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Almarai reaffirms its commitment to the Food & Beverage sector in the region and announces a Capital Investment Program for the period 2016-2020 amounting to SAR 21 Billion

Almarai Company is pleased to announce to its shareholders that, in a meeting on Monday, 25th May 2015, the Board of Directors of Almarai reviewed the strategic 5 Year Plan for the period 2016-2020. During this meeting, the Board reaffirmed its vision for Almarai to become the consumers' preferred choice in the Arab world, providing superior, nutritious Food and Beverage products that best meet consumer needs.

The objectives set by the Board include increasing further its presence in all segments and geographies where it operates, targeting to double consolidated sales, while improving the financial performance.

The Board is confident that the strategies and action plans in place, in the traditional core businesses of Dairy, Juice and Bakery; the developing businesses in the Poultry and Infant Nutrition categories as well as the Dairy and Juice businesses in Egypt and Jordan, through the Joint-Venture International Dairy and Juice (IDJ), will deliver against these ambitious objectives

To meet these goals, the Board of Directors reviewed and approved the proposed capital investment plan, which for the 5 year period (2016-2020) will reach SAR 21 billion in total.

In addition to the replacement of the existing investment base, this program will cover the capacity expansion needs in all areas of the company's integrated business model (farming, manufacturing,

distribution and logistics). The program also addresses the investments required in product renovation and innovation.

In addition to the company's financing capabilities, either via traditional bank facilities, SIDF and ADF funds or via the Sukuk program currently in place, the growing operating cash-flow will be dedicated to finance these investments.

This strategic review reaffirms the view of the Board of Directors on the key role of Almarai as a major actor in food security and continued investment in the Food and Beverage industry in the Kingdom.