

Madinet Nasr Housing & Development announces results for 1Q 2019, with net profit coming in at EGP 328.7 million on the back of solid top-line growth and increased operational efficiencies

Highlights from 1Q 2019 Consolidated Financials

Revenues EGP 634.2 mn	Gross Profit EGP 472.3 mn	GP Margin 74.5%
EBIT EGP 427.8 mn	Net Income EGP 328.7 mn	Net Profit Margin 51.8%

Highlights from 1Q 2019 Standalone Financials

Revenues EGP 570.4 mn	Gross Profit EGP 466.5 mn	GP Margin 81.8%
EBIT EGP 420.6 mn	Net Income EGP 332.1 mn	Net Profit Margin 58.2%

Presales Breakdown by Project (EGP mn)

Project / Period	1Q 2018	1Q 2019
Taj City	1,193	595
Sarai	311	634
Tag Sultan	16	52
Cobalt Business District	-	406
Primera	13	-
Land	50	32
Total	1,583	1,720

Madinet Nasr Housing & Development (EGX: MNHD.CA, “MNHD”), a leading urban developer in Egypt, announced today its results for the first quarter ending 31 March 2019, reporting consolidated revenues of EGP 634.2 million, up 3.8% y-o-y from the EGP 610.8 million recorded during the first quarter of 2018. Consolidated net profit for the quarter increased 4.8% y-o-y to EGP 328.7 million in 1Q 2019 from the EGP 313.5 million recorded during the same quarter of last year, reflecting a slight net margin expansion of 0.5 percentage points to 51.8% 1Q 2019.

During the first quarter of the year MNHD’s presales increased 8.9% y-o-y to EGP 1.72 billion from the EGP 1.58 billion recorded during the same period of last year. Presales were driven by strong demand for residential units combined with the launch of Cobalt Business District (CBD) in Taj City, the first office park to be launched by MNHD. During the first three months of 2019, MNHD delivered 68 units up 70% year-on-year, bringing the total number of units delivered as of 31 March 2019 in Tag Sultan and Primera to 1,971.

On a standalone basis, revenues came in at EGP 570.4 million for 1Q 2019 up from the EGP 545.3 million recorded during the same quarter of last year and representing a 4.6% y-o-y top-line expansion. Standalone net profit reported a 1.0% y-o-y increase to EGP 332.1 million compared to EGP 328.9 million recorded in the first quarter of 2018. Net profit margin contracted 2.1 percentage points, coming in at 58.2% in 1Q 2019 compared to the 60.3% recorded in the same quarter of last year.

Presales at **Taj City** recorded EGP 595 million in 1Q 2019, representing 200 units. This marked a contraction from the EGP 1,193 million recorded in the first quarter of last year due to the company’s concentration on SARAI this quarter. **Taj City** is a gated integrated urban community spread over 3.5 million square meters, and boasting vast green spaces within the heart of Cairo, offering both the conveniences of city life and the comforts of suburban living. Once completed, the c. EGP 100 billion project will boast a wide variety of high-end residential communities, medical facilities, an international school and commercial areas with restaurants, shopping malls, an exhibition center and other attractions.

Total presales at MNHD’s **SARAI** development amounted to EGP 634 million during 1Q 2019, representing 235 units and a significant increase compared to the EGP 311 million in presales recorded in the first quarter of last year. **SARAI** is located directly on the Cairo-Suez road in close proximity to the New Administrative Capital, and offers residents a highly sought-after mix of urban-suburban exposure. **SARAI** witnessed a number of market launches during FY 2018, including the Cavana Lakes sub-development, which boasts **SARAI**’s first standalone units, and a number of expansions at existing launches.

During the first quarter of 2019, MNHD launched its first office park, **Cobalt Business District** located in Taj City. **CBD** provides a modern working environment through collaborative working spaces and offices in addition to a hotel, apartments, and common areas, such as central courtyards, for meetings, sharing ideas, breaks, and individual productivity. In addition, **CBD** has extensive greenery connecting all office buildings to help promote productivity and the overall well-being of employees. Presales at **CBD** came in at EGP 406 million during the first quarter of the year, representing 21 units.

“During the first quarter of 2019 we continued to deliver solid top- and bottom-line results while continuing to offer superior residential products in line with the company’s established reputation” said MNHD’s Chief Executive Officer, Ahmed El Hitamy. “In March, we successfully launched a new non-residential component of Taj City, Cobalt

Business District. This represents a landmark launch for MNHD as we venture into the commercial space for the first time in our company's history. Heading into the second quarter of 2019, I am confident that we will continue on the positive trajectory we embarked on at the start of the year, underpinned by solid top-line growth and continuous margin expansion on the operational level as MNHD realizes efficiencies while maintaining the company's brand equity and commitment to on time deliveries."

In total, MNHD has more than 10,000 units under development/design across eight key phases/projects in the Greater Cairo Area, offering exposure to a broad socioeconomic spectrum of consumers.

MNHD's 1Q 2019 audited standalone and consolidated financial statements are now available for download on www.mnhd.com.

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Press Release: 1Q 2019 Results
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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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