

Cairo, June 21, 2011 - TMG Holding, the leading Egyptian community real estate developer is glad to share with you today's news relating to Madinaty court hearing.

In today's hearing the judge announced that the state judicial council has issued its report recommending that the court should reject the case filed to scrap the New Madinaty contract.

The state Judicial council, after spending months on studying the new contract and various legal documents presented, came to the opinion that the contract is valid and complies with current legal and procedural requirements and therefore recommended that the administrative court should reject the case.

The Judge has postponed the next hearing to October 4, 2011 to allow lawyers from both sides to read the report and present their cases accordingly before issuing his final verdict.

The state judicial council suggests a legal response in its report but its recommendations are not binding; however, our legal advisor believes that today's report is a good indication of the solidity of our legal position.

The New Madinaty contract was signed November 8, 2010 after the New Urban Communities Authority had re-assigned the land by a direct order to the Arab Company for Projects and Urban Development, a subsidiary of TMG Holding in accordance to Article No. 31 (repeated) of law 148 of 2006, issued in amendment to the law of Tenders and Auctions; to realize public interest requirements from Madinaty project.

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