
**Talaat Moustafa Group Holding
Recorded LE 9.8 bn in pre sales of real estate units in 1H08**

Cairo, July 13th 2008 - Talaat Moustafa Group Holding ("TMG Holding") the leading Egyptian community real estate developer and hotel owner with over 20 years of experience is delighted to announce that total pre sales value of real estate units reached LE 9.8 bn for 1H08, compared to LE 4.5 bn for the comparable period last year. The achieved presales figure reflects considerable year on year growth rate of 118%. As a result, accumulated unrecognized sales (pre sales) reached LE 25.0 bn that will be recognized as per units' delivery schedule during the up coming three to four years. For the first half of 2008, Pre sales figure has significantly out performed the budgeted figure of LE 6.7 bn by around 45%, which reveals the company's marked ability of adopting aggressive, innovative, and customer oriented techniques in designing, marketing, and selling its products.

On the hotel business front, the total Net to Owner figure of 1H08 of Four Seasons Nile Plaza, Sharm El Sheikh, and San Stefano recorded around LE 155 mn growing by 32% relative to last year's comparable figure.

The company's income statement for 1H08 showed an operating revenue LE 3.2 bn, gross profit of LE 1.2 bn, EBITDA of LE 1.1 bn, and net profit after tax of LE 1.06 bn.

Despite the increase in the costs of building materials during 1H08, the company was able to achieve net profit after minority interest of LE 875 mn preserving a hefty margin of around 28%, outperforming its targeted 25% margin. This reflects its noticeable capability of setting successful pricing/cost control strategies, reliable project management techniques and introducing the proper product mix to the market place.

The company's marketing, general and administrative expenses for 1H08 recorded LE 110 mn, and the interest expense figure for the same period reached LE 99 mn, collectively forming an expense figure of LE 209 mn, which is 75% offset by the credit interest earned on deposits, interest earned on T-bills and T-bonds, investment income and non operating revenues, collectively amounting to LE 157 mn.

The company's total assets as of 30 June 2008 reached LE 47.0 bn, of which cash and cash equivalents represent LE 2.1 bn, which is equivalent to the company's total interest bearing debt.

The company's market capitalization as of 10 July 2008 reached LE 17.96 bn. The total number of issued shares is 2.03 bn shares, of which 51% are owned by TMG for Real Estate and Tourism Investment ("TMGI"). TMGI is principally owned by Talaat Moustafa family.

It is worth noting that, TMG adopts an on delivery revenue recognition policy rather than percentage of completion, which means that the profits coming from said pre sales will be recognized during the up coming three to four years. Further more, TMG conservatively targets a net profit margin in the vicinity of 25%.

About TMG Holding:

Talaat Mostafa 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 track record of over 20 years 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.

TMGH's activities also extend to the hotels and resorts segment. Its 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 Cairo & Alexandria Stock Exchange (CASE) under the symbol **[TMGH.CA; TMGH EY]**

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