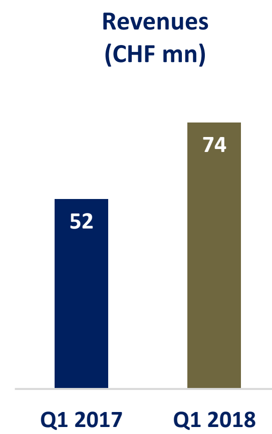
Earnings Release
Q1 2018

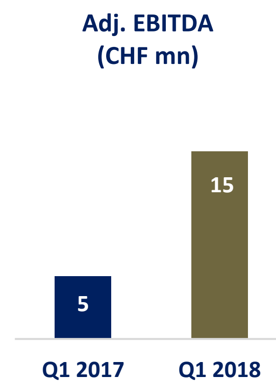
ODH (“Orascom Development Holding”) (SIX ODHN.SW), has released its consolidated financial results for its three months ended 31st March 2018.

Orascom Development Holding (ODH); Turnaround Strategy Bearing Its Fruits with Significant Increase on the Operational and Financial Level across all Segments. Revenues grew by 41.1% to CHF 74.1 million, Adjusted EBITDA Increased By 206.3% to CHF 14.7 Million And Losses Significantly Reduced By 59.2% To Reach Only CHF 5.1 Million.

- **Net real estate sales increased 2.5 times to CHF 39.8 million in Q1 2018.**
- **Hotels revenues increased by 30.5% to CHF 40.2 million and Gross Operating Profits (GOP) increased by 52.6% to CHF 17.7 million vs. CHF 11.6 million.**
- **Town Management revenues increased by 29.8% to CHF 7.4 million.**
- **Adjusted EBITDA significantly increased by 206.3% to reach CHF 14.7 million.**
- **Net losses were significantly reduced by 59.2% to reach CHF 5.1 million in Q1 2018 vs. CHF 12.5 million in Q1 2017.**
- **Orascom Development Egypt (ODE); the subsidiary, entered into a partnership with the Egyptian government to develop 1,000 feddan in West Cairo, marking our first foray into the first home market in Egypt.**
- **Successfully sold Citadel Azur Hotel and signed the sale of 3 hotels in Makadi, Red Sea, Egypt both for a total EV of CHF 98.5 million.**
- **ODE signed a contract for the sale of its stake in Tamweel Group at a total equity valuation of c. CHF 20.0 million.**



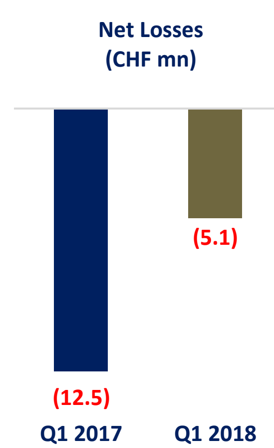
Altdorf, 6 June 2018 - Orascom Development Holding (ODH) starts the year with stronger results across all business segments, reaping the fruits of its successful turnaround strategy. Revenues increased by a 41.1% y-o-y to reach CHF 74.1 million in Q1 2018 vs. CHF 52.5 million in Q1 2017 and Adjusted EBITDA increased to CHF 14.7 million recording a 206.3% growth from CHF 4.8 million in Q1 2017. The increase in revenues was driven by the enhanced performance across all business segments and proves our consistent focus on operational excellence and strategy execution.



Net loss for the reporting period was substantially reduced by 59.2 % to CHF 5.1 million vs. a net loss of CHF 12.5 million in Q1 2017. This huge drop in losses is a positive indication that the Group is now poised on the right track for future profitability

A very positive quarter for our Hotels segment. Revenues increased by 30.5% to CHF 40.2 million in Q1 2018 with a 65.6% increase in the Adjusted EBITDA to CHF 15.4 million vs. CHF 9.3 million in Q1 2017.

Egypt’s tourism sector continued its growing momentum reflecting positively on our segment’s results. Tourism revenues increased by 83.3% in the Q1 2018 to US$ 2.2 billion. Hotels revenues increased by 30.5% to CHF 40.2 million vs. CHF 30.8 million in Q1 2017, accompanied by a significant boost in the segment’s Adjusted EBITDA with a 65.6% increase to reach CHF 15.4 million vs. CHF 9.3 million in Q1 2017.



In El Gouna, occupancy rates increased by 9.9% to reach 78% vs. 71% in Q1 2017 and TRevPAR increased by 42.5% to CHF 57 vs. CHF 40 in Q1 2017, supported by an increase in the room rates. El Gouna hotels revenues increased by 41.2% to CHF 13.7 million vs. CHF 9.7 million in Q1 2017 and the GOP surged 70.7% to reach CHF 7.0 million vs. CHF 4.1 million in Q1 2017. We are progressing with the renovation works across some of the hotels and we are currently studying the addition of more hotel rooms, which will result in a further boost in the segment’s profitability.

In line with the Group’s strategy of selling its non-core assets, we successfully sold Citadel Azur hotel in Sahl Hashish for an EV of CHF 49.5 million. This sale resulted in cash proceeds of c. CHF 31.7 million and the deconsolidation of c. CHF 17.8 million of debt. The hotel however still contributed positively to the segment’s revenues in Q1 2018, recording a 60% increase in TRevPAR to CHF 48 vs. CHF 30 in Q1 2017.

The new rooms addition in our Gulf hotels in Oman and UAE positively contributed to the segment's revenue and profitability during the quarter. Total hotel revenues from the region increased to CHF 21.9 million representing 54.5% out of a total segment revenue of CHF 40.2 million.

Hawana Salalah, Oman the Group's rising destination, continued its positive performance, with additional revenue contribution coming from the new 120 rooms added to Al Fanar and Rotana hotels. The successful European market penetration and the growing demand from the regional market also pushed revenues further to CHF 13.1 million vs. CHF 10.4 million in Q1 2017 and GOP increased by 46.3% to CHF 6.0 million vs. CHF 4.1 million in Q1 2017. Occupancy rates reached 97% and TRevPAR increased to CHF 160 vs. CHF 148 in Q1 2017.

In UAE, occupancy reached 79% in Q1 2018 and revenues increased by 19.1% to reach CHF 8.1 million vs. CHF 6.8 million in Q1 2017; and GOP also increased by 28.6% to reach CHF 3.6 million in Q1 2018.

Overall, the new hotel strategy catered to the different destinations continued to prove its successfulness boosting the segment's profitability levels.

Real estate segment records a boost in its operational and financial results in all destinations. Net sales more than doubled to CHF 39.8 million and revenues increased by 81.3% to reach CHF 22.3 million.

Our real estate segment started the year on a positive note recording a 150.3% increase in net sales to reach CHF 39.8 million in Q1 2018 vs. CHF 15.9 million in Q1 2017.

El Gouna, Egypt has continued its solid performance on the back of our consistent targeted sales and marketing activities. Net sales more than doubled to reach CHF 21.3 million vs. CHF 10.1 million. In January 2018, we released new inventory in "Tawila" for a total value of USD 44.1 million. The new phase includes town houses and apartments, of which we have sold USD 16.4 million to date. In April 2018, we launched a new real estate project called "Ancient Sands Villas" with a total inventory of USD 80.0 million. The launched phase total inventory is USD 22.7 million witnessing strong demand.

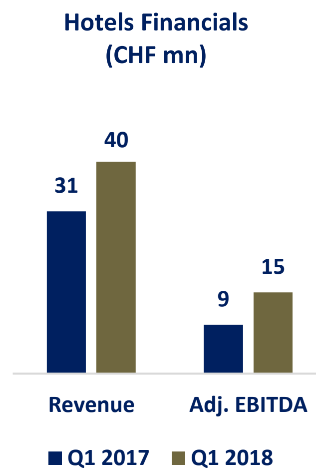
In Makadi Heights, Egypt we started an aggressive sales and marketing campaign to revive the destination and push back sales which is showing very positive momentum with numbers contributing to the Group sales in Q2 2018. The new phase was launched in April 2018 with a total inventory of CHF 11.1 million and have successfully sold and reserved more than 50% of the launched phase to date (c. CHF 5.5 million).

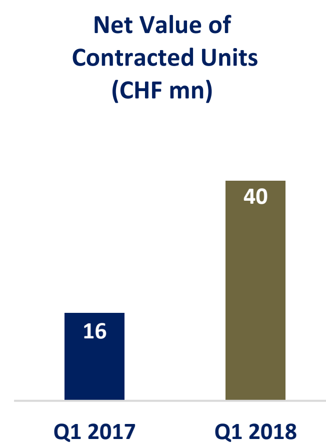
In Jebel Sifah, Oman, net sales increased by 55.5% to reach CHF 8.4 million in Q1 2018 vs. CHF 5.4 million in Q1 2017 on the back of the great success of phase 2 of the Golf Lake Residence launched in November 2017 with a total inventory of CHF 18.0 million.

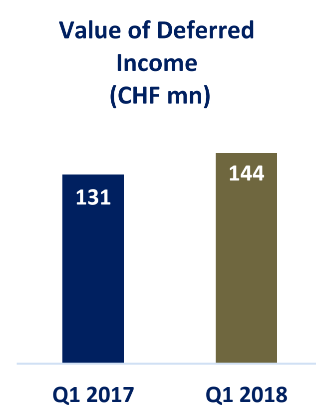
In Hawana Salalah, Oman, the new launch released in Q4 2017 continued to witness huge demand whereby net sales reached CHF 6.2 million in Q1 2018 compared to zero sales in the same period last year.

In Luštica Bay, Montenegro, the upcoming summer destination of the year we finalized the construction of the Chedi hotel which will hold its soft opening in July with bookings already in place. We will also launch the Marina with its 1,000-sqm retail outlets. We are progressing ahead with construction of "E" and "B" building clusters comprising 68 apartments due for delivery in 2018. Net sales in Luštica Bay also witnessed a noticeable boost to reach CHF 3.9 million in Q1 2018 compared to zero sales last year in Q1 2017.

Total real estate revenues increased by 81.3% to CHF 22.3 million vs. CHF 12.3 million in Q1 2017 on the back of unit deliveries in El Gouna, Jebal Sifah and Montenegro. Total deferred revenue from real estate that is yet to be recognized till 2021 increased by 11.8% to reach CHF 144.9 million vs. CHF 130.5 million in Q1 2017. It is also important to note in addition to the outstanding deferred revenue balance; the Group also has a deferred interest income of CHF 10.2 million.







With the increase in scale witnessed in our different destinations, along with presence of more activities and events, the results of our third revenue segment "Town Management» increased by 29.8% to CHF 7.4 million.

In El Gouna, we hosted the FIFA World Cup Trophy tour in March 2018, with more than 1,000 attendees including football stars, media celebrities and public figures. We also continued to host our successful yearly events; the International Open Squash Championship in April 2018 for men and women and El Gouna Polo event. We are also planning to hold our second edition of El Gouna Film Festival in September 2018. In Hawana Salalah, Oman, we organised in February 2018 a special Hawana Fiesta "Omani Night", the event featured a host of entertainment activities and was attended by more than 1,000 attendees. Also in January 2018, we opened Hawana Salalah Aqua Park, the first Aqua Park in Oman and is witnessing positive feedback from visitors. In Luštica Bay, Montenegro, we have several events lined up this summer with the launch of our hotel the Chedi Montenegro.

Outlook for FY 2018:

Corporate

We remain on track with finalizing all necessary documentation for the sale of our earlier communicated 3 hotels in Makadi for a total EV of CHF 49.0 million with cash proceeds of CHF 27.4 million and the deconsolidation of CHF 14.4 million of debt. We are also finalzing the necessary fillings for the sale of ODE's stake in Tamweel Group at a Equity valuation of CHF 20.0 million and will deconsolidate its debt of c. CHF 59.2 million. In paralel, we are holding advanced discussions and executing on our communicated plan with the banks to reduce the debt on ODE by c. CHF 56.0 million in 2018.

In line with the Group's strategy of enhancing its balance sheet and increasing the liquidity of the stock of its listed Egyptian subsidiary Orascom Development Egypt (ODE), ODH has successfully sold c. 18.2 million shares of ODE to a set of strategic investors. The proceeds of the sale of c. CHF 33.2 million will be used to finance the Group's expansion plans in Oman and Montenegro for the year.

Real Estate

In El Gouna, we are capitalizing on the great success of our launches and planning the launch of new product in December. In Makadi Heights, we are witnessing very strong momentum in the sales of our new launch, which will be reflected in our Q2 2018 results. Most importantly, we are finalizing the documentation for our revenue share agreement with the NUCA on the 1,000 feddan plot that was previously announced in West Cairo. We are also continuing to hold advanced discussions to acquire a land plot in North Coast, marking our first entrance into second home markets.

In Oman, construction on the Golf Lake project in Jebel Sifah commenced in 2017, with plans to deliver Phase I of the project in Q4 2018. We are also planning to launch new real estate projects in Q3 2018 in Sifah and Salalah. In Luštica Bay Montenegro, we are progressing with the construction of "E" and "B" building clusters comprising 68 apartments due for delivery in 2018 and early 2019; and over 1,000 sqm of marina retail due for delivery in summer 2018.

Hotels

In El Gouna, we are continuing with the renovation works across some of our hotels to further upgrade the destination's positioning. With demand recently picking up we are also considering the addition of more rooms to the existing hotels and possibly building a new hotel for the destination in 2018/2019. Capitalizing on the high demand and proven quick return on investment in the hotels business, we started the construction works for 176 new rooms in Al Fanar Hotel be finalized this year. In Montenegro, we are at the final stages of construction of the Chedi hotel and the Marina, holding its soft opening in July 2018.

Key Figures for the Q1 2018/17:

Revenue by Business Segment (CHFmn)	Q1 2018	Q1 2017
Hotels	40.2	30.8
Real Estate	22.3	12.3
Town Management	7.4	5.7
Tamweel Group	4.2	3.7
ODH Group	**74.1**	**52.5**

(CHFmn)	Q1 2018	Q1 2017
Revenue	**74.1**	**52.5**
Cost of sales	(52.2)	(39.5)
Gross profit	**21.9**	**13.0**
Gross profit margin	*29.5%*	*24.8%*
Investment income	2.1	0.9
Administrative expenses	(9.3)	(9.1)
Adj. EBITDA	**14.7**	**4.8**
Adj. EBITDA margin	*19.8%*	*9.1%*
Other gains	0.8	1.1
Share of associates losses	**(3.9)**	**(3.5)**
EBITDA	**11.6**	**2.4**
Depreciation	(5.4)	(6.0)
Finance costs	(9.0)	(7.9)
Income tax expense	(2.3)	(1.0)
Net Losses for the period	**(5.1)**	**(12.5)**
ODH shareholders	(7.2)	(13.2)
Non-controlling interest	2.1	0.7
Basic EPS (CHF)	**(0.18)**	**(0.33)**

(CHF mn)	31.03.18	31.12.17
Property, plant and equipment	716.5	765.1
Inventory	113.8	127.6
Receivables	111.5	107.0
Cash and bank balances	96.9	99.4
Investments in associates	56.4	60.8
Other assets	87.5	80.8
Non-current assets held for sale	159.5	107.0
Total assets	**1,342.1**	**1,347.7**
Borrowings	344.7	374.7
Payables	49.8	51.0
Provisions	65.0	65.6
Other Liabilities	219.1	210.4
Liabilities related to assets held for sale	105.9	84.4
Total liabilities	**784.5**	**786.1**
Non-controlling interests	151.3	149.1
Equity attributable to ODE shareholders	406.3	412.5
Total liabilities and equity	**1,342.1**	**1,347.7**

Presentation:

The associated financial statements and presentation can be found under the IR section of Orascom Developments' website under the following links:

http://www.orascomdh.com/investor-relations
http://www.orascomdh.com/investor-relations/financial-information/2018

Telephone conference today at 3:00 pm CET (Zurich Time):

Orascom Development invites you to its FY 2017 results conference call on 6 June 2018 at 3:00 pm CET (Zurich Time). The call will start by a presentation from the CEO Khaled Bichara and the CFO Ashraf Nessim, followed by a Q&A session. A registration is not required.

- Conference password: 1582888
- International: +44 (0) 1452 555 566
- Switzerland Toll Free: 0800 828 006
- Switzerland Local Number: 0565 800 007
- Egypt Toll Free: 0800 000 0318
- UK Toll Free: 0800 694 0257
- US Toll Free: 1866 966 9439

A replay of the conference call will be available for two weeks with the following dial in details:

- Access Code: # 1582888
- International: +44 (0) 1452 55 00 00
- Switzerland Local Number: 044 5803 456
- UK National: 08009531533
- US Toll Free: 1866 247 4222
- Available until 20 June 2018

About Orascom Development Holding AG:

Orascom Development is a leading developer of fully integrated destinations that include hotels, private villas and apartments, leisure facilities such as golf courses, marinas and supporting infrastructure. Orascom Development's diversified portfolio of destinations is spread over seven jurisdictions (Egypt, UAE, Oman, Switzerland, Morocco, Montenegro and United Kingdom), with primary focus on touristic destinations. The Group currently operates ten destinations; five in Egypt (El Gouna, Taba Heights, Fayoum Makadi, and Harram City), The Cove in the United Arab Emirates, Jebel Sifah and Hawana Salalah in Oman, Luštica Bay in Montenegro and Andermatt in Switzerland.

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