

## Almarai Company announces its interim consolidated financial results for the period ended 31 December 2011 (Twelve Months)

Almarai Company (Almarai) announces its interim consolidated financial results for the period ended 31 December 2011.

- 1) For the fourth quarter ended 31 December 2011 Almarai generated an interim consolidated net income amounting to SAR 285.5 million, an increase of 0.6%, compared to the same period last year (SAR 283.8 million) and a decrease of (33.5%) compared to the third quarter 2011 (SAR 429.7 million).
- 2) Interim gross profit for the fourth quarter ended 31 December 2011 amounted to SAR 723.8 million, an increase of 8.3%, compared to the same period last year (SAR 668.3 million).
- 3) Interim operating profit for the fourth quarter ended 31 December 2011 amounted to SAR 343.4 million compared to the same period last year (SAR 320.4 million), an increase of 7.2%.
- 4) The interim consolidated net income for the twelve months ended 31 December 2011 amounted SAR 1,299.8 million, an increase of 1.1% compared to the same period last year (SAR 1,285.4 million).
- 5) The interim Earnings per share (EPS) for the twelve months ended 31 December 2011 was SAR 5.65 compared to SAR 5.59 for the prior year.
- 6) The interim Gross profit for the twelve months ended 31 December 2011 amounted to SAR 2,996.5 million, an increase of 9.5% compared to the same period last year (SAR 2,735.9 million).
- 7) The interim Operating profit for the twelve months ended 31 December 2011 amounted to SAR 1,517.6 million, an increase of 3.9% compared to the same period last year (SAR 1,460.7 million).
- 8) Sales for the fourth quarter ended 31 December 2011 amounted to SAR 2,089.3 million, an increase of 16.2% compared to the same period last year (SAR 1,798.8 million).
- 9) Sales for the twelve months ended 31 December 2011 amounted to SAR 7,951.0 million, an increase of 14.7% compared to the same period last year (SAR 6,930.9 million).
- 10) Almarai has maintained its market shares and target growth rates for all key products, recording 14.7% growth for the year 2011 and 16.1% for the fourth quarter, compared with the same period last year. Almarai's continuous growth can be attributed to diversification into new categories, successful product innovation and continuous improvements in quality and service. Consequently, Almarai profit growth recorded 1.1% for the year 2011 and 0.6% for the fourth quarter, with margins impacted by the increase in raw material costs.

Due to the seasonality in consumption of many products within Almarai's portfolio, a comparison with the same period last year is a valid measurement of Almarai's performance as opposed to a comparison with the preceding quarter.

Note that the results for the fourth quarter do not include any impairment of the investment in Zain. The fair value of the Zain equity investment has been significantly below cost for a prolonged period of time and Almarai management now consider the investment to be impaired. Accordingly, management is assessing the quantum of impairment and will recognize the impairment loss in its annual consolidated financial statements for the year ended 31 December 2011.