



Earnings Release: Fourth Quarter & Full Year 2012

14 February 2013

(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 fourth quarter and full year 2012.

I-FINANCIAL HIGHLIGHTS

Fourth Quarter 2012

- **Revenue** reached EGP 747 million, 30% increase over 4Q11.
- **Gross profit** reached EGP 237 million, 54% increase over 4Q11.
- **EBIT** reached EGP 100 million, 96% increase over 4Q11.
- **Dairy** sales grew 27% y-o-y to EGP 401 million, with gross margins at 34%
- **Yogurt** sales increased 33% y-o-y to EGP 187 million, with gross margin at 38%
- **Juice** sales increased 28% y-o-y EGP 136 million, with gross margins at 33%.
- **Concentrates** sales grew 687%y-o-y to EGP 17 million, with gross margins at 16%.
- **Agriculture** sales declined 48% y-o-y to EGP 6 million, with gross margins at -294%.

Full Year 2012

- **Revenue** reached EGP 2,855 million, 27% increase over 2011.
- **Gross profit** reached EGP 892 million, 41% increase over 2011.
- **EBIT** reached EGP 407 million, 43% increase over 2011.
- **Net income** totaled EGP 325 million, 75% increase over 2011.
- **Dairy** sales grew 27% y-o-y to EGP 1,440 million, with gross margins at 30%.
- **Yogurt** sales increased 30% to EGP 800 million, with gross margins at 37%.
- **Juice** sales increased 27% to EGP 535 million, with gross margins at 31%.
- **Concentrates** sales increased 16% to EGP 52 million, with gross margins at 21%.
- **Agriculture** sales declined 2% to EGP 28 million, with gross margins at -65%.





To Our Shareholders

Juhayna Food Industries reported a strong fourth quarter which enabled us to place a strong finish for the year.

Juhayna Food Industries for 2012 reported net sales of EGP2.8 billion with a y-o-y growth of 27%, while earnings stood at EGP325 million marking a growth of 75%.

The results were a reflection of our confidence in the Egyptian consumer and our investment strategies of EGP650 million over the past year. The increase in the number of sales and distribution centers, distribution fleet expansion, the addition of new production and filling lines, product development, extensive marketing campaigns in addition to work force development , altogether contributed to the overall efficient operations.

We expect more stability during the current year which should ultimately lead to a better economic climate, as such we strive to:

- Continue to achieve record sales growth.
- Operate the new Egyfood yogurt plants before the summer and Ramadan seasons.
- Conduct a preliminary operation of the dairy farm.
- Establish new sales and distribution centers.
- Seek highly motivated and qualified personnel

We remain confident in our outlook. We will continue to proceed with our investment and operational plans geared towards developing and expanding our manufacturing, trading, agricultural and dairy farming operations.

Safwan Thabet

Chairman & CEO



Figure 1: Revenue Breakdown for Full Year 2012 vs. 2011

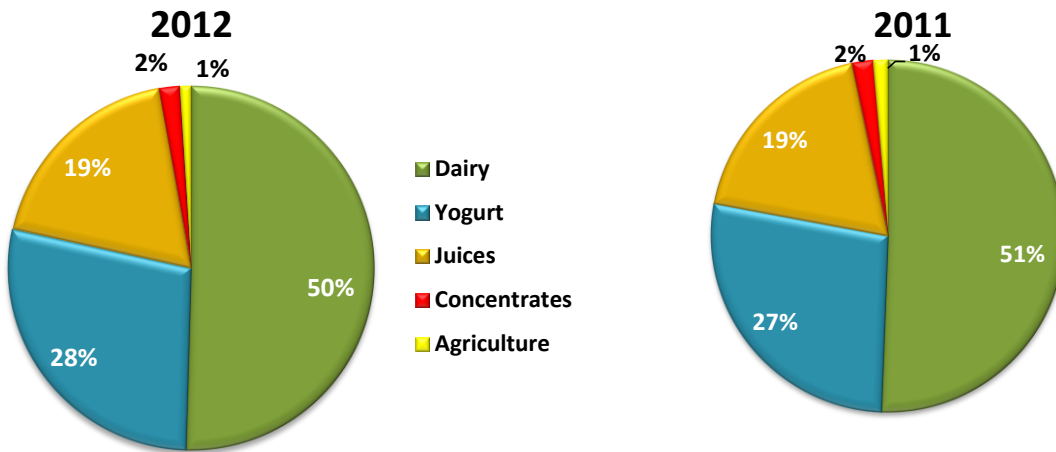
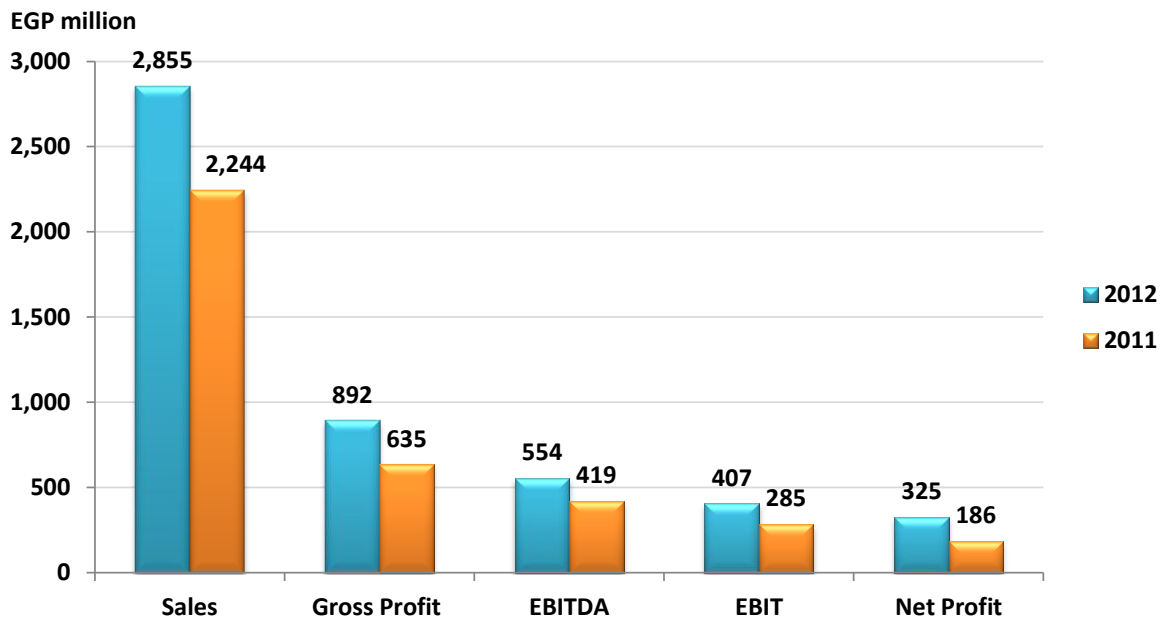


Figure 2: Group Consolidated Performance for Full Year 2012





CONSOLIDATED INCOME STATEMENT

EGP Million	2012	2011	% Change
Net Sales	2,855	2,244	27%
COGS	(1,963)	(1,609)	22%
Gross Profit	892	635	41%
<i>Gross Profit Margin</i>	31%	28%	295bps
Sales & Distribution Expense	(353)	(255)	38%
General & administrative expense	(115)	(104)	11%
Other Operating Revenue (Expenses)	(17)	10	
EBIT	407	285	43%
<i>EBIT Margin</i>	14%	13%	153bps
Egyfood Factory Fire Loss		(41)	
Finance cost	(24)	(36)	-33%
Net Profit Before Tax (EBT)	383	209	83%
Income tax expense	(57)	(23)	151%
Net profit After Tax	325	186	75%
Net profit	325	186	75%
<i>Net Profit Margin</i>	11%	8%	311bps
EBITDA	554	419	32%
<i>EBITDA Margin</i>	19%	19%	73bps

COMMENTING ON FULL YEAR 2012 RESULTS

- The company reported a gross profit of EGP892 million with a y-o-y growth of 41% and a gross profit margin of 31%. The gross profit and margin expansion was driven largely by 27% sales growth, previous price increases, cost savings; all impacted the EGP 325 million net profit of the year and net profit margin of 11%.



III-SEGMENT ANALYSIS

I- LOCAL SALES

Below is an overview of the net sales generated by each of the Group's segments for 4Q2012 and full year 2012 compared to the same period last year. Net sales grew by 27% during 4Q2012 and 26% during 2012.

Net Sales by Segment (EGP Mil)						
	4Q12	4Q11	Change	2012	2011	Change
Dairy	386	306	26%	1,347	1,086	24%
Yogurt	187	140	33%	800	614	30%
Juice	133	104	28%	520	411	27%
Concentrates	3	2	30%	17	11	50%
Agriculture	6	11	-48%	28	29	-2%
Total	714	564	27%	2,711	2,150	26%

1- DAIRY SEGMENT

During 2012, dairy sales increased by 24% attained due to growth in sales capacities, marketing and advertising campaigns in addition to the development of the milk packages. Gross profit margin improved by 530bps to 32%.

Dairy Segment Sales & Gross Profit (EGP Mil)						
	4Q12	4Q11	Change	2012	2011	Change
Sales(Ton)	53,615	44,665	20%	191,074	160,414	19%
Net Sales	386	306	26%	1,347	1,086	24%
Gross Profit	132	70	90%	425	285	49%
Gross Profit Margin	34%	23%	1151bps	32%	26%	530bps



2- YOGURT SEGMENT

Yogurt sales reported a y-o-y growth of 30% during 2012 and a gross profit margin of 37%.

Yogurt Segment Sales & Gross Profit (EGP Mil)						
	4Q12	4Q11	Change	2012	2011	Change
Sales(Ton)	17,821	13,582	31%	76,274	61,194	25%
Net Sales	187	140	33%	800	614	30%
Gross Profit	71	51	40%	296	212	40%
Gross Profit Margin	38%	36%	183bps	37%	35%	251bps

3- JUICE SEGMENT

Juice and drinks sales reported y-o-y growth of 27% during 2012. Gross profit margins improved 359 bps to 31% due to the company's focus on higher margin products through marketing and advertising campaigns.

Juice Segment Sales & Gross Profit (EGP Mil)						
	4Q12	4Q11	Change	2012	2011	Change
Sales(Ton)	20,157	16,771	20%	80,140	64,784	24%
Net Sales	133	104	28%	520	411	27%
Gross Profit	45	27	69%	163	114	43%
Gross Profit Margin	34%	26%	823bps	31%	28%	359bps





4- CONCENTRATES SEGMENT

The concentrate segment represents significant importance to Juhayna, where more than 50% of its production is being used in juice manufacturing by the company, while the surplus is being sold either to third parties or exported to Arab countries. Concentrate sales during 2012 (excluding sales to Juhayna) reported a y-o-y growth of 50%.

	Concentrates Segment Sales & Gross Profit (EGP Mil)					
	4Q12	4Q11	Change	2012	2011	Change
Sales(Ton)	600	122	391%	2,050	1,312	56%
Net Sales	3	2	30%	17	11	50%
Gross Profit	0	3	-95%	3	1	103%
Gross Profit Margin	5%	147%	-	17%	13%	457ps



5- AGRICULTURAL SEGMENT

The agricultural sector witnessed significant decline in gross profit margins mainly due to the unexpected cold weather which caused crop losses. An export ban to Europe increased local supplies and drove prices down. Plans are currently underway to improve sales and gross profit margins.

	Agricultural Segment Sales & Gross Profit (EGP Mil)					
	4Q12	4Q11	Change	2012	2011	Change
Sales(Ton)	3,557	6,460	-45%	31,243	21,172	48%
Net Sales	6	11	-48%	28	29	-2%
Gross Profit	-17	2	-967%	-18	10	-282%
Gross Profit Margin	-294%	18%	-	-65%	35%	-

II-EXPORT SALES

Exports reported y-o-y growth of 54%. Gross profit margins improved 298 bps to 16%

	Export Sales & Gross Profit (EGP Mil)					
	4Q12	4Q11	Change	2012	2011	Change
Sales(Ton)	4,300	2,480	73%	22,951	14,675	56%
Net Sales	33	12	174%	144	93	54%
Gross Profit	6	2	138%	23	12	89%
Gross Profit Margin	18%	20%	-263bps	16%	13%	298bps





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 25 sales and distribution branches. Currently Juhayna has a paid in capital of EGP 706 million, a work force of 4,152 employees.

