

## Alandalus Property reports 24% increase in Net Profit to SAR 15.1 million for Q2 2019

**Riyadh, Saudi Arabia – 07 August 2019:** Alandalus Property (the “Company”) (Tadawul: 4320) - a pioneering real estate company involved in the investment, development and operation of income-generating properties across the Kingdom of Saudi Arabia - today announced its consolidated interim financial results for the period ended 30 June 2019.

Net profit in Q2 2019 was SAR 15.1 million, a 24% increase from SAR 12.2 million in Q2 2018, primarily attributable to increases in share of income from associates and decreases in finance costs and Zakat provision. Net profit in H1 2019 grew to SAR 35.4 million, an 8.3% increase from SAR 32.7 million in H1 2018.

The Company’s Q2 2019 revenue grew by 3% to SAR 42.3 million, compared to SAR 41.3 million in Q2 2018. With the launch of Al Marwa Center at the end of March 2019, revenue for the quarter was positively impacted by an uptick in the company’s retail segment despite discounts extended to numerous tenants. H1 2019 revenue remained relatively flat at SAR 82.3 million, compared to SAR 82.1 million in H1 2018 notwithstanding a slight drop in revenues from the Company’s hospitality segment.

Gross profit in Q2 and H1 2019 was SAR 23.6 million and SAR 47.2 million respectively, versus SAR 24.1 million and SAR 48.9 million from the same period last year. The decrease is due to higher operating costs associated with the launch of Al Marwa Center.

The Company reported operating profit of SAR 25.4 million in Q2 2019, a 13% jump from SAR 22.5 million in Q2 2018. H1 2019 operating profit grew 6.2% to SAR 54.5 million, compared to SAR 51.3 million for the same period of 2018. This was driven by the Company’s prudent management of General & Administration expenses and from increases in the share of income from associates and in other revenue.

***Commenting on the results, Mr. Fawaz bin Huwail, Chief Financial Officer, said: “Our latest financial results continue to show steady growth; we’ve witnessed a substantial increase in our operating profit as a result of the successful expansion of our retail segment and our careful management of G&A expenses. Despite a slight drop this quarter in our hospitality business, the Company’s net profit grew significantly as we also continue to enjoy healthy returns from our investments in associates.”***

Alandalus Property continues to make significant investments in two of its largest malls, Alandalus Mall and Hayat Mall, with the goal of reimagining customer engagement and ultimately enhancing visitor experiences. At Alandalus Mall work is underway to build one of largest cinema complexes in Saudi Arabia, in partnership with Empire Cinemas. The project is set to open in Q1 2020.

Within the healthcare sector, which the Company entered to further diversify its activities, Alandalus Property is developing a new hospital called West Jeddah Hospital near its flagship Alandalus Mall - in a joint venture with the esteemed Dr. Sulaiman Al-Habib Medical Group - and due to open in Q2 2022.

**Mr. Hathal Al Utaibi, Chief Executive Officer of Alandalus Property,** said: *“Strong demand for Alandalus Property’s retail offerings continues to drive steady growth across our business portfolio leading to another robust financial performance. As evidenced by the recent launch of Al Marwa Centre and the continuous enhancements being made to our existing portfolio, we remain committed to creating commercial destinations that effectively engage our diverse consumer base. I am confident that our strong brand, strategic partnerships, differentiated offerings and consumer-centric approach will continue to enhance our competitive positioning across the Saudi market for years to come.”*

- Ends -

**About Alandalus Property:**

Established in 2006, Alandalus Property (TADAWUL: 4320), is a Saudi Arabian real estate company involved in the investment, development and operation of income-generating commercial properties across the Kingdom of Saudi Arabia.

In late 2015, Alandalus became the first mall investor, developer, and operator in Saudi Arabia to be listed on Tadawul and today the Company’s business portfolio spans shopping malls, property management, hospitality, healthcare and other complementary mixed-use developments. The company’s property portfolio extends across major Saudi Arabian cities, covering a significant amount of commercial space generating high occupancy rates.

Alandalus looks to develop diversified, high-quality properties that foster loyalty, visit frequency and long-term economic value, whilst establishing the company as the preferred third place destination, after home and work.

For more details on Alandalus Property, please visit <http://www.alandalus.com.sa>

**For further information, contact:**

**Alandalus Property**

Abdulrahman Al Shaya

Phone: +966 11 4700735 Ext. 800

Email: [alshaye@alandalus.com.sa](mailto:alshaye@alandalus.com.sa)

**Brunswick Group**

Jamil Fahmy

Phone: +971 569940847

Email [jfahmy@brunswickgroup.com](mailto:jfahmy@brunswickgroup.com)