

Press Release

Orascom Hotels and Development (OHD) signs two new contracts for its Makadi destination with Tara Egypt, to manage the destination's existing retail outlets and build its club house facility.

Cairo, 12 July 2015 – Under the strategic notion of capitalizing on its existing assets and accelerating the monetization of its land bank, OHD has signed two new contracts for its Makadi destination, through its subsidiary Roaya for Tourist and Real Estate Development (the Owner) with Tara Egypt (the Investor), granting it exclusive management of its existing retail outlets and assigning it a 38,000 m² of land plot to build the destination's club house and associated facilities.

Under the first contract, the Owner assigns the Investor the right to build and manage the destination's club house along with its associated facilities that are already included and agreed upon in Makadi's master plan, to be called (Tara Country Club-Makadi). The Investor will then have the right to manage the clubhouse and its facilities for a period of 15 years, renewable by the mutual agreement of both parties, against a payment of EGP 15 million to the Owner. The Investor is also committed to pay the amount of EGP 500,000 annually with a 7% increase from the beginning of the fifth year.

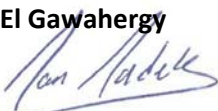
Under the second contract, the Owner grants the Investor the exclusive management & rental of all its retail outlets in Makadi for a period of 15 years, renewable by the mutual agreement of both parties, by which the Owner is entitled to receive 25% from the total rental value of each retail unit.

About Orascom Hotels and Development

Orascom Hotels and Development is an integrated developer of resort towns in Egypt, with a vertically-integrated business model involving the development of residential units, hotels, and recreational facilities such as golf courses, town centers, and marinas, in addition to supporting infrastructure, such as hospitals, schools, and utilities. OHD currently owns a land bank of 49.4 million square meter and 24 hotels with a total of 6,039 rooms within three operating destinations. El Gouna, on the Egyptian Red Sea Coast in Hurghada, Taba Heights, on the Sinai Peninsula and Makadi in Hurghada. OHD also holds an 87% stake in Tamweel, a financial services company providing mortgage, leasing, and insurance, among other services.

Contact for Investors:

Sara El Gawahergy



Director of Investor Relations

Tel: +202 246 18961

Tel: +41 418 74 17 11

Email: ir@orascomdh.com

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