



KARDAN N.V.



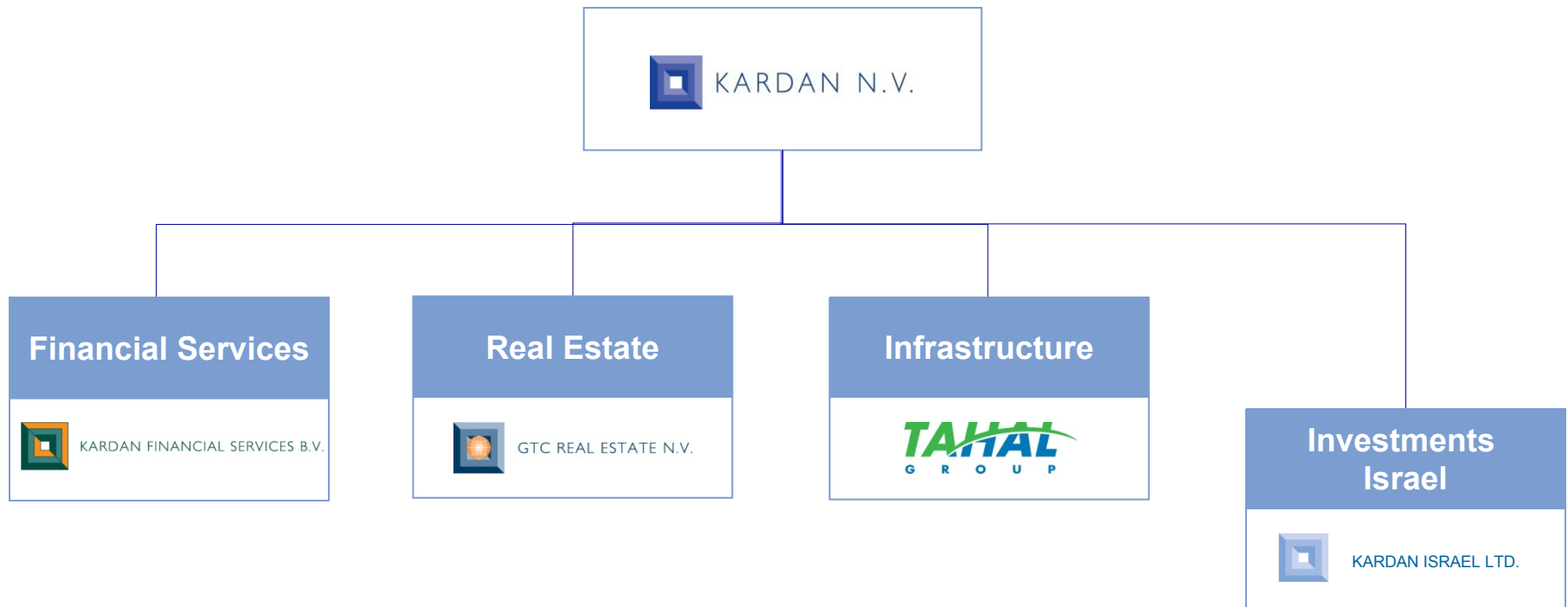
January 2009

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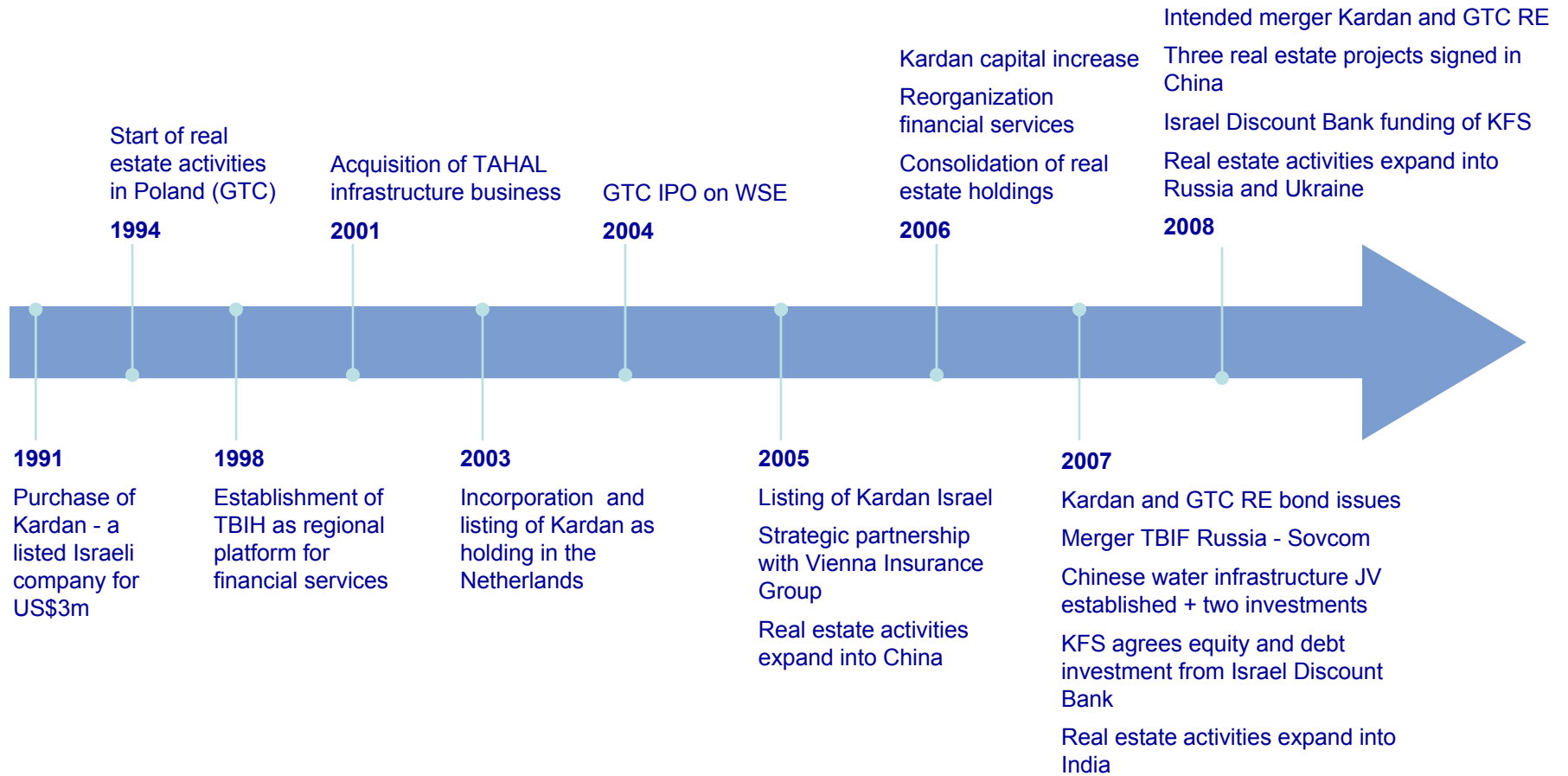
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Organisational structure



A global company focused on emerging markets and high growth

History



Entrepreneurial growth path

Strategy



Asset/Revenue growth⁽¹⁾



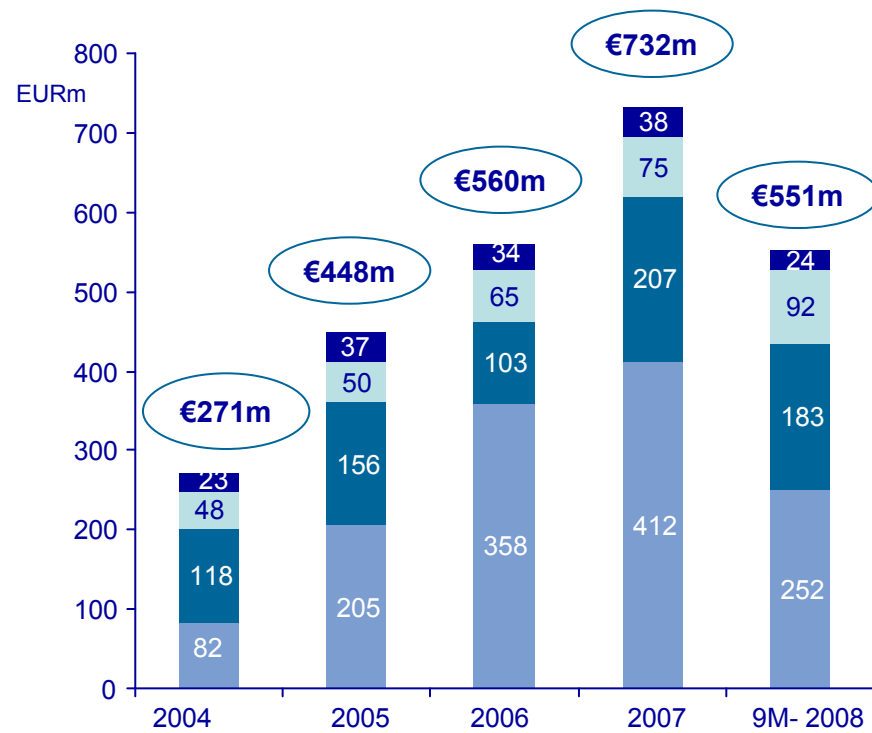
(€m)	30/09/2008	2007	2006	2005	2004
Segment revenues	551	732	566	448	271
Other financial income	<u>159</u>	<u>42</u>	<u>22</u>	-	-
Total Revenues	710	774	588	448	271
Net profit	110	250	157	136	30
Total Equity	1,199	1,073	758	436	335
Total Assets	5,249	4,272	2,225	1,508	1,056

Notes:
(1) Kardan NV consolidated IFRS

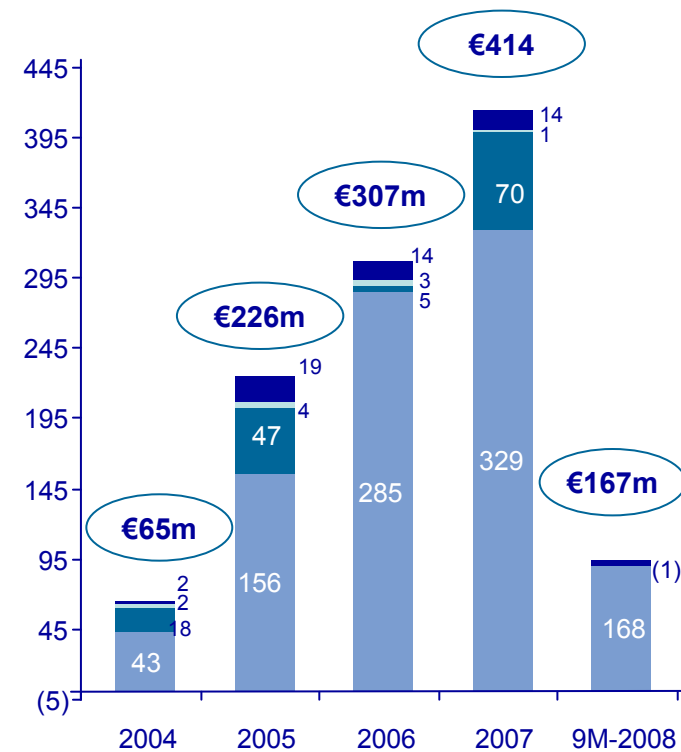
Strong CAGR 2004-2007: Assets 42%; Revenue 30%

Diversification by sector

Revenues⁽¹⁾



Segment results⁽¹⁾⁽²⁾



■ Real estate
 ■ Financial services
 ■ Infrastructure
 ■ Other

Notes:

(1) Kardan NV consolidated IFRS (segment note)

(2) Profit from operations before unallocated expenses (segment note)

Return on investment ⁽¹⁾ Kardan N.V.



(€million)	Real Estate		Financial Services		Tahal		Kardan Israel Limited		TOTAL	
	Investment	%	Investment	%	Investment	%	Investment	%	Investment	%
2004	35	13	23	55	N/A		83	0	141	16
2005	67	28	64	80	N/A		64	13	195	37
2006	92	35	83	10	18	19	72	11	265	19
2007	240	13	186	27	19	(38)	75	1	520	13
Average		22		43		(10)		9		23

⁽¹⁾ Bookvalue investment according to IFRS and goodwill

Significant value creation: 373% growth in equity over 3.5 years

Breakdown of 9 months 2008 net profits



Breakdown of the net profit For Equity Holders of Kardan N.V. (x EUR million) ¹	9M 2008	9M 2007	Change (%)
Real Estate	31	16	94
Financial Services – Banking and retail lending	5	(12)	
Financial Services – Insurance and Pension	(16)	17	
Infrastructure - Projects	(3)	(1)	
Infrastructure - Assets	(5)	(5)	
Other Business	2	1	100
Corporate activities	9	18	(52)
Total net profit attributable to equity holders	23	34	(32)
Profit per share (EUR)	0.28	0.42	(33)

¹ The table shows the contribution of each of the businesses to the results of Kardan. As profits attributable to minority shareholders have already been deducted, these figures do not represent the full net profit realized in each segment.

Leverage September 30, 2008



Equity to Total Assets (Company Only)

(€ million)	Kardan NV	GTC RE	KFS	Tahal	Kardan Israel
Equity	362	414	165	85	126
Total balance sheet	776	788	457	86	209
Ratio	46.6%	52.5%	36.1%	98.8%	60.3%

Equity to Total Assets (Consolidated)

(€ million)	Kardan NV	GTC RE	GTC SA	KFS	Tahal	Kardan Israel
Equity (including minority interest)	1,199	1,049	1,132	165	92	136
Total consolidated balance sheet	5,249	2,858	2,418	1,719	216	315
Ratio	22,8%	36,7%	46,8%	9,6%	42,6%	43,2%

Conservative leverage

Net Debt to Book Value Calculation*



Company	Value of Holding € million
KFS	171
GTC	460
Tahal **	86
Kardan Israel	70
Total Asset book Value	787
Net Debt	267
Net Asset book Value	520
Net Debt to Asset book Value	0.34

* Proforma post merger based upon figures as per 30th September 2008

** Including loan from Kardan N.V. in the amount of EUR 77 Million

Risk Management



-
- ▶ Wide geographical presence – activities in over 40 countries, 13.000 employees
 - ▶ Segmental diversification – 3 operating segments
 - ▶ No oversized projects – no project value/cost exceeds 5% of the consolidated balance sheet
 - ▶ Low leverage



GTC REAL ESTATE N.V.

Strategy



GTC REAL ESTATE N.V.



Real Estate – GTC Real Estate NV

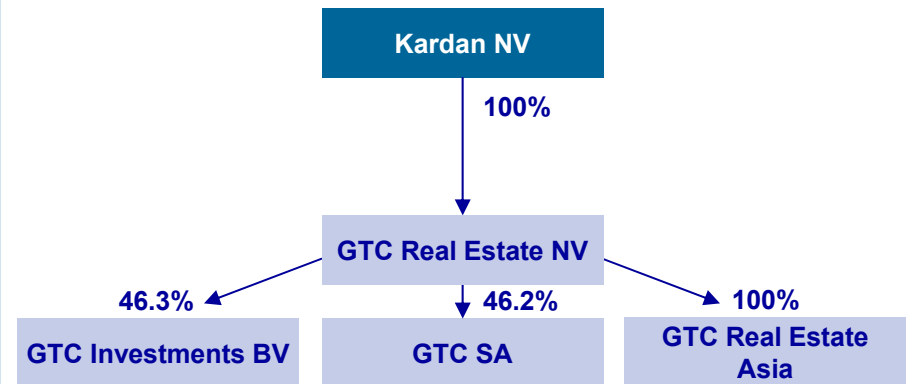


GTC REAL ESTATE N.V.

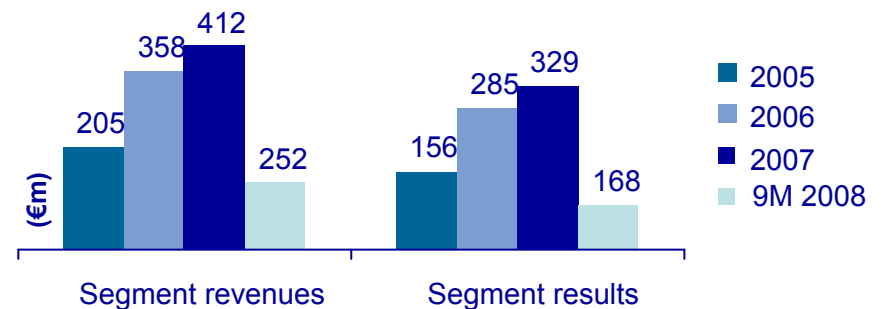
Overview

- GTC SA: one of the largest public real estate companies in the CEE; 2.3 million m² completed and under development (GTC SA share)
- GTC China: property development in China ; 1.3 million m² under development (GTC China Share)
- GTC Investments: investment properties in Western Europe
- Consolidated assets 30/09/2008 € 2.9 billion (30/12/2007 € 2.2 billion)

Ownership structure



Financial performance⁽¹⁾⁽²⁾



Notes:

(1) Kardan NV consolidated IFRS (segment note)

(2) Profit from operations before unallocated expenses (segment note)



Overview

- Presence in 10 countries
- Sectors: office, retail and residential
- Portfolio: circa 2.3 million m² net space completed and under development (GTC SA share)
- Listed on WSE (included in WIG 20 and MSCI-Indices)

Investment Strategy

- Exploit growth opportunities in CEE, SEE, and CIS
- Maintain diversified and balanced portfolio with selective sale of completed assets

Highlights

- Funding secured for projects under construction
- Debt servicing from operational cash-flow
- High liquidity: €210 m cash position and low LTV ratio of 57%

Organization

- Well established organization
- 150 highly qualified and experienced professionals
- Capacity strengthened by outsourcing of services: project managers, architects, general contractors, leasing and selling agents
- Motivation in place

Source: Company data

A leading developer in Central & Eastern Europe



301,300 m² of completed net office and retail space currently held

140 projects:
67 office, 22 retail, and 51 residential
(Net m² GTC SA stake)



			Office	Retail	Residential
CEE	57%	Poland	459,000	106,000	79,000
		Hungary	289,000	46,000	92,000
		Slovakia	9,000		53,000
		Czech Republic	55,000	12,000	73,000
SEE	39%	Romania	71,000	124,000	264,000
		Bulgaria	8,000	108,000	39,000
		Croatia	63,000	43,000	17,000
		Serbia	82,000	50,000	16,000
CIS	4%	Ukraine	43,000		
		Russia	52,000		
Total:			1,131,000	489,000	633,000
Percentage of total:			50%	22%	28%
Grand Total:		2,253,000			

3.6 million m² of gross space under management



Overview

- Established in August 2005
- Headquarters in Beijing, PRC
- Sectors: primarily residential and retail
- Total development pipeline: 2.7 million m², representing an estimated total investment of more than € 900 million

Strategy

- Target 2nd and 3rd tier cities
- Develop according to local demand
- Current focus on residential and retail
- Partnership with local developers

Highlights

- Seven projects to date:
 1. Shenyang, 190,000m²: residential
 2. Xianyang, 770,000m²: residential, retail, hotel
 3. Shenyang, 378,500m²: residential, commercial
 4. Chengdu, 40,000m²: shopping centre
 5. Changzhou, 542,000m²: residential, commercial
 6. Shenyang, 650.000m²: residential, commercial
 7. Hangzhou, 109.000m²: residential, retail, office

Presence



Capitalizing on emerging markets expertise

Returns In Tier II Cities



GTC REAL ESTATE N.V.

	Tier I Cities	Tier II Cities
Development Projects		
Gross Margin	20%+	30%+
Net Margin	10%+	15%+
IRR	Can be less than 20%	20%+
Income Generating Projects		
Gross Yield	~5-8%	~8-10%+

Source: ING Real Estate



KARDAN FINANCIAL SERVICES B.V.

Strategy



KARDAN FINANCIAL SERVICES B.V.



Financial Services – KFS

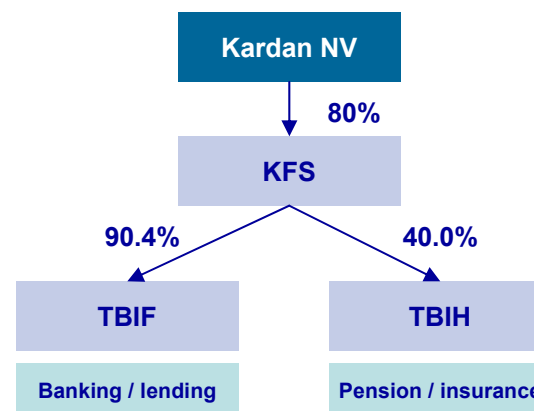


KARDAN FINANCIAL SERVICES B.V.

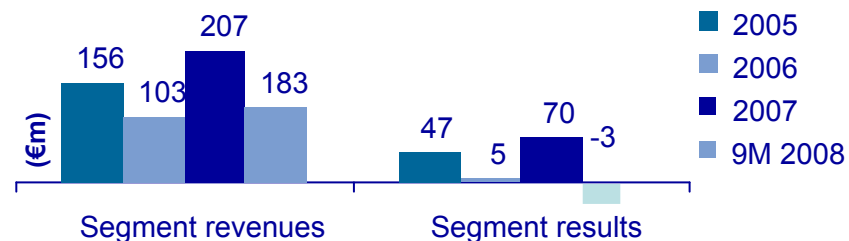
Overview

- Total assets 30/09/2008 € 1.7 million
- Portfolio 30/09/2008 € 1.57 million (31/12/2007: € 1.26 million)
- Value: last transaction € 506 million (December 2007)
- **TBIH established in 1998** to benefit from
 - pension reforms
 - low insurance penetration
- Pension AUM September 2008: € 812 million (31/12/2007: € 743 million)
- Pension 1.81 million members (31/12/2007: 1.71 million)
- Q3 2008 €319 million Insurance premiums 2007: €240 million;
- **TBIF established in 2001** to benefit from
 - low credit penetration
 - high growth retail lending and asset management
- Provides banking, leasing, consumer finance, mortgage and asset management services

Ownership structure



Financial performance⁽¹⁾⁽²⁾



Notes:

(1) Kardan NV consolidated IFRS (segment note)

(2) Profit from operations before unallocated expenses (segment note)

Market leading positions in most of activities across CEE

Extensive distribution network



KARDAN FINANCIAL SERVICES B.V.

INSURANCE & PENSION

Insurance

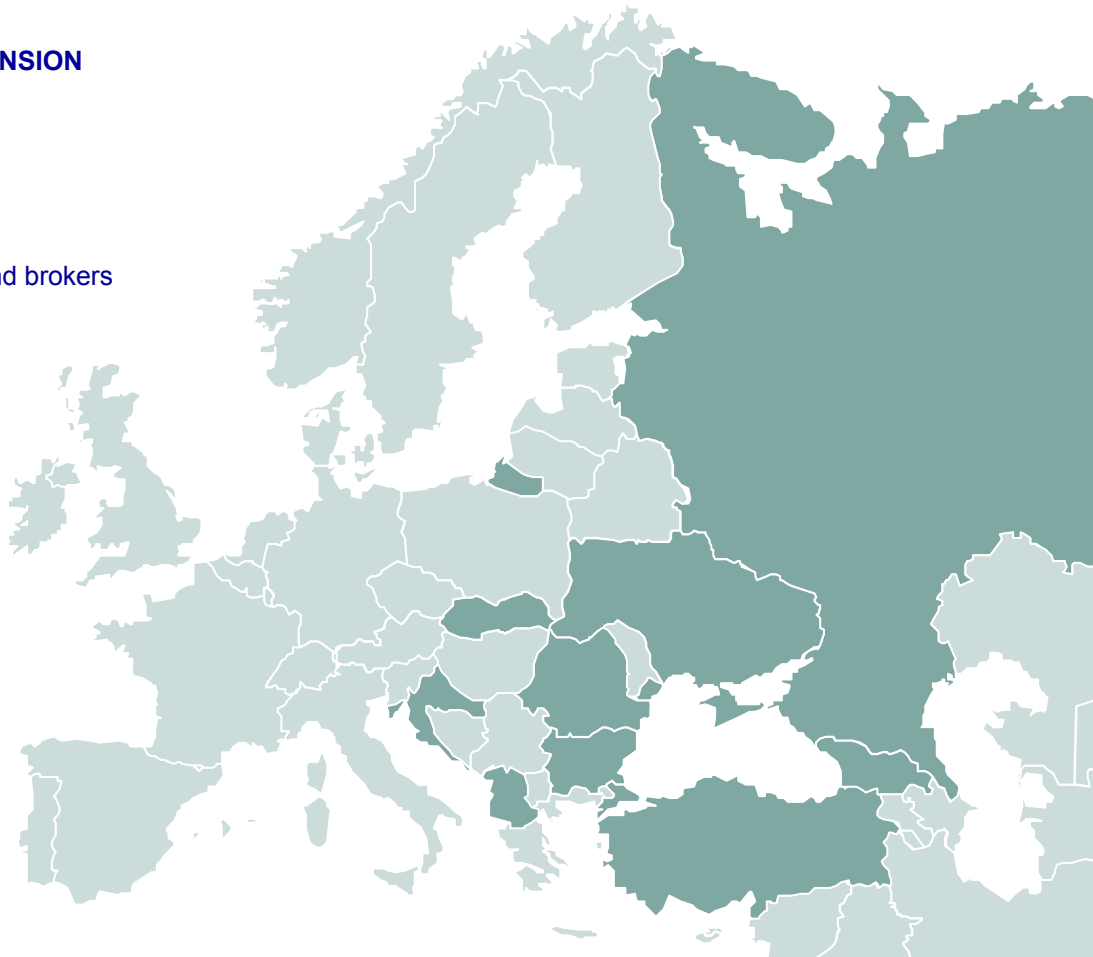
436 branches

10,229 agents and brokers

Pensions

102 branches

7,302 agents



BANKING & LENDING

Banking

295 branches

Consumer credit

1,583 outlets

7,700 points of sale merchants

Leasing

51 branches

Mortgages

299 branches

38 mobile brokers

Asset management

6 branches

70agents

Source: Company data

Established network covering more than 300 million inhabitants

KFS

Matrix of operations



KARDAN FINANCIAL SERVICES B.V.

BANKING & LENDING



Bulgaria



Romania



Ukraine



Russia



Slovakia

	Bulgaria	Romania	Ukraine	Russia	Slovakia
Leasing	X	X	X	X	
Cons. Credit	X	X	X	X	
Mortgage	X		X	X	
Banking			X	X	
Asset Man.	X		X		X

INSURANCE & PENSION



Bulgaria



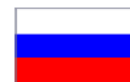
Romania



Croatia



Georgia



Russia



Ukraine



Turkey



Albania



Macedon.



Kosovo

	Bulgaria	Romania	Croatia	Georgia	Russia	Ukraine	Turkey	Albania	Macedon.	Kosovo
Insurance	X	X	X	X	X	X	X	X	X	X
Pension	X	X	X	X	X	X		X		

TBIF product overview

Consumer credit and leasing

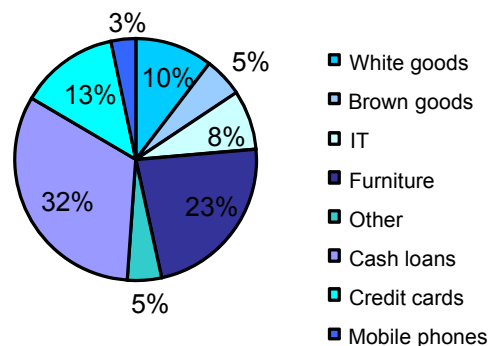


KARDAN FINANCIAL SERVICES B.V.

Consumer credit

- Over 2.29 million consumer loans extended since 2002
- Distributed via own points-of-sale at major retail chains or via independent merchants
- Mostly unsecured, though promissory notes taken as a collateral
- Fixed rate of interest
- Denominated in EUR, BGN, ROL, RUR and UHA
- Repayable in equal monthly instalments
- Max. tenor: 36 months; max. size €7,000
- Main products provided: POS consumer loans, cash loans and credit cards

Consumer portfolio breakdown



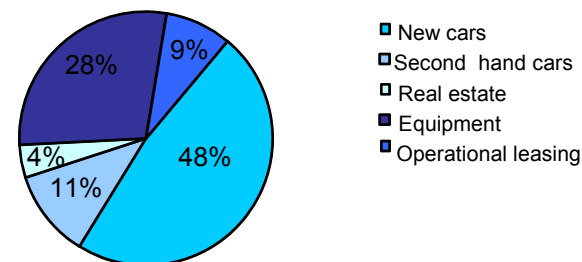
Avg tenor: 18 months

Avg exposure: € 375

Leasing

- Over 22,800 contracts concluded since 2002 (mostly finance leases) with relatively high renewal rate (20 - 25%)
- Distributed via car dealers, equipment suppliers and own branch network
- Financed assets pledged in favour of the lessor, endorsed promissory notes or additional security as required
- Maximum 95% of a contract's fair value financed
- Fixed rate of interest, adjustable at TBIF's option
- Denominated in EUR
- Repayable in equal monthly instalments
- Max. tenor: 5 years; max. size: 25% of equity

Leasing portfolio breakdown



Avg tenor: 21 months

Avg exposure: € 12,572

TBIF product overview

Banking and mortgage finance

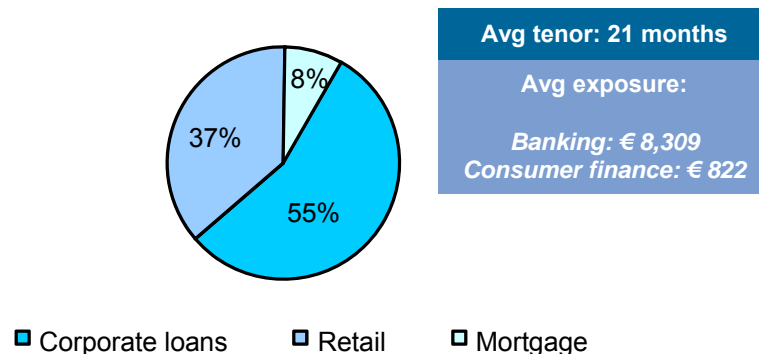


KARDAN FINANCIAL SERVICES B.V.

Banking

- Portfolio of more than €1.17 billion
- 570,000 payment cards issued (70% VISA)
- Well-developed distribution channels with full country coverage:
 - Branches/offices: 170 VAB, 136 in Sovcombank
 - ATMs: 360
 - POS own terminals: 500
- 106% average annual growth of assets for the past 2 years
- Over 450,000 active clients

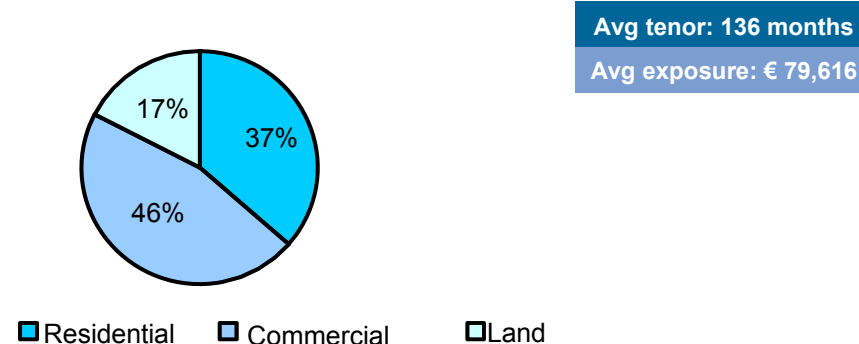
Loan portfolio breakdown



Mortgage finance

- €37.5 million new loan originations since 2004
- Over 530 mortgage loans extended since 2004
- Distributed via own branches or mobile brokers
- Mortgage secured loans (avg LTV: 47%) as well as promissory notes taken as additional collateral
- Repayable in annuity instalments or equal-principal instalments
- Max. tenor: 30 years - individuals, 15 years - companies
- Only non-bank mortgage lending financial institution in Bulgaria

Mortgage portfolio breakdown



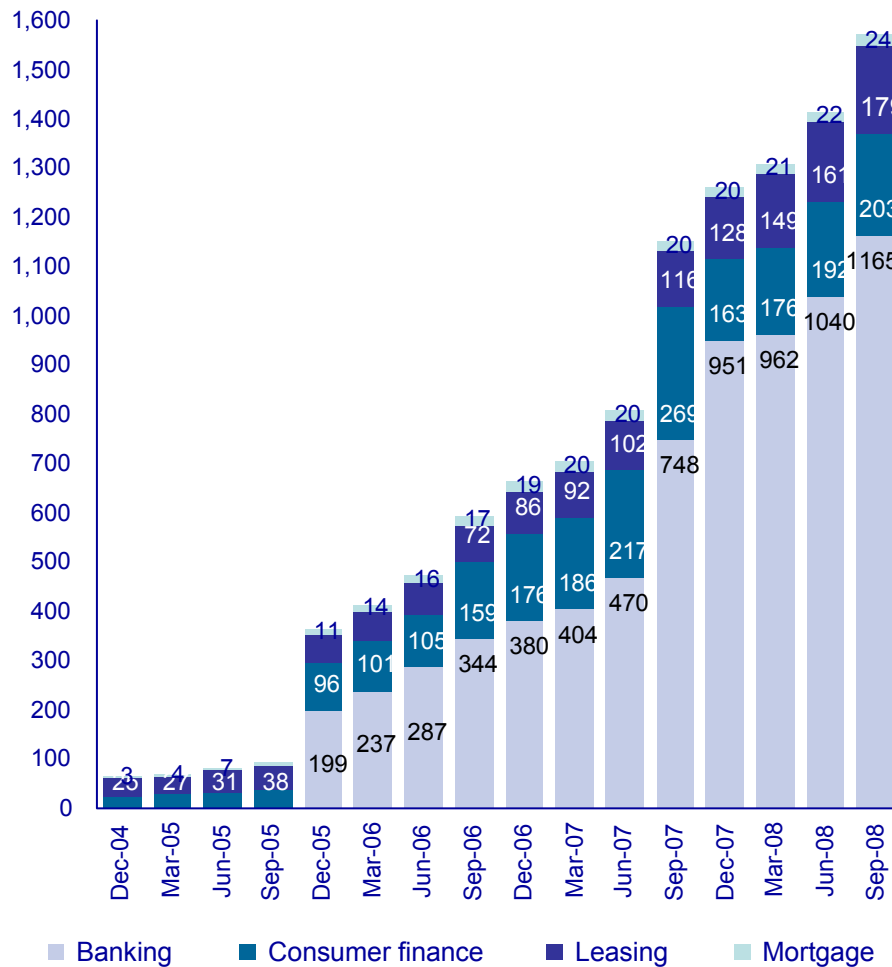
* Including Sovcom Group consumer finance

TBIF portfolio development

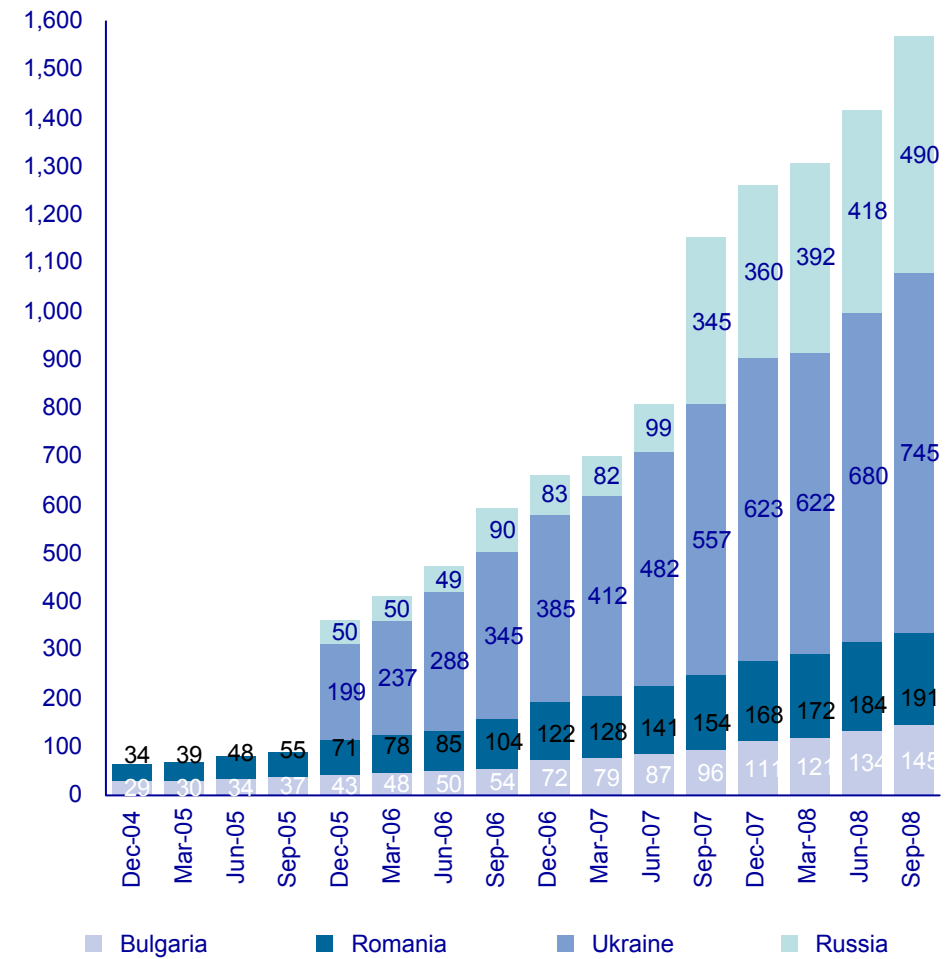


KARDAN FINANCIAL SERVICES B.V.

Net portfolio by business line (€m)



Net portfolio by country (€m)

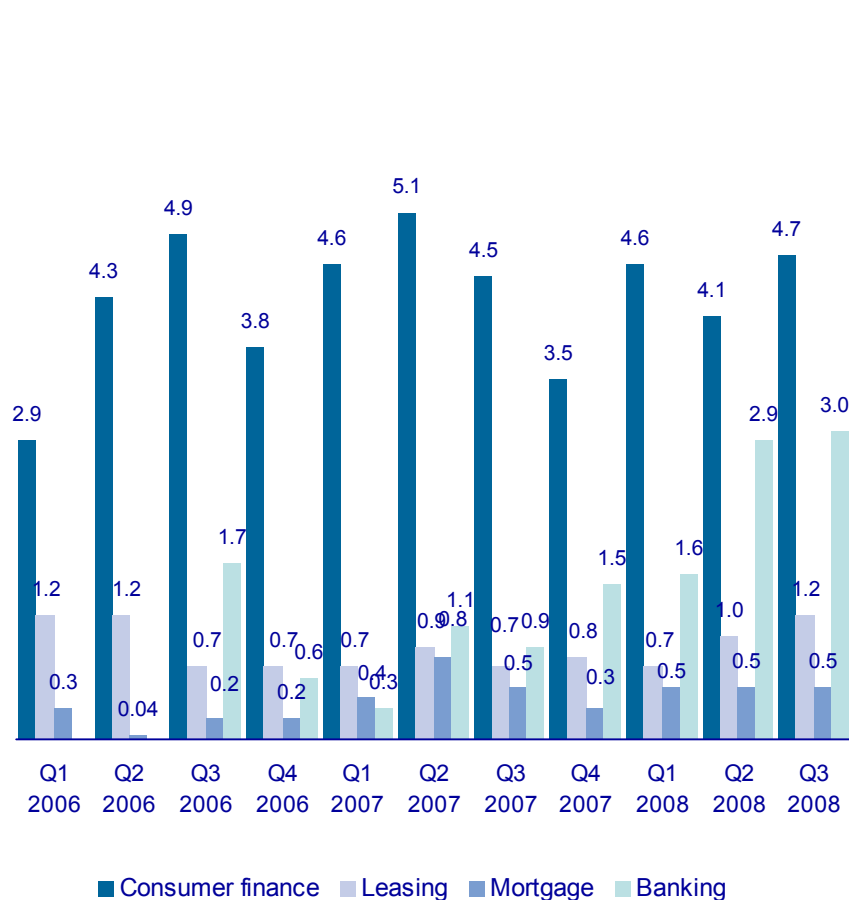


TBIF portfolio



KARDAN FINANCIAL SERVICES B.V.

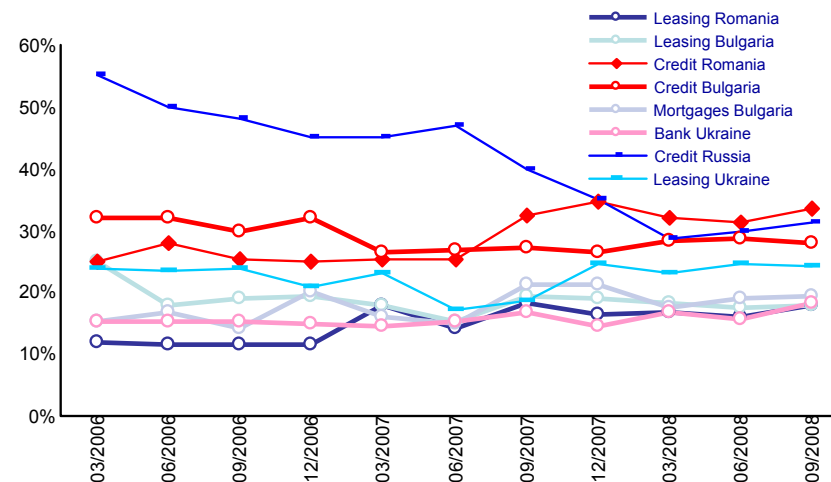
Development of % 90+ in Q1 2006 – Q3 2008 (1)



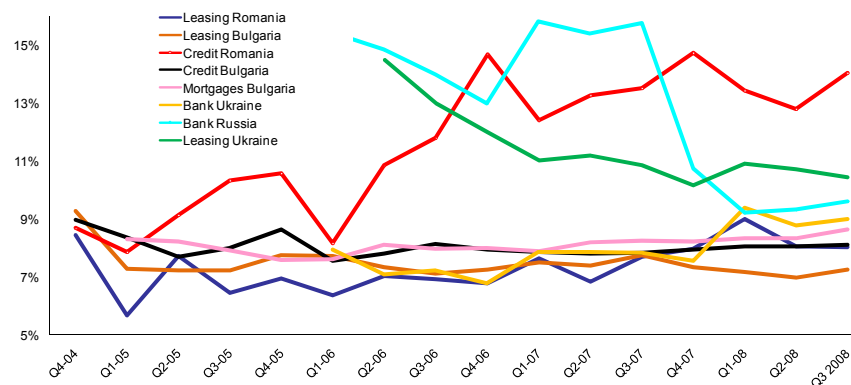
(1) Source: Company data

(Note) ARKA included in Consumer finance till Q1 2008, since Q2 2008 included in Banking

Development lending rates Q1 2006 – Q3 2008 (1)



Development Cost of funding Q1 2006 – Q3 2008 (1)



(Note) Credit Russia: ARKA till Q3 2007, afterwards Sovcom Group

TBIF in Russia

Sovcombank



KARDAN FINANCIAL SERVICES B.V.

Overview

- Holding company for merged entities Sovcombank and Arka Group
- Regional banking group with comprehensive product range and extensive geographical coverage
- Strong capabilities in loan origination and deposit taking
- Balanced portfolio across all customer segments (retail, SME and high net worth individuals)
- Headquarters in Moscow and Novosibirsk

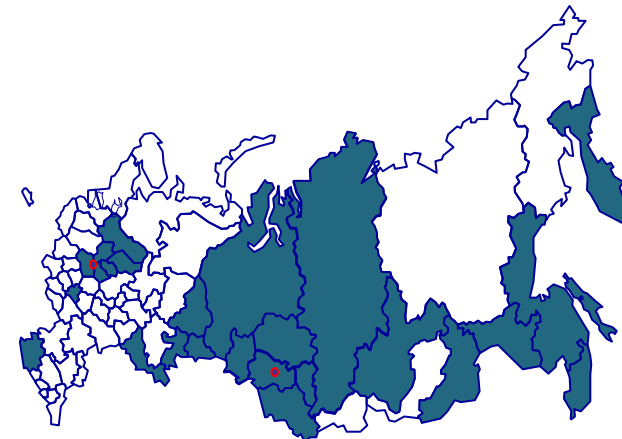
Strategy

- Provide high quality banking services for individuals and SME customers in small and medium sized Russian cities
- Focus on retail and SME products:
 - Individual deposits
 - Cash loans
 - Mortgages
 - Car loans
 - Credit cards
- Transform consumer finance outlets into (mini) banking branches to offer various banking products and services

Highlights

- Distribution network covering Central, Ural, Siberia and Far East regions of Russia: 136 branches, 985 points-of-sale, 65 ATM's
- More than 430,000 consumer finance contracts originated YTD Q3 2008, representing circa €326 million of consumer loans
- Q3 2008 deposit growth of approximately €113 million
- Low levels of non-performing loans

Presence



Extensive regional distribution network



Strategy

Tahal Group International



TAHAL Group International B.V.



Active in Africa, Asia, CEE and Central and South America



Water related infrastructure projects (a.o. management, planning, turn-key)



Investments in water related infrastructure



Extending operations to new fields e.g. desalination



Cooperation with financial partners

Over 50 years of experience in project-management

Infrastructure

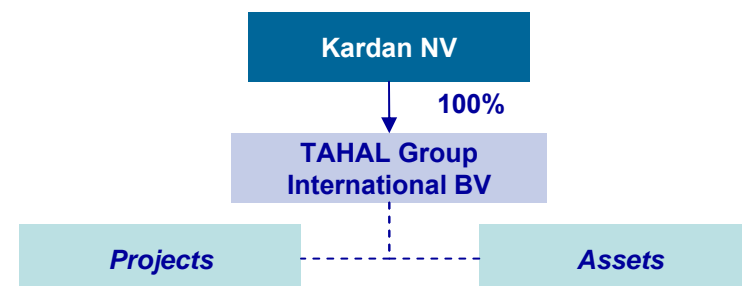
TAHAL Group International B.V.



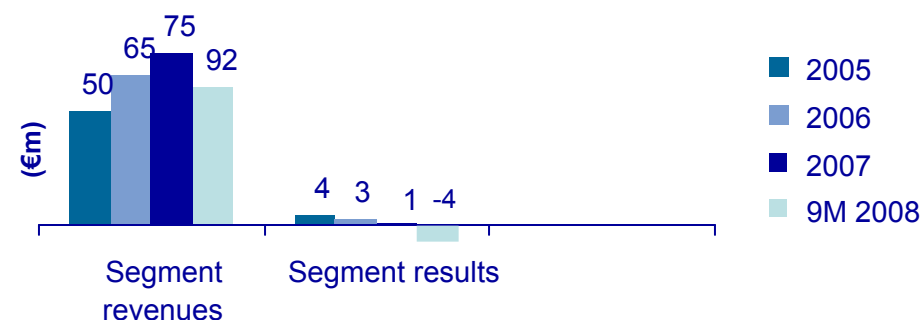
Overview

- Multidisciplinary infrastructure group focussed on water, sewage, energy, environment and agriculture sectors
- Over 50 years of experience, state-of-art technical resources and 1,600 staff
- Moving from providing pure design, supervision, engineering activities towards servicing and investing in comprehensive projects
 - ‘turn-key’
 - ‘build-operate-transfer’ (BOT)
 - ‘build-operate-own’ (BOO)
- Projects backed by local and international financing
- Major clients: governments, public utilities, water agencies
- Order book as of 30-09-2008 €236 million (31/12/2007: €189 million)
- Consolidated assets 30-9-2008 €216 million (31-12-2007 € 162 million)

Ownership structure



Financial performance⁽¹⁾⁽²⁾



Notes:

(1) Kardan NV consolidated IFRS (segment note)

(2) Profit from operations before unallocated expenses (segment note)

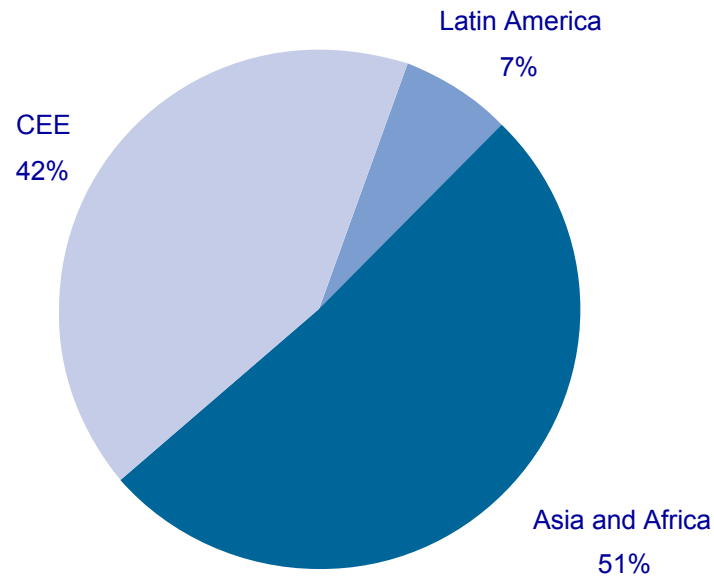
Global operations with strong presence in emerging markets

Infrastructure – Tahal Group International

Breakdown of business by region and sector



Revenue breakdown by region



Highly diversified geographical presence

Infrastructure – Tahal Projects / Assets

Selected projects/ Selected investments



Country	Description Projects	Type	Contract Value (€ 000)	Share (%)
Angola – Epal (p)	Laying of 430 km of water supply pipelines and installation of 140 drinking fountains in seven suburbs of the capital city of Luanda.	Turnkey	31,500	100
Russia (p)	Equipment supply to the new water treatment block K-6 of Yuzhnaya Water Treatment Plant, St. Petersburg, Capacity 350,000 m3/day	Equipment supply	18,000	100

Country	Description Assets	Type	06/2008 Project Investment (Euro M)	Share (%)
China – Dazhou (a)	A 20 years B.O.O concession agreement for exclusive WS and WWTP in Dazhou industrial zone Dazhou, Sichuan province	Concession	22	80%
Turkey / Dilovasi (a)	Construction and Operation of the industrial wastewater collector lines and Waste Water Treatment Plant under a 29 years BOT agreement	Concession	16	50%
Israel / Via Maris (a)	Located in Palmahim zone - A 25 years BOO Sea Water Desalination facility Concession agreement with An annual capacity of 30 Millions cubic meters	Concession	12.5	28%

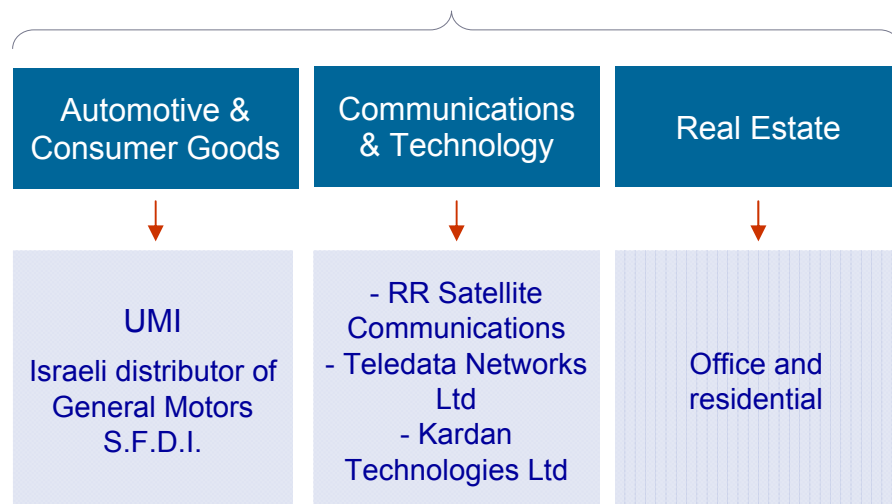


Kardam Israel Ltd.

Israel – Kardan Israel Ltd



Overview



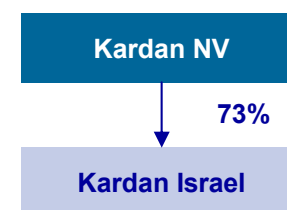
- Listed on the Tel-Aviv Stock Exchange
- Consolidated assets as per 30/09/2008 € 315 million (31/12/2007 €272 million)

Notes:

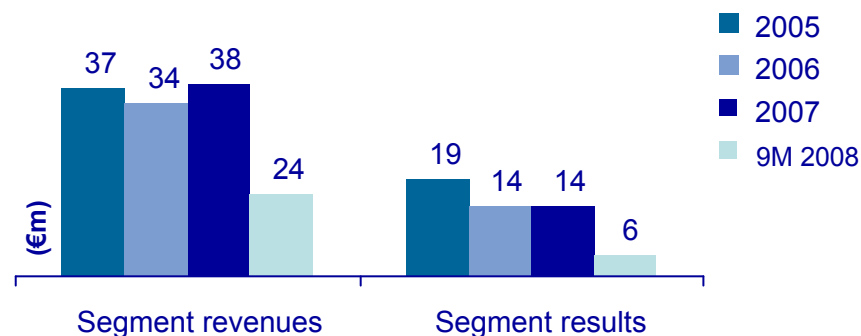
(1) Kardan NV consolidated IFRS (segment note)

(2) Profit from operations before unallocated expenses, excludes real estate activities of Kardan Israel (segment note)

Ownership structure



Financial performance⁽¹⁾⁽²⁾

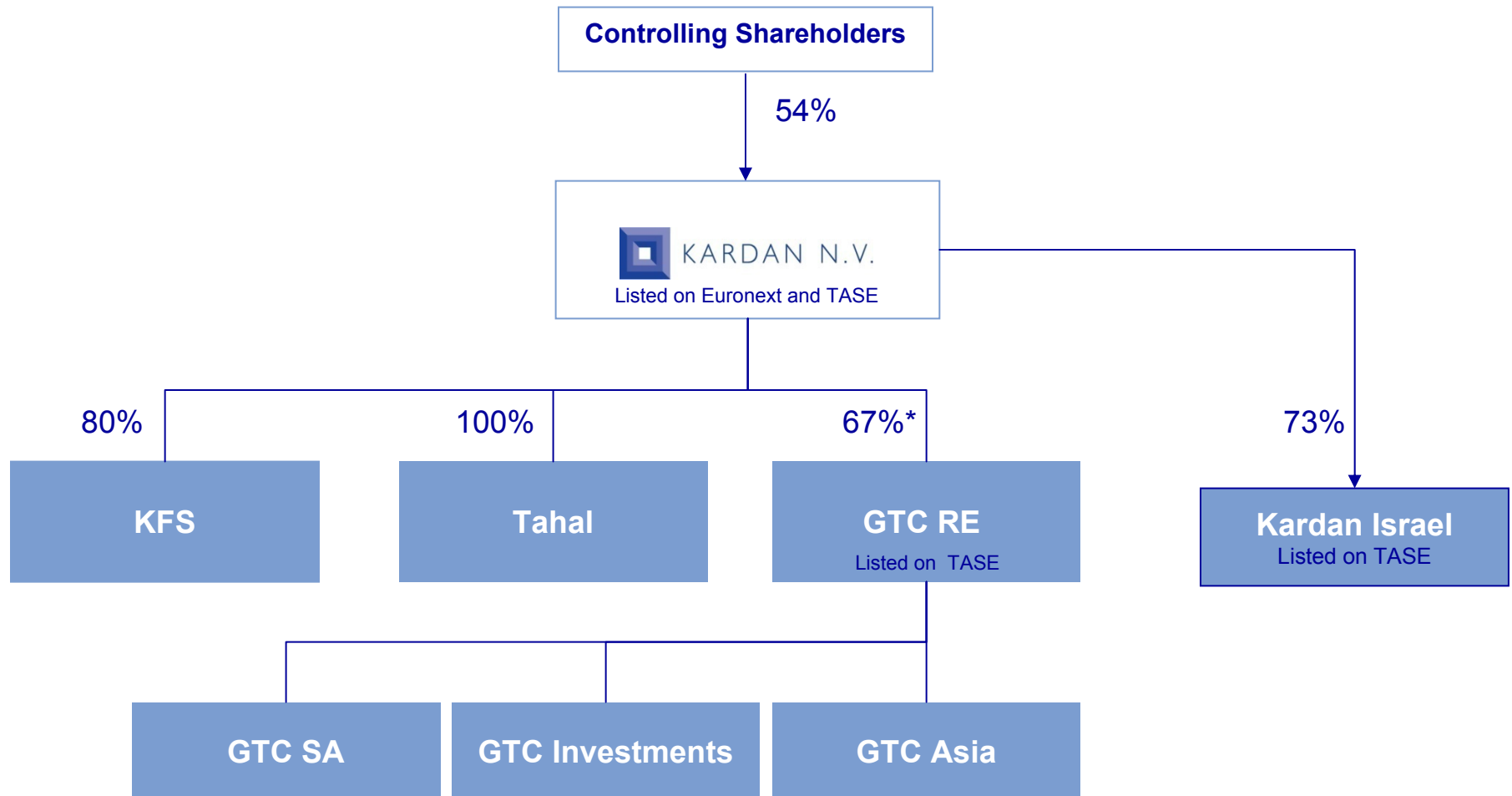


Local presence in attractive sectors

Additional Information

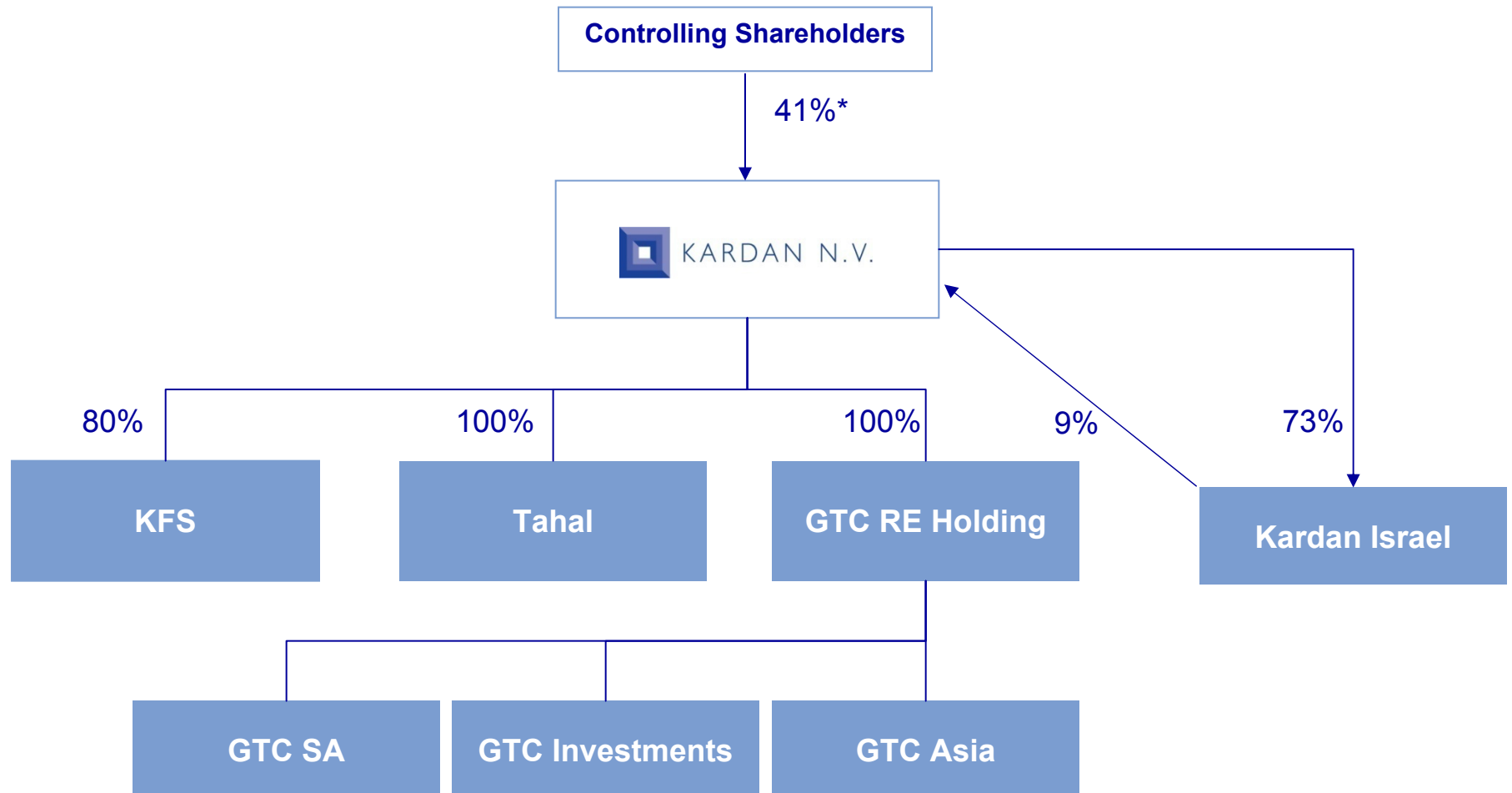
Merger of GTC RE into Kardan N.V.

Current Holdings



* Direct and indirect holding

Post merger holdings



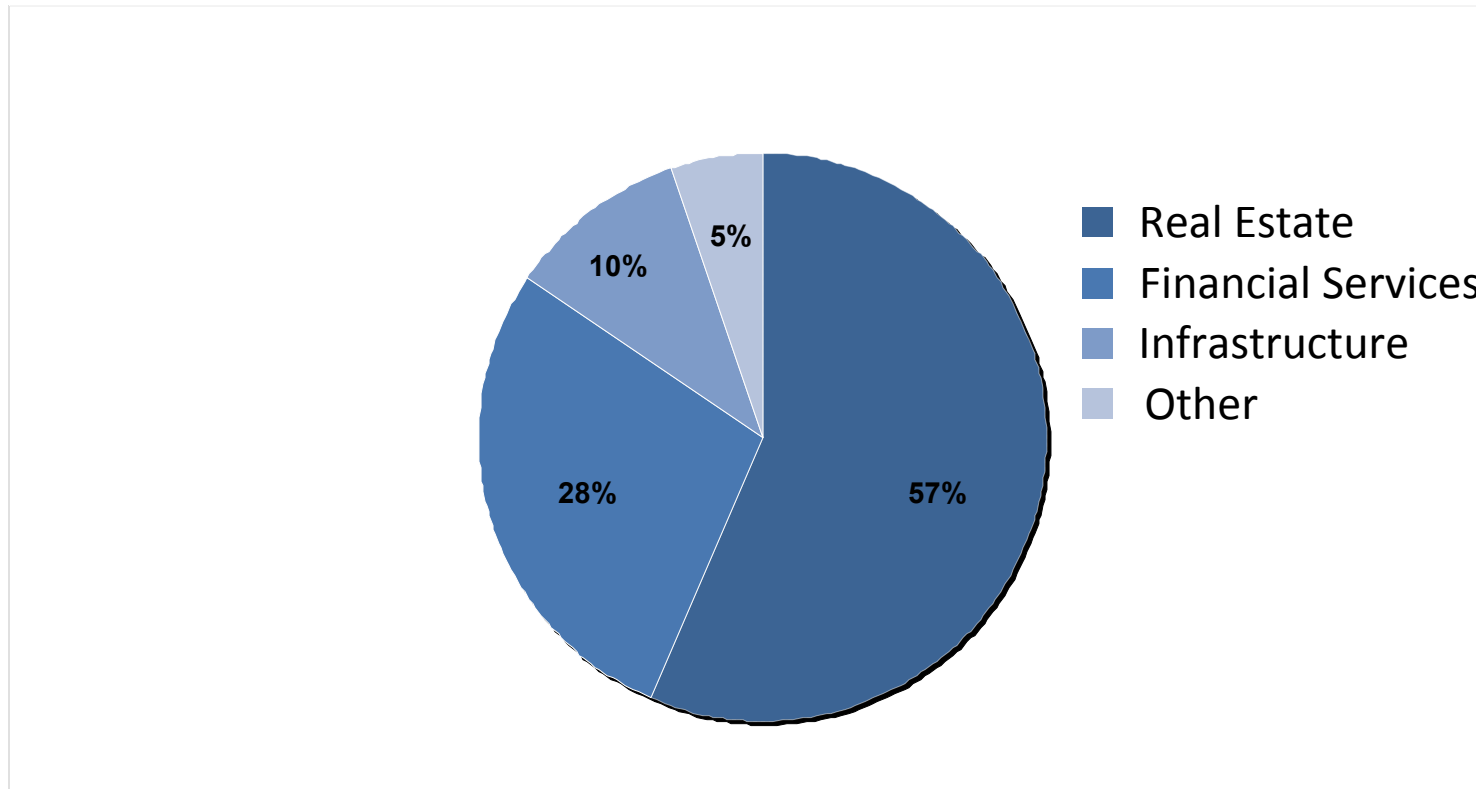
*As a result of the merger Kardan Israel will hold shares in Kardan

Overview



-
- **All of Kardan NV's international real estate activities will be held by Newco - a fully owned private company**
 - **GTC RE securities will be replaced by new securities of Kardan NV**

Post merger diversification*



* Based on revenues in 2007

Advantages of the merger



Exchange of GTC RE Shares



All GTC RE shareholders, except Kardan NV, will be granted new shares in Kardan NV

Exchange ratio:

- PricewaterhouseCoopers presented Management with 3 methods of calculation based on market prices for a period of either 30 or 90 trading days
- Management chose to implement the VWAP method (Volume-Weighted Average Price) which presented an exchange ratio between 0.76 and 0.81 depending on the period length
- Within the VWAP method range, Management set the exchange ratio at 0.81 based on the 90 days trading period so that:

1 GTC RE share = 0.81 Kardan NV share

Dilution of Kardan N.V. Shareholders



Number of shares in Kardan NV before merger	80.9 million
Number of shares in Kardan NV post merger	111.5 million
Dilution ratio (based on exchange ratio of 0.81)*	27.5%

* Sensitivity analysis shows that a change of 2% (+/-) in the exchange ratio changes the dilution ratio by approx 0.5% (+/-).

Balance Sheet (Non-consolidated)



	As of September 30, 2008	Post Merger - Example*
	€ million	
Current assets		
Cash and cash equivalents	8.9	137.9
Other current assets	117.5	117.5
	126.4	255.4
Non-current assets		
Investments in companies	649.8	947.8
	776.2	1,203.2
Current liabilities		
Interest-bearing loans and borrowings	36.3	36.3
Other payables	13.3	28.0
	49.6	64.3
Non-current liabilities		
Interest-bearing loans and borrowings	39.8	39.8
Options	43.7	40.1
Convertible debentures	-	4.4
Other debentures	281.5	562.8
	365.0	647.1
Equity	361.6	491.8
	776.2	1,203.2
Equity/Total assets less cash	47%	46%

* Adjustment of September 30, 2008 balance sheet to post merger scenario.

Kardan N.V. Debt position

Interest-bearing Liabilities



EUR Millions	Free Cash and Cash equivalents	Redemption and interest payments till 30-9-2009	Total interest bearing liabilities and interest payments
Kardan	46	53	298
GTC RE	129	22	367
KFS	9	18	250
Tahal	1	-	-
Kardan Israel	7	50	78

Kardan N.V. short term outlook

Short term outlook



General

- Pressure on development of GDP in CEE/CIS;
- Ukraine is least stable but IMF provides advice and financial support
- Pressure on growth of China, but still high single digit;
- Most of future worldwide economic growth from Emerging Markets
- Watch for opportunities

Short term outlook



Kardan N.V.

- Maintain platforms
- No new acquisitions planned; opportunities reviewed
- Focus on cash

Short term outlook



GTC REAL ESTATE N.V.

GTC RE

CEE/ CIS

- Acquisition of land currently on hold
- Anticipating land price and construction costs reductions.
- Start new projects depending on secured funding and market conditions
- Funding projects under construction secured
- Completed projects almost fully let
- Reducing exposure to Residential markets
- Advanced Pre let Commercial/office under construction

China

- New investments depend on market conditions
- Projects under construction: according to plan or better;
- Funding projects secured via pre sales
- No significant slow down of sales expected

Short term outlook



Kardan Financial Services

Banking and lending

- Increase cash position
- Steady or small decline of portfolio expected for 2009
- NPL may increase in 2009
- Maintain current distribution network in 2009

Pension and Insurance

- No signs of increase in claims level
- Portfolio should remain at 2008 level with possible small decrease

Short term outlook



TAHAL

- Investment in 'water' not hurt by economic crisis
- More BOO/BOT projects expected
- Expecting impact on funding of projects



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