Egypt Kuwait Holding Co. Releases Q4 2016 Earnings Results

EKH delivers strong top- and bottom-line growth despite economic challenges, continues to expand its export footprint and seek new investment opportunities.

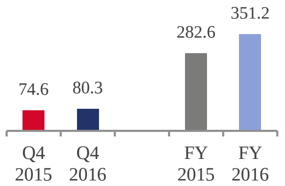
Key Highlights of Q4 2016

USD 80.3 mn in Revenues	USD 27.7 mn in Gross Profit	35% Gross Profit Margin	USD 19.7 mn in Operating Income
25% Operating Margin	USD 19.4 mn Attributable EBITDA	USD 18.9 mn in Net Income	USD 15.5 mn in Attributable Net Income

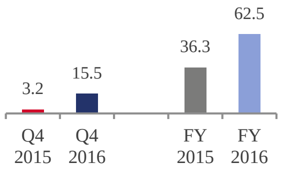
Key Highlights of FY 2016

USD 351.2 mn in Revenues	USD 117.2 mn in Gross Profit	33% Gross Profit Margin	USD 85.2 mn in Operating Income
24% Operating Margin	USD 88.6 mn Attributable EBITDA	USD 74.6 mn in Net Income	USD 62.5 mn in Attributable Net Income

Group Revenue
(USD mn)



Attributable Net Income
(USD mn)



1 March 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 fourth quarter of 2016.

Attributable Net Income came in at US$ 15.5 million in Q4 2016, up almost five-fold compared to the US$ 3.2 million booked in the same period last year, on Consolidated Revenues of US$ 80.3 million, up 8% y-o-y. On a full-year basis, EKH reported revenues of US$ 351.2 million, up 24% y-o-y and yielding a bottom-line of US$ 62.5 million, a solid 72% increase compared to FY 2015.

The improved performance in both the quarter and full-year results comes thanks to EKH's prudent investment strategy, which has seen the company restructure its asset base with a view to maximizing profitability and unlocking new shareholder value. EKH's diverse holdings have not only allowed the company to weather a volatile maceconomic environment in Egypt, but also seen it capitalize on the opportunities it presented.

Comments from the Chairman, Mr. Moataz Al-Alfi

As we look back at year characterized by extreme volatility and unprecedented macroeconomic challenges, we can only be extremely proud of EKH's resilience and solid performance across its investment portfolio. EKH reaped the rewards of a carefully executed strategy, positioning itself as a hedge against market challenges and a vehicle for capitalizing on high-growth industries. As the Egyptian economy undergoes a fundamental restructuring, one that will favour energy plays and manufacturers who use domestic resources to export and produce import substitutes, EKH is poised to capture the upside.

Our strategy is anchored by a simple goal: The creation of real value for our shareholders. In the past 12 months, we have created value by building a portfolio with assets that provide stable earnings by being less susceptible to external volatility. We created value by allocating resources to businesses ideally positioned for growth in today's operating environment. And we created value by consolidating and acquiring minority interests in our proven winners.

This drive saw us restructure our asset base and deconsolidate businesses that fell short of meeting our targets. In parallel, we supported the growth of those with significant upside potential. The results speak for themselves, with double digit growth at both our top and bottom-line coupled with margin expansion across the board despite the translation of underlying company financials into US dollars from Egyptian pounds. Overall, our net profit grew 62% year-on-year in FY 2106 (Q4 2016: 152%) to US$ 74.6 million on revenues of US$ 351.2 million, up a solid 24% y-o-y. Our operating margins expanded three percentage points during the quarter and over five points for the full-year despite a devaluation that saw the Egyptian pound lose more than 50% of its value against the US dollar by year's end, a shortage of foreign currency, and persistent inflation running at a near-record high.

Moreover, EKH's performance was balanced across its portfolio, with each business unit contributing to and driving growth during the year.

A natural import-substitution play, Spea Misr continues to hold a unique market niche thanks to higher import costs following the float of the Egyptian Pound and the residual restrictions on the availability of foreign currency for non-essential imports. Our venture into the production of sulfonated naphthalene formaldehyde (SNF), which we started selling in March 2016, has proven to be an in-the-money investment, contributing some US$ 10.2 million to Sprea's top-line in 2016. We are on track to expand our SNF production capacity from a current 66 ktpa to 88 ktpa as early as the first quarter of 2017, allowing us to capture a larger share of the market and serve unmet demand that is otherwise satisfied through imports. In parallel, Sprea is actively pursuing regional opportunities with a target of expanding into African markets and growing export revenues to 50% by 2019. In that regard, Sprea is aggressively expanding its core profit, Formica, with additional production capacities slated to come online in H2 2017. Moreover, after covering the local SNF market — sized at about 90 Ktons — Sprea is considering a new SNF plant with 88 Ktons capacity, mostly for export as it seeks to capture c.7-8% of the region's US$ 350-400 million SNF market.

Simultaneously, we are exploring a number of exciting opportunities to complement Sprea's businesses, namely the production of medium density fibreboard (MDF). With similar dynamics to the SNF market, local MDF production would be positioned as an import substitute with locally sourced raw materials, 30% of which is glue — one of Sprea's key products. Management has delivered proof of concept on a trial scale and has lined up its technology provider, leading EKH's board to sign-off on the project as yet another investment poised to help maximize shareholder value.

Meanwhile, AlexFert is quickly regaining its position as a leading global supplier of fertilizers following its return to full factory utilization after an almost year-long hiatus in 2015. With the company now receiving its full natural gas allocation, utilization is running at c. 90% and FY 2016 revenues have almost doubled year-on-year. Consistency in natural gas supply is now guaranteed thanks to our agreement reached with the Egyptian government which requires EGAS to incur a fine in the event that it should fail to deliver sufficient volume to run the plant at design capacity. We are optimistic on the outlook for the fertilizers market, especially as urea prices continue on a positive trajectory supported by favorable global supply / demand fundamentals. Management is actively seeking to increase its holding and acquire minority interests in the company, with the board already having approved the acquisition of an additional 30% stake in AlexFert's key shareholder, Bawabat El Kuwait.

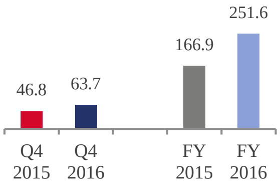
Lastly, our energy distribution and generation play NatEnergy continues to capitalize on the industry's liberalization and the government's plan to double grid connect households. While our total installations during the year fell short of meeting our targeted c. 95,000 clients (as did other players in the sector, management halted installations during the fourth quarter in anticipation of revised pricing on government contracts following the float of the Egyptian pound), NatEnergy nevertheless posted 13% y-o-y growth in attributable net income to US$ 23.7 million and contributed some 20% of EKH's revenues in FY 2016. With a penetration rate of less than 45% of total households, we remain bullish on the prospects of this business and have positioned NatEnergy to capture continued growth in the industry.

As we head into 2017, I am confident in EKH's ability to continue its efficient deployment of resources in the most prudent and profitable way. Management has time and again proven it has the strategic insight and skillset that not only allows it to maneuver the challenges facing Egyptian businesses today, but to also capitalize on them to the company's benefit and consistently deliver real value to our shareholders.

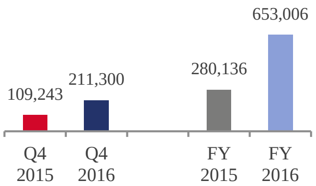
72%

of Group Revenues
in FY 2016

Revenues
(USD 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. A third investment, the Egyptian Hydrocarbon Corporation (EHC), is a mining-grade ammonium nitrate manufacturing startup that began commissioning in early 2015. 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 2015	Q4 2016	% Change	FY 2015	FY 2016	% Change
Revenues	46.8	63.7	*36%*	166.9	251.6	*51%*
Gross Profit Margin	27%	29%	*2 ppt*	18%	26%	*8 ppt*
EBITDA Margin	32%	28%	*-4 ppt*	23%	28%	*5 ppt*
Net Profit	7.5	9.2	*23%*	12.6	38.8	*209%*
Net Profit Margin	16%	14%	*-2 ppt*	8%	15%	*7 ppt*
Net Profit attributable to EKH	5.0	7.0	*41%*	14.9	32.5	*119%*

The Fertilizer & Petrochemical segment turned in a strong performance during Q4 2016 with revenues of US$ 63.7 million, up 35.9% y-o-y, and with a bottom-line of US$ 9.2 million, a 23% increase compared to the same period last year. On a full-year basis, the segment reported a 51% y-o-y increase in revenues to US$ 251.6 million, while net profit grew three-fold to US$ 38.8 million. Net profit margin eased two percentage points in Q4 2016, but bottom-line profitability for the full year improved seven percentage points, booking a 15% net profit margin. Natural gas availability during the course of 2016, in contrast to frequent interruptions during the first nine months of 2015 due to a nationwide shortage, saw AlexFert operate at near-full utilization rates and restore its normal levels of contribution to the segment's revenues and profitability. Meanwhile Sprea Misr continued to capitalize on its position as an import substitute with a growing export footprint.

Despite the devaluation of the Egyptian pound during Q4 2016 and the subsequent translation effect on Sprea's financial statements, the company posted 8.2% y-o-y revenue growth in US dollar terms to US$ 21.6 million. Meanwhile, efforts to substitute imported raw materials with local alternatives reflected positively on bottom-line profitability with net profit climbing 64.6% to US$ 5.7 million in Q4 2016, a nine percentage point improvement in margin to stand at 26%. In FY 2016, Sprea's bottom-line recorded US$ 28.7 million on revenues of US$ 115.9 million, up 76.7% and 22.3% y-o-y, respectively.

Sales of formaldehyde urea (an anti-caking additive used in the fertilizer industry) and sulfonated naphthalene formaldehyde (SNF, an additive for ready-mix concrete) continue to grow supported by Sprea's strengthening position as an import substitute particularly in light of the Egyptian Pound's float. Meanwhile, the methanol-based industry's high barriers to entry within the domestic market afford the company increased leverage in passing on price hikes to consumers and in turn protecting margins. In that regard, Sprea continues to explore opportunities to control costs and potentially expand its product offering by supporting domestic suppliers who are producing imported raw materials, building on its previous success of backing a domestic supplier to develop Kraft paper, an important production input for Formica sheets, resulting in a double-digit reduction of its cost structure on that product.

Meanwhile, AlexFert witnessed a turnaround in performance during FY 2016 thanks to a consistent supply of natural gas, with utilization rates averaging 85-90% compared to 40-45% in FY 2015. Full-year revenues almost doubled to US$ 135.6 million with net profit posting US$ 10.1 million compared to a loss of US$ 3.7 million the previous year. On a quarterly basis, revenues were up a slower 56.5% y-o-y in Q4 2016 to US$ 42.0 million as natural gas volumes had begun their recovery in November 2015, with Q4 2015 utilization rates averaging 90%.

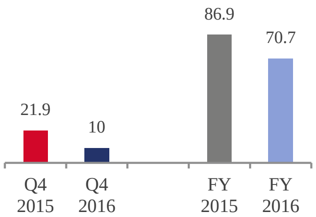
Management remains confident that improved utilization rates are sustainable on the back of several factors, namely improved natural gas production from existing concessions, new natural gas discoveries expected to come online by year-end 2017, and an overall shift in Egypt's energy mix that is freeing up gas allocation to industry. Additionally, pursuant to the company's agreement with the Egyptian government, failure to deliver the required volumes activates a compensation clause by EGAS. With regards to urea prices, the trend is expected to maintain an upward momentum on the back of anticipated demand from European and US markets ahead of their application season coupled with limited supply from producers in China and North Africa.

Energy & Energy-Related

20%
of Group Revenues
in FY 2016

Egypt Kuwait Holding has investments in two companies in the Energy and Energy-Related Segment: NatEnergy and the Egyptian Tanker Company (ETC). 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. The company's energy investments also include a local and global marine transport of crude oil and petroleum products through ETC. Previous investments included the Oil & Gas operations, which have been deconsolidated as of Q1 2016.

Revenues
(USD mn)



Energy & Energy-Related

in US$ mn unless otherwise indicated	Q4 2015	Q4 2016	% Change	FY 2015	FY 2016	% Change
Revenues	21.9	10.0	*(54%)*	86.9	70.7	*(19%)*
Gross Profit Margin	36%	34%	*(2 ppt)*	35%	38%	*3 ppt*
EBITDA Margin	37%	49%	*12 ppt*	34%	38%	*4 ppt*
Net Profit	7.3	5.5	*(24%)*	27.3	27.8	*2%*
% Margin	33%	56%	*23 ppt*	31%	39%	*7 ppt*
Net Profit attributable to EKH	5.7	4.9	*(14%)*	21.0	23.7	*13%*

The Energy & Energy-Related segment reported a 54% y-o-y decrease in revenues in Q4 2016 and a 19% y-o-y decline over FY 2015, as the company halted installations during the quarter and partly due to the Egyptian Pound's float in November 2016 and its effect on NatGas and Fayoum's EGP-denomination financials. Despite the sharp decline in quarterly revenues, bottom-line profitability significantly improved in Q4 2016 with net profit margin gaining 23 percentage points to reach 56%. The marked improvement is owing to EKH's treasury function's established cash management strategy which leveraged an efficient cash cycle to maximize interest income. Meanwhile, following the increase in NatEnergy's stake in NatGas — in line with EKH's strategy to acquire minority interests — attributable net income for the year climbed 13% y-o-y to US$ 23.7 million. NatEnergy had increased its stake in NatGas to 74% in August 2015 and to 84% in Q2 2016, with a target of reaching 90% through the buyout of another minority shareholder.

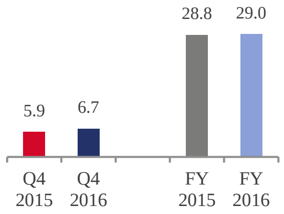
NatGas along with other private and public players in the market is currently negotiating with the government to increase installation fees as a means of adjusting to the new EGP:USD exchange rate following the float. NatGas has thus opted to halt installation during Q4 2016 until a new pricing agreement is reached. On a full-year basis, NatGas connected a total of 72,237 clients in FY 2016 compared to 99,060 thousand clients the previous year.

Heading into 2017, the company will initially focus on individual infill clients as it awaits new pricing on bulk government contracts. Management still maintains its target of installing 120,000-150,000 clients by year-end 2017, having already secured raw materials for 180,000 clients and at favorable prices. With liquefied natural gas (LNG) and compressed natural gas (CNG) prices on the rise, and a doubling in liquefied petroleum gas (LPG), management expects a significant acceleration in the pace of business going forward and aims to double its c.1 million connected clients within five years.

Meanwhile, Kahraba's contribution to attributable net profit stood at EGP 18.3 million in FY 2016, up 34.5% y-o-y, mainly thanks to the company's linking of the price of electricity to that of its feed-in natural gas, which is priced in USD, and the consequent increase in electricity prices following the devaluation of the Egyptian Pound. New signed contracts with total capacity of 25 MW and the firm's efforts to target the commercial sector as a new market opportunity will drive future growth and profitability. Moreover, Kahraba's plans to add an additional 30 MW to its generation capacity — bringing the total to 70 MW — remain on track and are earmarked to come online by the end of Q2 2017.

8%
of Group Revenues
in FY 2016

Revenues
(USD mn)



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.

In FY 2016, the Diversified segment reported revenues of US$ 29.0 million, up 1% y-o-y, and net profit of US$ 6.3 million, up almost two-fold compared to the US$ 3.3 million booked in FY 2015.

Outlook

The nature of EKH's business as an investment company affords it the flexibility to utilize – or rearrange, if necessary – its resources in the best way possible with the aim of maximizing shareholder value. Heading into 2017, EKH will continue to invest in businesses that can capitalize on the current economic, pushing for organic growth while keeping an eye for new investment and/or acquisition opportunities.

While management remains watchful of the current volatility in the Egyptian macro environment – particularly with regards to the devaluation of the EGP against the USD – EKH's adopts a strategy that targets growth in excess of the impact of the economic challenges, whether through on-the-ground operational improvements or the buyout of minority shareholders. Looking ahead, we expect to grow our foreign currency receipts for existing businesses and to expand the businesses where we hold a market niche and unique competitive advantage.

Sprea: Going forward, Sprea's growth will be driven by expanding its regional footprint, with a particular focus on African markets, as well as investments in new businesses complementary to its current operation. SNF expansion plans remain on track with an additional 22 Ktons in production capacity earmarked for the first quarter of 2017, and management is considering a new SNF plant with 88 Ktons capacity, mostly for export after covering the local market, as it seeks to capture c. 7-8% of the region's US$ 350:400 million SNF market. Meanwhile, the board of directors has signed-off on Sprea's MDF project which aims to capture supply gaps in the Egyptian market as well as extract additional value from the company's existing products — namely glue which constitutes 30% of MDF's raw materials.

AlexFert: With the company now receiving its full natural gas allocation — guaranteed by the settlement agreement with the GOE — AlexFert is on track to regaining its market position and delivering growth and profitability to the group, further supported by recovering urea prices.

NatEnergy: The key asset within the energy and energy-related segment, NatGas, is geared to deliver long-term organic growth as it capitalizes on the GOE's energy reform program and plan to double grid-connected — 700-800 thousand households per annum. Upon finalization of a new pricing agreement the company will push through with expanding its client base, targeting an additional 120-150 thousand clients by year-end 2017.

Recent Corporate Developments

Board of Directors approves MDF Investment

EKH's Board of Directors has signed-off on management's plan to invest in a Medium Density Fiberboard (MDF) manufacturing operation following proof of concept and marketability assessment. The company is currently vetting different technology providers and will announce developments as they occur.

Board of Directors approves acquisition of an additional 30% in Bawabat El Kuwait

As part of EKH's strategy of cleaning up minorities and increasing its stakes in business with high growth potential, the Board of Directors has approved the acquisition of an additional 30% stake in Bawabat El Kuwait, the key shareholder in AlexFert.

EKH's share price and liquidity show marked improvement

EKH's share price increased an impressive 34.9% during Q4 2016, closing the year at USD 0.58 per share, up from USD 0.44 as at 30 September 2016 and despite the Egyptian Pound's float on 3 November 2016. As at 1 March 2017, the company' share was trading at USD 0.64 per share, up a further 10.3% ytd.

General Assembly for FY 2016 Results

EK Holding intends to hold its annual general assembly on 18 March, 2017

Dividend

For the full year of 2016, management has proposed a dividend payout of 12.5% of the share's USD 0.25 par value, equivalent to c.USD 0.03 per share yielding c.4.6% as at 28 February 2017 close price.

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

Income Statement

(in US $)	4Q 2016	4Q 2015	FY 2016	FY 2015
Energy & Energy Related				
Revenues	9 961 181	21 851 773	70 654 920	86 910 115
% Contribution	12%	29%	20%	31%
COGS	6 540 052	14 055 161	44 150 363	56 794 740
Gross Profit	3 421 129	7 796 612	26 504 558	30 115 375
% Margin	34%	36%	38%	35%
Fertilizers & Petrochemicals				
Revenues	63 651 668	46 836 965	251 600 907	166 938 807
% Contribution	79%	63%	72%	59%
COGS	45 071 183	34 280 483	185 516 904	137 675 777
Gross Profit	18 580 485	12 556 482	66 084 003	29 263 030
% Margin	29%	27%	26%	18%
Diversified				
Revenues	6 671 519	5 889 359	28 964 982	28 762 436
% Contribution	8%	8%	8%	10%
COGS	937 556	300 722	4 365 939	2 864 761
Gross Profit	5 733 963	5 588 637	24 599 043	25 897 675
% Margin	86%	95%	85%	90%
Total Revenues	**80 284 368**	**74 578 097**	**351 220 809**	**282 611 358**
COGS	52 548 791	48 636 366	234 033 205	197 335 278
Gross Profit	27 735 577	25 941 731	117 187 604	85 276 080
% Margin	35%	35%	33%	30%
Selling Expenses	2 467 598	1 942 275	10 047 583	7 430 756
G&A	5 574 948	7 823 593	21 987 663	25 337 193
Operating Income	**19 693 031**	**16 175 863**	**85 152 358**	**52 508 131**
% Margin	25%	22%	24%	19%
Interest Net	(275 865)	(3 460 957)	2 197 464	(2 365 664)
FX Gain / Loss	30 120 022	(80 174)	31 818 427	613 527
Capital Gain	3 391	9 979	71 321	31 864
Other Income (Expenses)	(26 386 157)	(1 303 302)	(15 275 645)	3 303 779
Net Income before Tax	**23 154 422**	**11 341 409**	**103 963 925**	**54 091 637**
Income Tax	3 427 620	(4 596 263)	18 706 823	5 491 553
Differed Tax	803 101	5 281 970	49 340	-
Net Income from Continued Operations	**18 923 701**	**10 655 702**	**85 207 762**	**48 600 084**
Gain (Loss) from Discontinued Operations	-	(3 133 754)	(10 630 332)	(2 538 081)
Net Income	**18 923 701**	**7 521 948**	**74 577 430**	**46 062 003**
Non-Controlling Interest	3 449 936	4 310 253	12 034 640	9 789 566
Attributable Net Income	**15 473 765**	**3 211 695**	**62 542 790**	**36 272 437**

Balance Sheet

(in US$)	FY 2016	FY 2015
Fixed Assets (Net) & Projects under Construction	233 880 932	278 132 960
E&P Assets	-	93 594 442
Investments in Associates	63 782 363	155 057 733
Investments Available for Sale	116 953 348	115 930 389
Financial investments held-to-maturity	113 528 198	-
Other long-term Assets	195 022 153	130 148 034
Total Long-Term Assets	**597 638 796**	**745 863 558**
Cash	242 186 165	396 876 046
Investments in Treasury Bills	18 613 529	6 044 646
Investments Held for Trading	15 159 821	112 495 674
Total Receivables & Other Debtors	44 441 573	182 686 620
Assets Held for Sale	38 368 005	-
Inventory & Work in Progress	54 103 292	76 242 603
Due from EGPC	1 416 404	7 324 260
Total Current Assets	**414 288 789**	**781 660 849**
Total Assets	**1 011 927 585**	**1 527 524 407**
Bank Overdraft and STL	81 055 075	259 493 122
Due to Suppliers and Sub-Contractors	14 250 675	83 576 453
Due to EGPC	23 983 418	15 206 509
Provisions	21 448 727	13 827 109
Debtors and Other Credit Balances	99 497 366	205 461 354
Liabilities Held for Sale	4 600	-
Total Current Liabilities	**240 239 861**	**577 564 547**
Long-Term Loans	119 409 164	123 097 749
Other Long-Term Liabilities	372 908	833 980
Due from EGPC	-	581 332
Provisions	-	4 070 000
Deferred Tax Liability	26 571 939	29 721 891
Total Long-Term Liabilities	**146 354 011**	**158 304 952**
Paid-in Capital	256 110 292	256 110 292
Reserves	188 894 520	188 292 291
Fair Value Reserve	(170 395 430)	(175 271 701)
Retained Earnings	325 259 517	299 919 262
Translation Adjustments	(212 373 270)	(47 129 262)
Formed versus-based payment transactions on shares	17 561 848	-
Parent's Shareholders' Equity	**401 057 477**	**521 870 882**
Non-Controlling Interest	224 276 236	269 784 026
Total Shareholders' Equity	**625 333 713**	**791 654 908**
Total SHE + Total Liabilities	**1 011 927 585**	**1 527 524 407**

Cash Flows

(in us $)	FY 2016	FY 2015
Cash flows from operating activities		
Net profit for the year before income tax	109 300 543	54 658 364
Adjustments for:		
Depreciation of fixed assets and amortization of other intangible assets	28 196 641	29 292 658
Depreciation of exploration and development assets	-	8 332 927
Profits from sale of investments available for sale	(541 489)	(4 700 764)
The company's share in associated companies' profits	(5 275 943)	(3 013 197)
Re-evaluation of a portfolio of investments held for trading output	(865 879)	(5 764 420)
Financing expenses	11 349 590	24 027 695
Interest income	(13 547 054)	(13 052 682)
Capital gains	(71 321)	(72 099)
Provisions no longer required	(24 736 734)	(4 827 414)
Provisions other than depreciation	35 357 707	3 525 109
Re Impairment losses on receivables and debit balances	(4 593)	(96 975)
Impairment losses on receivables and debit balances	-	64 561
Share based payments expenses	17 561 848	-
Impairment losses in the value of assets	-	459 845
Profit (loss) on disposal of discontinued operations - lost control	(10 630 332)	228 844
Operating profit before changes in assets & liabilities available from operating activities	**146 092 984**	**89 062 452**
Financial investments held-to-maturity - current portion	(6 259 781)	-
Investments at fair value	98 201 732	97 990 894
Sales agents and notes receivable	6 475 931	8 043 073
Accounts receivable and other receivables	17 695 612	(17 341 185)
Inventory	7 380 766	(4 535 863)
Work in progress	791 121	(1 691 608)
Suppliers and subcontractors	3 338 588	28 978 225
Payables and other credit balances	(82 764 816)	5 031 807
Egyptian General Petroleum Corporation	8 195 577	(683 684)
Frozen deposits	35 607 795	(55 607 767)
Deposits	(148 026 934)	-
Utilized provisioning	(351 375)	(591 162)
Financing expenses paid	(11 370 395)	(21 465 245)
Net change in assets of unconsolidated subsidiaries as a result of loss of control	(39 363 876)	(4 898 417)
Net cash available from (used in) operating activities	**77 287 164**	**122 291 520**
Cash flows from investing activities		
Proceeds from the sale of non-current assets held for sale	-	1 250 000
Interest income	15 898 531	11 964 175
Payments for purchase of fixed assets and projects under implementation	(30 392 064)	(12 085 091)
Payments for exploration and development assets	-	(53 513 073)
Proceeds from sale of fixed assets	1 067 396	87 402
Proceeds from the Egyptian General Petroleum Corporation	5 907 856	7 153 620
Proceeds from sale of investments available for sale	8 568 998	10 745 545
Purchase of financial investments available for sale	(6 080 354)	(14 354 197)
Purchase of investments in associated companies	-	(18 148 063)
Financial investments held- to-maturity payments	(57 936 664)	-
Dividend paid of sister companies	12 129 571	-
Dividend of sister companies	1 712 914	582 914
Payments for investments in Treasury bills more than three months	(44 276 852)	-
Proceeds from investments in Treasury bills more than three months	31 923 107	-
Proceeds from the disposal of discontinued operations (without cash disposed)	-	4 577 650
Net cash used in investing activities	**(148 070 500)**	**(61 739 118)**
Cash flows from financing activities		
Repayment of long-term loans and bank facilities	-	(105 686 963)
Proceeds from long-term loans and bank facilities	8 766 257	61 544 528
Proceeds from loans and short-term bank facilities	121 303 885	49 010 533
Repayment of loans and short-term bank facilities	(201 192 807)	(15 801 926)
Proceeds from banks - overdraft	71 512	-
Outstanding of banks - overdraft	(38 153 612)	(23 504 322)
Purchase of non-controlling interest	(3 043 968)	(15 315 675)
Non-controlling stakes	27 719 974	(7 212 601)
Dividends paid	(36 824 402)	(37 672 544)
Proceeds from the sale of treasury shares	-	4 736 358
Net cash used in financing activities	**(121 353 161)**	**(89 902 612)**
Translation of financial statements of the accumulated differences	(51 082 256)	3 930 619
Net change in cash and cash equivalents during the year	**(243 218 753)**	**(25 419 591)**
Cash and cash equivalents at beginning of the period	346 901 181	372 320 772
Cash and cash equivalents at end of the year	**153 901 134**	**346 901 181**