



EARNINGS RELEASE – Q3 2009

Cairo, November 16, 2009

10:00 hrs Cairo time (08:00 hrs GMT)

ERC announces consolidated results for Q3 2009

Consolidated revenue of EGP 6.1 million and consolidated earnings before tax of EGP -1.0 million compared to EGP 110.7 million and EGP 107.5 million respectively for the same quarter last year.

Egyptian Resorts Company (EGX: EGTS.CA), Egypt's largest master developer of Mega Resort Communities announced its third quarter consolidated results.

Q3 2009 Consolidated Financial Highlights

- Earnings per share (EPS) of EGP 0.001; vs. 0.08 for Q3 2008
- Revenues of EGP 6.1 million; 94.5% decrease Y-O-Y
- Gross Profit of EGP 3.6 million; 96.4% decrease Y-O-Y
- Gross Profit Margin of 59.3% vs. 90.9% for Q3 2008
- Operating Profit of EGP -1.3 million; vs. EGP 89.5 for Q3 2008
- Operating Profit Margin of -21.4% vs. 80.8% for Q3 2008
- Earnings Before Tax of EGP -1.0 million; vs. 107.5 million for Q3 2008
- Earnings Before tax Margin -16.9% vs. 97.1% for Q3 2008

Commenting on the Third Quarter results, Mr. Richard Turner, CEO said, “the third quarter of 2009 may be a significant turning point for ERC. Having closely monitored the market, our cautious assessment is that based on the weakness of the dollar and the recent gains on international bourses, the market has seen the bottom and will start to rise again. Our assumption is backed by a significant jump in hotel occupancy in and around Hurghada, as well as the first increase we have seen in room rates for some time. Further, we have seen improvement in our receivables as developers are seeing an improvement in their cash-flows, aiding them in resuming investments in their respective projects in Sahl Hasheesh, and more importantly in their marketing activities to fuel new demand. Finally, the drastically improved level of enquiry for land acquisitions at Sahl Hasheesh at significantly higher rates per square meter has been particularly encouraging. We therefore anticipate better sales in the fourth quarter of the year and an overall improvement in 2010.

General Note from the CEO

We generally encourage investors not to analyze Egyptian Resorts as they would manufacturing or other real estate firms by scrutinizing quarterly sales figures. ERC is a master developer of mega resort communities and unlike other developers, ERC focuses on the macro development of the necessary infrastructure and land plot sales. Depending on ERC's strategy, the management and the board may feel it prudent to sell strategically large

plots to value-adding developers in a given quarter resulting in higher-than-expected sales figures. This would then push us to reduce land plot allocations in following quarters to maintain a healthy land release and inventory.

About ERC

Egyptian Resorts Company S.A.E. (CASE: EGTS.CA) is a master developer of international standard resort communities on a fully-integrated management basis, incorporated in Egypt and headquartered in Cairo. Egyptian Resorts Company acquires broad acre land holdings suitable for premium mega resorts development at nominal value, creates a master plan with some of the world's leading architectural and urban planning firms, builds state-of-the-art infrastructure, implements design guidelines and community management rules and regulations, and then on-sells individual pre-designated plots to sub-developers and investors whose main businesses are hotel ownership, operation and management, as well as luxury resort residential real estate development. ERC maintains a healthy income statement and balance sheet following the plot sales from ad-infinity multiple recurring revenue streams from the supply of utilities through its project partners (water, electricity, communications), as well as from its community management and maintenance fees.

Capital Structure

Authorized Capital	EGP 2,000,000,000
Issued and Paid-In Capital	EGP 1,050,000,000 (1,050,000,000 shares @ EGP 1.00 / share)
Shareholder Structure	
	Rowad Tourism Company 14.88%
	Misr Insurance 13.10%
	KATO Investment 11.96%
	First Arabian Company 10.00%
	Al Ahly Capital Holding 8.99%
	Insurance Holding Company 1.90%
	Ahly Real Estate Development Co. 1.19%
	Free Float 37.98%

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