



RomReal Ltd.

# Investor presentation Highlights 4Q 2008 results

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**27 February 2009**

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This Presentation of the 4Q 2008 results of RomReal Ltd (the "Company") have been prepared for discussion purposes only and should be read in conjunction with the 4Q 2008 report which is filed with the Oslo Axess market and which can be viewed on the Company's website [www.romreal.com](http://www.romreal.com)



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# Contents

	Page
1. Highlights in connection with the 4Q 2008 results	3
2. Current Developments - Corallia	4
3. RomReal land bank per 4Q 2008	5
4. NAV movement in 4Q 2008	6
5. Financial highlights – IFRS	7
6. RomReal shareholders	8
7. Main focus areas	9
8. Appendix	10

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# Highlights in connection with the 4Q 2008 results

- Net Asset Value (NAV) at the end of 4Q 08 was EUR 1.2 (NOK 11.9) per share, down 24% from 3Q 08, following the year end valuation report from Colliers
- The total write down of the land bank and development projects during the year 2008 has been 48%. Historic cost of the plot portfolio is about EUR 60 million
- Pre-tax loss in 4Q 08 was EUR 25.44 million, mainly due to the above asset write down. The cash position at end 4Q 08 was EUR 6.5 million
- Binding sales of apartments in the Corallia development have now reached 70%, and a minimum of 30% down payment has been made by all buyers. The construction completion is expected to be delivered according to plan by the end of June 2009
- Final settlement agreements have been reached with the construction companies on the Oasis and Central developments following the announced winding down process, this with a minimal cash expense
- Further cost reductions have been implemented. Staff numbers are reduced from 18 at the end 3Q 08 to 16 at the end 4Q 08. At the time of publishing this report, staff headcount is down to 8 people. There are no further cuts planned and remaining staff is key to the Company's future operations

# Current developments – Corallia

- This 37 apartment development project is located on Mamaia Boulevard in Constanta
- Binding sales of apartments in the Corallia development have now reached 70%, and a minimum of 30% down payment has been made by all buyers
- Substantial progress has been made with the building works, and the structure has now reached the second floor above the underground parking. At the time of presenting the 4Q 08 figures the construction is on schedule
- One of Company's main short term objectives for 2009 is to deliver the Corallia project sold on time and budget

## KEY FIGURES:

<b>Total Built area:</b>	4,873 sqm
<b>No. of Apts:</b>	37
<b>No of parking spaces:</b>	43 under ground
<b>Price range:</b>	EUR 115k-388k +VAT
<b>Average selling price:</b>	EUR 1,683/sqm ex VAT
<b>Apts sizes:</b>	69 - 315 sq m
<b>Location:</b>	Black Sea resort of Mamaia, Constanta



Corallia development 19.02.2009

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# RomReal Land Bank 4Q 2008

# PLOT NAME	LOCATION	Q4 / 2008 SIZE (SQM)
1 Ovidiu Lakeside	Constanta North/Ovidiu	61,433
2 Badulescu plot	Constanta North/Ovidiu	50,000
3 Tatar Peninsula	Constanta North/Ovidiu	9,965
4 Ovidiu Town	Constanta North/Ovidiu	4,641
5 Ovidiu	Constanta North/Ovidiu	27,212
6 Centrepont	Constanta North/Ovidiu	122,350
7 Gunaydin plot	Constanta North/Ovidiu	15,000
8 Mamaia plot	Mamaia	1,200
9 Bus station	Central Constanta	5,437
10 Balada Market	Central Constanta	7,188
11 Carrefour plot	Constanta	15,000
12 Morii Lake	Bucharest Sector 6	11,716
13 Hospital plot	Bucharest Sector 5	13,263
14 Brasov Plot	Central Brasov	4,127
15 Un-zoned land	Constanta	799,663
16 Mamaia North plot	Mamaia	56,167
		<hr/> <b>1,204,362</b> <hr/>

# NAV movement in 4Q 2008

Further 24% decrease in underlying NAV in 4Q 2008

Asset base (EUR'million)	4Q 08			3Q 08		
	EUR million	EUR/share	NOK/share	EUR million	EUR/share	NOK/share
Investment property	62,798	1.3	12.5	76,929	1.6	12.9
Inventories	7,371	0.1	1.5	15,570	0.3	2.6
Cash	6,523	0.1	1.3	7,488	0.2	1.3
Other Assets/(Liabilities)	(16,914)	-0.3	-3.4	(21,409)	-0.4	-3.6
IFRS Net Asset Value	<b>59,777</b>			78,577		
NAV per share		<b>1.2</b>	<b>11.9*</b>		1.6	12.8
NAV Movement in Quarter		<b>-24%</b>			-31%	
Note: Number of shares at 31 Dec 08 - 49,247,366						
*Calculated using exchange rates at end 4Q 08						

- The total write down of the land bank and development projects during the year 2008 has been 48% to bring values in line with current market conditions. Historic cost of the plot portfolio is about EUR 60 million
- Net Asset Value (NAV) at the end of 4Q 08 was EUR 1.2 (NOK 11.9) per share, a reduction of 24% from 3Q 08, following the year end valuation report from Colliers
- The Central development project is disposed, and the Oasis development is written down to reflect market environment

# Financial highlights - IFRS

EUR thousand	4Q 2008	4Q 2007	Full Year 31 Dec 08
Operating Income	250	99	812
Operating costs	(984)	(1,408)	(4,702)
Other operating income	592	12,615	5,413
Other operating costs	(19,428)	(20)	(62,075)
Net financials	(5,871)	(5,631)	(9,521)
Pre-tax result	(25,441)	5,695	(70,074)
Total assets	78,360	147,726	78,360
Total liabilities	18,581	25,987	18,581
Total equity	59,777	121,739	59,777
Equity %	76.3%	82.4%	76.3%
NAV per share (EUR)	1.2	2.5	1.2
Cash position	6,523	15,222	6,523
Number of plots	16	19	16
Land Bank (Thousand square meters)	1,204	1,233	1,204
Number of employees	16	27	16

# RomReal shareholders per year end 2008

Shareholder	Number of shares	%
MGL INVESTMENTS LTD	8,866,666	18.00%
CARNEGIE BANK A/S	2,277,900	4.63%
ASEO AS	1,976,666	4.01%
SVENSKA HANDELSBANKEN STOCKHOLM	1,748,100	3.55%
CITCO GLOBAL CUSTODY NV REF UBS AG	1,640,000	3.33%
BELGAVIA HOLDING	1,610,200	3.27%
STATE STREET BANK & TRUST CO.	1,508,040	3.06%
TONSENHAGEN FORRETNINGSSENTRUM AS	1,370,000	2.78%
SKANDINAVISKA ENSKILDA BANKEN	1,272,661	2.58%
PERESTROIKA AS	1,196,800	2.43%
CLEARSTREAM BANKING S.A.	1,042,475	2.12%
THORKILDSEN KAY	1,018,500	2.07%
DANSKE BANK A/S	1,016,800	2.06%
ARGUS MANAGEMENT APS	702,900	1.43%
POLESWORTH INVESTMENTS LIMITED	700,000	1.42%
TVENGE EIENDOM AS	600,000	1.22%
GOLDMAN SACHS INT. - EQUITY -	579,493	1.18%
PERSSON ARILD	558,666	1.13%
JPMORGAN CHASE BANK	528,000	1.07%
SYDBANK	511,332	1.04%
Total 20 Largest	30,725,199.0	62.4%
Others	18,522,167.0	37.6%
<b>Total</b>	<b>49,247,366.0</b>	<b>100.0%</b>

528 shareholders per 31 Dec 2008

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# Main focus areas

- RomReal's main short term objective for 2009 is to deliver the Corallia project sold on time and budget
- In parallel with the above, the Company will make a substantial effort in preparing plot sales and try to increase the value of the assets through planning upgrades, increased rental income and similar measures
- The Company will continue to focus on operational cost reductions. This follows a substantial organisational downsizing in the two last quarters of 2008. The Company aims to try to cover operational costs through rental income from the yielding assets in the portfolio

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# Appendix

## Quarterly financial statements

# Consolidated Income Statement (Unaudited)

EUR thousand	Q4 2008	Q4 2007	Year to 31 Dec 2008	Year to 31 Dec 2007
Revenue	250	99	812	482
<b>Total revenue</b>	<b>250</b>	<b>99</b>	<b>812</b>	<b>482</b>
<b>Gross profit</b>	<b>250</b>	<b>99</b>	<b>812</b>	<b>482</b>
Depreciation	21*	(29)	(193)	(109)
Management fees	(25)	(25)	(100)	(2,778)
General and administrative expenses	(693)	(689)	(3,092)	(3,265)
Payroll expenses	(286)	(665)	(1,317)	(1,292)
<b>Loss before other operating items</b>	<b>(734)</b>	<b>(1,309)</b>	<b>(3,890)</b>	<b>(6,962)</b>
Other operating income	592	12,615	5,413	42,118
Other operating costs	(19,428)	20	(62,075)	(926)
<b>Operating Profit / (Loss)</b>	<b>(19,569)</b>	<b>11,326</b>	<b>(60,553)</b>	<b>34,230</b>
Financial income	881	(289)	2,933	1,269
Financial costs	(6,752)	(5,342)	(12,454)	(7,247)
<b>Result before tax</b>	<b>(25,441)</b>	<b>5,695</b>	<b>(70,074)</b>	<b>28,252</b>
Tax on the profit of the year	2,564	(1,672)	7,935	(6,953)
<b>Retained Profit / (Loss) for the year</b>	<b>(22,877)</b>	<b>4,023</b>	<b>(62,139)</b>	<b>21,299</b>

Note:

\* Reversal from 3Q 08

*The forth 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 2007.*

# Consolidated balance sheet

EUR thousand	As per 31 December 2008	As per 31 December 2007
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible fixed assets	16	27
Investment properties	62,798	119,032
Property, plant and equipment	377	1,650
Deferred tax asset	28	20
<b>Total non current assets</b>	<b>63,220</b>	<b>120,729</b>
<b>Current assets</b>		
Other short term receivables	1,098	833
Prepayments	146	109
Inventories	7,371	10,834
Cash and cash equivalents	6,523	15,222
<b>Total current assets</b>	<b>15,138</b>	<b>26,997</b>
<b>TOTAL ASSETS</b>	<b>78,360</b>	<b>147,726</b>

## Consolidated balance sheet (cont.)

<b>EQUITIES AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	86,002	85,747
Other reserves	204	563
Retained earnings	38,150	16,852
Result of current period	(62,139)	21,298
FX reserve	(2,440)	(2,720)
<b>Total equity</b>	<b>59,777</b>	<b>121,739</b>
<b>Non current liabilities</b>		
Non current liabilities	13,700	14,881
Long term portion of leasing	27	15
Deferred income tax	2,416	10,071
<b>Total non current liabilities</b>	<b>16,143</b>	<b>24,967</b>
<b>Current Liabilities</b>		
Other debt	9	14
Other payables	1,496	975
Accruals	932	27
Tax payable	2	4
<b>Total current liabilities</b>	<b>2,439</b>	<b>1,020</b>
<b>TOTAL LIABILITIES</b>	<b>78,360</b>	<b>147,726</b>