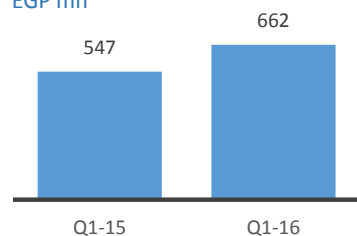


SODIC (“Sixth of October Development & Investment Company”) (EGX OCDI.CA) has released its consolidated financial results for the first quarter ended 31st of March 2016

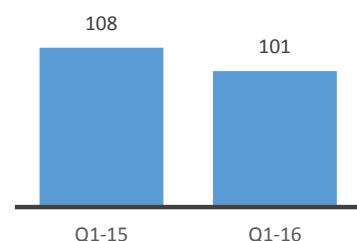
Cash collections

EGP mn



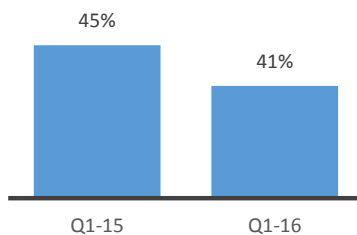
Deliveries

Number of units



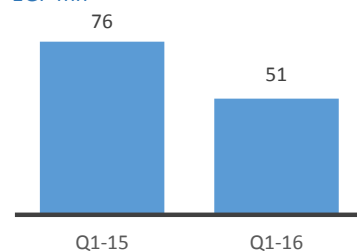
Gross Profit Margin

Pct of revenue



Net Profit post minority interest

EGP mn



Operational Review

- **Contracted Sales:** with a single launch in Courtyards during the first quarter, net contracted sales reached EGP 673 million. The first quarter’s sales was driven by Courtyards contributing c.46%. East Cairo projects namely Villette and Eastown have contributed 29%. Caesar contributed c.13% with the balance coming from SODIC West projects namely Forty West and The Polygon.
- **Cash Collections:** reached EGP 662 million ending the quarter with a cash balance of EGP 2.1 billion.
- **Deliveries:** 101 units have been delivered across 7 projects. This compares to 108 units delivered in the same period last year.
- **Cancellations:** reached c.8% as a result of cancellation of two large units in Villette, combined they represented c.26% of total cancellations. Returned units are then sold at higher prices, thus yielding higher margins to the company.
- **Land Acquisitions:** In March 2016, the final contract with Heliopolis Housing in connection with the co-development agreement of 2.75 million sqm plot (655 acres) in East Cairo was signed. As scheduled, phase 1 of this project will be launched during the first quarter of next year.

Financial Review

- SODIC recorded revenues of EGP 187 million compared to EGP 284 million in the same period last year. The decline in reported revenues is attributed mainly to the lower number of deliveries in Allegria and Kattameya Plaza as both projects are nearing completion, while deliveries in Eastown started in the second quarter of the year as scheduled.
- Gross profit margin reached c.41% compared to c.45% in the same period last year. The delivery of three high margin units in Allegria during the first quarter of 2015 has resulted in the 400bps differential between both quarters.
- Net profit post minority interest came in at EGP 51 million with a margin of 27%.
- Total cash balance reached EGP 2.1 billion and total bank debt stood at EGP 1.1 billion ending the quarter with a positive net cash balance. Our healthy balance sheet position remains supportive to our expansion mode.
- Receivables reached c. EGP 6.9 billion by end of the first quarter of the year.

2016 Outlook

- **Contracted Sales:** targeting EGP 4.9 billion compared to EGP 4.4 billion achieved in 2015.
- **Deliveries:** deliver 935 units across 8 projects with 2016 marking our first deliveries in Eastown which started in the second quarter of the year. This compares to 721 units delivered in 2015.
- **Capex:** almost EGP 2 billion dedicated to meet construction and land liabilities commitments.

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Summary Income Statement

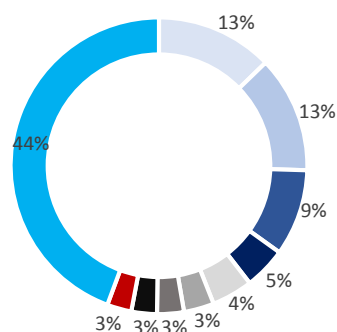
EGP in mn	Q1-16	Q1-15
Total Revenue	187	284
Cost of Goods Sold	(110)	(156)
Gross Profit	77	128
Gross Profit Margin	41%	45%
Net Profit Before Tax	72	113
Taxes	(17)	(34)
Minority Interest	(4)	(4)
Net Profit	51	76

Selected Balance Sheet Items

	Q1-16	FY-15
Assets		
Total Assets	17,258	16,758
Work In Progress	7,274	7,036
LT & ST Net Trade and Notes Receivable	6,958	6,886
Cash and cash equivalent	2,079	2,016
Liabilities & Shareholder Equity		
Bank Credit Facilities & Long Term Loans	1,108	1,046
Advances from Customers	9,412	8,882
Total Equity	3,449	3,386

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Shareholding Structure as at 31/03/2016



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