



Press Release

OD Holding posts 70% net profit growth in first 9 months of 2008 and expects continued growth in 2009

Orascom Development Holding AG announces its consolidated results for the nine months ending 30 September 2008. Total consolidated revenues increased by 52% reaching CHF 387 million, a new record for top line in comparison to CHF 255 million for the same period last year. Net profit jumped to CHF 86 million up from CHF 50 million, with a tremendous growth of 70%.

Altdorf/Cairo 13 November 2008 – Orascom Development Holding AG (OD Holding) announces its consolidated results for the nine months ending 30 September 2008. It was another eventful period for OD Holding, delivering improved profitability from the Group's flagship towns El Gouna and Taba Heights, along contributions from The Cove (UAE), Jebel Sifah and Salalah Beach (Oman), and Haram City (Budget housing, Egypt), while at the same time increasing the Group's foothold regionally.

With the global financial markets going through turmoil and extreme volatility, we remain committed to enhancing shareholders value through delivering the operational growth milestones promised. We continue to unleash operational value from existing destination as well as pursue new projects whenever feasible. Despite that OD Holding's operational model is totally different from a typical real estate developer in terms of land bank carry cost and presence of a stable reoccurring income, the real estate industry volatility had an unrealistic negative impact on the share price of OD Holding. The business fundamentals of the Group have tremendously improved with growth and access to development capacity becoming much easier and cheaper. These favorable trends will continue in the next months and OD Holding is expecting further growth in 2009.

Total consolidated revenues for 9M 2008 amounted to CHF 387 million compared to CHF 255 million for the same period last year, with a 52% growth y-o-y. Real estate revenues witnessed a remarkable increase of 132% reaching approximately CHF 148 million in comparison to CHF 64 million in 2007. Moreover, hotel revenues reached CHF 128 million achieving 11% growth versus CHF 116 million for 9M 2007.

Gross profit increased by 73% reaching CHF 141 million as opposed to CHF 81 million realized for the same period last year, while EBITDA

increased by a staggering 69% to a record CHF 106 million as compared to CHF 62 million and a margin of 27% versus 25% for 9M 2007.

Net profit increased by 70% to CHF 86 million against CHF 50 million for the same period last year.

We believe that OD Holding's operations are more stable than others based on the existing pipeline of contracted real estate pre-sales of CHF 308 million as opposed to CHF 55 million by end Q3 2007, a net debt position of only CHF 113 million, and a low leverage ratio of 0.66x. OD Holding's conservative financing strategy proved to be quite useful in the past and will continue to protect the Group further in the period ahead. Going forward, OD Holding will continue to seek attractive opportunities that will enhance the Group's growth strategy.

The development of the Andermatt project remains on track and we continue to see strong interest from both the public and potential real estate buyers. During Q4 2008, we hope to receive the final approval on our Andermatt project's site specific master plan from the local and cantonal Government. This milestone would be indicative of how the process was swiftly managed to conclusion.

Key Financial Indicators

Income Statement ¹	30 September 2007	30 September 2008	% Change
Total Revenues	255,343,910	387,005,841	52%
Hotels	115,607,542	128,490,727	11%
Town Management	18,338,320	22,715,569	24%
Tour Operating	37,575,698	52,920,178	41%
Other Operations	17,920,808	30,475,790	70%
Real Estate & Construction	63,681,628	147,679,012	132%
Land Sales	2,219,914	4,724,565	113%
Gross Profit	81,246,500	140,644,236	73%
Gross Profit Margin	32%	36%	14%
EBITDA²	62,511,623	105,860,956	69%
EBITDA Margin	25%	27%	12%
Profit for the Period After Tax	50,403,748	85,682,804	70%
Basic and Diluted Earnings per share (EPS)	1.96	3.12	59%
Balance Sheet¹	31 December 2007	30 September 2008	% Change
Total Assets	1,160,216,672	1,623,529,695	40%
Total Liabilities	486,454,145	647,816,985	33%
Total Equity	673,762,527	975,712,710	45%
Net Debt ³	161,045,143	112,892,365	-30%
Leverage Ratio	0.72X	0.66X	-
Equity Ratio	0.58X	0.60X	-

¹ All figures are nominated in Swiss Francs (CHF), unless otherwise stated.

² EBITDA is calculated by deducting A&G expenses and financing costs, adding back Depreciation & Amortization from/to Gross Profit

³ Net Debt is calculated by deducting Cash & Bank Balances from Total Borrowings.

Key Performance Indicators

Key Performance Indicators ¹	30 September 2007	30 September 2008	% Change
<i>El Gouna, Egypt</i>			
Occupancy rate	76%	84%	10%
TRevPAR	94	101	7%
Average Selling Price/m ²	2,327	3,001	29%
Total value of contracted units (millions)	48.64	57.33	18%
Number of contracted units	146	112	-23%
Total contracted area	20,904	19,106	-9%
Number of delivered units	202	455	125%
<i>Taba Heights, Egypt</i>			
Occupancy rate	62%	79%	27%
TRevPAR	54	65	20%
<i>The Cove, UAE</i>			
Average Selling Price/m ²	2,040	2,318	14%
Total value of contracted units (millions)	6.17	14.82	140%
Number of contracted units	13	21	61%
Number of delivered units	-	39	-
<i>Jebel Sifah & Salalah Beach, Oman</i>			
Average Selling Price/m ²	-	2,700	-
Total value of contracted units (millions)	-	209.07	-
Number of contracted units	-	371	-
<i>Riyad Resort, Egypt</i>			
Average Selling Price/m ²	-	920	-
Total value of contracted units (thousands)	-	553.38	-
Number of contracted units	-	7	-
<i>Byoum, Egypt</i>			
Average Selling Price/m ²	-	1,142	-
Total value of contracted units (millions)	-	2.06	-
Number of contracted units	-	8	-
<i>Haram City, Egypt (Affordable Housing)</i>			
Total value of contracted units (millions)	-	23.75	-
Number of contracted units	-	1,572	-
Average Selling Price/unit	-	15,106	-
Number of delivered units	-	1,200	-

¹ All figures are nominated in Swiss Francs (CHF)

About the Group

Established in 1989, Orascom Hotels and Development S.A.E. ("OHD") today is a leading integrated town developer in Egypt and the Middle East with over 18 years of experience. OHD is a developer of fully integrated towns that include hotels, private villas and apartments, leisure facilities such as golf courses and marinas as well the supporting infrastructure. It has secured or is in the course of securing large land banks in untapped yet attractive locations with development potential in Egypt, Morocco, Oman, the United Arab Emirates and Switzerland. The high quality portfolio combined with a proven business model is expected to result in long-term growth opportunities.

Currently, OHD operates two successful flagship towns, El Gouna and Taba Heights (both in Egypt), has secured, subject to certain conditions, or is about to secure, land banks of approximately 127 million square meters and has a workforce of approximately 14,000 staff. Since the settlement of the exchange and tender offer by OD Holding for OHD, OD Holding is the new parent of OHD. OD Holding has a dual listing, with a primary listing on the main board of the SIX Swiss Exchange and a secondary listing on EGX (Egypt Stock Exchange). The company's shares are fully fungible (with the same ISIN code) and can be traded on both stock exchanges in Swiss Francs.

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