

Madinet Nasr Housing & Development Releases 1Q2016 Earnings Results

MNHD reports a significant 176% YOY growth in 1Q2016 standalone revenues to EGP 169.7 million; bottom-line posts a two-fold increase with net profit margin at 39.1%

Highlights from 1Q 2016 Standalone Financials

Revenues EGP 169.7 mn	Gross Profit EGP 110.8 mn	GP Margin 65.3%
EBIT EGP 85.2 mn	Net Income EGP 66.4 mn	Net Profit Margin 39.1%

Highlights from 1Q 2016 Consolidated Financials

Revenues EGP 237.7 mn	Gross Profit EGP 117.3 mn	GP Margin 49.4%
EBIT EGP 88.8 mn	Net Income EGP 68.6 mn	Net Profit Margin 28.9%

Madinet Nasr Housing & Development (EGX: MNHD.CA, "MNHD"), a leading urban developer of housing in Egypt, announced its 1Q 2016 standalone financial results, reporting revenues of EGP 169.7 million, up 176% y-o-y. Gross and bottom-line profitability remained at a solid 65.3% and 39.1%, respectively, with net profit after tax standing at EGP 66.4 million, an almost two-fold increase compared to 1Q 2015 figure of EGP 33.7 million. Revenue growth continues to be driven by unit sales at MNHD's various projects as well as unit deliveries at the company's Tag Sultan development, with an FY 2016 deliveries target of 450 units.

On a consolidated basis, revenues in 1Q 2016 came in at EGP 237.7 million, up 103% y-o-y, with net income standing at EGP 68.6 million, recording a 90% increase compared to the same period last year. Consolidated financials include the results of two contracting companies owned by MNHD.

Meanwhile, MNHD's contracted sales during the first quarter of the year stood at EGP 211.5 million, up 143% y-o-y compared to the EGP 87.2 million posted in 1Q 2015.

“We are particularly pleased with our performance in the first quarter of 2016, with impressive revenue growth having trickled down to the bottom-line on the back of strong operational margins,” said MNHD CEO Ahmed El-Hitamy. “We expect to continue delivering strong results going forward on the back of the growth strategy we began implementing in 2015, highlights of which include our strategic co-development agreement with Palm Hills Developments (PHD), which will see us monetize our SARAI land bank, as well as amendment of our master plan for our flagship Taj City development, which is expected to be finalized this year and that will allow for better accommodation of the project’s amenities and facilities.”

Taj City’s amended master plan will see the development boast an integrated urban community that enjoys vast green spaces within the heart of the city, offering both the conveniences of city life and the comforts of suburban living. Phase one of the 3.5mn sqm mixed-use, high-end development was launched in December 2015 and was sold out during the first quarter of the year, having generated in excess of EGP 310 million. MNHD has already launched the second phase as of May 2016 and when completed, the c. EGP 25 billion Taj City project — which is MNHD’s most ambitious to-date — will feature a wide variety of residential communities, office buildings, a medical center, hotels, restaurants, shopping and other commercial ventures.

Meanwhile at the company’s 5.5 million sqm SARAI land plot — located in New Cairo and in close proximity to the new administrative capital of Egypt — MNHD is co-developing with PHD its Capital Gardens project, an integrated community spread over 433,643 sqm that will be developed in four phases with unit deliveries for the first phase scheduled to be completed before the end of 2019. MNHD will begin recognizing revenues from Capital Gardens starting 2Q 2016.

Additionally, MNHD is launching phase one of its SARAI development during the second half of 2016, and is considering an EGP 1 billion long-term debt facility to speed-up the land plot’s overall infrastructure build-out.

In total, MNHD has more than 7,600 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 2016 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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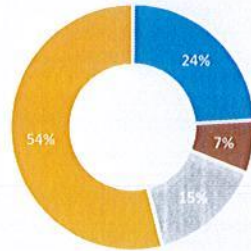
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Shareholding Structure

■ Beltone Investment Group

■ BPE Holding

■ National Company for Construction and Development

■ Free Float

