

## PRESS RELEASE

Cairo, August 12, 2008 10:00 hrs Cairo time (08:00 hrs GMT)

### **ERC to distribute stock dividend of 1 free share for every 4**

Capital increase of EGP 210 million will take Issued and Paid-In Capital to EGP 1,050 million

Egyptian Resorts Company (EGX: EGTS.CA), Egypt's largest master developer of Mega Resort Communities announced today an increase in the company's issued capital from EGP 840 million to EGP 1,050 million through a free share dividend of 1 for every 4 at the par value of EGP 1 per share. The capital increase is financed from FY ending December 31<sup>st</sup> 2007 retained earnings. The stock dividend is payable on August 28, 2008 to shareowners of record at close of business on August 27, 2008.

The capital increase gives more weight to Egyptian Resorts Company as it looks to increase its land bank through the acquisition of new virgin plots suitable for Mega Resort Community Development along the same lines as Sahl Hasheesh International Resort Community.

Dr. Ibrahim Kamel, Chairman of the Board of ERC, commented on the capital increase. "The board had previously set a goal of EGP 1 billion as a target paid-in-capital and we have now achieved this goal. The new capital base will help ERC implement its land bank growth strategy."

#### **About ERC**

Egyptian Resorts Company S.A.E. (CASE: EGTS.CA) is a master developer of international standard resort communities on a fully-integrated management basis, incorporated in Egypt and headquartered in Cairo. Egyptian Resorts Company acquires broad acre land holdings suitable for premium mega resorts development at nominal value, creates a master plan with some of the world's leading architectural and urban planning firms, builds state-of-the-art infrastructure, design guidelines, and community management rules and regulations, and then on-sells individual pre-designated plots to sub-developers and investors whose main businesses are hotel ownership, hotel operation and management, and luxury resort residential real estate development. ERC maintains a healthy income statement and balance sheet following the plot sales from ad-infinity multiple recurring revenue streams from the supply of utilities through its project partners (water, electricity, communications), as well as from its community management and maintenance fees.

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