



SODIC announces its H1 2010 Financial Results showing consolidated net profit of EGP51 million

Sixth of October Development & Investment Company (“SODIC”) has released its consolidated financial results for the first half of 2010, showing net profit of EGP51 million on revenues of EGP123 million. SODIC is beginning to reap the benefits of over EGP 4.0 billion of unrecognized contracted sales achieved over the last 3 years that are yet to be recognized in the Company’s income statement. Those sales are expected to be recognized over the next 3 years as the Company delivers its backlog of sold units.

Maher Maksoud, SODIC Managing Director said: “We are finally reaping the results of our strong performance over the last few years demonstrated by unrecognized contracted sales of EGP4.0 billion and strong ahead of schedule execution of our sold projects. 2010 is proving a milestone year for SODIC across all levels. We have a more capable and stronger management team that can handle a multitude of projects. We have expanded our diversified land-bank by 25% to reach some 7.5 million sqm with the addition of our investments in Syria and Mansoura. Our uniquely diversified portfolio of inventory that includes residential, retail and commercial has helped spur our strong contracted sales performance which reached EGP1.5billion in 2010 to date compared to some EGP 800 for the full year 2009. Looking forward, we are planning to launch several projects during the rest of the year which include:

- Esplanade, a residential apartment development in Eastown designed by Nabil Gholam comprised of 160,000 Sqm of BUA.
- Eastown Square, a commercial development in Eastown designed by OMA comprised of 80,000 Sqm of BUA of offices and retail.

With regards to our newest investments, we are starting construction of our 28k sqm GLA Mansoura Retail Center with the plan to have it operational by early 2012. In Syria we are starting construction mobilization of the Telal Al Yasmin project in October and expect delivery in 24 months. We are also launching a new project during first quarter 2011 that is planned to be developed over a 500k sqm plot. “

Financial Summary:

	H1 2010	Q1	2009 Full Year
Receivables	1,952,099,113	1,757,021,153	1,863,199,372
Work in Process	2,162,014,821	1,886,871,456	1,714,423,892
Cash	1,054,845,890	1,291,159,775	482,296,480
Current Assets	4,625,439,914	4,425,332,231	3,453,128,188
Total Assets	6,293,190,071	5,845,062,481	5,016,413,268
Customer Deposits	3,376,309,966	2,962,613,885	2,625,702,237
Current Liabilities	3,917,253,756	3,509,826,738	3,112,142,687
Total Equity	2,295,849,091	2,189,399,035	1,758,433,873
Revenues	123,026,959	15,362,432	30,680,737
Profits	50,673,781	(10,913,892)	(112,543,726)

The H1 2010 results show revenues of EGP 123 million on profits of EGP 51 million. As SODIC follows the accounting policy of recognizing revenues upon full delivery of units, the second quarter has witnessed the recognition of both the Shaker Consultancy Group and extension of Designopolis sub development transactions.

Performance:

- Profits: EGP 51 million of profits due to the immediate recognition of Sub development sales, Q2 marks the start of SODIC's return to profitability with additional sub development sales to be recognized later during the year, as well as unit deliveries starting in the 2H of 2010.
- Receivables: increased by EGP 195 million reflecting the continued growth in sales vs. Q1
- Work in progress: increased by EGP 275 million reflecting the continued progress in execution vs. Q1

-End-

About SODIC:

SODIC is Egypt's fastest growing Real Estate Development Company and is currently developing a number of large and diversified projects in Egypt's expanding real estate sectors. These developments range from residential projects of different types to retail, commercial and fully-fledged city centers aimed at becoming the main urban hubs of east and west Cairo. SODIC is listed on the Cairo Stock Exchange (Ticker OCDI) and has grown its market capitalization four fold, from under EGP 750 million (US\$150 million) in 2006 to around EGP 4 billion. For more information please visit our website at www.sodic.com.