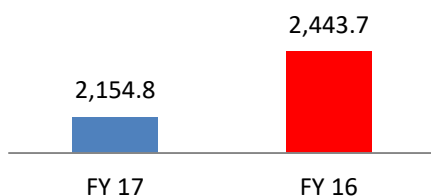


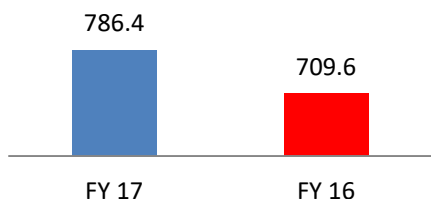
## Amer Group to announce its FY-2017 consolidated results with a gross profit of 36.5% YoY.

AMER.CA and AMGR  
On the Egyptian Exchange and on LSE

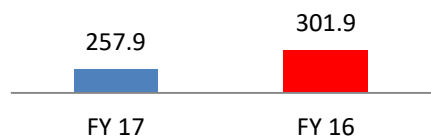
Amer Group Revenues (FY17 vs FY16, EGP mn)



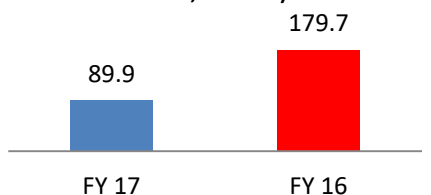
Amer Group Gross Profit (FY17 vs FY16, EGP mn)



Amer Group Operating Profit (FY17 vs FY16, EGP mn)



Amer Group Net Profit (FY17 vs FY16, EGP mn)



### FY-2017 Highlights

- **FY-2017 Revenues** reached EGP 2,155 Million compared to EGP 2,444 Million in FY-2016. The decrease in revenue is primarily related to the decrease in the hotel and PVC revenues.
- **Gross Profit** reached EGP 786 Million, with a Gross Profit Margin of 36.5%.
- **Net Profit after Taxes and Minority Interest** reached EGP 89.9 Million, with a Net Profit Margin of 4.2%.
- **Total Assets** reached EGP 5,661 Million, almost flat when compared to December 31, 2016.
- **Bank Balances & Cash** amounted to EGP 755 Million compared to EGP 893 Million in December 31, 2016.
- **Total debt** decreased 21% to reach EGP 348 Million vs. EGP 439 Million in December 31, 2016.
- **Land liability** increased from EGP 37.3 Million in December 31, 2016 to EGP 93 Million in December 31, 2017
- **Debt-to-equity ratio** recorded 0.19x in FY-2017 vs. 0.24x in December 31, 2016.

Amer Group (AMER, CA on EGX and AMGR on LSE), the Master regional developer of large-scale, mixed-use-family-oriented communities, has released its unaudited consolidated financial results for the financial period ending December 31, 2017 recording EGP 2,155 Million consolidated revenues. We have also achieved a net profit of EGP 89.9 Million.

Bank Balances & Cash on the Balance Sheet reached EGP 755 Million in December 31, 2017 while total debt decreased to EGP 348 Million with a debt-to-equity ratio of 0.19x, a ratio that highlights the Group's robust and highly liquid financial position. Amer Group continues to ensure highest margin of safety to its shareholders by following a conservative debt policy even through periods of growth.

Amer Group is currently diversifying its exposure across different segments, focusing on generating recurring revenues through the operations of ongoing business in various sectors including Real Estate investment, Malls, Restaurants and Hotels & Vacations. It has also explored new business opportunities in complimentary fields and new other investments.

## Financial Performance

Managements' analysis of the Group's financial and operational performance follows, while Amer Group's full consolidated financial statements for FY-2017 are presently available for download at [www.amer-group.com](http://www.amer-group.com).

### EGP MN

INCOME STATEMENT HIGHLIGHTS	FY-2017	FY-2016	Change
REVENUES	2,154.8	2,443.7	-12%
COST OF REVENUES	(1,368.4)	(1,734.1)	-21%
GROSS PROFIT	786.4	709.6	11%
GROSS PROFIT MARGIN	36.5%	29.0%	26%
OPERATING PROFIT	257.9	301.9	-13%
OPERATING PROFIT MARGIN	12.0%	12.4%	-1%
NET PROFIT AFTER TAX & MINORITY	89.9	179.7	-45%
NET PROFIT MARGIN	4.2%	7.4%	-38%
<b>BALANCE SHEET HIGHLIGHTS</b>			
TOTAL ASSETS	5,661.3	5,891.1	-4%
CASH	755.4	893.1	-15%
DEBT	348.2	439.3	-21%
EQUITY	1,803.5	1,801.0	1%
NET DEBT	(407.2)	(453.8)	-10%
DEBT/EQUITY	0.19	0.24	-0.052
<b>CASHFLOW STATEMENT</b>			
NET CASHFLOW OPERATING	(61.7)	386.3	
NET CASHFLOW INVESTMENT	119.4	195.3	
NET CASHFLOW FINANCE	(263.6)	(286.7)	

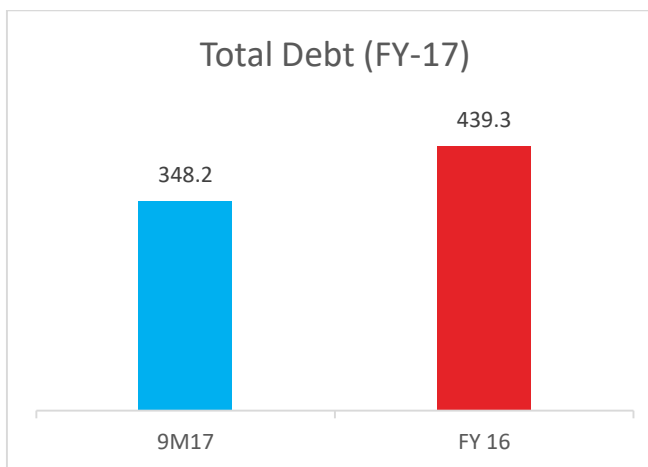
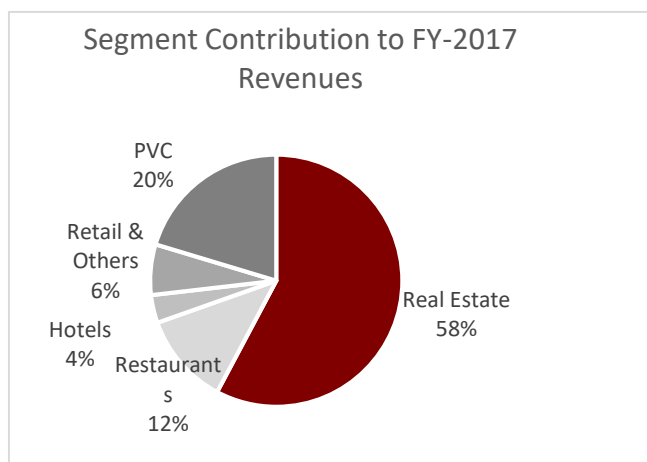
Amer Group FY-2017 Revenues amounted to EGP 2,155 Million compared to EGP 2,444 Million in FY-2016. It is worth noting that the real estate division continues to represent the largest portion of revenues accounting for 60% of total revenues, Porto Vacation Club (PVC) 21%, the Restaurant Division contributed to 12%, the Hotels Division 4%, and the remaining percentage from other activities.

Gross Profit reached EGP 786 Million in FY-2017 vs. EGP 710 Million in FY-2016, an increase of 11% on a YoY basis. The Gross Profit Margin reached 36.5% compared to Gross Profit Margin of 29.0% in FY-2016. Cost of revenues in FY-2017 reached EGP 1,368.4 Million with cost margin of 63.5% vs. 71.0% in FY-2016.

Net Profit after Taxes and Minority Interest for FY-2017 recorded EGP 93 Million compared to EGP 184.5 Million in FY-2016, a decrease of 49.6% YoY driven by Finance Cost increase (from EGP 115 Million in FY-2016 to EGP 158 Million in FY-2017), in addition to the decrease of revenue from PVC segment in addition to the increase in Selling and Marketing Expenses.

Total Equity in FY-2017 reached EGP 1,803.5 Million compared to EGP 1,800.9 Million in December 31, 2016.

Land liability in FY-2017 registered an increase of EGP 56 Million on top of the existing EGP 37 Million, which makes a total Land Liability of EGP 93 Million in FY-2017. The increase in Land Liability was due to additional costs to be paid by Amer Group to Matrouh Governorate for the extension of the BUA in Golf Porto Marina as requested by Amer Group.



\*\*Malls Revenues are registered under Other Income

## **Segment Analysis: Real Estate Investment (60% of total FY-2017 Revenues)**

The Real Estate segment is an integral part amongst Amer Group various Lines of Business. Though it is no longer a real estate developing vehicle but rather a real estate investment and urban development arm, it plans to generate high quality of projected revenue streams. The Real Estate market remains strong in Egypt where demand is high amid shortage of property and where Egyptian buyers favor real estate asset investment as a hedge against current economic environment.

Amer Group principally builds its two-year projections for the real estate division on three main revenue streams: (i) delivering its current backlog that reached EGP 1,970 Million as of December 31, 2017; (ii) selling the inventory that exists in its developments, which recorded as of December 31, 2017 a total of 567 units; and (iii) concluding revenue sharing agreements with third parties in its capacity as Master Developer.

Amer Group recorded EGP 1,245 Million as Real Estate revenues for FY-2017 compared to EGP 1,255 Million registered in FY-2016 following the delivery of 1,256 units in December 31, 2017.

Management achieved new Real Estate sales of 530 units in FY-2017 with Real Estate sales amount of EGP 847 Million in FY-2017, which is in line with the adopted strategy to move toward Real Estate investment rather than regular Real Estate sales.

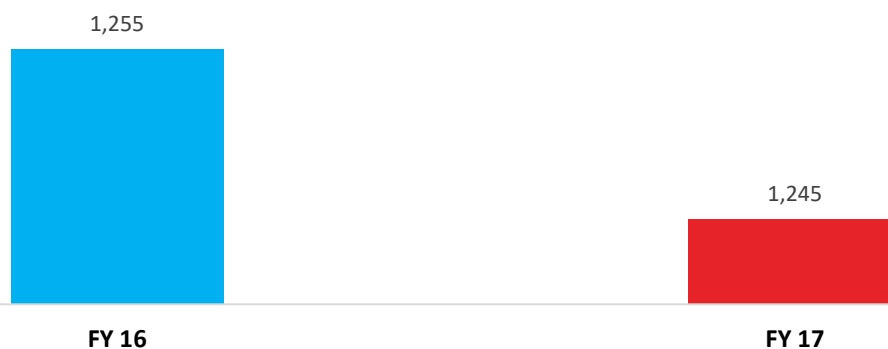
The Group has previously secured revenue share agreements with Porto Group. The agreements encompass the developing of 570 K Sqm, both residential and commercial units in Porto Matrouh (phase 2), Golf Porto Marina (Phase 4), and Golf Porto Sokhna (Phase 4) based on a revenue share agreement equivalent to 20% for each of the three projects.

Amer Group continues to explore a variety of Land parcels in order to secure excellent Land opportunities that will be added to its existing Land Bank, which has reached a total of 5.5 Million Sqm (out of which 2 Million Sqm are un-developed land). We have made good progress on this matter and we are in the process of finalizing a strong pipeline of longer-term strategic lands.

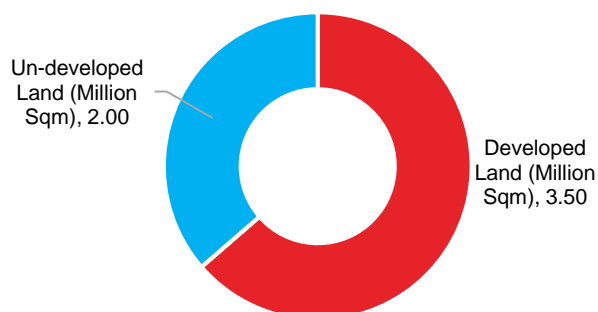
**Real Estate LoB**

Item	Units	FY-2016	FY-2017	Change
Total Number of Units	#	16,901	17,423	3%
Units sold	#	587	530	-10%
Units delivered	#	1,977	1,256	36%
Revenues Recognized	EGP mn	1,255	1,245	-1%
Operating Profit	EGP mn	135	229	74%
Operating Profit Margin	%	11%	18%	

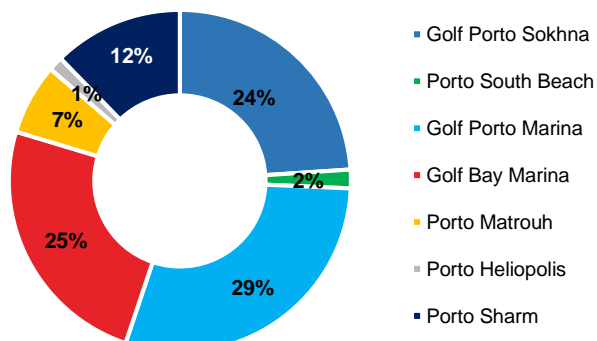
Revenues Recognized FY-2017 (EGP million)



**Amer Group Land Bank**



**Un-developed Land Geographic Distribution**



## Segment Analysis: Restaurants (12% of total FY-2017 Revenues)

Amer Group owns and operates family-friendly restaurants under both licensed global and regional brand names and its owned proprietary brands.

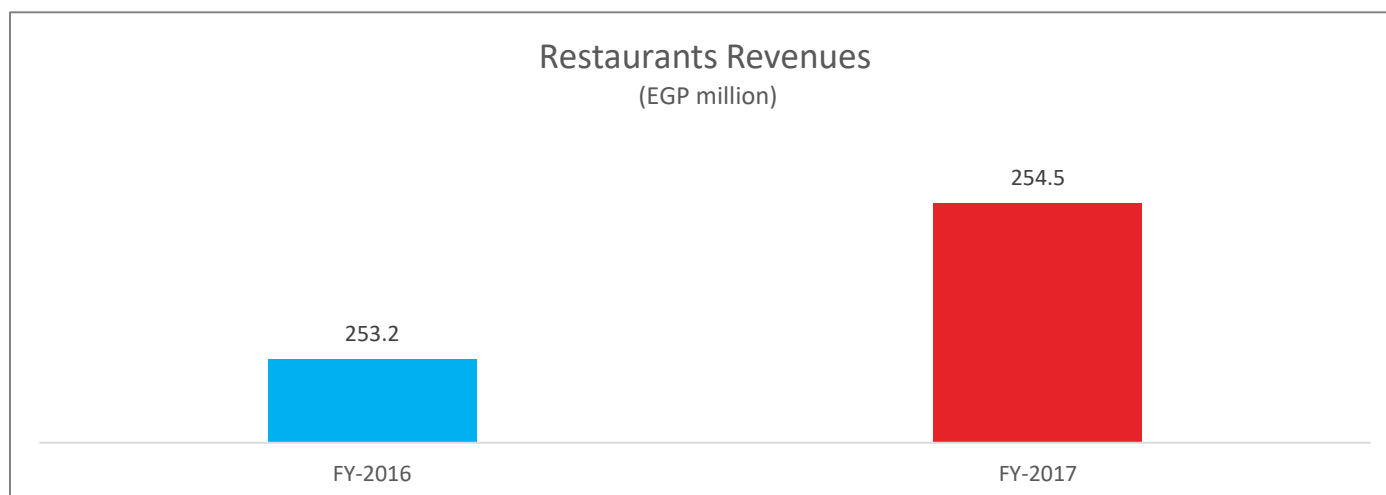
### Restaurants LoB

Item	Units	FY-2016	FY-2017	Change
Operational Restaurants	#	57	46	-19%
Total Available Seats	#	7,413	7,071	-5%
Average Spend per Cover	EGP	172	223	30%
Segment Revenues	EGP mn	253.2	254.5	1%
Operating Profit	EGP mn	-20.3	-16.0	-21%
Operating Profit Margin	%	-	-	

Amer Group Restaurant Segment registered a slight YoY increase of 1% in FY-2017 revenues recording EGP 254.5 Million compared to EGP 253.2 Million in FY-2016.

Operating profit loss recorded EGP 16.0 Million in FY-2017 compared to a loss of EGP 20.3 Million in FY-2016 due to the lower revenues coupled with the hike in the restructuring and operating costs.

A new restaurants chain “Mama” has been added to the group's chain of restaurants. The new chain belongs to the new restaurants’ management company, one of the group’s subsidiaries.



## Segment Analysis: Hotels (4% of total FY-2017 Revenues)

Amer Group owns 6 Hotels scattered across its developments. The Group concluded an agreement with Accor Hotels to manage properties in Porto Sokhna and Porto Marina. The Group is in the process of concluding new agreements to manage other new properties in Porto Matrouh Beach Resort and Porto South Beach.

Hotels LoB				
Item	Units	FY-2016	FY-2017	Change
Available Rooms	room nights	132,133	44,810	-66%
Room Revenue	EGP mn	95.75	50.13	-48%
Food Revenue	EGP mn	38.85	23.15	-40%
Other Revenue	EGP mn	19.89	3.96	-80%
Total Revenue	EGP mn	154.5	77.2	-50%
Operating Profit	EGP mn	13.4	-12.5	-
Operating Profit Margin	%	9%	-	

In FY-2017, revenues for the Hotels segment recorded EGP 77.2 Million vs. EGP 154.5 Million.

The Operating result for the period recorded a loss amounted to EGP 12.5 Million compared to a profit of EGP 13.4 Million in FY-2016.



## Segment Analysis: Porto Vacation Club - PVC (21% of total FY-2017 Revenues)

Amer Group views Porto Vacation Club (PVC) as an important driver of high margins revenues. PVC enables customers to share ownership and use of fully-furnished vacation accommodations, which gives the purchaser a right to use a property for a specific period of time. For many purchasers, vacation ownership is an attractive alternative rather than owning a second-home or resorting to regular hotel accommodation.

PVC				
Item	Unit	FY-2016	FY-2017	Difference
Revenues	EGP mn	616.6	271.4	-56%
Net Profit	EGP mn	174.0	45.2	-74%
Net Profit Margin		28%	17%	

We generate most of our revenues from three primary sources: (i) selling vacation ownership products, which is the core business of PVC segment; (ii) the collection of maintenance fee for managing our resorts and; (iii) the collection of service fee for renting vacation inventory on behalf of the PVC members.

As of December 31, 2017, the PVC memberships reached a total of **22,848**. According to the agreed accounting standards (Accounting Standard No. 11 from the EAS), Amer Group has started to record revenues for PVC segment in 2015. The Group has recorded EGP 271.4 Million in FY-2017.

The future continues to be bright with opportunities that complement our commitment for growth. We recently announced plans for new destinations (Porto Marina – North Coast) that would also include new on-site sales locations.



## Segment Analysis: Malls

Amer Group's Malls division operates six malls in four locations around Egypt, including Porto Marina Mall, Golf Marina Mall, Porto Matrouh, Mega Mall, Sky Mall and Waterfront Mall. The division produces revenues primarily through the renting of commercial units.

<b>Malls LoB</b>				
<b>Item</b>	<b>Units</b>	<b>FY-2016</b>	<b>FY-2017</b>	<b>Change</b>
<b>Gross Leasable Area (GLA)</b>	sqm	46,602	59,223	27%
<b>Aveg. Occupancy Rate</b>	%	50%	44%	-
<b>Revenues**</b>	EGP mn	30.7	50.1	63%
<b>Operating Profit</b>	EGP mn	8.9	12.8	44%
<b>Operating Profit Margin</b>	%	29%	26%	

*\*\* Revenues for the Mall Segment were registered under Other Income in 1H-2017 Financial Statement*

As of 1H-2017, Amer Group has adopted a new financial instrument registering the revenues of the Malls segment under Other Income. The Malls Segment's Revenues recorded EGP 50.1 Million in FY-2017 compared to EGP 30.7 Million in FY-2016. The Operating result recorded a profit of EGP 12.8 Million compared to a profit amounted to EGP 8.9 Million in FY-2016.



## Amer Group Balance Sheet for FY-2017

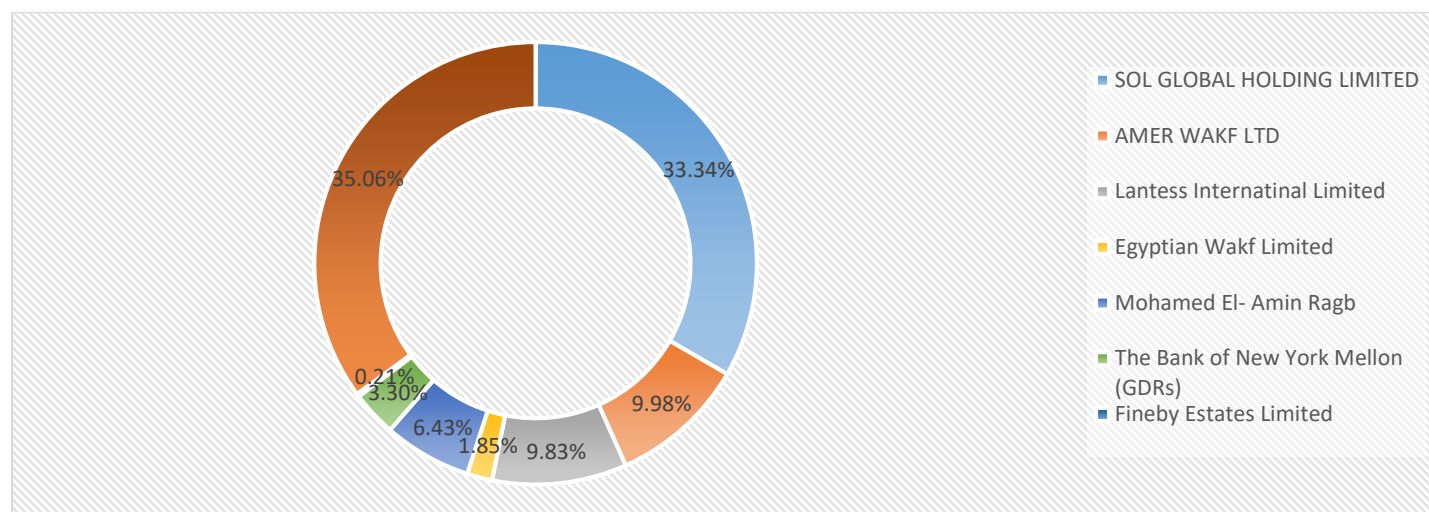
Item (EGP)	31-DEC-17	31-DEC-16
<b><u>Non-current Assets</u></b>		
Fixed Assets	703,909,029	854,706,543
Projects Under Construction	57,530,071	104,838,887
Investment Property Assets	219,245,929	293,087,888
Intangible Assets	141,313	141,313
Investments in Associates	-	5,001,000
Down Payment for Purchase of Investments in Companies	5,001,000	34,550,752
Restricted Deposits due to Units Owners	671,204,374	653,495,849
<b>Total Non-current Assets</b>	<b>1,657,031,716</b>	<b>1,945,822,232</b>
<b><u>Current Assets</u></b>		
Development Properties	2,306,887,273	2,446,179,568
Inventories	26,557,726	21,879,139
Accounts & Notes Receivables	536,118,172	269,459,045
Prepayments & Other Receivables	379,289,998	314,694,650
Bank Balances & Cash	755,384,589	893,057,958
<b>Total Current Assets</b>	<b>4,004,237,758</b>	<b>3,945,270,360</b>
<b>Total Assets</b>	<b>5,661,269,474</b>	<b>5,891,092,592</b>
<b><u>Current Liabilities</u></b>		
Provisions	6,002,379	3,045,926
Bank Overdrafts	42,323,457	38,410,342
Land Purchase Liability	42,299,022	37,410,342
Advances from Customers	1,373,857,173	1,620,510,942
Accounts & Notes Payable	441,002,787	478,758,431
Term Loans	46,945,417	68,328,884
Income Tax Payable	23,648,410	23,801,418
Accrued Expenses & Other Payables	858,139,533	791,393,469
<b>Total Current Liabilities</b>	<b>2,834,218,178</b>	<b>3,061,615,432</b>
<b>Working Capital</b>	<b>1,170,019,580</b>	<b>883,654,928</b>
<b>Total Invested Funds</b>	<b>2,827,051,296</b>	<b>2,829,477,160</b>
<b>Financed as Follows:</b>		
<b><u>Equity</u></b>		
Share Capital	1,003,099,822	911,908,929

Translation of Foreign Entity	238,983,361	246,542,676
Legal Reserve	50,733,848	50,733,848
General Reserve	12,055,859	12,055,859
Other Reserves	7,976,113	7,976,113
Retained Earnings	483,561,791	551,676,535
Minority Interest	7,122,856	20,077,961
Total Equity	1,803,533,650	1,800,971,921
<b><u>Non-current Liabilities</u></b>		
Term Loans	258,950,260	332,519,795
Land Purchase Liability	50,655,446	-
Deposits due to Units Owners	671,204,374	653,495,849
Notes Payable	-	1,643,000
Deferred Tax Liability	42,707,566	40,846,595
Total Non-current Liabilities	1,023,517,646	1,028,505,239
Total Equity & Long Term Liabilities	2,827,051,296	2,829,477,160

## Amer Group Income Statement for FY-2017

Item (EGP)	FY-2017	FY-2016	Change
Revenue	2,154,773,832	2,443,731,220	-12%
Cost of Revenue	(1,368,415,694)	(1,734,098,263)	-21%
Gross Profit	<b>786,358,138</b>	<b>709,632,957</b>	11%
Selling and Marketing Exp	(225,438,453)	(126,672,398)	78%
General and Admin Exp	(268,127,839)	(265,122,112)	1%
Other Income	161,387,987	108,109,659	49%
Other Operating Exp	(196,248,272)	(124,037,065)	58.2%
Operating Profit	<b>257,931,561</b>	<b>301,911,041</b>	-15%
Finance Cost	(203,816,579)	(115,084,633)	77%
FX Gain (Loss)	64,305,553	47,125,140	36%
Profit for the Year Before Tax	<b>118,420,535</b>	<b>233,951,548</b>	-49%
Income Tax	(25,443,042)	(49,498,295)	-49%
Profit for the Year	<b>92,977,493</b>	<b>184,453,253</b>	-49.6%

## Shareholders Structure FY-2017



### Riad Refaat

Chief Financial Officer

[Riad.refaat@amer-group.com](mailto:Riad.refaat@amer-group.com)

### Ola Tayel

Investor Relations Director

[ola.tayel@amer-group.com](mailto:ola.tayel@amer-group.com)

## About Amer Group

Established in 2007, Amer Group is the Middle East and North Africa's leading developer of large-scale mixed-use family-friendly destinations that combine upscale residential, retail and office space in addition to world-class restaurants. Amer Group operates across four primary interlinked lines of business, including Real Estate, Mall, Restaurants and Hotels; other wholly-owned Amer subsidiaries offer facilities management, sales and vacation club services, among others, to Amer developments. Listed on the Egyptian Exchange (EGX) under the symbol AMER.CA, Amer Group is headquartered in Cairo, The company takes pride in developing new communities; creating jobs; and embracing family values at all of its developments. In 2008, the lead shareholders donated 33% of its shares to an Egyptian endowment to support funding for charity projects. The endowment's shareholding following the company's IPO stands currently at 11%; all returns support charities as part of the Group's mission to support social investing. Learn more about our Group and our projects at [amer-Group.com](http://amer-Group.com).

## Disclaimer

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Amer Group. Such statements involve known and unknown risks, uncertainties and other factors; undue reliance should not be placed thereon. Certain information contained herein constitutes "targets" or "forward-looking statements" which can be identified by the use of forward-looking terminology such as "may", "will", "seek", "should", "expect", "anticipate", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of Amer Group may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of Amer Group is subject to risks and uncertainties.