



PRESS RELEASE

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ERC Announces Key Leadership Changes

Chairman, Chief Executive, and Committees formed

Egyptian Resorts Company (EGX: EGTS.CA), Egypt's largest master developer of Mega Resort Communities announced key changes in the company's leadership, as follows:

- Mr. Mahmoud Abdallah will take over as non-Executive Chairman from Dr. Ibrahim Kamel, who has guided the company and served as Chairman almost since inception for the last 12 years. Mr. Abdallah is currently the Executive Chairman of the Insurance Holding Company. Previously, Mr. Abdallah served as Executive Vice President, and President of International Operations playing an instrumental role in building the global operations for American Re Corporation, one of the world's top providers of property and casualty reinsurance in the United States. Mr. Abdallah also played a major role in the Management Buy Out of the company with KKR and a subsequent subsidiary merger with Munich Re.
- Mr. Mohamed Ibrahim Kamel, will assume the role of Chief Executive Officer taking over from Mr. Richard Turner who will become the CEO's senior advisor focusing his attention on building the ERC Sales Organization. Mr. Kamel is currently the Vice President for Strategy at KATO Investment, ERC's largest private shareholder. Previously, Mr. Kamel was a consultant with Bain & Company in London following his post-graduate studies. Prior to that, Mr. Kamel assumed various roles with KATO Investment in their aerospace, food manufacturing, and logistics divisions. Mr. Kamel holds a B.A. in Economics from the American University in Cairo and an MBA from Harvard Business School.

Commenting on the changes, Dr. Ibrahim Kamel said, "change in leadership is ever so important for the healthy survival of organizations. We, at ERC, are diligent about continuously rejuvenating leadership roles by bringing in new blood with new ideas and newfound energy.

After 12 years at the helm of ERC, I have seen its flagship project, the Sahl Hasheesh International Resort Community, grow from a figment of imagination to a fully-functional resort. The work is far from complete and much work is yet to be done if we are to realize our dream of developing Egypt's best-planned and managed model resort city. However, I look back with pride on our achievements, and more importantly look forward with comfort as I hand over the baton while the company is in a healthy operational and financial position, especially after going through a difficult two years of continuous global turbulence.

I cannot think of a better person to take over the Chairmanship than Mr. Mahmoud Abdallah, who has gracefully obliged to our request of assuming the role. His involvement with ERC over the last year has transformed our understanding of public-private partnerships, as we have witnessed a very dynamic and modern-thinking public sector through their newly appointed board representatives. I strongly believe that Mr. Abdallah's leadership is most suited to guide the company through its next phase of growth and see through the launch and development of Phase 3 in Sahl Hasheesh.

I would also like to thank Richard for two very enthusiastic and dynamic years. Change is never easy and comes with great pains, but his perseverance brought on necessary positive sweeping change at the company headquarters and its flagship project, the Sahl Hasheesh International Resort Community. We ask him to keep serving the company as the CEO's senior advisor in sales, marketing, and technical affairs.

Finally, I wish Mohamed the best of luck in his new role as CEO. He has been a great asset to KATO Investment and we trust he will be a great one to ERC."

Mr. Abdallah also commented, and said, "I am honored to take on the role of Chairman after Dr. Kamel's leadership, and excited to take on a more involved role with ERC, one of Egypt's largest publicly traded companies, and a company with tremendous growth potential. Dr. Kamel, you have been an inspiration leading the company through this last decade. As shareholders we owe you a lot in creating so much value and protecting our investment throughout your tenure. I hope you will continue to devote as much time as possible to the ERC board and Executive Committee as your insights and contributions are central to the continued success of this company. I look forward to your guidance in the years to come.

I would also like to thank Richard, who was instrumental in transforming what was previously a local company with a locally-superior resort to an international company with a resort on a clear path to becoming truly world class. I look forward to his expert advice in resort development.

I am particularly proud of the work we have done in establishing clear fiduciary bodies and responsibilities and strengthening the company's corporate governance efforts. The new board is strong, dynamic, cohesive and complementary with distinguished members from all the vital disciplines ensuring fast and reliable decision-making. Our newly established committees formed from a combination of board members, company senior executives, and outside experts deliver the careful and detailed study of critical path decisions and recommend appropriate action.

Going forward, we will focus most of our efforts on delivering the best-in-class resort operations management resulting in a world-class resort experience, while expanding our business model and product offering to include multiple locations.

Finally, I trust that our choice in Mohamed to lead this critical period of succession, is the right one and I look forward to helping him deliver on the company's plans."

Mohamed Kamel, the incoming Chief Executive said, "it is with great prudence that I accept the board's nomination to serve as the company's CEO. I am honored and thrilled by the faith entrusted in me and humbled by the task before us.

Global economic conditions remain in a state of turbulence and recovery is far from certain. 2010 will require a very delicate balance between necessary investment in operations and new opportunities on the one hand, and cash conservation to shield the company from a potential crunch. The region in general is going through a transformation and some reshuffling as Dubai fights for survival, while investors and developers alike are suspicious of the sectors' health and short-term prospects.

I do, however, take comfort in the fact that ERC is in the best possible position to take advantage of the current turbulent conditions and emerge stronger than ever. The industry's current slow pace gives us time to perfect our resort operations and build some critical infrastructure at advantageous cost. Our current cash cushion gives us the ability to complete critical assets like the Old Town, the Phase 1 owned and operated downtown by our subsidiary retail and entertainment developer, Sahl Hasheesh Company. Finally, the current low market valuations may create a ripe atmosphere for some complimentary industry consolidation.

I therefore believe that in such turbulent times, threats increase, but so do opportunities, and I look forward to working with our new Chairman and board in putting the building blocks that would allow ERC to evade the threats and exploit the opportunities."

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 developments 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, implements 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, 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-indefinitum multiple recurring revenue streams from the supply of utilities through its project partners (water, electricity, communications), as well as from community management and maintenance fees.

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