

Madinet Nasr Housing & Development Releases 1Q2017 Results Posting a Three-Fold Increase in Revenues

MNHD records a consolidated net profit of EGP 407.2 million in 1Q2017 on revenues of EGP 751.7 million, up 263% year-on-year and with a net profit margin of 54.2%

Highlights from 1Q 2017 Consolidated Financials

Revenues EGP 751.7 mn	Gross Profit EGP 596.9 mn	GP Margin 79.4%
EBIT EGP 509.7 mn	Net Income EGP 407.2 mn	Net Profit Margin 54.2%

Highlights from 1Q 2017 Standalone Financials

Revenues EGP 690.4 mn	Gross Profit EGP 590.0 mn	GP Margin 85.5%
EBIT EGP 512.8 mn	Net Income 406.2 mn	Net Profit Margin 58.8%

Madinet Nasr Housing & Development (EGX: MNHD.CA, “MNHD”), a leading urban developer in Egypt, announced today its results for the quarter ending 31 March 2017, reporting consolidated revenues of EGP 751.7 million, up 263% year-on-year. Top-line gains filtered down to the company’s net profit which recorded EGP 407.2 million in 1Q2017, up 494% y-o-y and with 26-point net margin expansion to 54.2%.

On a standalone basis, MNHD recorded an almost five-fold increase in revenues to EGP 690.4 million pounds while net profit came in at EGP 406.2 million, up an impressive 510% y-o-y. Standalone financials exclude two contracting companies owned by MNHD.

Revenue growth continues to be driven by the company’s SARAI development were contracted sales recorded EGP 1.79 billion in 1Q2017 with a total of 780 units sold during the quarter. Meanwhile, total contracted sales for 1Q2017 stood at EGP 1.84 billion. MNHD recorded a construction outlay of EGP 146 million during 1Q2017 with deliveries up 20% y-o-y versus the same period last year.

“In our first full quarter post the float of the Egyptian Pound, we are seeing strong signs that demand for real estate remains resilient as evidenced by our ability to continue driving revenue and net profit growth period-on-period,” said MNHD CEO Ahmed El Hitamy. “Egypt’s favorable demographics and consumers’ continued confidence in property as a safe investment have negated fears that the market would be adversely affected post the float. On the contrary, now priced at a discount compared to regional peers, Egypt’s real offerings are becoming increasingly attractive to Egyptian expatriates alongside strong local demand,” El Hitamy added.

Heading into the second half of the year, MNHD is pushing through with efforts to launch new phases at its **Taj City** development. Phase one of the 3.5mn sqm mixed-use, high-end development, Tag Sultan, was sold out during the third quarter of 2015, generating more than EGP 2.1 billion in sales since its December 2012 launch. Meanwhile units at T-Zone, Taj City’s second phase launched in December 2015, were also sold out as of year-end 2016 after having generated c. EGP 2.4 billion in sales. Following the amendment of its master plan, the c. EGP 60 billion Taj City project will boast a wide variety of residential communities, office buildings, a medical center, hotels, restaurants, shopping malls, and other commercial ventures. An integrated mix-use development with vast green spaces, Taj City offers residents the advantages of suburban living yet with conveniences of being at the heart of the city.

Meanwhile at MNHD’s 5.5 million sqm **SARAI** project — located in New Cairo in close proximity to the new administrative capital — the company continues to monetize this unique land plot booking a total of EGP 2.81 billion in contracted since its launch in November 2016.

In total, MNHD has more than 8,000 units under development / design at five key projects in the Greater Cairo Area, offering exposure to a broad socioeconomic spectrum of consumers.

MNHD’s 1Q 2017 audited standalone and consolidated financial statements are now available for download on www.mnhd.com.

—Ends—

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 3.5mn sqm in a prime location inside Cairo across from Cairo International Airport and 5.5mn sqm in a strategic location on the Suez Road. You can learn more about us on our website at mnhd.com.

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