Management is assisted by external advisors in this regard.

In accordance with this strategy certain investments are designated at held for trading because their performance is actively monitored and they are managed on a fair value basis.

5.7 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors of the Parent Company monitors the return on capital, which the Company defines as net profit for the year divided by total equity. The Board of Directors of the Parent Company also monitors the level of dividends to ordinary shareholders.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

Sixth of October for Development and Investment Company "SODIC"

"An Egyptian Joint Stock Company"

Notes to the consolidated financial statements (Cont.)

For the financial year ended December 31, 2008**6- Fixed assets**

This item is represented as follows:-

	<u>Lands</u>	<u>Buildings</u>	<u>Vehicles</u>	<u>Furniture & fixtures</u>	<u>Office equipment & communications</u>	<u>Generators,machinery & equipment</u>	<u>Total</u>
	L.E	L.E	L.E	L.E	L.E	L.E	L.E
<u>Cost</u>							
As at January 1, 2008	2 702 683	3 441 758	4 271 794	2 601 664	2 510 246	1 608 873	17 137 018
Additions during the year	16 867 861	4 618 856	1 214 085	3 032 312	2 744 215	6 320 391	34 797 720
Assets acquired through business combination	-	258 071	-	-	-	-	258 071
Disposals during the year	-	-	(53 100)	(248 305)	(102 010)	(5 755)	(409 170)
As at December 31, 2008	<u>19 570 544</u>	<u>8 318 685</u>	<u>5 432 779</u>	<u>5 385 671</u>	<u>5 152 451</u>	<u>7 923 509</u>	<u>51 783 639</u>
<u>Accumulated depreciation & impairment</u>							
As at January 1, 2008	-	1 033 907	1 004 776	601 353	1 320 827	909 301	4 870 164
Depreciation for the year	-	289 403	932 979	646 376	590 903	545 986	3 005 647
Impairment loss of buildings value	-	254 719	-	-	-	-	254 719
Disposals	-	-	(53 100)	(57)	(72 762)	-	(125 919)
As at December 31, 2008	<u>-</u>	<u>1 578 029</u>	<u>1 884 655</u>	<u>1 247 672</u>	<u>1 838 968</u>	<u>1 455 287</u>	<u>8 004 611</u>
Net book value as at December 31, 2008	<u>19 570 544</u>	<u>6 740 656</u>	<u>3 548 124</u>	<u>4 137 999</u>	<u>3 313 483</u>	<u>6 468 222</u>	<u>43 779 028</u>
Net book value as at December 31, 2007	<u>2 702 683</u>	<u>2 407 851</u>	<u>3 267 018</u>	<u>2 000 311</u>	<u>1 189 419</u>	<u>699 572</u>	<u>12 266 854</u>

* This item includes fully depreciated assets of L.E 4 449 851 as at December 31, 2008.

7. Intangible assets

This item is represented as follows:

	Cost as at 1/1/2008	Accumulated amortization as at 1/1/2008	Amortization for the year	Carrying amount as at 31/12/2008
	L.E	L.E	L.E	L.E
Coldwell Banker trademarks *	314 600	-	314 600	-
Software	106 090	39 783	27 439	38 868
	<u>420 690</u>	<u>39 783</u>	<u>342 039</u>	<u>38 868</u>

- * Represents the amount paid in accordance with agreement concluded with Betna for Investment & Marketing of Real Estate Co. for the license of utilizing Coldwell Bankers trademark effective from 1 January 2008 and for a seven year period. The agreement of Coldwell Banker trade mark was terminated on July 10, 2008 and the remaining balance on that date was depreciated in full.

8. Projects under construction

This item is represented as follows:

	31/12/2008	31/12/2007
	L.E	L.E
Beverly Hills club	-	19 608 259
Fixtures in the administrative premises	223 868	204 368
Land of the services compound	749 396	-
Advance payments for purchasing of machinery and equipment	160 133	1 333 826
Advance payments for fixtures	478 788	766 884
Wells under construction	245 528	-
	<u>1 857 713</u>	<u>21 913 337</u>

9. Investments in associates

This Group has the following investments in associates:

	<u>Ownership</u>		<u>Carrying amount</u>	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	%	%	L.E	L.E
Rabyia for Agricultural & Urban Development Co. – S.A.E *	-	26	-	2 634 064
Royal Gardens for Investment Property Co. – S.A.E **	20	20	-	-
			<u>-</u>	<u>2 634 064</u>

- * On May 4, 2008, the board of directors approved the sale of 259 285 shares of the Parent Company' shares in Rabyia for Agricultural & Urban Development Co. to a company owned by some board members for the nominal value of these shares. In addition, the remaining 715 shares were sold during the current financial year to the same company mentioned above.

Summary of financial information on associates – 100 per cent:-

	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Revenues</u>	<u>Expenses</u>
	L.E	L.E	L.E	L.E	L.E
Royal Gardens for Investment Property Co.					
December 31, 2007 (restated)	246 811 922	236 425 876	10 386 046	1 310 323	5 924 277
December 31, 2008	<u>537 337 929</u>	<u>527 940 997</u>	<u>9 396 932</u>	<u>6 482 360</u>	<u>7 471 474</u>

** Royal Gardens for Investment Property Co. was established on December 6, 2006 in conjunction with Palm Hills and other shareholders. The cost of investment amounted to L.E 3 million represents 50 % of the Parent Company's participation in the share capital of Royal Gardens Co. The Parent Company share in the unrealized gain resulted from the sale of land made by the Parent Company to its associate during 2007 amounted to L.E 32 298 112 out of which only L.E 3 million was eliminated to the extent of the Parent Company's interest in the associate when preparing the consolidated financial statements.

Nonetheless, the Parent Company' share in the associate's cumulative losses was not charged to the consolidated income statement with an amount of L.E 1 120 614 till December 31, 2008 due to the lack of any book value of the investment balance in the consolidated financial statement as at December 31, 2008.

10. Available for sale investments

This item is represented as follows:

	<u>Legal form</u>	<u>Ownership</u>	<u>Paid amount of participation</u>	<u>Carrying amount as at 31/12/2008</u>	<u>Carrying amount as at 31/12/2007</u>
		%	%	L.E	L.E
Egyptian Company for Development & Management of Smart Villages	S.A.E	1.8	100	4 250 000	4 250 000
				<u>4 250 000</u>	<u>4 250 000</u>

- Exposure to market risk related to available-for-sale investments is considered to be limited since these investments represent equity instruments that are not traded in an active market and are denominated in Egyptian Pound.

11. Investment property

The carrying amount of the investment property as at December 31, 2008 amounted to L.E 306 675 938 and are represented in commercial & residential units leased out to others and agricultural lands. Movement on the investment property balance and its depreciation during the year is as follows:-

<u>Description</u>	<u>L.E</u>
<u>Cost</u>	
At 1/1/2008	1 531 214
Commercial units	141 190
Residential units	<u>8 818 217</u>
Total cost of completed residential units leased out to others *	10 490 621
<u>Add:</u> Investment property acquired through business combination **	296 247 579
At December 31, 2008	<u>306 738 200</u>
<u>Accumulated depreciation</u>	
At 1/1/2008	32 111
Depreciation for the year	<u>150 316</u>
At December 31, 2008	<u>182 427</u>
Carrying amount as at December 31, 2008	<u>306 555 773</u>
Carrying amount as at December 31, 2007	<u>1 499 103</u>

- * The fair value of completed residential units leased out to others amounts to L.E 28 786 390 as at December 31, 2008.
- ** Represented in the fair value of agricultural lands acquired during the year through business combination of El Yosr for Projects and Agriculture Development Co. (note No. 12) with a total area of 1 213 850 square meter at K.M 43.5 Cairo / Alexandria Desert Road for the purpose of developing and establishing residential projects on these lands based on the possible building up portion.

12. Acquisition of subsidiaries:

On August 4, 2008, the Group acquired shares in El Yosr for Projects and Agriculture Development Co. of 999 997 amounting to L.E 290 899 127. The acquisition was made by virtue of the Sale Agreement dated August 5, 2008. According to article No.(6) of the said agreement, this amount was reduced by an amount of L.E 808 888 represents the assignment of the Company's old shareholders of their credit balance due from El Yosr for Projects and Agriculture Development Co. in favor of Sixth of October for Development & Real Estate Projects Company "SOREAL" as part of the purchase price. The acquisition cost includes an amount of L.E 5 977 431 represents the amount paid for brokerage commission and others. The ownership title of these shares was transferred to SOREAL during the period from September 16 to September 21, 2008.

The acquisition had the following effect on the Group's assets, liabilities and contingent liabilities on acquisition date:

	Carrying amounts on <u>acquisition date</u> L.E	Fair value <u>adjustments</u> L.E	Fair values on <u>acquisition date</u> L.E
Total consideration paid, satisfied in cash	-	-	290 899 127
<u>Less:</u>			
Assignment of the amounts due to old shareholders	-	-	808 888
<u>Add:</u> Commissions & other acquisition costs	-	-	5 977 431
Net consideration paid	-	-	296 067 670
Fixed assets & projects under construction	560 946	-	560 946
Investment property	12 415 500	278 483 500	290 899 000
Other current assets	123 186	-	123 186
Current liabilities	(836 738)	-	(836 738)
Minority interest	(1 152)	(26 151)	(27 303)
Net identifiable assets on acquisition	12 261 742		290 719 091
Excess of acquisition cost charged to the cost of land acquired through business combination as considered additional cost for the acquisition of land.			5 348 579

13. Long - term trade & notes receivable

This item is represented in the amortized cost of long-term trade & notes receivable balance as follows:-

	<u>31/12/2008</u> <u>L.E</u>	<u>31/12/2007</u> <u>L.E</u>
Trade receivables	339 392 531	148 097 721
Notes receivable *	1 030 929 597	247 290 431
	<u>1 370 322 128</u>	<u>395 388 152</u>
<u>Deduct:</u> Unamortized discount	112 463 234	57 829 622
	<u>1 257 858 894</u>	<u>337 558 530</u>

- * This item includes an amount of L.E 100 089 190 representing the nominal value of the notes receivables delivered to a company for the purpose of providing some services with respect to the extension of payments terms with interests and to follow up its collection in accordance with the agreement concluded on May 5, 2008 in this regard.
- The Group's exposure to credit, currency risks and impairment losses related to trade & notes receivable is disclosed in note No.(43).

14. Deferred tax assets

	<u>31/12/2008</u>		<u>31/12/2007</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Fixed assets	-	545 123	-	270 863
Provisions	(20 126 423)	-	(13 048 447)	-
Other items	(2 924 383)	-	(1 750 000)	-
Total deferred tax (asset)/ liability	<u>(23 050 806)</u>	<u>545 123</u>	<u>(14 798 447)</u>	<u>270 863</u>
Net deferred tax (asset)/liability	<u>(22 505 683)</u>	<u>-</u>	<u>(14 527 584)</u>	<u>-</u>

15. Completed residential units ready for sale

This item consists of the cost of the completed residential units ready for sale in the first phase of the project and is represented as follows:

	<u>31/12/2008</u> <u>L.E</u>	<u>31/12/2007</u> <u>L.E</u>
Cost of completed commercial units in 3/A area	-	383 342
Cost of completed commercial units in 3/B area	355 542	496 736
	<u>355 542</u>	<u>880 078</u>

16. Works in process

This item consists of the total costs related to works currently being undertaken. Details of these works are as follows:

	<u>31/12/2008</u> L.E	<u>31/12/2007</u> L.E
<u>Company's land intended for use in Allegria project</u>		
Cost of the Company's land intended for use *	392 306 260	58 138 672
Planning , survey , supervision & soil researches	165 387 593	49 849 633
	<u>557 693 853</u>	<u>107 988 305</u>
<u>WESTOWN project costs</u>		
Cost of the Company's land intended for use	38 874 762	49 272 566
Planning , survey , supervision & soil researches	21 128 355	9 239 083
	<u>60 003 117</u>	<u>58 511 649</u>
<u>Cost of the fourth phase (4A & 4B), exhibitions & others</u>		
Cost of land	3 743 034	47 991 618
Planning , survey , supervision & soil researches	1 216 954	6 813 857
Building & utilities	24 855 528	33 461 277
Cost of land of Dahshor' showrooms	25 313 371	23 247 486
A plot of land in the Fifth Community (plot No. 1)	75 770 894	76 292 642
Expenses related to plot of land No. 1	9 143 685	1 971 266
A plot of land in the Fifth Community (plot No. 2)	519 494 158	519 494 158
Expenses related to plot of land No. 2	18 478 084	150 776
Buildings & constructions	14 078 200	6 348 617
	<u>692 093 908</u>	<u>715 771 697</u>
	<u>1 309 790 878</u>	<u>882 271 651</u>

* The master plan of Allegria project has been approved by the New Urban Communities Authority on January 14, 2008 and the master plan of WESTOWN project has been approved on October 23, 2008.

(1) **Plot No. (1)**

The fair value of the vacant plot of land owned by Sixth of October for Development & Real Estate Projects Company "SOREAL", subsidiary Company in the Investors Zone, plot No. (24 a) with a an area of 30 feddens that is equivalent to 125 993.55 square meter according to the handover minute, dated November 9, 2006 located at the communities east to the Ring Road, (New Cairo City), the land ownership was transferred to the Company by virtue of the assignment given by Picorp Holding (the main shareholder), and a decision was issued by the Main Real Estate Committee in its session No.37 dated August 13, 2006 concerning the approval of the said assignment.

(2) **Plot No. (2)**

The fair value of the vacant plot of land owned by Sixth of October for Development & Real Estate Projects Company "SOREAL" a subsidiary Company with an area of 204.277 feddens that is equivalent to 857 963.40 square meter, according to the handover minute dated November 7, 2006 located in the Future Extension of New Cairo City, the ownership of the land was transferred to the Company by virtue of the assignment given by Picorp Holding Company (the main shareholder) to the subsidiary Company, the Main Real Estate Committee issued its decision concerning the approval of the said assignment in its session No. 37 dated August 13, 2006.

17. Trade & notes receivable

	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>L.E</u>	<u>L.E</u>
Trade receivable	24 696 817	45 392 015
Notes receivable *	623 925 123	138 661 232
	<u>648 621 940</u>	<u>184 053 247</u>
<u>Deduct</u> : unamortized discount	11 080 715	6 503 332
	<u>637 541 225</u>	<u>177 549 915</u>
Impairment loss of trade & notes receivables	(200 000)	(200 000)
	<u>637 341 225</u>	<u>177 349 915</u>

* This balance includes an amount of L.E 11 399 895 representing the nominal value of the notes receivables delivered to a company for the purpose of providing some services with respect to the extension of payments terms with interests and to follow up its collection in accordance with the agreement concluded on May 5, 2008 in this regard.

- The Company's exposure to credit, currency risks and impairment losses related to trade & notes receivable is disclosed in note No. (43).

18. Debtors & other debit balances

	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>L.E</u>	<u>L.E</u>
Contractors & suppliers – advance payments	358 155 123	31 129 641
Interests receivable	304 020	1 049 388
Accrued income	6 333	-
Prepaid expenses	52 183 315	9 258 746
Deposits with others	580 878	285 228
Tax Authority	708 423	382 940
Due from Royal Gardens Co.	86 396	350 000
Payments for the purchase of new lands	-	188 033 735
Restricted cash – bonus & incentive plan *	-	30 326 079
Other debit balances	4 476 735	866 653
	<u>416 501 223</u>	<u>261 682 410</u>
Impairment loss of debtors & other debit balances	(441 553)	(355 157)
	<u>416 059 670</u>	<u>261 327 253</u>

* The restricted cash resulting from the exercise of the beneficiaries from the bonus and incentive plan for sale of 200 thousand shares during December 2007 was paid to beneficiaries after the lapse of the prohibition period on March 31, 2008 in accordance with the bonus and incentive plan.

- The Company's exposure to credit & currency risks related to other debtors is disclosed in note No.(43).

19. Held for trading investments

	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>L.E</u>	<u>L.E</u>
Investment instruments – Themar Fund	-	77 670 614
	<u>-</u>	<u>77 670 614</u>

- The Group's exposure to market risks related to held for trading investments is disclosed in note No. (43).

20. Cash at banks & on hand

	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>L.E</u>	<u>L.E</u>
Bank - time deposits *	120 674 620	271 960 000
Saving certificates (3 year maturity)	14 875 000	16 025 000
Bank - current accounts	78 851 493	141 421 804
Bank - blocked accounts **	13 949 819	25 372 233
Checks under collection	8 573 600	12 232 071
Cash on hand	1 103 593	241 688
	<u>238 028 125</u>	<u>467 252 796</u>

* This item includes an amount of L.E 500 000 representing in blocked deposit as guarantee for the facility agreement granted from a bank.

** This item represents the bank account which earns interest income on daily basis placed and kept at Banque Misr. The use of this account is not allowable unless an official letter issued & approved by the Urban Communities Authority according to the agreement with the Urban Authority in this regard.

- For the purpose of preparing the consolidated statement of cash flows, cash & cash equivalents item is represented as follows:

	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>L.E</u>	<u>L.E</u>
Cash at banks & on hand	238 028 125	467 252 796
<u>Less:</u>		
Saving certificates (3 year maturity)	14 875 000	16 025 000
Blocked accounts	14 449 819	25 872 233
Bank - credit balances	45 836	44 941
Cash & cash equivalents in the consolidated statement of cash flows	<u>208 657 470</u>	<u>425 310 622</u>

- The Group's exposure to interest rate risk & sensitivity analysis for financial assets is disclosed in note No.(43).

21. Provisions

Movement on provisions during the year is represented as follows:-

	<u>Balance as at 1/1/2008</u>	<u>Provision formed during the year</u>	<u>Provision used during the year</u>	<u>Balance as at 31/12/2008</u>
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Provision for completion of works*	64 109 776	65 691 693	(30 409 959)	99 391 510
Provision for claims **	3 776 800	409 586	-	4 186 386
	<u>67 886 576</u>	<u>66 101 279</u>	<u>(30 409 959)</u>	<u>103 577 896</u>

* This provision is formed for the estimated costs to complete the execution of the delivered works and expected to be incurred and finalized during the following years.

** This provision is formed for probable taxes, lawsuits and some other expected liabilities.

22. Customers – deposits

This item consists of the deposits for booking and contracting of units & lands not ready for delivery yet and is represented as follows:

	<u>31/12/2008</u> L.E	<u>31/12/2007</u> L.E
Land deposits	27 245 804	1 861 380
Deposits for booking , contracting & installments of residential units (Fourth area)	23 958 314	6 000 324
Deposits for booking , contracting & installments of villas (Fourth area)	-	1 764 300
Deposits – Allegria project	1 924 911 973	109 861 971
	<u>1 976 116 091</u>	<u>119 487 975</u>

23. Contractors, suppliers & notes payable

	<u>31/12/2008</u> L.E	<u>31/12/2007</u> L.E
Contractors	23 558 687	5 961 257
Suppliers	7 952 946	5 519 689
Notes payable	3 047 754	55 432
	<u>34 559 387</u>	<u>11 536 378</u>

- The Company's exposure to currency & liquidity risks related to suppliers & contractors is disclosed in note No. (43).

24. Creditors & other credit balances

	<u>31/12/2008</u> L.E	<u>31/12/2007</u> L.E
New Urban Communities Authority	-	13 043 478
Land purchase creditors – SOREAL	-	41 950 000
Amounts collected on account of management, operation & maintenance of Allegria project	41 253 209	-
Accrued expenses	67 290 815	14 615 365
Due to Beverly Hills Co. for Management of Cities & Resorts	7 987 532	8 064 653
Liability for cash settled share-based payments transactions– Executive directors *	370 101	1 801 715
Amounts due to the beneficiaries from the incentive & bonus plan	-	30 326 079
Customers – credit balances	4 457 072	1 158 784
Tax Authority	22 110 755	9 058 445
Accrued royalty & trademark – Coldwell Banker	178 990	374 284
Accrued Commissions due to Coldwell Banker	183 373	48 983
Dividends payable	1 743 635	-
Accrued compensated absence	703 306	555 158
Amount due to Rabyia for Agricultural & Urban Development Co.	-	78 381
Deposits collected from customers	6 458 651	4 323 405
Accrued costs of works in process	4 023 195	-
Sundry creditors	9 703 145	9 420 770
	<u>166 463 779</u>	<u>134 819 500</u>

- * Represent the amount due to some of the executive board of directors of the Parent Company as detailed in note No. (38).
- The Group's exposure to currency & liquidity risks related to creditors is disclosed in note No. (43).

25. Minority interest

Minority interest balance as at December 31, 2008 represents the minority interest's shares in subsidiary's equity as follows:

	Minority interest	Minority share in profit (losses) for the year	Minority share in equity excluding profits (losses) for the year	Minority interest as at 31/12/2008	Minority interest as at 31/12/2007
	%	L.E	L.E	L.E	L.E
SODIC Property Services Co.	49	311 861	363 803	675 664	363 803
Sixth of October for Development & Real Estate Projects Co. "SOREAL"	0.01	(276)	46 595	46 319	46 594
Beverly Hills for Management of Cities & Resorts Co.	47.69	485 876	11 880 047	12 365 923	11 880 048
Egyptian Co. for Investment and Real Estate & Tourist Development	50	(3 471 342)	6 250 000	2 778 658	6 250 000
Move-In for Advanced Contracting Co.	45	187 795	598 500	786 295	-
Greenscape for Agriculture & Reclamation Co.	49	2 056 852	980 000	3 036 852	-
El Yosr for Projects and Agriculture Development Co.	0.001	(51)	27 303	27 252	-
Sodic for Development & Real Estate Investment Co.	0.001	-	20	20	-
		<u>(429 285)</u>	<u>20 146 268</u>	<u>19 716 983</u>	<u>18 540 445</u>

26. Share capital

- a - The Parent Company's authorized capital was determined at L.E 500 million (five hundred million Egyptian pounds).
- b - The Parent Company's issued share capital before the increase amounted to L.E 167 981 070 (only hundred sixty seven million nine hundred eighty one thousand and seventy Egyptian Pounds) distributed over 16 798 107 shares at a par value of L.E 10 per share fully paid , and annotation was made in the Parent Company's Commercial Registry to this effect.
- c - On July 10, 2003, the Parent Company's Extraordinary General Assembly Meeting decided to reduce the Parent Company's issued capital with an amount of L.E 8 134 750 (eight million hundred thirty four thousand seven hundred and fifty Egyptian Pounds) representing the par value of the treasury shares – according to article 48 of law No. 159 of 1981 to L.E 159 846 320 (hundred fifty nine million eight hundred forty six thousand and three hundred and twenty Egyptian Pounds) distributed over 15 984 632 shares (fifteen million nine hundred eighty four thousand six hundred and thirty two shares). Capital Market Authority issued its letter No. 6610 on 9 October 2003 approving the reduction

of the Parent Company's issued capital, and annotation was made in the Parent Company's Commercial Registry to this effect.

- d - On October 16, 2006, the Parent Company's Extraordinary General Assembly Meeting has unanimously decided to:
- Approve the Parent Company's board of directors resolution made on 10/9/2006 regarding the increase in the issued capital through offering 9 million shares to new shareholders in a private placement and increasing the shares offered in the private placement with 2 million to be allocated to the original shareholders with the same conditions and terms. Accordingly, the increase in the issued capital from L.E 159 846 320 to L.E 269 846 320 shall be within the limits of the authorized share capital amounting to L.E 500 million by issuing 11 million ordinary shares at a fair value of L.E 100 per share (representing a par value of L.E 10 in addition to a share premium of L.E 90) as determined by the Parent Company and prepared according to the average share price at Cairo & Alex Stock Exchange prevailing during the two periods (a week and two months, average share price for a week and two months) prior to the date of publishing the approval of the Parent Company's board of directors on the capital increase made on 11/9/2006. Subscription in the increase introduced to the new shareholders in a private offering shall be made as a deduction from the credit balances of these new shareholders directly paid to the Parent Company before the date of the shareholders' meeting, and the credit balances set aside in the escrow account in favor of the Parent Company as well as the credit balances that shall be transferred to the Parent Company's account within three weeks from holding the shareholders' meeting on condition that the total of those credit balances should be added to the capital participation provided that the original shareholders shall be allowed to make subscriptions in the private offering of 2 million additional shares at the same terms and conditions (2 million shares of the increase shares) within a week after the lapse of 15 days from publishing the invitations of original shareholders to make the subscriptions. In addition to the above, the shareholders meeting approved the board of directors resolution regarding the increase in the issued capital with one million shares where the board of directors of the Parent Company shall be authorized to issue these shares at the same value in order to finance the employees and managers incentive and bonus plan.
 - Approve assigning the preemption right of the original shareholders to subscribe in the issued capital increase by issuing 9 million shares to be allocated to the new shareholders, and authorize the board of directors of the Parent Company to issue one million shares allocated for the employees and managers incentive and bonus plan at a fair value of L.E 100 per share, without applying the preemption right of the original shareholders stated in the Parent Company's Articles of Association, and in light of using the credit balances to finance the purchase of 99.99 % of the Capital of Sixth of October Company for Real Estate Development and the reasons of limiting the private placement to new shareholders, as well as the Parent Company's expansion plan explained in detail at the shareholders meeting.
 - An amount equivalent to L.E 900 million was collected from the new shareholders of which L.E 90 million represents the par value of the increase shares 9 million shares, and the remaining L.E 810 million represent share premium of these shares as shown in note No. (28). Annotation was made in the Parent Company's Commercial Registry on 18/12/2006.
 - On 24/10/2006, convocation was made for the original shareholders to subscribe to 2 million shares at a fair value of L.E 100 per share. The amount subscribed to and paid till 20/11/2006 (the date of closing the subscription) is L.E 192 876 400 for

1 928 764 shares of which L.E 19 287 640 represents the par value of the shares subscribed to and L.E 173 588 760 represents share premium as stated in the Egyptian Gulf Bank certificate dated 26 / 11 / 2006.

- Accordingly, the Parent Company's issued capital after the increase shall become L.E 269 133 960 (only two hundred sixty nine million, hundred thirty three thousand and nine hundred sixty Egyptian Pounds) distributed over a number of 26 913 396 shares at par value of L.E 10 per share fully paid, and annotation was made in the Parent Company's Commercial Registry on 18/12 / 2006.
- On May 16, 2007 the Parent Company's board of directors decided to approve the increase of the issued capital through the issuance of one million ordinary shares in favor of and under the account of incentive & bonus thus, in line with implementing the Extraordinary General Assembly decision dated October 16, 2006. Capital Market Authority made its decision on June 28, 2007 regarding the approval of issuing the shares of the capital increase in the amount of one million ordinary nominal share with nominal value of L.E 10 for each share, and the total amount of the issuance is L.E 10 million that is fully paid in cash and equivalent to 100 % of the increase amount in addition to L.E 90 million as share premium to be transferred to the reserves, according to the certificate of Arab African International Bank's Head office as at June 5, 2007. Annotation was made in the Parent Company's Commercial Registry on 5/7/2006.

Accordingly, the issued capital of the Parent Company after the increase is amounting to L.E 279 133 960 (only two hundred seventy nine million one hundred thirty three thousands, and nine hundred and sixty Egyptian Pound) distributed over 27 913 396 cash share with nominal value of L.E 10 per share fully paid.

- On April 6, 2008, the Parent Company's Extra-ordinary General Assembly Meeting agreed the approval of the Parent Company's board of director's decision issued on August 6, 2007 regarding the increase of the Parent Company's capital with additional 500 000 shares (only five hundred thousand shares) of the Parent Company's shares to be issued on nominal value and to be allocated for the incentive and bonus plan of the Parent Company's employees, directors and executive board members. Accordingly, the share capital will amount L.E 284 133 960 (only two hundred eighty four million one hundred thirty three thousand, and nine hundred and sixty Egyptian Pound) distributed over 28 413 396 share instead of L.E 279 133 960 (only two hundred seventy nine million and one hundred thirty three thousand and nine hundred and sixty Egyptian Pound) provided that the finance of such increase will be made by utilizing the reserves with the assignment of the preemptive right of the old shareholders to subscribe in the said increase. Accordingly, the allocated shares for this plan will become 1.5 million shares instead of one million only.
- On June 11, 2008, Capital Market Authority approved the issuance of the shares of the share capital increase of 500 000 ordinary nominal share with nominal value of L.E 10 per share with total amount of the issuance of L.E 5 million as additional shares to be allocated for the incentive and bonus plan of the Parent Company's employees, directors and executive board members and fully paid from the special reserve according to the financial position as at December 31, 2007. Accordingly, the Parent Company's total issued share capital become L.E 284 133 960 (only two hundred eighty four million one hundred thirty three thousand and nine hundred and sixty Egyptian Pound) distributed over 28 413 396 shares (twenty eight million four hundred thirteen thousand and three hundred and ninety six shares) with a nominal value of L.E 10 per share which are fully paid. Annotation was made in the Parent Company's Commercial Registry on June 18, 2008.

27. Legal reserve

According to the Parent Company's statutes, the Parent Company is required to set aside 5 % of annual net profit to form a legal reserve. This transfer to legal reserve ceases once the reserve reaches 50 % of the issued share capital. The reserve balance as at December 31, 2008 is represented as follows:-

	L.E
Legal reserve balance as at 1/1/2003	6 530 455
<u>Add:</u>	
Increase of the legal reserve with the difference between the par value of the treasury shares and its actual cost (according to the Parent Company's Extra-Ordinary General Assembly Meeting held on July 10, 2003).	4 627 374
Increase of the legal reserve with part of capital increase share premium with limits of half of the Parent Company's issued share capital during 2006. (note No. 26).	123 409 151
Increase of the legal reserve with part of capital increase share premium during the year 2007 with limits of half of the Parent Company's issued share capital. (note No. 26).	5 000 000
Legal reserve balance as at December 31, 2008	<u><u>139 566 980</u></u>

28. Special reserve – share premium

This balance is represented in the remaining value of capital increase share premium for a number of 11 million shares during 2006 and share premium increase of one million share for the incentive and bonus plan during 2007 after deducting the amounts that have been credited to the legal reserve, and after deducting the issuance expenses of such increase in addition to the amount credited to the share capital according to the Extra-ordinary General Assembly Meeting decision as follows:

<u>Description</u>	L.E
Total value of the capital increase share premium collected during 2006	983 588 760
<u>Deduct:</u>	
Amounts credited to the legal reserve according to the provision of Article No. (94) of the executive regulations of law No. 159 of 1981 related to the addition of the share premium to the legal reserve until equal to half of the issued capital.	123 409 151
Total issuance expenses attributable to the issuance of the capital increase shares during 2006.	27 740 255
Balance as at December 31, 2006	<u>832 439 354</u>
<u>Add:</u>	
Share premium of the employees' incentive and bonus plan issued during year 2007	90 000 000
<u>Deduct</u>	
Amounts credited to the legal reserve according to the provision of Article No. (94) of the Executive Regulations of Law No. 159 of 1981 related to the addition of the share premium to the legal reserve until equal to half of the issued capital.	5 000 000
Amounts credited to the share capital during the year according to the Extra Ordinary General Assembly Meeting held on 6/4/2008. (note No. 26)	5 000 000
Balance as at December 31, 2008	<u><u>912 439 354</u></u>

29. Treasury shares

This item is represented in the amount paid by the Parent Company in return for issuing one million ordinary share with a fair value of L.E 100 per share under the account and in favor of the incentive and bonus plan of the Parent Company's employees and managers which are kept in Arab African International Bank as detailed in note No. (26) as follows:

<u>Description</u>	<u>L.E</u>
For financing of one million shares from the incentive & bonus plan with a fair value of L.E 100 per share during year 2007.	100 000 000
<u>Deduct:</u>	
The value of 200 000 shares sold by the beneficiaries from the incentive & bonus plan during December 2007 out of which an amount of L.E 15 million was paid to the Company of L.E 75 per share.	20 000 000
Balance as at December 31, 2008	<u>80 000 000</u>

30. Amount set aside for incentive & bonus plan

The balance is represented in the remaining balance from the difference between the grant date fair value of shares and the amount incurred by the beneficiary from the incentive & bonus plan for the Parent Company's managers & employees for the shares issued during year 2007 as follows:-

<u>Description</u>	<u>L.E</u>
Represents the difference between the fair value of the shares granted to the beneficiaries from the incentive & bonus plan for one million share (allocated over 5 years) for 24 months and the agreed upon share price in accordance with the incentive & bonus plan as at December 31, 2008.	13 750 000
<u>Deduct:</u>	
The difference between the grant date fair value of the shares and the agreed upon share price in accordance with the incentive & bonus plan for 200 000 share that were sold in favor of the beneficiaries during December 2007.	5 000 000
Balance as at December 31, 2008	<u>8 750 000</u>

31. Dividends distribution

On April 6, 2008, the Parent Company's Ordinary General Meeting unanimously decided to disburse dividends for employees only at a ratio not exceeding 5.5% of the net profit for year 2007 and delegated the board of directors in distributing this ratio and setting the necessary basis in this regard. This ratio amounted to L.E 20 million out of which an amount of L.E 18 256 365 was paid during the year. In addition, the board of directors of the Parent Company in its session held on May 4, 2008 resolved to distribute an amount of L.E 5 990 675 from these dividends to some board members.

32. Long-term notes payable

This item is represented in the value of checks issued to New Urban Communities Authority – Sheikh Zayed City Organization. These checks are due from 2/5/2010 till 2/5/2016 as follows:

	L.E
Total nominal value of the issued checks	249 909 622
Discount on notes payable	(67 165 271)
	<u>182 744 351</u>

- The Company's exposure to credit risk related to long-term notes payable is disclosed in note No. (43).

33. Real estate sales

The Group's operations are considered to fall into one broad class of business, sale of residential units and lands and hence, segmental analysis of assets and liabilities is not considered meaningful. Revenues can be analyzed as follows:

	<u>2008</u> L.E	<u>2007</u> L.E
Sale of villas & residential units from the first phase	2 081 637	3 063 928
Deduct: sales return of villas & residential units from the first phase	-	82 500
Net sales of villas & residential units from the first phase	<u>2 081 637</u>	<u>2 981 428</u>
Sales of Desert Road showrooms	-	265 249 075
Sale of lands	31 602 268	160 926 789
Sale of residential units & villas from the second phase	7 214 859	42 343 890
Sale of land to Solidere Egypt for Real Estate Investment & Development Co. *	171 114 879	-
Sale of land & building of the club to Beverly Hills Co.	<u>-</u>	<u>14 500 000</u>
	212 013 643	486 001 182
Deduct:		
Special discount	<u>-</u>	<u>84 125</u>
	<u>212 013 643</u>	<u>485 917 057</u>

- * This item represents the value of sub projects totaled L.E 237 500 000 after deducting an amount of L.E 66 385 121 representing discount for the deferred payment which Solidere Egypt for Real Estate Investment Co. exercised the purchase option in accordance with the Purchase Option Agreement concluded on June 15, 2008 which was granted by the Parent Company to Solidere Egypt for Real Estate Investment & Development Co. within the agreement concluded between the Parent Company and Solidere Management Services Co. " SMS " dated April 26, 2007 with respect to the development works of Sheikh Zayed project " Westown Project " .

34. Cost of real estate sold

	<u>2008</u> L.E	<u>2007</u> L.E
Cost of villas & residential units	383 342	1 645 625
Deduct: Cost of sales return	-	35 298
Net cost of sales of villas & residential units	<u>383 342</u>	<u>1 610 327</u>
Cost of villas & residential units sold from the second phase	6 286 856	33 360 377
Cost of lands sold	3 474 626	58 872 775
Cost of Desert Road showrooms sold	-	61 240 969
Cost of land sold to Solidere Egypt for Real Estate Investment & Development Co.	77 786 783	-
Cost of land & building of the club sold to Beverly hills Co.	<u>-</u>	<u>6 982 214</u>
	<u>87 931 607</u>	<u>162 066 662</u>

35. Other operating revenues

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Realized interest income from installments during the year	33 152 997	15 121 183
Negative goodwill	-	4 254 071
Sundry income	5 260 452	4 614 039
Provisions no longer required	-	1 007 594
Gain on sale of fixed assets	27 155	182 735
	<u>38 440 604</u>	<u>25 179 622</u>

36. Selling & marketing expenses

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Salaries & wages	6 523 612	3 078 575
Commissions for sales personnel	-	7 194 692
Sales commissions	1 701 200	510 036
Advertising	29 877 390	7 758 704
Printouts & photocopy	398 406	245 994
Conferences & exhibitions	4 001 766	136 062
Rent	1 431 047	437 586
Others	2 021 737	1 067 086
	<u>45 955 158</u>	<u>20 428 735</u>

37. General & administrative expenses

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Salaries & wages *	30 993 177	6 352 119
Equity settled share – based payments transactions **	874 850	1 531 250
Employees training & development fund	1 357 088	20 526
Professional & consultancy fees	3 015 533	3 892 724
Advertising	5 461 736	1 019 284
Donations	5 534 675	5 000 000
Maintenance of gardens	2 638 447	1 866 453
Administrative depreciation of fixed assets & leased out units	3 155 963	1 154 079
Amortization of other assets	342 039	39 783
Bids & tenders	101 502	1 484 287
Subscriptions & governmental dues	641 852	478 028
Rent	517 397	96 260
Others	2 520 249	4 048 810
	<u>57 154 508</u>	<u>26 983 603</u>

* This item includes an amount of L.E 15 113 772 represents bounses for the employees and executive directors according to the board of directors' resolution dated February 24, 2009.

** This amount represents the share for the year from the difference between the grant date fair value of shares and the amount incurred by the beneficiaries from the incentive & bonus plan of the Parent Company's managers & employees.

38. Board of directors remunerations and allowances

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Remunerations & bonuses *	23 586 222	2 944 359
Attendance & transportations allowances	51 500	42 500
Cash settled share - based payments **	4 006 663	6 357 501
Equity settled share - based payments ***	4 125 000	7 218 750
	<u>31 769 385</u>	<u>16 563 110</u>

* On April 6, 2008, the Parent Company's General Ordinary Assembly agreed to delegate the Parent Company's board of directors in determining the proper increment of the monthly remuneration of the Chairman of the Parent Company as from January 1st, 2007 in addition, to delegate the Parent Company's board in determining his bonus. This item includes an amount of L.E 4 964 062 in accordance with the Parent Company's board of directors' approval in this regard. On February 24, 2009, the Parent Company's board of directors decided to grant bonuses to the executive board members with an amount of L.E 13 603 491.

** On May 16, 2006, the Parent Company's board of directors decided to grant share appreciation rights to some executive board members that entitle them to future cash payments as part of their salaries & bonuses packages. The amount of the cash payment is determined based on the increase in the share price of the Parent Company from grant date until vesting date.

The terms and conditions of the grants which are settled in cash to beneficiaries are as follows:

<u>Employees entitled</u>	<u>Grant date</u>	<u>Number of shares in thousands</u>	<u>Fair value of share at grant date</u> <u>L.E</u>	<u>Market value of share at 31/12/2008</u> <u>L.E</u>	<u>Conditions</u>
Some executive Board members	1/4/2006	-	75	42.74	Vested after 6 months of period from grant date (salaries)

The amount of expense charged to the consolidated income statement during the year amounted to L.E 4 006 663 and the liability balance payable amounted to L.E 370 101 as at December 31, 2008 that was included in creditors & other credit balances caption in the consolidated balance sheet.

*** This item is represented in the difference between the grant date fair value of the shares granted to the board members of the Parent Company and the agreed upon share price in accordance with the incentive & bonus plan as shown in note No.(47) as follows:

- On May 16, 2006, the Parent Company's board of directors approved some other benefits to the Parent Company's managing director which are represented in granting him share appreciation rights for a number of 750 thousand of the Parent Company shares with exercise price of L.E 75 per share effective from 1/4/2006 and for five years period provided that achieving certain terms and conditions.
- On March 28, 2007, the Parent Company's board of directors agreed on the monthly salary and the additional benefits granted to the managing director within the employees' incentive and bonus plan (note No. 47) starting from 1/4/2006.
- On September 23, 2007, the Supervisory Committee of the incentive & bonus plan of the Parent Company's employees & executive board members agreed on the allocation of 75 thousand shares to a board member as detailed in note No.(47) below. Accordingly, total shares allocated to the board of directors from the incentive & bonus plan reached 825 000 shares as at December 31, 2008.

39. Other operating expenses

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Discount for early payment	128 098	986 630
Depreciation of leased out units	117 574	-
Provision for claims	162 769	1 990 470
Impairment loss of buildings value	254 719	-
Impairment loss of debtors & other debit balances	-	10 322
Loss on sale of fixed assets	1 824	38 110
	<u>664 984</u>	<u>3 025 532</u>

40. Finance income

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Interest income	21 600 080	31 839 384
Investment income from treasury bills	-	6 886 108
Investment income from available-for-sale investments	811 055	668 005
Unrealized gain on held for trading investments	5 721 283	1 968 533
Net foreign exchange gains	-	54 281
	<u>28 132 418</u>	<u>41 416 311</u>

41. Finance expenses

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Interest charges	555 309	133 869
Interests expense of installments of Sheikh Zayed land	12 601 525	-
Deferred interest for the assignment amount due to the Authority	1 956 521	1 701 323
Net foreign exchange loss	1 351 954	5 475 525
	<u>16 465 309</u>	<u>7 310 717</u>

42. Earnings per share

The calculation of earnings per share at December 31, 2008 was based on the profit attributable to ordinary shareholders of the Parent Company of L.E 27 255 076 (for the financial year ended December 31, 2007: L.E 331 234 542) and a weighted average number of ordinary shares as follows:

	<u>2008</u> <u>L.E</u>	<u>2007</u> <u>L.E</u>
Net profit for the year	27 255 076	331 234 542
Employees' share in profit *	-	(20 000 000)
Shareholders' share in profits	27 255 076	311 234 542
Weighted average number of shares outstanding during the year **	28 413 396	27 985 999
Earnings per share (L.E / share)	0.96	11.12

* Earnings per share for the comparative year has been revised with the effect of the distribution of 5.5% from 2007 profits during the current year.

** Weighted average number of shares outstanding during the year is calculated as follows:

	<u>2008</u> <u>share</u>	<u>2007</u> <u>share</u>
Issued shares at January 1 st	27 913 396	26 913 396
Effect of the new shares issued during year 2007	-	572 603
Effect of the share issued for the bonus & incentive plan during June 2008 *	500 000	500 000
Weighted average number of shares outstanding during the year	28 413 396	27 985 999

* The comparative weighted average number of shares outstanding were restated to consider the increase in the issued share capital with an amount of L.E 5 000 000 for 500 000 shares allocated to the incentive and bonus plan of the employees & directors during the year.

43. Financial instruments

43.1 Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the consolidated financial statements was:

	<u>Note</u>	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>No.</u>	<u>L.E</u>	<u>L.E</u>
Long-term trade & notes receivable	(13)	1 257 858 894	337 558 530
Short-term trade & notes receivable	(17)	637 341 225	177 349 915
Other debtors	(18)	416 059 670	261 327 253
Held for trading investments	(19)	-	77 670 614
Cash & cash equivalents	(20)	236 924 532	467 011 108
		2 548 184 321	1 320 917 420

43.2 Liquidity risk

The following are the contractual maturities of financial liabilities:

December 31, 2008

	<u>Carrying amount</u> L.E	<u>6 months or less</u> L.E	<u>6-12 months</u> L.E	<u>1-2 years</u> L.E	<u>2-5 years</u> L.E	<u>More than 5 years</u> L.E
Bank – credit balances	1 344 343	1 344 343	-	-	-	-
Contractors, suppliers & notes payable	34 559 387	21 076 528	12 587 460	895 399	-	-
Other creditors	166 463 779	106 573 786	16 122 069	23 271 322	20 496 602	-
Long-term notes payable	182 744 351	-	36 907 643	-	72 918 354	72 918 354
	<u>385 111 860</u>	<u>128 994 657</u>	<u>65 617 172</u>	<u>24 166 721</u>	<u>93 414 956</u>	<u>72 918 354</u>

December 31, 2007

	<u>Carrying amount</u> L.E	<u>6 months or less</u> L.E	<u>6-12 months</u> L.E	<u>1-2 years</u> L.E	<u>2-5 years</u> L.E	<u>More than 5 years</u> L.E
Bank – credit balances	44 941	44 941	-	-	-	-
Contractors & suppliers	11 536 378	6 097 978	1 035 493	4 402 907	-	-
Other creditors	134 245 102	108 892 723	22 661 337	2 691 042	-	-
Notes payable	164 301 322	-	-	-	70 414 852	93 886 470
	<u>310 127 743</u>	<u>115 035 642</u>	<u>23 696 830</u>	<u>7 093 949</u>	<u>70 414 852</u>	<u>93 886 470</u>

43.3 Currency risk

Exposure to currency risk

The Group's exposure to foreign currency risk was as follows based on notional amounts:

<u>Description</u>	<u>31/12/2008</u>		<u>31/12/2007</u>	
	<u>L.E</u>	<u>USD</u>	<u>L.E</u>	<u>USD</u>
Cash at banks	169 477 809	12 601 161	325 210 112	25 825 942
Trade & notes receivable	1 895 200 119	-	514 908 445	-
Contractors, suppliers & notes payable	(34 559 387)	-	(11 536 378)	-
Other creditors	(118 402 973)	(1 709 923)	(129 930 297)	(784 510)
Net exposure	<u>1 911 715 568</u>	<u>10 891 238</u>	<u>698 651 882</u>	<u>25 041 432</u>

The following significant exchange average rates applied during the year:

	<u>Average rate</u>		<u>Reporting date spot rate</u>
	<u>31/12/2007</u>	<u>31/12/2008</u>	<u>31/12/2007</u>
USD	5.60	5.44	5.50

43.4 Sensitivity analysis

A 10 percent strengthening of the USD against the following currencies at December 31, 2008 would have increased (decreased) profit & loss by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates are constant. The analysis is performed on the same basis for year 2007.

	<u>Profit & loss</u>
	<u>L.E</u>
<u>December 31, 2008</u>	
USD	3 626 876
<u>December 31, 2007</u>	
USD	13 929 446

A 10 percent weakening of the USD against the above currencies at December 31, 2008 would have had the equal but the opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

43.5 Interest rate risk

At the consolidated financial statements the interest rate profile of the Group's interest bearing financial instruments was:-

	<u>Carrying amount</u>	
	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>L.E</u>	<u>L.E</u>
<u>Fixed rate instruments</u>		
Financial assets	1 895 200 119	514 908 445
Financial liabilities	(33 035 959)	(177 344 800)
	<u>1 862 164 160</u>	<u>337 563 645</u>
<u>Variable rate instruments</u>		
Financial liabilities	-	-
	<u>-</u>	<u>-</u>

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the consolidated financial statements date would not affect the consolidated income statement.

43.6 Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts in the consolidated balance sheet are as follows:

	<u>31/12/2008</u>		<u>31/12/2007</u>	
	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Trade & notes receivable	1 895 200 119	1 895 200 119	514 908 445	514 908 445
Cash and cash equivalents	238 028 125	238 028 125	467 252 796	467 252 796
Suppliers, contractors & notes payable	(34 559 387)	(34 559 387)	(11 536 378)	(11 536 378)
Other creditors	(166 463 779)	(166 463 779)	(134 819 500)	(134 819 500)
Notes payable	(182 744 351)	(182 744 351)	(164 301 322)	(164 301 322)
	<u>1 749 460 727</u>	<u>1 749 460 727</u>	<u>671 504 041</u>	<u>671 504 041</u>

The basis for determining fair values is disclosed in note No.(4) above.

44. Transactions with related parties

Related parties are represented in the Parent Company' shareholders, board of directors, executive directors and companies in which they own directly or indirectly shares giving them significant influence or controls over the Group. The Parent Company made several transactions with related parties and these transactions have been done in accordance with the terms determined by the board of directors of the Parent Company. Summary of significant transactions concluded and the resulting balances at the consolidated balance sheet date were as follows:-

a) Transactions with related parties

<u>Party / Relationship</u>	<u>Nature of transaction</u>	<u>2008</u> <u>Amount of</u> <u>transaction</u> <u>L.E</u>	<u>2007</u> <u>Amount of</u> <u>transaction</u> <u>L.E</u>
Royal Gardens for Investment Property – an associate	Amount recognized from deferred interest	7 220 361	2 962 073
Board of directors	- Remunerations & bonuses	30 609 959	12 984 612
	- Collections from sale of residential units & lands	-	57 438
	- Employees' dividends	5 990 675	-
Bright Living for Trading Co. (a company in which the chairman of Move-In for Advanced contracting Co. has participation of 15.5% in its issued share capital)	Decorations & finalizing works	4 100 799	-
Feorosema Co. (a company in which the chairman of Greenscape for Agriculture & Reclamation Co. has participation of 4% in its issued share capital)	Advance payments	881 737	-
Donato farm Co. (a company in which the chairman of Greenscape for Agriculture & Reclamation Co. has participation of 20% in its issued share capital)	Supplies	125 682	-

b) Resulting balances from these transactions

<u>Party</u>	<u>Item as shown in the consolidated balance sheet</u>	<u>31/12/2008 L.E</u>	<u>31/12/2007 L.E</u>
Rabyia for Agricultural & Urban Development Co.	Contractors – advance payments	-	49 500
	Contractors & suppliers	-	146 629
	Creditors & other credit balances (note No. 24)	-	330 876
Royal Gardens for Investment Property	Trade & notes receivable (note No. 13 & 17)	96 740 723	167 580 000
	Liability for cash settled share – based payments transactions included in creditors & other credit balances caption (note No. 24)	370 101	1 801 715
Board of directors	Amounts due to the beneficiaries from incentive & bonus plan (note No. 24)	-	25 019 015
Feorosema Co.	Debtors & other debit balances (note No. 18)	180 452	-
Donato Farm Co.	Debtors & other debit balances (note No. 18)	-	-

45. Tax status

The Company enjoyed a tax exemption from corporate profit tax for a period of ten years starting from the next year of starting activity in accordance with law No. 59 of 1979 concerning the New Urban Communities and ended on December 31, 2007. Summary of the Company's tax status at the consolidated financial statements date is as follows:

Corporate profit tax

- The Tax Authority assessed Corporate profit tax and moveable income tax for the years from 1996 till 2000 on deemed basis . The Company was notified by the tax forms and the Company has objected on such assessment and the dispute is still regarded on the Internal Committee .
- No tax inspection has been carried out for year 2001 till authorizing these financial statements for issuance.
- The Company submits its annual tax return on due dates in accordance with Law No. 91 of 2005.

Salary tax

- Tax inspection was carried out until 2001 and the tax claims was paid according to the assessment of the Internal Committee and the years from 2000: 2001 were inspected and the differences were taken to the internal committee. The resulting differences were paid according to the assessment of the Internal Committee in September 2004.
- The years 2002, 2003, 2004 were inspected & the Company did not receive any tax claims till authorizing these financial statements for issuance.

Withholdin tax

- Tax inspection was carried out for the previous years and also till the second quarter of 2007 & the Company did not receive any tax claims till authorizing these consolidated financial statements for issuance.

Stamp tax

Tax inspection was carried out for the previous periods and also till 31/7/2006 & the Company did not receive any tax claims till authorizing these consolidated financial statements for issuance

Sales tax

- The Company was inspected from inception till August 2003 and tax differences were paid.
- No tax inspection for the following periods has been carried out till authorizing these consolidated financial statements for issuance.

46. Capital commitments

- The contracts concluded with others related to construction, utilities and site works amounted to L.E 1.30 billion (December 31, 2007: L.E 142.2 million) and the executed part of these contracts amounted to L.E 506 million as at December 31, 2008 (December 31, 2007: L.E 59.84 million).
- Contributions in long – term investments that have not been requested till the consolidated balance sheet date amounted to L.E 21.75 million approximately. (December 31, 2007: L.E 21.75 million).

47. Incentive and bonus plan of the Parent Company's employees and managers

On October 16, 2006, the Parent Company's Extra - Ordinary General Assembly unanimously agreed to approve the incentive plan of the Parent Company's employees and managers by setting it in the Parent Company's statutes according to the proposal suggested by the Parent Company's board of directors, and authorizing the Parent Company's board of directors to issue million share with a fair value of L.E 100 per share in application the incentive plan of the Parent Company's employees and managers, and appointing an independent committee for supervising the execution of this plan formed by non – executive members in the board of directors , as well as delegating the Parent Company's managing director to amend the provisions of the Parent Company' statutes and which is related to capital's increase and applying the incentive and bonus plan of the Parent Company's employees and managers.

The articles of the Parent Company 'statues were amended on 24/10/2006. Procedures and discussions are still on-going with Capital Market Authority in this regard

The following are the main features of the incentive and bonus plan of the Parent Company's employees, managers and executive board directors:

- The incentive and bonus plan works through allocation of shares for the Parent Company's employees, managers and executive board directors and to sell these shares in favor of them in preferential conditions.
- Duration of the plan is four years starting from the date of approval of the plan by the Parent Company's Shareholders meeting and each beneficiary is allocated during this year a specified number of shares each year over the plan years according to the allocated shares outlined in the appendix of this plan.
- The price of share was determined for the beneficiary at L.E 75 per share.
- The Parent Company shall finance the issuance of the shares of the increase allocated in application of the plan and the value of shares due to the Parent Company will be paid from the proceeds of sale.
- On March 28, 2007 the board of directors of the Parent Company approved the agreement of marinating the shares of the incentive and bonus plan of employees, managers and executive board directors with Arab African International Bank. The agreement concluded between the Parent Company and Arab African International Bank was signed on April 15, 2007. As detailed in note No.(26), the shares of the plan were issued and financed by the Parent Company. Annotation of this increase was registered in the Commercial Registry on July 5, 2007.
- On September 23, 2007, the Supervisory Committee of the incentive & bonus plan of the Parent Company's employees, executive directors and managers agreed to the selection of the beneficiaries and also the number of shares allocated to each one of them. Accordingly, the whole shares of the plan were allocated in full.
- During December 2007, a number of 200 000 shares from the incentive & bonus plan were exercised with average selling price of L.E 226.63 per share. The amounts due to beneficiaries were set aside in special account held by Arab African International Bank until the completion of the prohibition period according to the incentive & bonus plan provisions.
- The number of shares allocated to the plan was increased by 500 000 additional shares as detailed in note No. (26).
- On July 3, 2008 the Supervisory Committee of the incentive & bonus plan of the Parent Company's employees, executive directors approved the allocation of 495 000 shares of the total shares to some of the Company's employees and executive directors. Allocation contracts for these shares were signed with the employees and the executive directors during October 2008.

Beneficiaries, extent & vesting conditions of granting of shares in accordance with this plan are as follows:

<u>Employees entitled</u>	<u>Grant date</u>	<u>No. of shares in thousand</u>	<u>Fair value of share at grant date</u> <u>L.E</u>	<u>Exercising price</u> <u>L.E</u>	<u>Conditions</u>
Managing director	28/3/2007	750	100	75	Additional benefits for 5 years working in the Company and exercise period from 31/3/2007 till 31/3/2011 – the beneficiary is not entitled to this right if the performance of the Company's share is below CASE 30 by more than 20% for 2 consecutive years during the vesting period.
Board of director	23/9/2007	75	100	75	According to performance measure and exercise period from 31/3/2007 till 31/3/2011.
Some managers	23/9/2007	175	100	75	According to performance measure and exercise period from 31/3/2007 till 31/3/2011.
Board of director	7/10/2008	25	73.34	75	According to performance measure and exercise period from 31/3/2007 till 31/3/2011.
Some managers	7/10/2008	470	73.34	75	According to performance measure and exercise period from 31/3/2007 till 31/3/2011.

48. Comparative figures

Some comparative figures were reclassified to conform to the presentation of the current year.