



Real Estate Development
أبيار للتطوير العقاري

Conservative market value for Abyaar's properties exceeds their book value

Al Obeid: Abyaar posted net profits of KD 5.9 million for 2008

Kuwait, March 31, 2009:

Abyaar Real Estate Development Company announced its operating results for the financial year ended December 31, 2008. The company posted net profits of KD 5,957,203, representing earnings per share of 12.19 fils. Total shareholders' equity amounted to KD 82,871,583, up by 30%, while total assets grew to KD 286 million, an increase of 220%.

On this occasion, Hisham AbdulWahab Al Obeid – Abyaar Chairman, said that the results achieved by the company are positive, despite the global financial crisis which affected all markets of the world. "In line with our conservative approach, and in order to protect shareholders equity, appropriate financial provisions were taken for the year 2009, so as to avoid the implications of this crisis", he said.

As regards the settlements, Al Obeid said: "Abyaar has made positive steps towards repaying its financial obligation and rescheduling its debts. We have recently settled and rescheduled a number of our obligations towards banks and Investment Company".

"Abyaar also addressed several global firms specialized in real estate valuation to provide us with valuations for the company's projects under the current crisis. According to "conservative" market value, the values of Abyaar's total assets exceed their book value by 30%, as confirmed in the auditors report for 2008", Al Obeid added.

"Despite the environment of tight liquidity, Abyaar Real Estate Development Company succeeded in raising around 50% of the amount of its capital increase, which represents around KD 27 million added to the old capital of KD 53 million. This amount of funds was raised during one of the most difficult periods in the history of the Kuwaiti market, thanks to the support of the companies which acted as underwriters for the issue, namely: National Investments Company, Wafra Investment Company, and Al Muthanna Investment Company".

"The Board of Directors recommended no dividends distribution, and proposed to reduce share issue premium from 25 fils to 5 fils per share, while observing the rights of shareholders who subscribed during the first phase of the subscription. These proposals will be discussed at the annual general assembly meeting, which date will be fixed later", Al Obeid explained.



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Concluding his press statement, Al Obeid commended the financial stability law, which was ratified by the government last week as a step to driving the process of development and energizing all economic sectors. He also revealed that, during 2008, the company witnessed considerable challenges that enhanced its ability to handle crises.