CITADEL CAPITAL
القلعة

Local Insight
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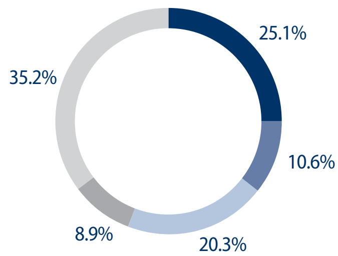
3Q13 Business Review
CAIRO, EGYPT: 12 DECEMBER 2013

Citadel Capital Reports 3Q13 Results

Statutory consolidated net loss narrows 38.3% y-o-y to EGP 82.7 mn. Aggregate EBITDA (non-statutory) at operational core and non-core platform companies surges ten-fold on operational improvements despite challenging business environment.

SECTOR AGGREGATE REVENUES (3Q13)
(in EGP mn)



Energy	342.1
Transportation	143.7
Agrifoods	275.8
Mining	120.5
Cement	478.7
TOTAL	**1,360.8**

Highlights of 3Q / 9M 2013

- Citadel Capital reports a 3Q13 consolidated net loss of EGP 82.7 million in its statutory audited financials, a 38.3% narrowing year-on-year. This narrowing is particularly pronounced as a result of the impact of accounting standards that preclude the consolidation of Citadel Capital's share of the results of ASEC Holding and United Foundries.
- Had the losses of both ASEC Holding and United Foundries been consolidated, Citadel Capital would have reported a consolidated net loss of EGP 128.2 million in the third quarter of 2013, a 4.4% improvement year-on-year as a result of the firm's ongoing emphasis on cost control and operational improvements. This came despite EGP 30.7 million of net impairments taken in the quarter primarily related to previously written-down upstream oil and gas investments. Also impacting the quarter's results was the economic impact of events following the 30 June Revolution, including challenges to production, logistics and retail operations as a result of the curfew in effect during August and September. Improvements were primarily driven by better performances at core and non-core platform companies. The impact of non-business developments in 3Q13 resulted in the third quarter breaking with the trend of quarterly improvement in net losses that began in 4Q12.
- Total aggregate revenues at operational core and non-core companies was EGP 1,522.4 million in 3Q13, a 15.5% increase over 3Q12. Total EBITDA at operational core and non-core companies, meanwhile, was EGP 127.4 million, a more than ten-fold increase from the same period last year. This performance was primarily driven by standout performers TAQA Arabia (6.6% EBITDA growth), Africa Railways (positive EBITDA of EGP 6.6 million compared with negative EGP 17.9 million in 3Q12) and Gozour (EBITDA increased more than five-fold). Non-core company GlassWorks more than doubled its EBITDA contribution.
- **Energy:** Aggregate revenues for operational core platform companies in the Energy Division rose 9.5% year-on-year in 3Q13 to EGP 342.1 million, while EBITDA increased 40.3% to EGP 57.3 million in the same period on the back of better performance in the quarter at TAQA Arabia, with a strong contribution from the Power Generation sector. Egyptian Refining Company (ERC) has received renewal of its comfort letter from the Government of Egypt, while overall progress on the project stood at 20.2% in September 2013 against a planned 21.9%. Meanwhile, Citadel Capital remains in non-exclusive negotiations regarding potential partnerships to build an operate Mashreq Petroleum's storage and bunkering terminal.
- **Transportation:** The division posted aggregate revenues in 3Q13 of EGP 143.7 million, a 32.8% year-on-year rise. EBITDA improved 92.0% year-on-year in 3Q13 to negative EGP 2.4 million, approaching break-even on the back of better performance of Africa Railways portfolio company Rift Valley Railways (RVR), which posted its first-ever profitable quarter at the EBITDA level and clear improvements across all metrics. Nile Logistics, although recording some improvement in 3Q13, continues to account for the majority of the Transportation segment's losses at the EBITDA level, as delays in the lifting of diesel subsidies —

the macro theme backing this investment — offset the improved performance of Nile Barges (South Sudan) and revenues from stevedoring operations.

- **Agrifoods:** The Agrifoods division saw a 15.5% year-on-year rise in aggregate revenues in 3Q13 to EGP 275.8 million, while EBITDA swung to a positive EGP 9.3 million on the back of continued progress at Gozour (Egypt) and lower losses at Wafra (newly operational greenfield in Sudan and South Sudan). This came despite the impact of a nationwide curfew in Egypt during August and September that impacted production and logistics while sharply curtailing traditional peak shopping hours.
- **Mining**: In the third quarter, Mining division platform company ASCOM reported a 6.1% dip in consolidated revenue to EGP 120.5 million, while EBITDA came in at negative EGP 8.4 million, down from a positive EGP 2.7 million in 3Q12. The sharp drop in profitability was primarily due to losses in the quarry management operations in the UAE and Sudan.
- **Cement:** Cement and Construction sector revenues rose 23.3% year-on-year to EGP 478.7 million from EGP 388.3 in 3Q12, as the Cement division (distinct from the Construction arm) has recovered from record low revenues in 3Q12. Aggregate cement sector revenues were down 10.3% from 2Q13 on slower construction activity in Egypt and shortages in heavy fuel oil in Sudan, which affected production and sales at Takamol Cement. Aggregate EBITDA for the sector as a whole (Cement and Construction together) rose from negative EGP 25.0 million in 3Q12 to positive EGP 13.3 million in 3Q13, mainly as a result of improved performance at the Construction division.
- Citadel Capital principal investments from its own balance sheet were stable at US$ 1,136.8 million (EGP 6,966.1 million) in 3Q13.
- The firm's shareholders, meeting at an extraordinary general meeting on 23 October 2013, approved the launch of an EGP 3.64 billion share issuance at par (EGP 5) that would see the firm's paid-in capital rise to EGP 8.09 billion from EGP 4.36 billion. The share issuance is part of the firm's transformation from the largest private equity firm in Africa into the leading investment company in the region. Citadel Capital will use the share issuance to reach majority ownership in most of its platform companies, in particular the firm's subsidiaries in its five core industries: energy, transportation, agrifoods, mining and cement.

3Q Summary of Performance of Core and Select Non-Core Platform and Portfolio Companies

Item (in EGP mn)	Revenues		EBITDA		Revenue (change)	EBITDA (change)	CC Ownership (Current)	CC Ownership (Projected, Post-Capital Increase)^
	3Q12	3Q13	3Q12	3Q13				
CORE PLATFORMS								
ENERGY								
TAQA Arabia	288.1	321.6	42.8	62.7	11.6%	46.6%	33.84%	62.45%
Tawazon	24.2	20.4	(2.0)	(5.5)	(15.6%)	(178.1%)	47.88%	47.88%
ERC (pre-operational)	n/a	n/a	n/a	n/a	n/a	n/a	11.68%	15.18%
Mashreq (pre-operational)	n/a	n/a	n/a	n/a	n/a	n/a	25.04%	53.20%
Aggregate	**312.3**	**342.1**	**40.8**	**57.3**	**9.5%**	**40.3%**		
TRANSPORTATION								
Nile Logistics	12.5	5.7	(12.1)	(9.0)	(54.2%)	25.9%	37.89%	62.04%
Nile Barges (South Sudan)**	n/a	4.9	n/a	0.0	-	-		
Africa Railways**	95.7	133.2	(17.9)	6.6	39.1%	137.0%	28.19%	28.19%
Aggregate	**108.2**	**143.7**	**(30.0)**	**(2.4)**	**32.8%**	**(92.0%)**		
AGRIFOODS								
Gozour	238.9	274.3	2.2	14.4	14.8%	540.2%	19.95%	43.09%
Wafra**	(0.3)	1.5	(6.6)	(5.1)	n/m	23.2%	100.00%	100.00%
Aggregate	**238.7**	**275.8**	**(4.4)**	**9.3**	**15.5%**	**311.3%**		
MINING								
ASCOM	128.3	120.5	2.7	(8.4)	(6.1%)	n/m	39.22%	39.22%
Aggregate	**128.3**	**120.5**	**2.7**	**(8.4)**	**(6.1%)**	**n/m**		
CEMENT								
ASEC Cement*	166.5	229.3	20.4	23.7	37.7%	16.3%		
Construction / Plant Management	221.8	249.4	(45.4)	(10.4)	12.4%	77.2%		
Aggregate	**388.3**	**478.7**	**(25.0)**	**13.3**	**23.3%**	**n/m**	**54.78%**	**70.15%**
Accumulated Total for Core Platforms	**1,175.7**	**1,360.8**	**(15.9)**	**69.1**	**15.7%**	**534.7%**		
NON CORE PLATFORMS								
GlassWorks**	93.4	112.1	12.7	35.3	20.0%	177.1%	21.03%	47.64%
United Foundries	25.0	27.9	(1.8)	4.6	11.4%	358.0%	29.95%	67.37%
Finance Unlimited	49.7	51.6	16.9	18.3	3.9%	8.3%	100.00%	100.00%
Accumulated Total for Non-Core Platforms	**168.2**	**191.7**	**27.9**	**58.2**	**14.0%**	**108.8%**		
Accumulated Total**	**1,343.9**	**1,552.4**	**12.0**	**127.4**	**15.5%**	**962.7%**		

* Al-Takamol Cement Co's acquisition of Berber for Electrical Power, which has been formally completed but is pending formal finalization, affects the cost structure at Al-Takamol Cement and is reflected in 3Q12 and 3Q13 to allow a fair comparison.

** Africa Railways, Wafra, Nile Barges (South Sudan), and GlassWorks figures have been converted to EGP from USD using average yearly exchange rates of EGP 6.04 : USD 1 for 3Q12 and EGP 6.84 : USD 1 for 3Q13.

^ As part of its transformation from a private equity company to an investment company, Citadel Capital will seek to increase its ownership of key core and non-core platform and portfolio companies to between 51%-100% through an EGP 3.6 billion capital increase. Post-capital increase ownership figures in the table above are subject to change.

9M Summary of Performance of Core and Select Non-Core Platform and Portfolio Companies

Item (in EGP mn)	Revenues		EBITDA		Revenue (change)	EBITDA (change)	CC Ownership (Current)	CC Ownership (Projected, Post-Capital Increase)^
	9M12	9M13	9M12	9M13				
CORE PLATFORMS								
ENERGY								
TAQA Arabia	860.5	905.7	120.9	119.1	5.2%	(1.5%)	33.84%	62.45%
Tawazon	78.2	60.0	(10.4)	(15.1)	(23.3%)	(45.9%)	47.88%	47.88%
ERC (pre-operational)	n/a	n/a	n/a	n/a	n/a	n/a	11.68%	15.18%
Mashreq (pre-operational)	n/a	n/a	n/a	n/a	n/a	n/a	25.04%	53.20%
Aggregate	**938.8**	**965.7**	**110.5**	**103.9**	**2.9%**	**(6.0%)**		
TRANSPORTATION								
Nile Logistics	37.2	20.2	(33.3)	(25.4)	(45.6%)	23.7%	32.10%	62.04%
Nile Barges (South Sudan)**	n/a	13.3	n/a	1.5	-	-		
Africa Railways**	317.8	353.0	(61.2)	(19.1)	11.1%	68.8%	28.19%	28.19%
Aggregate	**355.0**	**386.5**	**(94.5)**	**(43.0)**	**8.9%**	**54.5%**		
AGRIFOODS								
Gozour	841.9	914.6	55.6	88.3	8.6%	58.9%	19.95%	43.09%
Wafra**	4.1	9.1	(49.4)	(17.5)	121.9%	64.6%	100.00%	100.00%
Aggregate	**846.0**	**923.7**	**6.2**	**70.8**	**9.2%**	**1051.1%**		
MINING								
ASCOM	401.6	392.9	5.7	2.2	(2.2%)	(61.4%)	39.22%	39.22%
Aggregate	**401.6**	**392.9**	**5.7**	**2.2**	**(2.2%)**	**(61.4%)**		
CEMENT								
ASEC Cement*	639.4	676.6	69.9	74.1	5.8%	6.1%		
Construction / Plant Management	870.2	883.5	(7.8)	19.3	1.5%	348.3%		
Aggregate	**1,509.6**	**1,560.1**	**62.1**	**93.4**	**3.3%**	50.5%	54.78%	70.15%
Accumulated Total for Core Platforms	**4,051.0**	**4,228.9**	**90.0**	**227.4**	**4.4%**	**152.6%**		
NON CORE PLATFORMS								
GlassWorks**	245.3	287.0	49.3	103.4	17.0%	109.7%	21.03%	47.64%
United Foundries	111.3	98.4	8.5	15.1	(11.6%)	78.0%	29.95%	67.37%
Finance Unlimited***	202.6	145.1	89.4	15.6	(28.4%)	(82.6%)	100.00%	100.00%
Accumulated Total for Non-Core Platforms	**559.3**	**530.5**	**147.2**	**134.0**	**(5.1%)**	**(9.0%)**		
Accumulated Total**	**4,610.2**	**4,759.4**	**237.2**	**361.4**	**3.2%**	**52.3%**		

* Al-Takamol Cement Co's acquisition of Berber for Electrical Power, which has been formally completed but is pending formal finalization, affects the cost structure at Al-Takamol Cement and is reflected in 9M12 and 9M13 for fair comparison.

** Africa Railways, Wafra, South Sudan Nile Transport, and GlassWorks figures have been converted to EGP from USD using average yearly exchange rates of EGP 6.03 : USD 1 for 9M12 and EGP 6.74 : USD 1 for 9M13 .

*** Finance Unlimited's 2Q12 revenue and EBITDA figures include extraordinary gain from the Sudanese Egyptian Bank.

^ As part of its transformation from a private equity company to an investment company, Citadel Capital will seek to increase its ownership of key core and non-core platform and portfolio companies to between 51%-100% through an EGP 3.6 billion capital increase. Post-capital increase ownership figures in the table above are subject to change.

Sector Review: Energy

Citadel Capital's operational core Energy companies include TAQA Arabia (energy generation and distribution) and Tawazon (solid waste management / waste-to-energy). Pre-operational greenfields include Egyptian Refining Company (refining) and Mashreq (fuels bunkering).

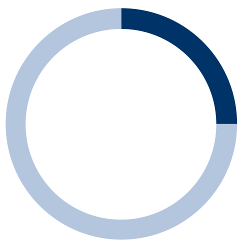
Key Metrics (Operational Core Platform Companies)

Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
Segment Revenues	312.3	342.1	9.5%	938.8	965.7	2.9%
Segment EBITDA	40.8	57.3	40.3%	110.5	103.9	-6.0%
% of Total Group Revenues	26.6%	25.1%		23.2%	22.8%	
TAQA Arabia Revenues	288.1	321.6	11.6%	860.5	905.7	5.2%
TAQA Arabia EBITDA	42.8	62.7	46.6%	120.9	119.1	-1.5%
Tawazon Revenues	24.2	20.4	-15.6%	78.2	60.0	-23.3%
Tawazon EBITDA	(2.0)	(5.5)	-178.1%	(10.4)	(15.1)	-45.9%
TAQA Arabia Power Arm Revenues	86.5	75.1	-13.1%	233.4	205.0	-12.2%
TAQA Arabia Power Arm EBITDA	23.4	37.9	61.9%	63.7	65.0	2.1%
TAQA Arabia Gas Distribution Revenues	42.2	58.7	39.1%	128.0	146.2	14.2%
TAQA Arabia Gas Distribution EBITDA	25.6	20.4	-20.2%	65.5	63.5	-3.0%
TAQA Arabia Gas Construction Revenues	37.1	43.4	17.0%	141.4	159.4	12.7%
TAQA Arabia Gas Construction EBITDA	-4.5	9.8	319.1%	2.2	9.3	319.6%
TAQA Marketing Revenues	121.9	136.3	11.8%	372.9	377.6	1.3%
TAQA Marketing EBITDA	1.5	3.3	119.5%	4.6	3.8	-18.6%
ECARU Revenues	23.8	18.5	-22.0%	71.3	57.1	-20.0%
ECARU EBITDA	2.7	(4.7)	-271.2%	(5.9)	(11.0)	-86.6%
ENTAG Revenues	2.28	1.54	-32.3%	9.1	4.2	-53.9%
ENTAG EBITDA	(4.9)	(0.8)	84.0%	(4.8)	(4.0)	16.0%
Total Electricity Generated (million kW/hr)	58.5	32.5	-44.4%	169.4	102.0	-39.8%
Total Electricity Distributed (million kW/hr)	119.2	114.7	-3.7%	273.9	287.7	5.1%
Gas Distribution (in BCM)	1.4	1.2	-15.3%	4.3	3.6	-15.2%
Gas Construction (# converted customers)	17,629	10,908.0	-38.1%	61,980	42,891	-30.8%

Key Metrics (Operational Core Platform Companies) *Cont'd*

Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
Fuel Distribution (gasoline, diesel, in '000 liters)	79,078	91,888.0	16.2%	234,837	248,442	5.8%
Fuel Distribution (fuel oil, in '000 liters)	11,674	12,330.0	5.6%	49,838	37,300	-25.2%
Lube Distribution (tons)	902	293.0	-67.5%	2,883	1,356	-53.0%
Operational Filling Stations (#)	2	3.0		22	25	13.6%
Total Industrial Clients (gas and electricity)	4	21.0	425.0%	257	313	21.8%
Total Household Clients (gas and electricity)	11,520	3,581.0	-68.9%	421,398	521,227	23.7%
Tawazon Agricultural Waste Collected	105,416	22,079	-79.1%	208,585	146,763	-29.6%

SECTOR PERCENT OF GROUP REVENUES (3Q13)



■ Energy 25.1%
■ Others 74.9%

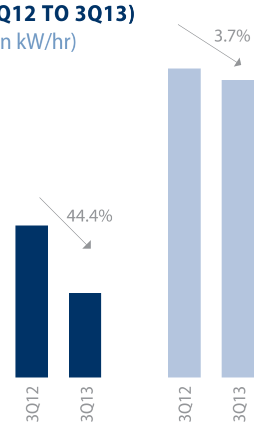
Energy Division Operational and Financial Performance

Energy segment revenues rose 9.5% year-on-year in 3Q13 to EGP 342.1 million, while EBITDA increased 40.3% to EGP 57.3 million, on the back of better performance in the quarter at TAQA Arabia, with a strong contribution from the Power Generation sector. In 9M13, revenue inched up 2.9% to EGP 965.7 million compared to EGP 938.8 million in the same period of 2012, while EBITDA declined 6% year-on-year in 9M13, weighed down by Tawazon's lower waste collection in 3Q13. Notably, segment EBITDA grew 69.5% in 3Q13 over 2Q13.

TAQA Arabia

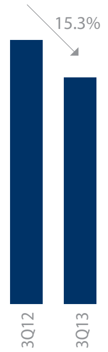
- **TAQA Arabia**'s 3Q13 consolidated revenues came in at EGP 321.6 million, an 11.6% increase over the same period last year and 3.9% higher than 2Q13. EBITDA for the third quarter stood at EGP 62.7 million, a 46.6% improvement over 3Q12 and 86.6% higher than 2Q13. In the first nine months of 2013, revenues rose 5.2% y-o-y to EGP 905.7 million, while EBITDA remained essentially flat at EGP 119.1 million as the impact of discontinuing operations at the South Valley Cement power plant during 1Q13 offset improvements seen in 2Q13 and 3Q13 in both the power and the gas construction segments.
- In 3Q13, the **Power** division saw a 3.7% drop in volumes of electricity distributed from the Nabq and Marsa Allam power stations; that said, volumes were up 3.0% in 9M13 due to improvement in hotels occupancy rates in both areas compared to 9M12. The increase in 9M volumes distributed came even as total electricity generated fell sharply due to the end of operations at the power plant supplying South Valley Cement project in the first quarter (for more detail please see our 1Q 2013 Business Review, available for download on our website). Accordingly, Power division revenues dropped 12.2% y-o-y in 9M13 to EGP 205.0 million, while EBITDA inched up 2.1% to EGP 65.0 million. Notably, fully EGP 37.9 million of EBITDA year-to-date was generated in the third quarter, which saw a 61.9% year-on-year increase and a 72.3% q-o-q rise compared to 2Q13. The sharp increase in EBITDA in the third quarter comes on the back of higher profitability in distribution from the Nabq and Marsa Allam stations.
- The **Gas Distribution** division, the company's strongest generator of cash flow, recorded a 14.2% rise in 9M13 revenues to EGP 146.2 million. This was backed by a 39.1% y-o-y increase in 3Q13 revenues, fueled by higher industrial gas prices, which outweighed a shortage of supply nationwide. However, a 15.2% decrease

ELECTRICITY COMPARISON (3Q12 TO 3Q13)
(mn kW/hr)



■ Total Electricity Generated	
3Q12	58.5
3Q13	32.5
■ Total Electricity Distributed	
3Q12	119.2
3Q13	114.7

CNG AND GAS DISTRIBUTION (3Q12 TO 3Q13)
(BCM)



3Q12	1.4
3Q13	1.2

in gas distribution volumes affected profitability levels; 3Q13 EBITDA came in at EGP 20.4 million, 20.2% lower than same period last year, while it dipped 3.0% y-o-y in 9M13 to EGP 63.5 million.

- TAQA Arabia's **Gas Construction** operations saw a 12.7% y-o-y increase in revenues in 9M13 to EGP 159.4 million, and a tripling of EBITDA for the same period to EGP 9.3 million. Notably, of that, EGP 9.8 million was generated in 3Q13, which saw a return to profitability from negative EGP 0.7 million in 2Q13 as work began on a new industrial project during the third quarter.
- The **Fuels Marketing** division saw revenues rise 11.8% y-o-y in the third quarter as a price increase on lubricants was implemented to offset higher product costs coupled with improved national availability of diesel fuel post the 30 June Revolution. This resulted in a y-o-y doubling of EBITDA in 3Q13 to EGP 3.3 million despite the impact of the economic slowdown on lubricant volumes. The improvement in 3Q13 was insufficient to offset the impact of diesel fuel shortages in 1H13 on 9M13 revenues and EBITDA.

Tawazon

- Solid waste management play **Tawazon** reported a 15.6% year-on-year drops in 3Q13 revenue and a resultant deterioration in EBITDA, primarily on lower sales at portfolio company ECARU. In 9M13, Tawazon reported a 23.3% year-on-year drop in revenues, in which respect it is notable that 1H12 revenues were inflated by non-recurring revenue at ECARU recorded in the first quarter of 2012 (details are available in the 1Q13 Business Review, available for download on our website).
- **ECARU** reported a 22.0% year-on-year drop in revenues in 3Q13, mostly attributable to:
  - The absence of tipping fees from the Egyptian Environmental Affairs Agency (EEAA). For a number of reasons, including non-payment of outstanding receivables to ECARU from the EEAA, lack of clarity as to the renewal of the agricultural waste collection contracts, and lack of agreement on a pricing structure, as a result of which ECARU did not collect agricultural waste within the agricultural project in the third quarter. To put this in perspective, in 3Q12 the company collected 74,000 tons which generated EGP 5.4 million of tipping fees. Outstanding receivables from the EEAA stand at EGP 30 million (including interest on late payments).Supply of biomass to Cemex decreased by c.49% q-o-q to 18,100 tons from 35,600 tons due to maintenance on the feeding system on Cemex's side.
- EBITDA in 3Q13 also witnessed a sharp fall to negative EGP 4.7 million. Given the lower waste collection rate, all direct fixed costs were borne on the COGS level and could not be counted as inventory. This explains the relative increase in COGS compared to the decrease in revenues.
- ECARU delivered 3,100 tons of biomass (rice straw and fruit trimmings) to Italcimenti during a 3Q13 trial for a longer-term contract. The company expects to increase its supply to the contractual rate of 100,000 tons per year in 2014. To fulfill its contractual tonnage obligations to Italcimenti and Cemex, ECARU will focus its collection efforts in areas such as Wady El Mollak and Nubareyya (collecting mostly fruit trimmings) and other potential sites beyond the confines of its present collection contracts. In 9M13, ECARU collected 146,000 tons, a portion of which is earmarked for 2014 deliveries.
- **ENTAG** continued to see minimal revenues and EBITDA in 3Q13, as the company's revenue model — which is largely based on securing 'one-off' contracts

— delivers very lumpy revenues. As noted in our 2Q13 Business Review, many regional countries have slowed investment spending since the beginning of the Arab Spring in 2011, and ENTAG's plans were accordingly disrupted. In 3Q13, the company generated EGP 1.5 million from equipment supply to the Egyptian military with the balance of the quarter's revenues being generated from maintenance services to sister-company ECARU. The company remains active in seeking new projects in the region.

Energy Division: Status of Pre-Operational Greenfields

(Greenfield core platform companies in construction phase)

- Engineering, construction and procurement work for **Egyptian Refining Company (ERC)**, which is building a US$ 3.7 billion greenfield petroleum refinery in the Greater Cairo Area, remains solidly on track, with overall progress to September 2013 at just over 20.2% against a planned figure of just under 21.9%. Engineering is now well over 65% complete. The Government of Egypt provided ERC with official renewal of its comfort letter in October 2013.
- In May 2013, **Mashreq Petroleum** signed a 30-year concession agreement (in addition to a three-year grace period for construction) with the East Port Said Port Authority that will allow it to build the first independent tank terminal in Egypt and provide liquid bulk petroleum products storage / bunkering and blending services. The concession is on a build-operate-transfer (BOT) system for 25 years, extendable by one year for every five years during which the project achieves at least 90% of its throughput targets. Citadel Capital is currently involved in non-exclusive negotiations regarding potential partnerships to build and operate the storage and bunkering terminal.

Sector Review: Transportation

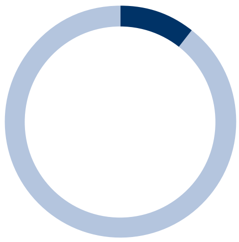
Citadel Capital's operational core Transportation companies include Rift Valley Railways (the national railway of Kenya and Uganda) and Nile Logistics (river transportation in Egypt, Sudan and South Sudan).

Key Metrics (Operational Core Platform Companies)

Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
Segment Revenues*	108.2	143.7	32.8%	355.0	386.5	8.9%
Segment EBITDA	(30.0)	(2.4)	92.0%	(94.5)	(43.0)	54.5%
% of Total Group Revenues	9.2%	10.6%		8.8%	9.1%	
Nile Logistics (National Multimodal Transport Company 'NMT') Revenues	12.45	5.72	-54.2%	37.2	20.2	-45.6%
Nile Logistics (National Multimodal Transport Company 'NMT') EBITDA	(12.1)	(9.0)	25.9%	(33.3)	(25.4)	-23.7%
Nile Barges (South Sudan) Revenues (in USD mn)	n/a	0.7	-	n/a	2.0	-
Nile Barges (South Sudan) EBITDA (in USD mn)	n/a	0.0	-	n/a	0.3	-
Africa Railways Revenues (in USD mn)	15.8	19.5	22.8%	52.7	52.3	-0.9%
Africa Railways EBITDA (in USD mn)	(3.0)	1.0	132.6%	(10.2)	(2.9)	71.2%
Egypt River Transport KPIs						
Ton-Kilometer Water Egypt (millions)	45.6	9.7	-78.9%	165.3	27.4	-83.4%
Barges in Service Egypt	37	43	16.2%	37	43	16.2%
Tons delivered Egypt (thousands)	141.5	94.4	-33.3%	494.5	213.8	-56.8%
Egypt Stevedoring KPIs						
Tons Handled (thousands)	n/a	60.7	-	n/a	157.5	-
No. of Locations	n/a	1	-	n/a	1	-
No. of Vessels Used	n/a	19	-	n/a	19	-
Kenya Rail KPIs						
Ton-Kilometer Rail (millions)	245.9	313.0	27.3	860.1	842.4	-2.1
Revenues per Net Ton Kilometer (cents/NTK) (rail)	6.3	6.1	-2.9	6.1	6.2	1.2

* To calculate segment revenues and EBITDA, figures for Africa Railways have been converted at average yearly exchange rates of EGP 6.04 : USD 1 for 3Q12 and EGP 6.84 : USD 1 for 3Q13.

SECTOR PERCENT OF GROUP REVENUES (3Q13)



■ Transportation	10.6%
■ Others	89.4%

Transportation Operational and Financial Performance

The Transportation division posted aggregate revenues in 3Q13 of EGP 143.7 million, a 32.8% increase over EGP 108.2 million in 3Q13. Almost breaking even at the EBITDA level, the sector saw a 92% improvement year-on-year in 3Q13 to only negative EGP 2.4 million, primarily driven by the better performance of Africa Railways portfolio company Rift Valley Railways (RVR) (see below for details). Nile Logistics, although recording some EBITDA improvement to negative EGP 9.0 million in 3Q13 from negative EGP 12.1 million in 3Q12, continues to account for the majority of the Transportation segment's losses at the EBITDA level, as delays in the lifting of diesel subsidies — the macro theme backing this investment — offset the improved performance of Nile Barges (South Sudan).

Nile Logistics

- Revenues for Nile Logistics (National Multimodal Transport Company, NMT) dropped by 45.6% to EGP 20.23 million in 9M13 as total ton-kilometers fell c.83% from 165.34 million in 9M12 to 27.40 million in 9M13, partly because of a management strategy curtailing barge operations to control losses, and also impacted by the complete stoppage of operations in 1Q13 due to maintenance of locks. Losses were offset by stevedoring (floating crane) operations in Alexandria Port. First introduced in late 2012, stevedoring operations have quickly become a key source of income for the division, as they are independent of other operations. The number of tons handled by the floating crane has steadily increased over the year, growing from 42,000 tons in the first quarter to 54,000 in 2Q13 and reaching 60,000 tons in the third quarter, enabling the company to record a total 9M13 revenue of EGP 20.2 million
- EBITDA, meanwhile, came in at negative EGP 25.4 million in 9M13, a narrowing from negative EGP 33.3 million in 9M12, bolstered by the low cost operations of the floating crane, a decrease in the General & Administrative expenses from EGP 14.6 million to EGP 11.2 million, and a doubling of income generated from non-operational activities (such as renting barges to third parties) to EGP 0.3 million during 9M13.
- Management notes that utilization rates at Nile Logistics will surge as the Government of Egypt continues to phase out subsidies for diesel fuel, making the economics of shipping via river as opposed to roads substantially more cost effective.

Africa Railways

- Rift Valley Railways continued building on revenue growth from 2Q13, registering US$ 19.5 million in revenues in 3Q13, a 10% increase q-o-q and a 23% increase compared to the same quarter last year.
- More importantly, the company has achieved a critical milestone in its five-year turnaround program, registering EBITDA of US$ 1 million in the quarter. This is the first profitable quarter in the company's history.
- The improved financial performance is underpinned by progress on the capex program and key operational improvements, the highlights of which include:
    - A 14% q-o-q increase in available locomotive capacity.
    - A 7% q-o-q increase in available wagons.
    - A 9.6% q-o-q improvement in liters consumed per gross ton km (a key fuel efficiency metric).
    - A 28% q-o-q drop in incidents per train-kilometer (a key safety, reliability and operational efficiency metric).

- During 3Q13, the company also achieved two critical milestones that will underpin future growth:
  - RVR has secured 20 new locomotives from NREC, a major US locomotive supplier. This acquisition, along with the ongoing rehabilitation program, will see the company double locomotive capacity over the coming 12 months.
  - Successfully completed phase one of the new Operational Control Center project. This saw the company completely overhaul the existing train and operations management system, switching from the old manual system that had been in operation for over 100 years to a new GPS-based system, leapfrogging various train management technologies that had been prevalent globally during the 20th century (but never implemented in RVR) and putting RVR on par with the most technologically sophisticated freight rail operators globally.

Sector Review: Agrifoods

Citadel Capital's operational core Agrifoods companies include Gozour (multicategory agriculture and consumer foods) and Wafra (agriculture in Sudan and South Sudan).

Key Metrics (Operational Core Platform Companies)

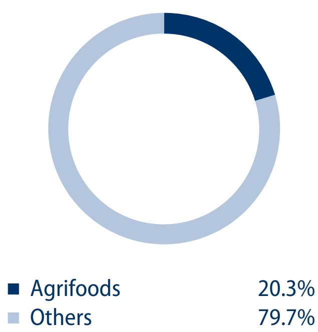
Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
Segment Revenues	238.7	275.8	15.5%	846.0	923.7	9.2%
Segment EBITDA	(4.4)	9.3	311.3%	6.2	70.8	1051.1%
% of Total Group Revenues	20.3%	20.3%		20.9%	21.8%	
Gozour Revenues	238.9	274.3	14.8%	841.9	914.6	8.6%
Gozour EBITDA	2.2	14.4	540.2%	55.6	88.3	58.9%
Wafra Revenues	-0.3	1.5	627.4%	4.1	9.1	121.9%
Wafra EBITDA	-6.6	-5.1	23.2%	-49.4	-17.5	64.6%
Rashidi El-Mizan Revenues	113.9	113.6	-0.3%	347.2	362.3	4.3%
Rashidi El-Mizan EBITDA	15.8	12.0	-24.0%	46.4	43.7	-6.0%
Rashidi for Integrated Solutions Revenues	9.1	21.6	138.4%	64.3	88.4	37.4%
Rashidi for Integrated Solutions EBITDA	(1.0)	(0.1)	90.3%	2.7	2.1	-22.0%
Dina Farms Revenues	56.7	77.6	36.8%	210.3	275.6	31.1%
Dina Farms EBITDA	8.7	19.6	126.4%	56.3	76.4	35.9%
Enjoy Revenues	39.8	57.8	45.4%	153.7	199.2	29.6%
Enjoy EBITDA	(11.5)	(10.1)	12.1%	(17.0)	(17.6)	-3.5%
ICDP Revenues	20.5	21.8	6.7%	53.2	63.2	18.8%
ICDP EBITDA	2.4	(0.7)	-130.5%	4.5	2.4	-46.8%
Revenues of Non-core Operations	7.4	4.1	-45.2%	44.3	17.8	-59.8%
EBITDA of Non-core Operations	(12.1)	(6.3)	-47.5%	(37.3)	(18.7)	-50.0%
Rashidi El-Mizan Tons Sold (all SKUs in tons)	7,451.6	6,454.3	-13.4%	23,721.9	21,627.3	-8.8%
Rashidi Sudan Tons Sold (all SKUs in tons)	754.9	980.9	29.9%	3,844.4	6,032.7	56.9%
Dina Farms Tons Sold (raw milk in tons)	10,423.5	13,949.0	33.8%	38,803.6	44,052.7	13.5%
Dina Farms Tons Sold (agricultural in tons)	5,035.0	2,614.0	-48.1%	33,395.5	40,598.9	21.6%

Key Metrics (Operational Core Platform Companies) *Cont'd*

Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
Dina Farms Total Herd	12,770	15,352	20.2%	12,770	15,352	20.2%
Of Which Milking Cows	5,608	7,500	33.7%	5,608	7,500	33.7%
Enjoy Tons Sold (all SKUs in SKU)	7,411.6	10,902.6	47.1%	29,530.6	37,214.6	26.0%
ICDP Tons Sold (all SKUs in SKU)	2,537.0	2,584.0	1.9%	7,301.7	7,647.0	4.7%
Total Land Planted in Egypt (in feddans) for the Period [1]	3,124	3,724	19.2%	14,140	13,909	-1.6%
Crops (in feddans)	2,973	3,277	10.2%	12,788	12,301	-3.8%
Orchards (in feddans)	151	447	196.0%	1,352	1,608	18.9%
Total Developed in Sudan Since Inception (in feddans)	14,677	17,033	16.1%	n/a	n/a	-
Total Planted in Sudan in the Period (in feddans)	4,800	-	-100.0%	14,200	-	-100.0%
Land Use in Sudan (in feddans, excludes community use)	6,847	7,033	2.7%	n/a	n/a	-
Total Developed Land in South Sudan in the Period	625	-	n/m	625	375	-40
Total Planted Land in South Sudan	-	350	-	1,000	2,850	185.0%

[1] Amount of land varies each quarter due to the seasonality of the crops.

SECTOR PERCENT OF GROUP REVENUES (3Q13)



Agrifoods Foods Division Operational and Financial Performance

The sector saw a 15.5% rise in aggregate revenues in 3Q13 to EGP 275.8 million compared to EGP 238.7 million in 3Q12, while EBITDA increased more than three-fold to EGP 9.3 million on the back of continued progress at Gozour (Egypt) and lower losses at Wafra (newly operational greenfield in Sudan and South Sudan).

Gozour

- On a consolidated basis, integrated multi-category agriculture and consumer foods platform **Gozour** reported third quarter 2013 revenues of EGP 274.3 million, a 14.8% improvement over the same period of last year. The company recorded EBITDA of EGP 14.4 million in 3Q13, a five-fold increase over 3Q12. This was driven by higher sales and savings in overheads at the core platform companies as well as by the elimination of negative contributions from non-core, non-operational portfolio companies (El Aguizy, Mom's Food and Elmisrieen), which had strained 3Q12 EBITDA last year while they were operational, holding it at EGP 2.2 million. Quarter-on-quarter, revenues dropped 17.9% from 2Q13, while EBITDA decreased by 63.8%, mainly due to the seasonal nature of operations at Dina Farms and cash constraints at Enjoy. In 9M13, Gozour recorded an 8.3% year-on-year increase in revenues to EGP 911 million, while EBITDA increased 58.9% to EGP 88.3 million primarily due to improved performance at Dina Farms. It is worth noting that throughout the country, FMCG companies and their retail partners saw operations sharply impacted by the curfew and related security situation during the months of August and September. These one-time events have since resolved, and operations have begun to normalize.
- In Egypt, leading regional confectioner **Rashidi El-Mizan (REM)** reported a 0.3% decrease in sales to EGP 113.6 million compared to EGP 113.9 million in the same period of last year. EBITDA decreased by 24.0% to EGP 12.0 million in

RASHIDI EL-MIZAN COMPARISON (3Q12 TO 3Q13)
(tons sold, SKUs)

3Q12	7,452
3Q13	6,454

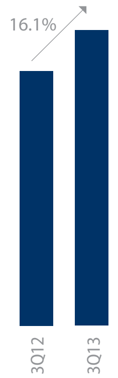
DINA FARMS TOTAL MILK COWS

3Q12	5,608
3Q13	7,500

the same period, mainly driven by lower profitability as a result of higher material costs alongside a slow-down in the market and shortened working hours due to security issues and the curfew (with a related drop in sales at REM). The same factors led to a 6.6% decline in revenues quarter-on-quarter and a 21.1% drop in EBITDA in the same period. The company recorded an increase of 4.3% in sales in the first nine months of 2013 versus the same period last year, while EBITDA fell 6.0%.

- Confectioner **Rashidi for Integrated Solutions (RIS)** in Sudan reported a 138.4% year-on-year increase in revenues to EGP 21.6 million in 3Q13, while EBITDA improved to negative EGP 0.1 million from negative EGP 1 million in 3Q12 as improved profitability and careful cost controls boosted results. In contrast, revenues in 3Q13 were down by 54.7% from 2Q13, while EBITDA dropped to negative EGP 0.1 million in 3Q13 from EGP 0.7 million in the previous quarter, mainly driven by lower turnover. The company realized an increase in sales of 37.4% in the first nine months of 2013 versus the same period in 2012, while EBITDA decreased by 22.0%, due to costs associated with the launch of a new trading venture in sesame.
- Milk and juice producer **Enjoy** posted strong revenue growth in 3Q13, posting a 45.4% year-on-year increase to EGP 57.8 million up from EGP 39.8 million in 3Q12. The juice category was the primary sales driver in 3Q13, as it continued to enjoy success following its re-launch in 2012, which included new packaging designs, a rebranded Enjoy logo and its first television commercial in more than seven years. There was a sharp drop in milk sales in the quarter, however, as the company prioritized the juice category due to its higher off-take and profitability. At the EBITDA level, 3Q13 losses are EGP 10.1 million compared to losses of EGP 11.5 million in the same three months of 2012, with the improvement being primarily driven by lower marketing and overheads expenses. The third quarter witnessed challenging conditions in Egypt, which strongly impacted the company's working capital cycle. Despite 3Q difficulties, Enjoy saw 9M13 revenues rise 29.6% to EGP 199.2 million compared to the same period of 2012. EBITDA came in at negative EGP 17.6 million, a 3.5% deterioration from negative EGP 17.0 million in 9M12.
- **Dina Farm**s recorded 36.8% sales growth year-on-year in 3Q13 to EGP 77.6 million, driven by higher raw milk prices as well as improved pricing power and yields in the agricultural segment. Accordingly, EBITDA rose 126.4% year-on-year to EGP 19.6 million in 3Q13. However, revenues and EBITDA fell by 29.0% and 37.6% respectively from 2Q13, primarily due to the seasonality of the agriculture sector. Dina Farms recorded a 31.1% increase in revenues in 9M13 to EGP 275.6 million up from EGP 210.3 million in 9M12; in the same period, EBITDA saw a 35.9% increase.
- **Investment Co. for Dairy Products (ICDP)**, which markets Dina Farms' fresh dairy products (the nation's leading fresh milk brand), witnessed a 6.7% year-on-year increase in sales to EGP 21.8 million in 3Q13. Despite the sales increase, gross profit margin, pressured by higher prices of raw milk from Dina Farms, decreased to 25.3% in the 3Q13 from 33.9% in the same period last year; likewise EBITDA witnessed a significant decline, falling from positive EGP 2.4 million in 3Q12 to negative EGP 0.7 million in 3Q13. It is worth noting that ICDP and Dina Farms operate at arm's length and ICDP therefore receives no preferential pricing on raw milk. Quarter-on-quarter, revenues and EBITDA fell by 1.3% and 132.7% respectively, on the same factors that impacted year-on-year performance. On a more positive note, the company recorded an increase in sales of 18.8% in 9M13 to EGP 63.2 million compared to the same period of 2012, while EBITDA decreased 46.8% to EGP 2.4 million.

LAND USE: TOTAL DEVELOPED IN SUDAN SINCE INCEPTION
(feddans)



3Q12	14,677
3Q13	17,033

Wafra

- On a consolidated basis, agriculture play **Wafra** saw a significant increase in revenues from negative EGP 0.3 million in 3Q12 to positive EGP 1.5 million in 3Q13. EBITDA remains in the red owing to the ongoing high OPEX expected of a greenfield operation in its earliest stages of operations. It did narrow, however, reporting a 23.2% improvement in 3Q13 compared to 3Q12, and a 64.6% improvement in 9M13 compared to 9M12.
- **Concord Agriculture** in South Sudan is continuing with the development of the 4,000 feddans that it first began developing in 2H12, having reached the following stages: 375 feddans are fully developed with laser-levelling and drainage; 625 feddans are partially developed with drainage in place but not yet laser-leveled to grade and are ready for planting after the rainy season; 3,000 feddans are partially developed with trees removed and the land ploughed and will be developed in the future. In 3Q13, Concord planted 50 feddans of grain sorghum and 300 feddans of maize.
- Since the beginning of 2013, Wafra portfolio company **Sabina** in Sudan has halted development and planting to carry out additional soil testing. KETS has been commissioned to carry out a soil analysis and feasibility study for the project and is expected to submit its report in 1Q14. Unlike the first half, no crop sales were made in 3Q13 and the company's revenues were solely derived from farming operations, through which the company utilized its experts and machinery to level and develop land for third parties. Management opted for this course to generate some funds for the company rather than having the machinery sit idle while the soil analysis is being conducted. Once Sabina resumes planting of its own land, Management will draw these activities to a close. Margins on farming projects for other parties are very high, allowing Sabina to make a stronger contribution to Wafra's EBITDA.

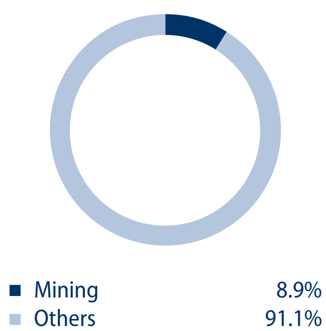
Sector Review: Mining

Citadel Capital's operational core platform in the Mining sector is ASCOM, which includes operating companies ASCOM (as standalone and leading provider of quarrying services), ASCOM for Chemicals and Carbonates Manufacturing (ACCM), ASCOM Precious Metals (APM), GlassRock, and ASCOM Sudan.

Key Metrics (Operational Core Platform Companies)

Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
Segment Revenues	128.3	120.5	-6.1%	401.6	392.9	-2.2%
Segment EBITDA	2.7	-8.4	n/m	5.7	2.2	-61.4%
% of Total Group Revenues	10.9%	8.9%		9.9%	9.3%	
ACCM Revenues (in USD mn)	3.7	4.2	11.9%	10.1	11.9	18.3%
ACCM EBITDA (in USD mn)	0.5	1.0	96.0%	1.5	2.8	84.7%
GlassRock Revenues (in USD mn)	0.3	1.0	304.4%	0.3	2.7	971.9%
GlassRock EBITDA (in USD mn)	-0.9	-0.6	29.4%	-2.0	-2.4	-21.5%
Egypt Quarrying Revenues	70.6	70.8	0.2%	230.6	228.2	-1.0%
Egypt Quarrying EBITDA	0.5	2.6	460.5%	7.3	13.8	89.3%
Other Quarry Management Revenues - ex Egypt*	24.7	8.9	-63.9%	64.2	42.1	-34.5%
Other Quarry Management EBITDA - ex Egypt*	7.5	-0.8	-110.2%	9.5	4.4	-54.0%
ACCM Volumes Sold (thousand tons)	45.4	53.9	18.7	131.7	152.9	16.1
GlassRock Volumes Sold (thousand tons)	-	1.1	-	-	2.6	-
Egypt's Quarrying Business Volumes Sold (million tons)	8.1	6.6	-18.5	27.3	23.4	-14.2
Percentage of Production Exported: ACCM	-	-	-	59%	52%	-
Percentage of Production Exported: GlassRock	-	-	-	0.0	49%	-

SECTOR PERCENT OF GROUP REVENUES (3Q13)



Mining Operational and Financial Performance

- In 3Q13, **ASCOM**'s consolidated revenue decreased 6.1% to EGP 120.5 million, while EBITDA came in at negative EGP 8.4 million, down from a positive EGP 2.7 million in 3Q12. The sharp drop in profitability was primarily due to losses in the quarry management operations in the UAE and Sudan. In 9M13, ASCOM reported consolidated EBITDA of EGP 2.2 million, a 61.47% decrease year-on-year, as results were impacted by increased losses at Glassrock Insulation (early stage greenfield), and expenses related to ASCOM Precious Metals Mining (project under development), as well as difficulties at the Sudan and UAE quarry management operations. These results were partially offset by higher EBITDA generated from improved profitability from Egyptian quarry operations and

ACCM VOLUMES SOLD COMPARISON (3Q12 TO 3Q13)
(thousand tons)

3Q12	45.4
3Q13	53.9

EGYPT QUARRYING BUSINESS VOLUMES SOLD COMPARISON (3Q12 TO 3Q13)
(million tons)

3Q12	8.1
3Q13	6.6

GLASSROCK VOLUMES SOLD COMPARISON (3Q12 TO 3Q13)
(thousand tons)

3Q12	INOPERATIONAL
3Q13	1.1

ASCOM for Chemicals and Carbonates Mining (ACCM).

- **ASCOM for Chemicals and Carbonates Mining (ACCM)** reported an 11.9% improvement in revenues in 3Q13 compared to 3Q12, and an 96.0% rise in EBITDA, driven by better production efficiency and the new production line which added 5,000 tons per month to production capacity. Accordingly, the company reported an 84.7% improvement to EBITDA in 9M13 to US$ 2.8 million, as the new production line finalized its commissioning and began sales in 2Q13. Commissioning on the new wet grinding line has seen some delays due to Egypt's political situation; however, management expects commissioning to be finalized by the end of 2013.
- **GlassRock Insulation Co.** reported revenues of US$ 2.7 million for 9M13, up significantly from US$ 0.3 million in the same period of last year. EBITDA, meanwhile, continues to be negative, pressured by the company's newly operational glasswool line (operational as of November 2012) and its rockwool facility (which began production in May of the same year). For more information about GlassRock, please see our 1Q13 Business Review, available for download on our website.
- **ASCOM Precious Metals Mining (APM)**, an ASCOM project under development, continues to meet its business objectives. APM's holdings include two gold concessions in Ethiopia (at which the company has now completed 47,706m of drilling with early results continuing to indicate a commercially significant gold discovery) and a concession in Sudan's Blue Nile region. The company is also actively conducting negotiations for potential farm-in agreements in Sudan and other nations, primarily for gold. APM recently released an updated Mineral Resource Estimate, which puts reserves in place at a total of 1.7 million ounces at 1.5 grams per ton.
- ASCOM's **quarrying businesses outside Egypt** saw a 34.5% drop in sales revenues and a 54.0% drop in EBITDA in 9M13 on difficulties in operations in the UAE as well as the end of the contract with Al-Takamol Cement in Sudan.
- In Egypt, ASCOM's **quarrying business** reported slightly lower sales revenues of EGP 228.2 million (down 1% y-o-y) for 9M13 while it saw a significant improvement in EBITDA to EGP 13.8 million (up 89.3% y-o-y). The improvement was primarily due to a number of one-time events in 2012 that dampened profitability in 9M12; normalizing this effect, EBITDA would have been higher by only EGP 0.5 million year-on-year.

Sector Review: Cement

Citadel Capital's operational core Cement platform company is ASEC Holding, which includes cement manufacturing (ASEC Cement with production facilities: Al-Takamol Cement in Sudan, Misr Qena Cement, ASEC Ready Mix and ASEC Minya in Egypt, Zahana Cement Co. and Djelfa (under construction) in Algeria and greenfield license in Syria), construction (ARESCO, ASEC Automation) and management (ASEC Engineering and ASENPRO).

Key Metrics (Operational Core Platform Companies)

Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
Segment Revenues (Aggregate)^	388.3	478.7	23.3%	1,509.6	1,560.1	3.3%
Segment EBITDA (Aggregate)^	-25.0	13.3	n/m	62.1	93.4	50.5%
Segment Revenues (Statutory)*	350.1	442.5	26.4%	1,293.0	1,444.5	11.7%
Segment EBITDA (Statutory)*	(68.3)	(10.0)	85.4%	(53.3)	(8.4)	84.2%
% of Total Group Revenues	33.0%	35.2%		37.3%	36.9%	
Cement Segment Revenues**	166.5	229.3	37.7%	639.4	676.6	5.8%
Cement Segment EBITDA**	20.4	23.7	16.3%	69.9	74.1	6.1%
Misr Qena Cement Revenues ()	173.5	231.5	33.4%	561.3	677.3	20.7%
Misr Qena Cement EBITDA ()	71.5	81.1	13.4%	233.3	271.3	16.3%
Al-Takamol Cement Co. Revenues^^	90.2	107.9	19.5%	276.9	341.3	23.3%
Al-Takamol Cement Co EBITDA^^	-6.8	7.0	202.7%	-7.1	17.1	339.7%
Zahana Revenues ^^	76.7	102.2	33.3%	233.0	247.5	6.2%
Zahana EBITDA^^	30.0	31.5	5.0%	78.5	68.2	-13.1%
ASEC Ready Mix Revenues	13.8	12.2	-11.7%	40.5	45.0	11.2%
ASEC Ready Mix EBITDA	1.4	0.8	-44.9%	4.4	4.1	-6.2%
Construction and Management Segment Revenues	221.8	249.4	12.4%	870.2	883.5	1.5%
Construction and Management Segment EBITDA	-45.4	-10.4	77.2%	-7.8	19.3	348.3%

^ The Segment Revenues and EBITDA (Aggregate) are the simple summation of the Cement and Construction division results.

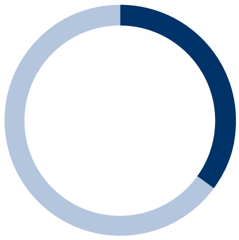
* The Segment Revenues and EBITDA (Statutory) are the actual consolidated revenues and EBITDA figures of the Cement sector which reflects eliminations intra the whole cement and construction group. These line items also do not reflect Al-Takamol Cement Co's acquisition of Berber for Electrical Power, which has been formally completed but is pending formal finalization.

** Management had opted to reflect the Berber deal in both 9M12 and 9M13 revenues and EBITDA figures for better reflection of the situation. Following consolidation standards, the SDG and DZD exchange rates used for translating Al-Takamol in Sudan and Zahana in Algeria are 1.23 and 0.087 to the EGP in 9m13 as opposed to 1.69 and 0.078 to the EGP in 9M12, muting operational improvements in both companies

^^ For better operational year-on-year comparison, results were translated at a nominal exchange rate of EGP 0.087 vs 1 DZD, and EGP 1.230 vs 1 SDG for 9M12 and 9M13

() Misr Qena Cement is not consolidated using full consolidation method in the cement segment figures, but rather equity method consolidation, having investment income recorded above the EBITDA

SECTOR PERCENT OF GROUP REVENUES (3Q13)



Cement	35.2%
Others	64.8%

Cement Sector Operational and Financial Performance

The Cement sector includes a Cement division and a Construction and Management division. In 3Q13, aggregate sector revenues were up 23.3% year-on-year to EGP 478.7 million from EGP 388.3 in 3Q12, as the Cement division has recovered from record low revenues in 3Q12. Aggregate sector revenues were down 10.3% from EGP 533.7 million in 2Q13 on slowed construction activity in Egypt and shortages in heavy fuel oil in Sudan which affected production and sales at Takamol Cement. Aggregate EBITDA rose from negative EGP 25.0 million in 3Q12 to positive EGP 13.3 million in 3Q13, mainly as a result of improved performance at the Construction division.

In 9M13, aggregate revenues for the Cement sector were up 3.3% y-o-y at EGP 1.6 billion, mainly on higher revenues from the Cement division. EBITDA increased 50.5% to EGP 93.4 million on an overall improvement in the Construction division, driven in large part by the turnaround at turnkey contractor ARESCO, which was the main contributor to the division's negative EBITDA of EGP 7.8 million in 9M12 (explained in detail in their respective sections, below).

Cement Segment:

- **ASEC Cement**, which targets an influenced cement production capacity of 10 MTPA by 2016, reported improved results from the majority of its plants on a nine-months basis. Consolidated cement revenues increased by 5.8% year-on-year in 9M13 to EGP 676.6 million, thanks to higher cement prices in Algeria, Sudan and Egypt. Consolidated EBITDA was also up by 6.1% y-o-y to EGP 74.1 million, as increased revenues and EBITDA from Al-Takamol Cement offset a drop in Zahana's EBITDA (caused by higher fixed costs as a result of a major overhaul of one of its lines in the second quarter) and a drop in EBITDA from ASEC Ready Mix caused by market disruptions in Upper Egypt in 3Q13.
- The impact of the positive performance of some ASEC Cement subsidiaries has been muted in the consolidation due to factors including:
  (a) To allow for a more accurate year-on-year comparison, management has restated 9M12 results to match 9M13 results, reflecting the new cost structure at Al-Takamol Cement, one of the largest contributors to the results of ASEC Cement (see details below). This restatement had the impact of sharply improving 9M12 results at Al-Takamol.
  (b) The conversion of consolidated financial results into Egyptian pounds (EGP) from Sudanese pounds (SDG) and Algerian dinars (DZD) masked additional operational improvements reflected in the local-currency financials of Al-Takamol Cement. Zahana Cement Company is also converted into EGP for the purposes of consolidation. The EGP stood at 1.69 to the Sudanese pound in 9M12 against 1.23 in 9M13, while the EGP was 0.078 against the Algerian dinar in 9M12 and 0.087 in the 9M13.
- ASEC Cement reported a net profit of EGP 54.9 million in 9M13, due largely to a foreign exchange (FX) gain on the appreciation of both the SDG against the USD and EGP during the year as well as the appreciation of the USD against the EGP. The company recorded FX gains of EGP 96.1 million in 9M13, though lower than 1H13, which recorded EGP 136.4 million in FX gains. Al-Takamol's related-party obligations resulted in foreign exchange gains in 1H13 on the back of a current asset revaluation resulting from the appreciation of the SDG, while the devaluation of the EGP against the USD has benefitted monetary assets denominated in foreign currencies at the ASEC Cement standalone level. By comparison, ASEC Cement recorded FX losses of EGP 486.7 million in FY12 due to the sharp devaluation of the SDG against the USD earlier that year.

Within ASEC Cement:

- **Misr Qena Cement Co.** (MCQE on the EGX, not fully consolidated into ASEC Cement's results, but investment income from which is recorded above the EBITDA line) saw revenues rise 20.7% year-on-year in 9M13 to EGP 677.3 million, driven by a 20% rise in selling prices in response to increases in fuel costs. Volumes sold in 9M13 were on par with the same period last year, on 3.4% lower market demand, in addition to lower export volumes to Libya due to border closures. EBITDA was 16.3% higher in 9M13 than 9M12 at EGP 271.3 million and EBITDA margins are still at very healthy levels of 40%, compared to 42% in 9M12. The conversion of plants to run on coal is currently on hold because of issues related to environmental approvals for import and use of coal.
- **ASEC Ready Mix**, the first ready mix cement producer focused on the high-potential markets of Upper Egypt, now operates batch plants in Assiut, Qena, Sohag and Aswan. The company plans to add Minya and Beni Suef in 2013. Sales revenues have continued their steady rise in 2013, posting a gain of 11.2% year-on-year in 9M13 to close the period at EGP 45.0 million. Rising revenues were supported by a 6% rise in selling prices, though on slightly lower volumes (2% y-o-y drop), due to political unrest in Upper Egypt. EBITDA dropped by 6.2% to EGP 4.1 million, on the scarcity and relatively high cost of fuel in 3Q13 in addition to market disruptions in Upper Egypt on the back of recent events.
- **Zahana Cement Co.**, a key brownfield investment of ASEC Cement located in western Algeria 40 kilometers away from the city of Wahran, had a particularly challenging nine months, with operations affected by heavy rainfall (which resulted in two-week closure due to flooding), an overhaul of the wet line, and nearby worker strikes. That said, 10M13 cement production was only 2% lower year-on-year at 651,000 tons, while sales revenues for 9M13 were at EGP 247.5 million, a 6.2% increase over 9M12, thanks to a 6% increase in selling prices. EBITDA, affected by a 45% increase in fixed costs related to the wet line overhaul, came in at EGP 68.2 million in 9M13 compared to EGP 78.5 million in the same period last year, a drop of 13.1%.
- Civil works for the new raw mill (which will take Zahana's cement capacity to c.1.0 MTPA of clinker and c.1.2 MTPA of cement) are 100% complete; equipment and parts have begun to arrive through the Port of Oran. Works are proceeding according to schedule, and completion and start-up are expected in January 2014.
- In Sudan, **Al-Takamol Cement Co.** achieved positive EBITDA for the third quarter in a row in 3Q13, leading to 9M13 EBITDA of EGP 17.5 million, up from negative EGP 7.1 million in 9M12. Throughout 3Q13, shortages in heavy fuel oil in Sudan affected production and sales, but overall, the market is showing consistent signs of recovery, with cement consumption rising 4% in 9M13, following a 12% increase in FY12. Notably, ex-factory cement prices at Al-Takamol rose 30% in 9M13, pushing revenues to EGP 341.3 million, a 23.3% increase over same period last year. However, scarcity in fuel oil has seen key supplier HFO push its prices from EGP 1,060 / ton in FY12 to an average of EGP 1,659 / ton in 9M13, leading to a 56% increase in fuel and oil costs y-o-y.
- Although Al-Takamol's clinker production levels approached 100% of capacity as a result of stable fuel supplies in 1H13, current scarcity of fuel and its higher prices may lead to a decrease in cement demand, thus triggering price competition could benefit cement producers that are less reliant on heavy fuel oil as their primary source of fuel in 4Q13.
- However, in light of an improved cost structure following the planned acquisition of Berber for Electrical Power (which allows the company to pay for electricity

based on consumption rather than a take-or-pay agreement), Al-Takamol now appears poised for a far stronger financial performance in 2014. The company had previously been a major contributor of non-cash losses to ASEC Holding and, as a result, to Citadel Capital's consolidated results.

- **ASEC Minya**, a US$ 360 million, 2 MTPA greenfield cement plant in Upper Egypt, began production of clinker and cement on June 10 and June 27, respectively. Cement sales have gone up from an average of 3,000 tons per day in 2Q13 to an average of 4,000 tons per day in September 2013, and recorded a record high of 5,540 tons in late November 2013. Notably, ASEC Minya (formerly referred to as the Arab National Cement Company, ANCC) will be the final new cement plant that ASEC Cement brings online in Egypt in 2013; no new capacity is expected to enter operations in the coming four years. Normal financial statements will be presented beginning 4Q13.

Under Construction

- A tender process for a new 4,500-tons-per-day production line at Zahana has been launched for the sixth time, with the participation of the seven suppliers already short-listed by GICA (the Algerian holding company that controls all public-sector entities operating in the building materials sector, and ASEC Cement's partner in Zahana with a 65% majority stake). Three short-listed suppliers have submitted offers to date, including CBMI, FCB and Polysius.
- **ASEC Algeria**, which is building ASEC Cement's 3.4 MTPA, US$ 579 million greenfield cement plant in Djelfa, located 300 kilometers south of Algiers, continues to report construction delays after breaking ground on the project in 2009. The Algerian Investment Authority has renewed the project's approval for one year, extendable annually. A revised business plan has been submitted to the project's primary banker — the Banque Exterieure d'Algerie — and is now with that institution's credit committee. Discussions on the final loan documents, including terms and conditions, are in progress.

Construction Segment

- The construction segment recorded positive EBITDA of EGP 19.3 million in 9M13, up from a negative EGP 7.8 million in the same period last year thanks to a turnaround at turnkey contractor **ARESCO**, which has continued its positive performance. In 3Q13, however, the construction segment reported a negative EBITDA of EGP 10.4 million which is nonetheless a significant improvement from a negative EGP 45.4 million EBITDA in 3Q12, but much lower than 2Q13, which reported EBITDA of EGP 24.1 million. This is a reflection of a very tough 3Q13, which saw a weaker backlog, delays in the start of projects and curtailed operations due to a difficult security and political environment and a very strict curfew (since rescinded).
- That said, the construction segment saw a 1.5% year-on-year increase in revenues in 9M13 to EGP 883.5 million.
- Notably, **ASEC Engineering** has renegotiated three of its contracts at higher prices, which will have positive impact on 2014 revenues and profitability. It has also reduced its headcount, which will further improve EBITDA margins in 4Q13 and 2014.

Key Metrics (Operational Non-Core Platform and Portfolio Companies)

Item (in EGP mn unless otherwise stated)	3Q12	3Q13	% diff	9M12	9M13	% diff
MENA Glass Consolidated (USD mn)*						
Revenues (in USD mn)	15.5	16.4	6.0%	40.7	42.5	4.5%
EBITDA (in USD mn)	2.1	5.2	144.7%	8.2	15.3	86.9%
Revenues (in EGP mn)	93.4	112.1	20.0%	245.3	287.0	17.0%
EBITDA (in EGP mn)	12.7	35.3	177.1%	49.3	103.4	109.7%
Sphinx Glass						
Revenues	93.8	111.5	18.9%	245.7	290.8	18.3%
EBITDA	20.1	38.8	92.7%	54.7	89.0	62.9%
Volumes Sold (tons)	53,414	48,253	-9.7%	134,989.5	133,655.7	-1.0%
Local	21,418	25,410	18.6%	53,131.9	71,201.3	34.0%
Export	31,997	22,844	-28.6%	81,857.6	62,454.5	-23.7%
MGM						
Revenues	60.2	81.6	35.6%	190.8	246.5	29.2%
EBITDA***	21.8	30.9	42.0%	68.8	96.7	40.7%
Volumes Sold (tons)	20,440	25,699	25.7%	62,424.3	76,300.1	22.2%
Local	14,249	20,546	44.2%	40,350.3	51,429.8	27.5%
Export	6,191	5,153	-16.8%	22,074.0	24,870.4	12.7%
United Foundries Consolidated						
Revenues (adjusted)**	25.04	27.90	11.4%	111.3	98.4	-11.6%
EBITDA (adjusted)**	(1.79)	4.61	-358.0%	8.5	15.1	78.0%
United Company for Foundries (factory)						
Revenues	25.04	27.90	11.4%	111.3	98.4	-11.6%
EBITDA	(1.79)	4.61	-358.0%	8.5	15.1	78.0%
Amreyah Metals Company						
Revenues	9.76	5.66	-42.0%	27.7	28.7	3.8%
EBITDA	(3.00)	(2.85)	-5.0%	-7.9	-5.1	-36.0%
Alexandria Automotive Company (EUR mn)						
Revenues	3.16	3.30	4.6%	8.8	9.2	5.0%
EBITDA	(1.11)	(0.71)	-35.7%	-3.5	-2.2	-36.6%
Finance Unlimited (Combined)						
Revenues	49.7	51.6	3.9%	202.6	145.1	-28.4%
EBITDA / Operating Income	16.9	18.3	8.3%	89.4	15.6	-82.6%
Pharos						
Revenues	10.5	11.8	12.6%	33.7	34.3	1.8%
EBITDA	1.5	2.8	94.0%	3.3	7.4	125.9%
Tanmeyah						
Revenues	16.8	16.0	-4.7%	50.7	47.8	-5.6%
Operating Income	1.2	3.3	177.6%	1.3	3.6	183.3%
Sudanese Egyptian Bank (SDG mn)						
Revenues	20.6	19.7	-4.3%	84.0	51.2	-39.0%
Operating Income	13.2	10.1	-23.4%	61.3	23.2	-62.1%

* Mena Glass is the SPV that consolidates 100% of Sphinx Glass, and 31.8% of MGM as investment income above the EBITDA line

** As of December 2012, Alexandria Automotive Company (AAC) and Amreyah Metals Company (AMC) have been reclassified as Investments Held for Sale, and they are therefore no longer consolidated. Accordingly, management has restated 3Q12 figures for better comparison with 3Q13.

*** MGM: Please note that this EBITDA figure does not include non-reccurent items amounting to EGP 3Mn for Q3 2012 and EGP 2.37Mn for Q3 2013.

Standalone Financial Performance

Citadel Capital reports a net profit of EGP 0.43 million on revenues of EGP 32.9 million in 3Q13, compared to a net loss of EGP 2.9 million in the same quarter of last year. This is the third consecutive quarter of profitability for the firm, driven by steady advisory fees, lower OPEX, and net financing and forex gains. In 9M13, the firm reported a net profit of EGP 9.3 million, up significantly from a loss of EGP 42.6 million in 9M12.

Revenues

Citadel Capital revenues in 3Q13 stood at EGP 32.9 million, a 66.2% increase from the same quarter of last year. (Please note that the firm has started retroactively calculating advisory fees on Crondall, the Special Purpose Vehicle (SPV) holding Sudanese Egyptian Bank.) In 9M13, advisory fees rose 17% y-o-y, despite the impact of non-recurring advisory fees generated in 1H12 on additional fees related to Africa Railways from 2011 booked in 1Q12, as well as fees from Orient.

Operating Expenses

Successful cost control efforts led to a 7.8% decline in 3Q13 OPEX from the same quarter of last year to EGP 23.8 million. In 9M13, recurring OPEX dropped 10.8% y-o-y on successful cost control efforts by management, while non-recurring OPEX was EGP 14.0 million in 9M13, largely driven by one-off consultancy fees in 1Q13 related to valuation reports for select platform and portfolio companies prepared as part of the transformation process.

Operating Expenses (in EGP mn)

Element	3Q13	3Q12	9M13	9M12
Salaries, Bonuses and Benefits	16.5	15.4	46.4	45.5
Travel	1.7	1.3	4.3	4.0
Consultancy Fees, Audit Fees, Publications and Events	3.0	5.9	24.2	15.5
Others	2.6	3.2	7.9	9.8
Total	**23.8**	**25.8**	**82.8**	**74.7**
Non-recurring Costs	1.3	-	14.0	
Recurring Costs	**22.5**	**25.8**	**68.8**	**74.7**

Forex and Others

Citadel Capital recorded foreign exchange losses of EGP 11.7 million in 3Q13 compared to a loss of EGP 0.6 million in 3Q12, caused for the most part by the fluctuating rates of the Egyptian pound. In 9M13 the firm reported forex gains of EGP 9.2 million, largely driven by an extraordinary foreign exchange gain in the first quarter of EGP 19.1 million primarily related to the revaluation of intercompany balances held in US dollars.

EBITDA

EBITDA came in at negative EGP 3.6 million in 3Q13, up from negative EGP 6.6 million in the same quarter of last year on the back of improvements to OPEX and the forex environment.

Interest Income / Expenses

Citadel Capital recorded a net interest gain of EGP 4.6 million in 3Q13 against EGP 4.9 million in the same quarter last year. Interest is largely derived from loans extended by Citadel Capital to platforms across the portfolio. In 9M13, interest income was EGP 12.0 million, a significant improvement over an interest expense of EGP 32.5 million in 9M12 which included the payment of one-time up front fees of US$ 9.0 million (EGP 54.3 million) related to the refinancing of Citadel Capital's pre-existing US$ 175 million credit facility and the arrangement of new OPIC-backed debt. The up front fees related to the OPIC loan represent 100% of the fees pertaining to the loan for the entire useful life of the facility.

Principal Investments

Principal investments were essentially stable quarter-on-quarter in 3Q13 at US$ 1,136.8 million (EGP 6,966.1 million).

Debt Position

The total debt of Citadel Capital (as distinct from that of its platform companies) stood at US$ 300 million (EGP 2.1 billion) as at 30 September 2013, with a debt-to-equity ratio of 49.2%.

Consolidated Financial Performance

Citadel Capital's consolidated financial statements are currently prepared using the equity method in consolidating the bottom-line results of the following platform companies: TAQA Arabia (energy), Tawazon (energy), Nile Logistics (transportation), ASCOM (mining) and ASEC Holding (cement) as well as non-core platforms GlassWorks, Finance Unlimited, Bonyan, United Foundries and Tanweer. Platform company Wafra (agrifoods) and special purpose vehicles (SPVs) are fully consolidated.

Citadel Capital reports a 3Q13 consolidated net loss of EGP 82.7 million in its statutory audited financials, a 38.3% narrowing year-on-year. This narrowing is particularly pronounced as a result of the impact of accounting standards that preclude the consolidation of Citadel Capital's share of the results of ASEC Holding and United Foundries.

The firm reports an adjusted net loss of EGP 128.2 million in 3Q13, a 4.4% improvement from net losses of EGP 134.0 million in 3Q12, despite higher impairments taken (amounting to EGP 30.7 million) which served to offset operational improvements at core and non core companies. Quarter-on-quarter, adjusted net losses have increased from EGP 85.7 million in 2Q13 to EGP 128.2 million in 3Q13, mainly due to the previously mentioned challenging business conditions in 3Q13 on the back of political developments, which strongly affected ASEC Holding's construction segment, as well as the impact of higher impairments taken in the third quarter.

The firm's 9M13 adjusted net loss came in at EGP 388.4 million compared to EGP 417.5 million in 9M12, a narrowing of 7.0% year-on-year. The narrowing comes despite impairments of EGP 136.4 million taken in the current year — related to pending balances associated with a non-core upstream oil and gas platform — reflecting improved performance at core platforms.

Adjustments for Accounting Reasons: Losses from both ASEC Holding (a core platform) and United Foundries (non-core) were excluded from the line item for Net Profit / Losses of Core Platform Companies beginning 1Q13 in the statutory financial statements. Egyptian accounting standards dictate that if losses from an associate exceed investment cost, then no further losses are to be recorded. It is worth noting that accumulated losses at ASEC Holding are largely due to non-cash foreign exchange losses from Al-Takamol Cement Co. that have been consolidated into the company's income statement for the past two years following devaluation of the Sudanese pound. To provide a more realistic view of performance, both figures have been added back in the column "Adjusted 3Q13, 2Q13 and 9M13," overleaf.

Factors underpinning this quarter's performance include:

- **Net Losses from Core Companies:** The firm's adjusted net losses from core companies came in at EGP 59.7 million in 3Q13 compared to a net loss of EGP 80.1 million in the same quarter last year. This 25% improvement is largely due to ASEC Holding's improved bottom line.
- **Net Profits from Non-Core Companies:** The firm's adjusted net results from non-core companies has turned positive, coming in at EGP 3.1 million in the quarter just ended compared to losses of EGP 10.2 million in 3Q12. Improved results were underpinned by contributions from Finance Unlimited (on the back of better performance at investment bank Pharos Holding and microfinance company Tanmeyah, in addition to the writing-back of provisions as well as lower operating expenses) and GlassWorks (where EBITDA nearly tripled in 3Q13 thanks to new flat glass operations) underpin the improved results.

- **Net Impairments**: The firm booked EGP 30.6 million associated primarily with additional impairments on intercompany balances related to the fully impaired National Petroleum Company, a non-core upstream oil and gas platform.
- **Miscellaneous Balances:** These are predominately FX related gains or losses, which almost doubled to reach negative EGP 17.5 in million 3Q13 compared to negative EGP 9.1 million in 3Q12 due to the shifts in rates of the Egyptian pound to foreign currency, impacting intercompany balances held in US dollars and euros.

To better explain the firm's consolidated results, a reconciliation analysis between standalone and consolidated financials is presented below.

Consolidated Analysis

	2Q13 Adjusted*	3Q13 Adjusted*	3Q12	9M13 Adjusted*	9M12
Stand Alone Net Profit	**3.54**	**0.43**	**(2.85)**	**9.30**	**(42.59)**
Intercompany Eliminations**	(18.04)	(23.73)	(17.80)	(58.93)	(52.78)
Stand Alone Adjusted Net Profit	**(14.50)**	**(23.30)**	**(20.65)**	**(49.63)**	**(95.37)**
Nile Logistics	(7.16)	(8.67)	(5.45)	(23.09)	(17.29)
Tawazon	(1.42)	(1.46)	(0.78)	(3.96)	(3.11)
Mashreq	(1.87)	(0.74)	(0.80)	(3.43)	(2.78)
ASEC Holding	(33.20)	(41.43)	(58.63)	(113.80)	(189.68)
ASCOM	(7.68)	(10.25)	3.34	(14.15)	(1.36)
TAQA Arabia	8.32	7.76	4.12	20.29	31.42
Wafra	(4.57)	(5.25)	(21.48)	(17.58)	(43.70)
Africa Railways	(0.69)	(0.57)	(1.12)	(2.00)	(2.11)
Others	0.97	0.89	0.74	3.21	(0.94)
Net Profit / Losses from Core Companies	**(47.28)**	**(59.73)**	**(80.05)**	**(154.52)**	**(229.53)**
Finance Unlimited	0.19	11.15	4.57	3.23	21.60
Bonyan	(5.28)	(5.78)	(4.76)	(15.93)	(13.89)
Tanweer	(5.04)	0.70	(0.72)	(9.47)	(8.32)
United Foundries	(5.20)	(4.06)	(7.14)	(18.21)	(23.79)
GlassWorks	2.92	1.42	(1.78)	4.19	(4.00)
Others	(0.34)	(0.39)	(0.37)	(1.04)	(1.11)
Net Profit / Losses from Non-Core Companies	**(12.75)**	**3.06**	**(10.20)**	**(37.24)**	**(29.51)**
Net Impairments	**(5.86)**	**(30.67)**	**(14.05)**	**(136.41)**	**(20.64)**
Miscellaneous***	**(5.30)**	**(17.54)**	**(9.06)**	**(10.62)**	**(42.44)**
Consolidated Losses	**(85.70)**	**(128.17)**	**(134.01)**	**(388.35)**	**(417.49)**

* Adjusted to add back ASEC Holding results on the Net Profit / Losses from Core Companies line, and United Foundries in the Net Profit / Losses from Non-Core Companies line.

** Intercompany Eliminations are primarily related to advisory fees and interest income as related-party transactions between subsidiaries and associates.

*** Miscellaneous is predominately related to net foreign exchange and net interest expenses at some consolidated entities.

Summary of Citadel Capital Core and Non-Core Investments as at end 3Q13‡

Industry	Platform Company	Investments as in BS (EGP mn)	Adjustments	Total Investment Cost (EGP mn)	CC Principal Investment Cost (US$ mn)*	% of CC Principal Investments	CC % Ownership**
CORE INDUSTRIES							
ENERGY	TAQA Arabia	235.1	147.0	382.1	64.1	5.6%	33.8%
	ERC	350.1	541.7	891.8	154.8	13.6%	11.7%
	Mashreq Petroleum	39.4	-	39.4	6.8	0.6%	24.5%
	Tawazon	59.9	-	59.9	10.6	0.9%	47.9%
TRANSPORTATION	Nile Logistics	221.6	-	221.6	38.9	3.4%	32.1%
	Africa Railways	152.5	-	152.5	27.0	2.4%	28.2%
AGRIFOODS	Gozour	295.0	-	295.0	53.1	4.7%	20.0%
	Wafra	186.2	-	186.2	32.7	2.9%	100%
MINING	ASCOM	183.1	-	183.1	26.6	2.3%	39.2%
CEMENT	ASEC Holding	837.4	-	837.4	121.5	10.7	54.8%
	ASEC Cement	1,333.7	-	1,333.7	193.6	-	54.8%
Eliminations^		(1,333.7)	-	(1,333.7)	(193.7)	-	
NON-CORE INDUSTRIES							
Glass Manufacturing	GlassWorks	136.6	8.3	144.9	25.9	2.3%	21.0%
Metallurgy	UCF	106.5	-	106.5	15.5	1.4%	30.0%
Financial Services	Finance Unlimited	178.0	-	178.0	32.6	2.9%	99.9%
Mid-Cap Buyouts	Grandview	70.1	-	70.1	12.4	1.1%	13.0%
Specialty Real Estate	Bonyan	154.1	-	154.1	28.1	2.5%	32.1%
Media	Tanweer	165.0	-	165.0	30.4	2.7%	99.9%
Upstream Oil & Gas	NPC	323.2	31.0	354.2	63.4	5.6%	15.0%
Upstream Oil & Gas	NVPL	154.0	-	154.0	27.6	2.4%	15.0%
Upstream Oil & Gas	NOPC / Rally Group	359.1	-	359.1	65.0	5.7%	11.7%
Others		108.0	-	108.0	15.7	1.4%	-
Total Equity Investments		4,314.8	727.9	5,042.7	852.7	75.0%	-
Cement Convertible	ASEC Holding	502.6	(164.8)	337.8	49.0	4.3%	-
Upstream Oil & Gas Convertible	GC Finco (NPC)	52.4	-	52.4	9.8	0.9%	-
Upstream Oil & Gas Convertible	EFSL (Rally)	81.5	-	81.5	14.6	1.3%	-
Total Convertibles		636.5	(164.8)	471.7	73.4	6.5%	-
Loans to Platforms		556.6	-	556.6	80.8	7.1%	-
OPIC Loans and Long-Term Receivables to Platforms		895.0	-	895.0	130.0	11.4%	-
Total		**6,402.9**	**563.2**	**6,966.1**	**1,136.8**	**100.0%**	**-**

‡ Citadel Capital principal investments are converted per exchange rates carried in Citadel Capital's balance sheet.

* Reflecting Citadel Capital's investment costs.

** Reflecting Citadel Capital's legal ownership.

^ These are eliminations representing the cross ownership of Citadel Capital in platform companies.

Summary Standalone Income Statement (in EGP mn)

	3Q12	9M12	1Q13	2Q13	3Q13	9M13
Advisory Fees	19.78	63.45	20.20	21.05	32.87	74.12
Total Revenues	**19.78**	**63.45**	**20.20**	**21.05**	**32.87**	**74.12**
OPEX	-25.79	-74.65	-35.80	-23.25	-23.78	-82.83
Management Earnout*	-	-	-	-	-1.03	-1.03
Forex & Others	-0.60	4.42	19.11	1.77	-11.68	9.20
EBITDA	**-6.62**	**-6.78**	**3.51**	**-0.43**	**-3.62**	**-0.54**
Depreciation	-0.80	-2.54	-0.78	-0.77	-0.54	-2.10
EBIT	**-7.42**	**-9.32**	**2.73**	**-1.20**	**-4.16**	**-2.64**
Net Interest	4.86	-32.51	2.58	4.73	4.64	11.95
Profit/Loss BT	**-2.56**	**-41.83**	**5.31**	**3.53**	**0.48**	**9.31**
Deferred Tax	-0.29	-0.76	0.02	0.01	-0.04	-0.01
Profit/Loss AT	**-2.85**	**-42.59**	**5.33**	**3.54**	**0.43**	**9.30**

* Citadel Capital pays Citadel Capital Partners a management incentive fee equal to 10% of the firm's net profits. This agreement has been effective since 1 January 2008 and will remain in effect so long as Citadel Capital Partners owns 15% or more of the preferred shares of Citadel Capital.

Summary Standalone Balance Sheet (in EGP mn)

	FY12	3Q12	3Q13
Fixed Assets (net)	24.68	25.47	22.63
Investments*	4,468.00	4,595.16	4,314.79
Convertibles	556.57	528.82	636.51
Long-Term Receivables	127.38	121.37	145.79
Deferred Taxable Assets	0.69	1.00	0.68
Total Non Current Assets	**5,177.33**	**5,271.81**	**5,120.40**
Due from Related Parties & Other Debit Balances	184.22	123.21	185.06
Related Parties - Loans	390.51	296.34	556.63
Related Parties - OPIC Loans	670.36	629.40	749.17
Cash & Cash Equivalents	222.71	179.89	251.93
Total Current Assets	**1,467.80**	**1,228.84**	**1,742.79**
Total Assets	6,645.12	6,500.65	6,863.20
Paid-In Capital	4,358.13	4,358.13	4,358.13
Reserves	89.58	89.58	89.58
Retained Earning	-185.53	-185.53	-251.93
Current Year Profit / Loss	-66.40	-42.59	9.30
Dividend Distribution	-	-	-
Total Equity	**4,195.77**	**4,219.59**	**4,205.08**
Long-Term Borrowing	1,359.34	1,611.20	1,489.01
Total Non Current Liabilities	**1,359.34**	**1,611.20**	**1,489.01**
Current Portion of Long-Term Debt	527.66	212.80	577.99
Due to Citadel Capital Partners	255.98	223.02	267.29
Accrued, Provision & Other Liabilities	306.37	234.04	323.83
Total Current Liabilities	**1,090.01**	**669.86**	**1,169.11**
Total Equity & Liabilities	6,645.12	6,500.65	6,863.20

* Citadel Capital's investments are recorded in its 3Q13 stand-alone financial statements under the following line items: Available-for-sale investments (EGP 23.8 million), Investments in Subsidiaries and Associates (EGP 2.698 billion), Payments for Investments (EGP 1.727 billion), and other investments (EGP 648 million). This results in total investments of EGP 5.097 billion (investments + convertibles + long term receivables).

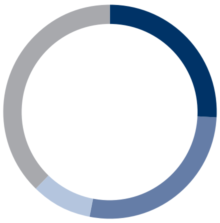
Summary Consolidated Income Statement (in EGP mn)

	3Q12	9M12	1Q13	2Q13	3Q13	9M13
Advisory Fees	14.62	47.64	14.91	15.52	21.73	52.15
Share of Associates' Results	(65.60)	(200.83)	(11.46)	(12.53)	(5.84)	(29.83)
Other Losses / Gains	0.27	(15.95)	2.00	2.14	(1.06)	3.08
Total Revenues	**(50.72)**	**(169.14)**	**5.44**	**5.13**	**14.82**	**25.40**
OPEX	(41.18)	(131.28)	(53.03)	(41.89)	(37.36)	(132.28)
Other Expenses	(17.97)	(40.44)	(83.26)	5.80	(29.87)	(107.33)
EBITDA	**(109.87)**	**(340.85)**	**(130.85)**	**(30.96)**	**(52.41)**	**(214.21)**
Depreciation	(2.00)	(10.80)	(3.40)	(3.57)	(3.38)	(10.35)
EBIT	**(111.87)**	**(351.65)**	**(134.25)**	**(34.53)**	**(55.79)**	**(224.57)**
Net Financing	(21.81)	(65.05)	7.81	(12.76)	(26.84)	(31.79)
Profit/Loss BT	**(133.68)**	**(416.70)**	**(126.44)**	**(47.29)**	**(82.63)**	**(256.36)**
Deferred Tax	(0.29)	(0.76)	0.02	(0.01)	(0.05)	(0.04)
Current Income Tax	(0.04)	(0.04)	-	-	-	-
Profit/Loss AT	**(134.01)**	**(417.50)**	**(126.42)**	**(47.30)**	**(82.68)**	**(256.40)**
Attributable to:						
Majority shareholders	130.73	409.81	124.35	43.97	80.74	249.06
Non-controlling shareholders	3.28	7.69	2.07	3.33	1.94	7.34
Net (loss) profit for the period	**134.01**	**417.50**	**126.42**	**47.30**	**82.68**	**256.40**

Summary Consolidated Balance Sheet (in EGP mn)

	FY12	3Q12	3Q13
Fixed Assets (net)	290.61	268.19	290.93
Investments	3,336.34	3,267.65	3,464.77
Convertibles	822.15	798.56	944.70
Deferred Tax Assets	0.69	1.00	0.68
Total Non Current Assets	**4,322.04**	**4,335.4**	**4,701.08**
Investments	3.89	18.57	3.62
Due from Related Parties & Other Debit Balances	171.10	105.56	172.33
Related Parties - Loans	1,022.1	906.54	1,079.60
Cash & Cash Equivalents	255.2	209.01	266.03
Total Current Assets	**1,452.32**	**1,239.68**	**1,521.58**
Total Assets	**5,774.36**	**5,575.08**	**6,222.66**
Paid-in Capital	4,358.13	4,358.13	4,358.13
Reserves	207.46	84.99	349.76
Retained Earning	(2,022.91)	(1,942.35)	(2,724.75)
Net (Losses) Profit for the Period	(691.74)	(409.81)	(249.06)
Total Equity Attributable to the Majority Shareholders	**1,850.94**	2,090.95	**1,734.08**
Total Equity Attributable to Non-Controlling Shareholders	438.25	382.77	521.05
Total Equity	**2,289.19**	**2,473.73**	**2,255.13**
Long-Term Borrowing	1,923.02	1,995.34	2,124.77
Long-Term Liabilities	10.79	10.79	10.79
Total Non Current Liabilities	**1,933.81**	**2,006.13**	**2,135.56**
Current Portion of Long-Term Debt	543.27	294.58	819.23
Due to CCP	255.98	223.02	267.29
Due to Related Parties & Other Credit Balances	539.22	370.14	548.20
Provisions	212.90	207.49	197.25
Total Current Liabilities	**1,551.36**	**1,095.22**	**1,831.97**
Total Equity & Liabilities	**5,774.36**	**5,575.08**	**6,222.66**

SHAREHOLDER STRUCTURE
(as of 30 September 2013)



CCP	26.1%
Board members other than CCP	27.0%
More than 1%	9.3%
Others	37.6%

Forward Looking Statements

Statements contained in this Business Review that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Citadel Capital. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Certain information contained herein constitutes "targets" or "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of Citadel Capital may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of Citadel Capital is subject to risks and uncertainties.

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