



## Press Release



### **Palm Hills Developments, Reacap Financial Investments, and Svreico Real Estate Investments (REACAP's subsidiary) agree to co-develop an integrated residential and commercial community in Smart Village, West Cairo**

Cairo/London, November 3, 2015: Palm Hills Developments ("PHD"), jointly with Reacap Financial Investments ("REACAP") and its subsidiary Svreico Real Estate Investments ("SVREICO") have agreed to co-develop an integrated residential and commercial community in Smart Village, with a total footprint of 10,000m<sup>2</sup>. The project is located within the second phase of Smart Village, a business park that is home to multinational and local corporations in West Cairo.

Through this agreement, PHD will be responsible for all construction, development, marketing and sales activities, while SVREICO will be contributing the land alongside all associated approvals from Smart Village Company and other regulatory authorities. The project's built up area will be up to 59,138m<sup>2</sup>, translating into an estimated revenue ranging between EGP700 million and EGP800 million. A shareholding company will be established for this project, with PHD owning 51% stake, REACAP owning 10% stake, and other minority partners holding the balance. Through the new entity, SVREICO will be entitled to an in-kind payment equivalent to a built up area of 19,149m<sup>2</sup>, to be delivered after 36-48 month. The project is expected to be launched soon, with pre-sales commencing during 1Q2016.

Youssef Elfar, REACAP's Chairman commented: "It is our pleasure to partner with PHD on this project, which is a new and appealing concept that will cater to Smart Village's business community".

Tarek Abdelrahman, PHD's Co-CEO commented: "I am very pleased with this milestone and our partnership with REACAP and SVREICO, which will further enhance our value proposition in accordance with the recently adapted co-development model and replenish our inventory in West Cairo, while offering fully finished high-end products, catering to our prime clientele".

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### About Palm Hills Developments

Palm Hills Developments, a leading real estate developer in Egypt, is a joint stock company established in 1997. Palm Hills builds integrated communities and has one of the most diversified land bank portfolios, spreading over 24 million square meters ("sqm") in Egypt, including 5 million sqm in Saudi Arabia that's currently earmarked for sale. The Company's product offerings include primary homes on both West Cairo and East Cairo, as well as secondary homes by the Mediterranean Sea (North Coast). Today, PHD has 12 projects under development, 5 in West Cairo, 5 in East Cairo and 2 in North Coast. PHD is one of the most liquid and actively traded stocks on the Egyptian Stock Exchange, and is traded under the symbol "PHDC.CA". The Company also has a GDR listing on the London Stock Exchange, and is traded under the symbol "PHDC.LI". For more information visit: [www.palmhillsdevelopments.com/](http://www.palmhillsdevelopments.com/)

### About Reacap Financial Investments

Reacap Financial Investment is a listed company in the Egyptian Stock Exchange, with a capital of EGP0.5 billion. The Company invests in many real estate and development companies that own the following properties: Residential units in upscale residential complexes in the province of 6th of October, Commercial and Administrative buildings in Smart Village in Greater Cairo, which is considered one of the unique and prime business parks in Egypt and finally a Hotel land bank via NAEEM Real Estate Investment (NREI). Reacap Financial Investment owns 68.36% of Svreico Real Estate Investments ("SVREICO"), the remaining shares are owned by other shareholders including Misr Bank.

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