

- **Financial Summary 2006:**

Revenues:

MEC's total operational revenues were JD 101.5mn in the year ended December 2005, up 44.0 per cent over Revenues of JD 70.2mn in 2004.

Gross Profit:

Direct costs for the year 2005 were JD 81.9mn, up 43.6 per cent over those in the previous year. This resulted in a gross profit of JD 19.6mn, up 48.5 per cent y-o-y. The company's gross profit margin inched up to 19.3 per cent in 2005, from 18.8 per cent in 2004.

Operating Profit:

The operating profit during the period was JD 14.7mn, up 55.9 per cent y-o-y, with an operating profit margin of 14.5 per cent, up from 135 per cent in the previous year.

Net Profit:

For the year ended December 31, 2005 MEC's net profit reached JD 22mn, over three times higher than the previous financial year. Besides the increase in the sales revenue, this was primarily due to income from sale of subsidiaries' shares during the year. The steep rise in the net profit during the year caused the net profit margin to rocket to 21.7 per cent in 2005, from 7.7 per cent in 2004. It also caused an increase in its RoAA and RoAE to 10.3 per cent and 36.0 per cent respectively from 4.5 per cent and 11.8 per cent respectively in 2004.

Financial Performance January- September 2006

MEC had operational revenues of JD80.6mn during the first nine months of 2006, up a slender 3.5 per cent y-o-y. The total direct costs of JD64.0mn were up by an identical 3.4 per cent y-o-y. The gross profit, which was JD 16.6mn, was up 3.1 per cent y-o-y, for a gross profit margin of 20.6 per cent, against 20.7 per cent a year ago. Net operating costs of JD 6.3mn were up 40.0 per cent y-o-y, leading to an operating profit of JD 10.3mn, down 11.2 per cent y-o-y, and an operating profit margin of 12.8 per cent, against 14.9 per cent a year ago. The company's net profit during the period of JD 9.2mn was 55.1 per cent lower than JD 20.5mn in the corresponding period of 2005. The decline in the net profit during the period was mainly on the back of income from sale of subsidiaries' shares yielding JD 1.3mn in 9M2006, down 90.9 per cent as compared to JD 14.3mn in the corresponding period of 2005. This was offset to a certain extent by the interest and other revenues of JD3.1mn this year, as against JD 0.09mn last year.



