



JUHAYNA RELEASES:

Third Quarter 2013 Earnings

4 November 2013

I. FINANCIAL HIGHLIGHTS

Third Quarter 2013

Revenue of EGP 876 million	4% increase over 3Q12
Gross profit was EGP 266 million	6% decrease from 3Q12
EBIT was EGP 137 million	8% decrease from 3Q12
Net income of EGP 93 million	23% decrease from 3Q12
Dairy sales grew 1% y-o-y to EGP 400 million	with a gross margin of 25%
Yogurt sales increased 9% y-o-y to EGP 290 million	with a gross margin of 38%
Juice sales increased 3% y-o-y EGP 162 million	with a gross margin of 31%
Concentrates sales decreased 21% y-o-y to EGP 14 million	with a gross margin of 31%
Agriculture sales grew 228% y-o-y to EGP 9 million	with a gross margin of 20%

Nine Months 2013

Revenue of EGP 2,486 million	18% increase over 9M12
Gross profit reached EGP 770 million	18% increase over 9M12
EBIT reached EGP 381 million	24% increase over 9M12
Net income reached EGP 308 million	28% increase over 9M12
Dairy sales grew 14% y-o-y to EGP 1,186 million	with a gross margin of 28%
Yogurt sales increased 15% y-o-y to EGP 702 million	with a gross margin of 36%
Juice sales increased 18% y-o-y EGP 472 million	with a gross margin of 31%
Concentrates sales grew 125% y-o-y to EGP 78 million	with a gross margin of 39%
Agriculture sales grew 112% y-o-y to EGP 48 million	with a gross margin of 24%

(Cairo, Egypt) — Juhayna Food Industries (JUFO.CA on the Egyptian Exchange), a leading Egyptian dairy, yogurt and juice manufacturer, announced today its consolidated results for the third quarter of 2013, reporting a 4% year-on-year increase in total consolidated revenue to EGP 876 million. Gross profit for the quarter eased 6% to EGP 266 million, with a gross margin of 30%, while net income of EGP 93 million was a 23% decline from the same period of last year, including the impact of one-time foreign exchange losses of EGP 4 million.

For the first nine months of the year, the company reports an 18% year-on-year rise in gross profit to EGP 770 million, with gross margin accordingly standing at 31%. Net income rose 16% year-on-year to EGP 270 million. Including non-recurring FOREX gains of EGP 38 million, total net income in the period stood at EGP 308 million with an increase of 28% over 9M12 on revenues of EGP 2,486 million.



On a third-quarter basis, Juhayna reports muted sales growth across on the back of shortened shopping hours as a result of recent developments in Egypt. Contributing to top line growth was the company's new yogurt plant in Assiut, a significant factor in a 9% y-o-y increase in yogurt sales in 3Q13.

Highlights of Juhayna's financial and operational results along with management's commentary on performance in the quarter follow below. Full financials are available for download on the company's website: www.juhayna.com.



TO OUR SHAREHOLDERS

It should come as no surprise — considering recent political and economic upheaval — that our 3Q13 numbers fell short of both our initial expectations and the strong performance we posted in 3Q12.

The impact of sales growth during the traditional high-season month of Ramadan was muted by the subsequent fallout from recent developments. Particularly problematic, our figures show, was the impact of the very early curfew in effect during the period, which substantially curbed traditional shopping hours.

That said, I am pleased to support that we have recorded a recovery in sales following the relaxation of the curfew to 1am, which remains in effect at this writing.

Despite the challenging environment we have faced in 2013, we have stayed the course with our ambitious growth plan. So far this year, we have inaugurated an EGP 120 million yoghurt plant in Assiyut, invested more than EGP 600 million in expansions in 9M13, and augmented our workforce with over 800 new engineers, technicians, sales representatives and other employees. Moreover, we expect in early 2014 to begin production at our new Egyfood yoghurt plant and our new dairy farm.

The traction we have so far gained with our expansion program — together with our proven strategy, high-caliber staff, and new investments set to enter production in 2014 — leave us very optimistic that we will capture the market upswing that will accompany stabilization in consumer sentiment.

Safwan Thabet
Chairman & CEO

Figure 2: Group Consolidated Performance

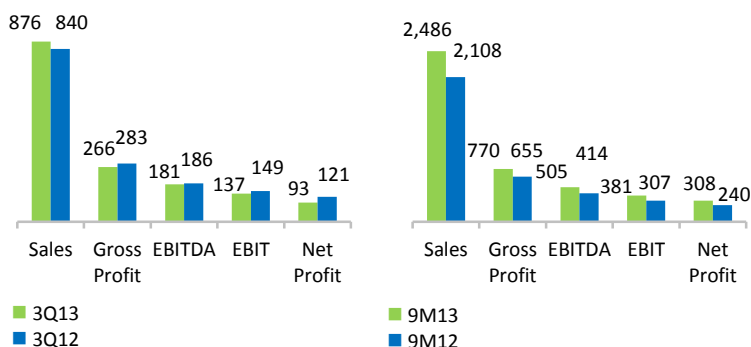
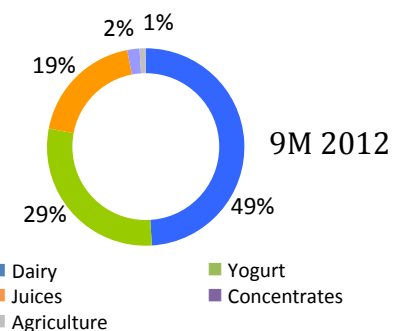
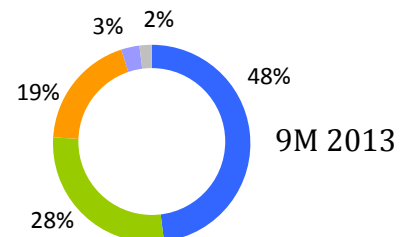
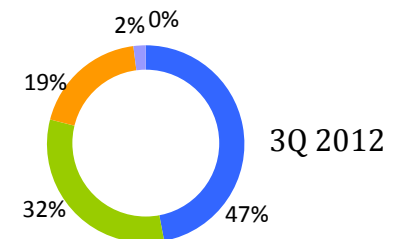
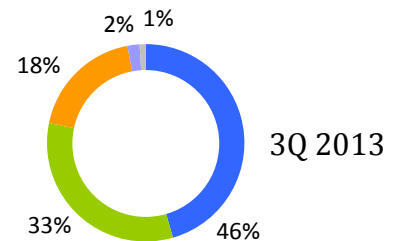


Figure 1: Revenue Breakdown





II. SEGMENT ANALYSIS

A. LOCAL SALES

Net Sales by Segment (EGP mn)

	3Q13	3Q12	Change	9M13	9M12	Change
Dairy	396	368	8%	1,127	962	17%
Yogurt	290	266	9%	702	612	15%
Juice	158	153	3%	460	387	19%
Concentrates	7	6	13%	22	14	55%
Agriculture	9	3	228%	48	23	112%
Total	860	796	8%	2,359	1,997	18%

1. DAIRY SEGMENT

Dairy Segment Sales & Gross Profit (EGP mn)

	3Q13	3Q12	Change	9M13	9M12	Change
Sales (Ton)	54,793	51,269	7%	156,022	137,459	14%
Net Sales	396	368	8%	1,127	962	17%
Gross Profit	100	123	-19%	315	293	8%
Gross Profit Margin	25%	33%	(8 pp)	28%	30%	(3 pp)

2. YOGURT SEGMENT

Yogurt Segment Sales & Gross Profit (EGP mn)

	3Q13	3Q12	Change	9M13	9M12	Change
Sales (Ton)	23,692	25,313	-6%	61,763	58,453	6%
Net Sales	290	266	9%	702	612	15%
Gross Profit	109	104	5%	255	225	13%
Gross Profit Margin	38%	39%	(1 pp)	36%	37%	(1 pp)

3. JUICE SEGMENT

Juice Segment Sales & Gross Profit (EGP mn)

	3Q13	3Q12	Change	9M13	9M12	Change
Sales (Ton)	23,729	23,593	1%	68,964	59,984	15%
Net Sales	158	153	3%	460	387	19%
Gross Profit	50	49	1%	143	118	21%
Gross Profit Margin	31%	32%	(1 pp)	31%	30%	1 pp



4. CONCENTRATES SEGMENT

Concentrates Segment Sales & Gross Profit (EGP mn)

	3Q13	3Q12	Change	9M13	9M12	Change
Sales (Ton)	650	768	-15%	1,970	1,450	36%
Net Sales	7	6	13%	22	14	55%
Gross Profit	2	0	391%	8	3	196%
Gross Profit Margin	35%	8%	27 pp	37%	20%	18 pp

5. AGRICULTURAL SEGMENT

Agricultural Segment Sales & Gross Profit (EGP mn)

	3Q13	3Q12	Change	9M13	9M12	Change
Sales(Ton)	6,356	4,819	32%	39,655	27,686	43%
Net Sales	9	3	228%	48	23	112%
Gross Profit	2	(3)	-	11	(1)	-
Gross Profit Margin	20%	-104%	-	24%	-6%	-

B. EXPORT SALES

Export Sales & Gross Profit (EGP mn)

	3Q13	3Q12	Change	9M13	9M12	Change
Sales(Ton)	2,072	6,862	-70%	16,066	18,651	-14%
Net Sales	15	44	-66%	127	111	15%
Gross Profit	3	10	-68%	38	17	121%
Gross Profit Margin	20%	22%	(2 pp)	30%	15%	14 pp



III. RECENT CORPORATE DEVELOPMENTS

1) Seif El-Din Thabet Appointed Deputy CEO

The Board of Directors of Juhayna Food Industries announced on 28 August 2013 the appointment of Mr. Seif El-Din Thabet as the company's Deputy CEO.

Mr. Thabet has extensive expertise in planning and managing food industries projects, having held a number of senior positions with the company. During his time with Juhayna, Mr. Thabet was the first manager of Juhayna's Juice Factory (El Dawleya) and has served at various times as the director responsible for Human Resources, Supply Chain, Administrative Affairs, Information Technology and Investor Relations. He was also an active member of the team that took Juhayna public in our 2010 IPO.



IV. CONSOLIDATED INCOME STATEMENT

(Million EGP)	3Q13	3Q12	9M13	9M12
Net Sales	876	840	2,486	2,108
Cost of Sales	(610)	(557)	(1,716)	(1,453)
Gross Profit	266	283	770	655
Gross Profit Margin	30%	34%	31%	31%
Sales & Distribution Expenses	(92)	(100)	(284)	(261)
General & Administrative Expenses	(36)	(25)	(98)	(80)
Other Income (Expenses)	(1)	(9)	(7)	(7)
Operational Results	137	149	381	307
EBITDA	181	186	505	414
EBITDA Margin	21%	22%	20%	20%
Parent Company's Share in Associate's Net Income	0	-0.5	1	1
Financing Income (Expenses)	(30)	(7)	(27)	(35)
Profit Before Income Tax	107	141	355	273
Taxes Differences from Previous Years	0	0	0.4	2
Income Tax	(13)	(13)	(39)	(27)
Deferred Tax	(0)	(7)	(9)	(7)
Net Profit	93	121	308	240



V. CONSOLIDATED BALANCE SHEET

(Million EGP)	9M13	FY12
Property, Plant and Equipment	1,662	1,480
Projects Under Construction	904	531
Agricultural Resources	44	30
Investment in Equity – Accounted Investees	44	43
Other Long Term Debit Balances	1	1
Goodwill	97	97
Non-current Assets	2,752	2,181
Assets Held for Sale	1	1
Inventories	737	348
Trade and Other Receivables	192	145
Due From Related Parties	1	1
Treasury Bonds	0	240
Cash and Cash Equivalents	499	530
Current Assets	1,430	1,264
Provisions	14	12
Banks – Overdraft	14	13
Banks – Credit Facilities	781	351
Short Term Loans	20	32
Creditors and Other Credit Balances	238	237
Income Tax	0	43
Due to Related Parties		
Long-Term Loans – Current Portions	290	152
Current Liabilities	1,357	840
Working Capital	73	424
Total Invested Funds	2,825	2,605
These Investments are Financed as Follows:		
Issued and Paid up Capital	706	706
Legal Reserve	407	402
General Reserve – Insurance Premium	331	331
Retained Earnings	392	237
Treasury Stocks	0	-
Net Profit for the Period	308	313
Total Equity Attributed to the Shareholders of	2,144	1,988
Non Controlling Interest	1	1
Total Equity	2,144	1,989
Long Term Loans	571	527
Other Long Term Liabilities	43	32
Deferred Revenues	6	7
Deferred Tax Liabilities	61	52
Non-Current Liabilities	681	617
Shareholder's Equity and Non-Current	2,825	2,605



ABOUT JUHAYNA FOOD INDUSTRIES

Juhayna Food Industries a leading producer and distributor of milk, juice and yogurt products. The company was established in 1983 by Safwan Thabet along with a number of other founders with paid-in capital of EGP 1.3 million. Production began in 1987 with a total production capacity of 35 tons per day and total sales of EGP 2.4 million. The company has since grown to become the most popular household name in the sector across Egypt.

Today, Juhayna owns seven plants in addition to 25 sales and distribution centers. The company presently has paid-in capital of EGP 706 million and a work force of more than 4,500 employees.

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 Juhayna Food Industries. 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 Juhayna Food Industries may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of Juhayna Food Industries is subject to risks and uncertainties.

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