



ALMARAI COMPANY
A SAUDI JOINT STOCK COMPANY

THE INTERIM CONSOLIDATED FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS'
REVIEW REPORT FOR THE SIX MONTHS
ENDED 30 JUNE 2008

ALMARAI COMPANY
A SAUDI JOINT STOCK COMPANY

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INDEPENDENT AUDITORS' REVIEW REPORT TO THE SHAREHOLDERS OF ALMARAI COMPANY, A SAUDI JOINT STOCK COMPANY


SCOPE:

We have reviewed the accompanying interim consolidated balance sheet of Almarai Company (A Saudi Joint Stock Company) ("the Company") and its subsidiaries (the Group) as at 30 June 2008, the related interim consolidated statements of income, cash flows and changes in shareholders' equity for the three and six month periods then ended and notes 1 to 8 which form part of these interim consolidated financial statements. These interim consolidated financial statements are the responsibility of the Group's management and have been prepared by them and submitted to us together with all the information and explanations which we required. We conducted our review in accordance with the Standard on Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants (SOCPA). A review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

CONCLUSION:

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim consolidated financial statements as of and for the three and six month periods ended 30 June 2008 for them to be in conformity with accounting standards generally accepted in the Kingdom of Saudi Arabia.

For Ernst & Young



Abdulaziz A. Al-Sowailim
Certified Public Accountant
Licence No. 277

Riyadh: 6 Rajab 1429 A.H.
(9 July 2008)



ALMARAI COMPANY
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INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2008

	Notes	30 June 2008 (Unaudited) SAR '000	31 December 2007 (Audited) SAR '000	30 June 2007 (Unaudited) SAR '000
ASSETS				
Current Assets				
Cash and Cash Equivalents		190,184	137,975	25,621
Derivative Financial Instruments		12,324	938	-
Receivables and Prepayments		487,847	367,810	331,598
Inventories		947,436	733,573	541,448
Total Current Assets		1,637,791	1,240,296	898,667
Non Current Assets				
Investments and Financial Assets	4	974,087	471,074	7,000
Property, Plant and Equipment		4,649,092	4,041,132	3,697,122
Intangible Assets - Goodwill		548,636	548,636	548,636
Deferred Charges		42,970	34,692	16,931
Total Non Current Assets		6,214,785	5,095,534	4,269,689
TOTAL ASSETS		7,852,576	6,335,830	5,168,356
LIABILITIES AND EQUITY				
Current Liabilities				
Short Term Loans	5	304,647	182,348	114,601
Payables and Accruals		796,536	575,337	453,658
Derivative Financial Instruments		-	10,033	-
Total Current Liabilities		1,101,183	767,718	568,259
Non Current Liabilities				
Long Term Loans	5	2,915,797	2,409,428	1,821,152
Employees' Termination Benefits		119,043	104,903	95,217
Total Non Current Liabilities		3,034,840	2,514,331	1,916,369
Shareholders' Equity				
Share Capital		1,090,000	1,090,000	1,090,000
Share Premium		612,000	612,000	612,000
Statutory Reserve		325,663	325,663	258,936
Other Reserves		515,337	(9,095)	-
Retained Earnings		1,159,805	1,034,878	722,455
Total Shareholders' Equity		3,702,805	3,053,446	2,683,391
Minority Interest		13,748	335	337
TOTAL LIABILITIES AND EQUITY		7,852,576	6,335,830	5,168,356

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONSOLIDATED
FINANCIAL STATEMENTS

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INTERIM CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE AND SIX MONTH PERIODS ENDED 30 JUNE 2008 (UNAUDITED)

	Notes	April - June 2008	April - June 2007	YTD 30 June 2008	YTD 30 June 2007
	—————	SAR '000	SAR '000	SAR '000	SAR '000
Sales	6	1,247,520	905,738	2,366,586	1,712,670
Cost of Sales		(732,993)	(534,576)	(1,435,800)	(1,029,817)
Gross Profit		514,527	371,162	930,786	682,853
Selling and Distribution Expenses		(186,283)	(142,801)	(357,736)	(276,835)
General and Administration Expenses		(55,022)	(37,227)	(105,372)	(70,299)
Income from Main Operations		273,222	191,134	467,678	335,719
Bank Charges		(31,125)	(21,325)	(58,986)	(39,480)
Income before Zakat and Minority Interest		242,097	169,809	408,692	296,239
Zakat		(7,032)	(4,468)	(11,309)	(7,975)
Income before Minority Interest		235,065	165,341	397,383	288,264
Minority Interest		167	(65)	44	(145)
Net Income for the Period		235,232	165,276	397,427	288,119
Earnings per Share (SAR)	7				
Attributable to income from main operations (in SAR)		2.51	1.75	4.29	3.08
Attributable to net income for the period (in SAR)		2.16	1.52	3.65	2.64

The operating results reported above in this interim consolidated statement of income present a true picture of the past performance of the Group, but are not necessarily indicative of future results.

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONSOLIDATED
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INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2008 (UNAUDITED)

	YTD 30 June 2008	YTD 30 June 2007
	<u>SAR '000</u>	<u>SAR '000</u>
<u>OPERATING ACTIVITIES</u>		
Net Income	397,427	288,119
Adjustments for:		
Depreciation of Property, Plant and Equipment	179,368	151,236
Net Livestock Appreciation	(72,808)	(44,829)
Loss on Disposal of Assets	29,394	10,113
Bank Charges	58,986	39,480
Change in Employees' Termination Benefits	14,140	9,823
Share of Minority Interest in Net Income of Consolidated Subsidiary	(44)	145
Changes in:		
Receivables and Prepayments	(120,037)	(91,257)
Inventories	(213,863)	(87,520)
Payables and Accruals	218,415	20,090
Cash Flows from Operating Activities	<u>490,978</u>	<u>295,400</u>
<u>INVESTING ACTIVITIES</u>		
Additions to Property, Plant and Equipment	(780,279)	(607,640)
Proceeds from the Sale of Property, Plant and Equipment	36,365	37,173
Acquisition of Investments and Financial Assets	-	(7,000)
Acquisition of Subsidiaries, Net of Cash Acquired	-	7,580
Cash Flows used in Investing Activities	<u>(743,914)</u>	<u>(569,887)</u>
<u>FINANCING ACTIVITIES</u>		
Increase in Loans	628,668	471,574
Dividends Paid	(270,259)	(199,364)
Bank Charges	(58,986)	(39,480)
Deferred Charges	(8,278)	301
Minority Interest Share in Modern Food Industries	14,000	-
Cash Flows from Financing Activities	<u>305,145</u>	<u>233,031</u>
Increase / (Decrease) in Cash and Cash Equivalents	52,209	(41,456)
Cash and Cash Equivalents at 1 January	137,975	67,077
Cash and Cash Equivalents at 30 June	<u>190,184</u>	<u>25,621</u>

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONSOLIDATED
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INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2008 (UNAUDITED)

	Attributable to equity holders of the parent							Total Equity
	Share Capital	Share Premium	Statutory Reserve	Other Reserves	Retained Earnings	Total	Minority Interest	
	SAR '000	SAR '000	SAR '000	SAR '000	SAR '000	SAR '000	SAR '000	
Balance at 1 January 2007	1,000,000	-	258,936	4,759	634,336	1,898,031	192	1,898,223
Net Income for the Period	-	-	-	-	288,119	288,119	145	288,264
Shares Issued	90,000	612,000	-	-	-	702,000	-	702,000
Dividends Declared	-	-	-	-	(200,000)	(200,000)	-	(200,000)
Net Movement on Cash Flow Hedges	-	-	-	(4,759)	-	(4,759)	-	(4,759)
Balance at 30 June 2007	1,090,000	612,000	258,936	-	722,455	2,683,391	337	2,683,728
Balance at 1 January 2008	1,090,000	612,000	325,663	(9,095)	1,034,878	3,053,446	335	3,053,781
Net Income for the Period	-	-	-	-	397,427	397,427	(44)	397,383
Dividends Declared	-	-	-	-	(272,500)	(272,500)	-	(272,500)
Distribution to Minority Interests	-	-	-	-	-	-	(543)	(543)
Net gain on Financial Investments	-	-	-	503,013	-	503,013	-	503,013
Net Movement on Cash Flow Hedges	-	-	-	21,419	-	21,419	-	21,419
Minority Interest Share in Modern Food Industries	-	-	-	-	-	-	14,000	14,000
Balance at 30 June 2008	1,090,000	612,000	325,663	515,337	1,159,805	3,702,805	13,748	3,716,553

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONSOLIDATED
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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2008 (UNAUDITED)

1. THE COMPANY AND ITS BUSINESS DESCRIPTION

Almarai Company (the "Company") is a Saudi Joint Stock Company, which was converted on 2 Rajab 1426 A.H. (8 August 2005). The Company initially commenced trading on 19 Dl' Hijjah 1411 A.H. (1 July 1991) and still operates under Commercial Registration No. 1010084223.

The Company and its subsidiaries (together, "the Group") are a major integrated consumer food group in the Middle East with leadership positions in the Kingdom of Saudi Arabia and the neighbouring Gulf Cooperative Council (GCC) countries.

The dairy, fruit juices and related food business is operated under the Almarai brand name. All raw milk production and related processing along with dairy food manufacturing activities are undertaken in Saudi Arabia and United Arab Emirates (UAE). Final consumer products are distributed from the manufacturing facilities in Saudi Arabia and UAE to local distribution centres by the Group's long haul distribution fleet.

The distribution centres in the GCC countries (except for Bahrain and Oman) are managed by the Group and operate within Distributor Agency Agreements as follows:

Kuwait	- Al Kharafi Brothers Dairy Products Company Limited
Qatar	- Khalid for Foodstuff and Trading Company
United Arab Emirates	- Bustan Al Khaleej Establishment

The Group operates in Bahrain and Oman through subsidiaries, Almarai Company Bahrain S.P.C. and Arabian Planets for Trade and Marketing L.L.C. respectively.

Almarai's bakery products trades under the brand name l'Usine and is operated by Western Bakeries Company Limited and International Baking Services Company Limited. These are two Limited Liability companies registered in the Kingdom of Saudi Arabia and based in Jeddah.

The Group's Head Office is located at the following address:

Exit 7, North Circle Road
Al Izdihar District
P.O. Box 8524
Riyadh 11492
Kingdom of Saudi Arabia

In the second quarter of 2007 Western Bakeries Company Limited entered into a joint venture to manufacture and distribute a range of bakery products under the "7 Days" brand. The joint venture company is formed with an initial share capital of SAR 35 million, 60% Western Bakeries Company Limited, 25% Chipita Saudi Arabia (Cyprus) Limited (a fully owned subsidiary of Vivartia SA) and 15% Olayan Financing Company. The company registration was finalized in April 2008 under the name of Modern Food Industries Company.

The IPO for Zain, the operator of Saudi Arabia's third mobile phone network, successfully took place from 2 to 11 Safar 1429 A.H. (9 to 18 February 2008). Through the IPO the Company's participating interest in Zain has been reduced to 2.5%. The shares started trading on the Saudi Arabian (Tadawul) stock exchange on 14 Rabia I 1429 A.H. (22 March 2008).

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
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Details of the subsidiary companies are as follows:

Name of Subsidiary	Country of Incorporation	Direct and Beneficial Ownership Interest	
		2008	2007
Western Bakeries Company Limited	Kingdom of Saudi Arabia	100%	100%
International Baking Services Company Limited	Kingdom of Saudi Arabia	100%	100%
Almarai Company Bahrain S.P.C	Kingdom of Bahrain	100%	100%
Markley Holdings Limited (Dormant)	Jersey	100%	100%
Arabian Planets for Trade and Marketing L.L.C.	Sultanate of Oman	90%	90%
Modern Food Industries Company	Kingdom of Saudi Arabia	60%	-

2. BASIS OF ACCOUNTING, PREPARATION, CONSOLIDATION & PRESENTATION OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

- (a) The interim consolidated financial statements have been prepared on the accrual basis under the historical cost convention (except for derivative financial instruments and investments that have been measured at fair value) and in compliance with the accounting standards issued by the Saudi Organisation for Certified Public Accountants (SOCPA).
- (b) The statutory records are maintained in Arabic.
- (c) When necessary, prior period comparatives have been regrouped or adjusted on a basis consistent with current period classification. Any adjustments are considered immaterial in the context of these consolidated financial statements.
- (d) These interim consolidated financial statements include assets, liabilities and the results of the operations of Almarai Company (the Company) and its subsidiaries (the Group) as set out in note (1) above. A subsidiary company is that in which the Company has, directly or indirectly, long term investment comprising an interest of more than 50% in the voting capital or over which it exerts practical control. A subsidiary company is consolidated from the date on which the Company obtains control until the date that control ceases. The interim consolidated financial statements are prepared on the basis of the individual financial statements of the company and the reviewed financial statements of its subsidiaries, as adjusted by the elimination of all significant inter group balances and transactions. Minority interests represent the portion of profit or loss and net assets not controlled by the Group and are presented separately in the consolidated statement of income and within equity in the interim consolidated balance sheet.
- (e) The figures in these interim consolidated financial statements are rounded to the nearest thousand.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2008 (UNAUDITED)

3. SIGNIFICANT ACCOUNTING POLICIES

A. Use of Estimates

The preparation of interim consolidated financial statements, in conformity with accounting standards generally accepted in the Kingdom of Saudi Arabia, requires the use of estimates and assumptions. Such estimates and assumptions may affect the balances reported for certain assets and liabilities as well as the disclosure of certain contingent assets and liabilities as at the balance sheet date. Any estimates or assumptions affecting assets and liabilities may also affect the reported revenues and expenses for the same reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

B. Revenue Recognition

Products are sold principally on a sale or return basis. Revenue is recognised on delivery of products to customers by the Group or its distributors, at which time risk and title passes, subject to the physical return of unsold products. Adjustment is made in respect of known actual returns.

C. Cash and Cash Equivalents

For the purposes of the interim consolidated statement of cash flows, cash and cash equivalents consists of bank balances, cash on hand, and investments that are readily convertible into known amounts of cash and have a maturity of three months or less when purchased.

D. Accounts Receivable

Accounts receivable are carried at the original invoiced amount less any provision made for doubtful debts. Provision is made for all debts for which the collection is considered doubtful. Bad debts are written off as incurred.

E. Inventory Valuation

Inventory is stated at the lower of cost and net realisable value. In general, cost is determined on a weighted average basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure based on the normal level of activity. Net realisable value comprises estimated price less further production costs to completion and appropriate selling and distribution costs. Provision is made, where necessary, for obsolete, slow moving and defective stocks.

F. Goodwill

Goodwill represents the difference between the cost of businesses acquired and the Group's share in the net fair value of the acquiree's assets liabilities and contingent liabilities at the date of acquisition. Goodwill arising on acquisitions is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2008 (UNAUDITED)

G. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. There is no open market for dairy livestock in the GCC against which to measure fair value. Accordingly, dairy livestock are treated as property, plant and equipment and included in the accounts at their cost of purchase or at the cost of rearing to the point of first calving, less accumulated depreciation. The cost of dairy youngstock is determined by the cost of rearing to their respective age.

Cows in the dairy herd are depreciated to their estimated residual value, at rates between 10% - 25%, based on their expected continuing useful life. Other property, plant and equipment are depreciated on a straight line basis at the following annual rates:

Buildings	3% - 10%
Plant, Machinery & Equipment	5% - 33%
Motor Vehicles	15% - 25%
Land is not depreciated	

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are expensed in the interim consolidated Statement of Income.

Except for goodwill, where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised as income immediately in the interim consolidated statement of income.

H. Conversion of Foreign Currency Transactions

During the financial period foreign currency transactions are converted and booked in Saudi Riyals at standard exchange rates which are periodically set to reflect average market rates or forward rates if the transactions were so covered. At the balance sheet date, assets and liabilities denominated in foreign currencies are converted into Saudi Riyals at the exchange rates ruling on such date or at the forward purchase rates if so covered. Any resulting exchange variances are charged or credited to the interim consolidated statement of income as appropriate.

I. Employees' Termination Benefits

Employees' termination benefits are payable as a lump sum to all employees employed under the terms and conditions of the Saudi Labour and Workman Law on termination of their employment contracts. The liability is calculated as the current value of the vested benefits to which the employee is entitled, should the employee leave at the balance sheet date. Termination payments are based on the employees' final salaries and allowances and their cumulative years of service, in compliance with the conditions stated in the laws of the Kingdom of Saudi Arabia.

J. Selling, Distribution, General & Administration Expenses

Selling, Distribution, General & Administration Expenses include direct and indirect costs not specifically part of Cost of Sales as required under accounting standards generally accepted in the Kingdom of Saudi Arabia. Allocations between Cost of Sales and Selling, Distribution, General and Administration Expenses, when required, are made on a consistent basis. The Group charges

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2008 (UNAUDITED)

payments in respect of long term agreements with customers and distributors to Selling and Distribution Expenses.

K. Management Fees

The Group credits fees charged in respect of the management of Arable Farms to General and Administration Expenses.

L. Zakat

Zakat is provided for in the interim consolidated balance sheet on the basis of an estimated Zakat assessment carried out in accordance with Saudi Department of Zakat and Income Tax (DZIT) regulations. Adjustments arising from final Zakat assessments are recorded in the period in which such assessments are made.

M. Operating Leases

Rentals in respect of operating leases are charged to the interim consolidated statement of income over the terms of the leases.

N. Investments in Securities

Investments in securities are measured and carried in the interim consolidated balance sheet at fair value with unrealised gains or losses recognised directly in equity. When the investment is disposed of or impaired the cumulative gain or loss previously recorded in equity is recognised in the interim consolidated statement of income. Where there is no market for the investments cost is taken as the most appropriate, objective and reliable measurement of fair value of the securities.

O. Hedging

Forward foreign exchange contracts are entered into to hedge exposure to changes in currency rates on purchases and other expenditures of the Group.

Interest rate swap agreements are entered into to hedge the exposure to interest rate changes of the Group's borrowings.

Forward purchase commodity contracts are entered into to hedge exposure to changes in price of commodities used by the Group.

All hedges are expected to be in the range of 80 – 125% effective and are assessed on an ongoing basis. All hedges are treated as cash flow hedges and gains / losses at market valuation are recorded as derivative financial instruments in the interim consolidated Balance Sheet and taken to other reserves in shareholders' equity. When the hedging instrument matures or expires any associated gain or loss in other reserves is reclassified to the interim consolidated statement of income, or the underlying asset purchased that was subjected to the hedge.

P. Statutory Reserve

In accordance with its Articles of Association and the regulations for Companies in the Kingdom of Saudi Arabia, the Group is required each year to transfer 10% of its net income to a Statutory Reserve until such reserve equals 50% of its share capital. This Statutory Reserve is not available for distribution to Shareholders.

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**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2008 (UNAUDITED)**

Q. Segmental Reporting

A segment is a distinguishable component of the group that is engaged either in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments.

4. INVESTMENTS AND FINANCIAL ASSETS

	30 June 2008 (Unaudited) SAR '000	31 December 2007 (Audited) SAR '000	30 June 2007 (Unaudited) SAR '000
Jannat for Agricultural Investment Company - 10%	7,000	7,000	7,000
Zain Equity Investment	857,500	354,487	-
Share of Zain Subordinated Funding Shareholders' Loan	109,587	109,587	-
	<u>974,087</u>	<u>471,074</u>	<u>7,000</u>

The Zain equity investment of 35 million shares at a par value of SAR 10 per share is measured at fair value based on a quoted market price for the shares on the Saudi Arabian (Tadawul) stock exchange at 30 June 2008 of SAR 24.50. This has resulted in an unrealised gain of SAR 503.0 million which is shown within other reserves in shareholders' equity.

5. LOANS

	30 June 2008 (Unaudited) SAR '000	31 December 2007 (Audited) SAR '000	30 June 2007 (Unaudited) SAR '000
Saudi Industrial Development Fund	574,610	544,280	426,680
Saudi Arabian Agricultural Bank	12,909	16,638	16,381
Islamic Banking Facilities (Murabaha)	2,632,925	2,030,858	1,492,692
	<u>3,220,444</u>	<u>2,591,776</u>	<u>1,935,753</u>

The borrowings of the Group from the Saudi Industrial Development Fund are secured by a mortgage on specific assets amounting to SAR 574.6 million as at 30 June 2008 (SAR 453.9 million as at 31 December 2007 and SAR 426.7 million as at 30 June 2007).

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2008 (UNAUDITED)

6. SEGMENT INFORMATION

The Group's principal business activities involve manufacturing and trading of dairy products, fruit juices, dairy and non-dairy foods (related foods), bakery products and investing activities. Selected financial information as at 30 June 2008 and 2007 and for the periods then ended categorised by these business segments, are as follows:

	Dairy, Fruit Juices & Related Foods	Bakery Products	Investing Activities	Total
	SAR '000	SAR '000	SAR '000	SAR '000
30 June 2008				
Sales	2,126,873	239,713	-	2,366,586
Depreciation of Property, Plant and Equipment	(157,586)	(21,782)	-	(179,368)
Income before Minority Interest	354,557	47,615	(4,789)	397,383
Total Assets	5,832,519	1,045,970	974,087	7,852,576
Total Liabilities	3,455,438	209,511	471,074	4,136,023
30 June 2007				
Sales	1,533,427	179,243	-	1,712,670
Depreciation of Property, Plant and Equipment	(134,644)	(16,592)	-	(151,236)
Income before Minority Interest	251,322	36,942	-	288,264
Total Assets	4,273,160	888,196	7,000	5,168,356
Total Liabilities	2,330,141	147,487	7,000	2,484,628

The business activities and operating assets of the Group are mainly concentrated in GCC countries, and selected financial information as at 30 June 2008 and 2007 and for the periods then ended, categorized by these geographic segments are as follows:

	Sales	Non- Current Assets
	SAR '000	SAR '000
30 June 2008		
GCC	2,337,605	6,214,785
Other Countries	28,981	-
Total	<u>2,366,586</u>	<u>6,214,785</u>
30 June 2007		
GCC	1,706,856	4,269,689
Other Countries	5,814	-
Total	<u>1,712,670</u>	<u>4,269,689</u>

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30 JUNE 2008 (UNAUDITED)

Analysis of Sales is given by Product Group as shown below.

	YTD	YTD
	30 June	30 June
	2008	2007
	<hr/>	<hr/>
	SAR '000	SAR '000
By Product Group		
Fresh Dairy	1,141,708	879,241
Long Life Dairy	242,913	149,714
Fruit Juice	226,052	133,786
Cheese and Butter	503,105	360,088
Bakery Products	239,713	179,243
Other	13,095	10,598
	<hr/>	<hr/>
	2,366,586	1,712,670
	<hr/>	<hr/>

7. EARNINGS PER SHARE

Earnings per Share are calculated on the total number of issued shares at 30 June 2008 and 30 June 2007 amounting to 109 million shares.

8. DIVIDENDS

On 16 Rabia I 1429 A.H. (24 March 2008), the General Assembly Meeting approved a dividend of SAR 272.5 million (SAR 2.5 per share) for the year ended 31 December 2007, which was paid on 1 Rabia II 1429 A.H. (7 April 2008).