



باديكو القابضة
PADICO HOLDING

PADICO HOLDING NEWS

PADICO HOLDING Quarterly Newsletter - Issue 15 - August 2014

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Gaza before the aggression

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Editorial ...

The second quarter of 2014 witnessed an acceleration of political and security challenges that greatly affected the economic situation in Palestine. Even after the signing of the reconciliation agreement and the formation of the Palestine unity government from a number of independent figureheads, there are still a number of unresolved issues that are causing some confusion and complexity on the procedures and processes of running the government. Probably one of the most notable of those is the issue of employees' salaries in the Gaza Strip, mounting up to around 40 thousand employees, as the unity government considered them part of the responsibility of the former Gaza government. Additionally, another unresolved issue is related to the PA security apparatus' supervision over the Rafah crossing which includes travelers commuting back and forth; such obstacles prove that there are a number of essential details that weren't agreed upon prior to the signing of the reconciliation agreement. Therefore, a number of political experts believe that there is a need for a prompt national initiative that guarantees maintaining a suitable reconciliation agreement especially in light of the rapid complex changes in the region.

On another hand, Israel also stepped up its security procedures by carrying out arrests, closures and killings of Palestinians after its claims about the disappearance of 3 settlers in the city of Hebron; which was followed by an unjustified Israeli aggression on the Gaza Strip in order to increase its internal pressure, and try to wart the Palestinian reconciliation agreement. The number of martyrs killed in this Israeli aggression reached up to 2016 martyrs by the time of the writing of this editorial. In the meantime, a number of diplomatic efforts are still being carried out in an attempt to formulate an initiative to end this onslaught and to guarantee the rights of the Palestinian people. This comes after the refusal of the Egyptian proposal for a ceasefire which would have been followed by rounds of negotiations regarding a number of issues including the opening of crossing points and the release of all prisoners captured by Israel since the 23rd of June 2014. The Palestinian unity delegation is still going through rough negotiations mediated by Egypt in an attempt to reach a permanent ceasefire which guarantees the Palestinian conditions.

On the economic front, the Palestinian government is still struggling with its financial burdens. Data issued from the Palestinian Ministry of Finance show that the current deficit within the Palestinian budget for the first 5 months of 2014 reached up to USD 530 million, despite the extreme rationalization of expenditure carried out by the government and announced by H.E. Prime Minister Rami Hamdallah. It's worth noting that government spending increased by NIS 689 million (USD 197 million) compared to the same period last year. The government also approved amendments on income tax and profits, only to come back and postpone the implementation due to a complete rejection by the Palestinian private sector which accused the government to be draining the money of investors by carrying out such amendments.

Furthermore, PADICO HOLDING has been taking steady steps carrying out its investments, as it achieved a notable growth in its profits for the first half of 2014. consolidated net profit reached USD 15.01 million in comparison to USD 13.74 million during the same period of 2013, achieving an increase of 9.2%. Additionally, operating profits (EBIT) increased by 10.97% to reach USD 21.55 million during the first half of 2014, in comparison to USD 19.42 million during the same period last year.

PADIO HOLDING also implemented urgent initiatives since the beginning of the Israeli aggression on Gaza in order to aid Palestinians all over the Strip and supply them with basic humanitarian and financial needs especially the large numbers who were displaced. The Company also organized a consultative meeting at the Executive Club on the 7 August 2014, which was attended by government officials, private sector companies, banks, civil society and international organizations, in an attempt to discuss tools for the involvement of the private sector in the relief efforts of the Gaza Strip.

PADICO HOLDING Records Profits of USD 15.01 Million in the First Half of 2014

PADICO HOLDING achieved a significant increase in its profits during the first half of 2014, as consolidated net profit reached USD 15.01 million, in comparison to USD 13.74 million during the same period of last year, recording an increase of 9.2%, while operating profits (EBIT) increased by 10.97% to reach USD 21.55 million during the first half of 2014, in comparison to USD 19.42 million during the same period last year.

Mr. Munib Rashid Masri, Chairman of the Board of Directors, said that the results expressed in the rapid increase in profits during the first half of 2014 are considered an indication that PADICO HOLDING is moving the right direction and according to the investment plans laid forward by the Board of Directors.

Mr. Masri went on saying that these results come at a time where Palestinians are facing an unprecedented aggression, one which calls for the Palestinian people to move even closer towards national unity and unanimity. He also asserted that the current situation requires a more serious Arab stance in support of the Palestinian people in order to protect them from the Israeli war machine.

Mr. Masri also stressed on the fact that the Gaza Strip is in a dire need for a full-on coordination of efforts from all stakeholders in order to provide urgent aid and interventions aimed to improve the situation. He also applauded the remarkable efforts put forward by PADICO HOLDING since the beginning of the aggression in an attempt to relieve the suffering of the Gaza Strip. These efforts are represented by the Company's endeavors to offer relief to displaced people living in shelters by providing them with the basic humanitarian, psychological and financial needs. Additionally, the Executive Club, owned by PADICO Tourism, held a consultative meeting on 7 August 2014, which hosted representatives from the government, the private sector, URWA, civil society as well as the coordinating council for private sector to discuss and find mechanisms for the private sector's involvement in supporting the Gaza Strip. Mr. Masri expressed the Company's, along with its subsidiaries and affiliates, firm commitment towards supporting the Gaza Strip in its ongoing distress especially after the end of the attack. Mr. Masri finally went on to assert that the persistence of the Palestinian people has been the determining factor in moving the world towards acknowledging their rights; as he stressed that the Palestinian people will not settle for anything that doesn't guarantee their freedom and dignity, and having a free and independent state.

Mr. Samir Hulileh, CEO of PADICO HOLDING, said that this increase in profits comes as a result of the ongoing improvement in financial performance for a number of PADICO HOLDING projects and subsidiaries. He also added that there are a number of projects that are still in the establishment stage, as their ongoing constituent expenses weigh on the consolidated income statement like Rabiyyet Al-Quds Project, Al-Ghadeer Project, the Executive Club Project and Jericho Gate Project. He went on saying that it is expected that these projects will result in a significant increase in profits in the near future once they become operational.

Consolidated Revenues

Total consolidated revenues reached USD 60.32 million during H1/2014, recording a growth of 10.6% compared to USD 54.53 million for the same period of the past year. This increase can be mainly attributed to the increase in subsidiaries' operating revenues by USD 4.20 million during H1/2014, reaching USD 36.90 million with a growth of 12.8 % compared to USD 32.70 million for H1/2013. The rise of operating revenues of Palestine Industrial Investment company (PIIC), Palestine Stock Exchange, and NAKHEEL Palestine contributed mainly to this growth.

Additionally, PADICO HOLDING's share of associates' results of operations increased by 8.2% from USD 20.62 million for the H1/2013 to USD 22.30 million for H1/2014. This was mainly resulted from the increase in PALTEL Group's net profit by 5.9% from JD 45.34 million for H1/2013 to JD 48.05 million for H1/2014, along with the increase in profits of Vegetable Oil Industry Company from JD 1.82 million to JD 2.67 million for the mentioned periods, Respectively. The gain from financial assets portfolio has decreased during H1/2014 to reach USD 1.12 million, compared to USD 1.26 million for H1/2013.

Consolidated Expenses

Total consolidated expenses increased by 9.5%, reaching USD 45.50 million for H1/2014 compared to USD 41.57 million for the same period of 2013. This increase is mainly attributed to the increase in operating expenses which was increased by 12.1%, from USD 23.63 million for H1/2013 to USD 26.48 million for the same period of 2014. Also, general and administrative expenses increased by 2.7% from USD 7.90 million for H1/2013 to USD 8.11 million for H1 current year. Additionally, finance costs increased from USD 5.19 million for H1/2013 million to USD 5.76 million for H1/2014 in parallel with the increase in average total debt from USD 218.05 million for the first half of 2013 to USD 225.86 million in the same period of the current period.

Financial Position for H1/2014

Total assets increased slightly by 2.7% reaching USD 830.75 million at the end of H1/2014 compared to USD 808.67 million at the end of 2013. Additionally, equity attributable to equity holders of the parent company increased by USD 10.52 million from USD 418.84 million by the end of 2013 to USD 429.36 million by the end of H1/2014, recording an increase by 2.5%.

Total liabilities increased by 4.3% from USD 288.11 million at the end of 2013 to USD 300.45 million at the end of the first half of 2014 with an increase by USD 12.34 million. Furthermore, total debt, which comprises bonds, bank loans and credit facilities, constituted almost 75% of total liabilities, and reached USD 225.61 million by the end of H1/2014 compared to USD 226.12 million by the end of 2013 recording a slight decrease of USD 0.51 million. These debts include the bonds that was issued by PADICO HOLDING in 2011 with a nominal value of USD 85 million

Future Plan

PADICO HOLDING's future plan focuses on maintaining and developing its investments, completing the implementation of some of these projects that are currently under construction, and improving the performance and profitability of the current existing projects. As for bolstering the cash flow and reducing debt and administrative expenditures, the company will continue to apply its plan, aiming at limiting and controlling administrative and general expenditures and continuing to reduce the debt of the company in the next few years. Additionally, all efforts to rebuilding and supporting the Gaza Strip will be an essential element of the Company's strategy as we as its subsidiaries and affiliates..

News from Subsidiaries and Affiliates

Executive Club Inauguration in Ramallah

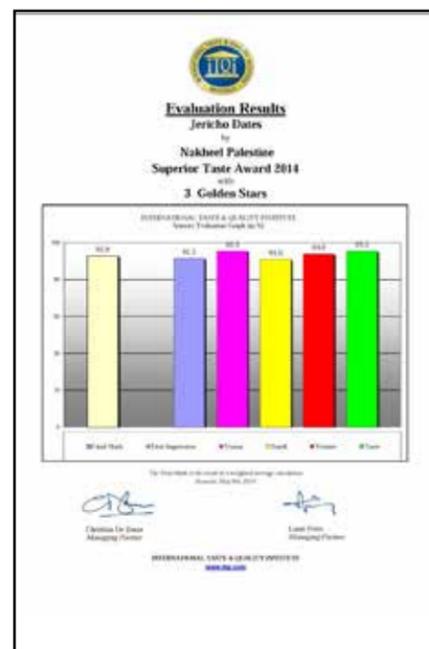


PADICO HOLDING held an inauguration ceremony for the Executive Club project, which was attended by a number of businessmen and heads of PADICO HOLDING's subsidiaries and affiliates. The Executive Club project, owned by PADICO Tourism, is the first of its kind in Palestine, offering services to cater the business community needs including a suitable environment for businessmen and specialized well-appointed recreational facilities. The project is located on 2,600 square meters in the Tal Al Safa area in Ramallah with a total capital of USD 6 million. The Executive Club includes a number of restaurants with various styles, in addition to luxurious spa and sports facilities designed to serve business owners and executives in the West Bank.

NAKHEEL Palestine Awarded with Three Golden Stars in the International Taste and Quality Institute (iTQi) in 2014

NAKHEEL Palestine has been awarded three golden stars from the International Taste and Quality Institute (iTQi) in Brussels, where it is the only company in the Middle East to be granted this high-standard award. This is the second time NAKHEEL Palestine receives an award from the iTQi, as it was awarded with two golden stars in 2013. This comes as proof of the Company's exceptional benchmark in the process of developing, packaging and storing its products.

NAKHEEL Palestine has already participated in 2 international exhibitions during 2014. The first being the Gulfood Annual Exhibition 2014 held in Dubai; participating in this exhibition was followed by entering new international markets. The second was the Mihas Halal Products Exhibition held in Malaysia; where the company's participation aimed to explore the markets in that area and to strengthen relationships with the companies' representatives. Furthermore, the Company participated in most exhibitions to seek entering new markets and maintaining contact with previous ones. NAKHEEL Palestine entered markets in Jordan, Lebanon, Poland. Continuously, the latest market was New Zealand which is considered one of the hardest international markets to enter and is considered a great opportunity for expansion, and can set the platform for reaching out to the nearby Australian market.



The Palestine Exchange (PEX) Participates in the Annual Arab Federation of Exchanges Conference

The Palestine Exchange (PEX) concluded its participation in the 39th Annual Arab Federation of Exchanges conference, which was held on the 5 June 2014 in Dubai. The conference was attended by a number of exchanges CEOs, senior officials as well as member companies. Palestine Exchange was represented in this conference by its CEO Mr. Ahmad Aweidah.

The Palestine Exchange (PEX) Concludes its Preparations for the Launch of its First Online Bonds Trading, and Launches its New E-Bulletin "Panorama Exchange"

The Palestine Exchange (PEX) has announced finishing its technical and logistic preparations to start using a new tool which will be enlisted for trading on the market soon. The announcement was made during a meeting held at the Palestinian Capital Market headquarters on 22 June 2014. The meeting was attended by representatives from brokerage firms operating in Palestine as well as representatives from the HSBC bank. The use of these new tools in the Palestine Exchange market will increase its investment attractiveness and add more depth to its capabilities and the diversity of its income sources like other regional and international markets.

PEX also launched its new E-Bulletin under the name "Panorama Exchange", which is an electronic bulletin that will be issued on a quarterly basis and will be specialized in the stock exchange and capital market sector. "Panorama Exchange" will serve as an electronic portal, not only for the stock exchange market but to all divisions of the capital market sector, in order to provide information to all stakeholders in this vital sector. The Palestine Exchange will make sure to keep developing this bulletin during the next stage in order to turn it into a comprehensive reference point for all information and statistics linked to stock market performance.

The Palestine Exchange (PEX) Holds a Specialized Symposium for Palestine Islamic Bank Employees

The Palestine Exchange has conducted a specialized symposium for Palestine Islamic Bank employees titled "Investment in the Palestine Exchange – Palestine Islamic Bank as an Example". The symposium was attended by employees from more than 30 banks, and it presented PEX's work as well as the mechanisms and regulations that it implements. The symposium also discussed the vital importance for the national economy for attracting investments and the significance of integrity, fairness and transparency. The symposium shed light on the Palestine Islamic Bank's stock performance and the variations occurring to the value of the stock, as well as its market value.

Al-Foquha Elected as Chairman of the Board of Directors for the Palestine Poultry Company (AZIZA)

The new board of directors for the Palestine Poultry Company (AZIZA) was assembled during its first session on 24 June 2014, after the elections held by its public body on 17 April 2014. Mr. Abdul Hakim Foquha was elected during the meeting as the chairman of the board, while Mr. Amjad Yousef Hassoun was elected as the vice chairman of the board of AZIZA.

The new board of directors, and during its first session, expressed their deep gratitude for the invaluable role played by Mr. Nidal Sukhtian, who was the chairman of the board of directors ever since the establishment of the Company; they also made sure to point out the vital role his strategic vision in bringing success to the Company. The new board of directors consists of 11 seats, 6 of those are held by Palestine Industrial Investment Company (PIIC), 2 seats held by PADICO HOLDING, 1 seat held by Beit Jala Pharmaceutical Company (BJP), 1 seat held by Al-Reef for Investment and Agricultural Marketing, and 1 seat held by Al-Nowa for Investment Management.

St. George Hotel Applies New Techniques to Serve its Customers and Promote its Services

St. George Hotel signed a deal with a private company to conduct a survey in order to measure customers' satisfaction, as customers are contacted by email or by text message after leaving the hotel to convey satisfaction or dissatisfaction during their stay. This process is conducted through "Trip Advisor" technique.

The hotel also produced a short promotional film narrated by its general manager in order to advertise its services and present its rooms and facilities. The film was published using social network websites as well as using the "Trip Advisor" technique. Additionally, the hotel participated in a poll which aims to acclaim hotels that provide exceptional services to their customers through the World Luxury Hotel Award website.

On a different note, The Terrace has been renovated and redecorated with wood to give a feeling of comfort to customers as they enjoyed watching World Cup games which were broadcasted live through a large display screen.



The Moevenpick Hotel Welcomes the World Cup by Inviting 500 People and with the Presence of the Brazilian Office Representative

Following the preparations made by the Moevenpick Hotel to receive football fans during the World Cup, the hotel sent out invitations for 500 people to come watch the opening ceremony along with the Brazilian Office representative. The guests enjoyed a cocktail buffet prepared by the hotel's restaurant.

Jericho Gate Project

Jericho Gate project managed to reach an agreement with the Jericho Municipality that entitles conducting a detailed structural plan study for the project separately from the one which will be done for the city of Jericho. The company also commenced in opening up parts of the internal streets connecting the public square to the main road leading to the previously Intercontinental Hotel (currently Oasis Hotel), which will serve as the main entrance for the project. This road made it easier for visitors to get to the project and explore the area. The Jericho Municipality also approved the structural plan for the project, and now waiting for the final approval from the Supreme Regulation Council.

A number of engineering students from Palestine Polytechnic University recently visited the Project in order to get to know its location, geographical nature and components in order to prepare geometric designs of the project. In addition to that, a number of sport events also took place in the project, most notably of which being the Palestinian rally race as well as the horse race festival in Jericho.

Jericho Gate is currently preparing the detailed designs and plans for roads, water, waste water as well as electricity and telecommunications networks. It has also set plans to start implementing related infrastructural plans for the first stage of the project, which sits on 1000 dunums, by the last quarter of the current year. It's also worth noting that this project is expected to have a great positive impact on its surrounding communities.

NAKHEEL Palestine Storages Run Out of Dates Early for 2013-2014 Season

The dates harvest in NAKHEEL Palestine for the season 2013/2014 ran out early this year, due to the hard work of the marketing and sales team as they managed to secure the company's entry into more than 10 new international markets this year, in addition to the previous 6 markets. The company also adopted a new strategy for internal marketing which led to an increase in demand, especially prior to the holy month of Ramadan.

The Company also finished working on a new technique based on fertilization of dates for the season of 2014/2015 which will enable it to improve the quality of its products. This plan was developed by a team of agronomists who worked on improving the quality of the Company's products.

PRICO Projects

PRICO House 2

The beginning of 2014 witnessed the completion of excavation and foundation works for (PRICO House 2) Project, and the final touches are being carried out as the Project is expected to end after 18 months. The project consists of offices to cater doctors, engineers, lawyers and it will also have commercial shops. The building is equipped with all types of high quality services that distinguish the project from other projects similar to it.



PRICO sales team recently started marketing the Project by giving customers special offers that include special banking arrangements to facilitate purchasing spaces, such as new mortgages system. This method is becoming more popular as it allows professionals to own their offices for less than the value of paying rent.

The Project is located in the city of Ramallah, 1 Km away from the center of the city and is located in front of the Ministry of Justice; the area is known for its quick commercial development as it hosts headquarters for a number of major corporations, in addition to the a number of banks including the Arab Bank, Al-Quds Bank and Bank of Palestine.

Al-Ghadeer Compound

The second stage of Al-Ghadeer Compound, which consists of residential buildings, is in its last stages, as apartments are expected to be delivered by the end of the last quarter of 2014.

Al-Ghadeer Compound is considered to be one of the largest model compounds in Palestine, as it provides all necessary services and public utilities. The project includes a commercial center, internal roads, car parking, green spaces, playgrounds as well as public parks. The compound, during its first phase, will include 14 residential buildings that will have up to 155 housing units. The Compound is located next to Al-Masayef project, and is considered one of PRICO's many contributions to the real-estate sector in Palestine.

Corporate Social Responsibility

PADICO HOLDING Group Signs a Memo of Understanding with Sharek Youth Forum to Support the Gaza Crisis Urgent Aid Campaign

PADICO HOLDING signed a memo of understanding with Sharek Youth Forum to support the Gaza crisis urgent aid campaign in order to provide displaced people in Gaza with humanitarian and material needs. A number of PADICO HOLDING subsidiaries and affiliates also participated in the Campaign including Palestine Real Estate Investment Co. (PRICO), Jerusalem Tourism Investment Company Ltd. (PADICO Tourism), The Palestine Exchange (PEX), Palestine Industrial Investment Company (PIIC) as well as Palestine Poultry Company (AZIZA). The Campaign is titled "Sharek Sha'bak" (Share with your nation), and it was launched at the beginning of the Israeli attack on Gaza.

The Campaign provides support and aid to the displaced people who are spread over 50 shelters in different parts of the Gaza Strip, and has two approaches: Basic and essential needs, especially drinking water, personal hygiene kits, as well as mattresses and pillows. The second element is financing activities that aim to offer a psychological outlet to children to get their minds off of war such as distributing toys and clothes among other entertaining activities.

Subsequently, during the campaign, drinking water tanks and mineral water in Der Balah and Jabalia were distributed and hot meal packages that got to over 9200 families, as well as children milk. Additionally, hygiene kits were given out to 15 different shelters, 6000 children got haircuts, 5000 pieces of clothing, 120 shoes, and 6 wheelchairs were provided during the campaign. As for the entertaining activities, 50000 children partook in the events all over the Gaza Strip.

Furthermore, the Campaign allocates 800 hot meals on a daily basis to displaced people offered by a subsidiary hotel of PADICO HOLDING in Gaza. The Company also worked on providing medicine shipment to the Red Crescent Hospital in response to the severe shortage in certain kinds of medicine. The campaign will continue until there is a valid realistic solution for the displaced people in Gaza, especially since many of them lost their houses, which requires dedicated support after the war is over.

Launch of Tamayyaz Program Activities in April with Proactive Participation of Students

Tamayyaz program, which comes in partnership between PADICO HOLDING, Sharek Youth Forum and the International Youth Foundation, launched its second phase in April with a proactive participation from students of the 7 partnering universities (Birzeit University, An-Najah National University, Palestinian Technical University (Khadoori), Al-Quds University, the Arab American University (AAU), Palestinian Polytechnic University as well as Al-Quds Open University).

The Program holds an extended weekly workshops, and lectures that include a variety of activities that aim to improve and develop students' personal skills, strengthen their basic life skills, increase their leadership and widen their spectrum in regards to diverse sectors and fields. The Program also includes field visits to Palestinian companies, factories and businesses in order for the students to learn more about the labor market first hand. Additionally, all activities implemented within the Program come with extensive supervision by a team of professional trainers and experts in personal development.

Furthermore, the Program executed an English language camp which entitled having the students spend 5 consecutive days with a number of international volunteers (English speaking only) to improve their capability of communicating in English. The camp consisted of intensive trainings and speaking activities for 5 hours daily, and it was implemented with all partnering universities.

The students also executed social initiatives such as academic assistance to Palestinian students, visiting elderly houses and orphanages, as well as visiting hospitals. The students, in addition, started a number of projects since the beginning of the holy month of Ramadan that included distributing food packages, dates, and dairy products to drivers to families in need.

PADICO HOLDING's Chairman of the Board of Directors and Secretary General Meet with Tamayyaz Program Students at the Company's Headquarters



Tamayyaz program students from Palestine Technical University - Kadoorie and Al-Quds Open University met with both Mr. Munib Rashid Masri, Chairman of the Board of Directors and Mr. Ziad Turk, the Secretary General of PADICO HOLDING. Subsequently, the students got a chance to hear about PADICO HOLDING's history since its establishment and the success story it withholds, along to its achievements in the Palestinian economy during the past 20 years. The discussion was interactive and included some discussions about the Palestinian reconciliation and the efforts to rebuild the Gaza Strip.

PALTEL GROUP launches Computer Labs for the Blind in Hebron as Part of its Grant for Technology

PALTEL GROUP launched a number of computer labs for the blind in Hebron at a number of charities including Rahma Charity, Blind Charitable Society, and Al-Quds Open University.

PALTEL GROUP has been carrying out this initiative for 4 years now, as it aims to spread technology and the culture of using the internet and computers through providing the devices for civil and social institutions and connecting them to the internet.



PALTEL GROUP Provides Support to Palestine Technical University-Kadoorie to Fund Establishing an Olympic Track



PALTEL GROUP provided support to the Palestine Technical University - Kadoorie through funding their project to establish an Olympic track. The importance of this projects comes from the fact that it's the first of its kind in Palestine, and it comes as part of a plan to create a full Olympic stadium to serves students, the local community as well as national teams. This project is expected to make a big change in the lives of students and benefit the community as a whole, as it provides the opportunity for people to benefit from the track which comes with international specifications and standards (400 m, with 8 tracks created with international standards). The project will cause a huge leap in the preparations of athletes and players and their preparations to participate in regional and international athletic competitions. This support comes as part of PALTEL GROUP's interest to constantly support the sports sector in Palestine.

Palestine Industrial Investment Company (PIIC) Signs a Memo of Understanding with the Faculty of Economics and Social Sciences at An-Najah National University

Palestine Industrial Investment Company (PIIC) signed a memo of understanding with the faculty of economics and social sciences at An-Najah National University. The signing comes as part of the huge role played by the Company in supporting the industry sector by providing hundreds of job opportunities, and by investing in various new vital sectors in Palestine. PIIC also assures embracing students' innovation and social responsibility engagement in a more organized manner, as well as working to combine the efforts of the private sector, academic sector and the public sector in order to develop the education in Palestine.

It's worth noting that PIIC maintains excellent relations with An-Najah National University, as this signing comes part of a bigger cooperation and previously signed agreements with the university and a number of its faculties.

The Palestine Exchange (PEX) Meets with a Number of Students as Part of the "Visit to the Exchange" Program

The Palestine Exchange continues with its efforts to promote and spread investment awareness amongst students and teachers from academic institutions through its "Visit to the Exchange" program. This program is organized by PEX throughout the year to inform students about the nature of the work and the Company's role in the capital market sector. 590 students were received so far during the second quarter of 2014.



The Palestine Exchange (PEX) Holds Investment Awareness Seminars

The Palestine Exchange (PEX) has concluded a specialized training workshop at its headquarters in Nablus under the title "Working Mechanisms of the Palestinian Stock Market". This workshop targeted outstanding student graduates who majored in business administration and finance for the academic year 2013/2014, and focused on 6 Palestinian universities: Arab American University (AAU), Al-Quds University, Palestine Technical University - Kadoorie, Palestine Ahliya University College, An-Najah National University, as well as Al-Quds Open University in 3 of its branches (Ramallah, Nablus and Hebron). The workshop included 23 students and aimed to increase their levels of awareness in investments and to enhance their skills and capabilities through presenting a thorough explanation of how the stock market works.

The plan is to hold this workshop on an annual basis to utilize it as a tool of communications between PEX and the academic sector. Additionally, PEX also held investment awareness seminars in cooperation with the directors of education from both South Nablus and Salfit, which targeted teachers for the business sector in high schools. The first one was held at the directorate of education and higher education's office for South Nablus at the town of Howara, while the second one was held at the directorate's office in Salfit. Over 45 teachers from different schools participated in the seminars that went into details of how PEX operates and its role in developing the national economy and attracting investments to Palestine.

The Movenpick Hotel Organizes Charity Breakfast in Cooperation with the Municipality of Ramallah



The Movenpick Hotel organized a charity breakfast for the Arab Women Union Society, in cooperation with Dr. Laila Ghannam, Ramallah and Al Bireh Governor. A team of employees at the Moevenpick Hotel also participated in the hygiene day called by the municipality of Ramallah in May 2014, as they worked on cleaning the area around the hotel. The Hotel prepared snacks and beverages for the participants at the end of the day. These activities come as part of the Hotel's commitment towards its social responsibility and belonging to its community.



Palestine Real Estate Investment Co. (PRICO) Participates Birzeit University's Faculty of Business and Economics Career Day

Palestine Real Estate Investment Co. (PRICO) participated in the 19th career day of the faculty of Business and Economics at Birzeit University. PRICO participates in this day on an annual basis as part of its social responsibility and to maintain contact with students and provide them with support as well as offering them possible opportunities.

Financial performance for the First Half 2014

(Amounts in USD million except for the shares)

Main items of consolidated income statement	2014/H1	2013/H1	% Growth
Total revenues	60.32	54.53	10.6
Subsidiaries' operating income	36.90	32.70	12.8
Share of associates' results of operation	22.30	20.62	8.2
Profit before income tax	15.79	14.23	11.0
Profit attributable to equity holders of the parent	14.42	13.75	4.9
Net consolidated profit	15.01	13.74	9.2

Main profitability indicators	2014/H1	2013/H1	% Growth
EPS	5.78%	5.51%	4.9%
ROaE	2.86%	2.77%	3.3%
ROaA	1.83%	1.77%	3.2%

Main items of consolidated statement of financial position	2014/06/30	2013/12/31	% Change
Total assets	830.75	808.67	2.7
Short and long-term borrowing	225.61	226.12	(0.2)
Other liabilities	74.84	61.99	20.7
Non- controlling interests	100.95	101.72	(0.8)
Equity attributable to equity holders of the parent	429.36	418.84	2.5
Total equity	530.30	520.57	1.9

Debt and Liquidity indicators	2014/06/30	2013/12/31	% Change
Debt-to-equity ratio	42.54%	43.44%	(2.1)
Debt-to-assets ratio	27.16%	27.96%	(2.9)
Current ratio	0.79	0.62	27.4



“Sharek sha’abak” (Share with your Nation) Campaign is sponsored by PADICO HOLDING as well as a number of its subsidiaries and affiliates to aid Palestinians in the Gaza Strip since the beginning of the Israeli aggression. The Campaign includes providing shelters, all over the Strip, with basic essential needs, and it will continue until the suffering of displaced Palestinians ends. This campaign comes as part of PADICO HOLDING’s unremitting support for the Gaza Strip which is considered a core element of the Company’s strategy.

