



(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 first quarter of 2018, reporting a 21% year-on-year rise in total consolidated revenue to EGP 1,553 million. Net profit reached EGP 81 million during the first quarter of 2018, an increase of 39% compare to 1Q2017. Net profit margin increased to 5.2% compared to last year 4.5%

The highest contributors to the top line are the dairy and yogurt segments, representing 51% and 20% of revenues in 1Q18..

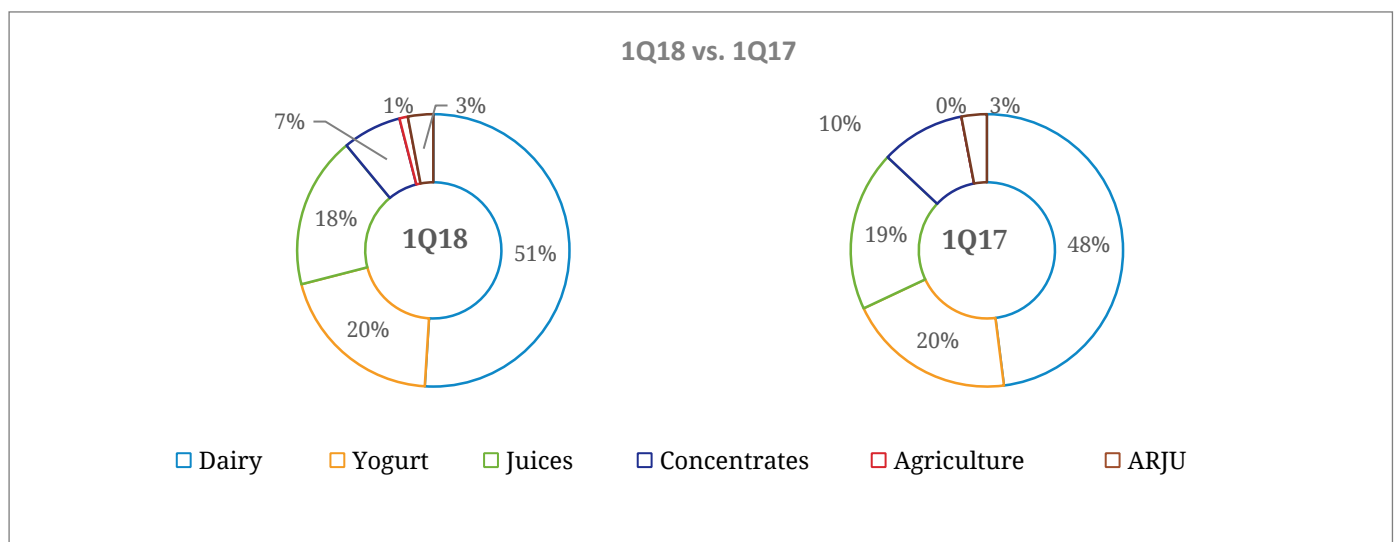
Highlights of Juhayna’s financial and operational results along with management’s commentary on performance in the quarter follow below. Drawn from the fact that Juhayna operates in a highly competitive environment, management believes that it is in the best interest of shareholders to suspend disclosure of detailed segment analysis information. Juhayna’s full financials are available for download on the company’s website: www.juhayna.com.

Key Performance Indicators

1Q18

	EGP mn	Change %
Dairy	791	29%
Yogurt	316	25%
Juice	285	16%
Concentrates	100	-26%
Agriculture	9	981%
ARJU	53	30%
Revenues	1,553	21%
Gross Profit	465	13%
EBIT	185	15%
Net Income	81	39%

Revenue Breakdown





MANAGEMENT COMMENT

Juhayna has reached EGP 1,553 in revenue with a growth of 21% and a net profit of EGP 81 with a growth of 39%.

In 1Q2017 the company has seen improvement in net profit margins due to the decrease in the debts and cost of debts and in addition to the enhancement in purchase power and the effect of the measures the company has taken.

We are confident that Juhayna will achieve its future objectives to create shareholder value.



I. CONSOLIDATED INCOME STATEMENT

(EGP '000)	1Q18	1Q17
Net Sales	1,553,248	1,287,796
Cost of Sales	(1,088,288)	(874,689)
Gross Profit	464,960	413,107
<i>Gross Profit Margin</i>	30%	32%
Other Income	27,275	20,939
Sales & Distribution Expenses	(215,600)	(222,793)
General & Administrative Expenses	(63,088)	(42,465)
Other (Expenses)	(28,350)	(7,395)
Board of Directors Remuneration	(355)	(435)
Results from Operating Activities	184,842	160,957
EBITDA	269,673	224,529
<i>EBITDA Margin</i>	17%	17%
The holding company's share in the gain (losses) of companies under joint control	483	(739)
Cost of the End of service	(6,055)	(7,794)
Net finance income and finance (expenses)	(77,446)	(84,587)
Net Profit Before Tax	101,825	67,842
Income Tax	(14,399)	(6,069)
Investment Tax	(5,996)	-
Deferred Tax	(708)	(3,515)
Net Profit	80,722	58,258

II. CONSOLIDATED BALANCE SHEET

('000 EGP)	1Q18	1Q17
Property, plant and equipment (net)	3,150,771	3,235,369
Projects under construction	153,028	94,866
Plant wealth	13,052	13,152
Plant wealth - under preparation	2,275	1,915
Biological wealth	127,342	115,273
Investments under joint control (equity)	7,678	7,195
Other - long term assets	755	757
Other - long term - debit balances	8,329	8,626
Goodwill	97,093	97,093
Non-current Assets	3,560,324	3,574,246
Biological assets- Existing Agriculture	8,804	8,857
P.P&E held for sale	15,173	-
Inventories	895,939	832,005
Trade and other receivables (net)	507,922	418,404
Cash and cash equivalents	119,652	85,736
Current Assets	1,547,489	1,345,003
Total Assets	5,107,812	4,919,249
Issued and paid up capital	941,405	941,405
Legal reserve	534,280	518,994
General reserve - issuance premium	330,920	330,920
Retained earnings	475,181	524,904
Total Equity Attributable to the Shareholders of the Parent Company	2,281,786	2,316,223
Non Controlling Interest	776	858
Total Equity	2,282,562	2,317,081
Non Current loans	789,574	765,386
Other Non Current liabilities	26,967	30,636
Deferred revenues	90,584	94,155
Deferred tax liabilities	232,428	231,720
Non-Current Liabilities	1,139,552	1,121,897
Provisions for claims	10,141	8,299
Banks - over draft	26,051	20,664
Banks - credit facilities	471,675	518,652
Creditors and other credit balances	730,947	599,790
Income tax	28,961	14,562
Due to related parties	5,921	2,827
Dividends payable	115,158	1
Non-Current loans-current portion	296,845	315,477
Current Liabilities	1,685,697	1,480,271
Total Liabilities	2,825,250	2,602,168
Total Equity & Total Liabilities	5,107,812	4,919,249

III. CONSOLIDATED CASH FLOW

	1Q18	1Q17
III. CONSOLIDATED CASH FLOW		
(‘000 EGP)		
Cash Flows from Operating Activities		
Net Profit for the Period Before Income Tax & Minority Interest in Profits	101,826	67,842
Adjustments for:		
PP&E' depreciation	68,639	65,507
Capital gains	(6,291)	(821 433)
Amortization of animal wealth	3,455	3,004
Amortization of plant wealth	100	99
Plant wealth - under preparation	(360)	-
Change in Investments in equity accounted investees	(484)	739
Impairment of trade and other receivables	1,294	-
Impairment in inventories	8,118	-
Reversal of impairment in inventories	-	(849)
Provision for claims formed	2,000	
Financial lease installments	7,474	6,921
Herd births	(3,084)	(2,292)
Herd capitalized expenses	(16,196)	(6,336)
losses from selling cows	298	269
losses from calves death	873	(163)
Foreign exchange gain	856	(1,569)
Credit interests	(4,968)	(1,706)
Finance interests & expenses	81,558	87,622
	245,108	218,266
Collected time deposits interests	4,968	1,706
Interest finance expenses paid	(81,558)	(86,528)
Changes in:		
Inventories	(72,051)	(225,244)
Biological assets- Existing Agrecul	54	(20,308)
Trade and other receivables	(90,812)	(75,589)
change in creditors & other credit balances	141,579	57,577
Due to related parties	3,094	(1,538)
Assets held for sale	(15,173)	-
Provision for claims used	(158)	(4,702)
Net cash flows generated from (used in)from operating activities	135,051	(136,360)
Cash Flow from Investing Activities		
Acquisition of PP&E & projects under construction	(71,759)	(64,941)
Proceeds from sale of PP&E	15,053	2,424
Acquisition of plant and animal wealth	(1,343)	(1,434)
Proceeds from the sale of plant and animal wealth	6,747	2,856
Proceeds from the sale of available for sale investments	(71,759)	-
Net Cash Flows (Used In) Investing Activities	(51,303)	(61,096)
Cash Flow (used in) Financing Activities		
(Payment) Proceeds from bank credit facilities	(46,977)	175,994
Banks overdraft	(26,051)	-
Proceeds (payments) from bank loans	5,556	(51,408)
Payments in lease installments - sales and lease back	(7,474)	(6,921)
Decrease in non-controlling interest	(81)	(65)
Net cash flows from financing activities	(75,028)	117,602
Decrease(Increase) in cash & cash equivalents during the period	8,721	(79,853)
The effect of foreign exchange difference	(856)	(6,953)
Cash & cash equivalents at 1 January	85,736	104 560
Cash & cash equivalents at 31 March	93,601	17,753



ABOUT JUHAYNA FOOD INDUSTRIES

Juhayna Food Industries is 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.

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