

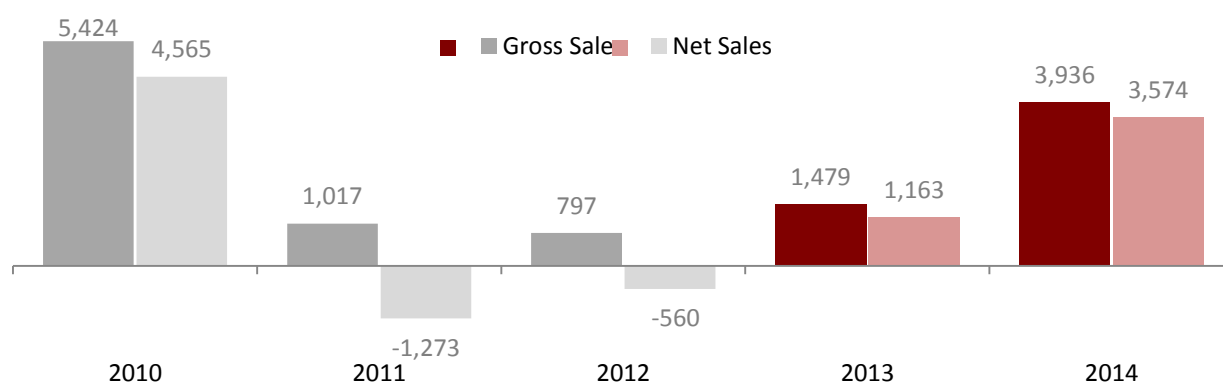


## Press Release

### Palm Hills Developments Reports 166% Increase in FY14 Gross Sales Driven by a Sales Strategy, Successful Marketing Campaign and a Speed-up in Construction

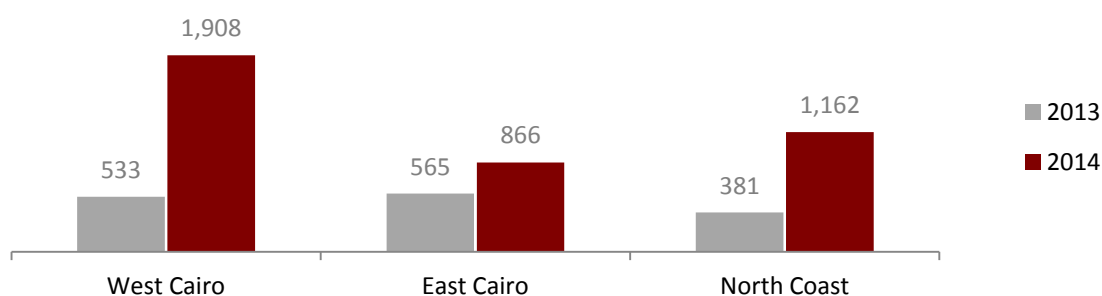
Cairo/London, January 18, 2015: Palm Hills Developments (PHDC.CA, PHDC.EY), Egypt’s premier real estate developer, reported today its Gross Sales (reservations) figures for the year ending December 31, 2014 showing an impressive 166% year-on-year increase to EGP 3,936 million compared to an FY13 figure of EGP 1,479 million. Meanwhile, total Net Sales for FY14 surged more than 200% year-on-year to EGP 3,574 million.

**Reported Gross & Net Sales (2010-2014, EGP million)**



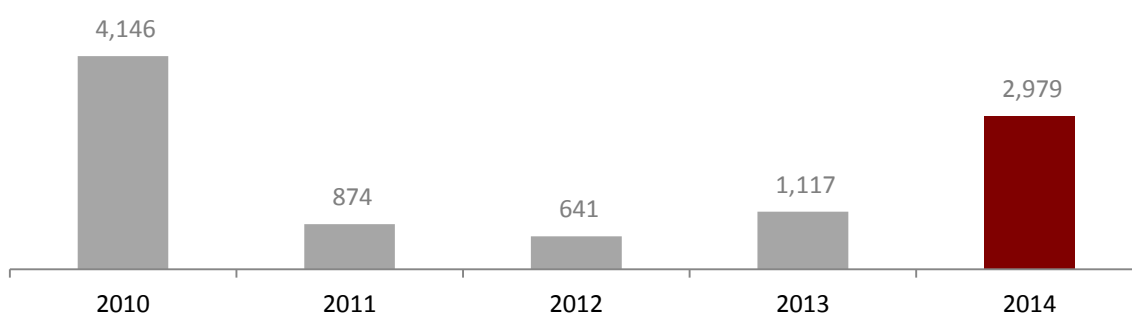
The strong growth was mainly driven by a hike in unit sales in West Cairo projects — namely Golf Views and Palm Parks — recording a year-on-year increase of 584% and 181% respectively. Furthermore, North Coast projects — namely Hacienda Bay and Hacienda White II — also saw impressive growth with the latter recording a 415% increase in unit sales to EGP 471 million. Management attributes sales growth to the sales strategy, successful marketing campaign launched in 2Q14 with the “**building on**” push, along with the later phase of the campaign focusing on raising consumer awareness project-by-project.

**Reported Gross Sales (Reservations) by Region (2013 vs. 2014, EGP million)**



Total New Contracts signed in FY14 were valued at EGP 2,978 million, up 167% from FY13, while Cancellations were up only 3.5% over the same period. Accordingly, Net Contracts rose 257% to EGP 2,567 million year-on-year in FY14.

**Gross Contracts (2010 – 2014, EGP million)**



In addition, the outstanding performance is also due in part to consumers' confidence in the PHD brand and the speed up of construction in all the company projects. A diverse product portfolio and an unmatched land bank have placed PHD in a position well-suited to meet current demand.

**— END —**