

SODIC Investor Relations

Q1 2012 Earnings Release

Consolidated Financial Statements for the 3 months ended 31 March 2012

SODIC: EGP 36 mln Q1 Profits and EGP 1 bln YTD sales

Cairo, Egypt

May 30th 2012, SODIC ("Sixth of October Development & Investment Company") has released its consolidated financial results for Q1 2012 period. SODIC reported a net consolidated Profit of **EGP 36 million** on consolidated revenues of **EGP 312 million** for Q1 2012.

SODIC had an operationally outstanding start to the year with record new contracted YTD 2012 Gross Sales of **EGP 982 mln**. The strong figures are mostly due to SODIC's new product line of City Villa's and Duplexes in its Westown Residences Development. Cancellations have been negligible at **EGP 63 mln**, leading to Net Sales figure of **EGP 918 mln**.

During Q1 2012, the Company achieved EGP 753 mln of gross sales, with minor cancellations of EGP 37 mln, taking net contracted sales to EGP 715 mln. The Company also accomplished on schedule unit delivery of 83 units worth EGP 268 mln and cash collection of EGP 156 mln with a minimal 11.8% delinquency rate.

On the legal front, SODIC is currently still 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 is planning a number of new projects launches in the coming period. Westown Residences phase 5 is a continuation of the successful launches and will target the upper middle income segment with unit values ranging from EGP 1.2 mln through EGP 2.0 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.

Q1 2012 Operational Summary:

SODIC delivered 83 units in Q1 worth EGP 268 million. This brings total Allegria deliveries at end of Q1 2012 to 449 units (35% of Project units) worth EGP 1.1 bln. SODIC expects to deliver some 350 unit for FY2012.

Q1 2012 contracted Gross Sales reached EGP 753 million with cancellations at a minimal EGP 37 million. Q1 2012 reached a net sales position of EGP 715 million.

SODIC's cash collection process led to collecting more than 88.2% of Q1 2012 project receivables. The tightly managed cash collection process secured EGP 156 million of total Company receivables for the quarter.

SODIC's commitment to clean up delinquent contracts in 2011 has given the company improved visibility on its operations. Management believes that the bulk of cancellations have been realized and that the company is experiencing stronger sales, improved cash collection and on schedule delivery.

SODIC's main priority in 2012 remains 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 31 Mar (EGP):	16.44
Market Cap (EGP mln):	1,490
Market Cap (USD mln):	245

*Market Cap figures as of June 30th 2011

*FX Rate: 1.00 USD = 6.06 EGP

*Figures adjusted for July '11 Stock Split

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Results Executive Summary

Consolidated Financials for 3 months ended Mar 31, 2012		Q1 2012	Q4 2011	FY 2011	FY 2010
Sales (Unrecognized on IS)					
Total Sales	EGP mln	752.48	320.11	973.76	0.00
Total Cancellations	EGP mln	(37.27)	(293.98)	(968.06)	0.00
Net Sales	EGP mln	715.21	26.13	5.70	1,992.70
INCOME STATEMENT					
Total revenues	EGP mln	312.30	184.50	542.28	519.53
Net income	EGP mln	35.70	(35.10)	(193.15)	135.29
BALANCE SHEET					
		@ 31 Mar 2012	@ 31 Dec 2011	@30 Sep '11	@30 June '11
Total Receivables	EGP mln	2,061	1,725	1,648	1,703
Works in Process	EGP mln	2,873	2,886	2,900	2,817
Cash	EGP mln	373	506	525	574
Total assets	EGP mln	6,653	6,386	6,331	6,475
Shareholders' equity	EGP mln	1,931	1,956	2,025	2,129
SHARE INFORMATION*					
Basic earnings per share	EGP	0.35	(0.35)	(2.08)	1.49
Share price at close of Quarter	EGP	16.44	7.97	7.97	43.07
Market capitalization	EGP mln	1,490.72	722.69	722.69	3,905.43

* Adjusted for July 24th share split

Management Assessment on Q1 2012 Results:

Revenues are booked upon final delivery to clients. SODIC revenues came to EGP 312 million mainly due delivering 83 units. Other revenue lines include construction contracts from subsidiaries and Beverly Hills Property Management Services.

Gross Profit of EGP 87 million were achieved during the quarter due to higher margin deliveries in Allegría.

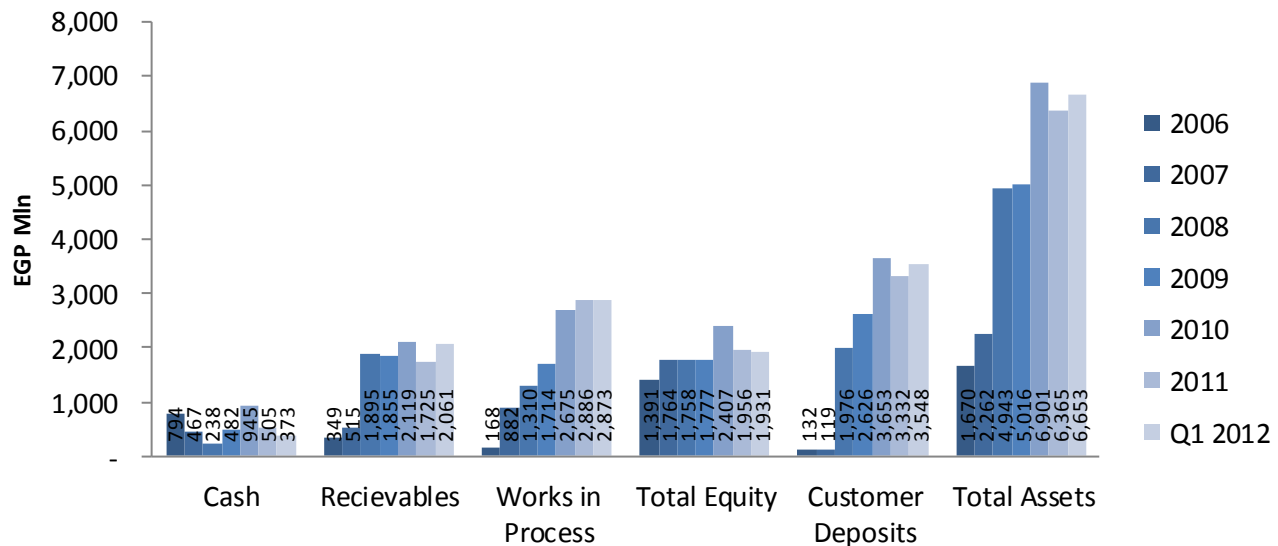
Net Income of EGP 36 million mainly due to on schedule Allegría delivery and non-existent cancellations that would impact above the line. The profits were impacted by an additional EGP 10 mln, due to a change in accounting policy of provisioning for the YE bonus which in previous years was fully expensed in the 4th quarter.

Receivables at end of Q1 have increased by 20% reaching EGP 2 billion due to the new launches and strong sales achieved. Additional off balance sheet receivables related mostly to delivery checks that have not been received from client's amount to some EGP 400 million.

Works in Process are at EGP 2.8 billion showcasing the continued execution works on the ground undertaken by the Company to deliver its various projects.

Cash levels have decreased by to EGP 373 million due to normal construction outflows.

Balance Sheet Evolution (EGP mln)



Operational Performance Highlights for the Q1 2012:

- I. **New Contracted Sales** of EGP 753 million and **Cancellations** of EGP 37 million
- II. **Project Cash Collection** of EGP 156 million with a delinquency of 11.8% for Q1 2012 (total revolving delinquency of some EGP 50 mln)
- III. **Works in Process** of EGP 2.9 billion at end of Q1 2012
- IV. **Unit Delivery** of 83 units with a value of EGP 268 million

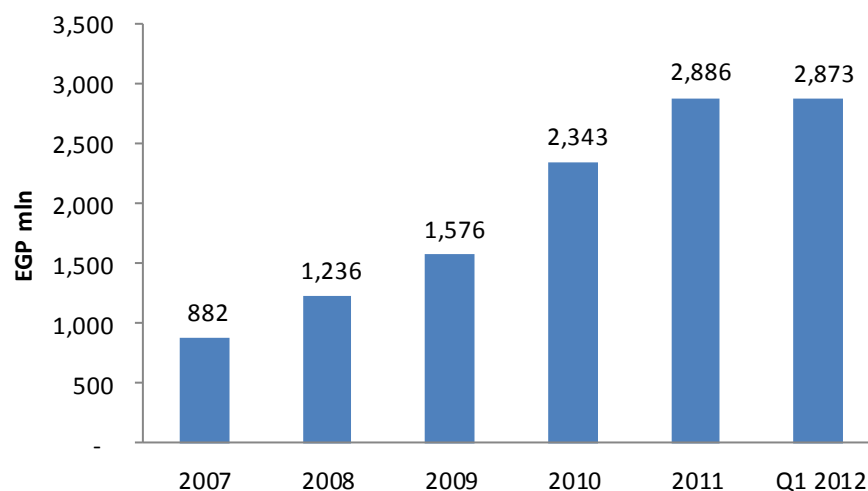
I. **New Contracted Sales** of EGP 753 million for the quarter

		YTD 2012	Q1 2012	Q4 2011	FY 2011	FY 2010
New Contracted Sales	EGP mln	981.7	752.5	320.1	973.8	-
Allegria	EGP mln	299.1	260.9	65.3	220.4	-
Kattameya Plaza	EGP mln	61.8	46.0	28.5	150.9	-
Forty West	EGP mln	5.2	5.2	-	58.7	-
Westown Residences	EGP mln	564.8	403.7	149.7	149.7	-
The Polygon	EGP mln	27.6	21.6	1.0	28.5	-
Autoville	EGP mln	15.3	10.7	5.8	48.6	-
WT Sub Development	EGP mln	-	-	-	-	-
ET Sub Development	EGP mln	-	-	-	-	-
Casa	EGP mln	8.0	4.5	3.5	23.6	-
Other	EGP mln	-	-	-	32.6	-
Upgrades/downgrades/modifications	EGP mln	-	-	66.3	260.7	-
Cancellations and Modifications	EGP mln	(63.8)	(37.3)	(294.0)	(968.1)	-
Allegria	EGP mln	(45.9)	(26.8)	(125.1)	(311.4)	-
Kattameya Plaza	EGP mln	(2.9)	(2.1)	(34.4)	(64.9)	-
Forty West	EGP mln	(6.2)	(6.2)	(8.1)	(55.0)	-
Westown Residences	EGP mln	(6.6)	-	-	-	-
The Polygon	EGP mln	(2.2)	(2.2)	(18.1)	(18.1)	-
Autoville	EGP mln	-	-	-	(33.1)	-
ET Sub Development	EGP mln	-	-	-	-	-
WT Sub Development	EGP mln	-	-	(25.0)	(115.0)	-
Casa	EGP mln	-	-	(1.1)	(1.1)	-
Other	EGP mln	-	-	-	-	-
Upgrades/downgrades/modifications	EGP mln	-	-	(82.2)	(369.4)	-
Net Sales	EGP mln	917.9	715.2	26.1	5.7	1,993
Allegria	EGP mln	253.1	234.1	(59.7)	(91.0)	778
Kattameya Plaza	EGP mln	59.0	44.0	(5.9)	86	251
Forty West	EGP mln	(1.0)	(1.0)	(8.1)	4	288
Westown Residences	EGP mln	558.1	403.7	149.7	-	-
The Polygon	EGP mln	25.4	19.4	(17.1)	10	188
Autoville	EGP mln	15.3	10.7	5.8	15	117
ET Sub Development	EGP mln	-	-	-	-	54
WT Sub Development	EGP mln	-	-	(25.0)	(115.0)	225
Casa	EGP mln	8.0	4.5	2.4	23	-
Other	EGP mln	-	-	-	33	91
Upgrades/downgrades/modifications	EGP mln	-	-	(15.9)	(108.8)	-

II. **Project Cash Collection** of EGP 156 million for Q1 2012, 88.2% of project receivables

3 months ended Mar 31, 2012		Actual	Variance
Receivables	EGP mln	156.3	11.8%
Allegria	EGP mln	103.3	14.3%
Forty West	EGP mln	5.5	25.7%
Kattameya Plaza	EGP mln	17.2	6.1%
The Polygon	EGP mln	5.1	13.0%
Strip (AutoVille)	EGP mln	4.5	0.0%
Westown Residences	EGP mln	20.7	0.0%

III. **Works in Process** of EGP 2.9 billion at end of Q1 2012



IV. **Unit Delivery** of 83 units with a value of EGP 268 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
Q1 2012	83	268
Total Delivered	449	1,113