Egypt Kuwait Holding Co. Releases Q3 2017 Earnings Results

EKH delivers over a threefold increase in bottom-line and attributable net income driven by improved operational performance and despite currency devaluation

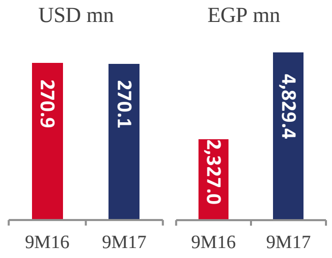
Key Highlights of Q3 2017

USD 86.5 mn in Revenues	USD 24.8 mn in Gross Profit	29% Gross Profit Margin	USD 19.2 mn in Operating Income
22% Operating Margin	USD 18.2 mn Attributable EBITDA	USD 41.7 mn in Net Income	USD 37.3 mn in Attributable Net Income

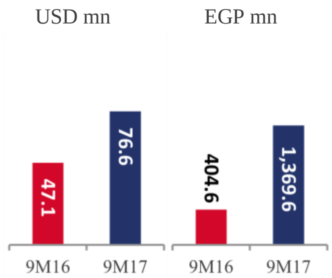
Key Highlights of 9M 2017

USD 270.1 mn in Revenues	USD 84.6 mn in Gross Profit	31% Gross Profit Margin	USD 67.4 mn in Operating Income
25% Operating Margin	USD 60.5 mn Attributable EBITDA	USD 90.6 mn in Net Income	USD 76.6 mn in Attributable Net Income

Group Revenue



Attributable Net Income



15 November 2017 | Cairo | Egypt Kuwait Holding Company (EKHO.CA on the Egyptian Exchange and EKHOLDING on the Kuwaiti Exchange), one of the MENA region's leading investment companies, reported today its consolidated results for the third quarter of 2017.

Attributable Net Income recorded significant growth in Q3 2017, closing the three-month period up 209% y-o-y at USD 37.3 million on Revenues of USD 86.5 million, up 13% y-o-y, and yielding a margin of 43% versus the 16% recorded in the same period last year. Margin expansion came as the company divested from the Egyptian Hydrocarbons Company (EHC) during the period, realizing a capital gain of USD 18.3 million in Q3 2017. Factoring out this one-time gain, Attributable Net Income margin would still record a seven-point expansion to 22% for Q3 2017, reflecting EKH's prudent strategies and management's tight rein on operational costs.

On a nine-months basis, EKH reported revenues of USD 270.1 million in 9M 2017, remaining somewhat flat compared to the same period last year. Muted revenue performance year-to-date comes on the back of the translation of underlying company financials into US dollars from Egyptian pounds. Nevertheless, EKH was successful in extracting higher value from operations during the nine-month period, reporting Attributable Net Income of USD 76.6 million in 9M 2017, up 63% y-o-y, and with an 11-point margin expansion to 28%. Factoring out the one-time divestment gain, Attributable Net Income would have recorded a 26% y-o-y increase and a five-point margin expansion to 22% in 9M 2017.

Comments from the Chairman, Mr. Moataz Al-Alfi

As we approach the final months of what was a turbulent 2017, I can proudly say that EKH has weathered the storm in an exceptional manner. Thanks to our prudent investment strategy and agile business model, we were able to restructure our portfolio and ideally position EKH to capitalize on every opportunity arising from the Egyptian government's ambitious economic reform program.

Our performance speaks for itself. In 2016 we doubled our previous year's bottom-line even as factors beyond our control weighed down on some of our portfolio companies. Then again in 2017 we continue to deliver value to shareholders in US Dollar terms at a time when businesses across Egypt are grappling with the realities of a 50% currency devaluation. These results did not come by chance but instead reflect our investment choices, success in executing growth initiatives and effective cost controls.

In Q3 2017 we made new headway in our efforts to streamline our portfolio by divesting from legacy businesses and affording our balance additional strength and liquidity that will usher in a new growth phase and continued value creation. The quarter just ended saw us complete divestments in excess of USD 200 million, most notable of which include the Egyptian Hydrocarbons Company (USD 65 million) and iSquared (USD 60 million to be reflected in Q4 2017). We have also funneled proceeds from share sell-downs in non-operational platform to the reduction of our debt exposure in the tune of USD 75 million. In parallel the quarter just ended saw us expand our equity base by USD 25 million.

Our restructuring efforts over the past two years speak truth to EKH’s core thesis as an investment company. As we shed off legacy assets and work to deliver a more focused and lean operation, we are effectively gearing up to capture new opportunities on the horizon. EKH is constantly on the lookout for in-the-money investments that have the right risk-return profile, and that can propel us forward on our growth trajectory as we seek to deliver long-term sustainable value.

To that end, recent developments in our natural gas play, Offshore North Sinai (ONS), leave me optimistic about its prospects and potential for generating incremental returns. Following a temporary hiatus owing to contractual hiccups, this 100% EKH-owned subsidiary is now tapping into P1 reserves in the tune of c.400 billion cubic feet (bcf), 112 bcf of which are already developed and in production. Clear gas pricing agreements reached with the Egyptian General Petroleum Corporation and the Ministry of Petroleum will see this investment add c.USD 200 million to our top-line at a 50% margin over the next four years once we begin consolidating ONS at the turn of next year. In parallel, we will continue to direct investments to further exploration and seismic surveys, leveraging our set price floors and the less volatile nature of the natural gas market to earmark accurate CAPEX outlays.

Meanwhile we continue to push forward with other growth initiatives across our portfolio that target import substitute plays, export-driven businesses and power distribution and generation assets all of which are capitalizing on the prevailing macroeconomic themes.

At Sprea Misr we have completed the acquisition of an adjacent 60 thousand sqm plot of land that gives us the space to expand manufacturing capacities of existing products; allow for diversification into complementary businesses; and see this import substitute play and cost-competitive exporter fully capitalize on its potential.

Management is also increasingly confident that natural gas shortages that plagued AlexFert in previous years are behind us. With the recently approved natural gas act, which effectively opens the market to the private sector, the company will have more sources and better prices for its primary feedstock. Uninterrupted feedstock along with a favorable momentum in global urea prices will see this export-driven business maximize returns.

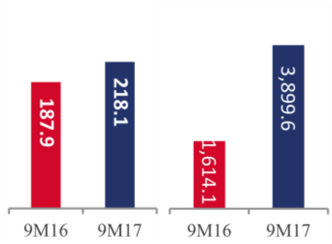
Finally, EKH’s power distribution and generation platform NatEnergy is also set to benefit from increasing energy deregulation and the phase-out of energy subsidies. NatEnergy subsidiary NatGas commands a solid reputation for quality and efficiency that will see it capture the upside of shifting household economics in favor of connection to the national grid. Meanwhile, the recently concluded pricing agreement for government-contracted grid connections will allow us to resume these subsidized installations and drive higher volumes as we seek to grow and defend market share. I am also pleased to announce the completion of capacity expansions at Kahraba that now brings us to 70 MW at a time when electricity prices are on the rise, and as we received approval to serve both households and commercial clients.

As the Egyptian economy reaches an inflection point, we are heading into 2018 with the right strategies, prudent management and an investment portfolio that is poised to benefit at every turn. We have repeatedly demonstrated our ability to deploy resources in an efficient and profitable manner and we look forward to building on that reputation as we seek to continue creating sustainable value to our shareholders.

81%
of Group Revenues
in 9M 2017

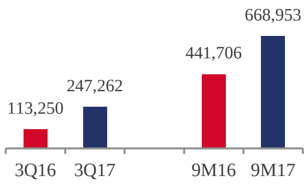
Revenues

USD mn EGP mn



Total Fertilizer Sales

(Tons)



Fertilizers & Petrochemicals

EKH has investments in two operational companies in the Fertilizer & Petrochemical Segment: Alexandria Fertilizers Company (AlexFert) and Sprea Misr for Production of Chemicals & Plastics Company. The company's Fertilizer & Petrochemical investments encompass products ranging from urea, ammonium nitrate and melamine to formaldehyde and liquid and powder glue. With more than 10 years of nitrogen fertilizer operational expertise, EKH has targeted investments with access to key export markets including the United States and Europe, diverse products across several industries and strong cash-flow generating businesses.

Fertilizers & Petrochemicals

in US$ mn unless otherwise indicated	Q3 2016	Q3 2017	% Change	9M 2016	9M 2017	% Change
Revenues	53.5	70.2	*31%*	*187.9*	*218.1*	*16%*
Gross Profit Margin	*22%*	*23%*	*1 ppt*	*23%*	*26%*	*3 ppt*
EBITDA Margin	*28%*	*28%*	*-*	*28%*	*31%*	*3 ppt*
Net Profit	8.3	11.8	*42%*	*29.6*	*45.4*	*53%*
Net Profit Margin	*15%*	*17%*	*1 ppt*	*16%*	*21%*	*5 ppt*
Net Profit attributable to EKH	8.2	8.9	*8%*	*25.5*	*31.4*	*23%*

Revenues from the Fertilizer & Petrochemical segment came in 31% higher y-o-y in the third quarter of the 2017, posting USD 70.2 million, and driven by improved performance at AlexFert. Meanwhile in EGP terms, the segment delivered a solid 174% y-o-y increase in top-line in Q3 2017 as the Egyptian Pound's float effect is factored out from Sprea Misr's solid on-the-ground operational performance. On a nine-months basis, the Fertilizer & Petrochemical segment recorded a 16% y-o-y increase in revenues to USD 218.1 million in 9M2017, and a 142% y-o-y increase in EGP terms. Improved profitability at AlexFert also saw the segment extract higher margins during the quarter, with net profit for Q3 2017 posting USD 11.8 million, up 42% y-o-y and with a two-point expansion in net profit margin to 17%. Bottom-line growth for 9M 2017 recorded a 53% y-o-y increase to USD 45.4 million, while net profit margin for the nine-month period expanded five points to 21%.

With urea prices on the mend following a trough in the first half of the year, AlexFert was able to fully capitalize on its uninterrupted feedstock supply and high utilization rates to deliver a twofold increase in top-line to USD 44.7 million in Q3 2017. Additionally, the Egyptian Ministry of Agriculture has increased its offtake price by 10%, which bodes well for local sales that constitute around 20% of AlexFert's top-line. Price improvements coupled with increased utilization rates and operational efficiency allowed AlexFert to deliver a bottom-line of USD 5.0 million in Q3 2017, compared to only USD 49 thousand in the same period last year, and a net profit margin of 11%. Meanwhile on a nine-months basis, AlexFert recorded a net profit of USD 23.1 million, up 253% y-o-y, on revenues of USD 130.8 million in 9M 2017.

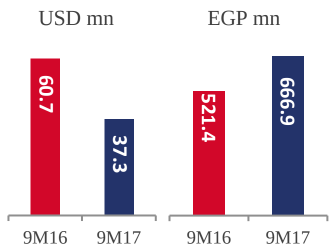
Management notes that given the prevailing global supply/demand dynamics in the urea market, pricing momentum remains in AlexFert's favor. As China phases out heavy-coal industries, coal-based fertilizers producers that constitute the bulk of Chinese supply are witnessing upward pressure on costs. Meanwhile, Ukrainian producers are also incurring higher natural gas cost given the macroeconomic environment in Russia, leaving EKH management bullish on urea prices in the medium-term.

At Sprea Misr, revenues recorded a 62% y-o-y increase to EGP 455.5 million in Q3 2017 driven primarily by the company's melamine & urea compound production as well as higher volumes of formaldehyde & formurea. Meanwhile, Sprea continues to capitalize on its position as a competitive exporter with increased volumes of powdered glue in Q3 2017, delivering y-o-y revenue growth in both EGP and USD terms. Top-line growth filtered to Sprea's bottom-line with the company delivering a net profit of EGP 119.6 million in Q3 2017, up 70% y-o-y, and yielding an NPM of 26%. On a year-to-date basis, the company recorded an almost twofold increase in revenues to EGP 1,561.1 million in 9M 2017. Net profit recorded similarly strong results posting a 101% y-o-y increase in 9M 2017 to EGP 397.5 million and a NPM of 25%. Translating the company's figures to USD on EKH's consolidated financials leaves Sprea with a 20% y-o-y decline in top-line for Q3 2017 on the back of the 50% devaluation in the Egyptian Pound, while on a nine-month basis top-line in USD terms contracted 7% y-o-y in 9M2017.

Management reiterates its optimism with regards to Sprea's growth potential both in terms of production capacities and extracting higher value from operations. The company has recently completed the acquisition of a 60 thousand sqm plot of land next to its current facilities to serve as space for its planned expansions and complementary business opportunities. Meanwhile, following capacity expansions at the company's sulfonated naphthalene formaldehyde production (SNF, an additive for ready-mix concrete) and consequent increase in market share, management's focus for the coming period will see it drive increased operational efficiency as it seeks to expand margins. Meanwhile, continuously improving and sharpened know-how across production lines will allow Sprea to deliver higher returns on its current and future portfolio as it seeks to continue delivering sustainable shareholder value.

14%
of Group Revenues
in 9M 2017

Revenues



Energy & Energy-Related

Egypt Kuwait Holding has investments in two companies in the Energy and Energy-Related Segment: NatEnergy and Offshore North Sinai. EKH builds and operates gas distribution networks in Egypt through its 100%-owned subsidiary NatEnergy, which covers a wide spectrum of activities, including the transportation of natural gas to power stations and the independent production of power.

Energy & Energy-Related

in US$ mn unless otherwise indicated	Q3 2016	Q3 2017	% Change	9M 2016	9M 2017	% Change
Revenues	18.5	12.1	*(34%)*	*60.7*	*37.3*	*(39%)*
Gross Profit Margin	*40%*	*42%*	*2 ppt*	*38%*	*37%*	*(1 ppt)*
EBITDA Margin	*39%*	*41%*	*2 ppt*	*36%*	*37%*	*1 ppt*
Net Profit	7.8	5.0	*(37%)*	*22.1*	*14.3*	*(35%)*
Net Profit Margin	*42%*	*41%*	*(1 ppt)*	*36%*	*38%*	*2 ppt*
Net Profit attributable to EKH	6.6	4.1	*(37%)*	*18.7*	*11.9*	*(36%)*

The Energy & Energy-Related segment recorded revenues of USD 12.1 million in Q3 2017, down 34% y-o-y on the back of the float of the Egyptian pound and subsequent translation of NatEnergy and subsidiaries' EGP-denominated financials into US dollars. In EGP terms, segment revenues grew 31% y-o-y owing to NatEnergy's strong market position and balanced client portfolio of medium-weight industrials and households. To that end, the segment's bottom-line for the quarter came in 42% higher y-o-y in Q3 2017 and yielded a net profit margin of 41%. Meanwhile on a year-to-date basis, the Energy & Energy-Related segment delivered a net profit of EGP 239.0 million in 9M 2017 on revenues of EGP 666.1 million, up 28% y-o-y.

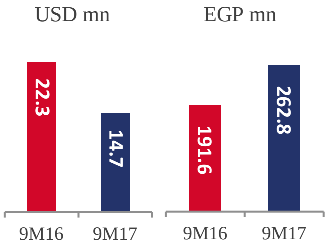
Total number of new household connections in Q3 2017 stood at 16,443 compared to the 29,289 connections in the same period last year. Lower connections came as management had opted to halt government-subsidized installations pending an upward revision in fees post the float of the Egyptian Pound. In that regard, it is worth noting that this long awaited upward revision was passed in recent weeks, with NatEnergy now resuming government-subsidized installations and connections expected to pick up in the coming quarters. NatEnergy also continues to pursue a more profitable product mix and is capitalizing on its reach to satellite cities around Cairo to drive demand from higher-margin infill clients. As energy subsidies are phased-out and with liquefied natural gas (LNG) and compressed natural gas (CNG) prices on the rise, the natural gas market is poised for significant growth. NatEnergy will capitalize on its strong market position and its commercially viable business model amid a heavily-regulated market to capture the upside.

At Kahraba, the company's electricity generation platform, revenues recorded EGP 145.0 million, up a significant 83.5% y-o-y in Q3 2017. Net profit remained largely flat at EGP 15.7 million owing to increased market competition and Kahraba's efforts to retain its client base. Meanwhile, the company's capacity additions have been completed bringing total generation capacity to 70 MW. The new expansion comes at a time when Kahraba was granted approval to sell power to both households and commercial clients, with direct connections to consumers versus the more prevailing captive model. Going forward, Kahraba is set to benefit from the dual-effect of expanded capacities and the recent hike in electricity prices passed in June 2017.

5%

of Group Revenues in 9M 2017

Revenues



Diversified

Egypt Kuwait Holding's Diversified segment includes a wide array of strategic investments, from cement production, telecommunications and infrastructure to cooling systems and insurance. In line with the company's strategy to invest in local businesses with large and defensible market positions, EKH owns c. 30% of the Building Materials Industries Company (BMIC) in Egypt, a country home to the largest cement market in Africa, with total consumption of c. 50 mtpa. Other group assets in the sector include Delta Insurance, Al-Shorouk for Melamine and Resins, Globe Telecommunications, Gas Chill and Bawabet Al Kuwait Holding Company.

Contribution from EKH's diversified segment to the bottom-line came in at USD 24.6 million in Q3 2017, compared to a negative USD 2.8 million in the same period last year. On a nine-months basis, the diversified segment delivered a net profit of USD 33.7 million in 9M 2017, significantly up from the USD 2.8 million in 9M 2016 bolstered by the USD 18.2 million in capital gains from the EHC divestment.

Outlook

As EKH capitalizes on the macroeconomic themes at play and its businesses reap the rewards of the Egyptian government's economic reform program, management is optimistic about the company's ability to continue driving its growth trajectory. As the Egyptian economy reaches an inflection point, EKH's portfolio companies are well-positioned to capture the upside and deliver superior returns thanks to their solid foundations and quality products and services.

ONS holds significant potential for incremental shareholder value creation over the next four years as the company has begun production from P1 reserves holding c.400 bcf of natural gas. EKH will continue to earmark necessary CAPEX and infrastructure spend for further development to drive longer-term returns.

Sprea Misr will leverage its now well-established position as a quality producer and import-substitute play to further expand its local market share and drive increased exports thanks to its cost-competitiveness. The company is on track with its SNF expansion plans that will see add c.110 Ktons in production capacities, and has already secured a new plot of land that will provide it with the space needed to deliver on its growth plans. Meanwhile, in parallel to capacity expansions Sprea Misr will also push forward increased operational efficiencies as it seeks to extract higher value from operations and deliver superior returns.

AlexFert is also on a solid growth trajectory particularly as global supply/demand dynamics for the urea market are in its favor. With urea prices currently on the rise, AlexFert will fully-capitalize on its uninterrupted feedstock supply — utilization rates north of 100% — and continue delivering valuable foreign currency proceeds to the group.

Meanwhile, EKH"s energy distribution and generation platform **NatEnergy** is set to benefit from increased market liberalization, with company proving to be a formidable competitors given its lean cost structure and efficient operations. Repriced government-subsidized contracts for natural gas installations, gradual lifting on energy subsidies, and a freer power generation playing field are all avenues of growth for NatEnergy and its subsidiaries in the medium and long-term.

Recent Corporate Developments

As part of EKH's efforts to develop its corporate-level commercial function, the Group has recently hired Mr. Ashraf Abdel Aziz as EKH's Commercial Director. With a long track record in FMCG industries, Mr. Abdel Aziz's mandate will see him manage EKH's commercial arm with the aim of streamlining the Group's supply chain and customer relationships to extract higher value from operations and increase the Group's market competitiveness.

About EK Holding

Egypt Kuwait Holding Company (EKHO.CA on the Egyptian Exchange and EKHOLDING on the Kuwaiti Exchange) is one of the MENA region's leading investment companies, with a diversified portfolio of investments that spans the region in sectors that include fertilizers and petrochemicals, energy, cement production, insurance, information technology, transport and infrastructure. Established in 1997 by a consortium of prominent Kuwaiti and Egyptian businessmen including our former Chairman, the late Nasser Al-Kharafi, the company has flourished during the past decade as the countries of the Arab world began to liberalize their economies and open doors for private sector investments in strategic sectors that had once been off limits.

INVESTOR RELATIONS CONTACT
For further information, please contact:

Haitham M. Abdel Moneim
Egypt Kuwait Holding, Co.
Senior Investor Relations Manager
hmoneim@ekholding.com

14 Hassan Mohamed El-Razzaz St.
(Previously Nawal St.)
Dokki, Giza
Tel (Direct) : +20 2 333-633-00

STOCK SYMBOL
EKHO.CA

CAPITAL
Issued and Paid-In Capital: USD 256.1mn
Number of Shares: 1,024 million shares
Par Value: USD 0.25 per share

Forward-Looking Statements

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Egypt Kuwait Holding Company (EKH). 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 EKH may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of EKH is subject to risks and uncertainties.

Income Statement

(in US $)	Q3 2016	Q3 2017	9M 2016	9M 2017
Energy & Energy Related				
Revenues	18 460 186	12 111 183	60 693 740	37 278 299
% Contribution	24%	14%	22%	14%
COGS	11 050 756	7 012 376	37 610 311	23 320 215
Gross Profit	7 409 430	5 098 806	23 083 429	13 958 084
% Margin	40%	42%	38%	37%
Fertilizers & Petrochemicals				
Revenues	53 472 483	70 198 965	187 949 239	218 136 138
% Contribution	70%	81%	69%	81%
COGS	41 881 308	54 084 903	144 436 496	160 464 544
Gross Profit	11 591 175	16 114 061	43 512 742	57 671 594
% Margin	22%	23%	23%	26%
Diversified				
Revenues	4 787 455	4 237 596	22 293 463	14 652 931
% Contribution	6%	5%	8%	5%
COGS	(317 302)	617 490	(562 393)	1 663 284
Gross Profit	5 104 757	3 620 106	22 855 856	12 989 646
% Margin	107%	85%	103%	89%
Total Revenues	**76 720 124**	**86 547 744**	**270 936 441**	**270 067 367**
COGS	52 614 762	61 714 770	181 484 414	185 448 043
Gross Profit	24 105 362	24 832 974	89 452 027	84 619 324
% Margin	31%	29%	33%	31%
Selling Expenses	2 183 949	746 385	7 579 985	2 309 600
G&A	5 104 912	4 867 389	16 412 715	14 879 555
Operating Income	16 816 501	19 219 200	65 459 327	67 430 169
% Margin	22%	22%	24%	25%
Interest Net	1 165 424	2 746 586	2 473 329	9 109 611
FX Gain / Loss	(449 013)	1 385 463	1 698 405	240 750
Capital Gain	1 319	1 130	67 930	999 334
Impairment (Impairment reversal on Assets)	-	5 006 576	33 086 991	10 133 159
Other Income (Expenses)	82 973	232 157	(21 976 479)	2 777 252
Net Income before Tax	17 617 204	28 591 112	80 809 503	90 690 275
Income Tax	5 067 368	5 713 492	15 279 203	19 188 258
Differed Tax	(365 115)	(546 950)	(753 761)	(1 852 253)
Net Income from Continued Operations	12 914 951	23 424 570	66 284 061	73 354 270
Gain (Loss) from Discontinued Operations	461 706	18 276 513	(10 630 332)	17 256 513
Net Income	13 376 657	41 701 083	55 653 729	90 610 783
Non-Controlling Interest	1 313 872	4 390 599	8 584 704	14 044 898
Attributable Net Income	**12 062 785**	**37 310 484**	**47 069 025**	**76 565 885**

Balance Sheet

(in US$)	Q3 2017	FY 2016
Fixed Assets (Net) & Projects under Construction	230 134 981	233 880 932
Investments in Associates	48 802 577	63 782 363
Investments Available for Sale	51 119 456	116 953 348
Financial investments held-to-maturity	112 949 454	113 528 198
Other long-term Assets	69 493 955	69 493 955
Total Long-Term Assets	**597 644 410**	**597 638 796**
Cash	244 023 248	242 186 165
Investments in Treasury Bills & Bonds	51 026 616	18 613 529
Investments Held for Trading	15 086 347	15 159 821
Total Receivables & Other Debtors	94 914 666	44 441 573
Assets Held for Sale	17 128 175	38 368 005
Inventory & Work in Progress	56 553 108	54 103 292
Due from EGPC	2 064 815	1 416 404
Total Current Assets	**48 796 975**	**414 288 789**
Total Assets	**1 001 088 999**	**1 011 927 585**
Bank Overdraft and STL	87 969 681	81 055 075
Due to Suppliers and Sub-Contractors	12 069 648	14 250 675
Due to EGPC	21 160 080	23 983 418
Provisions	21 438 139	21 448 727
Debtors and Other Credit Balances	105 272 640	99 502 980
Liabilities Held for Sale	-	4 600
Total Current Liabilities	**247 910 188**	**240 245 475**
Long-Term Loans	51 997 709	119 409 164
Other Long-Term Liabilities	308 818	372 908
Due to EGPC	8 263 949	
Deferred Tax Liability	24 878 334	26 571 939
Total Long-Term Liabilities	**85 448 810**	**146 354 011**
Paid-in Capital	256 110 292	256 110 292
Reserves	191 513 013	189 894 520
Fair Value Reserve	(158 886 208)	(170 395 430)
Retained Earnings	363 173 551	325 259 517
Translation Adjustments	(204 350 181)	(217 373 270)
Formed versus-based payment transactions on shares	17 561 848	17 561 848
Parent's Shareholders' Equity	**465 122 315**	**401 057 477**
Non-Controlling Interest	202 607 686	224 276 236
Total Shareholders' Equity	667 730 001	**625 333 713**
Total SHE + Total Liabilities	**1 001 088 999**	**1 011 927 585**

Cash Flows

(in us $)	9M 2017	9M 2016
Cash flows from operating activities		
Net profit for the year before income tax	107 946 785	75 515 789
Adjustments for:		
Depreciation of fixed assets and amortization of other intangible assets	20 350 455	21 432 510
Profits from sale of investments available for sale	(246 990)	-
The company's share in associated companies' profits	466 521	(1 976 361)
Re-evaluation of a portfolio of investments held for trading Output	(425 890)	(1 484 144)
Financing expenses	9 586 685	8 108 444
Interest income	(18 696 295)	(10 581 773)
Capital gains	(999 334)	(67 930)
Provisions no longer required	(2 153 224)	(9 880 662)
Provisions other than depreciation	1 928 401	32 506 777
Re Impairment losses on receivables and debit balances	(10 133 159)	(33 086 991)
Impairment losses on receivables and debit balances	5 543	-
Share based payment expenses	-	9 680 433
Re Impairment in assets value	(3 000 000)	-
Profit (loss) on disposal of discontinued operations - lost control	(17 256 512)	10 252 637
Operating profit before changes in assets & liabilities available from operating activities	**87 372 986**	**100 418 729**
Investments at fair value	111 318	88 955 633
Sales agents and notes receivable	(30 447 553)	(4 220 967)
Accounts receivable and other receivables	(18 702 618)	(3 837 444)
Inventory	(4 380 731)	(3 943 723)
Work in progress	1 930 915	(2 422 632)
Suppliers and subcontractors	(2 181 027)	4 840 080
Payables and other credit balances	518 953	(32 556 273)
Egyptian General Petroleum Corporation	5 440 611	22 842 701
Frozen deposits	(1 727 141)	(132 023 713)
Time Deposits	91 033 157	-
Utilized provisioning	(342 502)	(274 248)
Financing expenses paid	(9 589 726)	(8 130 389)
Net change in assets of unconsolidated subsidiaries as a result of loss of control	-	(49 994 208)
Net cash available from (used in) operating activities	**119 036 642**	**(20 346 454)**
Cash flows from investing activities		
Interest income	18 999 202	8 258 196
Payments for purchase of fixed assets and projects under implementation	(12 068 121)	(11 027 860)
Proceeds from sale of fixed assets	1 135	1 049 767
Payments for exploration and development assets	4 000 000	-
Proceeds from the Egyptian General Petroleum Corporation	(648 411)	(670 252)
Proceeds from sale of investments available for sale	50 418 898	4 625 444
Purchase of financial investments available for sale	-	(6 080 354)
Financial investments held- to-maturity payments	(12 293 155)	(57 936 664)
Proceeds from Financial investments held- to-maturity	20 450 649	-
Dividend paid of sister companies	-	1 200 000
Payments for investments in Treasury bills more than three months	(16 542 880)	(43 754 657)
Proceeds from investments in Treasury bills more than three months	8 983 126	20 077 563
Proceeds from disposal of discontinued operations	42 639 917	-
Net cash used in investing activities	**103 940 360**	**(84 258 817)**
Cash flows from financing activities		
Repayment of long-term loans and bank facilities	(47 043 067)	-
Proceeds from long-term loans and bank facilities	1 909 990	4 365 638
Proceeds from loans and short-term bank facilities	78 315 990	113 783 038
Repayment of loans and short-term bank facilities	(89 710 509)	(154 572 083)
Proceeds from banks - overdraft	11 085	59 447
Payments to banks - overdraft	(4 262 369)	(38 153 612)
Purchase of non-controlling interest	(19 055 040)	(3 043 968)
Non-controlling stakes	(15 020 988)	36 893 584
Dividends paid	(38 670 776)	(36 824 402)
Net cash used in financing activities	**(133 525 684)**	**(77 492 358)**
Translation of financial statements of the accumulated differences	2 522 867	(4 368 916)
Net change in cash and cash equivalents during the year	**91 974 185**	**(186 466 545)**
Cash and cash equivalents at beginning of the period	103 682 428	346 901 181
Cash and cash equivalents at end of the year	**195 656 613**	**160 434 636**