

At a glance

About Sahl Hasheesh

Sahl Hasheesh International Resort Community is the flagship development project of Egyptian Resorts Company (ERC), Egypt's leading master developer and exclusive community manager of fully integrated world-class resort cities and urban developments.

Located a short drive south of Hurghada on the Red Sea coast, Sahl Hasheesh is being developed according to the highest international standards, by some of the world's leading architectural and urban planning firms. ERC oversees the building of infrastructure networks, and then sells pre-designated land plots to qualifying sub-developers. These sub-developers then build, operate and manage the resort's hotels and residential developments.

With the majority of Phase I and II development projects approaching completion, ERC has partnered with WATG to develop the masterplan for Sahl Hasheesh's Phase III development. 28 million square meters of land will be available for sale, for a variety of sub-development purposes.

Opportunities in Hospitality

Offering five-star hotels, bayside apartments, a beautiful beach and waterfront promenade, world-class dive sites, golf courses, a cinema complex, and a marina in development, Sahl Hasheesh is poised to become the leading destination on the Red Sea.

Sahl Hasheesh offers tourists a year-round holiday destination on the Red Sea coast. Only slightly further by plane from European capitals than Mediterranean resorts, a Red Sea vacation is much more affordable.

Sahl Hasheesh International Resort Community is currently seeking tour operators with whom to partner, offering vacation packages at exceptional value.

ERC's Recent News

April 28, 2011: ERC's General Assembly of Shareholders Meeting approves financial results for FY2010.

April 11, 2011: Egypt's Tourism Development Authority withdraws approval of the Phase III land sale contract at Sahl Hasheesh, without notice. ERC is currently appealing the ruling.

February 6, 2011: ERC resumes normal operations at its corporate headquarters in Cairo and at Sahl Hasheesh, following recent events in Egypt.

April 29, 2010: ERC partners with Orascom Development Holding (ODH) to develop the Sawari Marina at Sahl Hasheesh, while ODH takes 4.5% equity stake in ERC.

Sahl Hasheesh Quick Facts

- Located 18 km south of Hurghada International Airport.
- 12.5 km of beach front, the longest beach on the Red Sea, featuring world-class diving and snorkeling.
- Currently home to over 1,600 hotel rooms and 679 residential units.
- An all-sea-view resort, with elevation gently rising to 120 meters above sea level – almost 40 stories high – at the western boundary line.
- "Plug-and-Play" infrastructure networks and streamlined logistics simplify sub-development process.

Opportunities in Residential Tourism

Those desiring a longer stay at Sahl Hasheesh will consider investing in a second home on the Red Sea. Nestled in the spectacular surroundings of Sahl Hasheesh, exclusive apartments and condominiums with direct beach access are now available for purchase or lease.

Both the current buyer's market and upcoming developments make purchasing a home at Sahl Hasheesh a wise investment. The imminent opening of Old Town, which will bring a full array of boutique retail shops, restaurants, cafes, a dive center, and entertainment and nightlife venues by mid-fall, is sure to increase the square meter value of the resort's residential properties.

Sahl Hasheesh International Resort Community also provides world-class community management services, including:

- **Strict design guidelines** to ensure architectural integrity and aesthetic cohesion.
- **Community Management Regulations** to ensure superior levels of environmental safety and management services.
- **First-class maintenance and upkeep** by service-oriented staff to ensure ongoing functionality and a clean environment.



The Sahl Hasheesh Value Proposition

For Sub-Developers:

- **Supply and Demand** – While the supply of land around Hurghada is scarce, ERC is able to provide large, strategically released land plots, based on development timelines and ROI. Future sites are easily brought online within short timelines as infrastructure has already been created, protecting both ERC and sub-developer margins.
- **State-of-the-Art Infrastructure Networks** –
 - “Plug-and-Play” - Infrastructure up to site limits
 - Water - Desalination plants deliver all water needs
 - Water Treatment - Tertiary treatment generating drinkable water
 - Communications - Black fiber network delivering VOIP, Internet, and IPTV
 - Electricity - Future capacity secured well in advance of requirements
- **Community Management** – ERC is working with global leader Ernst Body Corporate to develop the exclusive supply and management of community services to the Sahl Hasheesh International Resort Community
- **One-Stop Shop** – Developers deal only with ERC, while ERC takes on all bureaucratic tasks including licensing, approvals, building permits, and land registration

Why Egypt?

- Egypt has a resilient tourism sector, which is predicted to bounce back towards the end of 2011.
- In 2010, 14.7 million tourists visited Egypt, up 17.6% over 2009 arrivals. These figures demonstrated Egypt’s resilience as a holiday destination, following the economic slowdown of 2008-2009.
- More than 50% of all tourists to Egypt fly directly to the Red Sea
- Competitive advantages to developing in Egypt:
 - Low cost of labor and building materials
 - Government support for tourism projects
 - Reasonable tax rates
 - Strong consumer demand
- Sahl Hasheesh has a unique value proposition for sub-developers and real estate investors with its prime land bank, experienced management team and rigorously enforced development regulations.

Industry Highlights

- The number of tourists arriving to Egypt more than doubled from 6 million tourists in 2003 to 12.5 million tourists in 2009. In 2010, 14.7 million tourists visited Egypt, up 17.6% year-on-year.
- Hotel investments grew from EGP 2.2 billion in 2003 to EGP 5.6 billion in 2008.
- The Red Sea accounts for over 50% of total tourist arrivals into Egypt.
- Over the past few years, Egypt has accounted for roughly 25% of MENA tourist arrivals and 33% of African tourist arrivals.
- The tourism sector is the second-largest hard currency earner – USD 12.5 billion in 2010, a 16.5% increase year-on-year.
- Over the past few years, the tourism sector has represented ~40% of all service export receipts and has been the third largest contributor to GDP growth.

Industry Trends

Despite the challenges currently facing Egypt’s tourism sector, industry experts are predicting the start of a robust recovery in the second half of this year. Indeed, Egyptian tourism has consistently proved its resilience following crises in the past. Following the global economic slowdown in 2008 and 2009, tourism in Egypt made a remarkable recovery that saw visitor arrivals rise to record highs in 2010 - 14.7 million tourists visited Egypt, up 17.6% from 2009, while Egypt surpassed its 2012 target of 14 million tourist arrivals two years ahead of time. Egypt now offers exceptional value to holiday-makers compared to other Mediterranean destinations and the Red Sea remains one of the most attractive year-round resort destinations in the region.

Sub-Developers Include:



WATG Phase I, II & III Masterplan

Phase III at Sahl Hasheesh

In late January 2010, ERC's Board of Directors selected WATG to develop the masterplan for Phase III development of Sahl Hasheesh.

Phase III will shape and bring online the remaining 28 million square meters of the resort, transforming Sahl Hasheesh into a thriving, year-round community.

In addition to increasing the number of hotels, residential complexes and restaurants, this phase will introduce the heart of the city - hospitals, schools, office buildings and SMEs will complement the infrastructure already completed, making Sahl Hasheesh an entirely self-sufficient resort.

Over 4,000 hotel rooms and 2,500 residential units are expected to be completed by the end of 2012.



Sahl Hasheesh: Prime Land Bank on the Red Sea Coast



At 41 million square meters, Sahl Hasheesh is more than 2/3 the size of Manhattan Island

Our Partners in the Development of Sahl Hasheesh:

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| ERNST & YOUNG CORPORATE MANAGEMENT PTY LTD Community Administration Services | VEOLIA WATER Solutions & Technologies Sewerage Treatment Plant and Lift Pump Stations Operator | TAM ENVIRONMENTAL SERVICES Plant - Operation and Maintenance Services | RTKL Phase I and II Master Planners | AAW CONSULTING ENGINEERS Phase II Networks Design Consultant |
| WATG Phase III Lead Master Planners | AECOM Feasibility and Market Analysis Consultant | Buro Happold Waterways and Lakes Engineering Consultant | XCO ENERGY Sustainability Consultant | EnviroNics Environmental Consultant |
| BECHTEL Phase I Infrastructure Supervisor | ELSEWEDY ELECTRIC Fiber Network Contractor | شوروك Strategic Assets Development Consultant | BT Satellite Data and Telephone Service Provider | SHAKER CONSULTANCY GROUP Electrical Networks Design and Consulting Services |
| MIC mobility in chain Traffic Management Solutions | Korner Egypt Civil Works Contractor | mobiNil Communication Networks | الاتصالات etisalat Communication Networks | vodafone Communication Networks |

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Sahl Hasheesh Bay



Construction Begins



Phase III Masterplan



The Main Gate



The Arrival Piazza



Sub-Development Projects

The Premier Le Reve Hotel, one of the "Top 100 Hotels in the World"



Old Town and the Beach



The Sunken City



The Pier

