



June 16, 2010

Palestine Securities Exchange (PSE) showed an active trading since the beginning of year 2010, when trading shares amounted to 118.37 million shares that stood at \$225.32 million until June 16, 2010, within a slight increase in Al Quds index.

Palestine Development & Investment (PADICO) and its subsidiaries & affiliates contributed gigantically by %62.53 from total PSE traded shares and %72.33 from total trading value.

In spite of the insignificant change in Al Quds index, investment sector's index rose by %17.92 driven by PADICO (the largest investment company by market cap) and two of its subsidiaries – PIIC & PRICO – when the two subsequent shares hit the year's high closing up %134.29 and %33.33 at the levels JD 1.64 and JD 1.08 respectively, attributed to the improvement in the reported financial results and operating indicators.

It should be mentioned that PRICO is the 4th largest company by market cap in the PSE, and disclosed recently signing new agreements to execute several important projects such as “Days In” and “Al Reehan”, and lately it has been signed an agreement to execute the project of “Cultural Tower Palace” with a cost of \$5.6 million, adding up to the group of outstanding projects that had been executed by PRICO in a good and satisfied way, in addition to its tendency to activate its investment in Gaza which consist of group of “Chalets”, in parallel to the studying the possibility of operating “Movenpick Hotel” in Gaza.

PADICO Holding closed up %10.92 at \$1.32 encouraged by the chairman Mr. Munib Al Masri announcement of the company's willingness to enhance its operating income by focusing on improving subsidiaries and affiliates' operating revenues, and its plans to reduce the liabilities through paying 30% of loans during this year; strategy to shrink “loans to Equity” to approximately 25%, in addition to shrinking expenses through different aspects, one of them is represented in the Restructuring plan to merge real estate and tourism subsidiaries in one entity, while industrial companies to be combined in other legal entity.

Industry sector's index advanced by % 22.01 stimulated by other two subsidiaries of PADICO Holding – AZIZA & LADAEN – which in turn gained by %120 and %100 to end the trading session of June 16,2010 at JD 2.97 and JD 0.60.

On April 25, AZIZA held its general assembly and approved the board's recommendation of distributing cash dividends of %6 and stock dividends of %20 to the company's registered shareholders in the PSE registry as of the end of the trading session of Thursday 22-04-2010, leading the company's capital to reach JD 12 million divided into 12 million shares.



Focus: PADICO & Subsidiaries Activity



Market Indicators (01/01 - 16/06 - 2010)

| Symbol | % PADICO's Ownership | Current Price | Change in 2010 | Trading Volume | % of Total PSE Trading Volume | Trading Value | % of Total PSE Trading Value | Market Capitalization (USD) | % of Total PSE Capitalization |
|--|----------------------|---------------|----------------|--------------------|-------------------------------|--------------------|------------------------------|-----------------------------|-------------------------------|
| PADICO | - | 1.32 | 10.92% | 26,288,138 | 22.21% | 34,121,481 | 15.14% | 330,000,000 | 13.32% |
| Subsidiaries (PADICO's share exceeds %50) | | | | | | | | | |
| PRICO | 71.00% | 1.08 | 33.33% | 8,167,203 | 6.90% | 10,468,518 | 4.65% | 73,994,419 | 2.99% |
| PIIC | 60.10% | 1.64 | 134.29% | 12,206,494 | 10.31% | 20,526,226 | 9.11% | 43,370,938 | 1.75% |
| AZIZA | 56.80% | 2.97 | 120.00% | 375,712 | 0.32% | 1,151,609 | 0.51% | 50,267,975 | 2.03% |
| LADAEN | 51.20% | 0.60 | 100.00% | 603,636 | 0.51% | 430,914 | 0.19% | 5,923,835 | 0.24% |
| Affiliates (PADICO's share %20 or more) | | | | | | | | | |
| PALTEL | 31.70% | 5.14 | 0.00% | 10,326,987 | 8.72% | 80,734,169 | 35.83% | 954,234,678 | 38.50% |
| NCI | 23.60% | 0.55 | 89.66% | 2,573,798 | 2.17% | 1,764,559 | 0.78% | 3,878,702 | 0.16% |
| VOIC | 24.20% | 2.62 | 13.42% | 493,469 | 0.42% | 1,781,006 | 0.79% | 14,781,380 | 0.60% |
| AHC | 15.20% | 0.84 | -4.55% | 1,980,307 | 1.67% | 2,426,613 | 1.08% | 31,029,614 | 1.25% |
| Others (PADICO's share less than %20) | | | | | | | | | |
| PEC | 18.20% | 0.95 | -8.65% | 1,224,136 | 1.03% | 1,271,601 | 0.56% | 57,000,000 | 2.30% |
| GMC | 9.40% | 0.82 | 5.13% | 483,730 | 0.41% | 540,374 | 0.24% | 17,348,375 | 0.70% |
| AMB | 6.70% | 0.84 | 15.07% | 8,408,342 | 7.10% | 6,970,761 | 3.09% | 25,200,000 | 1.02% |
| WASSEL | 6.50% | 0.68 | 21.43% | 880,082 | 0.74% | 788,890 | 0.35% | 6,234,132 | 0.25% |
| Total PSE | | | | 118,369,062 | | 225,322,939 | | 2,478,225,667 | |

Main Indicators

| Subsidiary | Symbol | Net Income %Δ | Remark | Operating Margin | Price/Book Value |
|----------------------------------|--------|---------------|--------------------|------------------|------------------|
| PALESTINE REAL ESTATE INVESTMENT | PRICO | 613.44% | Significant Growth | 17.81% | 87.10% |
| PALESTINE INDUSTRIAL INVESTMENT | PIIC | 202.54% | Significant Growth | 27.31% | 109.33% |
| PALESTINE POULTRY | AZIZA | 229.80% | Significant Growth | 28.13% | 206.25% |
| PALESTINE PLASTIC INDUSTRIES | LADAEN | 2.82% | Reducing losses | - | 100.00% |

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