
TMG Holding signs an agreement with Riyadh Bank to provide up to SAR 1.4 billion financing for buyers into Nasamat Al Riyadh project

Cairo, July 1, 2009 – TMG, through its Saudi based subsidiary Thabat, has signed finalized the agreement with Riyadh Bank under which it would provide up to SAR 1.4 billion financing for buyers into the first phase of Nasamat Al Riyadh project, to be developed by Thabat.

According to the agreement, which is based on an MOU that was originally signed in July 2008, the bank will provide tranches of financing to the project's buyers depending on the project's phases, with the first tranche being agreed at SAR 1.4 bn worth of Islamic-compliant packages for buyers with payments that extend up to 25 years.

Nassamat Al Riyadh is planned to be the first fully integrated city in Saudi Arabia and will comprise 2,031 villas and 2,112 apartments with a total residential BUA of 1.4 mn sqm, a mall with a BUA area of 0.1 mn sqm, in addition to 0.32 mn sqm BUA of services and amenities including schools, a sports entertainment center, various parks and entertainment areas, a medical center, and other retail facilities.

The project is stretching over a 3 mn sqm of land and will be implemented in three phases over five years with total investments of more than SAR 6 billion. The company also owns an additional 1 mn sqm of land adjacent to the project for the purpose of a planned future expansion.

TMG has specifically chosen KSA due to the shared similarities between the Egyptian and Saudi Arabian real estate markets and the large potential for growth in the Saudi market, that has an estimated unmet domestic demand is in the range of 200,000 units per annum and a backlog of more than 800,000 units; a large portion of which is related to the middle income classes, targeted by TMG .

TMG also has a strong experience of the Saudi market acquired through the existence of the Group's sales branches in Riyadh and Jeddah since 1991.

The deal which comes amid caution exercised by Saudi banks due to tight credit conditions and scarcity of foreign lending shows a strong commitment towards the development of the Saudi real estate market and confidence in the experience and successful track record of TMG and its Saudi Partners.

Thabat is a 50:50 joint venture between TMG and Saudi partners Al Mehedeb, Al Fawzan and Al Kahtani through their real estate company "Al Oula". Initially, the joint venture company will develop projects over a total land area of 4.1 mn sqm in Riyadh and 2.8 sqm in Jeddah, chosen in prime locations upon which it will develop city and community complexes targeting middle and upper middle income classes.

TMG also plans to increase its land inventory in Saudi Arabia to the level of 15 mn sqm as part of the Group's announced strategy that entails a geographic diversification to enhance returns and minimize risk.



About TMG Holding:

Talaat Moustafa Group (TMG) Holding is the leading community real estate developer in Egypt, with a land bank of 50 million square meters. The group has a strong, 20-year track record in the housing and real-estate development industry, having developed 8.5 million sq m of land so far. TMG's vision is "community development" through establishing self-sustained residential city and community complexes for the upper and middle classes. Amongst the group's largest and most prominent development projects are Al Rehab City, East of Cairo, spread over 9.9 sqm to host 200,000 residents, and "Madinaty" project, started in July 2006 spanning over 33.6 mn sqm of land with 600,000 target residents, making it the biggest all-inclusive enclosed city in the Middle East. TMG's achievements also include signature compounds like May Fair in Al Shourouk, East of Cairo and Al Rabwa I & II in Six of October City, West of Cairo.

TMG's activities also extend to the hotels and resorts segment. It has developed three large scale luxury hotels, Nile Plaza in Cairo, San Stefano in Alexandria, and Four Seasons in Sharm El Sheikh, all managed by the internationally reputable Four Seasons chain, in addition to two other Hotel & Resort projects currently under development.

Talaat Mostafa Group Holding is traded on the Egyptian Stock Exchange (EGX30) under the symbol [TMGH.CA; TMGH EY]

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