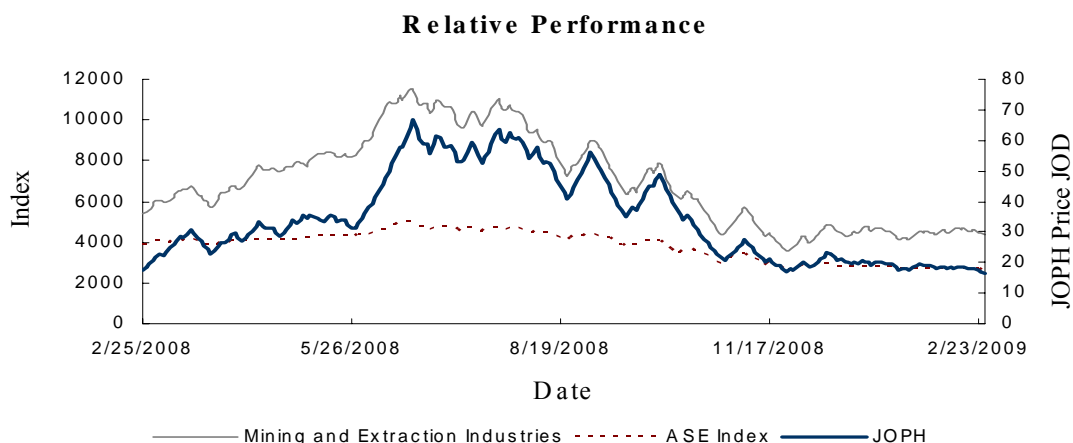


**CORPORATE
BRIEF**

Jordan Phosphate Mines Co. (JOPH)

Mining & Extraction

STOCK PERFORMANCE



RELATIVE VALUATION

	EPS	P/E	BVPS	P/BV	DPS	DIV. YLD (%)
JOPH	3.18	5.24	5.56	3.00	0.15	1.20
SECTOR	0.20	18.78	1.92	3.05	0.15	2.18

STOCK DATA

COMPANY DATA

CLOSING PRICE FEB. 25, 2009	16.65	JOD (MIL)	2006A	2007A	2008E
52 WEEK (HI-LOW)	66.90-14.55	ASSETS	320.77	318.29	551.63
Y-T-D (%)	-14.62	EQUITY	155.07	193.53	416.89
Y-O-Y (%)	13.27	SALES	289.82	354.83	846.89
OUT. SHARES (JOD) (MIL)	75	EBITDA	37.69	63.72	N/A
MARKET CAP. (JOD) (MIL)	1,249	NET INCOME	16.07	46.11	238.40
FREE FLOAT (%)	7.09	RoA (%)	5.03	14.43	54.81
BETA (5 YEARS)	1.59	RoE (%)	10.92	26.45	78.11
AVG. DLY TRA. VAL. (JOD) (MIL)	9.83	PROFIT MARGIN (%)	5.55	13.00	28.15



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Company Background:

- Jordan Phosphate Mines Co. (JOPH) was established in 1949 and registered as a public shareholding company in 1953 with JOD 75 million paid-up capital.
- Its major shareholders are Kamil Holdings Ltd. with a stake of 37%, Jordanian Ministry of Finance 26%, Social Security Corporation 16%, and Government of the State of Kuwait 9%.
- JOPH produces Di-Ammonium Phosphate fertilizer (DAP), Phosphoric Acid, Sulphuric Acid, and Aluminum Fluoride.
- Phosphate and fertilizers exports represent more than 85% of JOPH's sales. Asia and specifically India, is JOPH's main market .
- The recent increase in demand for JOPH's fertilizers was mainly due to the withdrawal of major fertilizers exporters from the market, such as China and South Africa, to meet their domestic market needs.
- As a part of JOPH's vision to develop a secure customer base, it has signed a long-term agreement with PT Petrokimia Gresik (Indonesia) to set up a phosphoric acid plant with an annual capacity of 200,000 tons to be sold in the Indonesian market. The factory will consume about 1 million tons of phosphate rock per year.
- JOPH and Arab Potash Co. (APC) have signed a memorandum of understanding with Aqaba Development Corporation for the expansion and rehabilitation of the industrial jetty at Aqaba with a total cost of JOD 70 million shared equally between JOPH and APC.
- A feasibility study for extracting Uranium from phosphoric acid is in progress with an international company. Jordan is estimated to have 2% of the world's Uranium reserves.
- JOPH associated companies are Indo Jordan Chemicals, Nippon Jordan Fertilizers, Manajim for Mining Development, and Jordanian Indian Fertilizers with a stake of 35%, 20%, 26%, and 48% respectively.

Financial Highlights:

- The preliminary results for 2008 showed a net income after tax of JOD 238 million in comparison to JOD 46 million for 2007.¹
- In Q3 2008 the current ratio hiked to 3.48x in comparison to 2.76x for 2007. This increase was mainly due to the increase in receivables and inventory, an indication of an expansionary sales policy with more credit sales.
- Net sales increased dramatically in 2008 to hit JOD 847 million in comparison to JOD 355 million for 2007, mainly because of higher demand and much higher prices of phosphate and fertilizers worldwide.
- The total assets turnover improved rapidly to 1.95x in 2008 compared to 1.11x for 2007, which indicates better operating efficiency.
- Total equity turnover improved in 2008 to 2.77x compared to 2.04x for 2007, mainly due to the huge increase in sales for 2008. The company is using its shareholder's equity effectively.
- JOPH net profit margin improved in 2008 to reach 28% compared to 13% in 2007. The increase in sales and keeping overhead costs in control were the main drivers of this improvement.
- ROE was increasing at an increasing rate over the past five years to hit a historical high in 2008 with 78% compared to 26% for 2007, as the increase in net income was greater than the increase in total shareholders' equity.
- A slight increase in total assets for 2008 combined with a substantial increase in net income resulted in a dramatic increase in ROA from 14% in 2007 to 55% in 2008.
- JOPH distributed JOD 0.10 per share as cash dividends in 2007 and JOD 0.20 per share in 2008.

¹ 2008 data are extracted from JOPH preliminary results.

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