



soliderequarterly

January - March 2008

Monaco

The Solidere International Limited – Vinci partnership, one of the five short-listed groups participating in the tender for the Monaco Urban Expansion and Development at Sea project, submitted their joint bid on March 25, 2008. The final answer as to the tender result is expected to be declared in a few months.

Solidere International and Vinci SA incorporated on January 24, 2008 Terra Maris, a joint-stock company under the laws of Monaco, as the Rightholder Company that, once awarded the contract, will enter into the final agreement with the Principality.

Terra Maris will be in charge of financing, design, implementation and maintenance of all land development; urban planning; infrastructure, notably civil engineering, port and offshore, and construction on public and/or private domain; partial or total sale of private land plots; follow-up of the implementation of the urban design.

Al Zorah

On January 31, 2008, the Ajman Government signed the Amiri decree granting Al Zorah Development (Private) Company Limited P.S.C. the rights and privileges spelled out in the Concession Agreement signed with the company on December 17, 2007.

These include freehold free-zone status, allowing 100% foreign ownership, 100% repatriation of capital and profits, guaranteed 30-year tax-free operations, renewable for another 30 years, and exemption from personal income tax.

Al Zorah Project is to be officially launched on May 1, 2008.

Solidere International will be thoroughly involved in all the stages of the Project and its management, according to the Professional Services Agreement signed with the company on March 18, 2008.

Egypt

Consolidating its presence and activities in Egypt, Solidere International has established there a fully owned subsidiary.

Solidere Egypt Real Estate Investment and Development was incorporated as an Egyptian joint-stock company on January 3, 2008.

Solidere International, in partnership with SODIC, is already developing Westown and Eastown, two mixed-use city centers in Cairo's western and eastern suburbs.



Development land sales

Among the latest Solidere land sales, City Hill s.a.l. purchased in the last quarter a land parcel within lot 1137 Zokak El Blatt. Constituted of plot 10 in block 61, the development land covers an area of 1,422 sq m. It will be developed into a residential project, with retail on street level, totaling 3,090 sq m of floor area.

Investor conferences and roadshows

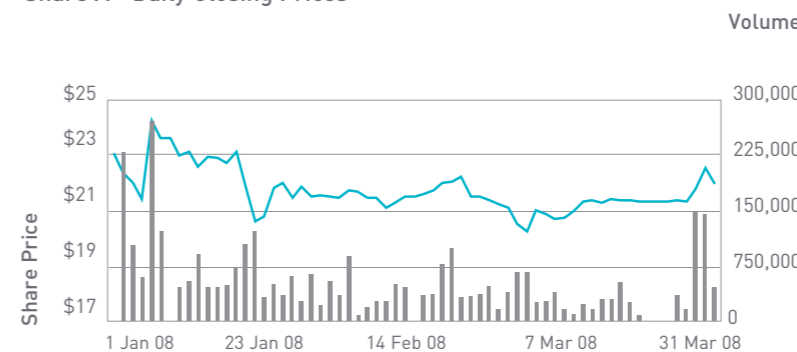
Solidere was present at two recent conferences held in Egypt: the Merrill Lynch Middle East and North Africa (MENA) One-on-One Investor Forum held February 10-13 at Al Gouna, and the EFG Hermes Investor Roadshow held March 10-13 at Sharm El Sheikh.

General manager Mounir Douaidy and his team held 48 meetings with 63 fund managers. They outlined Solidere's strong fundamentals, its performance and expansion, also laying emphasis on Solidere International approach and projects.

The forums brought Solidere and Solidere International into line with current and potential investors, who were interested to follow up on their performance and progress.

Share performance during the 1st quarter 2008

Share A - Daily Closing Prices



Share B - Daily Closing Prices



— Share price (US dollars)
 — Trading volume

Portfolio adjustments early in the year led to upward and then downward price movements for the Solidere shares.

Later in the quarter, the shares witnessed a period of consolidation, with no major news from the Company. Trading volumes dropped, as most market participants took a wait-and-see attitude pending a solution to the political stalemate in the country.

Share A fluctuated during the quarter between a low of US\$20.29 and a high of US\$24.19. The closing price was US\$22.00, a 4.47% decrease from the previous quarter.

Share B traded between a low of US\$20.27 and a high of US\$24, closing the quarter at US\$21.99 a 3.12% decrease from the previous quarter.

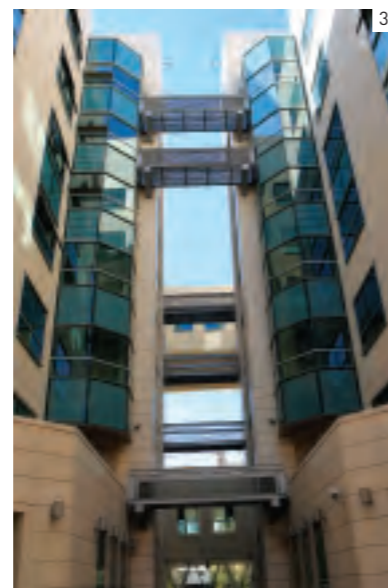
Trading activity in the local market dropped during the quarter. Around 5 million shares of both classes were traded, 60% less than in the previous quarter.

The GDRs traded in the London Stock Exchange followed the locally traded shares, closing the quarter at around US\$22.10, a 4% decrease from the previous quarter closing.

A total of 372 projects, offering 2.73 million sq m of floor area, have been so far the subject of development in the city center:

Of the 145 new construction projects with 2.03 million sq m of floor area:

- 43 projects with 284,787 sq m of floor area are completed;
- 14 projects with 273,440 sq m of floor area are now at the finishing stage;
- 18 projects with 224,175 sq m floor area are still under construction;
- and the balance is in various stages of development.



1 View from Two Park Avenue esplanade: left to right, Capital Garden, Marina Towers, Luna One.
 2 Pedestrian passage between Fattal and Société Assurex building, left, and Two Park Avenue, right.
 3,4 Two Park Avenue courtyard.
 5 View from Wadi Abou Jamil Garden on Starco Center and the Hotel District: left to right, Platinum Tower, Beirut Tower, Marina Towers, Four Seasons Hotel.
 6 Capital Garden residential building on Rafic Salloum street off Park Avenue.



1,2 Modern office buildings on Weygang street.
 3 Beirut Souks Jeweler's Area upper floor interior.
 4 The Jeweler's Area, corner of Allenby and Weygang, with Moneo's block M office building along Weygang.
 5 Neoclassic residential building on Weygang street.



South Souks Jewelers' Area

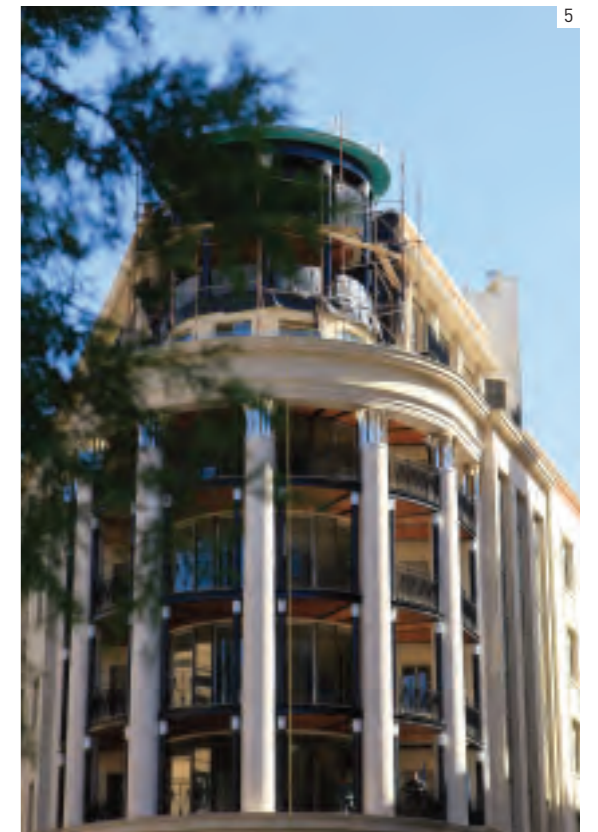
Significantly advanced, the South Souks are expected to be officially opened early in 2009.

The South Souks comprise the Souks Core, designed by Rafael Moneo (Spain) and Samir Khairallah & Partners; and the Jewelers' Area, designed by Kevin Dash (UK) and Rafik Khoury.

At the corner of Weygang and Allenby streets, the Jewelers' Area buildings are designed as a natural extension of the city center conservation area.

The shops at street level are sheltered by deep arcades, which form an extension of those on Maarad street and provide covered access to the three primary entrances of the Souks. The upper floors accommodate offices and a large restaurant.

As they repeat the scale of their immediate surroundings, and use proportions and materials distilled from them, the Jewelers' Area buildings also form a gradual transition from the ornate restored buildings on Fakhry Bey street to the modern simplicity of Moneo's Souks Core design on Weygang street.



cultural events



Books, lectures etc.

El Bourj bookstore
I want a pet by Samar Mahfouz Barraj, storytelling, January 19.
Fonctions, pratiques et figures des espaces publics au Liban by May Davie, booksigning, February 22.
My alphabet in stories by Caroline Hamadé, storytelling, February 23.
Le Cri by Ghadi Ghosn and *L'histoire de l'orchestre des siffleurs chauves* by Ralph Doumit, booksigning, February 28.
 Nisrine Ojeil, storytelling, January 26, March 29.
Al Jidar, translated from Philippe de Kemmeter's *Le Mur*, book launch and discussion, March 1.
 Sawsan Awad, storytelling and animation, March 8.
 Reading session for kids by mothers and storytellers, March 22.
Les variations géométriques by Gebran Tarazi, booksigning, March 27.

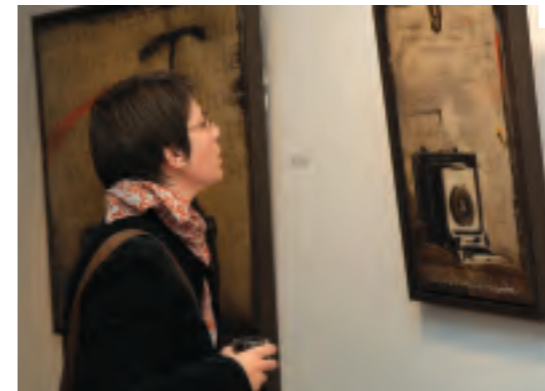
Instituto Cervantes
La problématique de la production et de la distribution de films à petit budget, lecture, January 15.
Miles of Smiles around the World, biciclown Slvaro Neil presented his world tour riding a bike, in 80 months, January 25.
 Journalism and literature round table conference by Maruja Torres and Joumana Haddad, March 27.

Virgin Megastore
Luc Magic, comic book launch by Joseph Nader, February 29.

Exhibitions

Planet Discovery
 Sursock Museum, XXVIIIe Salon d'Automne, March 3-31.
Aida Cherfane
 Permanent exhibition, January 1 – March 6.
 Giovanni Sesia paintings, March 7-28.

1,2 Maruja Torres and Joumana Haddad
 3 May Davie
 4 Gebran Tarazi
 5 Nisrine Ojeil
 6,7 Samar Mahfouz



BIEL

Wedding Folies, January 31 – February 3.
 DJ Pete Tong, February 9.
 DJ Nick Warren, March 15.

Souk El Tayeb

Taste of Beirut with food designer Marije Vogelzang, February 9.
Taste the difference, tasting of olive oil from south Lebanon, March 15.
 Weekly market, Saturdays.

Other events

Cotton Candy themed party, Karagulla building, March 8.



1 Salon d'Automne
 2 Giovanni Sesia
 3 Aida Cherfane
 4 Wedding Folies
 5 Marije Vogelzang

entertainment and shopping



1 Pulsating heart downtown beirut

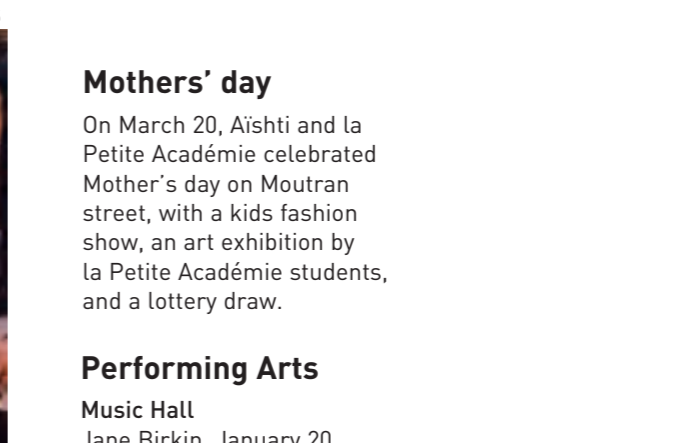
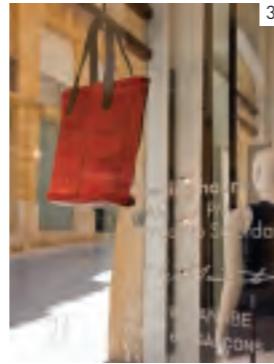
St Valentine's was celebrated in the city center from February 12-15. Aishti store adorned Moutran street with heart-shaped ornaments and red roses were distributed to visitors and shoppers.

This year's lottery grand prize was the Jaguar XK Coupé 2008. Light rain provided an enchanting backdrop for pianist Alanny and violinist Sirine Francis, who played every evening to the delight of onlookers.

- 1 Aishti Valentines Day celebration
- 2 Diesel boutique
- 3 If boutique
- 4 Plum boutique
- 5 A designer affair
- 6 Valentino boutique

A designer affair minus the guilt

A rummage sale on designer bags and accessories was held at Fiona's restaurant in Saifi March 14-15. Proceeds from the sale directly benefit KAFA, an organization to help raise awareness on gender based violence and on the exploitation of women and children, and to offer legal and social services to vulnerable cases.



Mothers' day

On March 20, Aishti and la Petite Académie celebrated Mother's day on Moutran street, with a kids fashion show, an art exhibition by la Petite Académie students, and a lottery draw.

Performing Arts

Music Hall
Jane Birkin, January 20.
Liban Jazz: Giovanni Marabassi Trio, Feb 3; Dhafer Youssef Quartet, March 16.
Weekly live band show, Thursdays through Saturdays.

Monroe Hotel
D3 trio, organized by Instituto Cervantes, February 15.
The Middle Beast by Joe Kodeih, March 7.

Retail newcomers
Coccinelle shoes and bags
Purr! jewelry

Opening soon
Geisha, restaurant and music lounge

- 1 Giovanni Marabassi Trio
- 2 Jane Birkin
- 3 The Middle Beast
- 4 Dhafer Youssef Quartet
- 5 Mother's day event

in and about the city center



Pritzker Prize

Jean Nouvel is the 2008 Pritzker Prize Laureate.

The purpose of the prize, the highest honor in architecture, is "to honor annually a living architect whose built work demonstrates a combination of those qualities of talent, vision and commitment, which has produced consistent and significant contributions to humanity and the built environment through the art of architecture".

One of the international architects involved in Beirut city center, Jean Nouvel (France) has designed The Landmark multiuse development on lot 1520 Bachoura.

Earlier Pritzker prize winners and their projects in Beirut city center include Rafael Moneo of Spain, lead architect for the Beirut Souks, 1996; Christian de Portzamparc of France, architect for lots 987, 1526 and 1477 Bachoura, parts of Beirut Gate multiuse development, 1994; and Zaha Hadid of the UK, architect for the Al Mawared Bank on lot 1383 Mina El Hosn, 2004.

The prize ceremony will be held on June 2, 2008 at the Thomas Jefferson building of the Library of Congress in Washington D.C., USA.

Visitors

Official visitors

British ambassador in Beirut Frances Guy, with Dominic James, head of trade and investment, and Paul Khawajah, senior trade and investment officer.

Business and delegations

Ziad Nazir Al-Abed, vice-president, Walid Al-Hazza, CEO, and Omar Balbaid, executive vice-president, Urban Development Co Ltd, Saudi Arabia; Fahad Al Attiya, board member, Al Attiya Group, Qatar, with a delegation; Massimo Gasparini, CEO-general manager, Missoni, Italy; Bassam Khoueiss, head of marketing and sales, Allianz-SNA insurance company, with executives; Esmat EL-Nahas, public relations director, SODIC, Egypt, with a delegation; Mathieu Agostini, secretary general, Association Franco-Libanaise pour l'éducation et la culture, France; Rashid Khoursid, head of private banking, First National Bank, Lebanon; Chris Blandford, director, Chris Blandford Associates, UK.

Professionals and academic

Xavier Corbero, artist, Spain; 12 engineering students, Hariri Canadian University, Lebanon.

Media

Joanna Andrews, CNBC TV, Europe.

1 British ambassador Frances Guy with Solidere general manager Mounir Douaidy.

2 Xavier Corbero with Solidere Chairman Nasser Chammaa.

in memory of **Rafic Hariri**



Rafic Hariri Memorial

The public converged on February 14 in Beirut city center, to honor the life and legacy of the late Prime Minister Rafic Hariri. Despite heavy rain, Martyrs' Square and adjacent streets were filled with people in high spirits, coming from all over the country to commemorate Rafic Hariri and the ideals he stood for.

The Rafic Hariri memorial garden, located at the outer edge of Beirut city center facing Beirut Marina, was inaugurated on that occasion.

