

Press Release 08.11.2008

Almarai makes an offer to acquire Hail Agriculture Development Company



Almarai Company (“**Almarai**”) announces that it has submitted on Thursday 6 November 2008 a formal offer to the Board of Directors of Hail Agriculture Development Company (“**HADCO**”) to acquire 100 per cent of the outstanding share capital of HADCO in exchange for new shares to be issued by Almarai in the ratio of 1 new Almarai share for every 6 HADCO shares. This equates to the issue of 5 million new Almarai shares to HADCO shareholders.

The proposed offer represents a 29 per cent premium to the closing share price of HADCO as at 5 November 2008 based on the closing share price of Almarai as at the same date.

The proposed offer has been approved by the Board of Directors of Almarai, however any final offer by Almarai is subject to confirmatory financial, technical, commercial, and legal due diligence and completion of the proposed acquisition will be subject to obtaining the necessary approvals required by the Capital Market Authority and the approval of the shareholders of Almarai and HADCO.

Almarai is committed to completing the proposed transaction in a quick and efficient time frame and will announce further details in due course.