

SODIC Investor Relations

FY 2011 Earnings Release

Consolidated Financial Statements for the Full Year ended 31 December 2011

SODIC Announces FY 2011 Earnings Results

Cairo, Egypt

April 17th 2012, SODIC (“Sixth of October Development & Investment Company”) has released its consolidated financial results for the FY 2011 period. SODIC reported a net consolidated loss of EGP 193 million on consolidated revenues of EGP 542 million for FY 2011. Despite a turbulent 4th quarter marred by socio-political unrest SODIC was able to launch its latest post revolution designed project, Westown Residences. The successful launch aided SODIC in closing the FY2011 with a net positive figure and built the base for a strong Q1 2012 performance. SODIC has achieved EGP 711 million of net new contracted sales for Q1 2012, selling out all projects launched post revolution.

SODIC has also achieved great milestones with regards to its land bank issues. The Company has managed to secure its SODIC West 3 year development schedule in writing from the government, the portion of the land bank that currently holds all of SODIC’s EGP 2.1 bln receivables. Finalized the foot print increase from 2% to 7% for Al Yosr Plot (1.26 mln Sqm), and initiated dialogue with government on Eastown. SODIC is currently enrolled in the CRC (Conflict Resolution Committee); a committee designed to fast track investor issues, and is pending a decision after NUCA sent a revocation letter for the Eastown plot (0.86 mln Sqm).

SODIC has a number of projects lined up for Launch in the coming period. Westown Residences phase 4 is a continuation of the successful launches executed over the last 4 months that generated some EGP 550 mln. The project will target the upper middle income segment with unit values ranging from EGP 1.2 mln through EGP 2.5 mln. SODIC is also launching a retail destination in SODIC West, Westown Entertainment Hub, which will generate lease revenues of some EGP 30 mln by 2015.

FY 2011 Operational Summary:

SODIC delivered 58 units in Q4 worth EGP 182 million. The number of units delivered declined by some 30% vs. last period due to the instability of the socio-political environment of the 4th quarter. In totality SODIC delivered 259 units worth EGP 657 million for FY2011, bringing total Allegria deliveries at 2011 YE to 369 units and expects to deliver some 350 unit for FY2012.

2011 contracted Gross Sales reached EGP 973 million with Q4 contributing some EGP 320 million of full year figure. Concerning contract cancellation and modifications, FY 2011 reached EGP 968 million resulting in a net sales position of EGP 5 million.

SODIC’s cash collection process led to collecting more than 91% of FY2011 project receivables. The tightly managed cash collection process secured EGP 685 million of total Company receivables for FY 2011.

During a tough 2011 SODIC preserved the strength of its Balance sheet, Improved cash collection delinquency rates, increased receivables and maintained healthy levels of Cash on hand. SODIC’s main priority in 2012 is to maintain its strong balance sheet with clear guidelines on unit delivery, construction, cash collection, new sales and debt management.

Market Data

Index Inclusion:	EGX 100
EGX:	OCDI
Bloomberg:	OCDI EY
Reuters:	OCDI.CA

No. Shares Outstanding (mln):	90.7
Share Price at 12 April (EGP):	14.59
Market Cap (EGP mln):	1,322
Market Cap (USD mln):	219

*Market Cap figures as of June 30th 2011

*FX Rate: 1.00 USD = 6.03 EGP

*Figures adjusted for July '11 Stock Split

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The company currently has some EGP 2.1 bln of receivables, liabilities to build and deliver all of the launched projects (sold and unsold) of some EGP 2.3 bln leaving the Company with some EGP 2.0 bln of remaining inventory.

Results Executive Summary

Consolidated Financials for FY ended Dec 31, 2011		Q4 2011	Q3 2011	FY 2011	FY 2010
Sales (Unrecognized on IS)					
Total Sales	EGP mln	320.11	305.0	973.76	-
Total Cancellations	EGP mln	(293.98)	(290.3)	(968.06)	-
Net Sales	EGP mln	26.13	14.7	5.7	1,992.7
INCOME STATEMENT					
Total revenues	EGP mln	184.50	243.66	542.28	519.53
Net income (loss)	EGP mln	(35.10)	(38.04)	(193.15)	135.29
BALANCE SHEET					
		@ 31 Dec 2011	@30 Sep '11	@30 June '11	@31 Mar '11
Total Receivables	EGP mln	1,725	1,648	1,703	1,948
Works in Process	EGP mln	2,886	2,900	2,817	2,895
Cash	EGP mln	506	525	574	816
Total assets	EGP mln	6,386	6,331	6,475	6,844
Shareholders' equity	EGP mln	1,956	2,025	2,129	2,393
SHARE INFORMATION*					
Basic earnings per share	EGP	(0.35)	(0.40)	(2.08)	1.49
Share price at close of Quarter	EGP	7.97	13.0	7.97	43.07
Market capitalization	EGP mln	723	1,178	723	3,905

Management Assessment on Q3 Results

Revenues are booked upon final delivery to clients. SODIC revenues came to EGP 542 million mainly due delivering 259 units. Other revenue lines include construction contracts from subsidiaries and Beverly Hills Property Management Services.

Gross Loss of EGP 19 million were achieved during the full year.

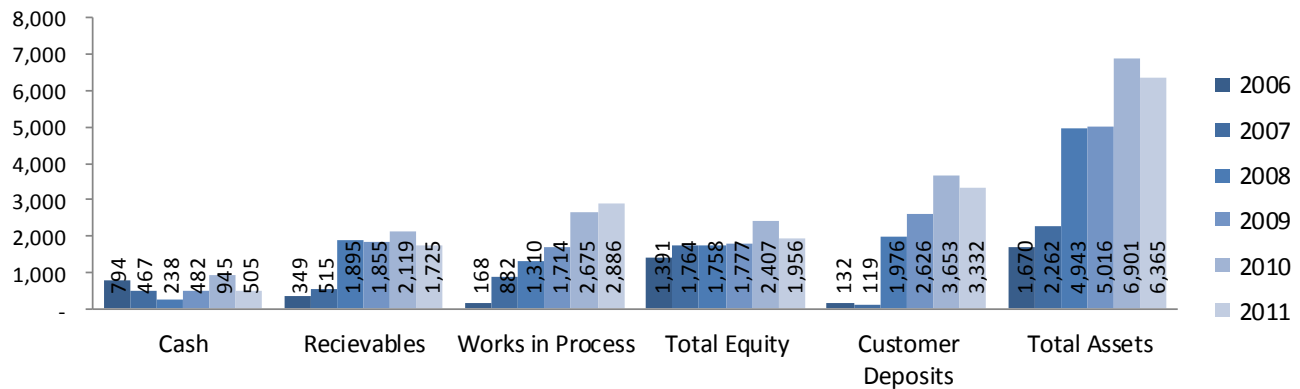
Net Loss of EGP 193 million mainly due to revenue reversals above the line in the 2nd quarter, Golf course impairment in the 3rd quarter and end of yr. bonus (50% decrease vs. 2010) in the 4th quarter..

Receivables for FY 2011 are at EGP 1.7 billion with an additional EGP 350 million off balance sheet related mostly to delivery checks that have not been received from clients.

Works in Process are at EGP 2.9 billion showcasing the continued execution works on the ground undertaken by the Company to deliver its various projects.

Cash levels are maintained and have decreased by only 3% q-o-q to EGP 506 million. No major cash out flows are expected during Q1 2012 except for the pre-planned construction budget.

Balance Sheet Evolution (EGP mln)



Operational Performance Highlights for the FY 2011:

- I. **New Contracted Sales** of EGP 973 million and **Cancellations** of EGP 968 million
- II. **Project Cash Collection** of EGP 534 million with a delinquency of 8.5% for FY 2011
- III. **Works in Process** of EGP 2.9 billion FY 2011
- IV. **Unit Delivery** of 259 units with a value of EGP 644 million

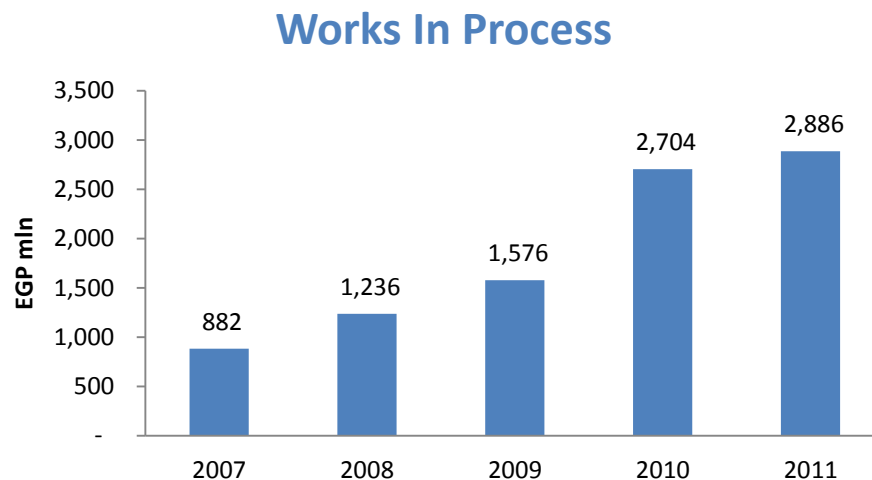
I. **New Contracted Sales** of EGP 320 million for the quarter

		FY 2011	FY 2010	Q4 2011	Q3 2011
New Contracted Sales	EGP mln	973.8	-	320.1	305.0
Allegria	EGP mln	220.4	-	65.3	35.6
Kattameya Plaza	EGP mln	150.9	-	28.5	52.6
Forty West	EGP mln	58.7	-	-	4.4
Westtown Residences	EGP mln	149.7	-	149.7	-
The Polygon	EGP mln	28.5	-	1.0	21.3
Autoville	EGP mln	48.6	-	5.8	16.5
WT Sub Development	EGP mln	-	-	-	-
ET Sub Development	EGP mln	-	-	-	-
Casa	EGP mln	23.6	-	3.5	19.6
Other	EGP mln	32.6	-	-	32.6
Upgrades/downgrades/modifications	EGP mln	260.7	-	66.3	122.4
Cancellations and Modifications	EGP mln	(968.1)	-	(294.0)	(290.3)
Allegria	EGP mln	(311.4)	-	(125.1)	(33.8)
Kattameya Plaza	EGP mln	(64.9)	-	(34.4)	(9.0)
Forty West	EGP mln	(55.0)	-	(8.1)	(16.2)
Westtown Residences	EGP mln	-	-	-	-
The Polygon	EGP mln	(18.1)	-	(18.1)	-
Autoville	EGP mln	(33.1)	-	-	(33.1)
ET Sub Development	EGP mln	-	-	-	-
WT Sub Development	EGP mln	(115.0)	-	(25.0)	-
Casa	EGP mln	(1.1)	-	(1.1)	-
Other	EGP mln	-	-	-	-
Upgrades/downgrades/modifications	EGP mln	(369.4)	-	(82.2)	(198.1)
Net Sales	EGP mln	5.7	1,993	26.1	14.7
Allegria	EGP mln	(91.0)	778	(59.7)	1.8
Kattameya Plaza	EGP mln	86	251	(5.9)	43.6
Forty West	EGP mln	4	288	(8.1)	(11.9)
Westtown Residences	EGP mln	-	-	149.7	-
The Polygon	EGP mln	10	188	(17.1)	21.3
Autoville	EGP mln	15	117	5.8	(16.6)
ET Sub Development	EGP mln	-	54	-	-
WT Sub Development	EGP mln	(115.0)	225	(25.0)	-
Casa	EGP mln	23	-	2.4	19.6
Other	EGP mln	33	91	-	32.6
Upgrades/downgrades/modifications	EGP mln	(108.8)	-	(15.9)	(75.7)

II. **Project Cash Collection** of EGP 534 million for FY, 91.5% of project receivables

Full Year ended Dec 31, 2011		Actual	Variance
Receivables	EGP mln	534.0	-8.5%
Allegria	EGP mln	418.0	-8.3%
Forty West	EGP mln	28.0	-18.3%
Kattameya Plaza	EGP mln	44.0	-5.6%
The Polygon	EGP mln	16.0	-16.0%
Strip (AutoVille)	EGP mln	15.0	-2.2%
Westtown Residences	EGP mln	13.0	0.0%

III. **Works in Process (EGP mln)** of EGP 2.9 billion at end of FY 2011



IV. **Unit Delivery** of 58 units with a value of EGP 182 million for the quarter

	Units Delivered	Value of Units
	Units	EGP mln
Q4 2010	107	188
Q1 2011	22	52
Q2 2011	94	213
Q3 2011	85	210
Q4 2011	58	182
Total Delivered	366	845