



RomReal Ltd.

# Investor presentation Q2 2007 results

Petter Salomonsen – CEO  
Paul Bashir - CFO

**16 August 2007**

---

# Contents

	Page
1. Q2 Highlights	3
2. Q2 Financials	5
3. RomReal's Land Bank	10
4. RomReal's organisation	15
5. Outlook	17

---

# Q2 Highlights

- **Strong financial operating results**
- **Net Asset Value up 16.7% from Q1 2007**
- **Two key plots acquired during the period**
  - **Mamaia 2**
  - **Additional plot directly adjacent to the Bus station**
- **Significant resource added to the operations in Romania**
  - **Commercial director**
  - **Sales & Marketing team**
  - **Architects**
  - **Project managers**
- **RomReal was successfully listed on the Oslo Stock Exchange 11 June 2007**
- **A number of new projects currently being evaluated**
- **RomReal's strategy of focusing on the Constanta region underpinned by:**
  - **New section of Bucharest to Constanta motorway open – travel times between the cities greatly reduced**
  - **Booming tourism industry with official number of visitors to the region expected to hit record levels in 2007**

---

# Contents

	Page
1. Q2 Highlights	3
2. Q2 Financials	5
3. RomReal's Land Bank	10
4. RomReal's organisation	15
5. Outlook	17

# Financial highlights

EUR thousand	Q2 2007	Q2 2006	Q1 2007
Total operating income	2,770	3,275	2,545
Total operating expenses	(1,153)	(308)	(3,305)
Operating profit/(loss) (EBIT)	1,617	2,967	(759)
Profit/(Loss) before tax (EBT)	4,723	2,661	(887)
Total assets	107,488	33,533	91,940
Total liabilities	7,629	13,083	27,551
Total equity	99,859	20,451	64,389
Equity %	92.9%	61.0%	70.0%
NAV (EUR per share)	2.03	1.02	1.74
Net cashflow from operating activities	(5,732)	10,285	(2,096)
Number of plots	19	9	18
Land Bank (Thousand square metres)	812	168	772
Number of employees	22	5	19

Note:

The second quarter results have been prepared in accordance with IAS 34 – Interim Financial Reporting. The quarterly result has been prepared in accordance with the current IFRS standards and interpretations. The accounting policies applied in the preparation of the quarterly result are consistent with the principles applied in the financial statements for the year ended 31 December 2006 and Quarter 1 2007.

# Consolidated Income Statement

EUR thousand	Year to 30 June 2007	Year to 30 June 2006	Q2 2007	Q1 2007	Q2 2006	Full year 2006
Revenue	237	105	123	114	53	248
<b>Total revenue</b>	<b>237</b>	<b>105</b>	<b>123</b>	<b>114</b>	<b>53</b>	<b>248</b>
Cost of sales	-	-	-	-	-	-
<b>Gross profit</b>	<b>237</b>	<b>105</b>	<b>123</b>	<b>114</b>	<b>53</b>	<b>248</b>
Depreciation	(50)	(6)	(26)	(24)	(4)	(15)
Management fees	(2,728)	(151)	(28)	(2,700)	(94)	(6,608)
General and administrative expenses	(1,154)	(193)	(733)	(422)	(134)	(660)
Payroll expenses	(525)	(125)	(366)	(159)	(75)	(343)
<b>Loss before other operating items</b>	<b>(4,221)</b>	<b>(369)</b>	<b>(1,030)</b>	<b>(3,191)</b>	<b>(255)</b>	<b>(7,377)</b>
Other operating income	5,130	5,770	2,699	2,432	3,240	20,321
Other operating costs	(52)	(14)	(52)	0	(18)	(16)
<b>Operating Profit / (Loss)</b>	<b>857</b>	<b>5,386</b>	<b>1,617</b>	<b>(759)</b>	<b>2,967</b>	<b>12,928</b>
Financial income	4,539	156	4,351	187	(179)	1,926
Financial costs	(1,560)	(258)	(1,245)	(315)	(128)	(1,310)
<b>Result before tax</b>	<b>3,836</b>	<b>5,284</b>	<b>4,723</b>	<b>(887)</b>	<b>2,661</b>	<b>13,545</b>
Tax on the profit of the year	(821)	(930)	(474)	(347)	(926)	(3,502)
<b>Retained Profit / (Loss) for the year</b>	<b>3,015</b>	<b>4,354</b>	<b>4,248</b>	<b>(1,234)</b>	<b>1,735</b>	<b>10,043</b>
Earnings per share from continuing operations	0.06	0.22				0.35
Earnings per share continuing - diluted	0.06	0.22				0.35

Note:

The second quarter results have been prepared in accordance with IAS 34 – Interim Financial Reporting. The quarterly result has been prepared in accordance with the current IFRS standards and interpretations. The accounting policies applied in the preparation of the quarterly result are consistent with the principles applied in the financial statements for the year ended 31 December 2006 and Quarter 1 2007.

# Consolidated balance sheet

## ASSETS

EUR thousand	Q2 2007	Q2 2006	Q1 2007	As per 31 December 2006
<b>Non-current assets</b>				
Intangible fixed assets	30	7	20	19
Investment properties	73,445	17,950	57,037	53,761
Other fixtures and operating equipment	5,169	20	5,211	4,794
Deferred tax asset	70	-	21	21
<b>Total non current assets</b>	<b>78,713</b>	<b>17,976</b>	<b>62,288</b>	<b>58,595</b>
<b>Current assets</b>				
Other short term receivables	402	3,060	1,831	594
Prepayments	29	10	158	95
Inventories	1,208	4	664	443
Cash and cash equivalents	27,136	12,482	26,998	30,108
<b>Total current assets</b>	<b>28,774</b>	<b>15,557</b>	<b>29,651</b>	<b>31,240</b>
<b>TOTAL ASSETS</b>	<b>107,488</b>	<b>33,533</b>	<b>91,940</b>	<b>89,835</b>

Note:

*The second quarter results have been prepared in accordance with IAS 34 – Interim Financial Reporting. The quarterly result has been prepared in accordance with the current IFRS standards and interpretations. The accounting policies applied in the preparation of the quarterly result are consistent with the principles applied in the financial statements for the year ended 31 December 2006 and Quarter 1 2007.*

# Consolidated balance sheet

<b>EQUITIES AND LIABILITIES</b>				
<b>EUR thousand</b>	<b>Q2 2007</b>	<b>Q2 2006</b>	<b>Q1 2007</b>	<b>As per 31 December 2006</b>
<b>Equity attributable to equity holders of the parent</b>				
Share capital	85,841	18,795	50,808	50,810
Other reserves	2,205	29	2,342	2,134
Retained earnings	10,914	(62)	11,587	1,345
Result of current period	3,015	1,735	(1,234)	10,104
FX reserve	(2,116)	(47)	885	811
<b>Total equity</b>	<b>99,859</b>	<b>20,451</b>	<b>64,389</b>	<b>65,205</b>
<b>Non current liabilities</b>				
Non current liabilities	1,116	923	1,148	-
Long term portion of leasing	170	10	164	159
Deferred income tax	5,719	-	4,927	4,504
<b>Total non current liabilities</b>	<b>7,005</b>	<b>933</b>	<b>6,239</b>	<b>4,663</b>
<b>Current Liabilities</b>				
Bank debt	130	-	130	-
Other debt	18	12,000	18,017	18,013
Other payables	454	146	3,033	1,818
Accruals	18	1	17	19
Tax payable	4	3	114	117
<b>Total current liabilities</b>	<b>624</b>	<b>12,150</b>	<b>21,312</b>	<b>19,967</b>
<b>TOTAL LIABILITIES</b>	<b>107,488</b>	<b>33,533</b>	<b>91,940</b>	<b>89,835</b>

---

# Contents

	Page
1. Q2 Highlights	3
2. Q2 Financials	5
3. RomReal's Land Bank	10
4. RomReal's organisation	15
5. Outlook	17

# RomReal Land Bank at Q2

#	PLOT NAME	LOCATION	SIZE (SQM)
1	Ovidiu Lakeside	Constanta North/Ovidiu	61,433
2	Badulescu plot	Constanta North/Ovidiu	50,000
3	Tatar peninsula	Constanta North/Ovidiu	11,489
4	Ovidiu Town	Constanta North/Ovidiu	4,641
5	Oasis	Constanta North/Ovidiu	27,212
6	Centrepont	Constanta North/Ovidiu	112,678
7	Gunaydin plot	Constanta North/Ovidiu	15,000
8	Mamaia plot	Mamaia	1,200
9	Dacia plot	Central Constanta	3,006
10	Bus station	Central Constanta	5,481
11	Balada market	Central Constanta	4,000
12	Carrefour plot	Constanta	15,000
13	Aurel Vlaicu plot	Constanta	22,500
14	Morii Lake	Bucharest Sector 6	11,716
15	Hospital Park	Bucharest Sector 5	13,263
16	Villa Cotroceni	Bucharest Sector 5	900 *
17	Brasov plot	Central Brasov	4,127
18	Un-zoned land	Near Constanta	418,732
19	Mamaia 2 plot	Mamaia	30,000
			<b><u>812,378</u></b>

\* Built space

**Total development land: 393,646 sqm; Total un-zoned land: 418,732 sqm**

# Development Pipeline, Constanta



## Oasis

- 39,000 sqm development
- 293 apartments (1 and 2 bedrooms) and 6 villas
- Building permit secured on Phase 1
- Construction started Summer, 2007
- Estimated Gross Contribution EUR 14.2 million



## Mamaia

- 5,000 sqm development
- 34 apartments (1 and 2 bedrooms)
- Planning certificates secured
- Construction due to start September 2007
- Estimated Gross Contribution EUR 2.7 million



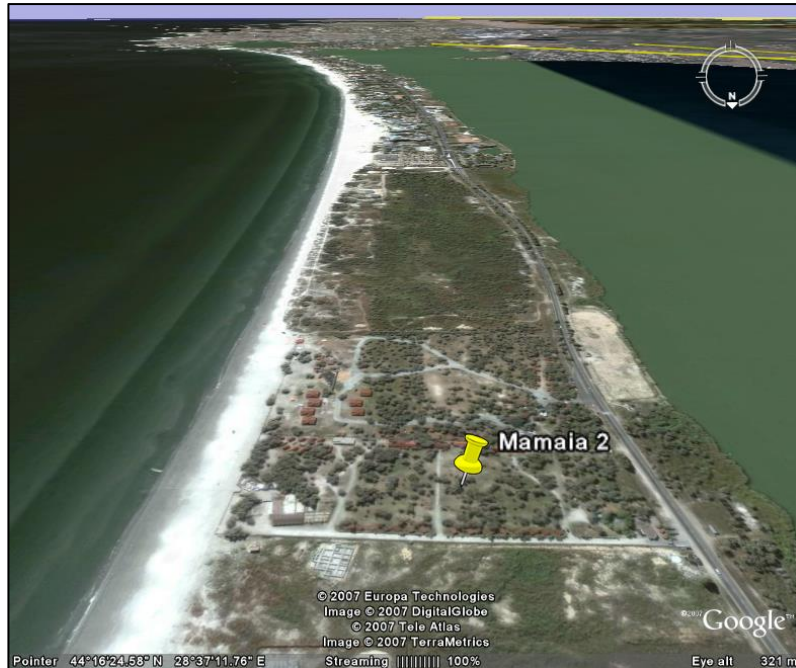
## Dacia

- 10,500 sqm development
- 85 apartments (studio, 1 and 2 bedrooms)
- Planning certificates secured
- Construction due to commence October 2007
- Primarily local residents and first time buyers
- Estimated Gross Contribution EUR 3.9 million

**Immediate Development Pipeline in Constanta of ca. 418 units**

# RomReal new land plots

## Mamaia 2



### Plot summary

- 3 ha plot situated 3km North of Mamaia “city”
- 170 metres of direct beach access
- Located adjacent to existing new developments
- Undeveloped land
- Acquisition cost EUR 410 sqm – EUR 12.3 million total cost

# RomReal new land plots

## Additional plot adjacent to the Bus Station

Current plot



New plot

### Plot summary

- Central location in Constanta
- Significantly enhances value of current plot
- Direct access to a major cross-section and busy retail street in Constanta
- Potential for 50,000 sqm mixed use development

---

# Contents

	Page
1. Q2 Highlights	3
2. Q2 Financials	5
3. RomReal's Land Bank	10
4. RomReal's organisation	15
5. Outlook	17

---

# RomReal's organisation

- Significant developments in the quarter include:
  - Commercial Director recruited
  - Sales and marketing team established
  - Development team strengthened through additional architects and project managers
  - Financial capabilities enhanced through 3 additional accountants

**RomReal continues to expand its "on-the-ground" presence in Romania**

---

# Contents

1.	Q2 highlights	3
2.	Q2 financials	5
3.	RomReal's Land Bank	10
4.	RomReal's organisation	15
5.	Outlook	17

---

# Outlook

- Extremely strong asset position
- Pre-sale and construction to commence on 418 apartments
- High quality pipeline of exciting new developments
- Constanta region continuing to show positive growth indicators
- Formidable acquisition pipeline
- Management confident share price will recover to reflect strong positive outlook