

Press Release 21.01.2006: Q4 2005

Almarai Company (Almarai) today announced its results for the fourth quarter of 2005 and the annual results of 2005. Net profit for the fourth quarter increased by 13.1% to SAR 106.9 million compared to the same period in the prior year. Net profit for the full year increased by 4.3% to SAR 386.1 million compared to the prior year.

Commenting on these results, His Highness Prince Sultan Bin Mohammed Bin Saud Al Kabeer stated:

"The record results reflect Almarai's very strong growth in sales revenue year on year as well as the efficient management of our state of the art production and distribution facilities. Despite significantly increasing prices of raw materials due to escalating commodity prices, changes in foreign currencies and increasing financing costs, Almarai had a record year due to significant growth in sales volumes and the efficient management of resources."

In the fourth quarter sales increased by 19.7% to SAR 603.7million compared to the same period in the prior year. Sales for the full year increased by 13.8% to SAR 2,146.1 million compared to the prior year. Gross profit for the fourth quarter increased by 17.6% to SAR 229 million compared to the same period in the prior year. Gross profit for the full year increased by 11.6% to SAR 846.8 million compared to the prior year.

Net assets increased by 10.5% to SAR 1,428.8 million. This reflects the very significant investment made by the company in its farming, production and distribution facilities and in particular the commissioning of the Company's SAR 677 million investments in its new processing plant at Al Kharj.

The investments made have allowed Almarai to expand its production and distribution facilities as well as implement the most modern technologies available. As result of that Almarai expect 2006 to be another strong year of growth and profitability.

I would like to thank the Board as well as the management and employees of the company for their hard work and support in ensuring the continuing success of Almarai and I would like to emphasize that we will continue to focus on meeting our shareholders' expectations in 2006."

The company is going to publish its financial statements on TADAWUL website by the end of this week.