



Earnings Release: Third Quarter & Nine months 2012

24 October 2012

(Cairo, Egypt) -Juhayna Food Industries (JUFO.CA), one of the leading dairy, yogurt and juice manufacturers and distributors in Egypt, announced its consolidated results for the third quarter and nine months 2012.

I-FINANCIAL HIGHLIGHTS

Third Quarter 2012

- **Revenue** reached EGP 840 million, 26% increase over 3Q11.
- **Gross profit** reached EGP 283 million, 47% increase over 3Q11.
- **EBIT** reached EGP 149 million, 56% increase over 3Q11.
- **Net income** totaled EGP 121 million, 64% increase over 3Q11.
- **Dairy** sales grew 26% y-o-y to EGP 395 million, with gross margins at 32%.
- **Yogurt** sales increased 18% to EGP 266 million, with gross margin at 39%.
- **Juice** sales grew 30% EGP 158 million, with gross margins at 31%.
- **Concentrates** sales increased 210% to EGP 17 million, with gross margins at 25%.
- **Agriculture** sales increased 293% to EGP 3 million, with gross margins at -104%.

Nine Months 2012

- **Revenue** reached EGP 2,108 million, 26% increase over 9M2011.
- **Gross profit** reached EGP 655 million, 36% increase over 9M2011.
- **EBIT** reached EGP 307 million, 31% increase over 9M2011.
- **Net income** totaled EGP 240 million, 29% increase over 9M2011.
- **Dairy** sales grew 27% to EGP 1,039 million, with gross margins at 29%.
- **Yogurt** sales increased 29% to EGP 612 million, with gross margins at 37%.
- **Juice** sales grew 27% to EGP 399 million, with gross margins at 30%.
- **Concentrates** sales dropped 18% to EGP 35 million, with gross margins at 23%.
- **Agriculture** sales increased 26% to EGP 23 million, with gross margins at -6%.





To Our Shareholders

Juhayna Food Industries reported strong third quarter and year to date results with solid sales and earnings growths. Net sales and net profits for 3Q2012 both grew by 26% and 64% to reach EGP 840 million and EGP 121 million respectively.

The group's strategies and policies reflected positively on the company's growth and development. Our investment plans for last year and first nine months of this year were directed towards several targets. These were to increase the number of our sales and distribution branches; perform marketing and advertising campaigns to boost our three production sectors; carry out renovation and replacement of production lines with the ultimate aim to meet market demands and consumers varied tastes. The group's performance and achievements during the period under survey testifies the success of its investment policies and strategies.

New investments amounting to EGP 430 million were pumped into the manufacturing, commercial and agricultural sectors during 9M2012. Furthermore, the company acquired a loan of EGP 150 million to finance the establishment of new sales and distribution centers and the continued development and expansion of existing ones.

Finally Juhayna feels proud of its talented work force. It holds the trust the Egyptian consumer has in its products dearly. Juhayna continues to fulfill its expansion strategies to maintain its leading position in the Egyptian food and beverage market.

Safwan Thabet

Chairman & CEO





Figure 1: Revenue Breakdown for 3Q2012

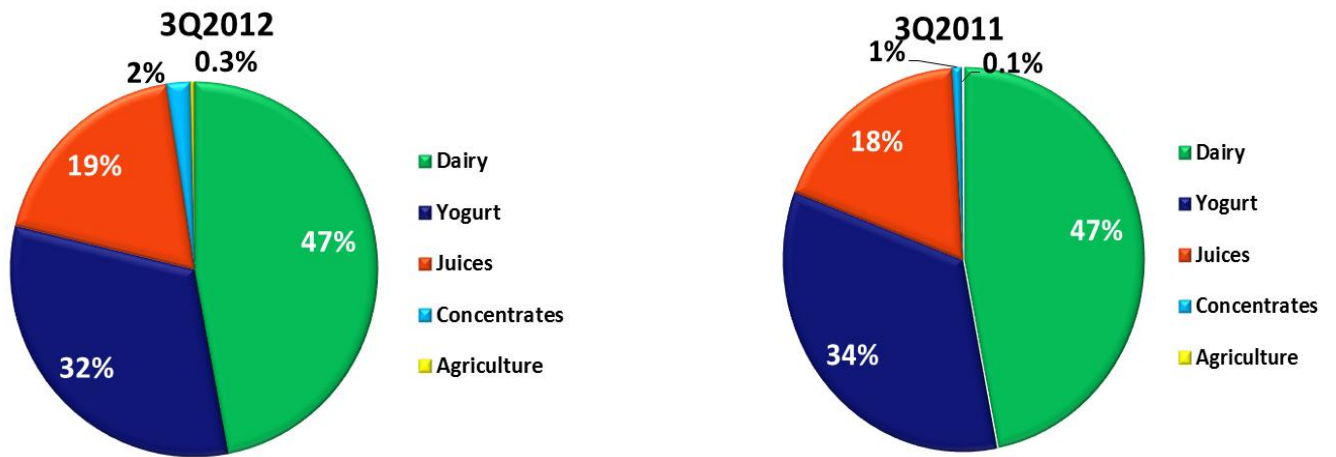
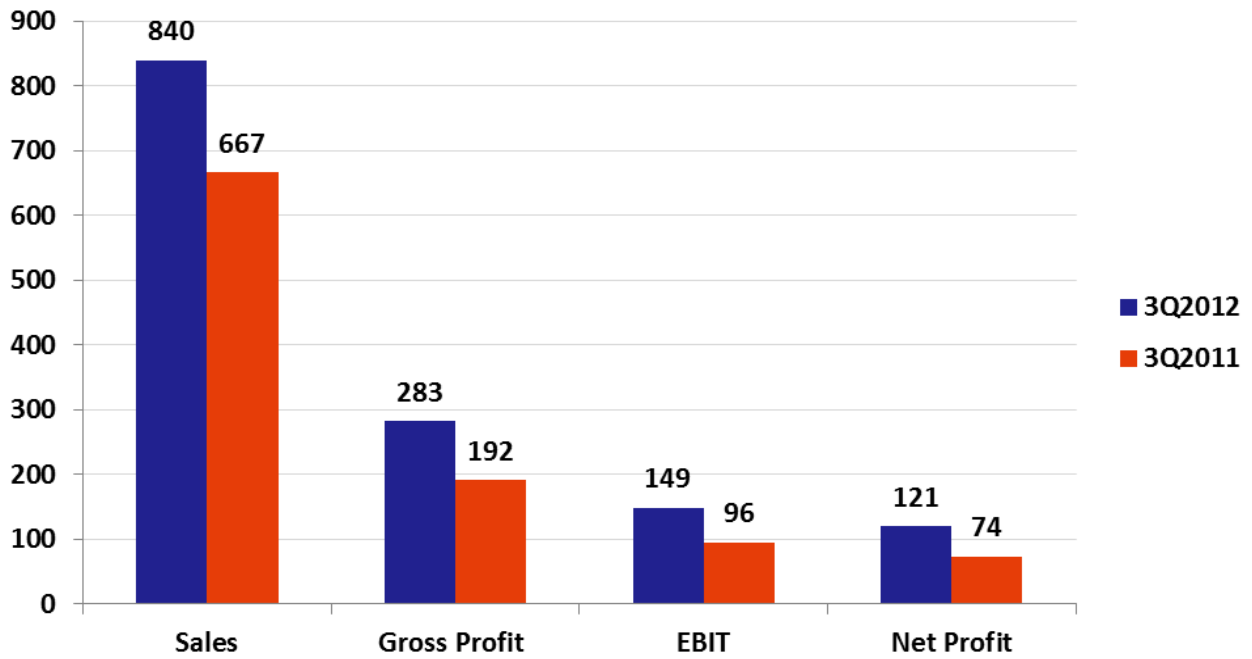


Figure 2: Group Consolidated Performance for 3Q2012





CONSOLIDATED INCOME STATEMENT

EGP Million	3Q2012	3Q2011	% Change	9M2012	9M2011	% Change
Net Sales	840	667	26%	2,108	1,668	26%
COGS	(557)	(475)	17%	(1,453)	(1,187)	22%
Gross Profit	283	192	47%	655	481	36%
<i>Gross Profit Margin</i>	34%	29%	493bps	31%	29%	226bps
Sales & Distribution Expense	(100)	(78)	28%	(261)	(184)	42%
General & administrative expense	(25)	(25)	-3%	(79)	(73)	7%
Other Operating Revenue (Expenses)	(10)	7	-242%	(8)	11	-173%
EBIT	149	96	56%	307	235	31%
<i>EBIT Margin</i>	18%	14%	345bps	15%	14%	50bps
Parent company share in associates net	(0.5)	1	-177%	1	3	-71%
Finance cost	(7)	(11)	-30%	(35)	(29)	22%
Net Profit Before Tax (EBT)	141	86	65%	273	209	31%
Income tax expense	(21)	(12)	73%	(33)	(23)	42%
Net profit After Tax	121	74	64%	240	186	29%
Net Profit Margin	14%	11%	334bps	11%	11%	25bps
EBITDA	186	132	41%	414	342	21%
<i>EBITDA Margin</i>	22%	20%	239bps	20%	20%	-85bps

COMMENTING ON 3Q2012 & 9M2012 RESULTS

- The company achieved a gross profit margin of 34% during 3Q2012 which contributed positively to 3Q2012 net profit increase of 64% to EGP 121 million.
- It is worth noting that during 9M2012, net profit margin did not change significantly compared with the same period last year.



III-SEGMENT ANALYSIS

I- LOCAL SALES

Below is an overview of the net sales generated by each of the Group's segments from the Egyptian market for 3Q2012 and 9M2012. Net sales grew by 24% during 3Q2012 and 26% during 9M2012.

Net Sales by Segment (EGP Mil)						
	3Q12	3Q11	% Change	9M2012	9M2011	% Change
Dairy	368	294	25%	962	780	23%
Yogurt	266	226	18%	612	473	29%
Juice	153	120	28%	387	306	26%
Concentrates	6	3	90%	14	9	54%
Agriculture	3	1	293%	23	18	26%
Total	796	644	24%	1,997	1,586	26%

1- DAIRY SEGMENT

During 3Q2012, dairy sales grew 25%. The gross profit margin improved by 636bps to 33%.

Dairy Segment Sales & Gross Profit (EGP Mil)						
	3Q12	3Q11	% Change	9M2012	9M2011	% Change
Sales(Ton)	51,269	42,607	20%	137,459	115,751	19%
Net Sales	368	294	25%	962	780	23%
Gross Profit	123	80	54%	293	216	36%
Gross Profit Margin	33%	27%	636bps	30%	28%	284bps





2- YOGURT SEGMENT

Yogurt sales reported a y-o-y growth of 18% during 3Q2012.

Yogurt Segment Sales & Gross Profit (EGP Mil)						
	3Q12	3Q11	Growth	9M2012	9M2011	Growth
Sales(Ton)	25,313	21,743	16%	58,453	47,612	23%
Net Sales	266	226	18%	612	473	29%
Gross Profit	104	76	38%	225	161	40%
Gross Profit Margin	39%	33%	554bps	37%	34%	271bps

3- JUICE SEGMENT

Juice and drinks sales reported y-o-y growth of 28% during 3Q2012; the growth outpaced all the other segments. Gross profit margins improved due to the company's focus on higher margin products through marketing and advertising campaigns.

Juice Segment Sales & Gross Profit (EGP Mil)						
	3Q12	3Q11	Growth	9M2012	9M2011	Growth
Sales(Ton)	23,593	18,849	25%	59,984	48,014	25%
Net Sales	153	120	28%	386	306	26%
Gross Profit	49	35	41%	118	87	35%
Gross Profit Margin	32%	29%	296bps	30%	28%	200bps



4- CONCENTRATES SEGMENT

Concentrates sales and gross profit margins continue to improve.

	Concentrates Segment Sales & Gross Profit (EGP Mil)					
	3Q12	3Q11	Growth	9M2012	9M2011	Growth
Sales(Ton)	760	658	16%	1,442	1,189	21%
Net Sales	6	3	90%	14	9	54%
Gross Profit	0	-1	-	3	-1	-
Gross Profit Margin	8%	-36%	-	20%	-16%	-

5- AGRICULTURAL SEGMENT

The agricultural sector is currently undergoing significant investment expansions in land reclamation, agriculture and dairy farming.

	Agricultural Segment Sales & Gross Profit (EGP Mil)					
	3Q12	3Q11	Growth	9M2012	9M2011	Growth
Sales(Ton)	4,819	1,822	165%	27,686	14,712	88%
Net Sales	3	1	293%	23	18	26%
Gross Profit	-3	-0.5	-	-1	8	-116%
Gross Profit Margin	-104%	-66%	-	-5%	45%	-



II-EXPORT SALES

Exports to Libya have been rising while opening new export markets contributed to the overall improvement in sales.

	Export Sales & Gross Profit (EGP Mil)					
	3Q12	3Q11	Growth	9M2012	9M2011	Growth
Sales(Ton)	6,862	4,553	51%	18,651	12,193	53%
Net Sales	44	24	86%	111	81	36%
Gross Profit	10	4	171%	17	10	76%
Gross Profit Margin	22%	15%	679bps	15%	12%	354bps





ABOUT JUHAYNA FOOD INDUSTRIES

Juhayna Food Industries a leading producer and distributor of milk, juice and yogurt products was established in 1983 by Safwan Thabet along with a number of other founders with a paid in capital of EGP 1.3 million.

Production began in 1987 with a production capacity of 35 tons/day and total sales of EGP 2.4 million. Keeping a vigilant eye on consumer needs, Juhayna over the past 25 years established itself as the most popular household name throughout Egypt.

The company owns six plants, in addition to 21 sales and distribution branches. Currently Juhayna has a paid in capital of EGP 706 million, a work force of 3,700 employees and a production capacity of 2,900 tons/day.

