Egypt Kuwait Holding Co. Releases FY 2017 Earnings Results

EKH reports double-digit revenue growth and EBITDA margin expansion in FY 2017 despite translation of EGP-denominated financials into USD and the effect of the Egyptian pound's float

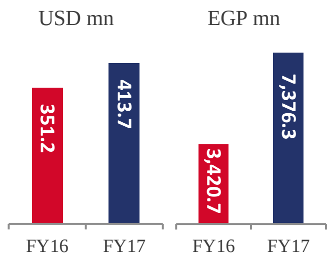
Key Highlights of Q4 2017

USD 143.7 mn in Revenues	USD 81.0 mn in Gross Profit	56% Gross Profit Margin	USD 73.0 mn in Operating Income
51% Operating Margin	USD 68.4 mn Attributable EBITDA	USD 47.6 mn in Net Income	USD 43.6 mn in Attributable Net Income

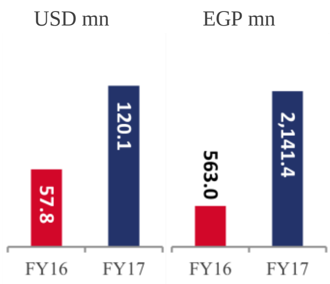
Key Highlights of FY 2017

USD 413.7 mn in Revenues	USD 165.6 mn in Gross Profit	40% Gross Profit Margin	USD 140.4 mn in Operating Income
34% Operating Margin	USD 128.9 mn Attributable EBITDA	USD 138.2 mn in Net Income	USD 120.1 mn in Attributable Net Income

Group Revenue



Attributable Net Income



18 February 2018 | 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 quarter and full year ending 31 December 2017.

EKH reported a strong set of results in FY 2017 with consolidated revenues closing the year at USD 413.7 million, up 17.8% y-o-y in USD terms despite a 50% devaluation of the Egyptian pound in November 2016 and its effect on EKH's EGP-denominated businesses. Top-line growth filtered down the income statement and recorded an attributable net income of USD 120.1 million in FY 2017, up an impressive 108% y-o-y on the back of non-recurring gains to the tune of USD 48.3 million related to the company's exits from Egyptian Hydrocarbons Company (EHC) and ISquared. Nevertheless, factoring out non-recurring items would leave EKH's attributable net income for FY 2017 at c.USD 71.8 million versus a normalized c.USD 58 million in FY 2016, up almost 24% y-o-y and yielding a margin of c.21%.

On a quarterly basis, EKH reported attributable net income of USD 43.6 million in Q4 2017, on revenues of USD 143 million, up more than fourfold over Q4 2016 bottom-line and with a net profit margin of 30%.

Comments from the Chairman, Mr. Moataz Al-Alfi

It is with great pleasure that I report to you here our results for the full year and final quarter of 2017 having delivered tangible, on-the-ground growth at both our top- and bottom-lines. Despite the challenges and uncertainty that characterized the year, EKH has demonstrated its strong position within its markets and its ability to capitalize on new realities and continue creating real shareholder value.

The group's investment strategy, growth initiatives and business model allowed it to deliver over 18% top-line growth in USD terms even as the Egyptian pound lost 50% of its value at the close of last year. This serves as a testament to the strength of our EGP businesses that across the board have delivered solid increases in full-year revenues. Overall, EKH recorded a 116% y-o-y increase in top-line in EGP terms during FY 2017.

The year just ended was also one of portfolio restructuring and investments streamlining with the aim of unlocking new value for shareholders. EKH completed divestments totaling USD 195 million in FY 2017, including exits from industrial EHC at USD 65 million, investment firm ISquared for USD 60 million and a share sell-down in Kuwait's telecoms provider Zain for USD 70 million. Proceeds from these transactions helped strengthen our balance sheet, with cash from the latter utilized in debt reduction while excess liquidity will be directed at growth opportunities as well as acquiring minority interests in our proven winners. Most recently, EKH submitted a Mandatory Tender Offer (MTO) to increase its stake in Delta Insurance to 99%, a company commanding a strong and competitive position in the market and that can capitalize on the favorable trends in the non-bank financial services space.

On account of our divestments as well as one-time impairments and provisions, EKH had realized net non-recurring gains of c.USD 48.3 million in FY 2017, leading to a substantial increase in attributable net income for the year to USD 120.1 million and a net margin of 29%. While investment companies are no stranger to capital gains and investment impairments, our primary focus continues to be the organic growth of our recurring income and ongoing operations. I am pleased to report that even after factoring out this year's non-recurring gains, recurring attributable income delivered year-on-year growth of c.24% in FY 2017, a faster rate than that of our top-line thanks to increased operational efficiencies and prudent cost management.

Our forward-looking strategy and targets for the year ahead will see us carry out our expansion plans at operating businesses to build on this growth momentum, as well as continue investing in new ventures poised to substantially contribute to profitability.

At Sprea Misr, we are working to capture a larger share of the fast-growing sulfonated naphthalene formaldehyde market (SNF, a key additive to ready-mix concrete). At the start of Sprea's SNF production in 2016, the ready-mix concrete market accounted for 10% of cement consumption. Today this figure stands at c.18-20% following a recent shift to ready-mix concrete versus loose bags across infrastructure and development projects. Sprea is thus ramping up utilization to capture close to 50% of the market up from a current 25-30% share. We have also completed capacity expansions at our formaldehyde facility, commissioning a third production line at a total investment cost of c.EGP 116 million. Increased formaldehyde production paves the way for higher derivates yield and volume-driven growth going forward. Meanwhile, Sprea completed the acquisition of an adjacent 26 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 also maintains an optimistic view with regards to the fertilizers business on the back of an upward momentum in global urea prices along with maximized capacity utilization at AlexFert. At the close of the year, AlexFert was operating above its nameplate capacity recording +106% utilization thanks to uninterrupted feedstock. The company was also successful is extracting operational efficiencies during the year, with EBITDA margin recording an impressive 32% in FY 2017 or an eight-point expansion over the previous year. I am also glad to report that while AlexFert had historically constituted the lion's share of EKH's profitability, fast growth at other petrochemical and energy businesses has seen our earnings become more diversified. Management's view is that AlexFert will continue to play an integral role in our growth story and remain a key investment.

On the energy and energy-related front, we continue to make progress at EKH's fully-owned Offshore North Sinai (ONS) concession with production gradually being ramped up and returns expected to hit our financial statements in the first quarter of 2018. Holding P1 reserves of some 113 bcf, ONS holds significant upside potential and is expected to add c.USD 300 million to our top-line at a 50% margin over the next four years. Meanwhile, NatEnergy and its natural gas distribution and power generation subsidiaries continue to deliver strong growth year-on-year, with consolidated revenues delivering close to 38% growth in FY 2017. Increased market deregulation is a net positive for the industry, particularly in the natural gas space where accelerated infrastructure development and the government's plan to fast-track grid connected homes is proving to be a win-win scenario for consumers, businesses and fiscal concerns.

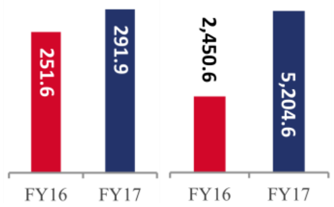
A strong close for 2017 and a continuing growth momentum into the first months of 2018 leave us optimistic about the year ahead. EKH will continue to deploy resources to its proven winners to realize their full potential, while remaining constantly on the lookout for new growth opportunities as it seeks to create sustainable shareholder value.

71%

of Group Revenues in FY 2017

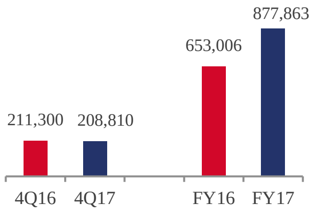
Revenues

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	Q4 2016	Q4 2017	% Change	FY 2016	FY 2017	% Change
Revenues	63.7	73.8	*16%*	*251.6*	*291.9*	*16%*
Gross Profit Margin	*27%*	*28%*	*1 ppt*	*24%*	*27%*	*3 ppt*
EBITDA Margin	*28%*	*33%*	*5 ppt*	*28%*	*32%*	*4 ppt*
Net Profit	9.2	18.3	*99%*	*38.8*	*63.7*	*64%*
Net Profit Margin	*14%*	*25%*	*11 ppt*	*15%*	*22%*	*7 ppt*
Net Profit attributable to EKH	7.0	11.2	*60%*	*32.5*	*42.7*	*31%*

The Fertilizer & Petrochemical segment recorded revenues of USD 291.9 million in FY 2017, up 16% y-o-y on the back of strong results from the USD-denominated and export-driven AlexFert. The segment's bottom-line for the year booked USD 42.7 million, up 31% over FY 2016 and yielding a seven-point expansion in net profit margin to 22%. Improved profitability in USD terms was again driven by higher efficiencies at AlexFert, while Sprea's bottom-line remained somewhat flat year-on-year on account of the Egyptian pound's 50% devaluation in November 2016, which reverses Sprea's almost twofold increase in EGP revenues and net profit. Translating the segment's results into EGP sees fertilizers and petrochemicals record an impressive 112% y-o-y increase in top-line to EGP 5.2 billion. Meanwhile on a quarterly basis, the segment recorded revenues of USD 73.8 million in Q4 2017, up 16% y-o-y and dual-driven by AlexFert and Sprea Misr. Net profit for the quarter recorded USD 18.3 million Q4 2017, a stellar 99% y-o-y increase and a solid 11-point margin expansion to 25%.

Sprea Misr recorded revenues of EGP 2.0 billion in FY 2017, up a solid 81% y-o-y as the company delivers on its growth strategy and continues to leverage its market positioning as a quality import-substitute play. Growth during the year was primarily driven by melamine & urea compound sales as well higher production of formaldehyde and formurea (an anti-caking agent for urea). Meanwhile, growth was also driven by sales of formica sheets. Sprea's profitability remained stable despite market volatility, with EBITDA margin for the year recording 31% in FY 2017 versus 33% the previous year. Net profit came in at EGP 502.4 million in FY 2017, up 79% y-o-y and posting a net profit margin of 25%. On a quarterly basis, Sprea Misr posted revenues of EGP 491.0 million in Q4 2017, while bottom-line turned a profit of EGP 105.9 million, up 29% y-o-y and with a 22% margin.

Management sees Sprea Misr as holding significant potential for the group, with the company poised for continued organic and volume-driven growth. Sprea's SNF business is particularly promising in light of the recent shift toward ready-mix concrete in the contracting industry, with plans underway to ramp up production and increase capacities to capture a larger share of this fast-growing market. Sprea will also push forward plans to tap into export markets, particularly in Africa, where it aims to leverage its reputation for quality across its product portfolio.

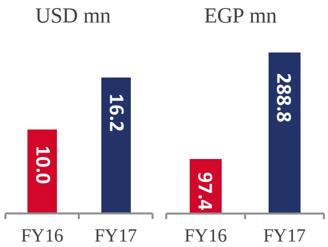
AlexFert continued to reap the rewards of a global recovery in urea prices, now hovering close to the USD 300 per ton mark, as well as capacity utilization exceeding 106% for the full-year 2017. Total volumes were up 34.4% y-o-y to 878 thousand tons in FY 2017, with revenues similarly recording a 31% y-o-y increase to USD 177 million for the full year. High utilization rates, stable feedstock supply and prices as well as cost control and efficiency initiatives saw AlexFert deliver a 253% y-o-y increase in bottom-line to USD 35.5 million in FY 2017 and a 13-point expansion in net profit margin to 20%. In Q4 2017, revenues from the fertilizers play came in at USD 46.2 million or 10% higher than the USD 42.0 million recorded in the same period last year. Net profit for the quarter also witnessed an impressive 3.5x increase in Q4 2017 to USD 12.4 million, while AlexFert's net profit margin expanded a record 18 points to 27% during the period.

Management reiterates its cautious optimism with regards to AlexFert, noting that the company will continue to capitalize on new unfolding supply/demand dynamics and the bullish urea price trend. The upward momentum is being supported on both the global and local level, with the former being driven by China's phase-out of heavy coal industries and the consequent effect that will have on coal-based urea producers. Meanwhile in the local market the Egyptian Ministry of Agriculture has increased its offtake prices by 10%, benefiting AlexFert which directs c.30% of its annual production to the local market.

13%

of Group Revenues in FY 2017

Revenues



Energy & Energy-Related

Egypt Kuwait Holding's investments in the Energy and Energy-Related Segment includes NatEnergy. 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	Q4 2016	Q4 2017	% Change	FY 2016	FY 2017	% Change
Revenues	10.0	16.2	*62%*	*70.7*	*53.5*	*(24%)*
Gross Profit Margin	*34%*	*42%*	*8 ppt*	*38%*	*39%*	*1 ppt*
EBITDA Margin	*33%*	*40%*	*7 ppt*	*36%*	*38%*	*2 ppt*
Net Profit	3.9	6.0	*53%*	*26.1*	*20.3*	*(22%)*
Net Profit Margin	*39%*	*37%*	*(2 ppt)*	*37%*	*38%*	*1 ppt*
Net Profit attributable to EKH	3.3	5.0	*53%*	*22.0*	*17.0*	*(23%)*

Revenues from the Energy & Energy-Related segment posted USD 53.5 million in FY 2017, down 24% on the back of the float of the Egyptian pound and subsequent translation of NatEnergy and subsidiaries' EGP-denominated financials into US dollars. NatEnergy, however, delivered strong on-the-ground growth during the year and deployed aggressive marketing efforts that allowed it to accelerate revenues in EGP terms as well as protect margins in an inflationary environment. The company's EGP-denominated financials show revenue growth of 38% y-o-y to EGP 953.1 million in FY 2017, while bottom-line profitability inched up one point to 41% yielding a net profit of EGP 302.5 million. On a quarterly basis, NatEnergy posted revenues of EGP 288.4 million in Q4 2017, up an impressive 101% y-o-y, while net profit posted EGP 89.8 million with margin remaining stable at 37%.

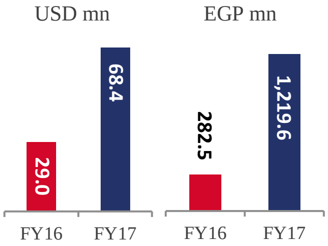
NatEnergy's natural gas distribution platforms NatGas & FayumGas connected a total of 101,056 households to the national grid during FY 2017, up 41% y-o-y as the company resumed government-subsidized installations during Q4 2017. Following the float of the Egyptian pound in November 2016, EKH as well as several industry players opted to scale-down or halt government subsidized installations pending an upward revision of installation fees. Thus, EKH had connected only 311 households in Q4 2016 versus 24,750 households in Q4 2017. It is also worth noting that NatEnergy installation levels were also supported by management's efforts to identify and market services to the higher-margin infill clients outside of the government program. Said efforts have reflected positively on operating margins, with NatGas recording a 12-point expansion in operating profit margin to 36% in FY 2017, while net profit margin posted 50% for the full year, up 10 points y-o-y.

Meanwhile, NatEnergy's power distribution play Kahraba recorded revenues of EGP 214.9 million in FY 2017, up almost twofold compared to the EGP 111.3 million recorded last year. Revenue growth was largely price-driven following the government's successive electricity price increases in 2017. Net profit also posted solid results recording a 166% y-o-y increase in FY 2017 to EGP 40.0 million and with a two-point expansion in margin to 20%. 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.

17%

of Group Revenues
in FY 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.

EKH's diversified segment generated sales of USD 68.4 million in FY 2017, up 136% y-o-y on the back of capital gains realized from exists concluded during the year, including EHC, ISquared and Zain.

Outlook

Management maintains the view that EKH is ideally positioned to capitalize on the new economic realities resultant from the government's reform program, and that the group's businesses have the solid foundation and strong market position that will allow them to continue their growth trajectory. Across EKH's portfolio, subsidiaries are implementing prudent investment and growth strategies that serve to expand their market shares and deliver superior shareholder returns.

Management is particularly bullish on **Sprea Misr's** potential given its now well-established position as a producer of high quality products and an import substitute play. EKH aims to extract further growth from this petrochemicals play by affording Sprea the necessary resources to unlock its potential, namely continued investment in expansion capacities including the company's SNF business so as to grow market share from a current 25-30% to as high as 50% in the medium-term. Said levels are at par with Sprea's position in other markets such Formurea and Formica sheets where the company commands market share in excess of 60%. Meanwhile, the recently completed acquisition of at 26 thousand sqm plot of land provides Sprea with the space necessary to deliver on its growth strategy.

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. 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.

Management is also cautiously optimistic with regards to **AlexFert's** growth trajectory, taking into account the company's high capacity utilization and the bullish trend in urea prices, however, remaining cognizant of the industry's cyclical nature.

Finally, EKH is looking forward in the months ahead to begin consolidating **ONS** which is poised to create substantial shareholder value. In addition to current production levels from its P1 reserves, seismic surveys suggest significant upside potential for reserve levels and EKH is actively working to upgrade probability tiers and outline a CAPEX program to drive longer-term returns.

Recent Corporate Developments

EKH's board has proposed a dividend of USD 0.05 per share for the year-ended 31 December 2017, translating into a dividend of yield of c.5.9%.

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.

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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 $)	Q4 2016	Q4 2017	FY 2016	FY 2017
Energy & Energy Related				
Revenues	9 961 181	16 177 451	70 654 920	53 455 750
% Contribution	12%	11%	20%	13%
COGS	6 540 052	9 430 369	44 150 363	32 750 584
Gross Profit	3 421 129	6 747 082	26 504 558	20 705 166
% Margin	34%	42%	38%	39%
Fertilizers & Petrochemicals				
Revenues	63 651 668	73 772 172	251 600 907	291 908 310
% Contribution	79%	51%	72%	71%
COGS	46 776 551	52 783 232	191 213 048	213 247 776
Gross Profit	16 875 117	20 988 940	60 387 859	78 660 534
% Margin	27%	28%	24%	27%
Diversified				
Revenues	6 671 519	53 712 504	28 964 982	68 365 434
% Contribution	8%	37%	8%	17%
COGS	(767 812)	476 253	(1 330 205)	2 139 537
Gross Profit	7 439 331	53 236 251	30 295 187	66 225 897
% Margin	112%	99%	105%	97%
Total Revenues	**80 284 368**	**143 662 127**	**351 220 809**	**413 729 494**
COGS	52 548 791	62 689 854	234 033 205	248 137 897
Gross Profit	27 735 577	80 972 273	117 187 604	165 591 597
% Margin	35%	56%	33%	40%
Selling Expenses	2 467 598	862 994	10 047 583	3 172 594
G&A	5 574 948	7 162 908	21 987 663	22 042 463
Operating Income	**19 693 031**	**72 946 371**	**85 152 358**	**140 376 540**
% Margin	25%	51%	24%	34%
Interest Net	(275 865)	3 653 452	2 197 464	12 763 063
FX Gain / Loss	30 120 022	(2 138 265)	31 818 427	(1 897 515)
Capital Gain	3 391	(33 271)	71 321	966 063
Impairment (Impairment reversal on Assets)	(37 852 561)	(11 904 697)	(4 765 570)	(1 771 538)
Other Income (Expenses)	6 700 834	(12 557 882)	(15 275 645)	(9 780 630)
Net Income before Tax	**18 388 852**	**49 965 708**	**99 198 355**	**140 655 983**
Income Tax	3 427 620	2 897 835	18 706 823	22 086 093
Differed Tax	803 101	(505 011)	49 340	(2 357 264)
Net Income from Continued Operations	**14 158 131**	**47 572 884**	**80 442 192**	**120 927 154**
Gain (Loss) from Discontinued Operations	-	-	(10 630 332)	17 256 513
Net Income	**14 158 131**	**47 572 884**	**69 811 860**	**138 183 667**
Non-Controlling Interest	3 449 936	3 993 234	12 034 640	18 038 132
Attributable Net Income	**10 708 195**	**43 579 650**	**57 777 220**	**120 145 535**

Balance Sheet

(in US$)	FY 2017	FY 2016
Fixed Assets (Net) & Projects under Construction	232 895 979	233 880 932
Investments in Associates	29 201 428	63 782 363
Investments Available for Sale	28 860 567	116 958 962
Financial investments held-to-maturity	108 551 255	113 528 198
Other long-term Assets	103 328 504	69 493 955
Total Long-Term Assets	**502 837 733**	**597 644 410**
Cash	224 894 312	242 186 165
Investments in Treasury Bills & Bonds	137 185 652	18 613 526
Investments Held for Trading	15 024 540	15 159 821
Total Receivables & Other Debtors	96 087 550	39 676 006
Assets Held for Sale	4 552 500	38 368 005
Inventory & Work in Progress	66 943 642	54 103 292
Due from EGPC	2 802 262	1 416 404
Total Current Assets	**547 490 458**	**409 523 219**
Total Assets	**1 050 328 191**	**1 007 167 629**
Bank Overdraft and STL	97 423 850	81 055 075
Due to Suppliers and Sub-Contractors	13 050 716	14 250 675
Due to EGPC	24 962 878	23 983 418
Provisions	33 206 603	21 448 727
Creditors and Other Credit Balances	122 744 252	98 465 580
Liabilities Held for Sale	-	4 600
Total Current Liabilities	**291 388 299**	**240 245 475**
Long-Term Loans	33 056 995	119 409 164
Other Long-Term Liabilities	298 993	372 908
Due to EGPC	7 572 033	-
Deferred Tax Liability	24 367 095	26 571 939
Total Long-Term Liabilities	**65 295 116**	**146 354 011**
Paid-in Capital	256 110 292	256 110 292
Reserves	191 513 013	189 894 520
Fair Value Reserve	5 081 987	9 867 000
Retained Earnings	219 881 881	140 231 517
Translation Adjustments	(211 220 462)	(217 373 270)
Formed versus-based payment transactions on shares	17 561 848	17 561 848
Parent's Shareholders' Equity	**478 928 559**	**396 291 907**
Non-Controlling Interest	214 716 217	224 276 236
Total Shareholders' Equity	693 644 776	620 568 143
Total SHE + Total Liabilities	**1 050 328 191**	**1 007 167 629**

Cash Flows

(in us $)	FY 2017	FY 2016
Cash flows from operating activities		
Net profit for the year before income tax	157 912 496	104 534 973
Adjustments for:		
Depreciation of fixed assets and amortization of other intangible assets	27 195 200	28 196 641
Profits from sale of investments available for sale	(49 969 456)	(541 489)
The company's share in associated companies' profits	375 828	(5 269 826)
Re-evaluation of a portfolio of investments held for trading Output	(588 741)	(865 879)
Financing expenses	13 055 679	11 349 590
Interest income	(25 818 742)	(13 547 054)
Capital gains	(966 063)	(71 321)
Provisions no longer required	(138 110)	(85 511)
Provisions other than depreciation	11 817 238	10 706 484
Re Impairment losses on receivables and debit balances	(31 094 062)	(4 593)
Impairment losses on receivables and debit balances	5 558	-
Share based payment expenses	-	17 561 848
Impairment in investment value	35 951 321	-
Re Impairment in assets value	(3 267 773)	-
Profit (loss) on disposal of discontinued operations - lost control	(17 256 512)	(10 636 449)
Operating profit before changes in assets & liabilities available from operating activities	**117 213 861**	**141 327 414**
Investments at fair value	355 426	103 471 734
Sales agents and notes receivable	(48 723 976)	6 475 931
Accounts receivable and other receivables	11 580 000	22 461 182
Inventory	(13 726 912)	7 380 766
Work in progress	886 562	791 121
Suppliers and subcontractors	(1 199 959)	3 338 588
Payables and other credit balances	15 087 112	(82 764 816)
Egyptian General Petroleum Corporation	8 551 493	8 195 577
Frozen deposits	-	35 607 795
Time Deposits	135 276 500	(117 912 482)
Utilized provisioning	(426 615)	(351 375)
Financing expenses paid	(13 058 720)	(11 370 395)
Net change in assets of acquired companies	(24 703 718)	-
Net change in assets of unconsolidated subsidiaries as a result of loss of control	-	(39 363 876)
Net cash available from (used in) operating activities	**187 111 054**	**77 287 164**
Cash flows from investing activities		
Interest income	26 161 460	15 898 531
Payments for purchase of fixed assets and projects under implementation	(20 004 857)	(18 392 064)
Proceeds from sale of fixed assets	26 308	1 067 396
Proceeds from sale of intangible assets	4 535 546	-
Payments for exploration and development assets	(1 385 858)	5 907 856
Proceeds (payments) from the Egyptian General Petroleum Corporation	129 937 958	8 568 998
Proceeds from sale of investments available for sale	-	(6 080 354)
Purchase of financial investments available for sale	(34 081 211)	(156 529 603)
Financial investments held- to-maturity payments	21 097 788	12 129 571
Proceeds from Financial investments held- to-maturity	499 242	1 712 914
Dividend paid of sister companies	(106 545 423)	(44 276 852)
Payments for investments in Treasury bills more than three months	10 752 726	31 923 107
Proceeds from investments in Treasury bills more than three months	42 639 917	-
Proceeds from disposal of discontinued operations	73 633 596	(148 070 500)
Net cash used in investing activities	**26 161 460**	**15 898 531**
Cash flows from financing activities		
Repayment of long-term loans and bank facilities	(63 914 672)	-
Proceeds from long-term loans and bank facilities	16 909 990	8 766 257
Proceeds from loans and short-term bank facilities	128 665 336	121 303 885
Repayment of loans and short-term bank facilities	(155 546 799)	(201 192 807)
Proceeds from banks - overdraft	8 178 420	71 512
Payments to banks - overdraft	(4 262 369)	(38 153 612)
Purchase of non-controlling interest	(19 055 040)	(3 043 968)
Non-controlling stakes	(8 749 013)	27 719 974
Dividends paid	(38 670 776)	(36 824 402)
Net cash used in financing activities	**(136 444 923)**	**(121 353 161)**
Translation of financial statements of the accumulated differences	(3 461 202)	(51 082 256)
Net change in cash and cash equivalents during the year	**120 838 525**	**(243 218 753)**
Cash and cash equivalents at beginning of the period	103 682 428	346 901 181
Cash and cash equivalents at end of the year	**224 520 953**	**103 682 428**