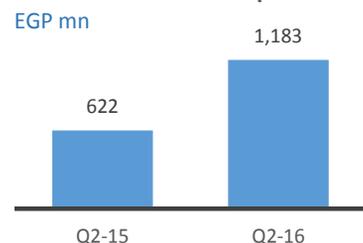


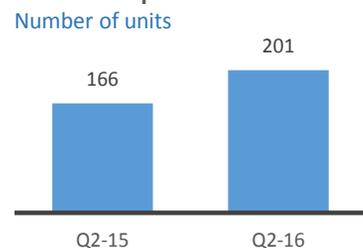
SODIC (“Sixth of October Development & Investment Company”) (EGX OCDI.CA) has released its consolidated financial results for the second quarter ended 30th of June 2016

SODIC reports a strong set of operating & financial results

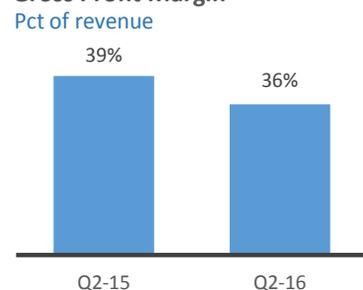
Net contracted sales up 90%



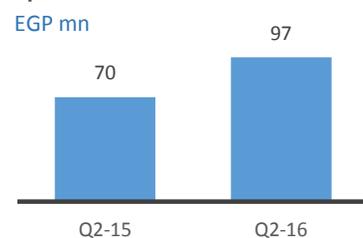
Deliveries up 21%



Gross Profit Margin



Net Profit post minority interest up 39%



Operational Review

- **Contracted Sales:** EGP 1.2 billion of net contracted sales was achieved during the second quarter, a 90% increase over the same period last year. A number of launches took place during the period, a phase in each of Villette, Eastown, Courtyards and Forty West. The second quarter’s sales were driven by our projects in East Cairo that have contributed c.60% of our total sales. SODIC West Projects have contributed c.34% of sales with Caesar contributing the balance. Net contracted sales for the first 6 months of the year stands at EGP 1.9 billion, on track to achieving our sales target for the year.
- **Cash Collections:** reached EGP 692 million, c.19% increase over the same period last year, ending the quarter with a cash balance of EGP 2 billion.
- **Deliveries:** 201 units have been delivered across our projects. This compares to 166 units delivered in the same period last year. Deliveries in the first phase of Eastown started in May with more than 75 units delivered until the end of the second quarter.
- **Cancellations:** reached c.7% as a result of cancellation of one large unit in Caesar which represented c.17% of total cancellations. Returned units are then sold at higher prices, thus yielding higher margins to the company.

Financial Review

- SODIC recorded revenues of EGP 435 million in the second quarter of the year compared to EGP 301 million over the same period last year. The growth in reported revenues is attributed mainly to the commencement of deliveries in Eastown, contributing c.38% of the quarter’s deliveries. Revenues for the first 6 months of the year stands at EGP 622 million compared to EGP 585 million recorded last year.
- Gross profit margin reached c.36% compared to c.39% during 2015. The contribution of Eastown deliveries resulted in the 300bps differential between both quarters, as the first units of the project are usually low margin units.
- Net profit post minority interest came in at EGP 97 million with a margin of c.22%. This compares to EGP 70 million achieved last year. Net Profit post minority interest for the first 6 months of the year stands at EGP 148 million.
- Total cash balance reached EGP 2 billion and total bank debt stood at EGP 1.2 billion ending the quarter with a positive net cash balance. Our healthy balance sheet position remains supportive to our expansion mode.
- Receivables reached EGP 7.5 billion by end of the second quarter of the year.



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Summary Income Statement

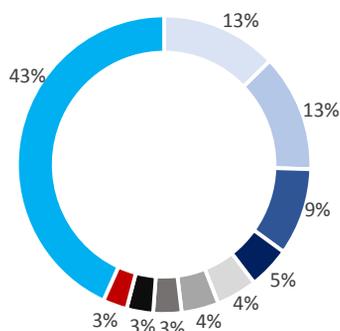
In EGP mn	Q2-16	Q2-15
Total Revenue	435	301
Cost of Goods Sold	(280)	(185)
Gross Profit	155	116
Gross Profit Margin	36%	39%
Net Profit Before Tax	133	98
Taxes	(30)	(25)
Minority Interest	(6)	(3)
Net Profit	97	70

Selected Balance Sheet Items

In EGP mn	Q2-16	FY-15
Assets		
Total Assets	17,920	16,758
Work In Progress	7,407	7,036
LT & ST Net Trade and Notes Receivable	7,491	6,886
Cash and cash equivalent	2,043	2,016
Liabilities & Shareholder Equity		
Bank Credit Facilities & Long Term Loans	1,196	1,170
Advances from Customers	10,152	8,882
Total Equity	3,532	3,386

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Shareholding Structure as at 30/06/2016



- Abanumay Family
- Olayan Saudi Investment Company
- Ripplewood Advisors L.L.C
- Rashed Al Rashed & Sons Co
- EFG Hermes
- Schroder International
- Juma Al Majid Investments L.L.C
- Abdel Monim Al Rashed
- Norges Bank
- Others

About SODIC

Building on a history of almost two decades of successful operations in Egypt, SODIC is one of the country’s leading real estate development companies, bringing to the market award-winning large scale developments to meet Egypt’s ever-growing need for high quality housing, commercial and retail spaces.

Headquartered in Cairo and listed on the Egyptian stock exchange (EGX) under OCDI.CA, SODIC is one of the few non-family owned companies traded on the EGX, with a strong corporate governance framework.

Forward Looking Statements

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of SODIC. Such statements involve known and unknown risks, uncertainties and other factors; undue reliance should not be placed thereon. Certain information contained herein constitutes “targets” or “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “seek,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of SODIC may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of SODIC is subject to risks and uncertainties. Various factors could cause actual results to differ materially from those expressed or implied by the forward-looking statements in this document including worldwide economic trends, the economic and political climate of Egypt, the Middle East and changes in business strategy and various other factors.

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