

Madinet Nasr Housing & Development announces results for 1H 2019, maintaining presales momentum amidst delayed launch in Taj City, with revenues exceeding the EGP 1 billion-mark

Highlights from 1H 2019 Consolidated Financials

Revenues EGP 1,088.7 mn	Gross Profit EGP 784.8 mn	GP Margin 72.1%
EBIT EGP 670.7 mn	Net Income EGP 511.3 mn	Net Profit Margin 47.0%

Highlights from 1H 2019 Standalone Financials

Revenues EGP 937.4 mn	Gross Profit EGP 772.8 mn	GP Margin 82.4%
EBIT EGP 666.4 mn	Net Income EGP 511.3 mn	Net Profit Margin 54.5%

Net Presales Breakdown by Project (EGP mn)

Project / Period	1H 2018	1H 2019
Taj City	1,566	569
Sarai	683	767
Tag Sultan	58	96
Commercial	-	620
Other	222	6
Total	2,529	2,058

Madinet Nasr Housing & Development (EGX: MNHD.CA, "MNHD"), a leading urban developer in Egypt, announced today its results for the six-month period ending 30 Jun 2019, posting consolidated revenues of EGP 1,089 million compared to EGP 1,267 million recorded during the first half of 2018. Despite the strategic postponement of new launches in Taj City to third quarter, which have officially been launched as of the date of this release, MNHD recorded consolidated net profit of EGP 511 million in 1H 2019 compared to EGP 588 million.

We are pleased to report that presales across almost all of MNHD's project have increased and we have successfully diversified our offering to include the sale of office space. During the first half of the year, MNHD's net presales reached EGP 2.06 billion from EGP 2.53 billion recorded during the same period last year, as a result of the strategic decision to postpone new launches in Taj City to the third quarter. During the first half of 2019, MNHD delivered 126 units, up significantly from 54 units during the same period in 2018.

Standalone revenues recorded EGP 938 million in 1H 2019 down from EGP 1,023 million in 1H 2018. Standalone net profit stood at EGP 511 million for the same period, compared to EGP 574 million recorded in the first half of 2018.

Presales at **Taj City** reached EGP 569 million in 1H 2019, representing 220 units. This contraction comes as a result of the absence of launches in Taj City, which should see a significant pick up in the second half of the year. **Taj City** is a gated urban development located in the heart of Cairo spanning 3.5 million square meters, providing a combination of a convenient city life and the comfort of suburban living. Upon its completion, the c. EGP 100 billion development will provide a comprehensive scope of services including an array of high-end residential communities, medical facilities, an international school and commercial areas featuring restaurants, shopping malls, and other attractions.

MNHD's **SARAI** development contributed the lion's share of total presales during 1H 2019, at EGP 767 million, up by 12% y-o-y from EGP 683 million recorded in the same period last year. This represented 453 presold units in 1H 2019 compared to 254 units in 1H 2018, with growth attributed to new product launches in SARAI, namely the smaller version of the S Villa. **SARAI** offers residents a mix of urban-suburban exposure with its strategic location on the Cairo-Suez road in close proximity to the New Administrative Capital.

During the first half of 2019, MNHD launched its first office park, **Cobalt Business District** located within the Taj City development. **CBD** provides a number of high-end facilities to create a modern working environment which consists of collaborative working spaces and offices in addition to residential apartments and a hotel. With vast green spaces surrounding its office buildings along with central courtyards for meetings and breaks, CBD aims to promote a healthy upscale working environment for occupants. Presales at CBD during the first half of the year came in at EGP 620.

"Even with the postponed launches in Taj City to the third quarter for strategic reasons, we have still successfully realized increased efficiencies and delivered continuous bottom-line margin expansion while maintaining our solid brand equity based on a portfolio of high-end developments and a strong commitment to on-time deliveries. We continued to deliver strong presales across all of our projects and have positioned MNHD to reap further growth once the deliveries come in," said MNHD's Chief Executive Officer, Ahmed El Hitamy. "With our landmark launch of Cobalt Business District during the period, representing our first ever venture into commercial real estate, we look forward to expanding our offerings in line with the growth in Egypt's demand for modern commercial spaces. "



Press Release: 1H 2019 Results
08 Aug 2019

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 1H 2019 audited standalone and consolidated financial statements are now available for download on www.mnhd.com.

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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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