

May 12, 2010

Flash Result-Q1 2010

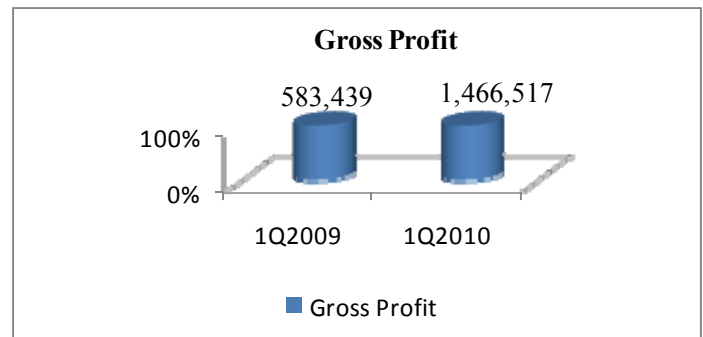
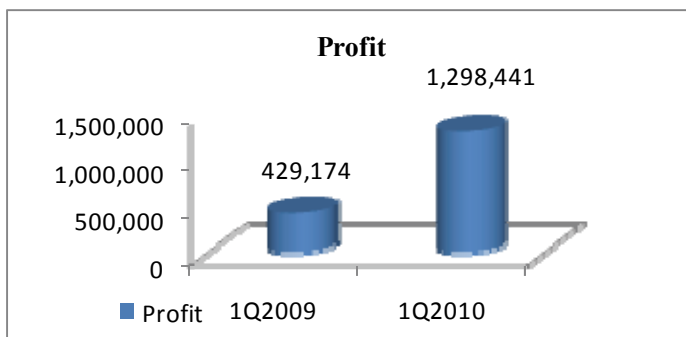
Palestine Industrial Investment

Ticker	ISIN	Current Price	Market Cap	52 week High	52 week low
PIIC	PS4004111952	1.10	20,625,000	1.10	0.36

Growth in Profit by %202.54

Item	1Q2009	1Q2010	Growth
Revenues	2,982,295	4,190,683	40.52%
Gross Profit	583,439	1,466,517	151.36%
Gross margin	19.56%	34.99%	78.88%
General & administrative Expenses	261,554	321,930	23.08%
Investment income	180,813	209,753	16.01%
Interest expense	26,050	17,746	-31.88%
Other revenues (Expenses)	47,474	38,153	-19.63%
EBIT	455,224	1,316,187	189.13%
EBIT margin	15.26%	31.41%	105.76%
Profit	429,174	1,298,441	202.54%
Profit margin	14.39%	30.98%	115.31%
EPS	0.02	0.07	202.54%

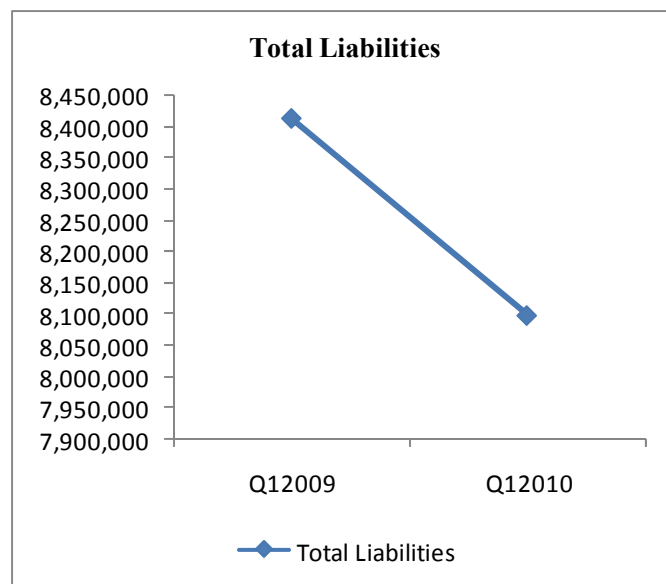
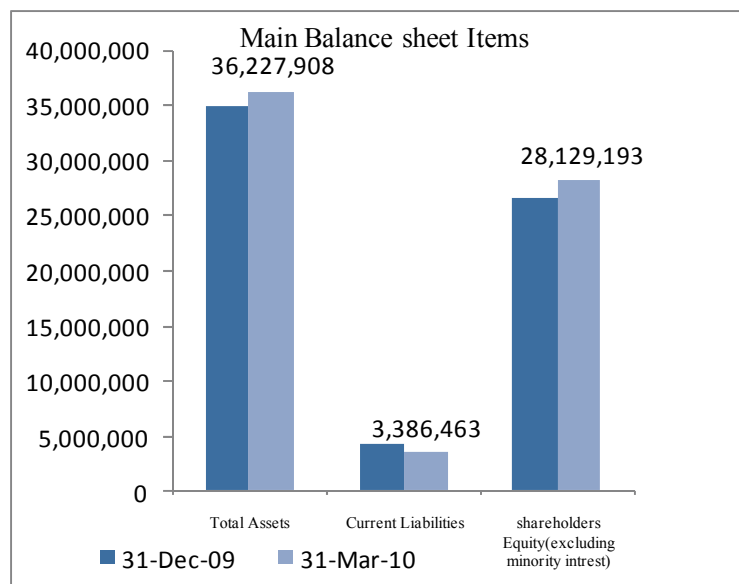
- Gross Profit increased by %151.36 in 1Q of 2010 to reach JD 1.467 million, Due to a remarkable growth in operating revenues to grow by %40.52 when reached JD 4.191 million in the Q1 of 2010 from JD 2.982 million in the Q1 of 2009. It's worth to mention that the gross margin reached %34.99 in 1Q of 2010 rising from %19.56 in 1Q of 2009 ; this increase is a good indicator of the company's earning profit with consideration of it direct costs .
- General & administrative Expenses rose by %23.08 to amount JD 0.32 million in the Q1 of 2010 comparing by JD0.26 million in the Q1 of 2009. As a result, operating income ascended by %174.44 to reach JD 1.14 million at the end of 1Q 2010 realizing an operating margin of %27.31.
- The company's Profit reached JD1.30 million in Q1 of 2010 comparing to JD 0.43 million in the same period of Q1 of 2009; an increase of %202.54 due to a remarkable advance in gross profit.



Shareholders Equity grows by 6.12% ... while total liability decreased by % 3.74

Item JD	31-Dec-09	31-Mar-10	Growth
Current Assets	8,183,294	8,627,346	5.43%
Non-current assets	26,736,776	27,600,562	3.23%
Total Assets	34,920,070	36,227,908	3.75%
Current Liabilities	4,108,375	3,386,463	-17.57%
Non-current Liabilities	4,305,201	4,712,252	9.45%
Total Liabilities	8,413,576	8,098,715	-3.74%
shareholders Equity	26,506,494	28,129,193	6.12%
Outstanding Shares (Paid Up Capital)	18,706,625	18,706,625	0.00%

- Current assets grew by %5.43 to reach JD8.63 million in Q1 of 2010 due to an increase in cash & cash equivalents .Non- current assets advanced slightly by %3.23 to reach JD 27.6 million at the end of Q1 of 2010 .In aggregate, Total assets grew by 3.75% in Q1 of 2010 to reach JD 36.22 million comparing by JD 34.92 million to the end fiscal year 2009.
- Current liabilities dropped by 17.57% from JD 4.11 million in Q12009 to JD 3.39 million in Q12010 attributed to a noticeable decrease in the short term loans and account payable. Non-current liabilities increased by 9.45 % due to a slightly advance in long term loans at the end of Q1 of 2010.In aggregate, total liabilities decreased by 3.74% at the Q1 of 2010 to reach JD 8.09 million comparing to JD 8.41 million at the end of 2009.
- Shareholders' equity advanced by 6.12% to reach JD 28.13 million at the end of Q1 of 2010,due to an increase in profit and gains from the spread of currency exchange.



Market indicators

- According to the reported shareholders equity on Mar 31,2010, the share's book value reached JD 1.50 rising by JD 0.09 comparing to the book value at the end of 2009.
- The share is currently trading on PE ratio below the overall market's PE.

Market indicator	31-Mar-10
Price	0.78
Book value	1.50
Price/book Value	73.15%
PE e	3.96
Market Cap	14,625,000

Ratios

- Working capital is a the life blood of most business Companies where working capital for PIIC reached JD5.24 million; a good indicator for the company to support and grow a healthy business, while Net working capital ratio is %14.47.
- Palestine Industrial Investment attained a high liquidity ratio by 2.55 which is a good indicator in comparison to its peers.
- Palestine Industrial Investment recorded a significant growth in profitability indicators; a growth in ROA and ROE by %3.58 and %4.62 respectively, attributed to a high advance in Net income at the end of 1Q 2010.

Items	Q12010
ROA	3.58%
ROE	4.62%
Current Ratio	2.55
Working Capital	5,240,883
Debt Ratio	22.35%
Q Ratio	0.56
Debt/Equity Ratio	28.79%
Profit Margin	-0.91%
Total Asset/Equity	1.29
Total Liabilities/Equity	0.29
Total Asset Turnover	0.12
Net working capital ratio	14.47%

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