

## **Palm Hills Developments and Madinet Nasr Housing & Development inks a co-development agreement of an integrated residential community spreading over 433,643m<sup>2</sup> in East Cairo**

Cairo/London, July 5, 2015: Palm Hills Developments ("PHD"), jointly with Madinet Nasr Housing & Development ("MNHD") announces the signature of an agreement with the purpose of co-developing an integrated residential community in East Cairo spreading over 433,643m<sup>2</sup> (approximately 103 feddans) in MNHD's 5.5 million m<sup>2</sup> project, KM45. The project is located on the Cairo Suez highway, 45 kilometers away from central Cairo, in proximity to the planned new administrative capital city announced by the Egyptian government.

Through this agreement, PHD will be responsible for all construction, development, internal infrastructure, marketing and sales activities, while MNHD will be contributing the land alongside all associated external infrastructure. The project will be developed over four phases and is expected to house 2,600 to 2,900 apartments representing a built up area of up to 484,100m<sup>2</sup>, translating into an estimated revenue ranging between EGP4.6 billion to EGP5.5 billion. PHD will be entitled to a revenue share of 64%, with MNHD holding the remaining 36% which translates into an average NPV of EGP 1,900/m<sup>2</sup> of land (dependent upon number of units to be contracted/sold during the project's life). The project is expected to be launched soon, with pre-sales commencing during 4Q 2015.

Ahmed El Hitamy, MNHD's General Manager commented: "It is our pleasure to be working with PHD on this project, which is a natural progression of our growth strategy to accelerate the pace of land bank monetization as per the recently announced mega mall on MNHD's Taj City project".

Tarek Abdelrahman, PHD's Co-CEO commented: "I am very pleased with this milestone and our partnership with MNHD, as we promised our shareholders and investors during the recent EGP1.65 billion rights issue, which will further enhance our value proposition based on the recently adapted co-development approach and replenish our inventory in East Cairo".

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## Press Release



### About Palm Hills Developments

Palm Hills Developments, a leading real estate developer in Egypt, is a joint stock company established in 1997. Palm Hills develops new urban communities and enjoys a land bank of more than 23 million square meters as well as investments in Egypt and Saudi Arabia. Palm Hills' strategy has enabled it to successfully shift from a single project company to become one of the most important and largest real estate developers in the Egyptian market, with 18 projects extending across the country. PHD is traded on the Egyptian Stock Exchange under the symbol (PHDC.CA), and on the London Stock Exchange, its GDRs are traded under the symbol (PHDC.LI). For more information visit:

[www.palmhillsdevelopments.com/](http://www.palmhillsdevelopments.com/)

### About Madinet Nasr Housing & Development

Madinet Nasr Housing & Development ("MNHD") is a leading Egyptian urban developer. Since inception, the Company has initiated and completed a number of key developments, including the majority of the Nasr City district in the Greater Cairo Area, which covers an area of more than 40 million square meters and is home to 3 million people. MNHD's land bank includes 3.5 million square meters in a prime location inside Cairo across from Cairo International Airport and 5.5 million square meters in a strategic location on the Suez Road. For more information visit:

[www.mnhd.com](http://www.mnhd.com)

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