



Press Release

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Palm Hills Developments successfully raises Gross Proceeds of EGP1.620 billion, an uptake of 96.61% in the Initial Subscription Round

Cairo/London, May 24, 2015: Palm Hills Developments ("PHD" or "the Company"), the leading real estate developer in Egypt, is pleased to announce the successful completion of the 30-day subscription period for its Tradable Rights Issue ("Rights Issue" or "Transaction") ended May 21, 2015, as previously announced on April 4, 2015, whereby existing shareholders and purchasers of Tradable Subscription Rights ("Rights"), have subscribed for 96.61% of the Rights Issue translating into Net Proceeds of EGP1.592 billion excluding issuance fees of EGP27.86 million, in the EGP1.648 billion Rights Issue of 824 million new ordinary shares ("New Shares") at a subscription price of EGP2 per New Share (plus fees of EGP0.035 per New Share).

The Company's Extraordinary General Assembly, dated February 8, 2015, has delegated the Chairman of the Board of Directors to seek an additional Subscription Period if deemed necessary. Accordingly, the Company will seek regulatory approvals required to launch a Second Subscription Round for the remaining 3.39%. The Company shall make further announcements regarding the opening of the Second Subscription Round and the applicable timetable in due course. The issue of New Shares will be carried out in the context of a Rights Issue from Authorized Capital, which currently stands at EGP6 billion. Post Transaction closing, the Company's Share Capital is expected to increase from EGP2.696 billion to EGP4.344 billion.

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About Palm Hills Developments

Palm Hills Developments, a leading real estate developer in Egypt, is a joint stock company established in 1997. Palm Hills develops new urban communities and enjoys a land bank of more than 23 million square meters as well as investments in Egypt and Saudi Arabia. Palm Hills' strategy has enabled it to successfully shift from a single project company to become one of the most important and largest real estate developers in the Egyptian market, with 18 projects extending across the country. PHD is traded on the Egyptian Stock Exchange under the symbol (PHDC.CA), and on the London Stock Exchange, its GDRs are traded under the symbol (PHDC.LI). For more information visit: www.palmhillsdevelopments.com/

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