



Press Release

Palm Hills Developments receives NUCA's approval on the co-development of an integrated residential community spanning 12.6 million sqm in West Cairo

Cairo/London, June 18, 2017: Palm Hills Developments ("PHD" or "the Company") announces the approval of the Egyptian New Urban Communities Authority ("NUCA") on a mega co-development on a revenue sharing basis of an integrated residential community spreading 12.6 million sqm (3,000 feddan) in West Cairo. The project is an integrated community with complete residential complex offering multi tenants buildings, standalone units complemented by full spectrum of commercial, educational and leisure facilities. The land allocation will be split as 88% for residential and 12% for commercial developments. The project is strategically located in the Sixth of October city.

Through this co-development project, the Company will be responsible for all financing, construction, development, internal infrastructure, as well as marketing and sales activities. While NUCA will be contributing the land bank in addition to all the external associated infrastructure to the boundaries of the land. The integrated community is expected to offer residential Built Up Area ("BUA") ranging between 6 to 8 million sqm. NUCA will be entitled to a cash revenue share of 26% in addition to an in-kind payment of up to 371k sqm of residential BUA and 50k sqm of commercial BUA. The project is planned for launch during 2018.

Yasseen Mansour, PHD's Chairman commented: "This is one of the most important milestones in the Company's history. This is the single largest piece of land acquired by the Company in its long history and represents a quantum leap for the Company moving it from developing integrated communities to developing a small city. I am very pleased with our second partnership with the Egyptian government on this mega co-development project, which expands PHD's land bank to 41 million sqm, positioning the Company as the largest Egyptian property developer in terms of sales and land bank. Through this mega development, we expect to create 500k job opportunities and house up to 200k Egyptian citizens. This co-development further solidifies our long-term partnership with the Egyptian government, following the successful agreement closing and residential units' sales launch of Palm Hills New Cairo in 2016".

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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 28.4 million square meters ("sqm") in Egypt, including 5 million sqm in Saudi Arabia. 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.

As at end of 1Q2017, PHD delivered more than 6,769 units within its developments, including more than 1,739 units in 11 completed projects. Today, PHD has 12 projects under development, 6 projects in West Cairo, 4 projects in East Cairo and 2 projects in North Coast, translating into a sales backlog exceeding EGP11.1 billion. In addition, the Company has 5 new projects in the pipeline, including 4 co-developments. 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 has a GDR listing on the London Stock Exchange, and is traded under the symbol "PHDC.LI". For more information, please visit: www.palmhillsdevelopments.com/

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