


Citadel Capital Company
(Egyptian Joint Stock Company)

Consolidated financial statements
for the period ended September 30, 2014
&
Review report

 **Hazem Hassan**
Public Accountants & Consultants

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Review report

To the Board of Directors of Citadel Capital Company

Introduction

We have performed a limited review for the accompanying consolidated statement of financial position of Citadel Capital Company (Egyptian Joint Stock Company) and its subsidiaries as at September 30, 2014 and the related consolidated statements of income, changes in equity and cash flows for the nine months then ended, and a summary of significant accounting policies and other explanatory notes. The Company's management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of limited review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements 2410, "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2014 and of its consolidated financial performance and its consolidated cash flows for the nine months then ended in accordance with Egyptian Accounting Standards.

KPMG Hazem Hassan

Cairo, December 7, 2014

Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated statement of financial position
as at September 30, 2014

	Note	30/9/2014 EGP	31/12/2013 EGP
Assets			
Fixed assets (net)	(6)	5 256 096 564	5 903 051 372
Projects under construction (net)	(7)	10 704 052 669	9 825 065 263
Intangible assets (net)	(8)	728 745 950	877 033 551
Goodwill	(9)	2 871 053 575	2 984 514 318
Biological assets	(10)	186 274 338	181 875 553
Trade and other receivables (net)	(18)	485 976 220	407 684 953
Investment property (net)	(11)	376 109 737	384 313 065
Investments in associates	(12)	1 674 567 345	1 468 466 304
Available-for- sale investments (net)	(13)	51 905 690	51 147 347
Payments for investments (net)	(14)	243 173 973	209 732 380
Loans to related parties	(15)	323 651 156	330 752 704
Other investments and derivatives	(16)	596 973 140	745 204 908
Total non-current assets		23 498 580 357	23 368 841 718
Inventories (net)	(17)	1 027 624 962	1 020 337 848
Biological assets	(10)	20 971 751	22 527 906
Work in process		140 112 835	35 827 837
Investments at fair value through profit or loss	(19)	163 076 427	215 839 024
Due from related parties (net)	(20)	1 032 028 025	391 618 959
Trade and other receivables (net)	(18)	936 392 920	898 683 479
Debtors and other debit balances (net)	(21)	1 168 005 078	1 006 015 070
Cash and cash equivalents	(22)	1 781 217 527	2 113 505 433
Assets classified as held for sale	(23.1)	3 068 072 569	958 863 408
Total current assets		9 337 502 094	6 663 218 964
Total assets		32 836 082 451	30 032 060 682
Equity			
Share capital	(24)	8 000 000 000	4 358 125 000
Reserves	(26)	227 298 344	374 191 790
Retained loss		(3 389 132 333)	(2 656 143 924)
Net loss for the period / year		(470 023 323)	(374 655 290)
		4 368 142 688	1 701 517 576
Shareholders' credit balances	(25)	45 738 812	2 323 160 875
Total equity attributable to equity holders of the Company		4 413 881 500	4 024 678 451
Non - controlling interests		8 721 444 600	8 699 063 528
Total equity		13 135 326 100	12 723 741 979
Liabilities			
Long term loans	(27)	8 957 036 938	6 783 015 637
Long term liabilities	(28)	275 919 123	147 584 443
Loans from related parties	(27)	773 228 473	524 651 877
Deferred tax liabilities	(29)	10 952 379	130 746 891
Total non-current liabilities		10 017 136 913	7 585 998 848
Banks overdraft	(30)	772 617 428	834 349 310
Short term loans	(27)	1 945 975 859	2 297 627 407
Due to related parties	(31)	423 659 506	266 482 262
Trade and other payables	(32)	2 629 823 768	3 263 683 743
Creditors and other credit balances	(33)	1 719 997 217	1 959 822 974
Provisions	(34)	462 666 993	477 164 016
Financial guarantees contracts	(35)	24 718 515	-
Liabilities classified as held for sale	(23.2)	1 704 160 152	623 190 143
Total current liabilities		9 683 619 438	9 722 319 855
Total liabilities		19 700 756 351	17 308 318 703
Total equity and liabilities		32 836 082 451	30 032 060 682

The accompanying notes on pages 5 to 97 are integral part of these consolidated financial statements and are to be read therewith.

Review report "attached"

Chairman
Ahmed Heikal

Managing Director
Hisham Hussein El Khazindar

Chief Financial Officer
Moataz Farouk

Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated income statement
for the period ended September 30, 2014

	Note	For the period		For the period (*)	
		from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
		EGP	EGP	EGP	EGP
Continuing operation					
Operating income	(38)	1 726 615 727	4 654 144 410	1 168 824	11 059 981
Operating costs	(39)	(1 385 320 039)	(3 813 347 158)	(2 605 234)	(8 354 709)
Gross profit (loss)		341 295 688	840 797 252	(1 436 410)	2 705 272
Advisory fee	(36.1)	5 961 995	13 161 263	20 475 341	50 900 283
Share of profit (loss) of equity accounted investees	(37)	102 279 163	151 740 473	(5 841 699)	(29 832 008)
Total operating profit		449 536 846	1 005 698 988	13 197 232	23 773 547
Administrative and general expenses	(40)	(288 252 485)	(809 015 212)	(40 363 958)	(142 258 950)
Other revenues (expenses)	(41)	26 215 695	(47 555 515)	(29 871 409)	(107 331 303)
Net operating profit (loss)		187 500 056	149 128 261	(57 038 135)	(225 816 706)
Finance costs - net	(42)	(257 301 541)	(669 506 984)	(26 843 523)	(31 791 355)
Net loss before tax		(69 801 485)	(520 378 723)	(83 881 658)	(257 608 061)
Income tax		(25 660 208)	(54 123 841)	(48 366)	(39 165)
Net loss from continuing operation		(95 461 693)	(574 502 564)	(83 930 024)	(257 647 226)
Discontinued operations					
Net (loss) profit from discontinued operation (after tax)	(23.3)	(3 645 521)	(112 309 198)	1 251 631	1 251 631
Net loss for the period		(99 107 214)	(686 811 762)	(82 678 393)	(256 395 595)
Attributable to:					
Equity holders of the Company		(59 515 860)	(470 023 323)	(80 740 608)	(249 057 815)
Non - controlling interests		(39 591 354)	(216 788 439)	(1 937 785)	(7 337 780)
		(99 107 214)	(686 811 762)	(82 678 393)	(256 395 595)
Earnings per share	(43)	(0.04)	(0.36)	(0.09)	(0.29)

* Note (5,53).

The accompanying notes on pages 5 to 98 are integral part of these consolidated financial statements and are to be read therewith.

Citadel Capital Company

(Egyptian Joint Stock Company)

Consolidated statement of changes in equity
for the period ended September 30, 2014

Note	Share capital	Reserves					Retained loss	Net loss for the year / period	Shareholders' credit balances	Total	Non - controlling interests	Total equity
		Legal reserve	Fair value reserve - AFS	F.C. translation reserve	Company's share of changes in associates' equity	Share based payment reserve						
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as at December 31, 2012	4 358 125 000	89 578 478	(638 202)	194 224 837	(75 700 218)	-	(2 022 909 901)	(691 740 235)	-	1 850 939 759	438 252 202	2 289 191 961
Carrying 2012 loss forward	-	-	-	-	-	-	(691 740 235)	691 740 235	-	-	-	-
Exchange differences relating to foreign operations	(3.3)	-	-	-	-	-	-	-	-	-	-	-
Changes in the fair value of available -for- sale investments	(3.8.1)	-	-	142 616 674	-	-	-	-	-	142 616 674	(5 704 151)	136 912 523
Changes in non - controlling interests	(3.1.4)	-	(149 950)	-	-	-	-	-	-	(149 950)	-	(149 950)
Company's share in changes of associates equity	-	-	-	-	-	-	-	-	-	-	-	-
Net loss for the period ended September 30, 2013	-	-	-	-	(169 366)	-	(10 096 774)	-	-	(10 266 140)	-	95 836 805
Balance as at September 30, 2013 (*)	4 358 125 000	89 578 478	(788 152)	336 841 511	(75 869 584)	-	(2 724 746 910)	(249 057 815)	-	(249 057 815)	(7 337 780)	(256 395 595)
Balance as at December 31, 2013	4 358 125 000	89 578 478	56 277	360 212 663	(75 655 628)	-	(2 656 143 924)	(374 655 290)	2 323 160 875	4 024 678 451	8 699 063 528	12 723 741 979
Carrying 2013 loss forward	-	-	-	-	-	-	(393 811 043)	374 655 290	-	(19 155 753)	-	(19 155 753)
Shareholders' credit balances	(24.25)	-	-	-	-	-	-	-	-	-	-	-
Share capital issuance	(24.25)	3 641 875 000	-	-	-	-	-	-	1 363 110 497	1 363 110 497	-	1 363 110 497
Exchange differences relating to foreign operations	(3.3)	-	-	-	-	-	-	-	(3 640 532 560)	1 342 440	-	1 342 440
Changes in the fair value of available -for- sale investments	(3.8.1)	-	-	95 487 011	-	-	-	-	-	95 487 011	35 043 618	130 530 629
Changes in non-controlling interests	-	-	(534 052)	-	-	-	-	-	-	(534 052)	-	(534 052)
Acquisition of non - controlling interests without change in control	(3.1.3)	-	-	-	-	-	-	-	-	-	204 125 893	204 125 893
Share based payments	(3.3.1)	-	-	-	-	-	(339 177 366)	-	-	(339 177 366)	-	(339 177 366)
Change in the fair value of hedge reserve-swap contract	-	-	-	-	(218 389 981)	-	-	-	-	(218 389 981)	-	(218 389 981)
Net loss for the period ended September 30, 2014	-	-	-	-	-	-	-	-	-	(23 456 424)	-	(23 456 424)
Balance as at September 30, 2014	8 000 000 000	89 578 478	(477 775)	455 699 674	(75 655 628)	(218 389 981)	(3 389 132 333)	(470 023 323)	45 738 812	4 413 881 500	8 721 444 600	13 135 326 100

* Note (5.53).

The accompanying notes on pages 5 to 98 are integral part of these consolidated financial statements and are to be read herewith.

Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated statement of cash flows
for the period ended September 30, 2014

	For the period ended	
	30/9/2014	30/9/2013 (*)
	EGP	EGP
Cash flows from operating activities		
Net loss before tax	(520 378 723)	(257 608 061)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net (loss) profit from the discontinued operations (after tax)	(112 309 198)	1 251 631
Loss from selling discontinued operations	25 381 815	-
Depreciation and amortization	301 943 210	10 352 073
Company's share of loss / profit of equity accounted investees	(154 535 668)	48 290 544
Net change in the fair value of investments at fair value through profit or loss	566 121	274 807
Foreign currencies translation differences	145 829 625	129 565 861
Foreign currencies exchange differences	91 178 108	(17 494 216)
Interest income	(7 352 344)	(21 732 801)
Gain from financial guarantee contracts	(528 351)	-
Gain on sale of fixed and biological assets	(836 122)	(373 066)
Interest expenses	360 571 768	15 955 061
Provisions formed	54 732 232	136 739
Impairment on assets	23 135 202	124 327 968
Inventory write down	61 390	-
Provisions no longer needed	(11 704 585)	(17 408 211)
Provision used	(4 551 075)	-
Share based payments	562 500	-
End of service provision	480 577	-
Income tax paid	(11 919 543)	-
Operating profit before changes in working capital	180 326 939	15 538 329
Change in working capital:		
Assets		
Inventories	51 958 713	1 677 713
Biological assets	(403 882)	1 694 018
Work in process	2 538 198	-
Investments at fair value through profit or loss	10 798 634	-
Due from related parties	(1 537 413 313)	(119 744 983)
Trade and other receivables	(90 680 526)	-
Debtors and other debit balances	37 401 894	(140 222 128)
Liabilities		
Due to related parties	1 200 071 334	34 844 515
Trade and other payables	(815 509 076)	-
Creditors, other credit balances and long term liabilities	19 975 772	51 050 522
Discontinued operations	300 277 262	-
Net cash used in operating activities	(640 658 051)	(155 162 014)
Cash flows from investing activities		
Payments for purchase of fixed assets and projects under construction	(2 331 579 059)	(14 518 439)
Proceeds from sale of fixed assets	35 694 811	559 749
Payments for purchase of biological assets	(42 128 811)	-
Proceeds from sale of biological assets	9 132 039	-
Payments for purchase of intangible assets	(44 400 999)	-
Proceeds from sale of assets classified as held for sale	579 367 353	-
Payments for purchase of investment property	(69 245)	-
Payments for loans to related parties	(25 790 086)	-
Proceeds from loans to related parties	159 850 000	-
Payments for investments	(23 063 256)	(3 300 000)
Payments for other investments	(78 925 621)	(113 364 649)
Interest received	392 456	-
Dividends received	49 389 861	-
Discontinued operations	35 627 544	-
Net cash used in investing activities	(1 676 503 013)	(130 623 339)
Cash flows from financing activities		
Proceeds from capital increase	1 342 440	-
Payments of shareholders' credit balances	(2 139 135)	-
Proceeds from loans	2 406 613 370	232 121 730
Payments for loans	(918 017 788)	-
Proceeds from banks overdraft	81 045 944	6 732 212
Proceeds from non-controlling interests	448 689 966	49 115 240
Interest paid	(58 715 453)	(8 864 050)
Dividends paid	(39 314 238)	-
Discontinued operations	35 155 818	-
Net cash provided from financing activities	1 954 660 924	279 105 132
Net changes in cash and cash equivalents during the period	(362 500 140)	(6 680 221)
Acquisition of subsidiaries	76 177 038	-
Cash and cash equivalents at the beginning of the period - note (22)	2 067 540 629	272 707 179
Cash and cash equivalents at the end of the period - note (22)	1 781 217 527	266 026 958

* Note (5,53).

The accompanying notes on pages 5 to 98 are integral part of these consolidated financial statements and are to be read therewith.

1. Company background

1.1 Legal status and activity

Citadel Capital Company - an Egyptian Joint Stock Company - was founded in accordance with the applicable Egyptian laws and in pursuance to law no. (159) of 1981 and its executive regulations. The Company has been registered in the commercial register at Giza under number 11121 on April 13, 2004.

1.2 Purposes of the company

- The Company's basic activity extends to the region of the Middle East and north East Africa, especially Egypt, Algeria, Libya, Syria and Sudan. The purpose of the Company is represented as follows:
 - Providing consultancy in financial and financing fields for different companies and preparing and presenting the feasibility studies in the economical, technological, engineering, marketing, financing, management, borrowing contracts arrangements fields and financing studies in addition to preparing and presenting studies and consultancy regarding projects' promotion and offering the necessary technical support in different fields except legal consultancy.
 - Working as an agent in contracting and negotiation in different fields and steps especially negotiation in the management contracts, participation and technical support.
 - Managing, executing and restructuring of projects.
- On October 20, 2013 the extra ordinary general assembly has agreed on amending the statute of the Company in accordance with the Capital Market Law and its executive regulations on the basis that the Company is involved in establishing other companies and participating in the capital increases of other companies pursuant to the provision of article no.(27) of the Capital Market Law and article no.(122) of its executive regulations, provided that required legal procedures for amending the statute of the company will take place after completing the required legal procedures for the aforementioned capital increase.
- The company will be known as "Qalaa Holdings" in the English language. Qalaa has been the firm's Arabic name since it was founded in 2004. Subsequently to the successful completion of the capital increase to EGP 8 billion, the company has transformed its business model from being a private equity company to an investment company with a focus on business segments of energy, cement, agrifoods, transportation & logistics, and mining. The required procedures to amend the Company's commercial register are taking place.

1.3 Registered headquarters

The address of the Company's registered office is 3 El Yemen St., Dokki - Giza.

1.4 Frame work

The consolidated financial statements of the Company for the period ended September 30, 2014 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates.

2. Basis of preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the Egyptian Accounting Standards and applicable laws and regulations.

The financial statements were approved by the Board of Directors on December 7, 2014.

2.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except assets and liabilities which are measured at fair value as follows:

- Financial instruments at fair value through the profit or loss.
- Available-for-sale financial assets.
- Derivative financial instruments.

The methods used to measure the fair value are discussed in note (4).

2.3 Functional and presentation currency

These consolidated financial statements are presented in Egyptian Pound, which is the Company's functional currency.

2.4 Use of estimate and judgements

The preparation of financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note (12) measurements of the recoverable amounts of investments in associates.
- Note (29) deferred tax.
- Note (34) provisions.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities. Certain comparative amounts are reclassified to conform with the current presentation of financial statements.

3.1 Basis of consolidation

3.1.1 Subsidiaries

- The consolidated financial statements include all subsidiaries that are controlled by the parent company and which the management intends to continue to control. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. EAS 24 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

- Non - controlling interests shall be presented in the consolidated balance sheet within equity, separately from the parent shareholder's equity. Non - controlling interests in the profit or loss of the group shall also be separately disclosed.
- A parent loses control when it loses the power to govern the financial and operating policies of an investee so as to obtain benefit from its activities.

3.1.2 Loss exceeding non-controlling

Losses that exceed the non - controlling in the equity of a subsidiary may create a debit balance on non - controlling only if the minority has a binding obligation to fund the losses and is able to contribute an additional investment to cover the losses .If this is not the case then the losses are attributable to the parent's interest. If the subsidiary subsequently reports profits, then these profits are allocated to parent until the share of losses absorbed previously by the parent has been recovered.

Business combinations arising from transfers of interests from non - controlling interest or in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated when practical. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group's controlling shareholder's consolidated financial statements. The components of equity of the acquired entity or attributable to the minorities are added to the same components within the Group equity except that any share capital of the acquired entities is recognised as notional capital contribution. Any cash paid for the acquisition recognised directly in equity.

3.1.3 Acquisitions from non- controlling interests and entities under common control

Business combinations arising from transfers of interests from non-controlling interests or in entities that are under the control of the

shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated when practical. The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the Group's controlling shareholder's consolidated financial statements. The components of equity of the acquired entity are added to the same components within the Group equity except share capital. Cash paid in excess or less than the nominal value of the acquired shares from minority is recorded as notional capital distribution in lower value than nominal share from acquisition of minority interest within the shareholders' equity of the group financial statements.

3.1.4 Associates

Investments in associates are stated at equity method. Under the equity method the investment in associates is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the associates after the date of acquisition. Distributions received from associates reduce the carrying amount of the investment.

Losses of an associate in excess of the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate) are not recognized, unless the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of the acquisition over the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

3.2 Foreign currency transactions

The Company maintains its accounts in Egyptian pounds. Transactions denominated in foreign currencies are translated at foreign exchange rates ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the foreign

exchange rates ruling at that date. The foreign currency exchange differences arising on the translation at the reporting date are recognized in the income statement.

3.3 Foreign operations

As at the reporting date the assets and liabilities of these consolidated subsidiaries are translated to Egyptian Pound at the rates ruling as at the reporting date, and the shareholders' equity accounts are translated at historical rates, where as the income statement items are translated at the average exchange rates ruling during the period of the consolidated financial statements. Currency translation differences are recorded in the shareholders' equity section of the financial position as foreign currency translation reserve.

3.4 Recognition and disposals of the financial assets and liabilities

3.4.1 Recognition

The Group initially recognises deposits, receivables and debt instruments by fair value on the date that they are originated. All other financial assets and liabilities (including assets and liabilities designated as at fair value through profit or loss) are recognised when the Group becomes a party to the contractual provisions of the instrument.

3.4.2 Disposals

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

When an entity retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), the entity treats the transaction as

a transfer of a financial asset if, and only if, all of the following three conditions are met:

- (a) The entity has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset. Short-term advances by the entity with the right of full recovery of the amount lent plus accrued interest at market rates do not violate this condition.
- (b) The entity is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows.
- (c) The entity has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the entity is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

3.5 Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks. Derivatives are recognized initially at fair value; attributable transaction costs are recognized in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below:

- Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in profit or loss.
- If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in equity is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in

equity is transferred to profit or loss in the same period that the hedged item affects profit or loss.

- Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognized in profit or loss. The hedged item also is stated at fair value in respect of the risk being hedged, with any gain or loss being recognized in profit or loss with an adjustment to the carrying amount of the hedged item .

3.6 Lending

Loans are stated at cost less any impairment losses in its value and the Company revaluates the loans at each financial position date, in case of impairment in the redeemable value of the loan less than its book value the loan is impaired by the value of impairment loss and recognized in income statement.

3.7 Cash and cash equivalents

For the purpose of preparing cash flow statement, cash and cash equivalents are represented in balances with original maturities of three months or less-note(22).

3.8 Investments

3.8.1 Available-for-sale financial investments

Available-for-sale investments are valued at fair value, with any resultant gain or loss being recognized in equity, except for impairment losses which is recognized in the income statement. When these investments are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in the income statement. The fair value of investments available-for-sale identifies, based on quoted price of the exchange market at the financial position date, investments that are not quoted, and whose fair value cannot be measured reliably are valued by an accepted valuation techniques including the use of new objective techniques or discounted cash flow analysis or option pricing models or other valuation techniques – if the company cannot estimate the fair value, it can be stated at cost less impairment loss.

3.8.2 Financial assets at fair value through profit or loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition.

Upon initial recognition attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

3.8.3 Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

3.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.10 Fixed assets depreciation

Fixed assets are stated at historical cost and presented in the balance sheet net of accumulated depreciation and impairment (note 3.18), and are depreciated using the straight line method and recognized in income statement over the estimated productive life for each type of asset. The following are the estimated productive lives, for each class of assets, for depreciation calculation purposes:

Assets depreciation	Estimated useful life
- Buildings & Constructions	5 -50 years –contract period
- Lease hold improvements	3 -10 years
- Machinery , Equipments & tools	4 -14 years
- Furniture & Fixtures	4 -16 years
- Computers	2 -4 years
- Transportation means	4 -5 years
- Barges	5 -20 years

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the property and equipment. All other expenditure is recognized in the income statement as an expense as incurred.

3.11 Gains and losses from disposal of fixed assets

Gains and losses from disposal of fixed assets are determined by comparing net disposal proceeds of assets to its net book value, resulted gain and losses are recorded in the income statement.

3.12 Projects under construction

Projects under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use. Property and equipment under construction are transferred to property and equipment caption when they are completed and are ready for their intended use.

3.13 Work in process

Work in process represents the cost of work not invoiced to the customer for contract work performed to date.

Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

3.14 Investment property

3.14.1 Recognition and initial measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured using the cost model on initial recognition and subsequently assessed for impairment with any change therein recognized in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labor, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalized borrowing costs.

When the use of investment property changes such that it is reclassified to property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent

accounting, thus if the company applies fair value method. In case that the company applies cost model, the investment property is reclassified to property, plant and equipment by its carrying value without changing the cost of property.

3.14.2 Cost incurred after initial recognition

Replacement cost of one of the asset component is recognized in the investment property cost after excluding the cost of the replaced assets.

The replacements give rise to future economic benefits that can be reliably measured. Other expenditure that not qualify for recognition should be charged to profit or loss as incurred.

3.15 Assets held for sale

Assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use is classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property and biological assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity accounted investee is no longer equity accounted.

3.16 Discontinued operations

Discontinued operations represents a separate major line of business or geographical area of operations, part of a single co-ordinated plan to

dispose of a separate major lines of business or geographical area of operations or is a subsidiary acquired exclusively with a view to re-sale. Classifications as a discontinued operations occurs at the earlier of disposal or when the operations meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statements of profit or loss and cash flows are represented as if the operation had been discontinued from the start of the comparative year.

3.17 Intangible assets

3.17.1 Goodwill

Goodwill (negative goodwill) arises on the acquisition of subsidiaries, associates and joint ventures. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity. When the excess is negative (negative goodwill), it is recognised immediately in profit or loss.

Goodwill is measured at cost less accumulated impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment.

3.17.2 Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

3.17.3 Subsequent expenditures

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

3.17.4 Amortization

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than

goodwill, from the date that they are available for use. The estimated useful lives for intangible assets range between 3:20 years.

3.18 Impairment

3.18.1 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

3.18.2 Non-financial assets

The carrying amounts of the Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible

assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.19 Trade and other receivables

Non-interest bearing short-term trade and other receivables are stated at cost less impairment losses. An impairment of trade and other receivables is established when there is objective evidence that the Group will not be

able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss relating to trade receivables is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

3.20 Biological assets

Biological assets and agricultural products are measured at fair value less estimated costs to sell, with any change therein recognised in profit or loss. The following is the measurement of the biological assets:

Corn, cotton and sunflowers	fair value less cost to sell
Fruitful fruit gardens and orchards	3- 50 years
Pregnant heifer, dry and dairy cows	56 months

3.21 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the moving average principle and includes expenditure incurred in acquiring the inventories and bringing it to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on the normal operating capacity.

3.22 Trade and other payables

Short-term trade and other payables are stated at cost.

3.23 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the

time value of money and where appropriate, the risks specific to the liability. Provisions are reviewed at the reporting date and amended (when necessary) to represent the best current estimate.

3.24 Contracts financial guarantees

Financial guarantee contracts are those contracts issued by the company to ensure given loans to customers from third parties, which require the company to do certain repayments to compensate the beneficiary for the loss incurred due to the failure of a debtor when repayable in accordance with the terms of a debt instrument, and provide those financial guarantees to banks and financial institutions and others on behalf of the company's customers.

The initial recognition of financial guarantees in the financial statements at fair value at the date of grant of security which is equal to the warranty fees. Later, it is measured by the company's commitment under the guarantee on the basis of the amount of the initial measurement less depreciation calculated for the recognition of guarantee fees in the income statement on a straight-line basis over the life of the warranty or the best estimate of payments required to settle any financial obligation arising from financial guarantee at the financial position date, whichever is higher. And those estimates are determined according to the experience in similar transactions and historical losses enhanced by virtue of the administration.

Any increase in liabilities resulting from the financial guarantee is included at the income statement under general and administrative expenses.

3.25 Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, Interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the year of the borrowings on an effective interest rate basis.

3.26 Legal reserve

The company's Statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be ceased when the total reserve reaches an amount equal to half of

the company's issued capital and when the reserve falls below this limit, it shall be necessary to resume the deduction.

3.27 Dividends

Dividends are recognised as a liability in the period in which they are declared.

3.28 Income tax

- Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.
- Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.
- A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.29 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.30 Employees benefits

3.30.1 Pensions

The Group contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law employees and employers contribute to the system a fixed percentage of the employees' salaries basis. The Group's liability is confined to such contributions amount. Contributions are charged to the income statement using the accrual basis of accounting.

3.30.2 Other short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.31 Share – based payments

For Equity-settled share-based payment transactions, the entity shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

The entity shall settle the grant of equity instruments during the vesting period with the amount that would otherwise have been recognized for services received. The entity accounted for any settlements as a deduction from equity based on the final share price when the options are exercised.

3.32 Revenue

Revenues comprise the fair value of the consideration received or receivable for services in the ordinary course of the Company's activities. Revenue is shown net of sales tax, rebates, and discounts.

The Company recognises revenues when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction, and the specifics of each arrangement.

3.32.1 Gain (loss) on sale of investments

Gain (loss) resulted from sale of investments are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses.

3.32.2 Services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

3.32.3 Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

3.32.4 Dividend income

Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, dividend income is reported in other income caption in the income statement.

3.32.5 Interest income

Interest income is recognized on time proportion basis to take into account effective yield on the asset.

3.32.6 Management fee

Management fee is recognized upon rendering the service.

3.32.7 Advisory fee

Advisory fee is calculated based on agreed percentage in accordance with contract term with companies upon rendering the service.

3.32.8 Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, and the amount of revenue can be measured reliably.

3.32.9 Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognized in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by survey of work performed.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognized immediately in profit or loss.

3.32.10 Cars conversion revenues

Revenue is recognized upon the completion of preparing cars to function using natural gas instead of Benzene upon issuing the invoice to the client.

3.32.11 Gas sales revenues

For actual gas sales, the company remits the funds it collects to EGPC net of its actual commission, which is calculated as a percentage of gas consumption.

3.32.12 Fuelling revenues

Revenues is recognized when supplying ships with fuel.

3.32.13 Natural gas revenues

Revenues is recognized when supplying cars with natural gas service is rendered.

3.32.14 Financial guarantees contracts revenues

- The main revenue for the company is represented in the commissions, which is the difference between the return on the funding given to the micro-projects and the company's bank dues by deducting the revenue from the services directly from the amounts to be collected from the owners of the projects.
- Recognition of the benefits and commissions resulting from performing the service according to the accrual basis as soon as the performance of the service to the client only if those revenues more than cover the financial period are recognized on a time proportion basis.
- Administrative commission of 3% of the value of the loan granted to customers are collected and that when hiring and are consumed on the duration of the loan.
- Interest of deposits are recognized according to the accrual basis of the temporal distribution throughout the year until the maturity date.
- Commission to delay for the payment of premiums is collected at rates to be agreed upon within the contracts and are recognized as soon as customers delayed payment on the basis of extended delay.

3.33 Borrowing costs

Borrowing costs are recognized as expenses in the profit or loss when incurred, with the exception of borrowing cost directly attributable to the construction and acquisition of new assets which is capitalized as part of the relevant assets cost and depreciated over assets' estimated useful lives. This capitalization ceases once the assets become in operational condition and ready for use.

3.34 Financial lease

Financial lease are classified as operating leases. Payment made under operating leases are recognized (after any deductions) in the profit or loss on a straight-line basis over the term of the lease. Maintenance cost included in

the lease cost under the financing lease is recognized in the profit or loss as an expense for the period of occurrence.

3.35 Employees' compulsory government social insurance share

The Company contributes to the government social insurance share for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The company's liability is confined to the amount of its contribution. Contributions are charged to income statement using the accrual basis of accounting.

3.36 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subjected to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segment.

4. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

4.1 Intangible assets

Intangible assets are stated at historical cost and amortised over a period from 3 to 20 years.

Other intangible assets that have finite useful lives are measured at cost less accumulated impairment loss.

4.2 Investment in equity and debt securities

The fair value of financial assets at fair value through profit or loss, held-to-maturity investments and available-for-sale financial assets is determined by reference to their quoted bid price at the reporting date. The

fair value of held-to-maturity investments is determined for disclosure purposes only.

4.3 Trade and other receivables

The fair value of trade and other receivables, excluding construction work in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

4.4 Non-derivatives financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

4.5 Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

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Notes to the consolidated financial statements for the period ended September 30, 2014

5. Acquisition of subsidiaries

The Company has acquired the following companies during December, 2013:

1. National Development and Trading Group.
2. Orient Investment Properties Ltd. Group.
3. Citadel Capital Transportation Opportunities Ltd. Group -BVI.
4. Ledmore Holdings Ltd.
5. Falcon for Agriculture Investments Ltd. Group -BVI.
6. Mena Home Furnishings Malls Ltd. Group - BVI.
7. KU Railways Holdings Limited Group.
8. Silverstone Capital Investment Ltd. Group.
9. United Foundries Group.

December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Book value	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cash and cash equivalents	188 721 260	1 081 126 990	2 784 723	5 100 331	45 067 742	2 442 741	41 637 168	513 942 325	3 465 865	1 884 289 145
Investments at fair value through profit or loss	53 289	--	--	461 642	3 727	--	--	212 961 014	--	213 479 672
Inventories	539 007 772	--	8 743 047	--	203 170 998	12 993 408	135 343 741	85 685 564	29 149 303	1 014 093 833
Contracts in progress	--	--	--	--	--	--	--	19 075 513	--	19 075 513
Trade and other receivables	182 716 731	--	37 856 888	--	114 304 243	5 203 375	148 405 959	419 474 802	35 678 016	943 642 014

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December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Book value	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Debtors and other debit balances	517 043 632	6 001 601	35 388 379	22 694	67 942 739	3 249 794	211 921 471	47 640 546	31 928 823	921 139 679
Due from related parties	29 084 721	--	--	195 160	138 044 616	2 038 882	864 127	128 626 321	1 110 281	299 964 108
Assets held for sale	108 027 311	--	--	--	--	--	--	--	304 933 264	412 960 575
Work in process	13 652 899	--	--	--	--	--	--	--	--	16 752 324
Biological assets	--	--	--	--	203 326 531	--	3 099 425	--	--	203 326 531
Fixed assets	3 376 892 939	280 518 589	580 443 771	423 583	936 592 607	4 415 853	28 846 686	459 747 504	79 624 961	5 747 506 493
Projects under constructions	1 524 095 197	7 746 877 650	54 192 357	105 895 794	64 894 302	188 729 983	--	27 182 786	--	9 711 868 069
Investments in subsidiaries and associates	558 748 107	--	3 268 789	--	--	29 023	--	--	--	562 045 919
Investment property	--	--	--	--	3 390 003	356 923 062	--	--	--	360 313 065
Available-for- sale investments	116 300	--	--	--	--	1 152	--	2 313 706	--	2 431 158
Payments for investments	2 346 428	--	--	--	--	--	--	--	--	2 346 428
Restricted cash	--	561 043 660	--	--	11 089 440	--	--	--	--	572 133 100
Intangible assets	379 216 191	--	586 479	--	1 689 737	--	485 649 853	9 891 291	--	877 033 551

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Notes to the consolidated financial statements for the period ended September 30, 2014

December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Book value	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Other investments	8 893 602	342 858 555	--	--	209 963	--	--	--	--	351 962 120
Derivatives swap contracts	--	163 968 243	--	--	--	--	--	--	--	--
Banks- overdraft	(342 614 856)	--	--	--	(329 064 569)	(18 918)	--	--	--	163 968 243
Current portion of long term loans	(358 784 065)	--	(224 022 575)	--	(353 160 604)	(75 579 265)	(44 373 735)	(54 321 941)	(9 965 899)	(1 120 208 084)
Due to related parties	(283 337 795)	(8 347 730)	(154 454 676)	(5 002 997)	(309 087 190)	(159 830 879)	(2 535 578)	(6 877 616)	(59 078 135)	(988 552 596)
Trade and other payables	(398 619 496)	(2 148 384 126)	(20 847 094)	--	(242 384 337)	(28 628 936)	(167 468 315)	(203 690 027)	(14 290 955)	(3 224 313 286)
Creditors and other credit balances	(764 691 018)	(67 844 690)	(37 569 558)	(636 572)	(88 054 658)	(52 704 109)	(161 989 372)	(598 590 650)	(27 794 992)	(1 799 875 619)
Provisions	(208 920 375)	--	(6 966 913)	--	(49 312 684)	(3 145 000)	--	(10 158 786)	(2 620 927)	(281 124 685)
Liabilities held for sale	(416 981 070)	--	--	--	--	--	--	--	(206 209 073)	(623 190 143)
Loans from related parties	(1 053 696 138)	--	--	--	--	--	--	--	--	--
Long term loans	(2 113 350 554)	(1 629 496 538)	(132 112 914)	--	(135 552 156)	(108 556 972)	(775 702 143)	--	(185 273 116)	(1 238 969 254)
Long term liabilities	(3 593 754)	--	(3 267 838)	(17 339 160)	(5 804 616)	--	--	(106 791 589)	(1 116 652)	(4 991 282 115)
Deferred tax liabilities	(44 420 907)	(41 164 395)	--	--	(28 623 100)	(225 786)	34 727 562	(44 067 556)	--	(136 796 957)
Net book Value	1 439 606 351	6 287 157 809	144 022 865	89 120 475	248 682 734	147 339 408	(72 233 505)	725 087 906	(91 606 188)	8 917 177 855
Non – controlling interests	(2 096 393 257)	(3 343 288 155)	(82 832 301)	(23 691 369)	--	(4 791 529)	--	(262 972 833)	--	(5 813 969 444)

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Notes to the consolidated financial statements for the period ended September 30, 2014

December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Book value	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Net book Value after non-controlling interests	(656 786 906)	2 943 869 654	61 190 564	65 429 106	248 682 734	142 547 879	(72 233 505)	462 115 073	(91 606 188)	3 103 208 411
Acquisition of additional interest										
Investment before acquisition of additional share	167 587 562	197 064 569	113 377 892	24 559 321	446 344 673	108 917 089	348 317 108	365 241 077	92 075 704	1 863 484 995
Total consideration paid	(27 355 082)	885 376 524	103 165 131	64 217 588	368 650 274	72 875 333	224 106 209	277 393 188	(11 595 867)	1 956 833 298
Goodwill *	140 232 480	1 082 441 093	216 543 023	88 776 909	814 994 947	181 792 422	572 423 317	642 634 265	80 479 837	3 820 318 293
	589 222 726	24 720 078	179 739 380	57 494 554	865 059 547	112 299 481	609 262 405	418 025 123	128 691 024	2 984 514 318

* Note (9).

- The acquired companies' financial statements have been consolidated based on the book value of the identifiable assets and liabilities. The Company has a grace period of 12 months (ending December 2014) to determine the fair value of the identifiable assets and liabilities according to the Egyptian Accounting Standards. The Company is in the process of determining this fair value exercise and adjust accordingly the financial statements.

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

6. Fixed assets (net)

	Land	Buildings	Lease hold improvements	Machinery, equipment and tools	Furniture & fixtures	Computer equipment	Transportation means and barges	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost as at 1/1/2014	880 493 960	1 705 264 950	84 320 644	4 422 070 488	263 194 713	27 813 640	487 039 020	7 870 197 415
Adjustments on the beginning balance	3 308 200	(3 308 200)	--	--	--	--	--	--
Acquisition of subsidiaries ***	31 281 840	6 205 682	16 896 473	46 118 493	7 044 473	12 628 794	37 336 924	157 512 679
Additions	1 503 537	59 192 374	62 679	96 401 179	11 630 700	238 268	5 891 552	174 920 289
Transferred to assets held for sale**	(79 389 630)	(243 555 386)	--	(1 054 324 391)	(26 929 999)	--	(37 359 865)	(1 441 559 271)
Disposals	(3 480 677)	(5 214 951)	--	(350 594)	(4 349 718)	(6 770)	(4 700 415)	(18 103 125)
Foreign currency translation differences	(26 715 447)	57 664 077	1 321 442	85 110 803	8 096 109	108 316	20 621 566	146 206 866
Cost as at 30/9/2014	807 001 783	1 576 248 546	102 601 238	3 595 025 978	258 686 278	40 782 248	508 828 782	6 889 174 853
Accumulated depreciation and impairment as at 1/1/2014	312 936	326 563 975	14 071 728	1 261 246 002	207 601 561	22 124 714	135 225 127	1 967 146 043
Adjustments on the beginning balance	--	--	--	(2 241 015)	--	--	--	(2 241 015)
Acquisition of subsidiaries ***	--	659 103	13 328 342	17 181 070	5 152 116	7 646 737	17 798 104	61 765 472
Depreciation for the period*	32 700	38 575 303	4 055 829	157 416 343	13 939 297	2 562 559	23 103 576	239 685 607
Transferred to assets held for sale**	--	(161 484 792)	--	(539 593 052)	(22 597 694)	--	(30 252 966)	(753 928 504)
Accumulated depreciation of disposals	--	(1 464 862)	--	(195 822)	(3 100 861)	(5 305)	(4 549 363)	(9 316 213)
Foreign currency translation differences	4 668	22 952 793	(11 997)	78 843 595	8 875 501	173 332	19 129 007	129 966 899
Accumulated depreciation as at 30/9/2014	350 304	225 801 520	31 443 902	972 657 121	209 869 920	32 502 037	160 453 485	1 633 078 289
Carrying amounts								
At 30/9/2014	806 651 479	1 350 447 026	71 157 336	2 622 368 857	48 816 358	8 280 211	348 375 297	5 256 096 564
At 31/12/2013	880 181 024	1 378 700 975	70 248 916	3 160 824 486	55 593 152	5 688 926	351 813 893	5 903 051 372

* Administrative depreciation for the period has been recognized in administrative and general expenses – note (40) and operating depreciation has been recognized in operating cost - note (39).

** Note (23.1).

*** Note (12).

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014
7. Projects under construction (net)

Projects under construction balance represented in the following:

	30/9/2014	31/12/2013
	EGP	EGP
Balance at the beginning of the period / year	9 908 461 723	127 421 364
Acquisition of subsidiaries **	6 208 579	9 795 264 529
Disposals	(10 664 524)	--
Transfer to assets held for sale *	(1 430 240 295)	--
Additions during the period / year	2 119 341 806	23 187 904
Transferred to fixed assets	(78 548 935)	(48 168 308)
Foreign currency translation differences	275 414 299	10 756 234
Balance	10 789 972 653	9 908 461 723
Accumulated impairment	(85 919 984)	(83 396 460)
Net	10 704 052 669	9 825 065 263

* Note (23.1).

** Note (12).

8. Intangible assets (net)

	Note	30/9/2014	31/12/2013
		EGP	EGP
Software	(8-1)	17 484 066	24 348 107
Concession	(8-2)	509 645 858	473 545 952
Other intangible assets	(8-3)	201 616 026	379 139 492
Balance		728 745 950	877 033 551

8-1 Software

	30/9/2014	31/12/2013
	EGP	EGP
Cost at the beginning of the period / year	52 395 079	--
Additions	62 172	--
Acquisition of subsidiaries *	--	52 395 079
Transferred to assets held for sale **	(1 255 175)	--
Foreign currency translation differences	(207 893)	--
Cost at the end of the period / year	50 994 183	52 395 079
Accumulated amortization at the beginning of the period / year	(28 046 972)	--
Acquisition of subsidiaries *	--	(28 046 972)
Amortization for the period / year	(5 673 791)	--
Foreign currency translation differences	210 646	--
Accumulated amortization at the end of the period / year	(33 510 117)	(28 046 972)
Net	17 484 066	24 348 107

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014
8-2 Concession

	30/9/2014	31/12/2013
	EGP	EGP
Cost at the beginning of the period / year	530 663 790	--
Acquisition of subsidiaries *	--	530 663 790
Additions	44 338 828	--
Foreign currency translation differences	19 121 069	--
Cost at the end of the period / year	<u>594 123 687</u>	<u>530 663 790</u>
Accumulated amortization at the beginning of the period / year	(57 117 838)	--
Acquisition of subsidiaries *	--	(57 117 838)
Amortization for the period / year	(31 560 966)	--
Foreign currency translation differences	4 200 975	--
Accumulated amortization at the end of the period / year	<u>(84 477 829)</u>	<u>(57 117 838)</u>
Net	<u>509 645 858</u>	<u>473 545 952</u>

8-3 Other intangible assets

	30/9/2014	31/12/2013
	EGP	EGP
License fees for constructing cement plant – Minya	200 650 015	200 650 015
Waiving of the license to establish a black cement factory for ASEC Syria according to contractual agreement at January 2005	4 544 014	4 992 302
Compensation paid for project workers	1 020 225	1 120 875
Cost of quarries exploration rights	--	198 310 297
Total	<u>206 214 254</u>	<u>405 073 489</u>
Accumulated amortization	<u>(4 598 228)</u>	<u>(25 933 997)</u>
Net	<u>201 616 026</u>	<u>379 139 492</u>

* Note (5).

** Note (23.1).

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

9. Goodwill (net)

	Balance as at 1/1/2014* EGP	Foreign currency translation differences EGP	Impairment during the period **** EGP	Acquisition of subsidiaries ** EGP	Transferred to assets held for sale*** EGP	Balance as at 30/9/2014 EGP
National Development and Trading Group	589 222 726	--	--	--	(144 094 258)	445 128 468
Orient Investment Properties Ltd. Group	24 720 078	--	--	--	--	24 720 078
Citadel Capital Transportation Opportunities Ltd.- Group - BVI	179 739 380	--	--	--	--	179 739 380
Ledmore Holdings Ltd.	57 494 554	1 286 091	--	--	--	58 780 645
Falcon for Agriculture Investments Ltd.- Group - BVI	865 059 547	(147 761)	(3 597 001)	--	--	861 314 785
Mena Home Furnishings Malls Ltd. - Group - BVI	112 299 481	--	--	--	--	112 299 481
KU Railways Holdings Limited Group	609 262 405	--	--	--	--	609 262 405
Silverstone Capital Investment Ltd. Group	418 025 123	480 875	--	--	--	418 505 998
United Foundries Group	128 691 024	--	--	--	--	128 691 024
Tawazon for Solid Waste Management (Tawazon) Group	--	--	--	32 611 311	--	32 611 311
Balance	<u>2 984 514 318</u>	<u>1 619 205</u>	<u>(3 597 001)</u>	<u>32 611 311</u>	<u>(144 094 258)</u>	<u>2 871 053 575</u>

* Note (5).

** Note (12).

*** Note (23.1).

**** Note (41).

10. Biological assets (net)

		30/9/2014	31/12/2013
		EGP	EGP
Non-current assets			
Fruitful fruit gardens and orchards	(10.1)	5 336 260	6 468 004
Fruitless fruit gardens and orchards	(10.2)	7 501 187	3 970 554
Pregnant heifer, dry and dairy cows	(10.3)	93 374 531	104 890 501
Heifers	(10.4)	80 062 360	66 546 494
		<u>186 274 338</u>	<u>181 875 553</u>
Current assets			
Plants (cotton , corn , sun flower)		1 513 398	1 076 928
Others		19 458 353	21 450 978
		<u>20 971 751</u>	<u>22 527 906</u>
Balance		<u>207 246 089</u>	<u>204 403 459</u>

		30/9/2014	31/12/2013
		EGP	EGP
10.1 Fruitful fruit gardens and orchards			
Costs			
Balance at the beginning of the period / year		10 396 162	10 914 854
Transferred from fruitless fruit gardens and orchards		--	2 433 937
Disposals		(361 824)	(1 960 305)
Foreign currency translation differences		(5 390)	(992 324)
		<u>10 028 948</u>	<u>10 396 162</u>
Accumulated depreciation			
Balance at the beginning of the period / year		3 928 158	5 309 550
Depreciation for the period / year		1 131 751	958 883
Disposals		(361 824)	(1 800 537)
Foreign currency translation differences		(5 397)	(539 738)
Balance		<u>4 692 688</u>	<u>3 928 158</u>
Net		<u>5 336 260</u>	<u>6 468 004</u>

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014

10.2 Fruitless fruit gardens and orchards	30/9/2014	31/12/2013
	EGP	EGP
Costs		
Balance at the beginning of the period / year	3 970 554	3 125 750
Additions	3 530 633	3 560 056
Transferred to fruitful fruit gardens and orchards	--	(2 440 972)
Foreign currency translation differences	--	(274 280)
Balance	<u>7 501 187</u>	<u>3 970 554</u>
 10.3 Pregnant heifer, dry and dairy cows	 30/9/2014	 31/12/2013
	EGP	EGP
Costs		
Balance at the beginning of the period / year	156 675 907	134 317 421
Transferred from heifers	24 370 811	71 149 921
Disposals	(29 357 480)	(36 563 112)
Foreign currency translation differences	--	(12 228 323)
	<u>151 689 238</u>	<u>156 675 907</u>
Accumulated depreciation		
Balance at the beginning of the period / year	51 785 406	50 373 981
Depreciation for the period / year	14 789 463	18 892 820
Disposals	(8 356 053)	(12 087 039)
Foreign currency translation differences	95 891	(5 394 356)
Balance	<u>58 314 707</u>	<u>51 785 406</u>
Net	<u>93 374 531</u>	<u>104 890 501</u>
 10.4 Heifers	 30/9/2014	 31/12/2013
	EGP	EGP
Costs		
Balance at the beginning of the period / year	66 546 494	61 195 110
Additions	38 598 174	47 968 902
Transferred to pregnant heifer, dry and dairy cows	(24 370 811)	(36 156 199)
Disposals	(1 286 778)	(1 509 589)
Foreign currency translation differences	575 281	(4 951 730)
Balance	<u>80 062 360</u>	<u>66 546 494</u>

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014
11. Investment property (net)

	Land EGP	Buildings EGP	Others EGP	Total EGP
Cost as at 1/1/2014	247 130 432	135 813 531	39 107 733	422 051 696
Additions during the period	--	819 045	69 252	888 297
Foreign currency translation differences	--	12 210	1 030	13 240
Cost as at 30/9/2014	<u>247 130 432</u>	<u>136 644 786</u>	<u>39 178 015</u>	<u>422 953 233</u>
Accumulated depreciation at 1/1/2014	--	25 883 417	11 855 214	37 738 631
Depreciation during the period	--	6 049 851	3 051 781	9 101 632
Foreign currency translation differences	--	2 149	1 084	3 233
Accumulated depreciation as at 30/9/2014	<u>--</u>	<u>31 935 417</u>	<u>14 908 079</u>	<u>46 843 496</u>
Net cost as at 30/9/2014	<u>247 130 432</u>	<u>104 709 369</u>	<u>24 269 936</u>	<u>376 109 737</u>
Net cost as at 31/12/2013	<u>247 130 432</u>	<u>109 930 114</u>	<u>27 252 519</u>	<u>384 313 065</u>

12. Investments in associates

12.1 The Group investments in associates are represented in:

	Percentage		Carrying amount	
	2014	2013	30/9/2014	31/12/2013
	%	%	EGP	EGP
El Kateb for Marketing & Distribution Co.	48.88	48.88	2 253 454	2 280 629
Pharos Holding Co. *	80.00	53.00	110 979 547	89 572 029
ElSharq Book Stores Co.	40.00	40.00	14 126 859	14 474 418
ASEC Company for Mining (ASCOM)	39.22	39.22	102 446 361	101 391 608
Dar El-Sherouk Ltd. *	58.51	58.51	131 951 666	139 202 752
Tawazon for Solid Waste Management (Tawazon)***	--	25.48	--	20 044 615
Mena Glass Ltd.	47.64	42.49	421 602 941	286 248 091
Tanmeyah Company S.A.E **	--	51.00	--	5 722 364
Grandview Investment Holding	42.77	34.88	320 368 253	247 624 370
Green Point for Import and Trade S.A.E. *	50.00	50.00	29 901	29 022
Ostool for Land Transportation S.A.E.	45.00	45.00	5 003 885	3 268 788
Misr Cement Qena	27.55	27.55	565 804 478	558 607 618
Balance			<u>1 674 567 345</u>	<u>1 468 466 304</u>

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

- * The Company does not consolidate these companies as the control does not exist as the Company has no power to govern the financial and operational policies of these companies according to the shareholders' agreements.
- ** On January 1, 2014 a call option with 4% from shares of Tanmeyah Company S.A.E that was granted to third party from Financial Unlimited for Financial Consulting one of the subsidiaries with 99.88% indirectly (the parent company of Tanmeyah Company S.A.E) has been cancelled, and thus Tanmeyah Company S.A.E became a subsidiary and consolidated starting from January 1, 2014.
- *** On April 1, 2014 The Company has been consolidated due to existence of control whereby the Group has the power to cast the majority of votes of board of directors and the power to govern the financial and operating policies of these Companies.

12.2 Summary of significant financial statements of associates

	Current assets		Non-current assets		Total assets		Current liabilities		Non-current liabilities		Total liabilities		Revenues		Expenses	
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
30/9/2014																
El Kateb for Marketing & Distribution Co.	10 030 593	9 333 886		19 364 479		8 108 915		--			8 108 915		2 489 201		2 544 795	
Pharos Holding Co.	187 680 791	181 637 160		369 317 951		127 232 700		100 352 320			227 585 020		41 360 168		34 761 794	
Elsharq Book Stores Co.	9 964 247	4 428 853		14 393 100		4 396 620		357 948			4 754 568		2 891 715		3 706 949	
ASEC Company for Mining (ASCOM)	278 387 644	857 979 652		1 136 367 296		466 831 857		380 452 097			847 283 954		104 066 818		100 638 219	
Dar El-Sherouk Ltd.	115 253 977	118 670 218		233 924 195		76 563 990		4 591 988			81 155 978		8 745 831		15 400 174	
Misr Cement (Qena)	594 579 302	508 129 613		1 102 708 915		276 745 602		56 691 626			333 437 228		812 710 585		607 314 142	
Mena Glass Ltd.	1 206 420 580	556 514 299		1 762 934 879		803 040 884		--			803 040 884		205 905 866		27 527 203	
Grandview Investment Holding	809 623 800	956 918 758		1 766 542 558		654 616 365		505 271 158			1 159 887 523		637 698 707		624 244 502	
- Note no. (37).																

13. Available-for-sale investments (net)

	30/9/2014	31/12/2013
	EGP	EGP
Logria Holding Ltd. *	464 750 000	451 100 000
Golden Crescent Investment Ltd. *	453 077 625	439 770 450
EFG Capital Partners Fund II & III	23 705 289	23 705 289
Sphinx Turnaround	25 720 545	24 965 116
Modern Company for Isolating Materials	43 396	43 396
Medcom National Company	1 000	1 000
Underscore International Holdings	715	694
Valencia Regional Investment Ltd.	715	694
MEFEK Co. *	872 388	872 388
ASEC Automation Co.- Free Zone	116 300	116 300
Med Grid	1 614 543	1 614 541
Ecligo Design Ltd.	1 187	1 152
Sharming Sharm	702 000	699 165
Total	970 605 703	942 890 185
Accumulated impairment *	(918 700 013)	(891 742 838)
Net	51 905 690	51 147 347

* Accumulated impairment in available-for-sale investments of the Company is represented in:

	Balance as at 1/1/2014	Foreign currency translation differences	Balance as at 30/9/2014
	EGP	EGP	EGP
Logria Holding Ltd.	451 100 000	13 650 000	464 750 000
Golden Crescent Investment Ltd.	439 770 450	13 307 175	453 077 625
MEFEK Co.	872 388	--	872 388
Balance	891 742 838	26 957 175	918 700 013

14. Payments for investments (net)

	30/9/2014	31/12/2013
	EGP	EGP
Nile Valley Petroleum Ltd.	53 513 650	42 132 740
Mena Joint Investment Fund	66 772 250	64 811 100
Africa Joint Investment Fund	117 720 240	99 438 574

	30/9/2014	31/12/2013
	EGP	EGP
ASCOM Emirates for Mining *	39 632 522	38 468 489
Citadel Capital Al Qalaa - Saudi Arabia	1 033 905	1 003 538
Medcom National Development and Trading	914 019	914 019
National Development and Trading Co. (IRAQ)		
Ltd. *	300 513	300 514
ASA International Co.	1 432 409	1 432 409
Golden Crescent Ltd.	1 787 500	--
Total	283 107 008	248 501 383
Accumulated impairment *	(39 933 035)	(38 769 003)
Net	243 173 973	209 732 380

15. Loans to related parties

	30/9/2014	31/12/2013
	EGP	EGP
Underscore International Holdings Ltd.	107 250 000	104 100 000
Valencia Regional Investment Ltd.	82 225 000	79 810 000
Safari Rail Company Ltd.	--	41 640 000
Bomi Holdings Ltd.	134 176 156	105 202 704
Balance	323 651 156	330 752 704

16. Other investments and derivatives

	Note	30/9/2014	31/12/2013
		EGP	EGP
Restricted cash	(16-1)	589 249 214	572 133 100
Derivatives swap contracts	(16-2)	(129 540 282)	163 968 243
Others	(16-3)	7 723 926	9 103 565
Balance		467 432 858	745 204 908

16-1 Restricted cash as at September 30, 2014 includes an amount of EGP 578 159 775 (equivalent to US.\$ 80 861 507) against an amount of EGP 561 043 660 as at December 31, 2013 (equivalent to US.\$ 80 842 026). which represents the amount deposited at the bank under capital increase of Orient Investment Properties Ltd. (one of the subsidiaries)

16-2 Egyptian Refining Company (one of the subsidiaries) has entered into five interest rate swap transactions with the following parties;

- Societe General Corporate & Investment Banking.
- HSBC Bank Middle East Limited.
- KFW IPEX-Bank GMBH.
- Mitsubishi UFJ Securities International PLC.
- Standard Chartered Bank.

The main terms of the transactions are as follows;

Trade date : June 25, 2012.

Effective date : July 3, 2012.

Termination date : December 20, 2024.

Fixed portion rate paid by the company is 2.3475%.

Floating rate paid by bank is USD – LIBOR – BBA 6 months.

Payment date :Semi – annually on 20 the commencing December 20, 2012.

Maximum notional amount covered under these transactions are;

- US.\$ 789 445 078 by Standard Chartered Bank.
- US.\$ 450 970 501 by Societe General Corporate & Investment Banking.
- US.\$ 435 971 044 by HSBC Bank Middle East Limited.
- US.\$ 107 759 253 by KFW IPEX – Bank GMBH.
- US.\$ 189 466 819 by Mitsubishi UFJ Securities International PLC.

As at September 30, 2014 the balance related to the change in the fair value of cash flow hedges related to hedged transactions is amounting to EGP 129 540 282 (equivalent to US.\$ 18 117 522) as follows:

Contract	30/9/2014	31/12/2013
	EGP	EGP
Societe General Corporate & Investment Banking	(27 352 404)	41 654 241
HSBC Bank Middle East Limited	(25 052 320)	38 610 405
KFW IPEX – Bank GMBH	(7 528 592)	9 934 513
Mitsubishi UFJ Securities International PLC	(13 303 826)	14 301 508
Standard Chartered Bank	(56 303 140)	59 467 576
Balance	<u>(129 540 282)</u>	<u>163 968 243</u>

16-3 Other investments includes an amount of EGP 7 513 955 as at September 30, 2014 represents a deposits at Syria Central Bank as a guarantee for the seriousness of constructing ASEC Syria Cement Capital Factory and will be refunded at the beginning of production process against an amount of EGP 7 904 058 at December 31, 2013.

17. Inventories (net)

	30/9/2014	31/12/2013
	EGP	EGP
Spare parts	415 071 149	487 438 707
Raw materials	275 542 674	218 959 278
Work in process	181 463 174	112 525 320
Finished goods	98 538 058	63 963 129
Goods in-transit	10 829 964	68 619 418
Packing materials	11 706 645	39 171 838
Oil and lubricants	13 038 904	39 484 860
Others	44 736 740	29 118 988
Total	1 050 927 308	1 059 281 538
Inventories write-down	(23 302 346)	(38 943 690)
Net	<u>1 027 624 962</u>	<u>1 020 337 848</u>

18. Trade and other receivables (net)

	30/9/2014	31/12/2013
	EGP	EGP
Non-current		
Accounts receivables	35 964 235	48 861 910
Egyptian General Petroleum Corp.*	433 670 738	342 858 555
Others	18 621 911	21 096 743
Total	488 256 884	412 817 208
Accumulated impairment	(2 280 664)	(5 132 255)
Net	<u>485 976 220</u>	<u>407 684 953</u>
Current		
Accounts receivables	995 363 015	966 003 137
Notes receivables	24 102 870	38 098 186
Total	1 019 465 885	1 004 101 323
Accumulated impairment	(83 072 965)	(105 417 844)
Net	<u>936 392 920</u>	<u>898 683 479</u>
Balance	<u>1 422 369 140</u>	<u>1 306 368 432</u>

* The balance represents the amount paid on behalf of Egyptian General Petroleum Corp. in the share capital increase of Egyptian Refining Company – S.A.E. – Private Free Zone Company - one of the subsidiaries.

19. Investments at fair value through profit or loss

	30/9/2014	31/12/2013
	EGP	EGP
Modern Shorouk for Printing Co.	1 770 476	2 412 642
Osoul investment fund certificates – CIB	24 688 085	21 119 038
HSBC investment fund certificates	133 637 061	192 303 617
Others	2 980 805	3 727
Balance	<u>163 076 427</u>	<u>215 839 024</u>

20. Due from related parties (net)

	Nature of transaction		30/9/2014	31/12/2013
	Advisory fee	Finance		
	EGP	EGP	EGP	EGP
Logria Holding Ltd. *	39 352 892	2 280 457	41 633 349	40 410 725
Golden Crescent Investment Ltd.	27 279 037	--	27 279 037	26 477 835
Mena Joint Investment Fund	40 741	--	40 741	1 349 691
Africa Joint Investment Fund	807 421	--	807 421	2 265 986
Africa JIF HOLD CO III	2 903 683	1 907 971	4 811 654	6 017 821
Mena JIF HOLD CO I	1 697 495	443 707	2 141 202	1 712 142
ASEC Company for Mining (ASCOM)	--	144 092 534	144 092 534	115 352 473
Golden Crescent Finco Ltd. *	--	208 174 259	208 174 259	200 988 216
Emerald Financial Services Ltd. *	--	215 385 013	215 385 013	189 425 614
Nile Valley Petroleum Ltd.	--	154 206 450	154 206 450	149 757 559
Tawazon for Solid Waste Management (Tawazon) ***	--	--	--	1 194 166
Citadel Capital East Africa	--	27 027	27 027	26 233
Citadel Capital – ALQALAA Saudi Arabia	--	701 050	701 050	689 038
Valencia Regional Investments Ltd.	--	381 031	381 031	318 178
El Kateb for Marketing & Distribution Co.	--	1 001 676	1 001 676	1 001 676
Nahda	--	4 610 685	4 610 685	4 475 266
Egyptian Company for international Publication	--	14 782 855	14 782 855	11 152 855
Underscore International Holdings Ltd	--	114 758	114 758	59 753
Ecligo	--	1 999 997	1 999 997	1 999 997
Egyptian Company for Food Preparation	--	--	--	1 000 000
ASEC Electrical Repairs Co. (REPELCO)	--	526 233	526 233	526 233

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014

	Nature of transaction		30/9/2014	31/12/2013
	Advisory fee	Finance		
	EGP	EGP	EGP	EGP
Egyptian Polypropylene Bags Co. (EPBC)	--	20 000	20 000	20 000
ASA International Co.	--	7 840 347	7 840 347	7 119 461
Haider	--	96 469	96 469	79 694
FL Smith	--	13 751 407	13 751 407	13 751 406
Nile Barges	--	--	--	81 892
Scimitar Production Egypt Ltd.	1 805 604	--	1 805 604	823 882
Sphinx Glass S.A.E.	476 669	--	476 669	--
Misr Cement Qena Co.	--	18 647 503	18 647 503	(6 140 951)
Others *	--	22 504 748	22 504 748	51 827 753
Total			887 859 719	823 764 594
Accumulated impairment *			(465 718 857)	(432 145 635)
Net			422 140 862	391 618 959
Due from shareholders:				
Benu One Ltd.	--	548 500 000	548 500 000	--
Fenix One Ltd.	--	26 300 000	26 300 000	--
Ali bin Hassan Dayekh	--	24 880 813	24 880 813	--
Others	--	10 206 350	10 206 350	--
Total			609 887 163	--
Net			1 032 028 025	391 618 959

* Impairment in due from related parties is represented in:

	Balance as at 1/1/2014	Formed during the period **	Reversal during the period **	Used during the period	Foreign currency translation differences	Balance as at 30/9/2014
	EGP	EGP	EGP	EGP	EGP	EGP
Logria Holding Ltd.	40 410 725	--	--	--	1 222 624	41 633 349
Golden Crescent Finco Ltd.	200 988 216	1 088 051	--	--	6 097 992	208 174 259
Emerald Financial Services Ltd.	189 425 614	19 930 453	--	--	6 028 946	215 385 013
Others	1 321 080	81 440	(794 844)	(81 440)	--	526 236
Balance	432 145 635	21 099 944	(794 844)	(81 440)	13 349 562	465 718 857

** Note (41).

*** Note (12).

21. Debtors and other debit balances

	30/9/2014	31/12/2013
	EGP	EGP
Prepaid expenses	32 443 846	18 131 468
Deposits with others	53 103 467	48 692 818
Advances to suppliers	482 542 407	304 458 220
Letters of guarantee margin	22 971 817	40 718 775
Imprest	30 629 572	32 777 647
Accrued revenue	27 354 164	38 776 801
Prepaid interest *	10 054 237	16 369 829
Refundable deposits	10 582 915	5 261 505
Amounts due from sale of investments	28 660 000	27 814 000
Operation retention	100 874 603	123 607 359
Advances to contractors	32 058 067	31 494 420
Prepayments for purchase of fixed assets	12 582 970	27 582 970
Tax Authority	148 609 362	198 898 864
Custom Authority	180 945	2 979 394
Letters of credit	1 333 159	16 918 967
Gas consumption deposits	79 102 409	--
Debit balances under settlement	19 874 036	46 925 550
Sundry debit balances	120 548 224	83 699 730
Total	1 213 506 200	1 065 108 317
Accumulated impairment	(45 501 122)	(59 093 247)
Balance	1 168 005 078	1 006 015 070

* Prepaid interest item represents the interest on the loan obtained from Arab International Bank to the International Company for Refinery Consultancy (one of the subsidiaries – 100%) as the Company has settled the interest in advance according to the signed contract with the bank dated November 4, 2012.

22. Cash and cash equivalents

	30/9/2014	31/12/2013
	EGP	EGP
Cash on hand	17 685 229	3 574 137
Banks - current accounts	1 384 541 578	2 013 558 116
Banks - time deposits	141 565 539	92 272 042
Cheques under collection	14 611 946	2 001 138
Bank certificates	2 100 000	2 100 000
Treasury bills	220 713 235	--
Cash and cash equivalent as presented in the consolidated statement of financial position	1 781 217 527	2 113 505 433
Effect of foreign exchange differences	--	(45 964 804)
Adjusted cash and cash equivalents	1 781 217 527	2 067 540 629

23. Disposal group held for sale

- National Development and trading Company's management decided on December 24, 2012 to sell its share in ESACO for Manufacturing Engineering and Construction (subsidiary 70%).
- ASEC Cement Company's board of directors decided on May 4, 2014 to sell the following companies:
 - Societe Des Ciments De Zahana
 - ASEC Algeria Cement Company (ASECCIMENT)
- The Board of Directors of United Foundries decided on December 10, 2012 to sell its share in Al Amreya Metal Company and Alexandria for Car Foundries without prejudice to any conditions with lending banks and reclassify the investments in those companies to non-current assets held for sale.
- Silverstone Capital Investment Ltd. the Board of Directors' of decided on March 27, 2014 to sell part of Global Energy Company assets. These assets are represented in generators, networks, machinery, equipment, buildings and leasehold improvements related to South Valley project.
- Falcon for Agriculture Investments Ltd. BVI Company decided to sell its shares in the following companies:
 - El-Eguizy International for Economic Development
 - Misr October Company for Food Products
 - Up-date Company for Food Products
 - Nile for Food Products "Enjoy"

According to the following general assembly decisions:

- Ordinary general assembly of National Company for Investments and Agriculture (Gozour) - Subsidiary of Falcon for Agriculture Investments Ltd. BVI- that was held at February 23, 2014 decided to sell its investment at El-Eguizy International for Economic Development Company.
- Ordinary general assembly of National Company for Investments and Agriculture (Gozour) -Subsidiary of Falcon for Agriculture Investments Ltd. BVI- that was held at March 30, 2014 decided to sell its investment at the following companies:
 - Misr October Company for Food Products
 - Up-date Company for Food Products

- Ordinary general assembly of Misr October Company for Food Products-Subsidiary of Falcon for Agriculture Investments Ltd. BVI- that was held at March 30, 2014 decided to sell its investment at Nile for Food Products “Enjoy” Company.
- On June 26, 2014 Citadel Capital for International Investments Ltd. Company (subsidiary -100%) signed contract to sell its shares in Sphinx Glass Ltd. and the ownership was transferred as at August 24, 2014.

23.1 Assets classified as held for sale (investments in subsidiaries):

	Esaco for Manufacturing and Engineering	ASEC Cement Company subsidiaries	Amreya Metal Company	Alexandria for Car Foundries	Assets of Global Energy	Falcon for Agriculture Investments Ltd. subsidiaries	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Fixed assets (net)	51 190 384	543 994 317	34 250 225	59 414 942	20 082 748	123 553 702	832 486 318
Intangible assets	--	172 997 246	--	--	--	1 255 175	174 252 421
Projects under construction	--	1 427 694 988	--	60 602 740	--	2 545 307	1 490 843 035
Inventories	4 813 718	55 639 507	2 760 325	16 483 985	--	39 618 929	119 316 464
Trade and other receivables (net)	14 357 941	110 654 577	5 040 242	838 292	--	--	130 891 052
Debtors and other debit balances	17 086 992	--	8 902 146	14 896 627	--	26 961 370	67 847 135
Due from related parties	8 986 974	7 807 687	--	--	--	1 352 659	18 147 320
Cash and cash equivalents	1 023 758	--	51 433	21 143	--	9 685 068	10 781 402
Investments of trading	2 021 200	--	--	--	--	--	2 021 200
Goodwill	--	144 094 258	2 350 286	75 041 678	--	--	221 486 222
Balance	99 480 967	2 462 882 580	53 354 657	227 299 407	20 082 748	204 972 210	3 068 072 569

23.2 Liabilities classified as held for sale as at September 30, 2014 are represented in the following:

	Esaco for Manufacturing and Engineering	ASEC Cement Company subsidiaries	Amreya Metal Company	Alexandria for Car Foundries	Falcon for Agriculture Investments Ltd. Subsidiaries	Total
	EGP	EGP	EGP	EGP	EGP	EGP
Provisions	12 446 000	56 684 275	8 466 778	2 405 083	31 447 831	111 449 967
Bank's overdraft	180 865	--	485 051	91 588 334	--	92 254 250
Current portion of long term loans	--	--	1 237 916	2 378 965	--	3 616 881
Trade and other payables	58 838 435	184 378 855	22 604 659	21 193 428	115 262 304	402 277 681
Due to related parties	--	88 712 519	--	--	2 845 736	91 558 255
Creditors and other credit balances	31 371 099	--	16 316 140	56 616 044	--	104 303 283
Borrowings	300 869 356	329 418 956	--	--	258 105 626	888 393 938
Deferred tax	7 081 142	--	798 910	--	2 425 845	10 305 897
Balance	410 786 897	659 194 605	49 909 454	174 181 854	410 087 342	1 704 160 152

23.3 Net (loss) gain from discontinued operations

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
(Loss) gain from discontinued operations (23.3.1)	(25 436 203)	(86 927 383)	1 251 631	1 251 631
Gain (loss) from sale of discontinued operations (23.3.2)	21 790 682	(25 381 815)	--	--
Net	(3 645 521)	(112 309 198)	1 251 631	1 251 631

23.3.1 (Losses) gains from discontinued operations

	Esaco for Manufacturing and Engineering	ASEC Cement Company Subsidiaries	Amreya Metal Company	Alexandria for Car Foundries	Falcon for Agriculture Investments Ltd. Subsidiaries	Sphinx Glass Ltd. BVI	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Results of discontinued operations :-							
Operating income	16 490 514	270 822 302	24 769 374	1 419 103	16 685 730	--	330 187 023
Operating costs	(16 515 234)	(200 326 261)	(31 958 357)	(33 238 255)	(72 653 979)	--	(354 692 086)
Advisory fee	--	--	--	--	--	--	--
Share of profit of equity accounted investees	--	--	--	--	--	751 453	751 453
(Loss) profit from operating activities						8 882 647	8 882 647
Finance expenses	(24 720)	70 496 041	(7 188 983)	(31 819 152)	(55 968 249)	9 634 100	(14 870 963)
Deferred tax	(17 836 513)	--	(2 220 153)	(22 748 621)	(18 855 269)	--	(61 660 556)
	--	(10 429 924)	34 060	--	--	--	(10 395 864)
Net (loss) profit for the period	(17 861 233)	60 066 117	(9 375 076)	(54 567 773)	(74 823 518)	9 634 100	(86 927 383)

23.3.2 Gains (losses) from sale of discontinued operations

For the period ended

30/9/2014

	Selling price EGP	Book value EGP	Net EGP
Sudanese Egyptian Bank	152 900 000	(200 072 497)	(47 172 497)
Sphinx Glass Ltd.	384 481 934	(362 691 252)	21 790 682
Total	537 381 934	(562 763 749)	(25 381 815)

24. Share capital

- The Company's authorized capital is EGP 6 Billion and the issued and paid-in capital is EGP 4 358 125 000 represents 871 625 000 shares distributed to 653 718 750 ordinary shares and 217 906 250 preferred shares with par value EGP 5 per share.
- The Company's extra-ordinary general assembly meeting held on October 20, 2013 approved the increase of the authorized capital from EGP 6 billion to EGP 9 billion and the increase of the issued capital from EGP 4 358 125 000 to EGP 8 billion , with an increase of EGP 3 641 875 000 by issuing 728 375 000 new shares at par value of EGP 5 per share, consisting of 182 093 750 preferred shares and 546 281 250 ordinary shares, without issuance costs. The purpose of this capital increase is to finance the acquisition of additional shares in its related companies, financing the Company's share contribution in the capital increases of some of its related companies and entering into new investments and settlement of some of Company's liabilities.
- The Board of Directors approved in its meeting held on February 13, 2014 to cover the subscription of the unsubscribed Company's shares in the capital increase through offsetting the shareholders' credit balances that are payable by the Company (Shareholders' credit balances note 25) against the subscription price of the shares. And commercial register has been updated with this increase on April 16, 2014.
- The preferred share has the advantage of triple voting right comparing with ordinary share on the decisions of the Company's extraordinary and ordinary general assembly meetings according to the decision of the Company's extraordinary general assembly meeting held on May 12, 2008 and also paragraph no.(3) of article no.(18) of the Company's article of associations. And those shares are owned by Citadel Capital Partners Ltd. the principle shareholder of the Company.

The shareholders' structure -after increase- is represented as follows:

Shareholders' name	Percentage %	No. of shares	Value in EGP
Citadel Capital Partners Ltd.	26.79	428 573 139	2 142 865 695
Emirates International Investments Company	10.01	160 229 693	801 148 465
Others	63.20	1 011 197 168	5 055 985 840
	100	1 600 000 000	8 000 000 000

25. Shareholders' credit balances

Shareholders' credit balances represent the amounts payable to the shareholders resulting from:

- The Company has purchased ownership share percentages in some of its investee companies from those shareholders through its subsidiary Citadel Capital for International Investments Ltd. (subsidiary 100%).
- Bonus and incentives to employees (shareholders).

Shareholders' credit balances as at September 30, 2014 are represented in the following:-

Shareholders' name	30/9/2014 EGP	31/12/2013 EGP
Citadel Capital Partners Ltd.	19 997 300	547 233 410
Emirates International Investment Company LLC	--	596 548 465
DH Investors Limited	--	343 000 000
Mansour and Maghraby for Investment and Development S.A.E	--	155 135 015
Grouped Holdings Ltd	--	130 000 000
Mamdouh Mohamed Fathy Abbas	--	69 300 000
Kareem Sedky Sedky Mohamed EL Serafy	--	58 771 265
Magdy Mohamed Mustafa Saleh	8 291 345	42 734 519
Ledville Holdings Limited	--	39 487 820
Tamer Abd EL Hamed Abou Bakr	5 004 562	32 325 196
Khaled Abd EL Hamed Ali Abou Bakr	5 756 696	25 935 453
Karnation Limited	3 427 599	18 248 303
Ahmed Mokhtar Mohamed El Rashidi	--	26 698 000
Partex Trading Corp.	--	24 750 000
Mohamed Mokhtar Mohamed EL Rashidi	--	23 387 000
Adena Commercial Corp.	--	18 937 500
Power investment Europe	--	10 400 000
MZ Investments S.A.E.	566 088	9 996 393
Garth investing Limited	--	9 090 000
Hassan Mohamed Hassan Darwish	--	8 106 120
Abdel Khalek Mohamed Mohamed Ayad	1 474 000	7 847 476
Ahmed Moheb Mahmoud El Mehelmy	--	7 575 000
Hossam Hussien Nagy Aly Saad	--	6 999 995
Ahmed Ibrahim Wagih El Shamy	--	5 531 280
Others	1 221 222	105 122 665
Balance	<u>45 738 812</u>	<u>2 323 160 875</u>

- An amount of EGP 3 640 532 560 is used to increase capital share during the period -- Note (24).

26. Reserves

26.1 Legal reserve

As per the Company's statutes, 5% of net profit for the year is set aside to form a legal reserve. Transfer to the legal reserve may be suspended once the reserve reaches 50% of the Company's issued share capital. However, if the reserve balance falls below 50% of the Company's issued share capital transfers to the legal reserve are required to be resumed. The legal reserve is non-distributable but can be used to offset losses or to increase the issued share capital.

26.2 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

27. Loans

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Royal Food Company	Misr Bank	EGP:2.75% plus Corridor	2016	56 717 572	26 034 127	30 683 445	- Pledge over El Rashidi El Mizan assets. - Pledge over El Rashidi El Mizan shares. - Open a cash reserve account with the Misr Bank with the value of the first installment of the loan and its interest and to remain restricted until the end of the loan.
Dina for Agriculture Investments	- Ahly United Bank - United Bank - Egyptian Real Estate Bank.	EGP: Average 3.625% plus Corridor	2014-2018	136 314 822	57 402 115	78 912 707	- Pledge over all the company's assets and real estate first rank Pledge on 7 172 feddan of company's land.
El Rashidi for Integrated Solutions	Islamic Development Bank	4% annually	2016	16 562 830	11 566 759	4 996 071	- Commercial and real estate mortgage over the company's assets and revenues in the favour of the banks. Partially mortgage on the company's assets.
Arab Company for Services and Trade	Credit Agricole	4% annually	2014	5 000 000	--	5 000 000	
National Development and Trading Company	National Societe General Bank	12.5%	September 2016	126 000 000	--	126 000 000	Partially pledging shares of ASEC Cement Company

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Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
National Development and Trading Company	Arab Investment Bank	12%	December 2017	80 000 000	8 000 000	72 000 000	Partially pledge of ASEC Cement Co. shares, ASEC Engineering shares, ASENPRO shares and ESACO shares to the bank.
National Development and Trading Company	Industrial Development and Workers Bank of Egypt	11.5%	December 2017	90 000 000	49 500 000	40 500 000	Mortgage of ASEC Cement Co. shares, ASEC Engineering shares, ASENPRO shares and ESACO shares to the bank.
National Development and Trading Company	Misr Iran Development Bank	2.50% plus corridor rate	December 2018	129 886 480	--	129 886 480	Pledging 33.3 million shares of subsidiaries with a value not less than 333% from the total amount of credit facility, also shares custody should be by the bank and dividends to be collected under the cognition of the bank.
Arab Swiss Engineering Co. (ASEC)	Ahli United Bank	2.25% Plus corridor for current 3.25% plus corridor for non-current	November 2018	129 294 025	29 294 025	100 000 000	Assignment of South Valley Cement Co. management contract.
Arab Swiss Engineering Co. (ASEC)	Al Baraka Bank Egypt	11.5%	April 2013	59 177 688	25 000 000	34 177 688	Assignment of Sinai White for Technology management contract.

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Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
ASEC for Manufacturing and Industries Project Co. (ARESCO)	Bank/Company National Bank of Egypt	11%	June 2013	9 328 750	9 328 750	--	Commercial mortgage of ASEC for Manufacturing and Industries Projects financed assets.
ASEC Cement Company	Arab African International Bank	11.25%	May 2016	364 127 218	--	364 127 218	Pledging 8 232 055 shares of Qena Cement Co.
ASEC Cement Company	Arab African International Bank	11.5%	September 2019	1 052 591 255	235 177 657	817 413 598	Commercial and real estate mortgage of assets for the favor of the bank.
ASEC Cement Company	Sudanese Egyptian bank	11%	2015	74 864 653	45 233 092	29 631 561	Murabha contracts.
ASEC Cement Company	Commercial International Bank	11%	2015	5 329 351	5 329 351	--	Management contract.
Global Energy	HSBC Arab Bank	EGP: 2.25% plus average Corridor US\$: 1.3% plus Libor	2014-2016 2014-2018	73 987 121	27 460 126	46 526 995	- The amount of capital injected parallel to the premiums payable in the even that the net profit + depreciation + cash inadequat to pay the premiums due. - No change in the company shall take place without written consent from the bank

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
							<ul style="list-style-type: none"> - The company undertakes not to pledge, mortgage, or impose any liens / seniority over any assets in Sham El Sheikh Project. - The company executed a commercial pledge contract with Arab Bank. The pledge include all the Group's tangible and intangible assets in addition to the power generation station in Scimitar project in Red Sea Governorate.

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Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Taqa Marketing	HSBC	EGP: 3% plus	2014-2018	38 286 368	9 447 766	28 838 602	<ul style="list-style-type: none"> - The company made a proxy to the bank that is empowering to impose a commercial pledge on existing tangible and intangible assets which was financed by the loan. - Maintain the direct or indirect controlling interest during the contract period and till the actual repayment. - Cover any deficiency in the debt service ratio or increase in the investment costs or operating expenses by injecting cash in the form of capital increase. - Egyptian Refining Company shall deliver to each lender original, signed, undated and blank promissory notes.
	Cairo Bank	corridor	2014-2020				
Egyptian Refining Company – S.A.E.	Japan Bank for International Cooperation (JBIC)	US\$. Libor for such interest period Plus 4.10%	2017-2029	537 622 800	--	537 622 800	

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non-current	Guarantees
Egyptian Refining Company – S.A.E.	Bank/Company Group of Commercial Banks (NEXI – Covered Lenders)	US.\$: Libor for period Plus 1.75% per annum	2017-2029	358 415 200	--	358 415 200	- Egyptian Refining Company has signed a general irrevocable power of attorney dated August 10, 2010 to the benefits of Commercial International Bank “CIB” at his capacity as the Egyptian Security Agent of the term loan facility.
Egyptian Refining Company – S.A.E.	Export – Import Bank of Korea (KEXIM)	US.\$: Libor for such interest period plus 3.6% per annum up to the project completion. 4% per annum from the project completion to the end of the 5th year. 4.6% per annum for any time thereafter.	2017-2029	324 004 023	--	324 004 023	

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Egyptian Refining Company – S.A.E.	Bank/Company						
	Financial Institutions (KEXIM Initial Guaranteed facility lenders)	US\$: Libor for such interest period plus 1.95 % per annum plus Mandatory cost*	2017-2029	561 888 842	--	561 888 842	
Egyptian Refining Company – S.A.E.	European Investment Bank (EIB)	Libor for such interest period Plus or minus the spread of the related tranche as determined by the bank (1.5% for the current period) Plus Mandatory cost*	2017-2029	2 170 011 415	--	2 170 011 415	

Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non-current	Guarantees
Egyptian Refining Company – S.A.E.	Bank/Company African Development Bank (AFDB)	Fixed interest rate: 3.30 % per annum Plus Base rate calculated by the bank as set in the agreement Or Variable interest rate: LIBOR for such interest period Plus 3.30 % per annum	2017-2029	754 141 960	--	754 141 960	
Egyptian Refining Company – S.A.E.	African Development Bank (AFDB)	Fixed interest rate: -5% per annum -Plus base rate Or Variable interest rate: LIBOR for such interest period plus 5 % per annum	2017-2025	178 750 000	--	178 750 000	- Egyptian Refining Company shall deliver to AFDB an original, signed, undated and blank promissory notes. - Egyptian Refining Company shall not make any distribution or other payment to the shareholders (or their affiliates) in respect of equity funding or shareholders loans until all amounts due and payable under the loan have been paid in full.

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Egyptian Refining Company – S.A.E.	Bank/Company MITSUE & Co. Ltd.	- US\$ 6 months Libor	2020	71 500 000	--	71 500 000	
	- Plus 3 % per annum						
Egyptian Refining Company – S.A.E.	Less: Deferred borrowing cost *			(1 432 524 508)	--	(1 432 524 508)	
United Foundries Company	Export Development Bank of Egypt and Piraeus Bank	Euro: 2% plus 3months Libor EGP : 8.5% 3 months EGP: 3.25% annually over lending price announced by Central Bank	2015	4 516 185	4 516 185	--	<ul style="list-style-type: none"> - Irrevocable power of attorney to the bank to finalize mortgage covering 150% of the loan value. - Open account at the bank and make monthly deposits to face liability due to the bank. - An insurance policy at the Misr Insurance Company on all physical assets financed by bank loan with value not less than 110 % of the loan balance. - Company undertakes no obligation to pay any dividends or distributions to shareholders for any fiscal year unless the payments were due from the Principal and earnings, commissions and fees payable without

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Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Bonian for Trade and Development	Syndicated bank loan from a group of banks: Commercial International Bank, Egypt Real Estate Bank, Arab Investment Bank and Audi Bank	EGP :2.75% Over deposit price of the Egyptian central bank	2012-2017	209 250 735	15 733 890	193 516 845	<p>prejudice to the financial ratios required under the loan contract Piraeus Bank.</p> <p>- The company committed and undertakes a final irrevocable pledge not to increase the leverage of the company for a ratio of 1 : 1.5 for the duration of this contract.</p> <p>- The company committed and undertakes a final pledge is irrevocable not borrowing from any other bank without obtaining the prior written consent of the Bank.</p> <p>- First rank mortgage for all property and real estate on the project land.</p> <p>- Commercial mortgage on all physical assets, moral, and waive all rights in relation to insurance against all risks on all assets except land project.</p>

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Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non-current	Guarantees
Citadel Capital S.A.E	Bank/Company Citi Bank (syndication loan manager) (Arab African International Bank, Arab International Bank, Banque du Caire, Misr Bank, and Piraeus Bank)	US\$: First tranche: (4.25 % + Libor rate). Second tranche: 3.9% plus Libor Third Tranche: 3.9% plus Libor	2012-2022	2 087 232 905	891 594 003	1 195 638 902	<ul style="list-style-type: none"> - First degree lien contract of the shares owned by the Company in National Development and Trading Company. - First degree lien contract of the shares owned by the Company in International Company for Mining Consulting. - First degree lien contract of the shares owned by the Company in United Foundries Company. - First degree lien contract of the shares of Citadel Capital Ltd. (One of the subsidiaries of Citadel Capital Holding for Financial Investments-Free Zone). - First degree lien contract of Citadel Capital Ltd. (One of the subsidiaries of Citadel Capital Holding for Financial Investments-Free Zone)

investments on the following companies:

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
							<ul style="list-style-type: none"> - Orient Investments Properties Ltd. - Logria Holding Ltd. - Golden Crescent Investments Ltd. - Falcon Agriculture Investments Ltd. - Silverstone Capital Investment Ltd. - Mena Glass Ltd. - Mena Home Furnishings Mall. - Valencia Trading Holding Ltd. - Andalusia Trading Investments Ltd. - Citadel Capital Transportation Opportunities Ltd. - Lotus Alliance Limited. - Citadel Capital Financing Corp. - Grandview Investment Holding - Africa Railways Holding - Citadel Capital for Promotion Company

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
International for Refinery Consultation	Arab International Bank	US.\$:5.2% Annually	2016	191 395 690	--	191 395 690	Letter of guarantee from Standard chartered Bank of korea Limited with the mount due to Arab International Bank
National Company for Refining Consultation	Arab International Bank	US.\$: 15 608 926 Interest to be paid upon maturity	2015	441 783 499	--	441 783 499	The loan is guaranteed by pledging the Company's (50 million) share in Orient Investments Properties Ltd. in favour of the bank.
Sabina for Integrated Solutions	Khartoum Bank -- Sudan	US.\$: Murabha		45 726 709	7 787 651	37 939 058	Possessory pledge for machinery and equipment.
National Company for Multimodal Transport S.A.E.	Arab African International Bank Bank of Alexandria and Misr Bank (syndicated loan)	EGP: corridor Average accrued every 6 months	2012-2016	383 293 296	251 386 607	131 906 689	- Open the Revenue Account with the Loan Agent (Misr Bank). - Conclude a first degree pledge the Revenue Account. - Conclude first degree mortgage over all present and future tangible and intangible assets. - An undertaking to provide the Security Agent with the operational insurance policies over the New Barges within 15 days from the expiry date of the construction insurance

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
	Bank/Company						<p>policy.</p> <p>- Assign the Borrower's rights under the insurance policies covering operating Barges, for the full replacement value against all insurable risks for which it would be prudent to insure for ("Adequate Insurance") to be endorsed in favor of the Security Agent (Arab African International Bank) for itself and on behalf of the Banks.</p> <p>Assign all borrower's compensation rights under the insurance policies covering the Borrower's</p> <p>New Barges during construction year, in favor of the Security Agent (Arab African International Bank) for itself and on behalf of the Banks.</p> <p>Assign the proceeds (one year or more) from long term transportation service contracts signed with the borrower's customers</p>

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non-current	Guarantees
KU Railways Holding Limited	International Finance Corporation	US.\$ Effective interest rate for year 2013 14%	2017-2021	187 199 255	36 508 915	150 690 340	in favor of the Security Agent (Arab African International Bank). Assign the borrower's rights of any damages arising under the Material Project Contracts and related banks' guarantees under such contracts in favour of the Security Agent (Arab African International Bank) for itself and on behalf of the banks.
KU Railways Holding Limited	International Finance Corporation	US.\$ fixed interest rate: basic lending rate plus 6.25% or variable rate: Libor for six months plus 6.25%	2017-2026	159 679 470	2 379 470	157 300 000	
KU Railways Holding Limited	Africa Development Bank	US.\$ Libor plus 6.25%	2017-2021	290 281 928	4 281 928	286 000 000	
KU Railways Holding Limited	FMO	US.\$ Libor plus 6.25%	2017-2026	217 715 891	3 215 891	214 500 000	

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
KU Railways Holding Limited	International Finance Corporation Equity Bank	US. \$ Libor plus (5.5% or 6.25%)	2017-2021	145 670 553	2 671 018	142 999 535	
KU Railways Holding Limited		US.\$ Interest rate for treasury bills of Kenya 91 days plus 4% or 14% which is bigger	2017-2021	142 829 487	4 338 120	138 491 367	
KU Railways Holding Limited	KFW	US.\$ Libor plus (5.5% or 6.25%)	2017-2026	231 514 976	2 714 976	228 800 000	
KU Railways Holding Limited	Less: prepaid fee *			(45 917 393)	--	(45 917 393)	
KU Railways Holding Limited	Equity Bank EARH Loan			16 071 429	5 019 050	11 052 379	
Trimstone Assets Holdings Ltd.	Arab International Bank	US.\$ 5% plus six months Libor	2013-2014	175 054 387	175 054 387	--	- Includes a first degree pledge over all shares owned by the borrower of "TAQA Arabia" covering 115% of the value of the existing liability in favour of (Arab International Bank). - Includes a first degree pledge over shares of "Citadel Capital for financial consultancy" S.A.E (the ultimate parent company) covering 35% of the value of the existing liability in favour of (Arab International Bank).
				10 854 576 867	1 945 975 859	8 908 601 008	

Citadel Capital Company

Notes to the consolidated financial statements for the period ended September 30, 2014

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Due to related parties :							
National Development and Trading Company	Financial Holdings International	11.5% per annum compound interest		541 560 531	--	541 560 531	
National Development and Trading Company	Al Olayan Saudi Investments Ltd	11.5% per annum compound interest		176 508 990	--	176 508 990	
National Development and Trading Company	Ali Bin Hassan Dayekh	11.5% per annum compound interest		11 374 087	--	11 374 087	
United Foundries	Financial Holdings International	11.5% per annum compound interest		43 784 865	--	43 784 865	
				<u>773 228 473</u>	<u>--</u>	<u>773 228 473</u>	
				<u>11 627 805 340</u>	<u>1 945 975 859</u>	<u>9 681 829 481</u>	

* This balance represents the necessary financing cost incurred by Egyptian Refining Company S.A.E to obtain the credit facility and loans required to finance its project. It will be amortized over the loan life using the effective interest rate.

28. Long term liabilities

	30/9/2014	31/12/2013
	EGP	EGP
Creditors-purchase of investments *	10 787 486	10 787 486
Port –Said ports authority	2 319 818	13 509 550
End of service benefits	9 399 891	9 634 226
Deposits from others (28.1)	112 584 565	106 791 589
Social Insurance authority	9 799 152	3 593 754
Others	1 487 929	3 267 838
Balance	<u>146 378 841</u>	<u>147 584 443</u>

* This balance represents the amount due from Tanweer for Marketing and Distribution Company (Tanweer) (subsidiary - 99.88%) for purchasing investment in Dar El-Sherouk Ltd.-BVI- in the favour of the shareholders of the mentioned company.

28.1 Deposits from others

	30/9/2014	31/12/2013
	EGP	EGP
Meters deposits	7 837 165	6 996 479
Gas consumption deposits	89 237 677	91 925 488
Power consumption deposits	12 714 595	4 299 900
Others	2 795 128	3 569 722
Balance	<u>112 584 565</u>	<u>106 791 589</u>

29. Deferred tax liabilities

	30/9/2014		31/12/2013	
	Asset	Liability	Asset	Liability
	EGP	EGP	EGP	EGP
Fixed assets depreciation	--	(68 172 919)	--	(85 022 782)
Hedge reserve-swap contract	32 385 074	--	--	(40 992 061)
Provisions	10 416 378	--	8 341 317	--

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014

	30/9/2014		31/12/2013	
	Asset	Liability	Asset	Liability
	EGP	EGP	EGP	EGP
Deferred tax liabilities related to				
Berber for electricity Ltd. Co.	--	(17 268 510)	--	(14 639 683)
Deferred tax liabilities related to				
Zahana Co.	--	--	--	(44 889 655)
Deferred tax liabilities related to Asec				
Ready Mix	--	(3 793 836)	--	(2 743 029)
Tax losses	244 218 806	--	227 099 330	--
Deferred tax liabilities related to KU				
Railways Holdings Ltd.	--	(27 176 914)	--	(26 378 711)
Others	--	(181 560 458)	--	(151 521 617)
Total deferred tax assets and liabilities	<u>287 020 258</u>	<u>(297 972 637)</u>	<u>235 440 647</u>	<u>(366 187 538)</u>
Net deferred tax liabilities		<u>(10 952 379)</u>		<u>(130 746 891)</u>

The Parent Company has carried-forward tax losses from previous years which were not recognized because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefore.

30. Banks overdraft

	30/9/2014	31/12/2013
	EGP	EGP
Wafra Agriculture S.A.E	7 257 229	7 044 079
Mena Home Furnishings Mall Ltd.	35 450	18 918
Silverstone Capital Investments Ltd.	199 369 942	81 561 115
United Foundries Company	62 177 379	63 385 419
Falcon Agriculture Investments Ltd.	273 350 485	329 064 569
KU Railways Holdings Ltd.	76 170 958	10 660 354
National Development and Trading Company	187 952 801	342 614 856
Tawazon for Solid Waste Management		
(Tawazon)	<u>14 739 114</u>	<u>--</u>
Balance	<u>821 053 358</u>	<u>834 349 310</u>

31. Due to related parties

	Nature of transaction		30/9/2014	31/12/2013
	Advisory fee	Finance		
	EGP	EGP	EGP	EGP
Citadel Capital Partners Ltd.*	--	57 006 217	57 006 217	110 770 360
Mena Glass Ltd.	(14 884 512)	106 632 841	91 748 329	26 433 469
Pharos Holding Co.	--	3 220 861	3 220 861	3 220 861
ASCOM for Carbonate and Chemicals Manufacturing Co.	--	9 443 588	9 443 588	16 450 410
Erco Group	--	--	--	43 421 617
ASEC Automation Europe Co.	--	161 007	161 007	161 007
ASEC Automation Co.-Free Zone	--	3 798	3 798	3 798
National Sudanese Pension Fund	--	2 551 972	2 551 972	30 957 127
Medcom	--	1 054 753	1 054 753	1 054 753
Grandview Investment Holding	--	2 319 710	2 319 710	9 191 558
Egus Co.	--	--	--	47 935
Genco Group Co.	--	--	--	177 116
City Gas Co.	--	--	--	571 093
Africa JIF HOLD Co. I	(1 697 494)	41 336 080	39 638 586	(1 446 151)
Egyptian Gulf Bank	--	6 393 398	6 393 398	--
Kimonix Egypt for Consultancy Libya	--	2 465 338	2 465 338	--
Others	--	10 296 406	10 296 406	25 467 309
Balance			<u>226 303 963</u>	<u>266 482 262</u>
Due to shareholders:				
GROUPED HOLDINGS LTD	--	103 750 003	103 750 003	--
Ledville Holdings Limited	--	32 007 869	32 007 869	--
Financial Holding International	57 369 725	(568 081)	56 801 644	60 326 637
Others	--	4 796 027	4 796 027	--
Balance			<u>197 355 543</u>	<u>60 326 637</u>
Net			<u>423 659 506</u>	<u>326 808 899</u>

* The main shareholder of the Company – 26.79%.

32. Trade and other payables

	30/9/2014	31/12/2013
	EGP	EGP
Suppliers	2 442 391 828	3 088 588 621
Notes payables	187 431 940	175 095 122
Balance	<u>2 629 823 768</u>	<u>3 263 683 743</u>

33. Creditors and other credit balances

	30/9/2014	31/12/2013
	EGP	EGP
Tax Authority	441 278 357	403 602 013
Accrued expenses	413 712 191	497 485 784
Accrued interest	276 612 588	146 666 345
National Authority for Social Insurance	16 608 333	21 011 584
Advances from customers	139 667 987	119 970 642
Egyptian Natural Gas Holding Company (EGAS)	--	457 862 357
Refundable deposits	9 332 602	1 068 177
Unearned revenues	43 857 317	13 463 938
Subcontractors	4 486 512	7 066 001
Creditors – purchase of fixed assets	7 473 151	18 263 533
Deposits from others	61 854 544	56 542 534
Dividend payable – previous years	19 746 583	38 323 581
Sundry credit balances	<u>285 367 052</u>	<u>118 169 848</u>
Balance	<u>1 719 997 217</u>	<u>1 899 496 337</u>

34. Provisions

	Expected claims provision EGP	Employee benefit provision EGP	Other provisions EGP	Total EGP
Balance at the beginning of the period	415 816 271	39 150 391	22 197 354	477 164 016
Adjustments on the beginning balance	845 796	--	--	845 796

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014

	Expected claims provision EGP	Employee benefit provision EGP	Other provisions EGP	Total EGP
Acquisition of subsidiaries **	32 044 345	--	--	32 044 345
Transferred to liabilities held for sale ***	(48 981 715)	(39 150 391)	--	(88 132 106)
Provisions formed during the period	54 423 802	--	308 430	54 732 232
Foreign currency translation differences	2 268 370	--	--	2 268 370
Provisions used during the period	(4 116 542)	--	(434 533)	(4 551 075)
Provisions no longer needed *	(1 749 890)	--	(9 954 695)	(11 704 585)
Balance	<u>450 550 437</u>	<u>--</u>	<u>12 116 556</u>	<u>462 666 993</u>

- Expected claims provision related to expected claims were made by some external parties in connection with the Company's operations. The information usually required by Accounting Standards is not disclosed because the management believes that it would seriously prejudice the outcome of the negotiation with that external party. The management are reviewing the provision annually and the amount provided is adjusted based on latest development, discussions and agreements with the external party.

* Provisions no longer needed has been recognized during the period with an amount of EGP 9 974 367 were included in operation cost and it represents the provision of completion the contracts of ASEC Automation.

** note no. (12)

*** note no. (23.2)

35. Financial guarantees contracts

The balance as at September 30, 2014 with amount of EGP 24 718 515 represent losses from contracts for financial guarantees granted to Egyptian Gulf Bank to guarantee the non-performing balances to the portfolio of customers' projects.

36. Related party transactions

36.1 Advisory fee

Advisory fee item presented in the income statement is represented in the advisory services provided to related parties according to signed contracts as follows:

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
Mena Glass Ltd.	707 518	2 101 747	1 047 649	3 105 958
Mena Home Furnishings Mall*	--	--	1 043 326	3 088 802
Citadel Capital Transportation Opportunities Ltd.*	--	--	237 829	704 347
Falcon Agriculture Investments Ltd.*	--	--	4 394 406	13 028 083
Sphinx Glass Ltd.	--	--	--	2 459 071
ASEC Cement Company*	--	--	3 074 157	9 015 690
Silverstone Capital Investment Ltd.*	--	--	984 272	2 914 868
Citadel Capital Transportation Opportunities II Ltd.*	--	--	1 422 594	4 217 558
Africa Joint Investment Fund	1 878 436	2 684 455	824 855	2 406 203
Mena Joint Investment Fund	962 137	1 425 598	474 253	1 383 509
Africa JIF HOLD CO I	127 134	373 417	124 648	366 309
Africa JIF HOLD CO III	360 439	1 058 701	353 383	1 038 541
Mena JIF HOLD CO I	127 134	373 417	124 648	366 309
Ledmore Holdings Ltd.*	--	--	221 769	657 483
Crondall Holding Ltd. *	--	--	6 147 552	6 147 552
Scimitar Production Egypt Ltd.	1 799 197	5 143 928	--	--
Total	5 961 995	13 161 263	20 475 341	50 900 283

- The Company did not recognize advisory fees with an amount EGP 11 205 938 and EGP 2 074 955 for the period ended September 30, 2014 (against EGP 32 450 971 and EGP 6 008 788 for the period ended September 30, 2013) related to Logria Holding Ltd. and Golden Crescent Investments Ltd. in accordance with the signed contracts due to inadequate assurance concerning the revenue recognition and collection conditions.

* These companies have been acquired at December 31, 2013.

36.2 Interest income

Interest income included in financing cost note no.(42) includes an amount of EGP 3 273 688 represents accrued interest income according to signed contracts from other related parties as follows:

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
National Company for Trading and Development *	--	--	6 822 992	19 996 001
United Foundries Company *	--	--	2 109 027	6 321 112
Mena Home Furnishings Mall *	--	--	1 554 880	4 437 540
Citadel Capital Transportation Opportunities Ltd.*	--	--	894 507	3 037 938
Grandview Investment Holding	--	--	784 503	2 402 158
ASEC Company for Mining (ASCOM)	1 024 815	3 273 688	1 040 163	2 993 568
Orient Investments Properties Ltd.*	--	--	5 091 531	14 939 889
Falcon Agriculture Investments Ltd.*	--	--	3 920 644	11 333 933
Total	1 024 815	3 273 688	22 218 247	65 462 139

* These companies have been acquired at December 31, 2013.

37. Share of profit (loss) of equity accounted investees:

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
El Kateb for Marketing & Distribution Co.	(13)	(27 174)	(489 192)	(923 977)
Pharos Holding Co.	1 792 657	5 278 699	764 313	722 929
Elsharq Book Stores Co.	(112 502)	(326 094)	(478 622)	(596 327)
ASEC Company for Mining (ASCOM)	5 654 088	1 344 765	(10 253 179)	(14 153 856)
Silverstone Capital Investments Ltd.*	--	--	7 761 463	20 290 651
Dar El-Sherouk Ltd.	(1 270 766)	(3 893 456)	1 445 936	(1 662 017)

	For the period		For the period	
	from 1/7/2014	from 1/1/2014	from 1/7/2013	from 1/1/2013
	to 30/9/2014	to 30/9/2014	to 30/9/2013	to 30/9/2013
	EGP	EGP	EGP	EGP
Cron dall Holdings Ltd.*	--	--	4 291 117	6 488 821
Misr Cement Qena Co.	17 991 358	56 586 720	--	--
Mena Glass Ltd.	74 409 803	84 978 676	1 422 455	4 186 718
Tanmeyah Company S.A.E **	--	--	6 324 750	2 209 516
Mena Home Furnishings Mall *	--	--	(5 775 574)	(15 931 214)
Citadel Capital Transportation Opportunities Ltd.*	--	--	(8 666 467)	(23 094 027)
Ostool for Land Transportation S.A.E	595 758	1 734 479	--	--
Tawazon for Solid Waste Management (Tawazon)**	--	309 494	(1 446 148)	(3 938 244)
Grandview Investment Holding	3 218 780	5 754 364	--	--
Ledmore Holdings Ltd.*	--	--	(742 551)	(3 430 981)
Total	<u>102 279 163</u>	<u>151 740 473</u>	<u>(5 841 699)</u>	<u>(29 832 008)</u>

* These companies have been acquired at December 31, 2013.

** These companies have been acquired during year 2014.

38. Operating income

	For the period		For the period	
	from 1/7/2014	from 1/1/2014	from 1/7/2013	from 1/1/2013
	to 30/9/2014	to 30/9/2014	to 30/9/2013	to 30/9/2013
	EGP	EGP	EGP	EGP
Agriculture food sector	249 626 084	755 732 649	1 168 824	11 059 981
Energy sector	588 236 128	1 342 281 839	--	--
Transportation and logistics sector	181 971 735	531 404 540	--	--
Cement sector	650 306 736	1 854 402 260	--	--
Metallurgy sector	32 341 605	97 760 437	--	--
Specialist real estate sector	1 812 906	6 874 497	--	--
Financial Services sector	22 320 533	65 688 188	--	--
Total	<u>1 726 615 727</u>	<u>4 654 144 410</u>	<u>1 168 824</u>	<u>11 059 981</u>

39. Operating costs

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
Agriculture food industries	188 819 775	581 446 965	2 605 234	8 354 709
Energy sector	509 876 763	1 131 452 730	--	--
Transportation and logistics	181 887 699	530 292 149	--	--
Cement sector	470 341 334	1 471 178 269	--	--
Metallurgy	28 982 872	82 341 264	--	--
Specialist real estate sector	5 411 596	16 635 781	--	--
Total	1 385 320 039	3 813 347 158	2 605 234	8 354 709

40. Administrative and general expenses

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
Wages, salaries and similar items	109 306 565	312 598 059	17 076 507	48 323 920
Bonus	7 118 837	31 049 020	--	--
Consultancy */**	37 698 895	84 040 231	10 844 019	46 718 919
Advertising and public relations	2 445 201	7 785 678	896 115	3 933 827
Selling and marketing expense	27 405 169	76 475 623	--	--
Travel, accommodation and transportations	4 623 869	12 417 202	2 019 017	5 407 209
Rent	5 307 734	14 658 387	--	--
Depreciation and amortization	20 650 540	61 818 428	--	--
Management fee ***	--	--	1 033 478	1 033 478
Others	73 695 675	208 172 584	8 494 822	36 841 597
Total	288 252 485	809 015 212	40 363 958	142 258 950

* Consultancy expenses include an amount of US.\$ 1 679 030 (equivalent to EGP 11 828 766) for the period ended September 30, 2014 against US.\$ 2 467 819 (equivalent to EGP 16 872 404 for the period ended September 30, 2013) represents the advisory fees due according to the signed contract with Financial Holding International Co. (one of the group shareholders).

** Consultancy expenses include an amount of US.\$ 2 500 000 (equivalent to EGP 17 612 500) for the period ended September 30, 2014 represents the

advisory fees paid according to the signed contract with Rashed Abdul Rahman Al Rashed and Sons co.

*** The Company's extraordinary general assembly meeting held on May 12, 2008 approved the management contract with Citadel Capital Partners Ltd. (the principal shareholder of – 26.79%) which states that Citadel Capital Partners Ltd. provides management duties for fees based on 10% of the net annual profit available for distribution. This agreement shall remain in effect as long as Citadel Capital Partners owns 15% or more preferred shares.

41. Other revenues (expenses)

	Note	For the period		For the period	
		from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
		EGP	EGP	EGP	EGP
Gain on sale of fixed assets		12 282 882	12 934 071	--	--
Loss on sale of biological assets		(2 587 184)	(12 097 949)	--	--
Impairment on available -for- sale investments		--	--	(123 582)	(14 112 682)
Impairment on due from related parties	(20)	(1 742 664)	(20 305 100)	(30 436 674)	(110 215 286)
Reversal of impairment loss on trade and other receivables		2 438 197	1 249 049	--	--
Impairment on debtors and other debit balances		(158 972)	(482 150)	--	--
Provisions formed	(34)	(18 526 374)	(54 732 232)	(1 197)	(136 739)
Net change in the fair value of investments at fair value through profit and loss		14 444	(566 121)	537 604	(274 807)
Provisions no longer needed	(34)	797 137	1 730 218	152 440	17 408 211
Other income		33 909 832	27 844 739	--	--
Inventories write-down		(297)	(61 390)	--	--
Gain on financial guarantees contracts		(194 895)	528 351	--	--
Impairment on goodwill	(9)	(16 411)	(3 597 001)	--	--
Total		26 215 695	(47 555 515)	(29 871 409)	(107 331 303)

42. Finance costs (net)

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
Interest income - note no. (36.2)	19 680 133	58 801 747	22 940 583	66 184 923
Interest expenses - note no.(27)	(208 174 687)	(637 130 623)	(43 296 477)	(115 470 494)
Foreign currency translation differences	(68 806 987)	(91 178 108)	(6 487 629)	17 494 216
Net	<u>(257 301 541)</u>	<u>(669 506 984)</u>	<u>(26 843 523)</u>	<u>(31 791 355)</u>

43. Earnings per share

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
Net loss for the period	<u>(99 107 214)</u>	<u>(686 811 762)</u>	<u>(82 678 393)</u>	<u>(256 395 595)</u>
Net loss for equity holders of the parent Company	<u>(59 515 860)</u>	<u>(470 023 323)</u>	<u>(80 740 608)</u>	<u>(249 057 815)</u>
Weighted average number of shares	<u>1 600 000 000</u>	<u>1 317 187 729</u>	<u>871 625 000</u>	<u>871 625 000</u>
Earnings per share	<u>(0.04)</u>	<u>(0.36)</u>	<u>(0.09)</u>	<u>(0.29)</u>

44. Finance income (expenses) recognised in equity

	For the period		For the period	
	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014	from 1/7/2013 to 30/9/2013	from 1/1/2013 to 30/9/2013
	EGP	EGP	EGP	EGP
Foreign currency translation differences of foreign operations	896 002	130 530 629	(24 989 630)	136 912 523
Net change in the fair value of available-for-sale investment	<u>(84 202)</u>	<u>(534 052)</u>	<u>(50 753)</u>	<u>(149 950)</u>
Total finance income (expenses) recognised in equity (after tax)	<u>811 800</u>	<u>129 996 577</u>	<u>(25 040 383)</u>	<u>136 762 573</u>
Attributable to:				
Equity holders of the Company	29 839 571	94 952 959	(26 379 799)	142 466 724
Non - controlling interests	<u>(29 027 771)</u>	<u>35 043 618</u>	<u>1 339 416</u>	<u>(5 704 151)</u>
	<u>811 800</u>	<u>129 996 577</u>	<u>(25 040 383)</u>	<u>136 762 573</u>

45. Business segments

Segment information is presented in respect of the Group's business segments. The primary format, business segment, is based on the Group's management and internal reporting structure.

Assets and liabilities include items directly attributable to a segment.

The table below depends on sales analysis, cost of sales, assets and liabilities based on the type of business activities and services that are distinguishable component.

For the period ended September 30, 2014										
	Agriculture food industries	Energy	Transportation and logistics	Cement	Metallurgy	Specialty real estate	Financial service	Eliminations	Total	
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Operating income	755 732 649	1 342 281 839	531 404 540	1 854 402 260	97 760 437	6 874 497	65 688 188	--	--	4 654 144 410
Operating cost	(581 446 965)	(1 131 452 730)	(530 292 149)	(1 471 178 269)	(82 341 264)	(16 635 781)	--	--	--	(3 813 347 158)
Gross profit (loss)	174 285 684	210 829 109	1 112 391	383 223 991	15 419 173	(9 761 284)	65 688 188	--	--	840 797 252
Net (loss) profit for equity holders of the Company	(118 851 038)	38 562 370	(213 801 639)	(234 367 298)	(79 888 732)	(44 553 989)	(180 325 947)	363 202 950		(470 023 323)
Current assets	735 671 072	2 036 776 450	1 232 985 325	3 962 864 400	370 513 057	26 883 492	6 564 322 384	(5 592 514 086)		9 337 502 094
Non- current assets	1 585 776 170	12 697 657 235	4 019 767 541	3 680 447 103	70 422 780	564 628 422	19 536 752 704	(18 786 411 880)		23 369 040 075
Total assets	2 321 447 242	14 734 433 685	5 252 752 866	7 643 311 503	440 935 837	591 511 914	26 101 075 088	(24 378 925 966)		32 706 542 169
Current liabilities	2 024 292 685	2 784 531 941	1 159 078 385	3 092 236 099	395 109 412	277 463 357	5 799 456 175	(5 800 112 686)		9 732 055 368
Non-current liabilities	188 550 762	3 868 305 031	1 430 535 535	2 901 306 576	222 666 432	193 659 459	1 831 938 439	(797 801 533)		9 839 160 701
Owners' equity	108 603 795	8 081 596 713	2 663 138 946	1 649 768 828	(176 840 007)	120 389 098	18 469 680 474	(17 781 011 747)		13 135 326 100
Total liabilities and equity	2 321 447 242	14 734 433 685	5 252 752 866	7 643 311 503	440 935 837	591 511 914	26 101 075 088	(24 378 925 966)		32 706 542 169

Citadel Capital Company

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For the year ended December 31, 2013

	Agriculture food industries	Energy	Transportation and logistics	Cement	Metallurgy	Speciality real estate	Financial service	Eliminations	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Current assets	610 537 846	2 474 110 016	667 001 233	1 578 307 615	406 265 552	25 930 200	4 571 087 649	(3 670 021 147)	6 663 218 964
Non-current assets	1 692 542 268	10 182 047 899	2 926 704 342	6 013 960 154	79 624 961	574 712 519	18 101 512 510	(16 202 262 935)	23 368 841 718
Total assets	2 303 080 114	12 656 157 915	3 593 705 575	7 592 267 769	485 890 513	600 642 719	22 672 600 159	(19 872 284 082)	30 032 060 682
Current liabilities	1 858 367 094	3 185 416 250	877 414 554	2 773 948 675	383 345 400	319 907 107	4 764 784 945	(4 440 864 170)	9 722 319 855
Non-current liabilities	202 804 344	1 934 253 424	876 355 333	3 215 061 353	207 860 142	108 782 758	1 768 907 712	(728 026 218)	7 585 998 848
Owners' equity	241 908 676	7 536 488 241	1 839 935 688	1 603 257 741	(105 315 029)	171 952 854	16 138 907 502	(14 703 393 694)	12 723 741 979
Total liabilities and equity	2 303 080 114	12 656 157 915	3 593 705 575	7 592 267 769	485 890 513	600 642 719	22 672 600 159	(19 872 284 082)	30 032 060 682

Agriculture food industries

- Wafra Agriculture S.A.E.
- Falcon for Agriculture Investments Group

Energy sector

- Silverstone Capital Investments Ltd. Group
- Orient Investment Properties Ltd. Group
- Ledmore Holdings Ltd.
- Tawazon for Solid Waste Management (Tawazon)
- Qalaa Energy Ltd.

Transportation and logistics

- Africa Railways Holding
- Africa Railways Limited
- Citadel Capital Transportation Opportunities Ltd. Group
- KU Railways Holding Limited
- Ambience Ventures Ltd.

Cement sector

- National Development and Trading Group

Metallurgy

- United Foundries Group

Specialist real estate sector

- Mena Home Furnishings Malls Ltd Group.

Financial Services sector

- Citadel Capital S.A.E.
- Citadel Capital Ltd.
- Sequoia Williwow Investments Ltd.
- Arab Company for Financial investments
- Lotus Alliance Limited
- Citadel Capital Holding for Financial Investments-Free Zone
- Citadel Capital for International Investments Ltd
- International for Mining Consultation
- International for refinery Consultation
- Tanweer for Marketing and Distribution Company (Tanweer)

- Financial Unlimited for Financial Consulting
- Citadel Company for Investment Promotion
- National Company for Touristic and Property Investment
- United for Petroleum Refining Consultation
- Specialized for Refining Consulting
- Specialized for Real Estate Company
- National Company for Refining Consultation
- Citadel Capital Algeria
- Valencia Trading Holding Ltd.
- Andalusia Trading Investments
- Citadel Capital Financing Corp.
- Brennan Solutions Ltd.
- Mena Enterprises Ltd.
- Alcott Bedford Investments Ltd.
- Eco-Logic Ltd.
- Alder Burke Investments Ltd.
- Black Anchor Holdings Ltd.
- Cobalt Mendoza
- Africa Railways Investments Ltd.
- Darley Dale Investments Ltd.
- Citadel Capital Joint Investment Fund Management Limited
- Mena Joint Investment Fund
- Trimestone Assets Holding Limited – BVI
- Cardinal Vine Investments Ltd.
- Global Service Realty Ltd.
- Crondall Holdings Ltd.
- Tanmeyah Company S.A.E

46. Tax status

Corporate tax

The Company submitted its tax returns on regular basis for the years from 2005 to 2013 according to tax law No. 91/2005. The Company's books have not been inspected yet.

Salaries tax

The Company deducts the salaries tax according to tax law no. 91 / 2005 and the Company's books inspected for the period from launch till the date of 31/12/2009 but the authority did not inform the Company with results yet. And the years from 2010/2013 have not been inspected yet.

Stamp tax

The Company was inspected till July 31, 2006 and paid all the accrued amounts according to the Internal Committee decision and for the period from August 1, 2006 to December 31, 2012 has been inspected and the dispute has transferred to Internal Committee in the Authority And the year 2013 has not been inspected yet.

Withholding tax

The Company applies the withholding tax provisions on its transactions with private sector according to tax law No. 91/2005 and no tax inspection for withholding tax has taken place yet.

- On June 4, 2014 a new law No. 44/2014 has imposed a 5% temporary additional annual tax on amounts exceed EGP 1 million from the tax base on the income of natural persons or the profits of Corporate Buddies in accordance with income tax law , and it has been proven and collected in accordance with this provisions . This law will start working from June 5, 2014.
- On June 30, 2014 a Presidential Decree has issued law No. 53 for the year 2014, this law has amended some articles of the law on Income Tax promulgated by law No. 91/2005 the most important of these amended rules are :
 - 1- impose taxes on dividends.
 - 2- impose taxes on capital gains resulted from selling shares and securities.

Due to non-issuance of the executive regulations of the law and what may result from the differences in interpreting its articles, the company's management determined the results and values of those amendments in the light of its interpretation of the law's articles, such results and values might differ upon the issuance of the executive regulations of law.

47. Group entities

Company's name	Country of incorporation	Ownership interest	
		Direct	Indirect
		%	%
Citadel Capital Holding for Financial Investments–Free Zone	Arab Republic of Egypt–Free Zone	99.99	--
Citadel Capital for International Investments Ltd.	British Virgin Island	100.00	--
International for Mining Consultation	Arab Republic of Egypt	99.99	--
International for Refinery Consultation	Arab Republic of Egypt	--	99.99

Citadel Capital Company
Notes to the consolidated financial statements for the period ended September 30, 2014

Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Arab Company for Financial Investments	Arab Republic of Egypt	--	94.00
Tanweer for Marketing and Distribution Company (Tanweer)	Arab Republic of Egypt	--	99.88
Financial Unlimited for Financial Consulting	Arab Republic of Egypt	--	99.88
Citadel Company for Investment Promotion	Arab Republic of Egypt	--	99.90
National Company for Touristic and Property Investment	Arab Republic of Egypt	--	99.88
United for Petroleum Refining Consultation	Arab Republic of Egypt	--	99.99
Specialized for Refining Consulting	Arab Republic of Egypt	--	99.99
Specialized for Real Estate Company	Arab Republic of Egypt	--	99.99
National Company for Refining Consultation	Arab Republic of Egypt	--	99.99
Citadel Capital Algeria	Republic of Algeria	--	99.99
Citadel Capital Ltd.	British Virgin Island	--	100.00
Valencia Trading Holding Ltd.	British Virgin Island	--	100.00
Andalusia Trading Investments	British Virgin Island	--	100.00
Lotus Alliance Limited	British Virgin Island	--	85.70
Citadel Capital Financing Corp.	British Virgin Island	--	100.00
Ambience Ventures Ltd.	British Virgin Island	--	100.00
Africa Railways Limited *	British Virgin Island	--	37.25
Sequoia Willioiw Investments Ltd.	British Virgin Island	--	100.00
Brennan Solutions Ltd.	British Virgin Island	--	100.00
Mena Enterprises Ltd.	British Virgin Island	--	100.00
Alcott Bedford Investments Ltd.	British Virgin Island	--	100.00
Eco-Logic Ltd.	British Virgin Island	--	100.00
Alder Burke Investments Ltd.	British Virgin Island	--	100.00
Black Anchor Holdings Ltd.	British Virgin Island	--	100.00
Cobalt Mendoza	British Virgin Island	--	100.00
Africa Railways Investments Ltd.	British Virgin Island	--	100.00
Darley Dale Investments Ltd.	British Virgin Island	--	100.00
Africa Railways Holding	Republic of Mauritius	--	51.02
Citadel Capital Joint Investment Fund Management Limited	Republic of Mauritius	--	100.00
Mena Joint Investment Fund	Luxembourg	--	100.00
Wafra Agriculture S.A.E	Arab Republic of Egypt	--	99.99
Valencia Assets Holding Ltd.	British Virgin Island	--	100.00
Sabina for Integrated Solutions	Sudan	--	96.00

Citadel Capital Company
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Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Concord Agriculture	South Sudan	--	96.00
Trimestone Assets Holding Limited – BVI	British Virgin Island	--	100.00
Cardinal Vine Investments Ltd.	British Virgin Island	--	100.00
Global Services Realty	British Virgin Island	--	100.00
Silverstone Capital Investments Ltd.	British Virgin Island	--	61.56
Taqa Arabia Company	Arab Republic of Egypt	--	80.77
Gas and Energy Company (GENCO Group) - SAE	Arab Republic of Egypt	--	99.99
Taqa for Electricity ,Water and Cooling-SAE	Arab Republic of Egypt	--	98.74
Taqa for Marketing Petroleum Products-SAE	Arab Republic of Egypt	--	99.99
Gas and Energy Group Limited	British Virgin Island	--	99.99
Genco for Mechanical and Electricity Work	Qatar	--	99.99
Qatar Gas Group Limited *	Qatar	--	45.00
Arab Company for Gas Services *	Libya	--	49.00
Arabian Libyan Company for Energy	Libya	--	65.00
National Development and trading Company	Arab Republic of Egypt	47.65	16.58
Arab Swiss Engineering Co.	Arab Republic of Egypt	--	99.97
ASEC for Manufacturing and Industries Project Co.	Arab Republic of Egypt	--	99.80
ASEC Cement Co.	Arab Republic of Egypt	--	61.05
ASEC Environmental Protection Co. (ASENPRO)	Arab Republic of Egypt	--	63.01
ASEC Automation Co.	Arab Republic of Egypt	--	53.64
ESACO for Manufacturing Engineering and Construction	Arab Republic of Egypt	--	70.00
Grandiose Services Ltd.	British Virgin Island	--	100.00
ASEC Integrated – Sudan	Sudan	--	99.90
Al Takamoul for Cement Ltd. Co.	Sudan	--	51.00
ASEC Algeria Cement Co.	Algeria	--	60.89
ASEC Syria Cement Co.	Syria	--	99.99
Zahana Cement Company *	Algeria	--	35.00
Dejalfa Offshore	British Virgin Island	--	54.53
ASEC Trading Company	Arab Republic of Egypt	--	99.88
ASEC Ready Mix	Arab Republic of Egypt	--	54.12
ASEC Minya Cement Company *	Arab Republic of Egypt	--	45.12
Berber for Electricity – limited	Sudan	--	51.00

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Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
United Foundries Company	Arab Republic of Egypt	29.29	38.08
Alexandria for Car Foundries	Arab Republic of Egypt	--	99.98
Amreya for Metal	Arab Republic of Egypt	--	99.96
Ledmore Holdings Ltd.	British Virgin Island	--	70.03
National Company for Marine Petroleum Services "PETROMAR"	Arab Republic of Egypt-FZ	--	77.87
Mashreq Petroleum Company	Arab Republic of Egypt	--	91.00
El Dawlia for Bunkering Services	Arab Republic of Egypt	--	70.00
Mena Home Furnishings Malls Ltd.	British Virgin Island	--	60.18
Bonian for Trade and Development	Arab Republic of Egypt	--	99.99
Bright Living	Arab Republic of Egypt	--	56.17
Investment Company for Modern Furniture	Arab Republic of Egypt	--	99.88
Citadel Capital Transportation Opportunities Ltd.	British Virgin Island	--	62.04
Nile Logistics S.A.E.	Arab Republic of Egypt	--	99.99
Citadel Capital Transportation Opportunities II Ltd- Malta	Republic of Mauritius	--	68.87
National Company for Multimodal Transport S.A.E.	Arab Republic of Egypt	--	99.88
National Company for River Transportation - Nile Cargo S.A.E.	Arab Republic of Egypt	--	99.99
National Company for River Ports Management S.A.E.	Arab Republic of Egypt	--	99.88
National Company for Maritime Clearance S.A.E.	Arab Republic of Egypt	--	99.98
EL -Orouba Company for Land Transportation S.A.E.	Arab Republic of Egypt	--	99.98
NMT for Trading S.A.E	Arab Republic of Egypt	--	99.99
National Company for Marina Ports Management	Arab Republic of Egypt	--	99.90
NRTC Integrated Solutions Co Ltd.	Sudan	--	99.00
Nile barges for River transport Co Ltd.	Sudan	--	99.00
Regional River Investment Ltd	British Virgin Island	--	100.00
Falcon for Agriculture Investments *	British Virgin Island	--	44.31
National Company for Investments and Agriculture	Arab Republic of Egypt	--	99.99
National Company for Food products	Arab Republic of Egypt	--	99.99
Dina Company for Agriculture and Investments	Arab Republic of Egypt	--	99.99
Dina for Auto Services	Arab Republic of Egypt	--	99.00

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Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Arab Company for Services and Trade	Arab Republic of Egypt	--	99.67
National Company for Agriculture Products	Arab Republic of Egypt	--	99.88
El-Eguizy International for Economic Development	Arab Republic of Egypt	--	99.95
National Company for Integrated Food	Arab Republic of Egypt	--	99.99
Misr October Company for Food Products	Arab Republic of Egypt	--	99.99
Royal Food Company	Arab Republic of Egypt	--	99.99
Up-Date Company for Food Products	Arab Republic of Egypt	--	85.00
El Rashidi El Mizan	Arab Republic of Egypt	--	99.99
Nile for Food Products "Enjoy"	Arab Republic of Egypt	--	99.99
Investments Company for Dairy Products	Arab Republic of Egypt	--	99.99
El Rashidi Company for Integrated Solutions	Sudan	--	99.99
Tiba Farms for Agriculture Developments	Arab Republic of Egypt	--	95.88
Dina for Agriculture Development	Arab Republic of Egypt	--	100.00
National Company for Dairy Exchange	Arab Republic of Egypt	--	100.00
Mena Development Limited	British Virgin Island	--	100.00
Every's Holdings Limited	British Virgin Island	--	100.00
Orient Investment Properties Ltd.*	British Virgin Island	--	37.36
Arab Refining Company – S.A.E.	Arab Republic of Egypt	--	63.32
Egyptian Refining Company – S.A.E.– Free Zone *	Arab Republic of Egypt	--	48.25
National Refining Company – S.A.E.	Arab Republic of Egypt	--	63.32
KU Railways Holding Limited-KURH	Kenya	--	85.00
E A Rail & Handling Logistics Co. Limited	Republic of Mauritius	--	100.00
East African Rail And Handling Logistics Limited	Kenya	--	100.00
RVR Investments (Pty) Ltd.	Republic of Mauritius	--	100.00
Crondall Holdings Ltd.	British Virgin Island	--	94.53
Capella Management Investments Inc. Company	British Virgin Island	--	100.00
Lotus Management Investment Ltd. Company	British Virgin Island	--	100.00
Cordoba Investment Services Inc. Company	British Virgin Island	--	100.00
Tanmeyah Company S.A.E	Arab Republic of Egypt	--	57.00
Tawazon for Solid Waste Management (Tawazon) *	Arab Republic of Egypt	--	30.001
Qalaa Energy Ltd.	British Virgin Island	--	100.00

- * The Group has the right to appoint the majority of the board of directors members which enables the Group to control the financial and operational policies. Consequently, these Companies have been consolidated.

48. Employees Stock Option Plan

The Company's extraordinary meeting held on February 20, 2008 approved to add a new article to the Company Article of Association to adopt a plan or more to motivate employees, managers and executive board of directors – Employees stock option plan (ESOP) in accordance with decision no. 282 for 2005 which modified executive regulation for the law no. 159 / 1981.

On June 22, 2008 the Capital Market Authority approved the ESOP plan and the Company does not start to apply it yet.

49. Contingent liabilities

The Company guarantees some related parties against loans and facilities obtained by those parties from banks.

50. Financial instruments and management of related risks

The Group's financial instruments are represented in the financial assets and liabilities. Financial assets include cash and cash equivalents, other investments, and trade and other receivables while financial liabilities include; loans and borrowing and trade and other payables. Note (no.3) include significant accounting policies for the recognition and measurement of the important financial instruments and related revenues and expenses by the Company to minimize the consequences of such risks.

50.1 Credit risk

Credit risk is the risk that one party will fail to discharge his obligation and cause the other party to incur financial loss. The financial assets representing amounts due from customers. Strict credit control is maintained and further appropriate level of impairment loss is made. The credit risk on financial instrument by ensuring that investments are made only after careful credit evaluation for these assets.

50.2 Liquidity risk

Liquidity risk is represented in the factors, which may affect the Company's ability to pay part of or full amount of its liabilities. According to the Company's policy, sufficient cash balances are retained to meet the Company's current liabilities which minimize the liquidity risk.

50.3 Financial instruments' fair value

According to the valuation bases used to evaluate the assets and liabilities of the Company which have been stated in the accompanying notes to the financial position, the financial instruments' fair value does not substantially deviate from their book values at the balance sheet date.

50.4 Market risk

A- Foreign currencies risk

- The foreign currencies exchange risk represents the risk of fluctuation in exchange rates, which in turn affects the Company's cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies.
- As disclosed in note no. (3.2) the Company has used the prevailing exchange rates to revalue monetary assets and liabilities at the financial position date.

B- Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. As the market dictates, the Company sometimes borrows at variable rates leaving certain exposure to changes in interest rate risk.

C- Price risk

The Company is exposed to market price risk on equity instrument and according to the company's investment policy, the following procedures are undertaken to reduce the effect of this risk.

- Performing the necessary studies before investment decision in order to verify that investment is made in potential securities.
- Diversification of investments in different sectors and industries.
- Performing continuous studies required to follow up the company's investments and their development.

50.5 Capital risk

The Company's objectives when managing capital are to safeguard the management's ability to continue as a going concern in order to provide returns to the benefits to the Company's shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, management may adjust the amount of distribution paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

51. Capital Commitments

The capital commitments as at September 30, 2014 represented in the following:

51.1 Asec Algeria Cement Company (Asec Cement)

Contractor	Contract amount	Not completed part	Contract currency	30/9/2014 EGP	31/12/2013 EGP
FLSmith Denmark Company	57 000 000	57 000 000	Euro	535 624 211	547 023 300
SARL MHDA	12 500 000	34 603	US dollar	239 773	240 612
ASEC for Mining Company (Ascom)	763 160	30 220	Euro	273 283	290 018
Energys Company	23 699 815	3 683 591	US dollar	25 524 553	25 613 580
Energys Company	9 015 848	3 755 669	US dollar	26 024 000	26 115 044
TCB Company	2 909 211	1 292 646	EGP	1 273 339	1 292 646
CTC Company	39 500 000	14 188 400	DZD	1 232 972	1 261 349
Cetim Company	122 850 000	89 337 500	DZD	7 763 429	7 942 104
				<u>597 955 560</u>	<u>609 778 653</u>

51.2 ASEC Minya Cement Company (formally Arab National Cement Company)

Contractor	Contract amount	Not completed part	Contract currency	Not completed part	
				30/9/2014	31/12/2013
				EGP	EGP
Matcom Engineering Construction & Trading Company	2 040 000	309 075	EGP	309 075	309 075
Matcom Engineering Construction & Trading Company	2 050 150	253 016	EGP	253 016	253 016
Veolia Water System	9 335 000	522 731	EGP	522 731	522 731
Veolia Water System	1 512 107	1 512 107	EGP	1 512 101	--
Elject	28 401 505	21 288 978	EGP	24 131 928	25 558 555
				<u>26 728 851</u>	<u>26 643 377</u>

51.3 ASEC for Manufacturing and Industries project Co. (ARESCO)

	Contract amount	Contract amount
	30/9/2014	31/12/2013
	EGP	EGP
Work shop (1)	675 000	675 000
Work shop (7)	3 285 000	3 285 000
Work shop (9)	370 000	370 000
Self-extinguishing system in the factory	100 350	100 350
Legal consultancy fees	2 400 000	2 400 000
Total	<u>6 830 350</u>	<u>6 830 350</u>

52. Contingent liabilities

The contingent liabilities as at September 30, 2014 are represented in the following:

52.1 ASEC Automation Co. (ASA)

	30/9/2014	31/12/2013
	EGP	EGP
Letters of guarantee	14 514 636	37 336 864

52.2 ASEC Environmental Protection Co. (ASENPRO)

	30/9/2014	31/12/2013
	EGP	EGP
Letters of guarantee	1 362 325	1 122 570

52.3 Arab Swiss Engineering Co. (ASEC)

	30/9/2014			31/12/2013		
	EURO	US. \$	EGP	EURO	US. \$	EGP
Letters of guarantee	44 352	89 875	57 748 117	44 352	89 875	57 748 117

52.4 ASEC for Manufacturing and Industries project Co. (ARESCO)

	30/9/2014			31/12/2013		
	EURO	US. \$	EGP	EURO	US. \$	EGP
Letters of guarantee	8 002 533	926 645	62 471 634	8 002 533	926 645	62 471 634

52.5 ASEC Cement Co.

ASEC Minya cement Company (formally Arab National cement company)

Contingent liabilities as at September 30, 2014 as follows:-

- Euro 9 000 000 that equivalent to EGP 81 844 200 that represents letter of guarantee issued by the company from Arab African international bank and in favor of FLSmidth.
- Euro 5 000 that equivalent to EGP 45 469 that represents letter of credit issued by the company from Arab African international bank and in favor of Pietro Fiorentini.

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Notes to the consolidated financial statements for the period ended September 30, 2014

- EGP 12 000 000 that represents letter of guarantee issued by the company from Arab African international bank and in favor of Mantrac.

52.6 United Foundries Company

	30/9/2014			31/12/2013		
	EGP	EURO	US. \$	EGP	EURO	US.\$
Letters of guarantee (outstanding)	157 582	--	--	333 264	146 100	--
Letters of guarantee (cover)	--	--	--	27 329	19 900	--
Letters of credit (outstanding)	655 824	--	--	3 136 901	--	--
Letters of credit (cover)	32 791	--	--	35 613	--	--

- United Foundries Company guaranteed Amreya Metal Company up to EGP 2 million in the favor of Egypt factors Company.

53. Comparative figures

- Certain reclassification has been made to the comparative figures in order to conform to current period presentation.
- Comparative figures of consolidated statements of income, changes in equity, and cash flows for the comparative period ended September 30, 2013 don't include the results of the consolidated financial results and cash flows for subsidiaries which were acquired during December 2013 in addition to companies have been acquired during the period ended September 30, 2014 note (5,12).